Growth-oriented North American power producer

- 24 Facilities
- 4,500 MW
- 3 wind projects (450 MW) with long-term contracts proceeding
- Strong pipeline of additional contracted growth opportunities
**Investment highlights**

- Targeting annual Total Shareholder Return of 13%
- Current dividend is supported by low payout ratio
- 7% dividend growth is supported by new contracted assets
- Power prices in Alberta have recovered
- New capacity market is expected to sustain Alberta power prices
- Transition continues to a generation fleet with lower carbon intensity

### 2018E Adjusted EBITDA

<table>
<thead>
<tr>
<th>Region</th>
<th>Contracted</th>
<th>Merchant</th>
<th>Geographic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alberta</td>
<td>68%</td>
<td>32%</td>
<td>57%</td>
</tr>
<tr>
<td>BC / ON</td>
<td>100%</td>
<td>0%</td>
<td>24%</td>
</tr>
<tr>
<td>USA</td>
<td>100%</td>
<td>0%</td>
<td>19%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>82%</strong></td>
<td><strong>18%</strong></td>
<td><strong>19%</strong></td>
</tr>
</tbody>
</table>
Discretionary cash flow supports dividend growth target\(^{(1)}\)

$400M  
Capital

$40M  
EBITDA

$29M\(^{(2)}\)  
AFFO

7.7%  
AFFO Growth/Share

7%  
Dividend Growth

AFFO growth from discretionary cash flow covers 7% annual dividend growth without dilution to existing shareholders

---

1) Assumes a 10x EBITDA multiple and a capital structure of 50% DCF, and 50% debt issued at 4.5%. AFFO growth is compared to 2018 target midpoint of $380M.

2) AFFO includes a reduction of $2M from expected maintenance CAPEX.
Young fleet with long asset lives

Average age 14 years\(^{(1)}\)

- Bloom Wind
- K2 Wind
- Beaufort Solar
- Shepard Energy Centre
- Port Dover & Nanticoke
- Halkirk
- Quality Wind
- York Energy
- Macho Springs
- Keephills 3
- East Windsor
- CBEC - Units 2&3
- 150 Mile House/Savona
- CBEC - Unit 1
- Kingsbridge 1
- Genesee 3
- Decatur Energy
- Island Generation
- Joffre
- Genesee 1
- Genesee 2
- Roxboro
- Southport

5-year average availability of 95%

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

1) Megawatt-weighted average
EBITDA growth from new assets has supported dividend growth\(^{(1-5)}\)

Growth capex since 2012 averages \(\sim$500M\(^{(5)}\) per annum

1) Margins have been averaged over the periods except in the year of commissioning/acquisition.
2) Capital Power’s share of adjusted EBITDA for all assets. Adjusted EBITDA is a non-GAAP measure.
3) Bloom EBITDA has been adjusted for impacts of US tax reform legislation.
4) Includes both merchant and contracted components of Shepard and Halkirk. The merchant components include contributions from trading activity attributable to the plants’ production.
5) Includes gross capex from tax-equity investments.
Historical AFFO\textsuperscript{(1,2)} growth supports dividend growth target

5-year average AFFO payout ratio of 46% consistent with 45-55% target payout ratio

Dividends

Annualized dividend per share\textsuperscript{(4)}

Long-term growth supported by

- Long-term contracts with MW-weighted average PPA term remaining of 9.3 years
- Relatively young fleet of assets with long lives
- \$200M per year in discretionary cash flow supporting \$400-$500M of growth capex per year
- Forecasted AFFO payout ratio below 50%

1) 2018 AFFO target represents the midpoint of $360M - $400M guidance range. AFFO is a non-GAAP financial measure.
2) Historical AFFO figures restated using Adjusted AFFO (2018 method).
3) Includes cash dividends, dividends retained under DRIP, and distributions to EPCOR.
4) 2013-2017 annualized dividend based on year-end quarterly common share dividend declared.
5) Subject to market conditions, economic outlook, cash flow forecast, and Board approval at the time.
Alberta power market has recovered

