Capital Power_Corporation
Annual Meeting – April 29, 2011

Donald Lowry:
Okay. Good afternoon, ladies and gentlemen. It's just after one o'clock, so I'll ask that this meeting come to order. My name is Don Lowry and I'm the Chairman of the Board of Capital Power Corporation and in accordance with the Company's by-laws, I'm pleased to be your Chair for this meeting. To those of you here in Edmonton, Alberta and to those of you who are listening on the live webcast, welcome to Capital Power Corporation's second Annual Meeting of Shareholders. I would ask you to turn off your cell phones please or place them on mute, thank you.

Now, before we start, every employee of Capital Power is responsible for the health and safety of themselves, their fellow employees and the public in all company related activities as part of the Company's Environmental Health and Safety Policy. So, on that note, I would like to quickly review the procedures we will follow in the event that there is an emergency and I would like all of you at this time to make sure that, absolutely, you have turned off your cell phones and Blackberries.

Now this Art Gallery, which is a lovely facility, has fire alarms and pull boxes located near all the designated exits. Smoke detectors are also located throughout the Art Gallery ventilation system. In the event that there is an emergency the Art Gallery will be evacuated and they have appointed Evacuation Wardens who will ensure that all guests and attendees here will be able to exit through the closest available exit.

With me today, seated on my far left is Kate Chisholm. Kate is Senior Vice President and General Counsel and Corporate Secretary of Capital Power. And Kate will act as the Secretary of this meeting. I would also like to introduce Brian Vaasjo who is the President and Chief Executive Officer of Capital Power who is seated close to me on the far, my direct left. And seated in the middle is Stuart Lee. He's Senior Vice President and Chief Financial Officer of Capital Power.

Following the formal portion of today's meeting, Brian will report to you on Capital Power's operating and financial performance for 2010 as well as reviewing the Company's first quarter 2011 results, and updating as well on any other recent events. We would invite at that time, questions that you would have and that you could ask to Brian. This format allows us to complete our formal business expeditiously and move on to matters of general interest.

I would also like to ask, to take this opportunity to introduce to you our current Board of Directors, and would ask them to stand when I introduce them. In addition to Brian Vaasjo and myself your current board members are: Al Bellstedt, Brian Bentz, Rick Cruickshank, Brian MacNeill, Bill Bennett, Phil Lachambre, Janice Rennie, Bob Phillips, Hugh Bolton and Allister McPherson.

I would also... (Applause)

I would also like to take this opportunity to introduce the senior management of Capital Power. In addition to Brian, Kate and Stuart, we have in attendance today: Jim Oosterbaan who is Senior Vice President, Operations and Commodity Portfolio Management; Bryan DeNeve who is Senior Vice President, Commercial Services; Peter Arnold, Senior Vice President, Human Resources, Environment Health and Safety; and Allan Danroth, Vice President of Planning, Business Transformation and the CIO of the corporation.

(Applause)

Computershare Trust Company of Canada is the Company's registrar and transfer agent for common shares. Today Mr. Kyle Gould and Mr. Phillip Munday, both of Computershare, have been appointed to act as Scrutineers. They will report on the shareholders present in person or by proxy, and compute the votes on any polls taken. At this time we want to thank all of you who have submitted your proxies in advance and remind you that only registered shareholders or duly appointed proxyholders may participate in the business of today's meeting.

The Notice calling this meeting and accompanying Management Proxy Circular and Form of Proxy were mailed on April 5th, 2011 to all registered and beneficial holders of common shares, special voting shares and the special limited voting shares at the close of business on March 21st, 2011. At the same time the Company also posted the circular and Form of Proxy on its website at www.capitalpower.com. The Secretary has provided me with an affidavit of mailing prepared by Computershare Trust Company of Canada. Ms. Chisholm will see that this affidavit is filed with the minutes of this meeting.

The Corporate Secretary has received the report of the Scrutineers and advises me that there is a quorum present. On the basis of the Secretary's report I declare that the meeting has been regularly called and properly constituted for the transaction of business. The Corporate Secretary will also file the reports of the Scrutineers with the minutes of this meeting.

In order to facilitate a smooth flow of the routine business matters we will be dealing with today we have asked for some of our employee shareholders to move and second formal motions. They will be called upon as required.

