Capital Power Investor Meetings

Brian Vaasjo, President & CEO
Stuart Lee, SVP & CFO
March, 2013

Capital Power overview

Growth-oriented independent power producer (IPP)

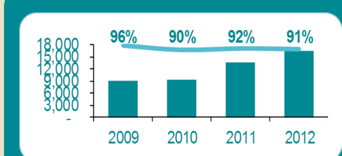
- Trading on the TSX (CPX); ~$2.3B market cap (diluted); EV ~$4.1B
- IPO in mid-2009 from the spin-off of power generation assets from EPCOR
- Growth through acquisitions / robust development pipeline

Straight-forward business model

- Balanced portfolio of long-term contracted assets and merchant components, supported by an investment grade credit rating
- Focused on target markets in Alberta, B.C., Ontario, US Southwest, US Northeast, and Mid-Atlantic US

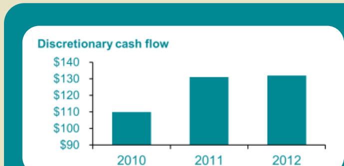
High-quality generation portfolio

- Young and modern fleet with generation capacity of more than 3,600 MW
- Current generation focused on three fuel types: natural gas, coal and wind



Proven operating and construction history

- 4-year average plant availability of ~92%
- Significant experience in the construction and operation of both thermal (coal, natural gas) and renewable (wind) facilities



Financial strength and strong cash flow generation

- Investment grade credit rating from S&P and DBRS
- 10% CAGR of discretionary cash flow from 2010-2012
- Attractive dividend yield of ~5.5%

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2012 Accomplishments

Commission 292 MW from two wind projects on time and under budgets

- Quality Wind - COD Nov 6/12 and ~10% under budget
- Halkirk - COD Dec 1/12 and ~8% under budget

Rationalized fleet and sharpened focus

- Divested small hydro facilities

Announced major expansion plans in Alberta

- Signed an agreement for a 50% interest in the Shepard Energy Centre with ENMAX;
  - 20-year tolling agreement with a fixed capacity charge and cost flow-through
- Plan to develop the Capital Power Energy Centre; natural gas facility (up to 900 MW)

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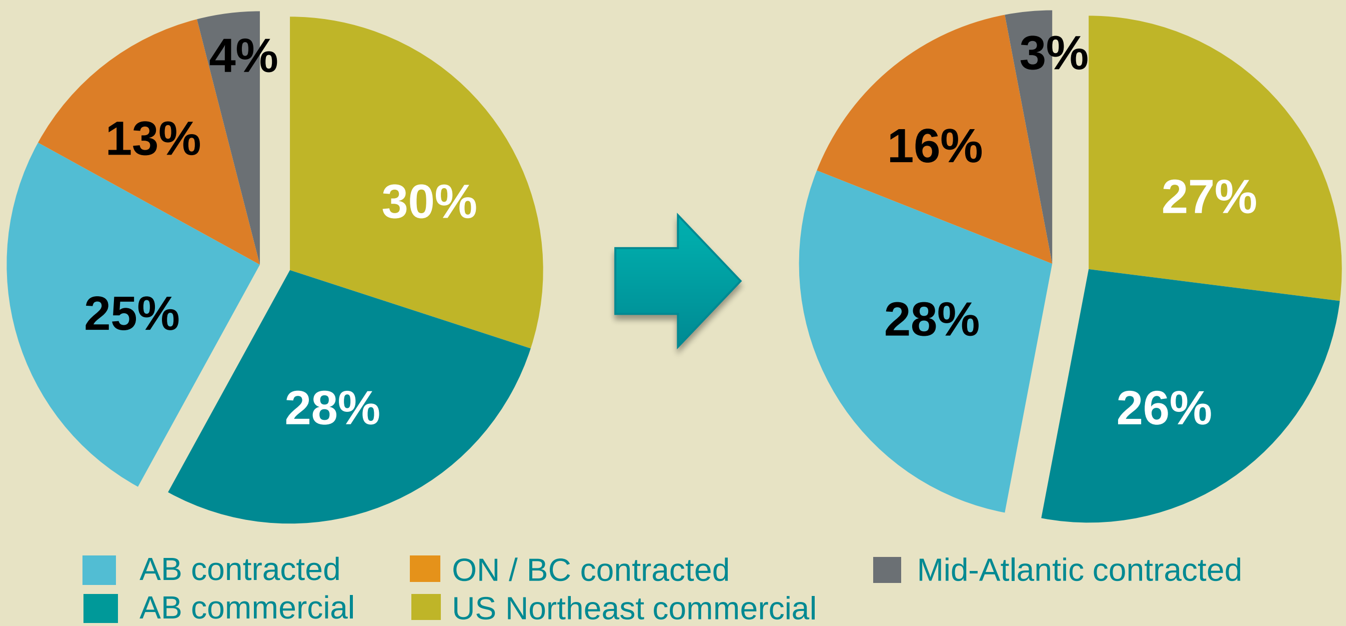
Balanced portfolio of merchant and contracted generation[1]

Today - 2012
15 facilities (3,623 MW)
- 42% capacity contracted

Year-end 2015E
17 facilities (4,068 MW[2])
- 47% capacity contracted



With the addition of the Shepard facility, contracted operating margin improves to 64% in 2015E compared to 38% in 2012

(1) Based on MW owned capacity as of Mar 1/13; excludes Sundance PPA (371 MW) and Clover Bar Landfill Gas (4.8 MW).
(2) Based on existing plants plus committed development projects.

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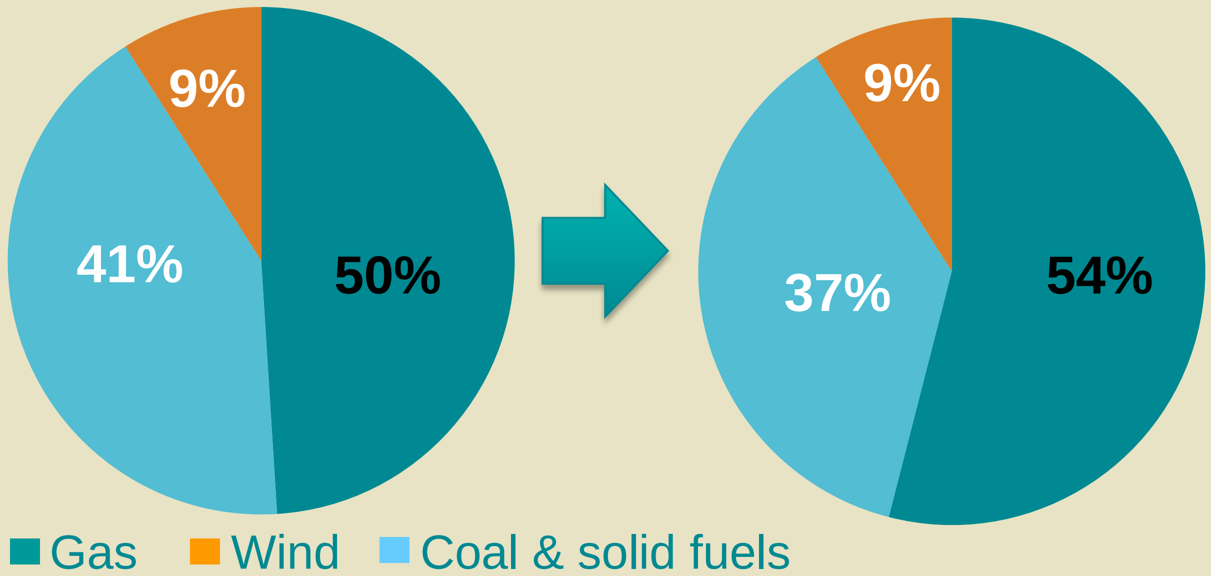
Technology focus[1]

Operations and growth are focused on: natural gas, coal, wind and solar

Current
15 facilities (3,623 MW)

By 2015 year-end
17 facilities (4,068 MW[2])



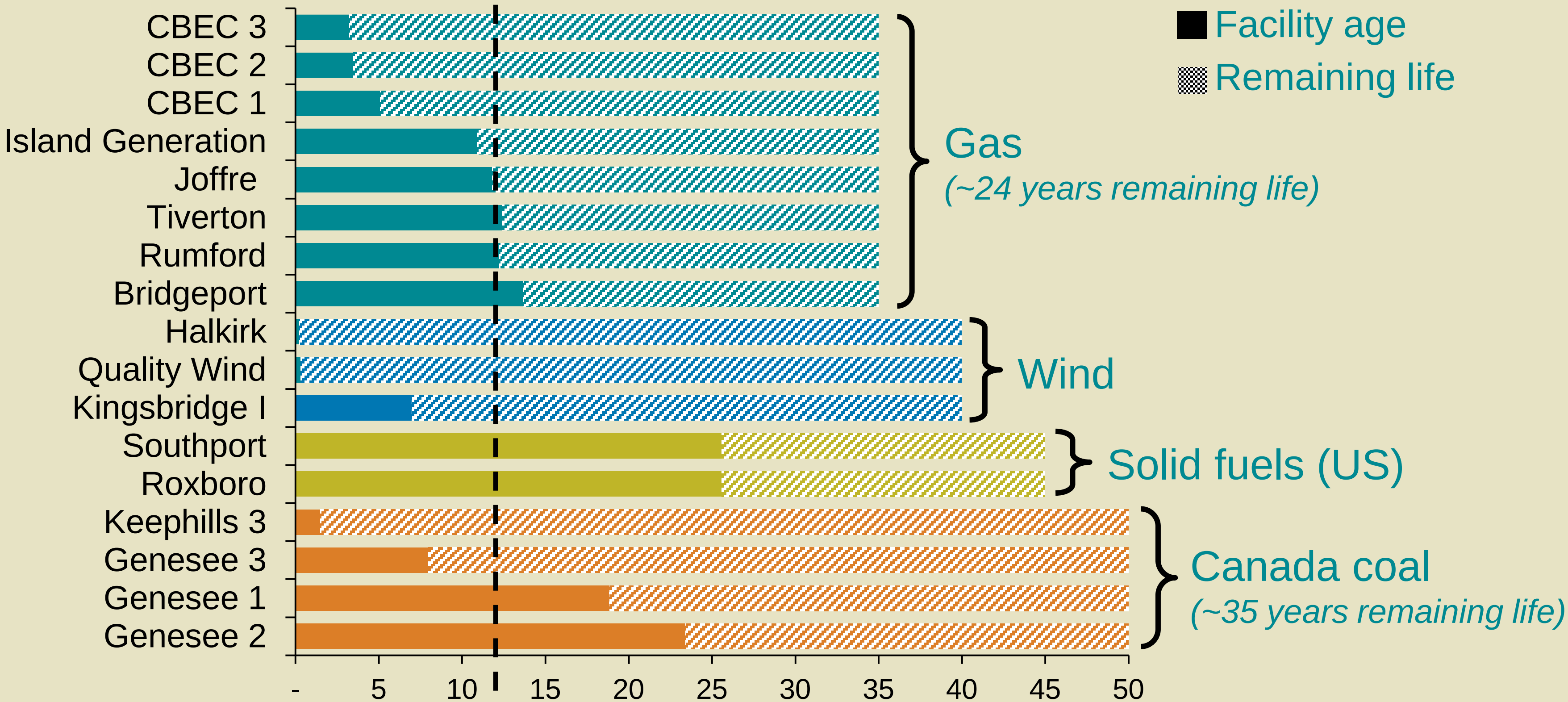
Interest in Shepard facility (400 MW) will increase natural gas generation from 50% to 54% of overall generation by 2015