- Alberta is experiencing strong demand growth
- Older coal fired units have started to retire
- Termination of 2000 MW of PPAs has facilitated commercial optimization

[Diagrams showing Alberta Load Growth and Alberta Energy Prices]

Step-change increase in power prices starting in 2018

1) Alberta Internal Load normalized for weather. Source: Capital Power, EIA.
2) Power and gas forecasts represent the average forecasts of leading 3rd party consulting firms as of May/18.
3) Forward prices as of May 2018.
Capacity market design

- AESO released 2nd draft of Comprehensive Market Design (CMD2) in Apr/18
- Design continues to be constructive, indicating that existing and future assets will have an equal opportunity to earn a return on and of capital
- Have greater confidence the AB Government’s commitment to treat new and existing assets equitably will be honored
- Key design elements such as participation, market mitigation, term length remain reasonable as expected
- AESO continues to be on-track to finalize its proposed market design for July 2018

CMD2 remains generally consistent with our view of a properly designed capacity market for Alberta and we are well-positioned under this market design
Opportunistic hedging strategy
Alberta commercial portfolio positions
(As of Mar 31, 2018)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Sold forward(^{1}) (700 MWs of baseload)</td>
<td>46%</td>
<td>22%</td>
</tr>
<tr>
<td>Contracted prices(^{2}) ($/MWh)</td>
<td>Low-$50</td>
<td>Low-$50</td>
</tr>
<tr>
<td>Current average forward prices(^{3}) ($/MWh)</td>
<td>$56</td>
<td>$54</td>
</tr>
</tbody>
</table>

Unhedged baseload position plus nearly 500 MW (gas peaking, wind) available to capture upside from higher power prices & 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 May 24, 2018.
Maximizing the commodity portfolio
Creating incremental value through market expertise

Average realized power prices (1) have exceeded spot power prices by 24% 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.
Capital allocation
Prudent share buybacks and debt reduction to optimize capital utilization

- **Dividend Growth**: 7% annual dividend growth guidance to 2020
- **Growth Opportunities**: Generating $200M+ in discretionary cash flow which equates to $400-$500M in growth capex without a need to access equity markets
- **Share Buybacks & Debt Repayment**: NCIB to purchase and cancel up to 9.3M common shares during the 1-year period ending Feb 20/19. Bought back 713,100 shares in Q1/18 for $17M
Financial strength
Strong balance sheet and investment grade credit rating

Within S&P financial criteria for investment grade rating

<table>
<thead>
<tr>
<th>Agency</th>
<th>Ratings</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P</td>
<td>BBB- / P-3</td>
<td>Stable</td>
</tr>
<tr>
<td>DBRS</td>
<td>BBB(low) / Pfd-3 (low)</td>
<td>Stable</td>
</tr>
</tbody>
</table>

- Strong liquidity from cash flow from operations and $1B of committed credit facilities
- Well capitalized with capacity for leverage

Within DBRS financial criteria for current rating

Committed to maintaining investment grade

1) Cash flow and adjusted EBITDA amounts include coal compensation in 2017.
2) Based on S&P’s weighted average ratings methodology.
2018 Financial target

Adjusted funds from operations\(^{(1)}\)

$0  $100  $200  $300  $400

Q1/18  2018T

$360 to $400\(^{(2)}\)

$85

2018 AFFO expected to be above the midpoint of the guidance range

 Expect ~10% CAGR for AFFO/share from 2014 to 2018

2017 Adjusted FFO is calculated under the current method and 2018T Adjusted FFO is calculated under the 2018 method.

2) 2018 key assumptions include $49/MWh average Alberta power price and approximately $2/GJ AECO natural gas. Excludes any impacts from $500M of committed capital for growth.