The first item of business is the presentation to the meeting of Consolidated Financial Statements of the Company for the year ended December 31st, 2010 and a Report of the Auditors' thereon. The Annual Report of the Company which contains the Consolidated Financial Statements, together with the Report of the Auditors thereon and the Company's Management Discussion and Analysis, was mailed on March 31st, 2011 to each shareholder who requested a copy. The Annual Report is also available on the website and there are copies available here today at the registration table.

On behalf of the directors I now place before the meeting the Consolidated Financial Statements and Auditors' Report thereon for the year ended December 31st, 2010. Mr. Don Matthews, a partner in KPMG, the Company's external auditor, is in attendance today. Don, would you please stand and identify yourself? Thank you, Don. Don will be available to answer questions in respect of the Auditors' Report during the general question period.

Any questions pertaining to the statements themselves will be responded to by Mr. Stuart Lee. Are there any questions of the statements? Then I declare that the Consolidated Financial Statements and the Auditors' Report have been received.

The next item of business is the election of the Directors. In accordance with the by-laws of the Company and pursuant to a resolution of the Board of Directors, a total of twelve directors will be elected at today's meeting. Pursuant to the Articles of the Company, a subsidiary of EPCOR Utilities Limited, as the holder of all of the issue and outstanding special voting shares of the Company is entitled to nominate and elect four of the twelve directors. The remaining eight directors will be elected by the shareholders of common shares.

Information regarding the nominees being proposed for election is set out in the Management Proxy Circular which accompanied the Notice of Meeting sent to shareholders.

As of 1:00 p.m., Wednesday, April 27th, 2011, which was the deadline for receipt of proxies, Management has received proxies representing 12.8 million shares, which is in excess of 38 percent of the Company's outstanding common shares which have been voted in favour of each of Management's nominees to the Board of Directors named in the Management Proxy Circular.

We'll now proceed with the nomination and election of the eight directors to be elected by holders of common shares. Only registered holders of common shares or their duly appointed proxyholders are entitled to nominate and vote for the election of these directors.

Mr. Oosterbaan, may I please ask you for a nomination of each of the eight directors to be elected by holders of common shares?

Jim Oosterbaan
Mr. Chairman, on behalf of the Board of Directors, I nominate each of the following eight persons as named in the Management Proxy Circular, for election as Directors to hold office until the close of the next Annual Meeting, or until their successors are duly elected or appointed: Albrecht Bellstedt, Brian Bentz, Richard Cruickshank, Brian MacNeill, Brian Vaasjo, William Bennett, Philip Lachambre and Janice Rennie

Donald Lowry:
Thank you, Mr. Oosterbaan. Mr. Smith, would you please second the nominations?

Mr. Smith:
Mr. Chairman, I second the nomination.

Donald Lowry:
Thank you Mr. Smith. Are there any further nominations? If no further nominations, I declare the nominations closed.
We will now proceed with the election of the nominated directors. Election of directors will proceed by way of ballot. Votes will be cast in favour of or withheld from voting for each nominated director individually. The votes cast in favour of election of a director nominee must represent a majority of the common shares voted at the meeting. If that is not the case, that director must tender his or her resignation for consideration by the balance of the Board, whereupon the Board must determine whether to accept or reject the resignation and must disclose its decision not to accept or reject the resignation within 90 days of the annual meeting.

Only registered holders of common shares or their duly appointed proxyholders are entitled to vote on the election of these director nominees.

Many shareholders present will have already filed their proxies. Unless they wish to withdraw their proxy, these shareholders should not complete a ballot since their shares will be voted in accordance with the instructions contained in the proxies granted to their proxyholders.

I request that the Scrutineer hand out ballots to each registered holder of common shares and proxyholders who have not already voted by proxy or completed a ballot.

If you are a registered holder of common shares or a proxyholder and have not already voted by proxy or completed the ballot please raise your hand so the Scrutineer can see you.

Seeing none then I will move to the next. The final Scrutineer's Report will be annexed to the minutes of this meeting and filed on SEDAR.