(1) Based on MW owned capacity as of Jan 1/13; excludes Sundance PPA (371 MW), and Clover Bar Landfill Gas (4.8 MW).
(2) Based on existing plants plus committed development projects.

Modern fleet

Helps keep availability high and reduces risk of unplanned outages

- Average weighted facility age of the current fleet is 12.3 years(1)
- 2 new wind projects (195 MW) begin commercial operations in 2013 – 2015
- Shepard Energy Centre expected COD Q1/15 (400 MW CPC owned interest)



(1) Average facility age and remaining life weighted by owned capacity as of Mar 1/13.

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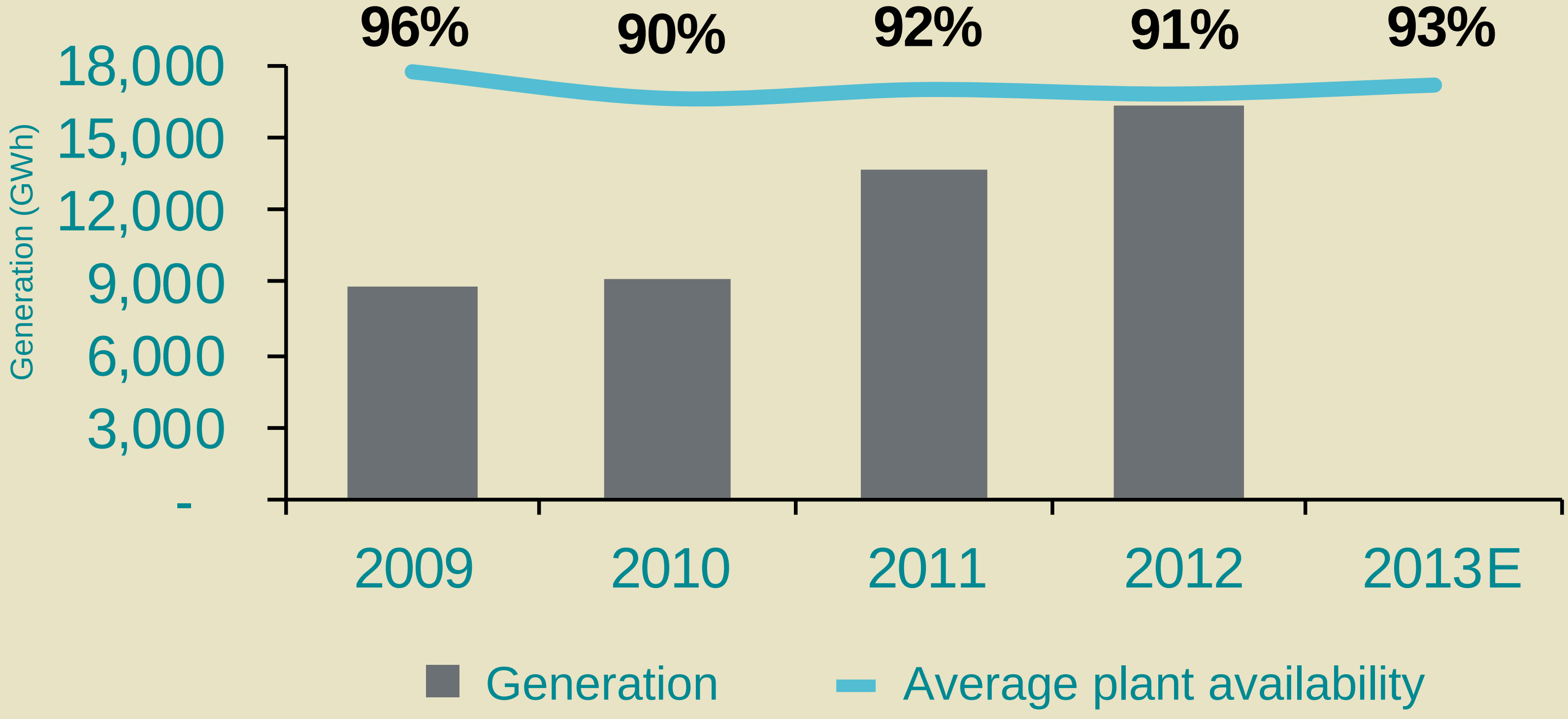
Proven operating excellence

Operating availability consistently 90%+ over a growing fleet and production volumes

Operating performance



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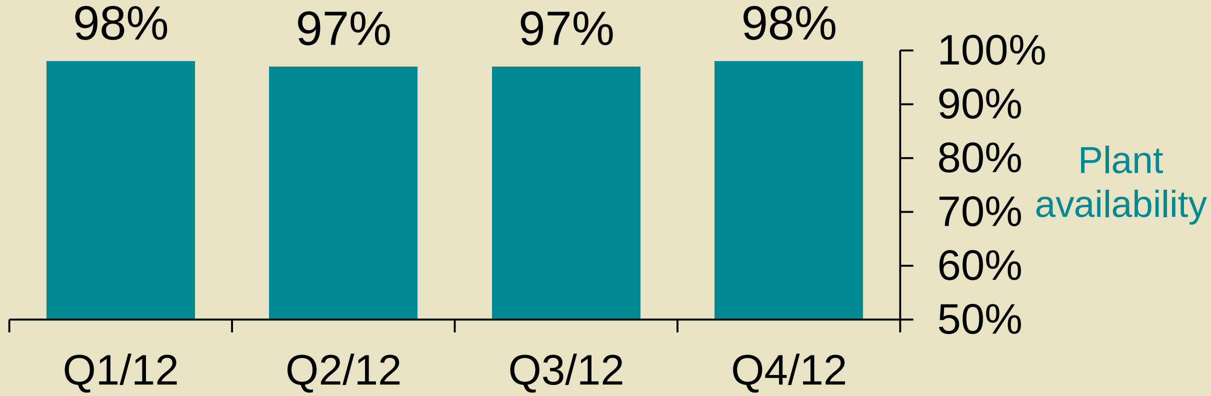
Clover Bar provides the best peaking responsiveness in Alberta

Excellent asset to take advantage of volatility and backstop AB fleet

- Clover Bar (243 MW) provides significant ability to manage our portfolio
  - Can power up to full load in 10 minutes, providing flexibility to respond to sudden changes in price and manage overall portfolio
  - Provides upside on power price increases and protects downside on plant outages
- Strong 2012 availability of 97%; reliability supported by participation in GE lease pool



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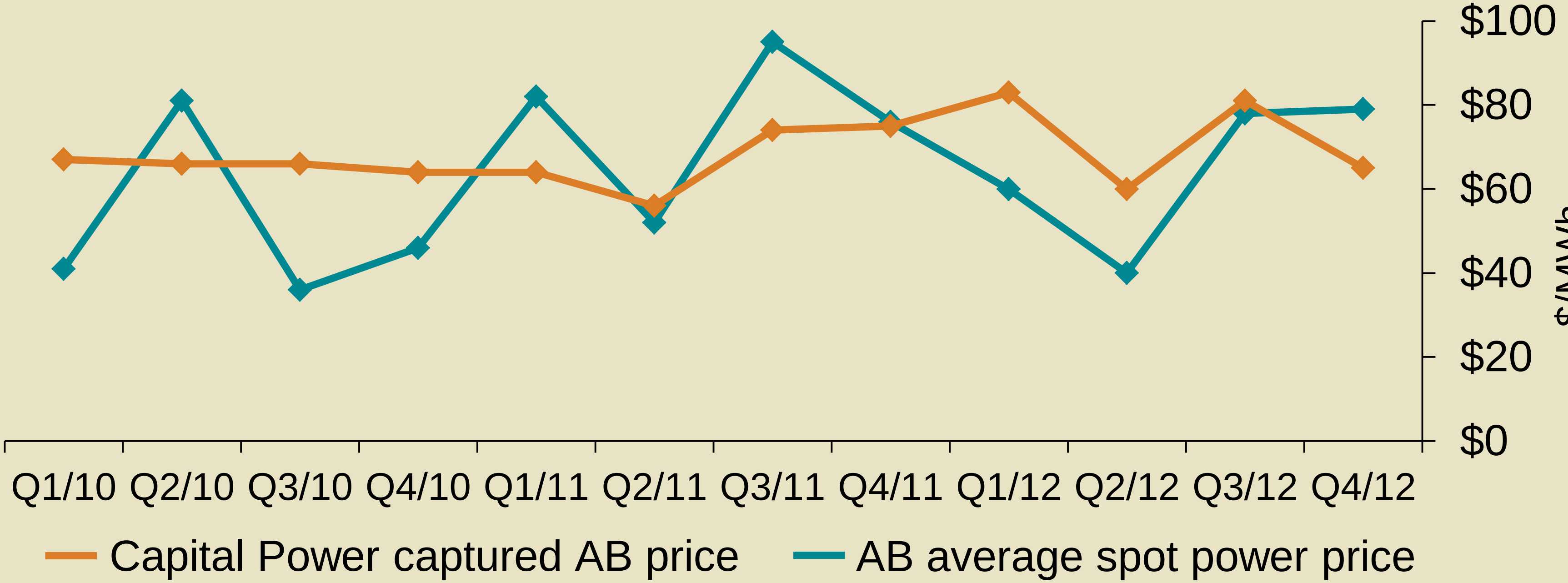
Capturing upside from AB power prices

