Driving a Sustainable Future

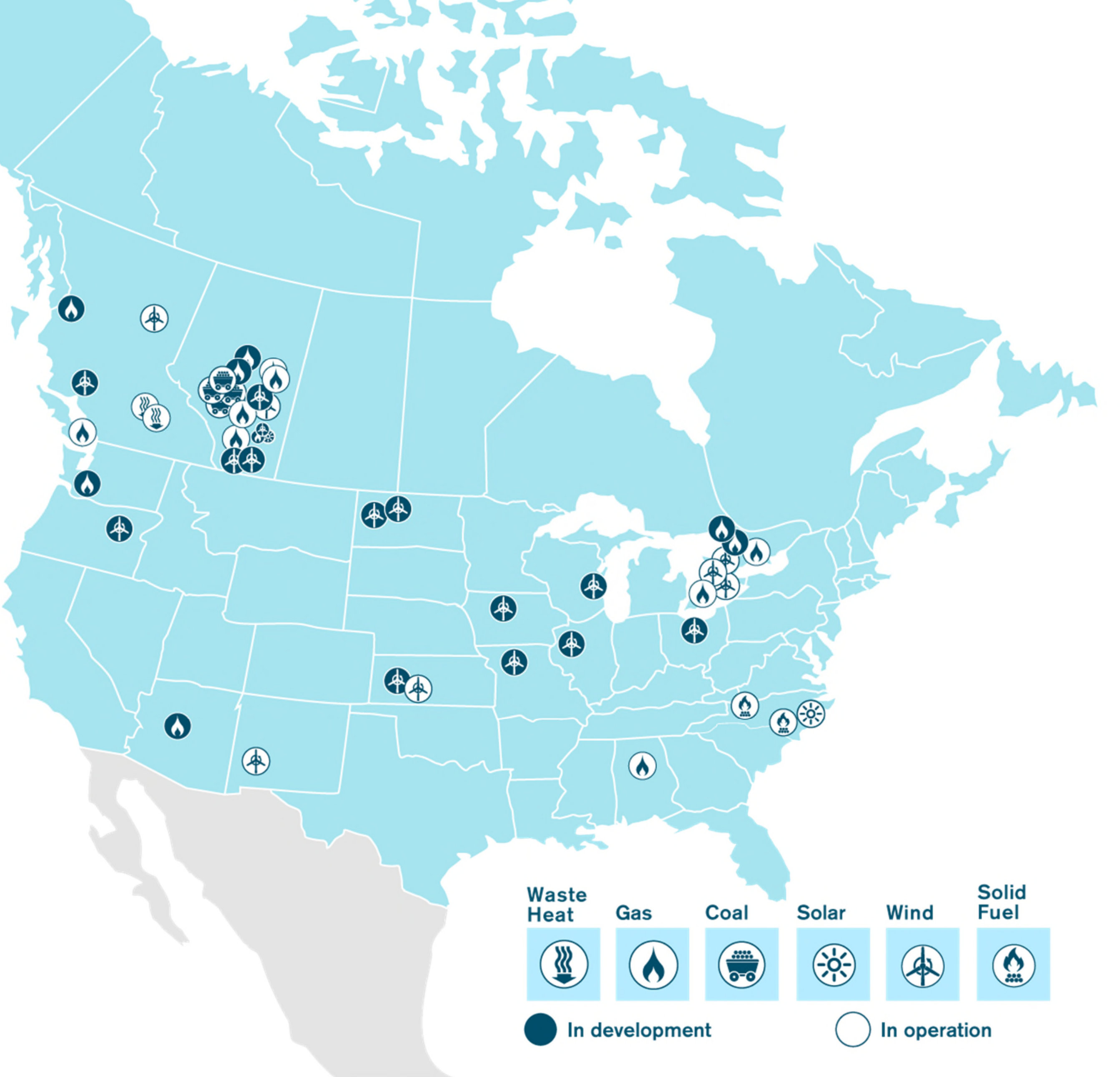
Bryan DeNeve, SVP Finance & CFO
Sandra Haskins, VP Finance & Treasury
Darren Anderson, Director Treasury