The Scrutineers will continue to tabulate the ballots and prepare their final report. However, as there are eight directors to be elected by the holders of common shares and there are eight nominees I declare that Albrecht Bellstedt, Brian Bentz, Richard Cruickshank, Brian MacNeill, Brian Vaasjo, William Bennett, Philip Lachambre, and Janice Rennie to be duly elected directors of the Company.

If, with respect to any particular nominee, the number of shares withheld exceeds the number of votes voted in favour of the nominee as indicated in the final Scrutineer's Report then the nominee will be asked to submit his or her resignation to the Board of Directors forthwith, such resignation to take effect upon acceptance by the Board of Directors. The final Scrutineer's Report will be posted on SEDAR the following morning - following this meeting.

Now, election of EPCOR nominees. In addition to the eight individuals that have just been elected; EPCOR, which holds all of the issued and outstanding special voting shares of the Company is entitled to nominate and elect four nominees to the Board. The biographies of the four EPCOR nominees are also set out in the Management Proxy Circular.

We will now proceed with the nomination election of the four directors to be elected by EPCOR. Only EPCOR or its duly appointed proxyholder is entitled to nominate and vote for the election of these directors. EPCOR has appointed Mr. Ron Liteplo as its proxy to vote all of the issued and outstanding special voting shares of the Company for the election of the four EPCOR nominees to the Board named in the Management Proxy Circular.

Mr. Liteplo, as the proxyholder for EPCOR may I ask you for a nomination of each of the four directors to be elected by EPCOR and a vote for each of the EPCOR nominees to the Board.

Ron Liteplo:
Mr. Chairman, on behalf of EPCOR I nominate and vote for each of the following four persons as named in the Management Proxy Circular for election as Directors to hold office until the close of the next Annual Meeting or until their successors are duly elected or appointed. Namely: Donald Lowry, Robert Phillips, Hugh Bolton and Allister McPherson.

Donald Lowry:
Thank you, Ron. As there are four directors to be elected by EPCOR and there are four persons nominated to the Board and voted for by EPCOR I declare that Donald Lowry, Robert Phillips, Hugh Bolton and Allister McPherson have been duly elected as directors of the Company to hold office until the next Annual Meeting of the Shareholders or until their successors are duly elected or appointed.

I am pleased now to introduce to you the directors of the Company for the ensuing year and, I would ask them again to please stand and be recognized as I call their name. Albrecht Bellstedt, Brian Bentz, Richard Cruickshank, Brian MacNeill, Brian Vaasjo, William Bennett, Philip Lachambre, Janice Rennie, Robert Phillips, Hugh Bolton, Allister McPherson and yours truly.

Next on the agenda is the appointment of Auditors. As described in the Management Proxy Circular, the common shares and the special voting shares vote for the appointment of the Auditors. As of 1:00 p.m., Wednesday, April 27th which was the deadline for the receipt of these proxies, Management has again, I'm repeating here, received proxies representing in excess of 15.1 million shares which represents an excess of 38 percent of the Company's outstanding common shares, have been voted in favour of the Auditors named in the Management Proxy Circular.

EPCOR has appointed Mr. Liteplo as its proxy to vote all of the issued and outstanding special voting shares of the Company for the appointment of the auditors named in the Management Proxy Circular, which would bring that to 88 percent.

Mr. Arnold, may I have a motion to appoint the Auditors of the Company.

Mr. Arnold:
Mr. Chairman, I move that KPMG LLP Chartered Accountants be appointed Auditors of the Company to hold office until the close of the next Annual Meeting of Shareholders, at remuneration to be fixed by the Directors on the recommendation of the Audit Committee.

Donald Lowry:
Thank you, Mr. Arnold. Mr. Simpson, will you second the motion?

Mr. Simpson:
Mr. Chairman, I second the motion.

Donald Lowry:
Thank you, Mr. Simpson.

All those in favour of the motion please signify by raising your hands. Contrary? I now declare the motion carried, which terminates the meeting.

This now completes the formal portion of the meeting and there being no further business on the agenda, I will now ask Mr. Boston for a motion to terminate. We will then have a presentation by Mr. Vaasjo. An opportunity will be provided at the end of his presentation for you to ask any questions.

Mr. Boston:
Mr. Chairman, I move that we terminate the meeting.

Donald Lowry:
Thank you Mr. Boston. Ms. Fitzgerald, will you please second the motion?