- Hedging positions based primarily on generation from Genesee 3 and Keephills 3 baseload coal plants and output from the Sundance PPA
- Actively trading throughout various time periods to minimize portfolio risks, create incremental value, and reduce volatility

CPX's average realized power price has exceeded spot power prices by ~17% on average over the last 3 years



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North American footprint & target markets

Ownership interest in 15 facilities with more than 3,600 MW(1)

Alberta
- 1,943 MW of owned generation, increasing to ~3,100 MW with addition of Shepard and CPEC
- 243 MW of peaking generation

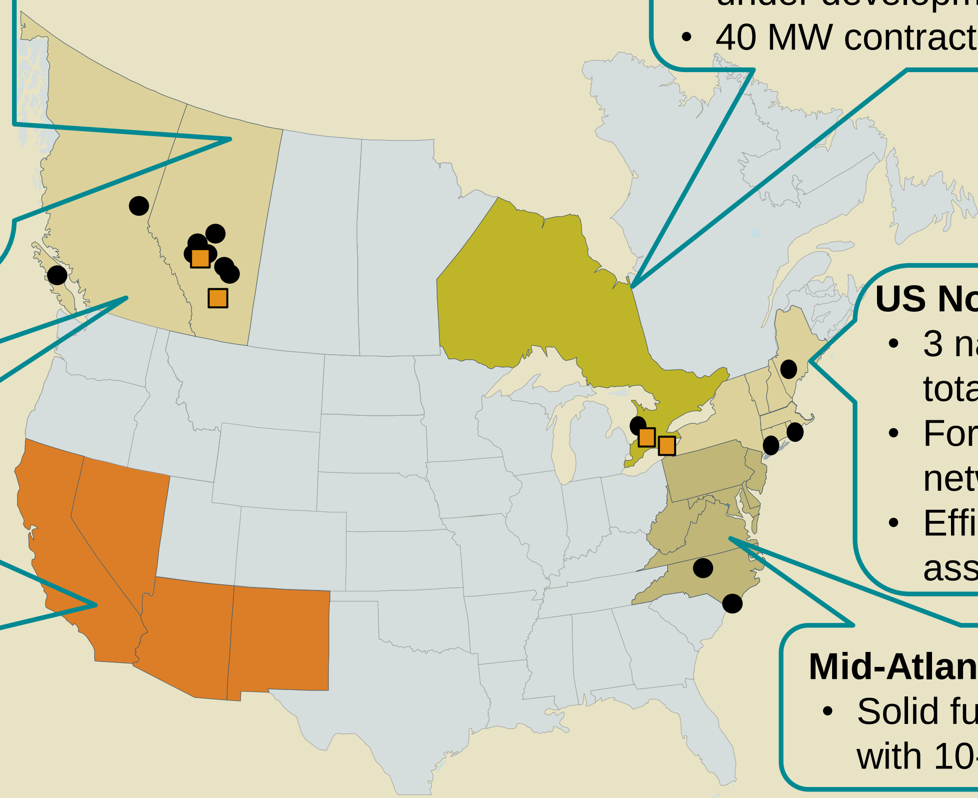
BC
- 417 MW contracted generation

US Southwest
- Target market for contracted assets
- Solar and natural gas peaking opportunities

Ontario
- Two contracted wind facilities under development/construction
- 40 MW contracted wind facility

US Northeast
- 3 natural gas plants totaling 1,089 MW
- Form foundation for networked hub
- Efficient, young assets

Mid-Atlantic US
- Solid fuel assets with 10-year PPAs



● Plants in operation ■ Plants under construction or development

(1) Based on MW owned capacity as of Mar 1/13; excludes Sundance PPA (371 MW) and Clover Bar Landfill Gas (4.8 MW).

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Shepard Energy Centre

Excellent fit with our strategy and will strengthen our position in Alberta

Provides stable cash flows

- 20-year tolling agreement on 50% of owned capacity with ENMAX
- Additional 25% contracted for 2015-17 which increases cash flow certainty during an expected period of low pool prices in Alberta
- Additional cash flow certainty created by hedging Capital Power's existing portfolio by 100 MW in 2013, 300 MW in 2014 and 100 MW in 2015

Located in target region

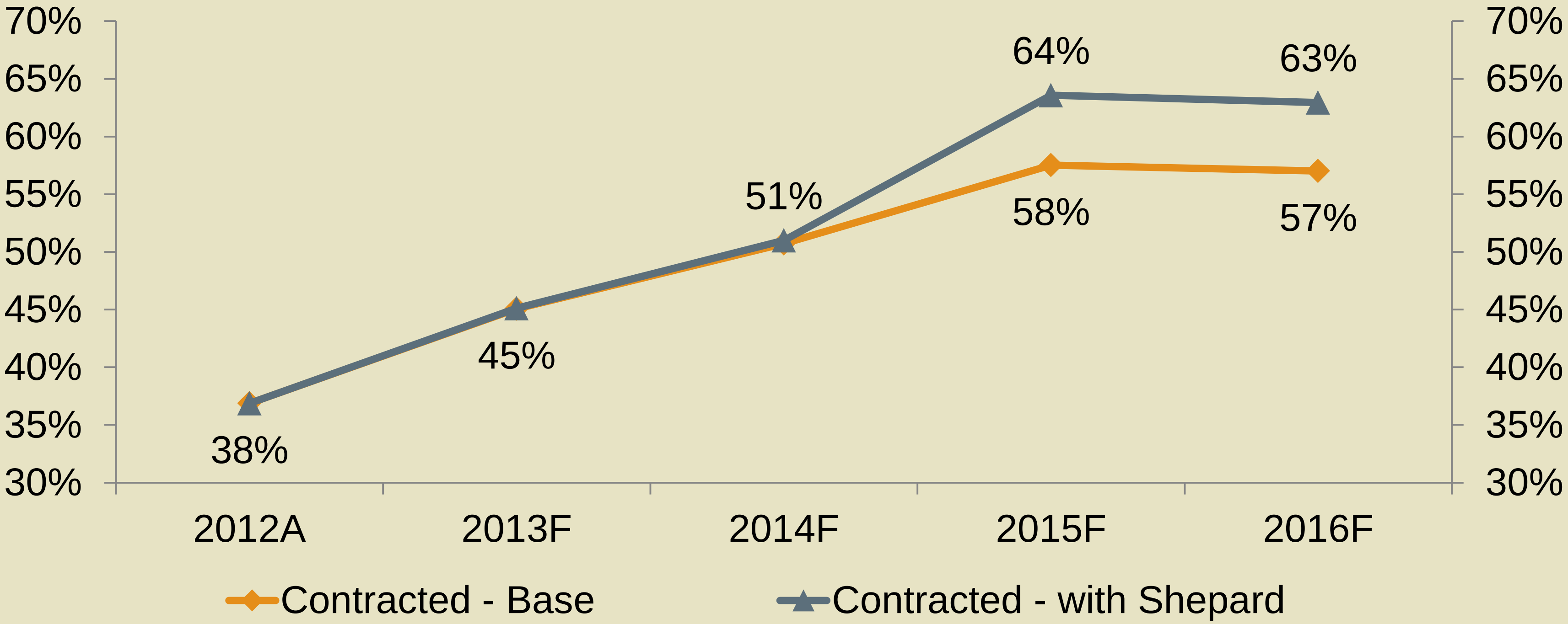
- Adds to existing Alberta portfolio which will facilitate additional economies of scale and trading synergies

Capital Power

Shepard impact on contracted/merchant mix

- Contracted operating margin improves Capital Power's contracted / merchant mix from 2014-2016
- Weighted average-term remaining on Capital Power's contracted EBITDA at 2015F would improve to 12.5 years with Shepard compared to 10.6 years without the project

Contracted vs. Merchant mix



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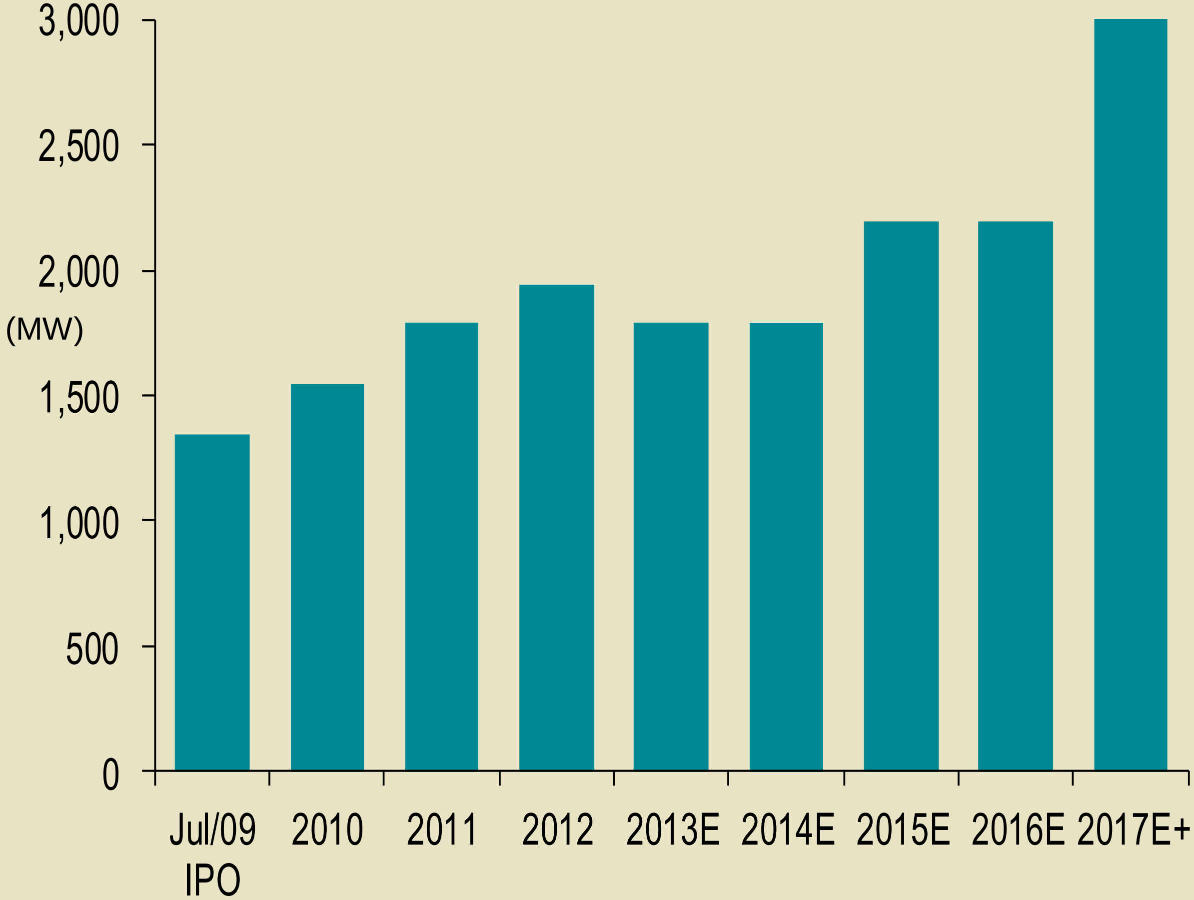
Capital Power Energy Centre to be built to meet Alberta's power needs