3) Represents Adjusted FFO (2018 method), less the portion allocated to the non-controlling interest (calculated consistent with the proportion of income and distributions allocated to the non-controlling interest in each period). Commencing in 2016, there is no longer a non-controlling interest, therefore, for 2016 onward this metric reflects adjusted FFO (2018 method).
Current projects under construction/development

New Frontier Wind (North Dakota)
- 99 MW
- 12-year PPA
- $182M
- COD in Dec 2018

Whitla Wind (Alberta)
- 201.6 MW (Phase 1)
- 20-year PPA
- $315-$325M
- COD in Q4, 2019

Cardinal Point Wind (Illinois)
- 150 MW
- 12-year PPA
- $289-$301M
- COD in March 2020

450 MWs of long-term contracted wind facilities added to the fleet over the next 2 years
Canadian opportunity set

Significant investment required by 2030

**Ontario**
- Nuclear retirements
- Market renewal
  - Incremental capacity auctions
  - Enabling system flexibility
- New long-term Energy Plan
- Further consolidation

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

**British Columbia**
- Development sites:
  - 2x wind
  - 1x gas
- 1,600 MW of new wind

**Alberta**
- Coal phase-out
- Renewable Electricity Program (5,000 MW opportunity)
- Gas-fired opportunities
- Significant investment required by 2030
Alberta growth opportunities

$20B+ opportunity (5000 MWs of renewables to be built by the next decade)

**Renewable Electricity Program**

**Round 2 (300 MW)**
Minimum Indigenous equity component (i.e. ownership stake in the project or land use agreement between the company and the community)

**Round 3 (400 MW)**
Similar to round 1

---

**Halkirk 2**
- 148 MW
- Next to existing Halkirk facility
- 37%+ capacity factor
- Available transmission
- Locational advantage with wind diversity (high capture factor)

**Whitla Wind 2**
- ~100 MW
- Built next to Whitla Wind (201.6 MW) with COD in Q4/19
- Full project is on 33,000 acres, located in the County of Forty Mile

**Siksika Nation**
- Exclusive agreement to jointly develop new generation
- 172,000 acres of land
- Solar, wind & gas opportunities
- Attractive location

**Junior Portfolios**
- > 2,500 MW of capacity
- > 20 opportunities
- Aggregation potential

---

**Capital Power well-positioned to bid on both competitions with its Halkirk 2 and Whitla Wind 2 projects**
US wind development opportunities

Nolin Hills
- 350 MW
- >6 m/s wind speed

Garrison Butte
- 200 MW
- >8 m/s wind speed
- MISO or SPP

Salt Springs
- 200 MW
- >8 m/s wind speed
- SPP
- 30 mi north of Bloom Wind

Willow Creek
- 100-200 MW
- MISO

New Frontier
- 99 MW
- MISO
- 12-year fixed price contract for 87% of the facility’s output
- COD December 2018
- Budget of $182M

Tisch Mills
- 100 MW
- >7 m/s wind speed
- MISO
- WI RPS
- Advanced DPP

Black Fork
- 100-180 MW
- >6 m/s wind speed
- PJM
- Executed GIA
- Permitted OH project

Cardinal Point
- 150 MW
- 12-year fixed price contract for 85% of the facility’s output
- 15-year REC contracts
- COD March 2020
- Budget of $289M-$301M

Junior development sites
- Throughout the U.S.
- Acquisition of sites

Salt Springs
- 200 MW
- >8 m/s wind speed
- SPP
- 30 mi north of Bloom Wind

New Frontier
- 99 MW
- MISO
- 12-year fixed price contract for 87% of the facility’s output
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Junior development sites
- Throughout the U.S.
- Acquisition of sites
Strategies to reduce GHG emissions

- Reducing carbon emissions at existing facilities
- Building renewables
- Exploring Carbon Capture & Storage and carbon utilization
  - Equity investment in C2CNT, a company applying an innovative technology to capture and transform carbon dioxide into a useful and high-value product called carbon nanotubes
  - Carbon nanotubes are conductive, stronger than steel, and lighter than aluminum and have been used in bullet-proof and taser-proof suits, towards carbon composites in jet airliners, and as a lighter-weight alternative to metals for use in industrial structural materials
- Utilizing inventory of carbon offsets in Alberta to reduce carbon costs
Genesee generation station