Ms. Fitzgerald:
Mr. Chairman, I second the motion.

Donald Lowry:
Thank you, Ms. Fitzgerald. All those in favour of the motion? The motion is carried, and I declare the formal business portion of today's meeting terminated. I will now invite Brian Vaasjo to come to the podium to update us on the first quarter and the affairs of the Company following which I encourage you to ask questions of Brian. Thank you.

(Applause)

Brian Vaasjo:
Thank you very much, Don. And I did take note you've encouraged people to ask questions and I would encourage you to ask any questions that you may have to, in regards to Capital Power, its future and certainly what we've been able to achieve over the last year. So thank you all for joining us today and especially those listening in via website, for joining us for Capital Power's second Annual Meeting.

Before I begin, I would like to draw your attention to the standard cautionary statement about forward-looking information in today's presentation and that may arise in the questions and answers later. You may find additional information in the 2010 MD&A, which is contained in our Annual Report, is available on our website and for which there's copies outside in the lobby.

Ladies and gentlemen, I am pleased to report that 2010 was a very successful year for Capital Power. As you will see over the next 20 minutes or so, we are steadily growing towards our goal of 10,000 megawatts of capacity by 2020.

Today I'll be providing you with an overview of Capital Power and our strategy, highlights from 2010 and the first quarter of 2011, information about our operating and financial targets for 2011, and finally, a look ahead to the future, a future that holds tremendous promise as we continue the strong momentum we have already created in building our facility portfolio.

Following my presentation we will have a question and answer session where I look forward to discussing these topics with you in more detail.

Let me start with a brief overview of Capital Power. Capital Power is a growth-oriented North American producer trading on the Toronto Stock Exchange. Our vision, and one that we are making steady progress towards, is to be one of North America's most respected, reliable and competitive power generators.

With our recent acquisitions in the New England region, which I'll talk about shortly, we are approaching 5,000 megawatts of owned or operated capacity, and we have an additional 500 megawatts in construction or active development.

We are permanently headquartered in Edmonton with more than 500 employees working downtown and at nearby Genesee. Although we are deeply rooted in Alberta, Capital Powers operations extend across North America. Our people operate a diverse portfolio of power assets, including natural gas, coal, small hydro, biomass and wind.

A solid platform for sustainable growth is essential to achieving our goals and as this slide illustrates, Capital Power's corporate strengths create a firm and secure foundation.

Our robust financial position is a substantial source of strength, as it provides Capital Power with consistent access to low-cost capital, which in turn supports our disciplined growth strategy. The keystone of this strength is maintaining the balance between contracted and merchant cash flows.

One of the strengths that clearly differentiates Capital Power from our peers is the age of our power generation facilities. The assets that comprise our efficient and modern fleet are among the youngest in North America with an average age of approximately 13 years. And our sustained focus on operational excellence and disciplined maintenance practices are designed to keep our facilities in top condition.

Taken together, our corporate strengths and our business and financial strategies are key to our goal of delivering total shareholder return that is greater than the median of our peer group.

Now let's turn to some highlights from 2010, our first full calendar year of being a publically traded company. If I had to use just one word to characterize

2010 for Capital Power that word would be "momentum". The overall excellent results achieved in 2010 give us confidence that our strategy is the right one for our company and for our shareholders.

Having entered the year with a goal of committing $500 million to on-target growth opportunities our teams doubled the target while remaining disciplined. Capital Power committed nearly one billion dollars to two wind projects and one acquisition, each of which are expected to meet or exceed our targeted rates of return. Each [Even] as we identified and closed on growth opportunities, our construction and operations teams ensured that our existing development projects progressed and our facilities delivered strong availability.

By year's end we had exceeded targets for normalized earnings and funds from operations, successfully access debt and equity markets through a range of financings and delivered a total shareholder return of nearly 17 percent. It was a tremendous year.

Having set the bigger picture, we'll now take a closer look at operations, financial performance and growth initiatives.

Our operational target for 2010 was to achieve a plant availability of 94 percent or greater, and to make plant maintenance capital investments of $60 million. These continuing sustaining investments are essential to keep our operational availability high. If you fail to invest enough in maintenance eventually availability will suffer.