Expands our market share in the attractive Alberta market

- Working with General Electric in the development of the project, and would utilize GE's latest gas turbine technology
  - Looking to partner with 3^{rd} party in the development of the project
- Evaluating two attractive sites for the project; both sites have existing infrastructure, utilities and close proximity to gas pipelines and transmission
- Targeting COD in 2017-20 to meet additional supply projected to be required from the province's economic growth and retirements of existing coal-fired facilities

Continue to own the best fleet in the fastest growing power market in North America

Expansion plans will increase our Alberta portfolio to ~3,100 MW



- Best peaking responsiveness
- Best coal reliability
- Lowest environmental impact and lowest cost
- Most competitive natural gas combined cycle

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Financial performance – 2012

$M, except per share amounts	2012	2011	% Change
Revenues and other income[1]	**$1,344**	$1,395	(3.7%)
Adjusted EBITDA[1,2]	**$456**	$385	18%
Basic earnings per share	**$0.84**	$1.60	(48%)
Normalized earnings per share	**$1.29**	$1.24	4.0%
Funds from operations excluding non-controlling interests in CPILP	**$381**	$352	8.2%
Cash flow per share	**$3.89**	$3.89	-

(1) Before unrealized fair value changes in derivative instruments, natural gas inventory held for trading, and foreign exchange and natural gas contracts. Excludes Capital Power Income L.P.
(2) Earnings before finance expense, income tax expense, depreciation and amortization, impairments, foreign exchange losses and gains on acquisitions and disposals.

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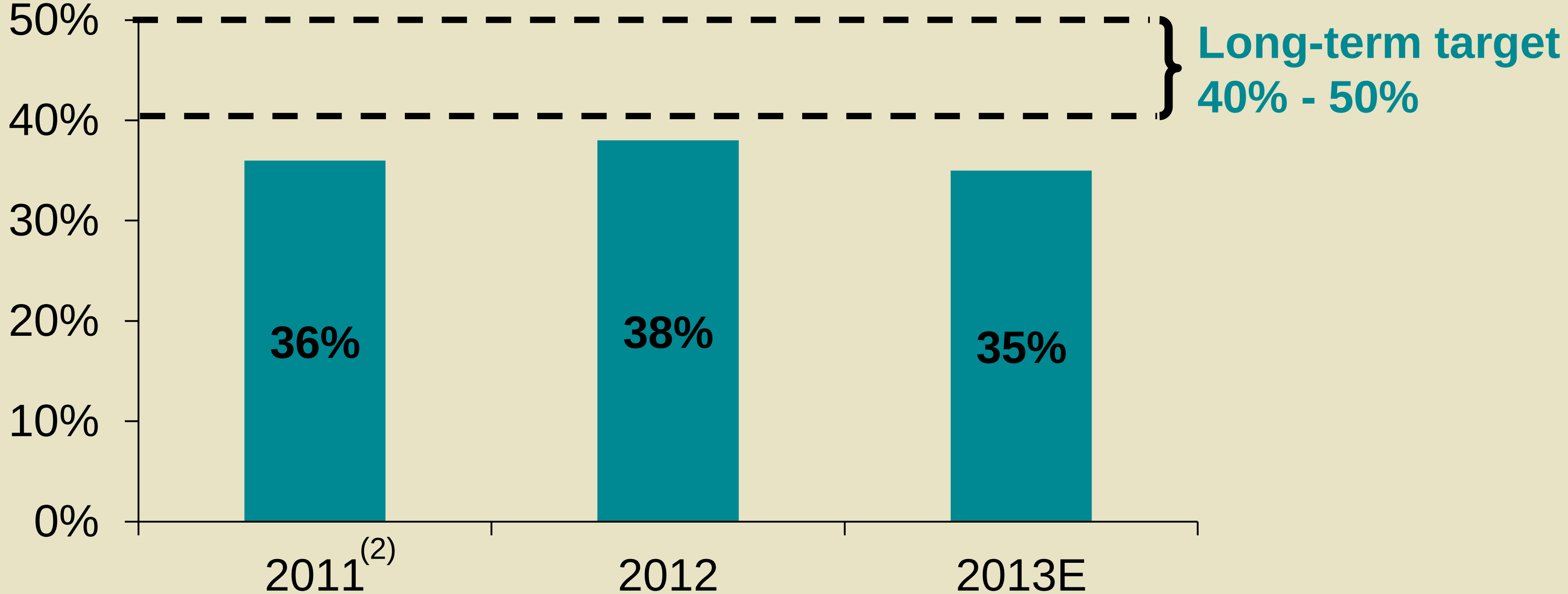
Financial strength and access to capital

Strong balance sheet

- Assets of ~$5.1B with ~$1.9B of long-term debt(1)
- $1.2B in credit facilities, of which ~$0.9B available
  - In 2012 added $300M accordion feature

Debt to Total Capitalization



(1) $1.9B includes $266MM of CPC subordinated debt
(2) CPILP accounted for on an equity basis

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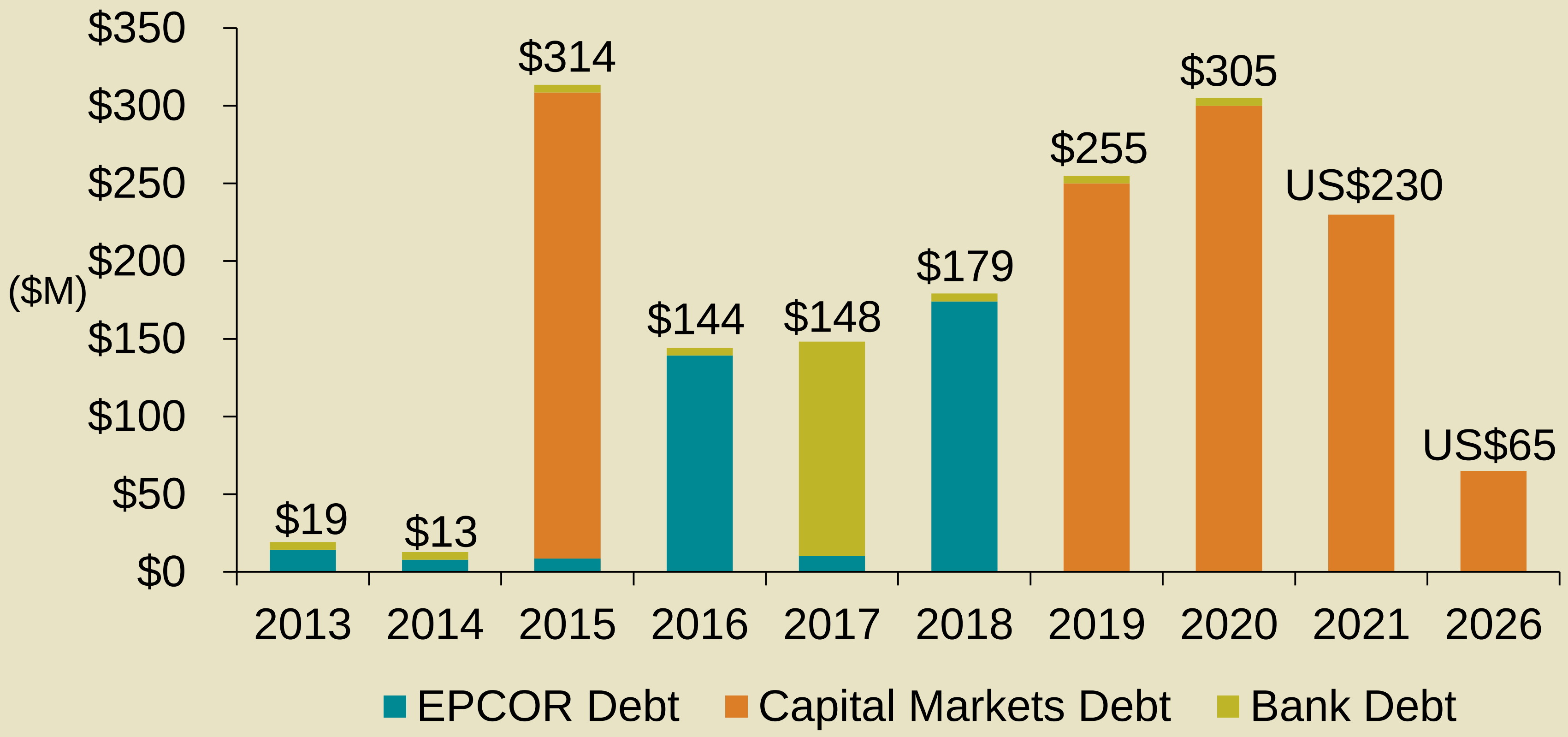
Debt maturity schedule[1]

Well spread-out debt maturities are supported by long asset lives

- Term on credit facilities extended to 5 years



(1) As of Dec 31/12.