Fixed Income Investor Update Call

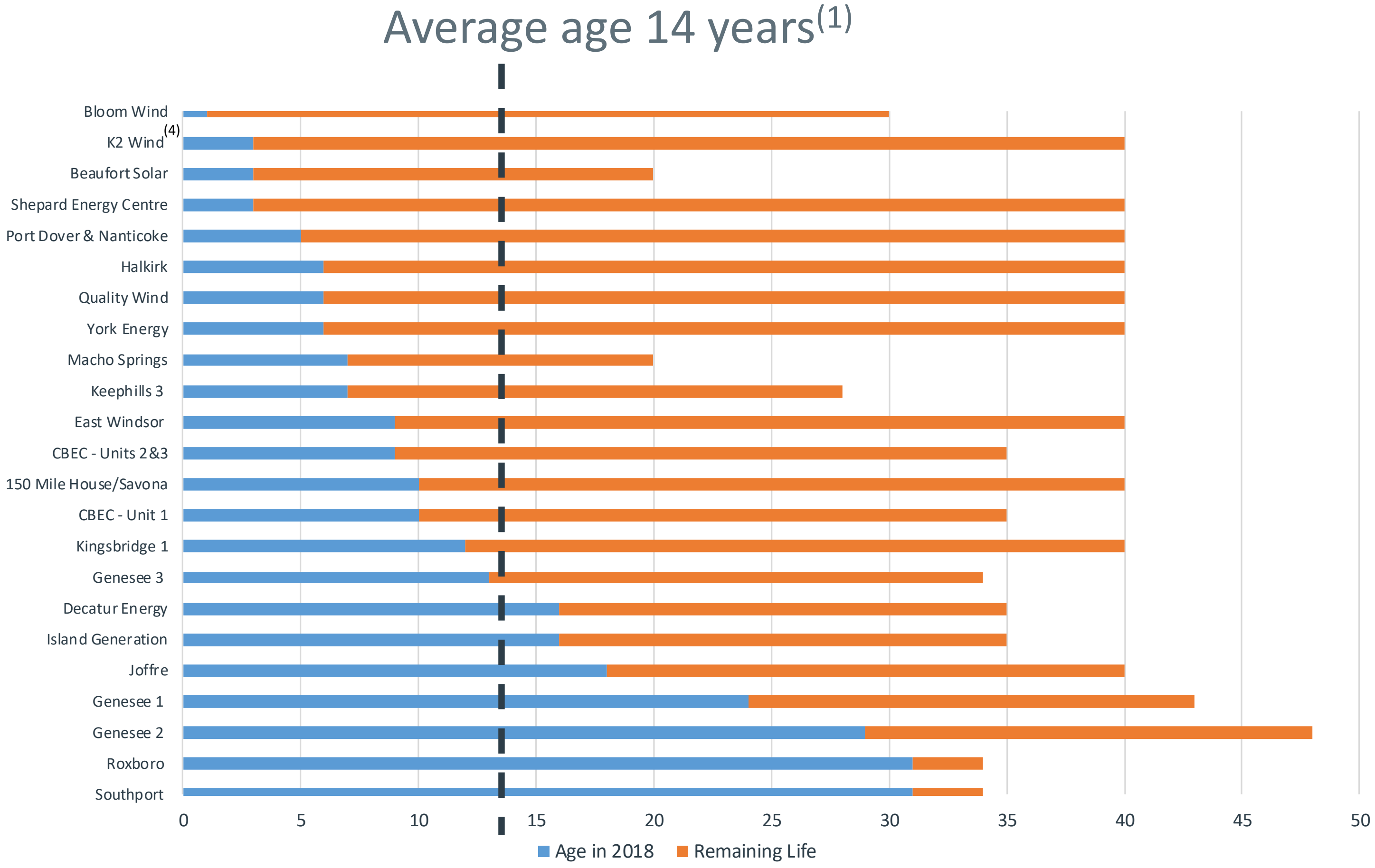
November 15, 2018

Growth-oriented North American power producer

- 4,500 MWs of capacity; additional 580 MW upon close of Arlington Valley
- Highly-contracted portfolio
- Strong growth outlook
- Committed to investment grade credit rating



Young fleet with long asset lives



1) Megawatt-weighted average.
2) As at November 2018, based on 2018 target Adjusted EBITDA. Includes Off-Coal Agreement with the Province of Alberta and excludes Genesee 1 & 2, Southport and Roxboro PPAs.
3) Based on 2018 target Adjusted EBITDA excluding G&A expenses.
4) K2 Wind sale is expected to close on Dec. 31, 2018. Excluding K2 Wind, Average PPA term remaining is 11 years and Contracted EBITDA in 2018 is 80%.
5) EBITDA and Adjusted EBITDA are non-GAAP financial measures. See "Non-GAAP financial measures".

95% 5-year average availability (2018 target of 95%)

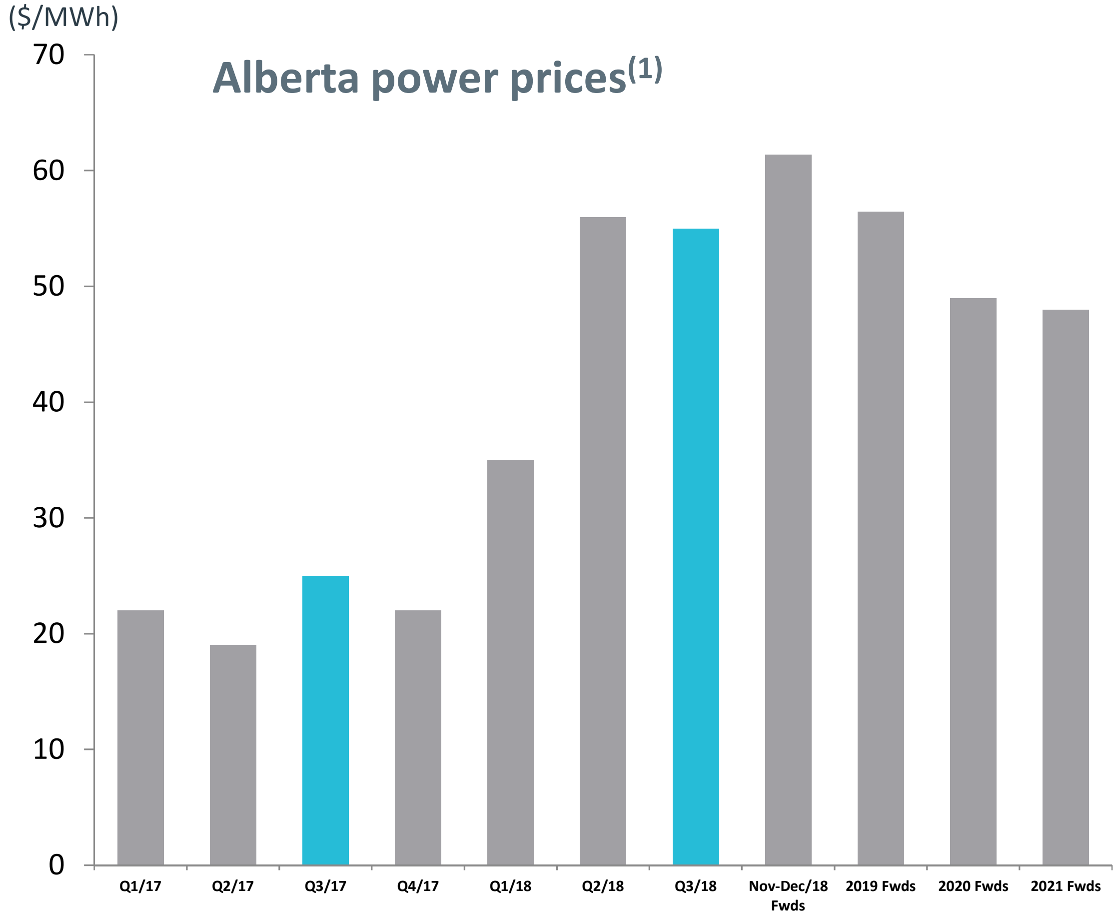
3% of current generation portfolio is expected to retire in the next decade