Our sustaining capital investment program finished the year on-track with $56 million invested in our facilities. Our plant availability was also a solid 90 percent, which compares favourably to other generation fleets, although it is short of our 94 percent target. The main reason availability was short of target was due to issues at Clover Bar. We experienced some problems with our unit 2 turbine, resulting in 71 percent availability for the year. Fortunately, the maintenance was covered under the manufacturer's warranty and much of the lost revenue was covered by insurance, but the unit was out of service for an extended period of time.

Looking across some of our other facilities plant maintenance at the Genesee 3 facility in Alberta resulted in 88 percent availability in 2010, in line with our expectation. Our operators at Genesee 1 and 2 are to be commended for achieving 96 percent availability through 2010, while at our newly acquired Island Generation plant 99 percent availability was achieved. This is simply outstanding. And the Capital Power Income LP facilities also did well, averaging a 95 percent availability.

We've continued that strong performance into the first quarter of 2011, averaging 93 percent availability at Capital Power's facilities, including 100 percent availability at Genesee 2 and 3 and 92 percent availability at Genesee 1.

In addition to strong operational performance, Capital Power's corporate strategy aims to balance a strong financial position with a targeted, balanced, disciplined growth. Our commitment to investors is to work to deliver total shareholder return that exceeds the median of our peer group, and to grow with discipline.

Even as we triple in size we seek to maintain an investment-grade credit rating supported by contracted cash flows, so that we can access growth capital throughout the business cycle.

Capital Power's full year normalized EPS in 2010 was $1.40, ahead of our target of $1.20. This reflects a strong performance in our underlying business.

On a quarter-by-quarter basis our results were variable, but over the four quarters we delivered results that were beyond our expectations.

With respect to cash flow, Capital Power had an excellent year, even as we experienced what we believe to be the bottom of the commodity cycle. Funds from operations as reported under Canadian GAAP were $263 million or 2.7 times our 2010 dividend payments of $99 million. Our business generated more than $140 million in discretionary cash flow which was over half of our funds from operations. This provides a source of capital to reinvest in growth.

Capital Power also performed well against our financial ratio target. At the end of the year we had a debt to capital ratio of 36 percent, better than our 40 to 45 percent leveraged target. Funds from operations were 22 percent of our total debt obligation, ahead of our 20 percent minimum. And we maintained a balance between contracted and merchant generation operating margin.

Capital Power's solid operational and financial performance in 2010 supported our ongoing access to capital markets. We completed nearly $650 million in financing activity during the year led by $221 million secondary offering of common shares by EPCOR, which began its trek to reduce its ownership interest in the business. The secondary offering, which was over-subscribed, added 9.2 million shares to our public float without diluting the interests of common shareholders. The 42 percent increase in the number of publically traded shares added significantly to trading liquidity.
We also issued $125 million in preferred shares last year. The proceeds were used in part to fund the purchase of the Island Generation facility in BC. The

acquisition was also partially funded by a $300 million offering of 10-year debt.

We were very pleased with our growth activity in 2010, as we committed $1 billion to one acquisition and the development of two wind farms, which would add together 500 megawatts of contracted capacity to our fleet, and neared completion of the construction of the Keephills 3 project.

The first acquisition to join the Capital Power fleet was Island Generation. Located in Campbell River on Vancouver Island, the combined cycle facility is an excellent fit with our technology focus. Its long-term contract with BC Hydro also creates capacity for us to take on additional merchant generation.

Both at our corporate office and at the facility, the integration team did a tremendous job of ensuring that the facility and its employees were smoothly transitioned into the Capital Power family.

Another highlight of 2010 was the award of long-term contracts to two wind power facilities we are developing in British Columbia and Ontario. Thus far Capital Power is investing nearly $800 million in contracted wind projects between now and 2013, including the 142 megawatt Quality Wind Project near Tumbler Ridge, British Columbia, where we began construction last November.

Meanwhile in Ontario, the $340 million Port Dover and Nanticoke wind project is being developed, with a goal of commercial operation in the fourth quarter of 2012.