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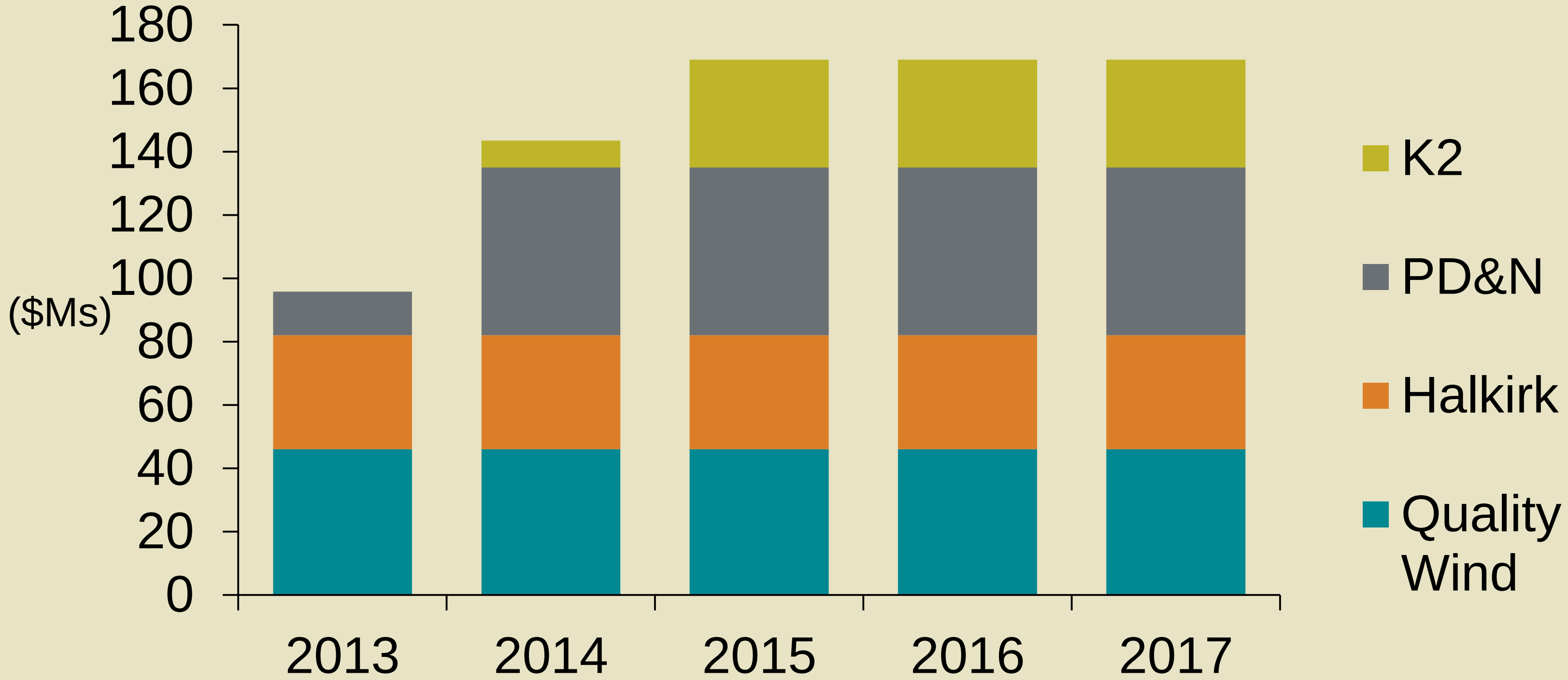
Strong financial performance of 4 wind projects

- Wind projects are forecast to provide $165M - $175M of annual cash flow before financing
- Strong accretion of ~$1.05 - $1.10 in cash flow per share and ~$0.35 - $0.40 in EPS for all 4 wind projects

Forecast cash flow from wind projects



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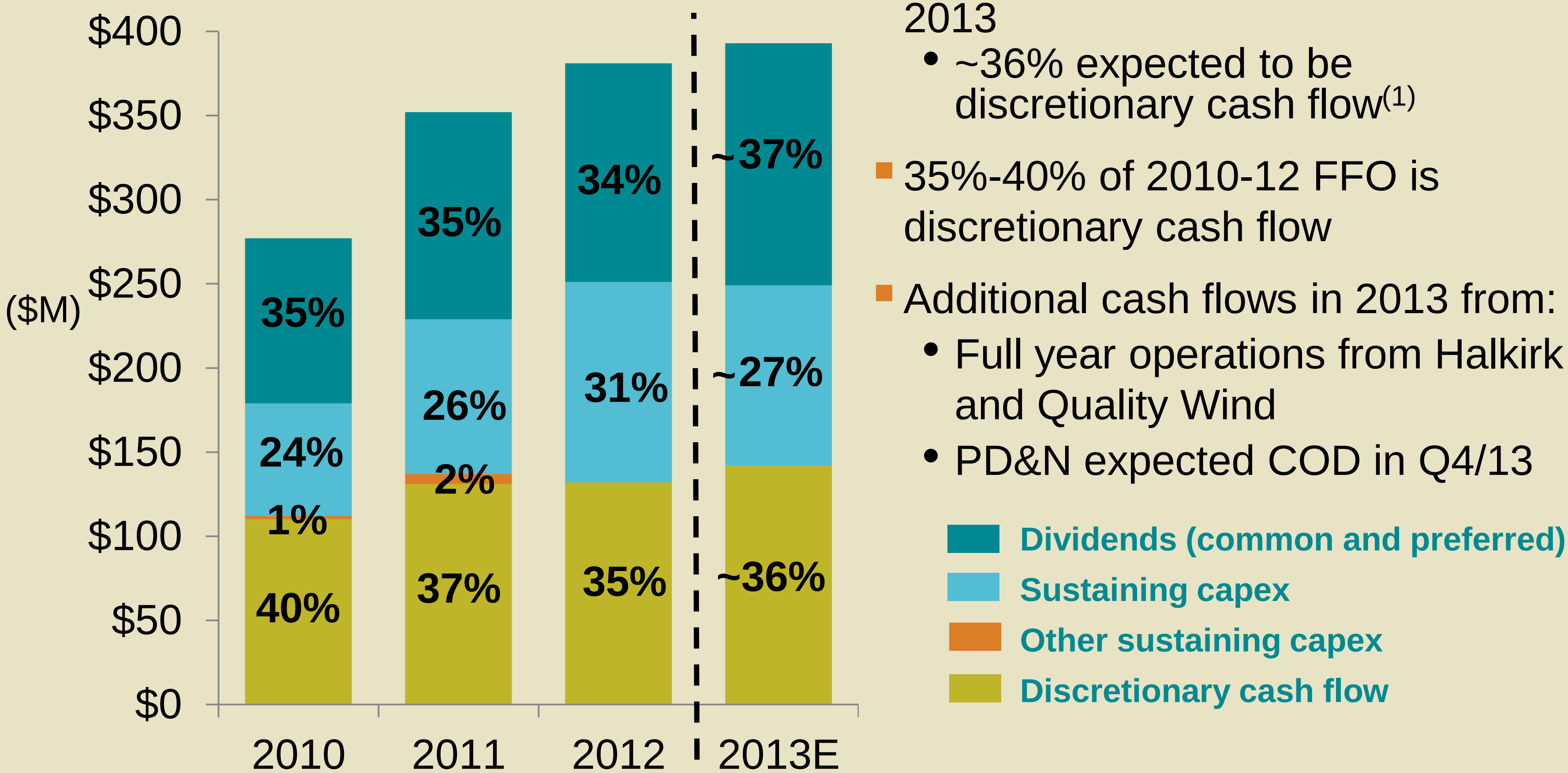
Continued strong cash flow generation

Funds From Operations (FFO)



- Targeting $385M-$415M in FFO in 2013
  - ~36% expected to be discretionary cash flow(1)
- 35%-40% of 2010-12 FFO is discretionary cash flow
- Additional cash flows in 2013 from:
  - Full year operations from Halkirk and Quality Wind
  - PD&N expected COD in Q4/13

(1) Discretionary cash flow is a non-GAAP financial measure.

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AB commercial portfolio positions

- Alberta portfolio hedged positions for AB baseload plants and Sundance PPA (% sold forward)

	2013	2014	2015
Hedged positions (% hedged)			
	49%	37%	31%
Average hedged prices ($/MWh)			
	Mid-$60	Mid-$50	Mid-$50

- Sensitivity analysis to +/- $1/MWh change in Alberta power prices
  - 2013: +/- $4M to EBITDA
  - 2014: +/- $4M to EBITDA
  - 2015: +/- $6M to EBITDA

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New England power price sensitivities

- Sensitivity analysis[(1)] to +/- $1.00 MWh change in New England spark spreads
  - 2013: +$6M and -$6M to EBITDA
  - 2014: +$6M and -$7M to EBITDA
  - 2015: +$7M and -$7M to EBITDA

Expect market fundamentals in US Eastern region will normalize in future years resulting in a positive impact on New England plants

(1) The spark spread sensitivity provided is general guidance. Estimates may vary depending on dispatch and pricing differences for individual plants.