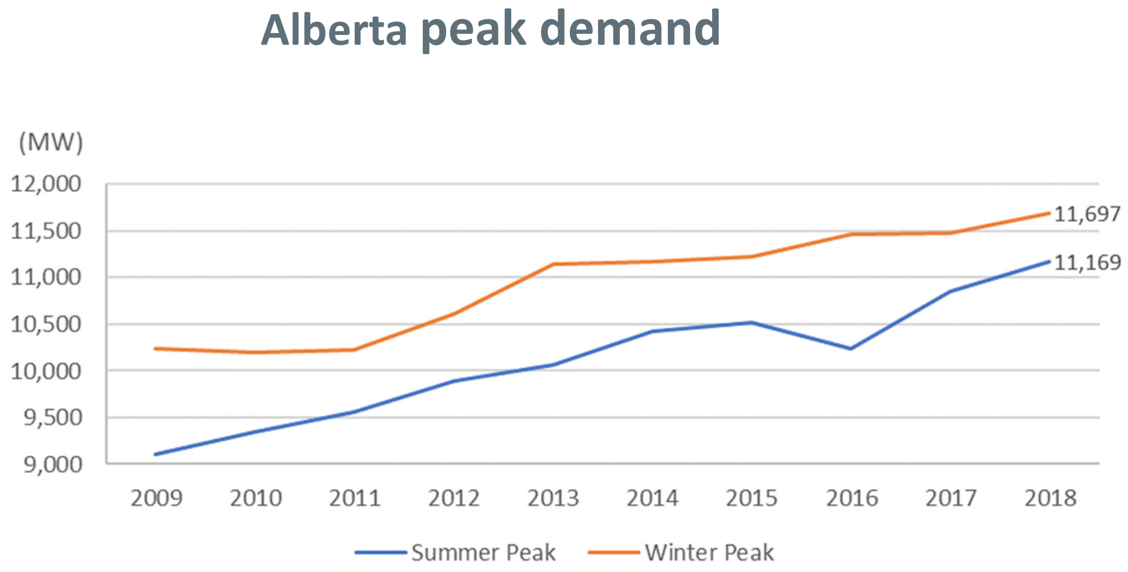
11.5 Years Average PPA term remaining[2,5]

82% Contracted EBITDA in 2018[3,5]

Positive outlook for Alberta power market

Q3 2018 average spot price more than doubled YoY





~4% demand growth help to set a new summer peak record of 11,169 MW on August 10, 2018[2]

1) Forward prices as of October 26, 2018.
2) Source: Alberta Electric System Operator

Portfolio optimization

AB commercial portfolio positions

	2019	2020	2021
As of date	Sept 30, 2018		
% sold forward[1]	55%	22%	4%
Contracted prices[2] ($/MWh)	Low-$50	Low-$50	Mid-$50

Current average forward prices[3] ($/MWh)	$56	$49	$48

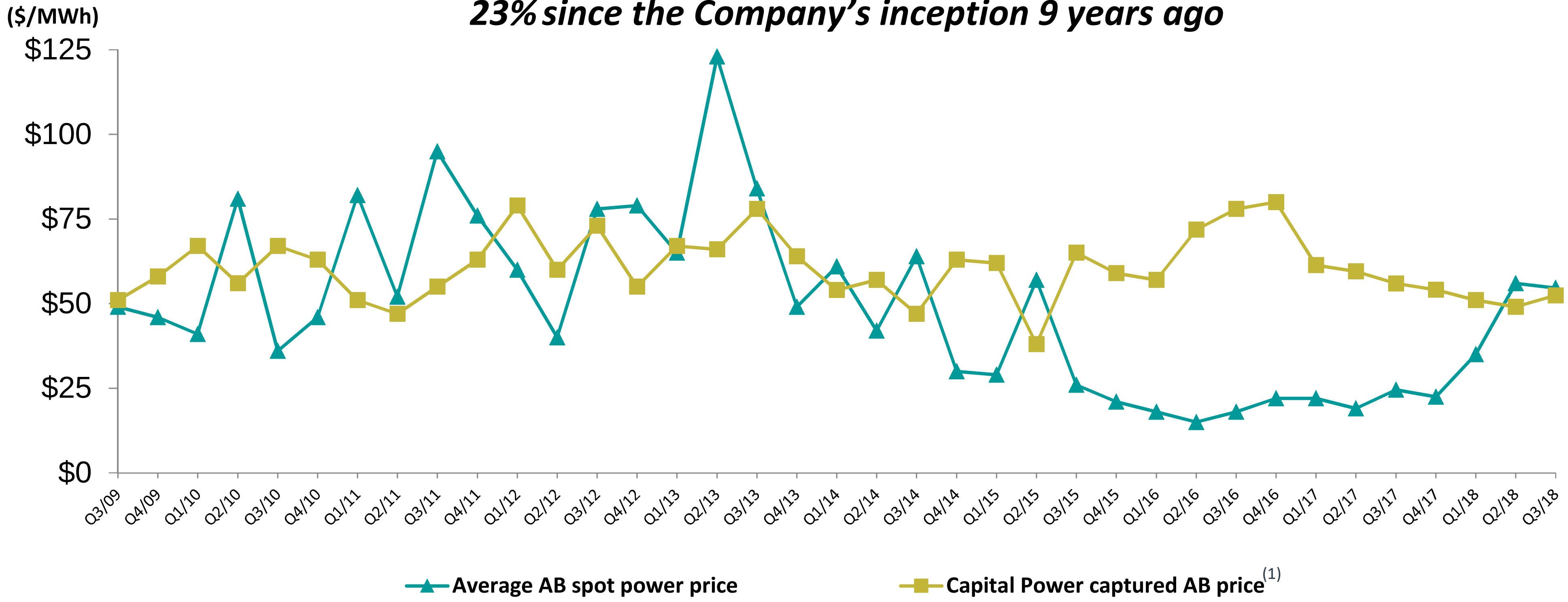
Nearly 500 MW (gas peaking, wind) available to capture the upside from low natural gas prices, higher power prices, and price volatility