This site has a strong, stable wind resource, and the consultation and permitting work required under Ontario's Renewable Energy Act process is well underway. Like the wind project that we have in British Columbia, we expect that the Port Dover and Nanticoke project to be immediately accretive to earnings once it comes online, and to provide a long-term source of contracted cash flows.

We also have a number of other wind opportunities in the Canadian markets which may come to fruition over the next few years depending in part on provincial demands for renewable energy.

2010 also saw the construction of Keephills 3 near completion, as we grow our baseload merchant generation. This state-of-the-art coal-fired facility, which is jointly owned with TransAlta, is now in the commissioning phase. When it officially comes online later this year, it will join Genesee 3 as the cleanest, most advanced coal facility in Canada.

A major commissioning milestone occurred in December when we successfully ignited the burners for what's called, "first fire". The project is also a model for safety performance. By the end of December the project had surpassed the 2-1/2 million construction hours without a lost time incident.

Several months into 2011 we can confidently say the momentum that began to build last year is accelerating. The first quarter saw significant activity on the growth front, and our hard work was rewarded when we landed three acquisitions in the New England region, Capital Power's first U.S. acquisitions.

The acquisitions and development we've undertaken in 2011, and those which will come after, will continue to reflect the disciplined growth strategy we set out when Capital Power was launched two years ago. After careful study and rigorous analysis we determined the target markets with the most favourable risk/reward balance and the potential for us to establish a significant position.

We already have a substantial position here in the Alberta market, where we have both contracted and merchant generation, and we will continue to look at opportunities here as they arise. Our networked hub strategy and our focus on specific types of technologies, allows us to achieve economies of scale, and to manage and trade our power assets as a portfolio. Together with our commitment to balance merchant and contracted generation the growth strategy supports delivery of our targeted rates of return and accretion for our shareholders.

A key growth strategy was to establish networked hubs in target markets. We are executing on that strategy. Capital Power's investing $670 million in the New England region where we targeted to have a sustained presence in the long term. We now have almost 1,100 megawatts of merchant capacity in this important market. This is the same order of magnitude of megawatts as is our merchant position here in Alberta. These facilities secure a solid foundation for a strategic networked hub in one of our key markets, and they all are expected to exceed our target rate of return for merchant assets.

The first two assets were purchased together, the Brick Holdings. The Rumford, Maine and Tiverton, Rhode Island natural gas power plants are only 11 years old and use technologies that we have operating experience with. The third facility is Bridgeport, Connecticut. It too, is a relatively young operation, and at 520 megawatts of natural gas power generation it also fits our preference for larger-scale operations.

As I mentioned earlier, Capital Power's growth target is 10,000 megawatts of capacity by 2020. We've delivered significant growth towards that goal since launching the Company in July, 2009. More than 2,000 megawatts of new capacity have been added or placed into development, more than doubling the generation owned by Capital Power Corporation. Today we are almost at the halfway point of our growth target of 10,000 megawatts by 2020, and have more generation scheduled to come on line later this year and in 2012.

We are also optimistic that we will have another growth opportunity or two to announce this year as we have only satisfied half of our growth committed capital target for the year.

In part, to support our growth into the New England market we've successful executed more than $500 million in financing so far this year. We issued 9.3 million Capital Power shares on a bought deal basis, which when combined with EPCOR's secondary offering from last year, means our publically traded float has increased 86 percent since our initial public offering. We also completed a $300 million debt offering. Both the equity and debt issues were over-subscribed, demonstrating the markets have a continued interest in Capital Power's investment proposition.
Our growth and financing activities put us well on the way to achieving some of the targets we set out for in 2011.

Looking more broadly at our goals for 2011, we entered the year aiming to deliver 94 percent availability at our operations, and invest about $56 million in ongoing maintenance. An outage at Clover Bar has put us short of our availability target, but we continue to forecast availability that's better than 90 percent across our fleet over the full year.

With respect to construction and development goals, the $670 million committed for the first three acquisitions in the New England region put us nearly halfway to our target of $1.5 billion in capital committed to acquisitions and developments that exceed or meet our target rates of return and, of course, fit our strategies.

Our approach is patient and disciplined, and when we find the right fit we are well positioned to act, with a strong balance sheet.