Industry leader through the carbon transition

- Highest availability for Alberta coal plants (95% average last 3 years)
- Lowest fuel cost from mine mouth operation
- Youngest units (21 years average) in Alberta
- Excellent maintenance history and focused reliability program
- Transition to natural gas maintains these advantages

Transition

- World-leading, unique carbon reduction program – Genesee Performance Standard (GPS)
- Program targets an 11% reduction in GHG emissions
- Staged approach for coal to gas conversion and dual fuel firing
- Bio-fuel substitution strategy
- $50M capital investment; $35M per year annual savings beyond 2021

Genesee is well positioned to maintain its role as an industry leading generation facility
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

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

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

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

Dividend yield

Dividend yield expected to return to a 5% to 6% range with the removal of the Alberta uncertainty.
A strong past, a stronger future
Decreasing risk and growing cash flows

<table>
<thead>
<tr>
<th></th>
<th>Generation technology(1)</th>
<th>Contracted capacity(1)</th>
<th>North American footprint(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>42% gas and renewables</td>
<td>66% Contracted</td>
<td>74% Alberta</td>
</tr>
<tr>
<td>2018</td>
<td>58% gas and renewables</td>
<td>82% Contracted</td>
<td>57% Alberta</td>
</tr>
<tr>
<td>Renewsables growth</td>
<td>Greater visibility</td>
<td></td>
<td>Geographic diversification</td>
</tr>
</tbody>
</table>