1) Based on the Alberta baseload plants plus a portion of Joffre and the uncontracted portion of Shepard.
2) Forecasted average contracted prices may differ significantly from future average realized prices as future realized prices are driven by a combination of previously contracted prices and settled prices.
3) As of October 26, 2018.

Maximizing the commodity portfolio

Creating incremental value and stability through market expertise

Average realized power prices(1) have exceeded spot power prices by 23% since the Company's inception 9 years ago



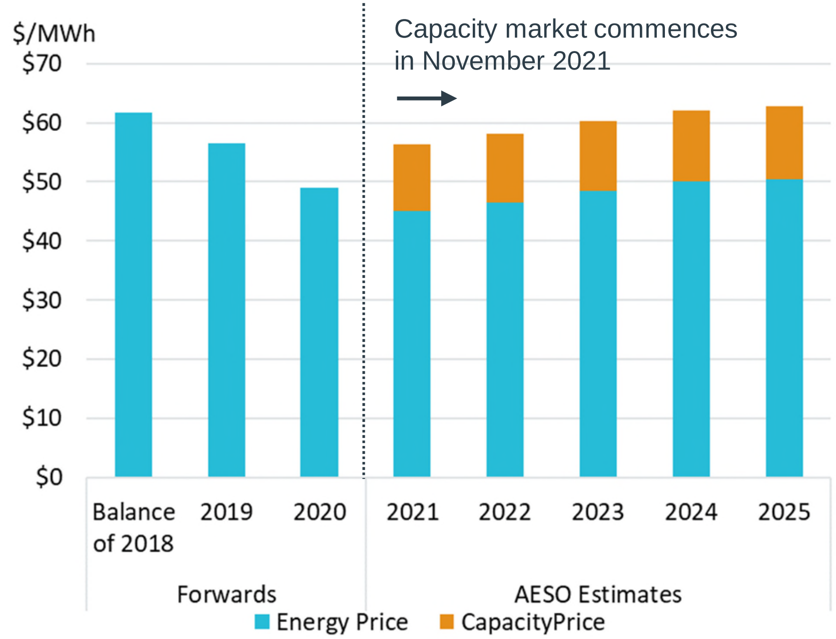
1) Based on the Alberta baseload plants and the acquired Sundance PPA plus the uncontracted portion of Shepard Energy Centre baseload. Effective March 24, 2016, Sundance PPA is no longer a part of Capital Power's baseload generation due to termination of the Sundance PPA.

Capacity market design

We are well-positioned under the final market design for Alberta

- AESO has finalized its proposed market design
- Design is constructive and provides an equal opportunity for existing and new assets to earn a return on and of capital
- Key design elements such as participation, market mitigation, term length are reasonable as expected
- Next steps:
  - o Additional consultation on technical details and finalization of remaining design elements
  - o Translation of design into formal rules for submission to Alberta Utilities Commission for approval

AESO's forecast revenue for baseload facilities[1]



AESO's forecast of \$55-\$65/MWh for the combined capacity and energy payments will allow existing and future assets an opportunity to earn a return on/of capital

1) Forwards as of October 26, 2018.

Growth Strategy

- Strong renewable pipeline including 1,200 MW of U.S. wind development
- Natural gas plant acquisitions

Sale of minority interest in K2 Wind

Provides capital to fund incremental future growth

- Executed agreement to divest our minority interest of 90 MW in K2 Wind to a consortium of investors led by Axium Infrastructure for $216M
- Expected closing date of Dec 31/18
- Estimated pre-tax gain on disposal of $160M
- Crystallized value on a wind facility we developed which began COD in May 2015
- Proceeds of the sale will be reinvested in contracted renewables and natural gas assets across North America

K2 Wind, 270 MW, Ontario

Acquisition of Arlington Valley

Announced an agreement to acquire a 580 MW contracted gas facility in Arizona for US$300M on Sept 6/18