We announced this morning that the commissioning of the Keephills 3 project is expected to move into the third quarter of this year, which will add about 2 percent to its capital budget. While we're disappointed the facility won't enter commercial operation by the end of the second quarter, as we had originally targeted, the overall impact on Capital Power is modest. It has a flat to slightly positive impact on earnings and a slightly negative impact on cash flow.

With respect to our financial targets, our goal for the overall investment performance is to deliver total shareholder return greater than the median of our peer group. We entered 2011 with a goal of delivering normalized earnings, as measured under Canadian GAAP, that were comparable to our original targets for 2010 about $1.20 per share, based on an Alberta forward power price of about $50 a megawatt hour.

This morning we announced revised earnings guidance. Our expectation is that for the full year of 2011 Capital Power will exceed its original earnings target. If power prices settle in the low-$60 per megawatt hour range for the remainder of the year we expect to deliver normalized earnings of approximately a $1.40 per share, as measured under the new IFRS standards. Funds from operations and cash flow are also expected to be higher than our original guidance for the year.

As you see from our financial performance for the first quarter we are on our way to meeting that target, with normalized earnings of 33 cents per share for the first three months of the year, and a 10 percent increase in funds from operations, excluding non-controlling interests.

While Capital Power is growing across North America, we're also continuing to invest in the communities where we operate, and at our headquarters in Edmonton. Throughout 2010 we also continued with a 3-year commitment to Capital Powered Art, which last year brought several major exhibitions from the National Gallery of Canada to the Art Gallery of Alberta.

Another major community investment highlight was our sponsorship of a Capital Powered Zipline at the Grey Cup Festival. Not only did thousands of Edmontonians and visiting sports fans get to fly high across Churchill Square on the popular zipline, we raised significant funds for our community partners at the Edmonton Garrison's Military Family Resource Centre, who helped the families of the men and women who serve our country.

Before I close my remarks today, I want to share a short video with you that highlights some of the investments we've made to help our community to be an even better place to live.

(Video plays)

Brian Vaasjo:
If you are interested in learning more about how Capital Power contributes to the community, or the impact of our operations, I encourage you to review our first Corporate Responsibility Report that we published last year.

Ladies and gentlemen, in closing, I think it's fair to say that Capital Power continues to be an excellent company to invest in. What we told you we were going to do two years ago we have been doing. Our prospects for growth are strong, and we've demonstrated our ability to acquire, develop and manage the right kinds of opportunities that meet our investment criteria.

Our solid platform for growth on a large, quality portfolio of assets that have a proven operating history. Our strategic balance of long-term contracts and merchant assets provide stable cash flows and significant upside opportunities. And our financial strength gives us access to capital we need to continue growing towards our goal of 10,000 megawatts of capacity by 2020. In turn, this disciplined growth should lead to substantial shareholder return.

I would like to thank all of our investors. You play a significant role in shaping the future of Capital Power as we become one of North America's most respected, reliable and competitive generators. I would like to also thank our stakeholders who have joined us here today, as your support is critical to our continued success.

That concludes my presentation for today and I'll now open it up for questions.

Don Lowry:
Thanks Brian. I encourage you to ask questions [Inaudible] of Brian.

Unidentified Male:
With the new EPCOR Centre opening up sometimes in the future, do you plan to have an Annual General Meeting down there at times?

Brian Vaasjo:
We haven't, we haven't established where we'll be having our next Annual General Meeting. The facilities as they are being developed right now, I'm not sure would necessarily accommodate an Annual General Meeting. But certainly, as that overall development is built out I'm sure there would be somewhere in the overall facility that we could hold an Annual General Meeting.

Unidentified Male:
I was looking at your financial highlights and it shows that the net income compared to the previous year, it's way down actually. What does that mean?

Stuart Lee (CFO):
Net income includes fair value changes and derivative instruments which aren't necessarily reflective of the business and the way it's operated. They're effectively accounting charges related to the four contracts we have for energy sales. If you look at the other line, cash flow from the business, which we think is a better measure, or normalized income, which are better measures, certainly you see overall improvement from 2009 to 2010. And as Brian mentioned we expect improvements going from 2010 to 2011 based on our current forecast.

Donald Lowry:
You covered your ground very well, Brian. So again, thanks for, all for attending. We'll now officially close the meeting.

(Applause)

[End of recorded material