Meeting or exceeding 2018 annual targets

1) Based on Adjusted EBITDA excluding G&A expenses
## Alberta’s coal fleet

### Retirements under federal / provincial regulations and conversion to gas

<table>
<thead>
<tr>
<th>Facility</th>
<th>AESO max capacity (MW)</th>
<th>Age in 2018 (yrs)</th>
<th>End of coal life (CLP)(1)</th>
<th>Current Status</th>
<th>Coal to gas conversion Expectation</th>
<th>PPA status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Battle River 3</td>
<td>149</td>
<td>49</td>
<td>2019</td>
<td>Online</td>
<td>ATCO announced CtG by 2020</td>
<td>Merchant</td>
</tr>
<tr>
<td>Sundance 1</td>
<td>288</td>
<td>48</td>
<td>2019</td>
<td>Decommissioned end of 2017</td>
<td></td>
<td>PPA expired end of 2017</td>
</tr>
<tr>
<td>H.R. Milner</td>
<td>144</td>
<td>46</td>
<td>2019</td>
<td>Return from mothball end of May 2018</td>
<td></td>
<td>Merchant</td>
</tr>
<tr>
<td>Sundance 2</td>
<td>288</td>
<td>45</td>
<td>2019</td>
<td>Mothballed</td>
<td>ATCO announced CtG by 2020</td>
<td>PPA expired end of 2017</td>
</tr>
<tr>
<td>Battle River 4</td>
<td>155</td>
<td>43</td>
<td>2025</td>
<td>Online</td>
<td>TA announced CtG 2021-22</td>
<td>Returned to TA in Apr/18</td>
</tr>
<tr>
<td>Sundance 3</td>
<td>368</td>
<td>42</td>
<td>2026</td>
<td>Mothballed Apr/18 (up to 2 yrs)</td>
<td></td>
<td>Returned to TA in Apr/18</td>
</tr>
<tr>
<td>Sundance 4</td>
<td>406</td>
<td>41</td>
<td>2027</td>
<td>To be mothballed Apr/19 (up to 2 yrs)</td>
<td></td>
<td>Returned to TA in Apr/18</td>
</tr>
<tr>
<td>Sundance 5</td>
<td>406</td>
<td>40</td>
<td>2028</td>
<td>Mothballed Apr/18 (up to 1 yr)</td>
<td></td>
<td>Returned to TA in Apr/18</td>
</tr>
<tr>
<td>Sundance 6</td>
<td>401</td>
<td>38</td>
<td>2029</td>
<td>Online</td>
<td>TA announced CtG 2021-22</td>
<td>Returned to TA in Apr/18</td>
</tr>
<tr>
<td>Battle River 5</td>
<td>385</td>
<td>37</td>
<td>2029</td>
<td>Online</td>
<td>ATCO announced CtG by 2020</td>
<td>Returns to ATCO Sep/18</td>
</tr>
<tr>
<td>Keephills 1</td>
<td>395</td>
<td>35</td>
<td>2029</td>
<td>Online</td>
<td>TA announced CtG 2021-22</td>
<td>Balancing Pool; Dec/20 expiry</td>
</tr>
<tr>
<td>Keephills 2</td>
<td>395</td>
<td>34</td>
<td>2029</td>
<td>Online</td>
<td>TA announced CtG 2021-22</td>
<td>Balancing Pool; Dec/20 expiry</td>
</tr>
<tr>
<td>Sheerness 1</td>
<td>400</td>
<td>32</td>
<td>2030</td>
<td>Online</td>
<td>ATCO announced CtG by 2020</td>
<td>Balancing Pool; Dec/20 expiry</td>
</tr>
<tr>
<td>Genesee 2</td>
<td>400</td>
<td>29</td>
<td>2030</td>
<td>Online</td>
<td>ATCO announced CtG by 2020</td>
<td>Balancing Pool; Dec/20 expiry</td>
</tr>
<tr>
<td>Sheerness 2</td>
<td>390</td>
<td>28</td>
<td>2030</td>
<td>Online</td>
<td>TA announced CtG 2021-22</td>
<td>Balancing Pool; Dec/20 expiry</td>
</tr>
<tr>
<td>Genesee 1</td>
<td>400</td>
<td>24</td>
<td>2030</td>
<td>Online</td>
<td>ATCO announced CtG by 2020</td>
<td>Balancing Pool; Dec/20 expiry</td>
</tr>
<tr>
<td>Genesee 3(2)</td>
<td>466</td>
<td>13</td>
<td>2030</td>
<td>Online</td>
<td>TA announced CtG 2021-22</td>
<td>Balancing Pool; Dec/20 expiry</td>
</tr>
<tr>
<td>Keephills 3(2)</td>
<td>463</td>
<td>7</td>
<td>2030</td>
<td>Online</td>
<td>TA announced CtG 2021-22</td>
<td>Balancing Pool; Dec/20 expiry</td>
</tr>
</tbody>
</table>

1) Current coal regulations under Climate Leadership Plan (Alberta).
2) Capital Power and TransAlta Corporation are 50% owners on Genesee 3 and Keephills 3.
## Cash flow and financing outlook

### Sufficient funding for current growth projects

<table>
<thead>
<tr>
<th>Sources of cash flow</th>
<th>2018T ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds from operations$^{(1)} + coal compensation</td>
<td>$505</td>
</tr>
<tr>
<td>Estimated proceeds from tax-equity debt (New Frontier Wind)</td>
<td>$125</td>
</tr>
<tr>
<td></td>
<td><strong>$630</strong></td>
</tr>
</tbody>
</table>

### Uses of cash flow

<table>
<thead>
<tr>
<th>Uses of cash flow</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends (common &amp; preferred shares)</td>
<td>($215)</td>
</tr>
<tr>
<td>Development capex$^{(2)}</td>
<td>($260)</td>
</tr>
<tr>
<td>Debt repayment$^{(3)}</td>
<td>($155)</td>
</tr>
<tr>
<td>Share repurchases</td>
<td>($20)</td>
</tr>
<tr>
<td>Genesee Performance Standard$^{(4)}</td>
<td>($15)</td>
</tr>
<tr>
<td>Sustaining and maintenance capex</td>
<td>($90)</td>
</tr>
<tr>
<td></td>
<td><strong>($755)</strong></td>
</tr>
</tbody>
</table>