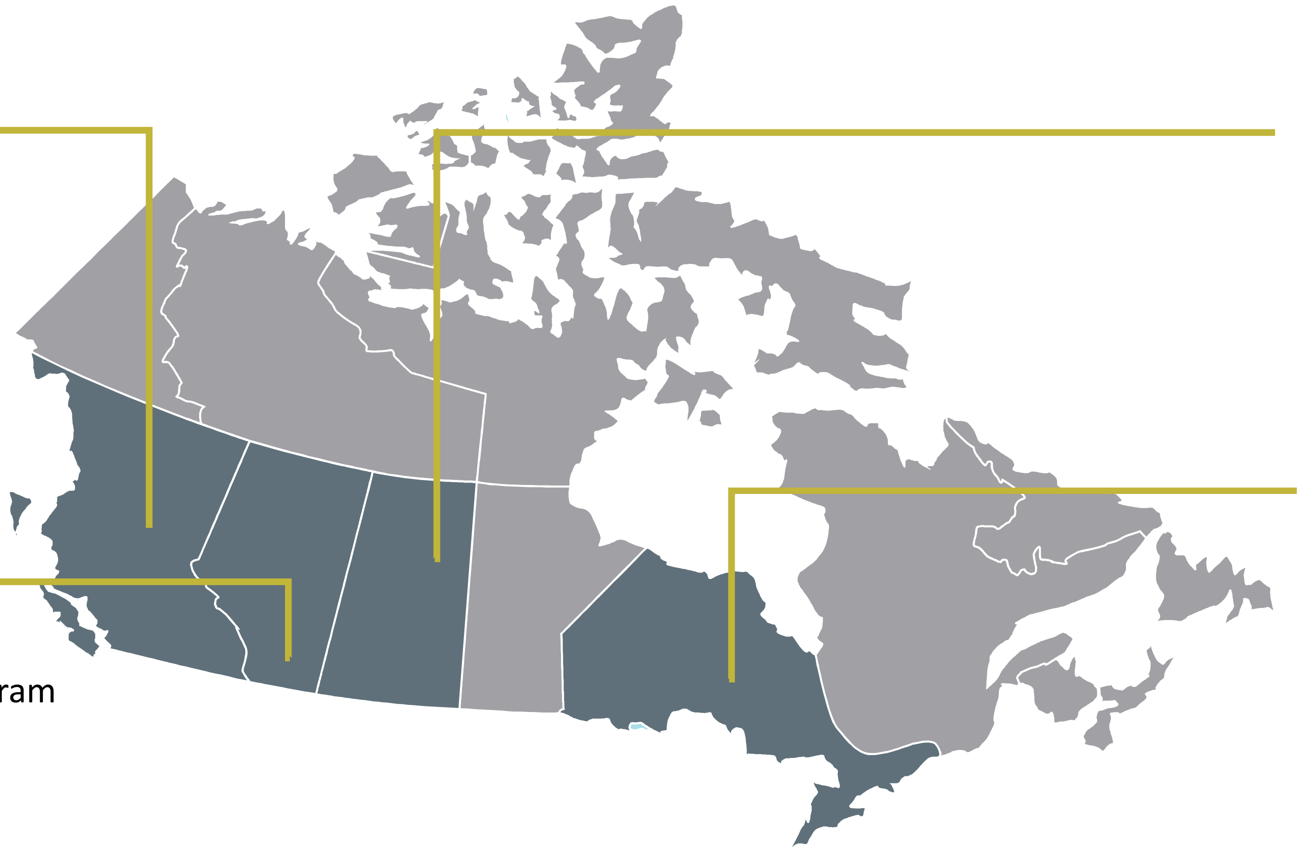
Strategic benefits:

- Immediate accretion – 5-year average accretion of $0.22 (6%) on AFFO/share and $0.03 (2%) to EPS[1]
- Strengthens contracted cash flow profile
  - Contracted until 2025 with high probability of re-contracting
  - Pursuing additional contracts for the output generated in the non-summer toll months
- Key addition to U.S. growth plans – well-positioned asset in the attractive Desert Southwest power market
- Geographic diversification

1) AFFO/share and EPS are non-GAAP financial measures. See "Non-GAAP financial measures".

Canadian growth opportunities

Significant investment required by 2030



British Columbia

Development sites:
- 2x wind
- 1x gas

Alberta

- Coal phase-out
- Renewable Electricity Program
  (5,000 MW opportunity)
- Gas-fired opportunities

Saskatchewan

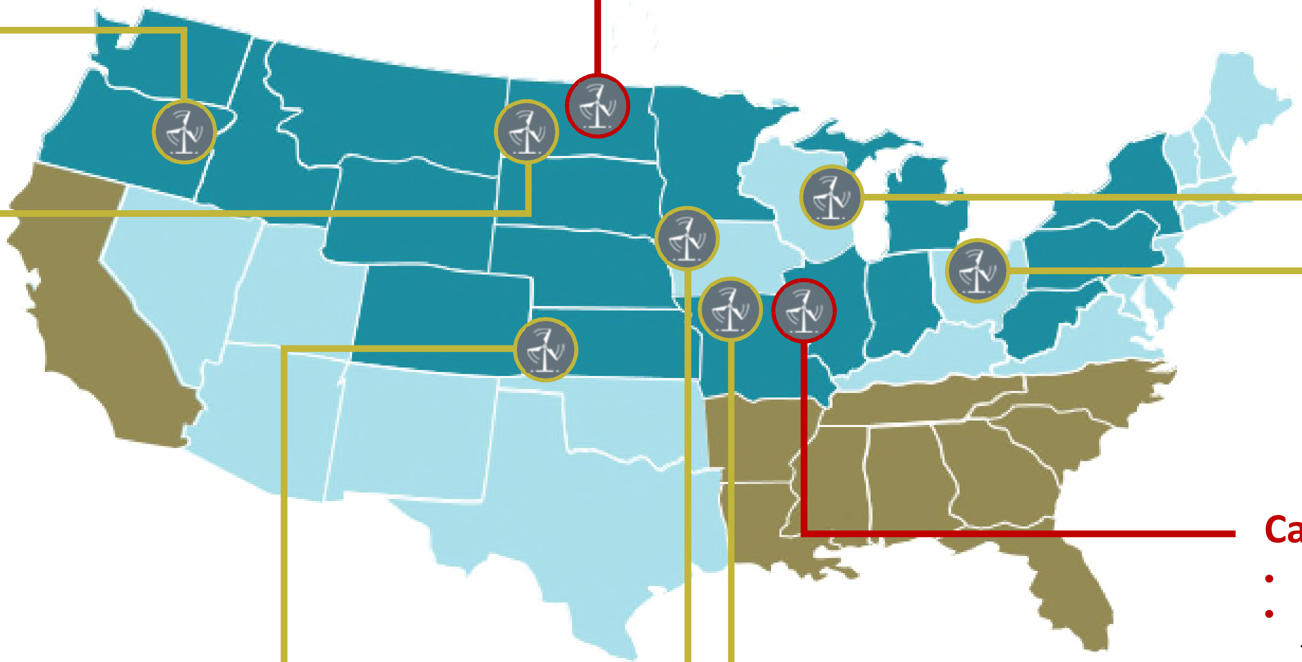
Targeting 50% renewable generation capacity by 2030
- 1,600 MW of new wind