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Development projects - capex

($M)	Prior to 2013	2013E	Project Total
Port Dover Nanticoke	$68	$272	**$340**
K2 Wind Ontario	$3	$21	**$58**(2)
Shepard Centre	$50	$335	**$855**

Continue strong execution of capex program

Port Dover & Nanticoke

Shepard Energy Centre

(1) Based on current projections
(2) Balance of proceeds from project financing and partners

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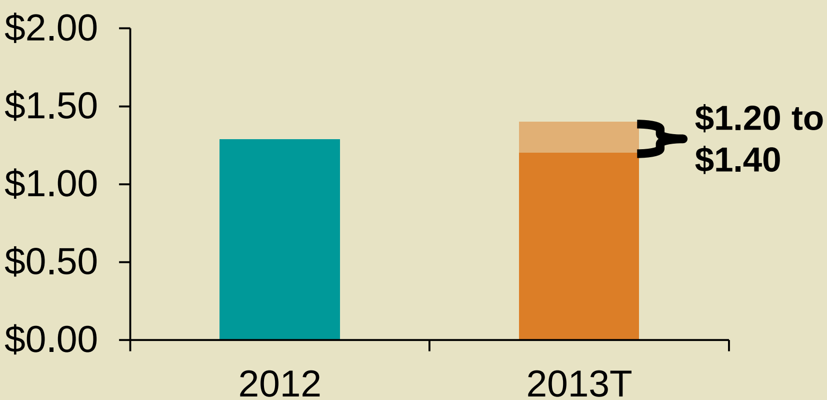
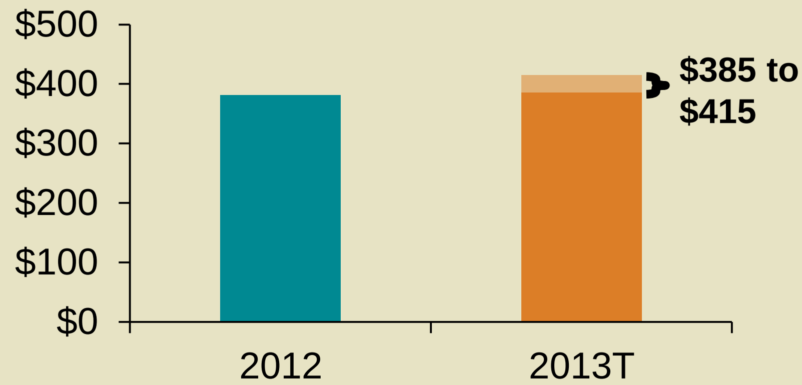
2013 Financial targets[1]

Normalized EPS of $1.20 - $1.40 and CFPS of $3.80 - $4.20 are based on a forecasted average Alberta power price of $58/MWh

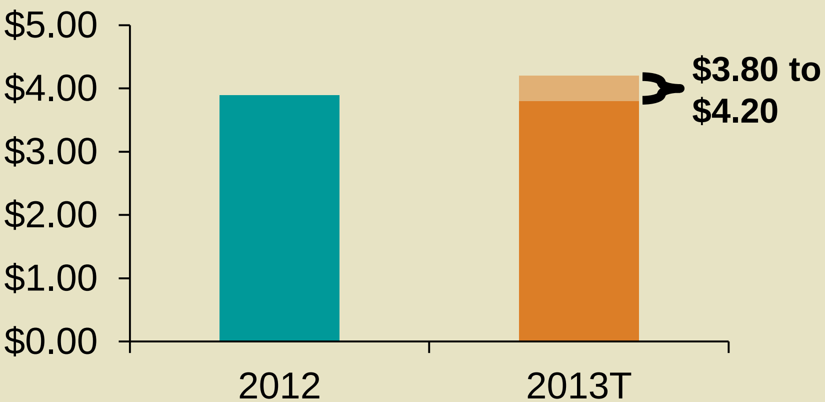
Normalized EPS target



Funds from operations target ($M)



Cash flow per share target



Base expectations

Range of expectations

(1) All financial measures are non-GAAP measures, see page 34.

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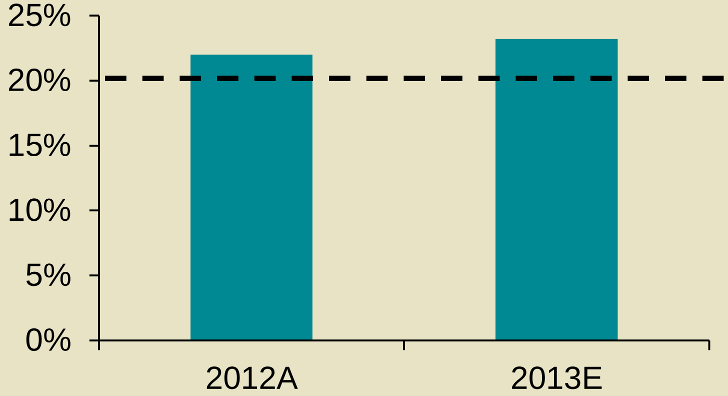
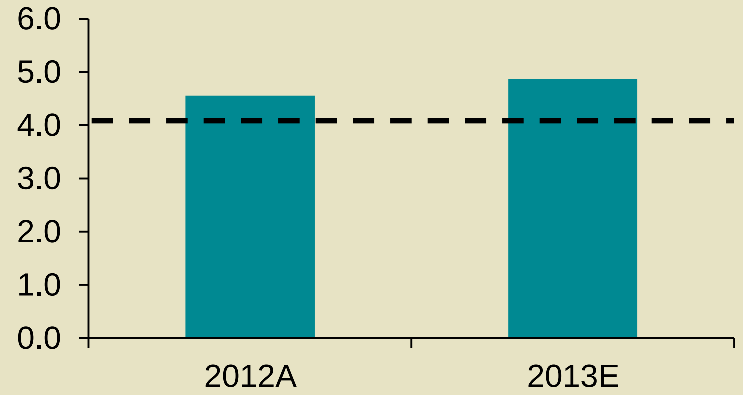
Credit rating agency metrics(1)

In line with DBRS financial criteria for current rating

Cash flow/Adj. Debt

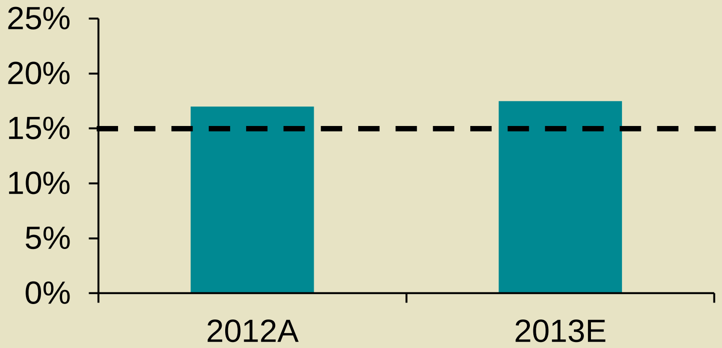


EBITDA/Adj. Interest

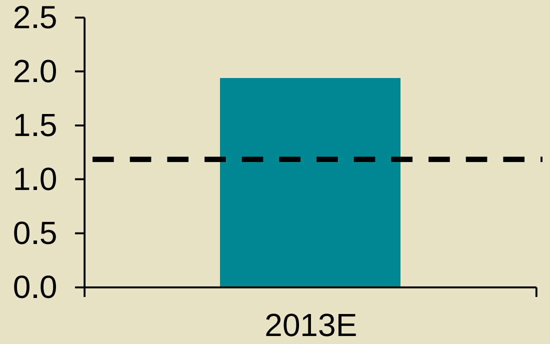


Above S&P financial criteria for investment grade rating

AFFO/Adj. Debt



Corporate Liquidity(2)



(1) Metrics applicable to Capital Power L.P. and include effects of Shepard Energy Centre (SEC) participation.
(2) Includes announced SEC participation and preferred share issuance.

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Alberta power market

- Alberta (AB) has a competitive wholesale energy and ancillary services market operated by the Alberta Electric System Operator (AESO); market has an installed generation capacity of ~13,000 MW
- No capacity market – power generators must recover all costs through revenue earned in AB's energy and ancillary services market
- Entire province is a single zone where power prices are determined by the bid price of the incremental power generator (i.e. one with the highest cost of generation) that is dispatched to balance demand and supply in real-time
- AB's economy expected to grow above national average rate due to the impact of continued oil sands development activities that is a fundamental driver to increasing power demand
- AESO forecasts long-term energy and demand to grow at a rate of 3.3% annually until 2022[1]
- AB Government announced in Jan/13, that it will continue with the Regulated Rate Option (RRO) and extend the procurement window to 120 days

(1) AESO 2012 Long-term Transmission Plan, http://www.aeso.ca/downloads/AESO_2012_LTP_Sections_1.0_to_5.0.pdf

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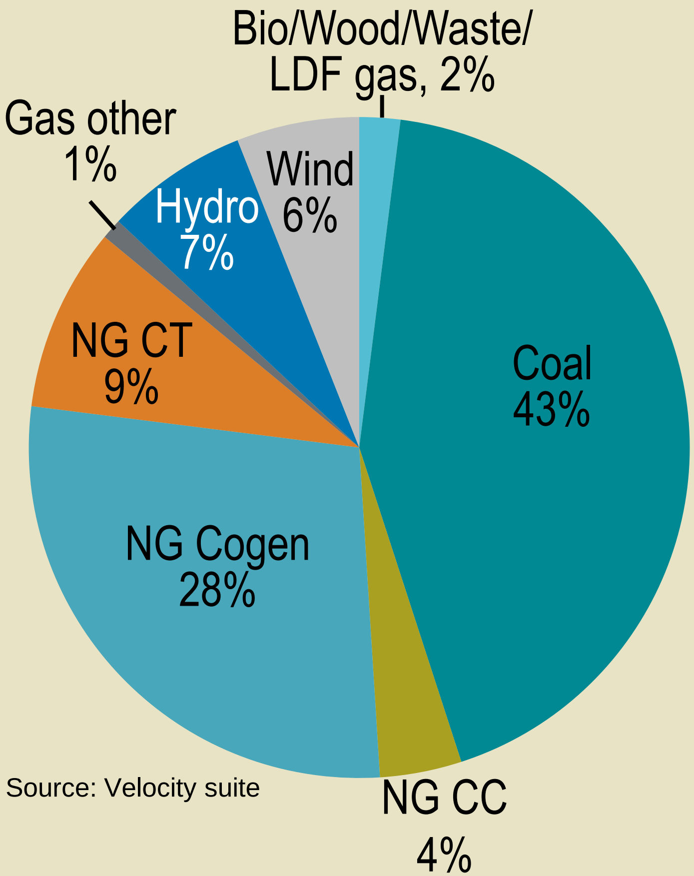
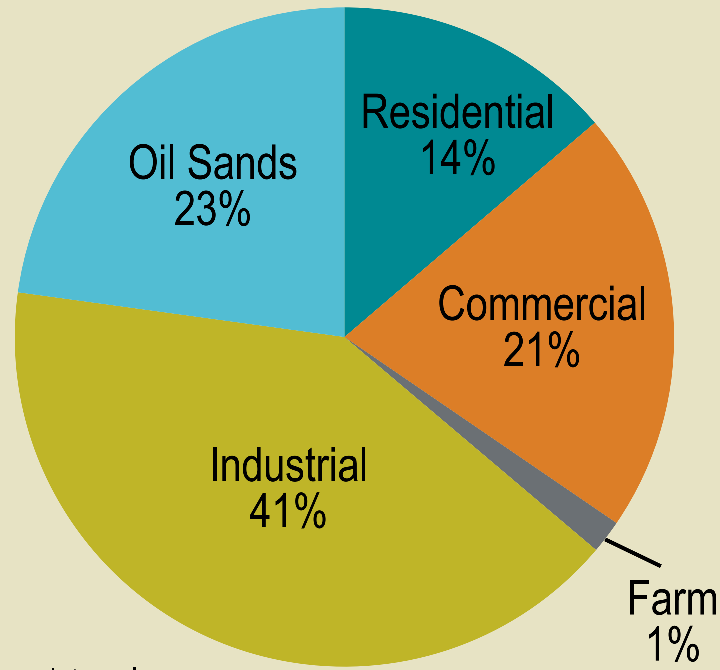
Alberta generation and load mix