### Deficit to be funded by credit facility draws

| Deficit to be funded by credit facility draws | ($125) |

1. Funds from operations (FFO) is a non-GAAP financial measure.
2. Includes spend on New Frontier, Cardinal Point and Whills Wind, as well as minor spend on other projects.
3. Excludes debt repayments to tax equity investor & equity accounted investment debt repayments and net of gains on swap settlements.
4. Genesee Performance Standard (GPS) is a program to reduce CO2 and improve coal plant efficiency. Total program costs of ~$50M.
Debt maturity schedule\textsuperscript{(1)}

~$1B in committed credit facilities renewed with 5-year tenor maturing 2022, of which approximately $900M is available\textsuperscript{(1)}

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

1) Debt amounts as of March 31, 2018 excludes non recourse debt, credit facility debt, and tax-equity financing. Amount available on credit facilities as of March 31, 2018.
## Summary of assets

<table>
<thead>
<tr>
<th>Alberta Contracted</th>
<th>Alberta Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Genesee 1</td>
</tr>
<tr>
<td>Capacity</td>
<td>430 MW</td>
</tr>
<tr>
<td>% owned / operated</td>
<td>100 / 100</td>
</tr>
<tr>
<td>Location</td>
<td>Warburg</td>
</tr>
<tr>
<td>Fuel &amp; equipment</td>
<td>Coal (50% ownership of coal mine)</td>
</tr>
<tr>
<td>PPA Expiry</td>
<td>2020</td>
</tr>
</tbody>
</table>
## Summary of assets

<table>
<thead>
<tr>
<th>Island Generation</th>
<th>Quality Wind</th>
<th>Savona</th>
<th>150 Mile House</th>
<th>Port Dover &amp; Nanticoke</th>
<th>Kingsbridge 1</th>
<th>K2 Wind</th>
<th>York Energy</th>
<th>East Windsor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity</td>
<td>275 MW</td>
<td>142 MW</td>
<td>5 MW</td>
<td>5 MW</td>
<td>105 MW</td>
<td>40 MW</td>
<td>270 MW</td>
<td>400 MW</td>
</tr>
<tr>
<td>% owned / operated</td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>100 / 0</td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>33.3% owned</td>
<td>50 / 100</td>
<td>100 / 100</td>
</tr>
<tr>
<td>Location</td>
<td>Campbell River, BC</td>
<td>Tumbler Ridge, BC</td>
<td>BC</td>
<td>BC</td>
<td>Counties of Norfolk and Haldimand, Ontario</td>
<td>Goderich, Ontario</td>
<td>Ashfield-Colborne-Wawanosh, Ontario</td>
<td>Township of King, Ontario</td>
</tr>
<tr>
<td>PPA Expiry</td>
<td>2022</td>
<td>2037</td>
<td>2028</td>
<td>2028</td>
<td>2033</td>
<td>2026 / 2027</td>
<td>2035</td>
<td>2032</td>
</tr>
</tbody>
</table>
## Summary of assets