Ontario

Nuclear retirements
Market Renewal Program
- Incremental capacity auctions
- Enabling system flexibility

New long-term Energy Plan
Further consolidation

US wind development opportunities



New Frontier

- 99 MW
- 12-year fixed price contract for 87% of the facility's output
- COD Dec/18
- Budget of $182M

Tisch Mills

- 100 MW

Nolin Hills

- 350 MW

Garrison Butte

- 200 MW

Black Fork

- Black Fork
- 100-180 MW

Cardinal Point

- 150 MW
- 12-year fixed price contract for 85% of the facility's output
- 15-year REC contracts
- COD Mar/20
- Budget of $289M-$301M

Salt Springs

- 200 MW

Willow Creek

- 100-200 MW

Green Hills Wind

- 75 MW

2018 construction & development targets

Construction

2018 — 2019 — 2020 — 2021

New Frontier Wind
(North Dakota)

- 99 MW
- 12-year PPA
- $182M
- COD in Dec/18

Whitla Wind
(Alberta)

- 201.6 MW (Phase 1)
- 20-year PPA
- $315-$325M
- COD in Q4/19

Cardinal Point Wind
(Illinois)

- 150 MW
- 12-year PPA
- $289-$301M
- COD in Mar/20

Development

- Execute contracts for the output of 1-3 new wind developments
  - Contract executed for Cardinal Point Wind
  - Potential wind development opportunities in Canada and the U.S.

Coal-to-gas conversion transition plan

Optimal operational flexibility for Genesee units

Anticipate decision point in 2020 due to carbon & natural gas pricing

On track to bring significant natural gas to site by 2020

Co-firing provides greatest fuel flexibility through to 2030

Federal coal to gas regulations extend facility life to almost 2040

2018 | 2019 | 2020 | 2021 | 2030

Genesee can currently co-fire up to 250 MW of natural gas

- Timing of conversion flexible
- 9 months or less conversion period
- Outage of 2 months per unit
- Capital cost of $30M-$35M per unit

Superior availability and efficiency of coal fleet will carry over as converted natural gas units

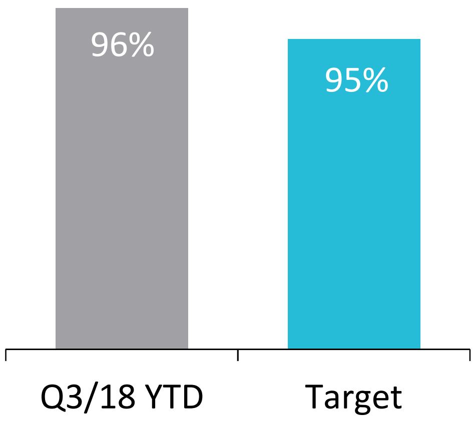
Financial Performance & Outlook

- Disciplined growth through contracted cash flow
- Maintain investment grade credit rating
- Manage financing risk

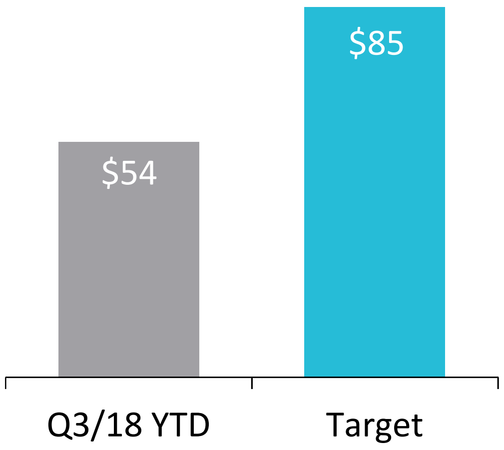
Q3/18 YTD performance versus 2018 annual targets

2018 AFFO expected to be above the midpoint of the range

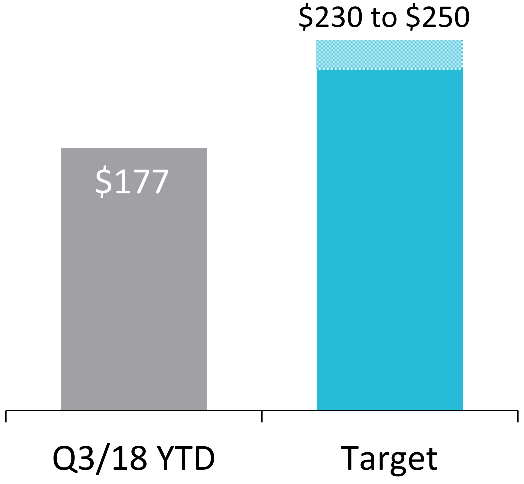
Facility availability



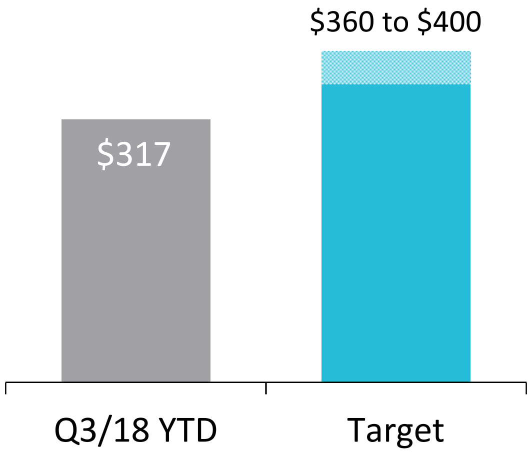
Sustaining capex ($M)



Facility O&M expenses ($M)



AFFO[1] ($M)



1) AFFO is a non-GAAP financial measure. See “Non-GAAP financial measures”.