2010 AB fuel mix by capacity (MW)



Source: Velocity suite

Estimated customer electricity usage including oil sands



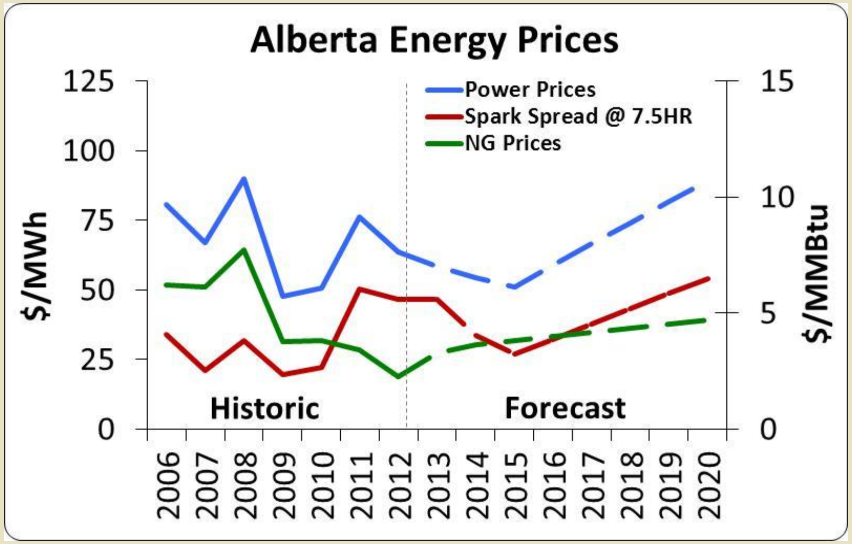
Source: Internal

- Residential 66% on RRO
- Commercial 50% on RRO
- Farm 74% on RRO

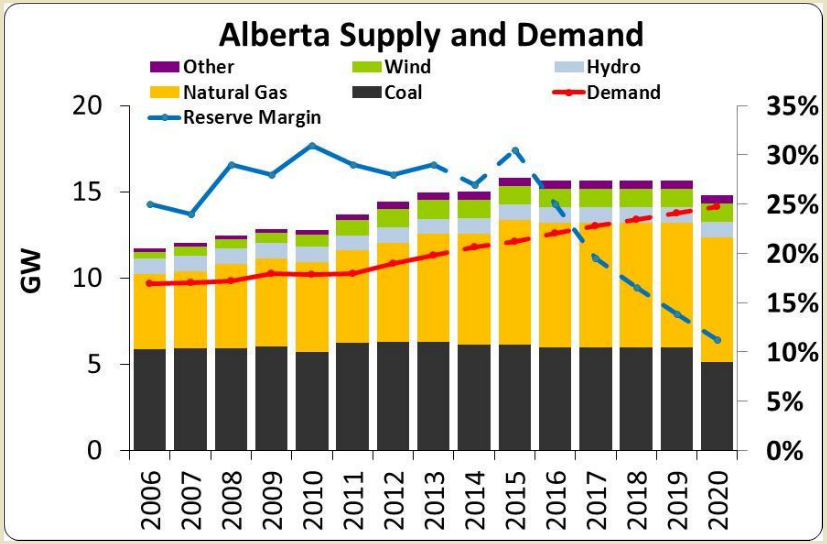
Alberta market

Positive long term supply dynamics

Forecast spark spreads above historical average



Projected reserve margin signals the need for new capacity in the 2017-2020 timeframe



AB market design expected to continue to provide timely pricing signals for the addition of new supply

Source: AESO and CPC Estimates

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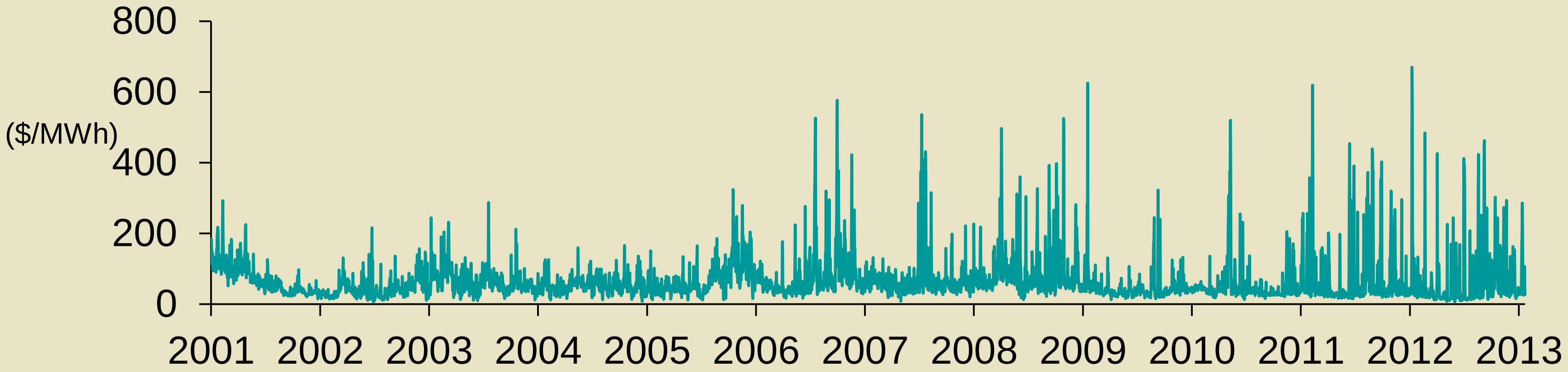
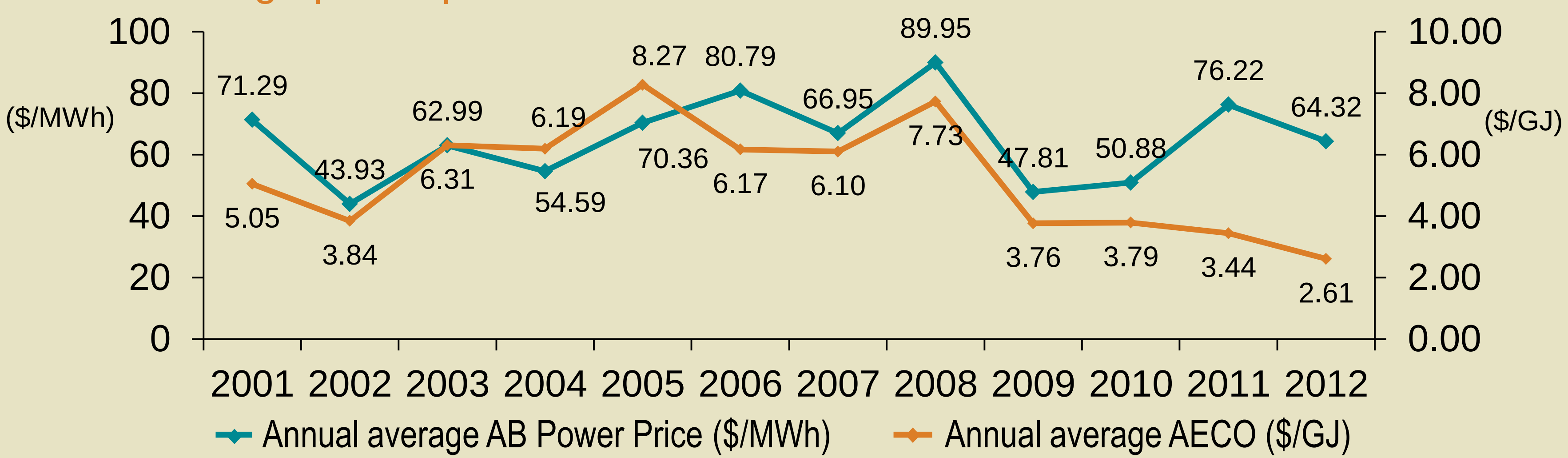
Historical Alberta prices