<table>
<thead>
<tr>
<th></th>
<th>Roxboro</th>
<th>Southport</th>
<th>Macho Springs</th>
<th>Beaufort Solar</th>
<th>Decatur</th>
<th>Bloom Wind</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capacity</strong></td>
<td>46 MW</td>
<td>88 MW</td>
<td>50 MW</td>
<td>15 MW</td>
<td>795 MW</td>
<td>178 MW</td>
</tr>
<tr>
<td><strong>% owned / operated</strong></td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>100 (sale &amp; leaseback) / 100</td>
<td>100 / 100</td>
<td>100 / 100</td>
</tr>
<tr>
<td><strong>Location</strong></td>
<td>Roxboro, North Carolina</td>
<td>Southport, North Carolina</td>
<td>Luna County, New Mexico</td>
<td>Beaufort County, North Carolina</td>
<td>Decatur, Alabama</td>
<td>Ford and Clark Counties, Kansas</td>
</tr>
<tr>
<td><strong>Fuel &amp; equipment</strong></td>
<td>Mixture of wood residuals, tire-derived fuel and coal</td>
<td>Mixture of wood residuals, tire-derived fuel and coal</td>
<td>Vestas wind turbines</td>
<td>Solar</td>
<td>Natural gas (Combined cycle; 3X1 CCGT Siemens 501FD2 combustion turbines)</td>
<td>Vestas wind turbines</td>
</tr>
<tr>
<td><strong>PPA Expiry</strong></td>
<td>2021</td>
<td>2021</td>
<td>2031</td>
<td>2030</td>
<td>2022</td>
<td>2027</td>
</tr>
</tbody>
</table>
### Projects under development/construction

<table>
<thead>
<tr>
<th></th>
<th>Alberta Commercial</th>
<th>Alberta Contracted</th>
<th>U.S. Contracted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Genesee 4&amp;5</td>
<td>Halkirk 2</td>
<td>Whitla Wind (Phase I)</td>
</tr>
<tr>
<td>Capacity</td>
<td>Up to 1,060 MW</td>
<td>150 MW</td>
<td>201.6 MW</td>
</tr>
<tr>
<td>% owned / operated</td>
<td>50 / 100</td>
<td>100 / 100</td>
<td>100 / 100</td>
</tr>
<tr>
<td>Location</td>
<td>Warburg</td>
<td>Halkirk</td>
<td>Medicine Hat</td>
</tr>
<tr>
<td>Fuel &amp; equipment</td>
<td>Combined-cycle natural gas (Mitsubishi J-Class natural gas turbine technology)</td>
<td>Wind</td>
<td>Wind</td>
</tr>
<tr>
<td>Commercial Operations</td>
<td>To be determined</td>
<td>To be determined</td>
<td>Q4 2019</td>
</tr>
<tr>
<td>PPA Expiry</td>
<td>8-year tolling arrangement with ENMAX for 50% of Capital Power’s share of the output.</td>
<td>20-year contract-for-differences structured contract</td>
<td>12-year fixed price contract</td>
</tr>
<tr>
<td>Expected Capital Cost</td>
<td>$1.4B for total project (excluding interest during construction and refundable transmission system contribution payments)</td>
<td>$315M to $325M</td>
<td>$182M</td>
</tr>
</tbody>
</table>
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, (iii) adjusted funds from operations per share (iv) normalized earnings attributable to common shareholders, and (v) 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.

Adjusted EBITDA
Capital Power uses adjusted EBITDA to measure the operating performance of facilities and categories of facilities from period to period. Management believes that a measure of facility operating performance is more meaningful if results not related to facility operations such as impairments, foreign exchange gains or losses and gains or losses on disposals are excluded from the adjusted EBITDA measure.

Adjusted funds from operations (AFFO) and AFFO per share
The Company uses AFFO as a measure of the Company’s ability to generate cash from its current operating activities to fund growth capital expenditures, debt repayments and common share dividends to the Company’s shareholders. Commencing with the Company’s March 31, 2018 quarter-end, the Company made several adjustments to its adjusted funds from operations measure to better reflect the purpose of the measure. These changes included the following:

• The reduction for sustaining capital expenditures historically included costs associated with the Company’s Genesee performance standard project. These costs have been considered further and given that the intent of this project is to improve efficiency of the facility, management considers these costs to be growth in nature, and hence they should not be considered sustaining capital expenditures that would be deducted in the adjusted funds from operations measure.