Financial Strength

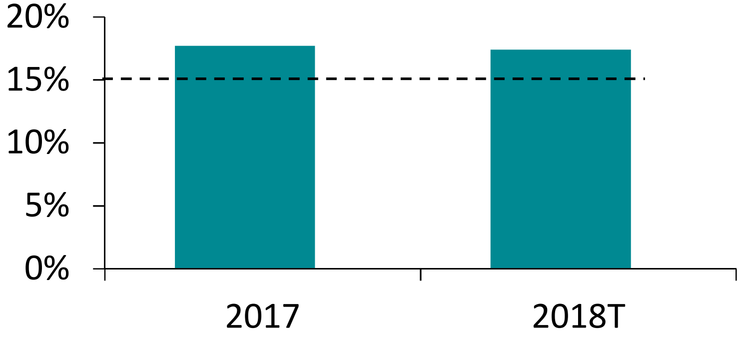
Strong balance sheet and commitment to investment grade credit ratings

Agency	Ratings	Outlook
S&P	BBB- / P-3	Stable
DBRS	BBB(low) / Pfd-3 (low)	Stable

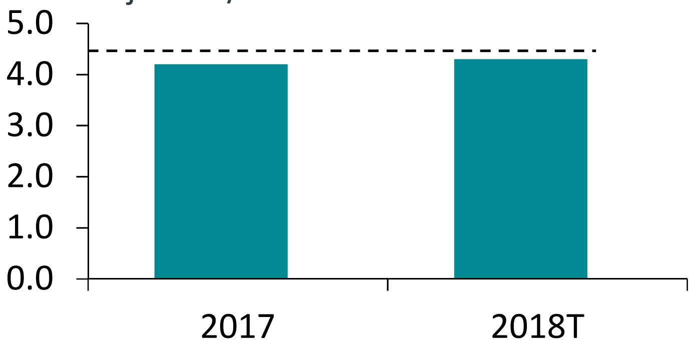
- Strong liquidity from cash flow from operations and $1B of committed credit facilities with 5-year tenor
- Strong financial metrics that exceed rating agency thresholds for existing ratings

Within S&P financial criteria for current rating

Adj. FFO/Debt[1-4]

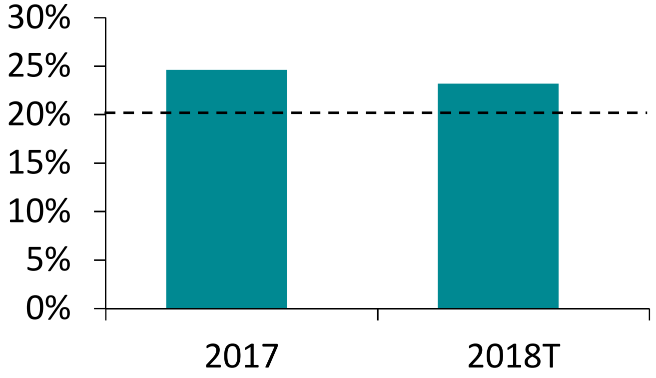


Adj. Debt/EBITDA[1-4]

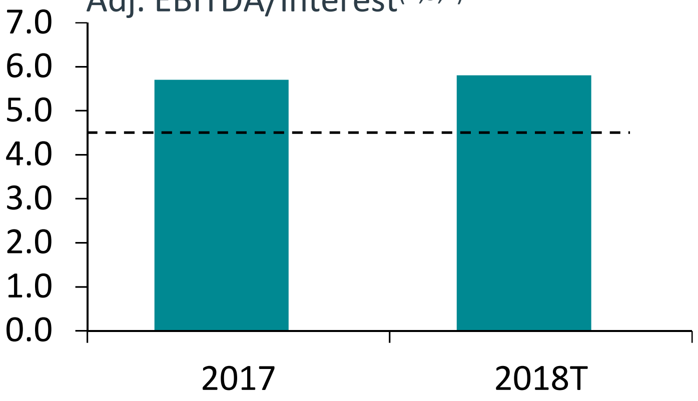


Within DBRS financial criteria for current rating

Adj. Cash flow/Debt[1,3,4]



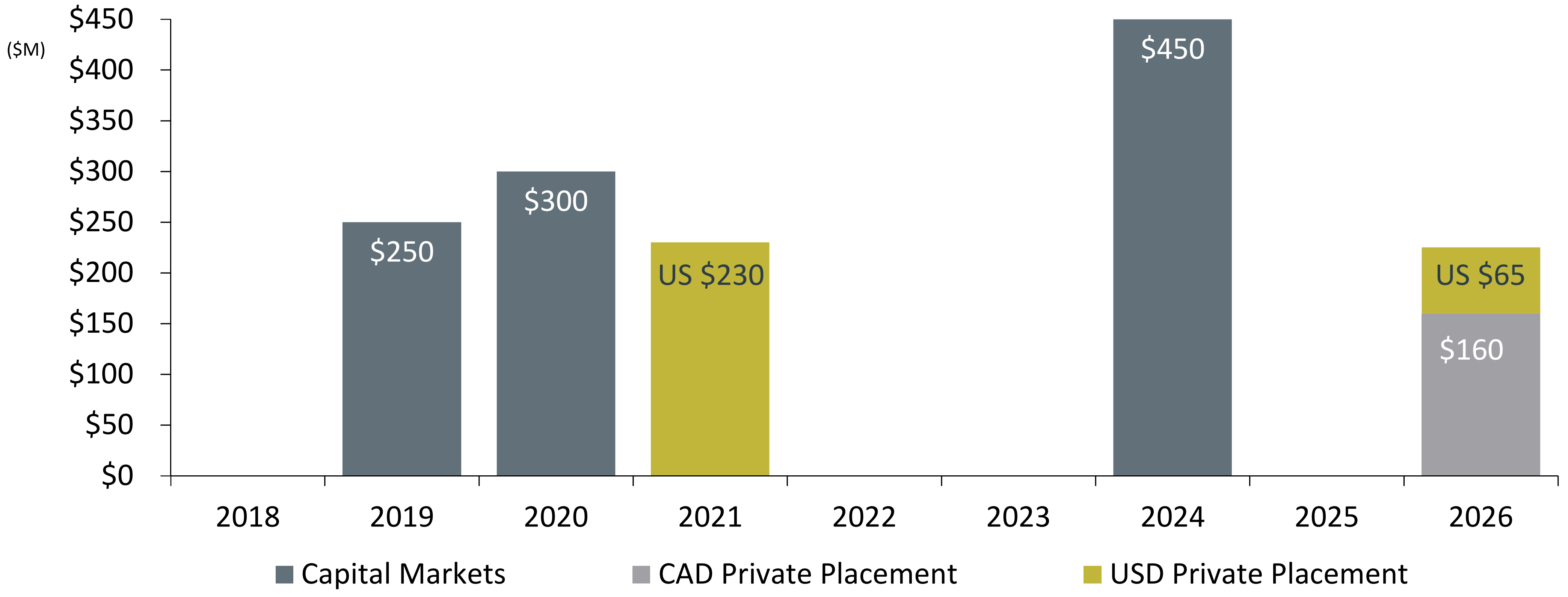
Adj. EBITDA/Interest[1,3,4]