Daily average power prices



Annual average power prices and AECO



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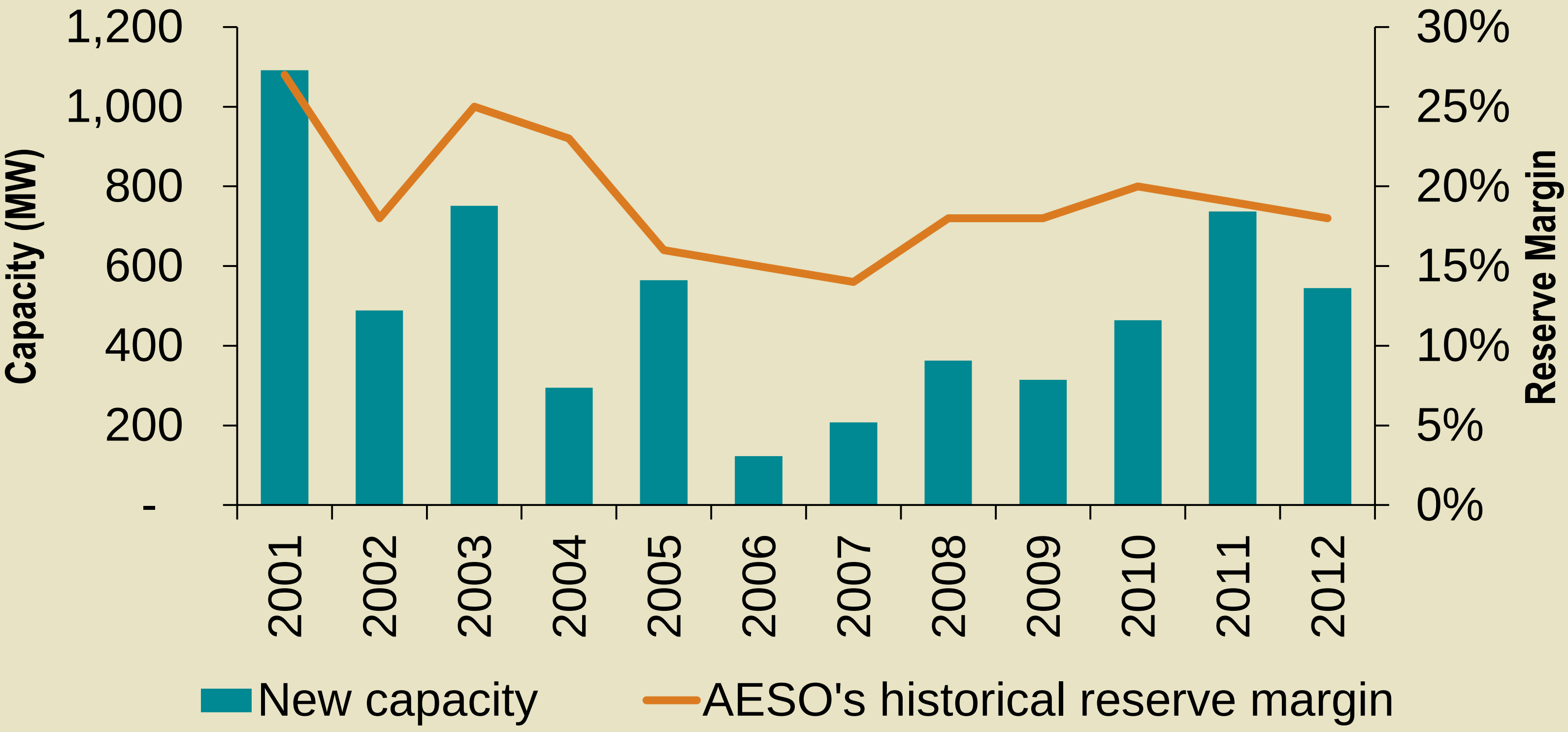
Alberta market design

Current market design has been successful in signaling when new capacity is required

Alberta reserve margin and new capacity



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Expected coal unit retirements - CST

Retirements under the federal Capital Stock Turnover (CST) regulations

Facility	Generation Capacity (MW)	End of Life (Final Regulations)
Battle River 3	149	2019
Sundance 1	288	2019
H.R. Milner	144	2019
Sundance 2	288	2019
Battle River 4	155	2025
Sundance 3	362	2026
Sundance 4	406	2027
Sundance 5(1)	406	2028
Sundance 6(1)	401	2029
Battle River 5	385	2029
Keephills 1	387	2029
Keephills 2	406	2029
Sheerness 1	390	2036
Genesee 2(1)	400	2039
Sheerness 2	390	2040
Genesee 1(1)	390	2044
Genesee 3(1)	466	2055
Keephills 3(1)	466	2061

(1) Represents units that Capital Power has ownership/interests in.

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Alberta power market summary

Alberta's market design framework

- Has attracted continued investment by various parties for different fuel types
- Ensures investment risk is borne by investors and not ratepayers/taxpayers
- Provides participants with options and choices for managing their commodity price risk

Capital Power believes Alberta's market design is sustainable and will continue to attract investment

- No major market reforms required
- Effective implementation of existing policy directives, particularly new transmission development

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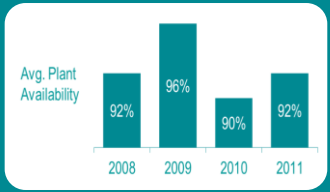
Summary

Straight forward business model with long-term contracted assets and merchant position that provides stable cash flows and upside opportunities



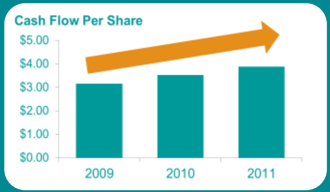
Large, high quality generation portfolio

Young and modern fleet with proven operating history

Technology focus on natural gas, coal, wind and solar

North American footprint in attractive target markets

Dominant AB power producer with increasing exposure to the fastest growing power market in North America



Investment grade credit rating

Financial strength with access to capital

Strong cash flow generation

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Summary of assets

	Genesee 1	Genesee 2	Genesee 3	Keephills 3	Joffre	Clover Bar Energy Centre	Clover Bar Landfill	Halkirk
	Alberta Contracted		Alberta Commercial					
Capacity	422 MW	430 MW	516 MW	495 MW	480 MW	243 MW	4.8 MW	150 MW
% owned / operated	100 / 100	100 / 100	50 / 100	50 / 0	40 / 0	100 / 100	100 / 100	100 / 100
Location	Warburg, Alberta	Warburg, Alberta	Warburg, Alberta	Keephills, Alberta	Joffre, Alberta	Edmonton, Alberta	Edmonton, Alberta	Halkirk, Alberta
Fuel	Coal	Coal	Coal	Coal	Natural gas	Natural gas	Landfill gas	Wind
Commercial Operations	1994	1989	2005	2011	2000	Unit 1 - 2008 Unit 2&3 - 2009	2005	2012
PPA Expiry	2020	2020	Merchant	Merchant	Merchant	Merchant	Merchant	~40% - 45% of total revenues from 20-year REC sale agreement / Merchant

Summary of assets (cont'd)

	Kingsbridge 1	Island Generation	Quality Wind	Roxboro	Southport	Tiverton	Rumford	Bridgeport
	Ontario & British Columbia Contracted			Mid-Atlantic Contracted		US Northeast Commercial		
Capacity	40 MW	275 MW	142 MW	88 MW	46 MW	279 MW[1]	270 MW[1]	540 MW[1]
% owned / operated	100 / 100	100 / 100	100 / 100	100 / 100	100 / 100	100 / 100	100 / 100	100 / 100
Location	Goderich, Ontario	Campbell River, BC	Near Tumbler Ridge, BC	Roxboro, North Carolina	Southport, North Carolina	Tiverton, Rhode Island	Rumford, Maine	Bridgeport, Conneticut
Fuel	Wind	Natural gas	Wind	Mixture of wood residuals, tire-derived fuel and coal	Mixture of wood residuals, tire-derived fuel and coal	Natural gas	Natural gas	Natural gas
Commercial Operations	2006, 2001	2002	2012	1987	1987	2000	2000	1999
PPA Expiry	2026 / 2027	2022	2037	2021	2021	Merchant	Merchant	Merchant

(1) Represents net winter capacity. Tiverton, Rumford and Bridgeport have nominal generation capacities of 265, 265, and 520 megawatts, respectively.

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Development projects

	Shepard Energy Centre	Capital Power Energy Centre	K2 Wind Ontario	Port Dover & Nanticoke
	Alberta Commercial		Ontario Contracted	
Capacity	800 MW	Up to 900 MW	270 MW	105 MW
% owned / operated	50 / 0	100 / 100, looking for 3rd party in development	33.3% owned	100 / 100
Location	Calgary, Alberta	Two attractive brownfield sites identified, Alberta	Ashfield-Colborne-Wawanosh, Ontario	Located in the counties of Norfolk and Haldimand, Ontario
Fuel	Natural gas	Natural gas	Wind	Wind
Commercial Operations	Expected Q1/15	Targeting 2017-2020	Expected 2015	Expected Q4/13
PPA Expiry	Merchant / 75% of CPC's share of the project output under 20-year tolling arrangement for the 2015-17 period and 50% thereafter until 2035. Additional contracted arrangements for 100 MW in 2013 & 2015, and 300 MW in 2014	Merchant	20-year PPA with Ontario Power Authority for $135/MWh	20-year PPA with Ontario Power Authority for $135/MWh
Expected Capital Cost	$855M CPC's expected total cost (Estimated total project cost $1.6B)		$58M CPC's expected capex ($874M expected total project capex)	$340M

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Non-GAAP financial measures

The Company uses (i) EBITDA, (ii) funds from operations, (iii) funds from operations excluding non-controlling interests in CPILP, (iv) cash flow per share, (v) dividend coverage ratio, (vi) normalized earnings attributable to common shareholders, (vii) normalized earnings per share, and (viii) discretionary cash flow as financial performance measures. These terms are not defined financial measures according to GAAP and do not have standardized meanings prescribed by GAAP, and therefore may not be comparable to similar measures used by other enterprises. These measures should not be considered alternatives to gross income, net income, net income attributable to Shareholders of the Company, net cash flows from operating activities or other measures of financial performance calculated in accordance with GAAP. Rather, these measures are provided to complement GAAP measures in the analysis of the Company's results of operations from management's perspective.

Forward-looking information

Certain information in this presentation is forward-looking within the meaning of Canadian securities laws as it relates to anticipated financial and operating performance, events or strategies. The forward-looking information or statements are provided to inform the Company's shareholders and potential investors about management's assessment of Capital Power's future plans and operations. This information may not be appropriate for other purposes. The forward-looking information in this presentation is generally identified by words such as will, anticipate, believe, plan, intend, target, and expect or similar words that suggest future outcomes. Material forward-looking information includes, among other things, information relating to: (i) expectations regarding Capital Power's sources of funding; (ii) expectations regarding future growth and emerging opportunities in the Alberta market including the focus on certain technologies; (iii) expectations regarding the timing of, funding of, and costs for existing and planned development projects and acquisitions; (iv) expectations regarding plant availability; and (v) expectations regarding future earnings and funds from operations.

These statements are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, and other factors it believes are appropriate. All forward-looking information or statements reflect Capital Power's assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, and other factors it believes are appropriate. Readers are cautioned not to place undue reliance on this forward-looking information. Capital Power undertakes no obligation to update or revise any forward-looking information except as required by law. For additional information on the assumptions made, and the risks and uncertainties which could cause actual results to differ from the anticipated results, refer to Capital Power's Management's Discussion and Analysis dated and filed March 1, 2013 under Capital Power's profile on SEDAR at www.sedar.com and other reports filed by Capital Power with Canadian securities regulators.

BEST 50 CORPORATE CITIZENS

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