• In prior periods, there has been an addback included for Part VI.1 preferred dividend tax impacts which effectively contemplated the associated tax deduction related to preferred share dividends that reduced current tax payable. Upon further consideration, since that deduction offsets the cash tax payable related to Part VI.1 preferred dividend taxes, the cash effects of the preferred dividend tax impacts should offset. The remaining impact to adjusted funds from operations should therefore be the current income tax expense without any adjustment pertaining to preferred dividend tax impacts.

• Historically, the impacts of tax equity financing structures on adjusted funds from operations have been insignificant. With the commencement of commercial operations of Bloom Wind in 2017, management has revisited the flow of these operations through the adjusted funds from operations metric. Similar to the treatment of joint venture interests, the treatment of assets under tax equity financing structures has been adjusted to reflect the Company’s share of the adjusted funds from operations of these assets within consolidated adjusted funds from operations. To give effect to this change, the deduction for net finance expense now excludes non-cash implicit interest expense pertaining to tax equity financing structures. However, a deduction is made to remove the tax equity project investors’ respective shares of the adjusted funds from operations of the assets under tax equity financing structures, as determined by their shares of the distributable cash of the respective operations.

Comparative figures have been restated to reflect the above refinements to the adjusted funds from operations metric.
Non-GAAP financial measures (cont’d)

Adjusted funds from operations represents net cash flows from operating activities adjusted to include net finance expense and current income tax expense and exclude changes in operating working capital and distributions received from the Company’s joint venture interests. Net finance expense and current income tax expense are included as the timing of cash receipts and payments of interest and income taxes and the resulting cash basis amounts are not comparable from period to period. Changes in operating working capital are excluded from adjusted funds from operations as the timing of cash receipts and payments also affects the period-to-period comparability. Distributions received from the Company’s joint venture interests are excluded as the distributions are calculated after the effect of joint venture debt payments, which are not considered operating activities. Adjusted funds from operations is reduced by the tax equity financing project investors’ shares of adjusted funds from operations associated with assets under tax equity financing structures to ensure that only the Company’s share is reflected in the overall metric. Adjusted funds from operations also excludes the impact of fair value changes in certain unsettled derivative financial instruments that are charged or credited to the Company’s bank margin account held with a specific exchange counterparty. Adjusted funds from operations is reduced by sustaining capital expenditures and preferred share dividends and adjusted to include the Company’s share of the adjusted funds from operations of its joint venture interests and cash from coal compensation that will be received annually.

Commencing with the quarter ended March 31, 2018, the Company began presenting adjusted funds from operations per share. This metric is determined by applying adjusted funds from operations to the weighted average number of common shares used in the calculation of basic, diluted and normalized earnings per share.

Normalized earnings attributable to common shareholders and normalized earnings per share
The Company uses normalized earnings attributable to common shareholders and normalized earnings per share to measure performance by period on a comparable basis. Normalized earnings per share is based on earnings (loss) used in the calculation of basic earnings (loss) per share according to GAAP and adjusted for items that are not reflective of performance in the period such as unrealized fair value changes, impairment charges, unusual tax adjustments, gains and losses on disposal of assets or unusual contracts, and foreign exchange gain or loss on the revaluation of U.S. dollar denominated debt. The adjustments, shown net of tax, consist of unrealized fair value changes on financial instruments that are not necessarily indicative of future actual realized gains or losses, non-recurring gains or losses, or gains or losses reflecting corporate structure decisions.
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 including the Genesee 4 and 5 project,
• expectations around the Line Loss Rule Proceeding including timing of retrospective loss factors being finalized, participation in applicable appeal processes, and potential impacts to the Company, 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, other energy and carbon prices,
• performance,
• business prospects 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.

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, and
• changes in general economic and competitive conditions.

See Risks and Risk Management in the Company’s December 31, 2017 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.
Investor Relations

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Common Shares
- TSX symbol: CPX
- S&P/TSX Index Inclusions: Composite, SmallCap, Capped Utilities
- Shares Outstanding: 103.3 million
- Market Cap: $2.6 billion
- Average Daily Trading Volume: 440,000 shares