1) Cash flow and adjusted EBITDA amounts include coal compensation.
2) Based on S&P's weighted average ratings methodology.
3) 2018T means 2018 target.
4) AFFO and Adjusted EBITDA are non-GAAP financial measures. See "Non-GAAP financial measures".

Debt maturity schedule[1]

Well spread-out debt maturities supported by long asset lives



1) Debt amounts as of September 30, 2018 excludes non recourse debt, credit facility debt, and tax-equity financing.

Driving a sustainable future

Decreasing risk and growing cash flows

	Generation technology[1]	Contracted capacity[1]	North American footprint[1]
2015	42% Gas and renewables	66% Contracted	74% Alberta
2018	58% Gas and renewables	82% Contracted	57% Alberta
	Renewables growth	Greater visibility	Geographic diversification

1) Based on Adjusted EBITDA excluding G&A expenses. EBITDA and Adjusted EBITDA are non-GAAP financial measurers. See "Non-GAAP financial measures".

Growth
450 MW
Under development

Average Asset Age
14 years

Average Contract Life
11.5 years

Non-GAAP financial measures

The Company uses (i) earnings before net finance expense, income tax expense, depreciation and amortization, impairments, foreign exchange gains or losses, finance expense and depreciation expense from its joint venture interests, and gains or losses on disposals (Adjusted EBITDA), (ii) adjusted funds from operations (AFFO), (iii) adjusted funds from operations per share (AFFO/share), (iv) earnings per share (EPS), (v) normalized earnings attributable to common shareholders, and (vi) normalized earnings per share 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, are unlikely to be comparable to similar measures used by other enterprises. These measures should not be considered alternatives to 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.

Reconciliations of these non-GAAP financial measures are disclosed in the Company's Management's Discussion and Analysis prepared as of October 26, 2018 for the third quarter of 2018, which is available under the Company's profile on SEDAR at SEDAR.com and on the Company's website at capitalpower.com.

Forward-looking information

Forward-looking information or statements included in this presentation 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 expectations regarding:

- future revenues, expenses, earnings and adjusted funds from operations,
- the future pricing of electricity and market fundamentals in existing and target markets,
- future dividend growth,
- the Company's future cash requirements including interest and principal repayments, capital expenditures, dividends and distributions,
- the Company's sources of funding, adequacy and availability of committed bank credit facilities and future borrowings,
- future growth and emerging opportunities in the Company's target markets including the focus on certain technologies,
- the timing of, funding of, and costs for existing, planned and potential development projects and acquisitions (including the New Frontier Wind project, phase 1 of the Whitla Wind project and the Cardinal Point Wind project),
- facility availability and planned outages,
- capital expenditures for facility maintenance and other (sustaining capital, future growth projects),
- the impact of the transition to a capacity market on the Company's future growth projects,
- expectations pertaining to the financial impacts of the acquisition of Arlington Valley, including accretive impacts to adjusted funds from operations, adjusted funds from operations per share and earnings per share,
- the financing plans for and the timing of the close of the acquisition of Arlington Valley,
- re-contracting of the Arlington Valley facility,
- the timing of the close of the sale of the interest in K2 Wind and the reinvestment of the proceeds of sale,
- the timing of, funding of, and costs for the coal-to-gas conversion transition plan, and
- impacts of future IFRS standards and amendments.

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, expected future developments, and other factors it believes are appropriate. The material factors and assumptions used to develop these forward-looking statements relate to:

- electricity and other energy and carbon prices,
- performance,
- business prospects (including potential re-contracting of facilities) and opportunities including expected growth and capital projects,
- status of and impact of policy, legislation and regulations,
- effective tax rates, and
- other matters discussed under the Performance Overview and Outlook sections of the Company's MD&A for the third quarter of 2018.

Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results and experience to differ materially from the Company's expectations. Such material risks and uncertainties are:

- changes in electricity prices in markets in which the Company operates,
- changes in energy commodity market prices and use of derivatives,
- regulatory and political environments including changes to environmental, financial reporting, market structure and tax legislation,
- generation facility availability and performance including maintenance of equipment,
- ability to fund current and future capital and working capital needs,
- acquisitions and developments including timing and costs of regulatory approvals and construction,
- changes in market prices and availability of fuel,
- ability to realize the anticipated benefits of the Arlington Valley acquisition,
- ability to realize the anticipated benefits of the sale of the interest in K2 Wind,
- limitations inherent in the Company's review of acquired assets, and
- changes in general economic and competitive conditions.

See Risks and Risk Management in the Company's December 31, 2017 annual MD&A for further discussion of these and other risks. Readers are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the specified approval date. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.