

BMO Capital Markets **2nd Annual North American Pipelines & Utilities Conference**

Natural Gas Generation Outlook In North America

BMO  **Capital Markets**

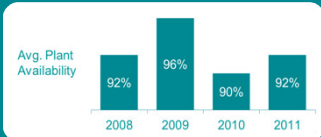
Stuart Lee, SVP & CFO
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Capital Power overview



Growth-oriented independent power producer (IPP)

- Trading on the TSX (CPX); ~\$2.3B market cap (diluted); EV ~\$3.8B
- Spin-off of power generation assets from EPCOR/IPO in mid-2009



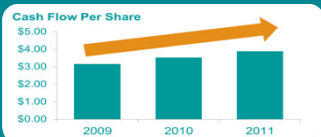
High quality generation portfolio

- Generation from a combination of natural gas, coal, wind, and potentially solar
- Young and modern fleet with generation capacity of ~3,300 MW
- Proven operating and construction history
- 4-year average plant availability of ~93%



Straight forward business model

- Stable and growing cash flow from a balanced portfolio of long-term contracts and merchant components, supported by an investment grade credit rating
- Focused on target markets in Western Canada (primarily Alberta), Ontario, US Southwest, US Northeast, and Mid-Atlantic US



Financial strength and strong cash flow generation

- BBB investment grade credit rating from S&P and DBRS
- 7.2% CAGR of cash flow per share from 2009-2011
- Attractive dividend yield of 5.4%

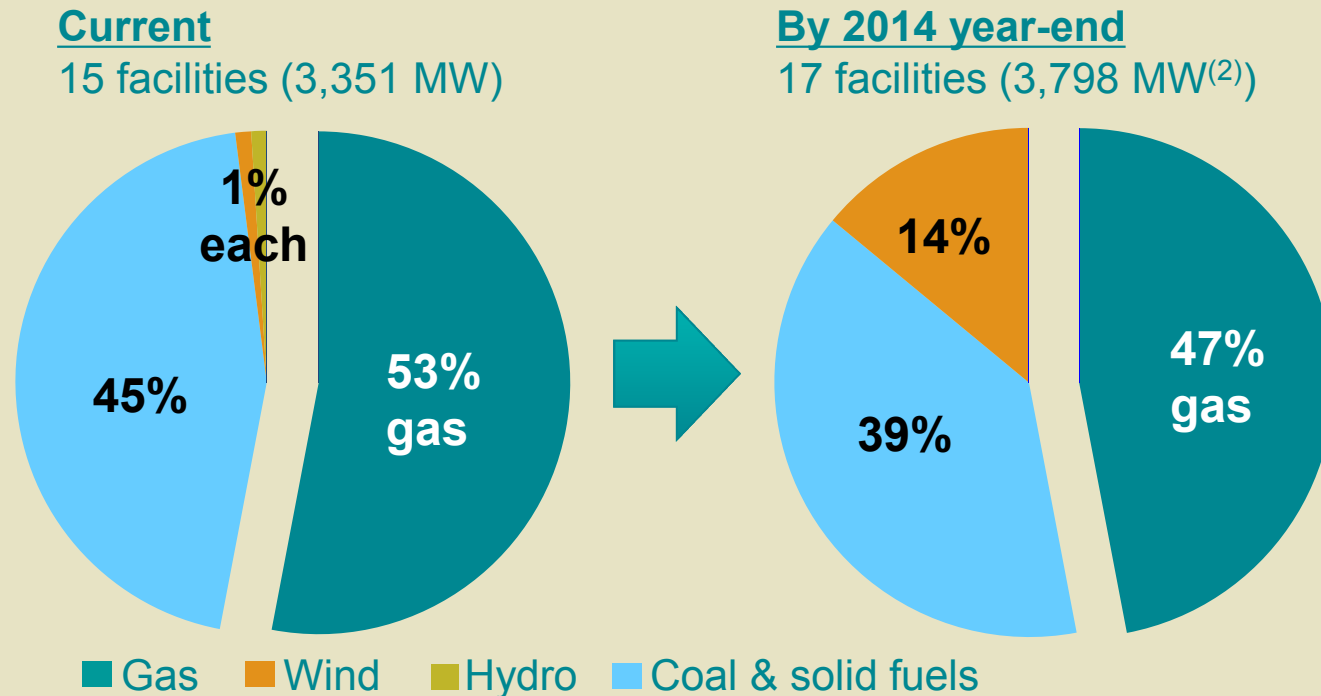


Strong exposure to attractive Alberta power market

- Positive leverage to Alberta power market
- 53% of total owned capacity is in Alberta power market (~1,800 MW)

Technology focus⁽¹⁾

CPC's operations and growth are focused on four fuel sources: natural gas, coal, wind and solar



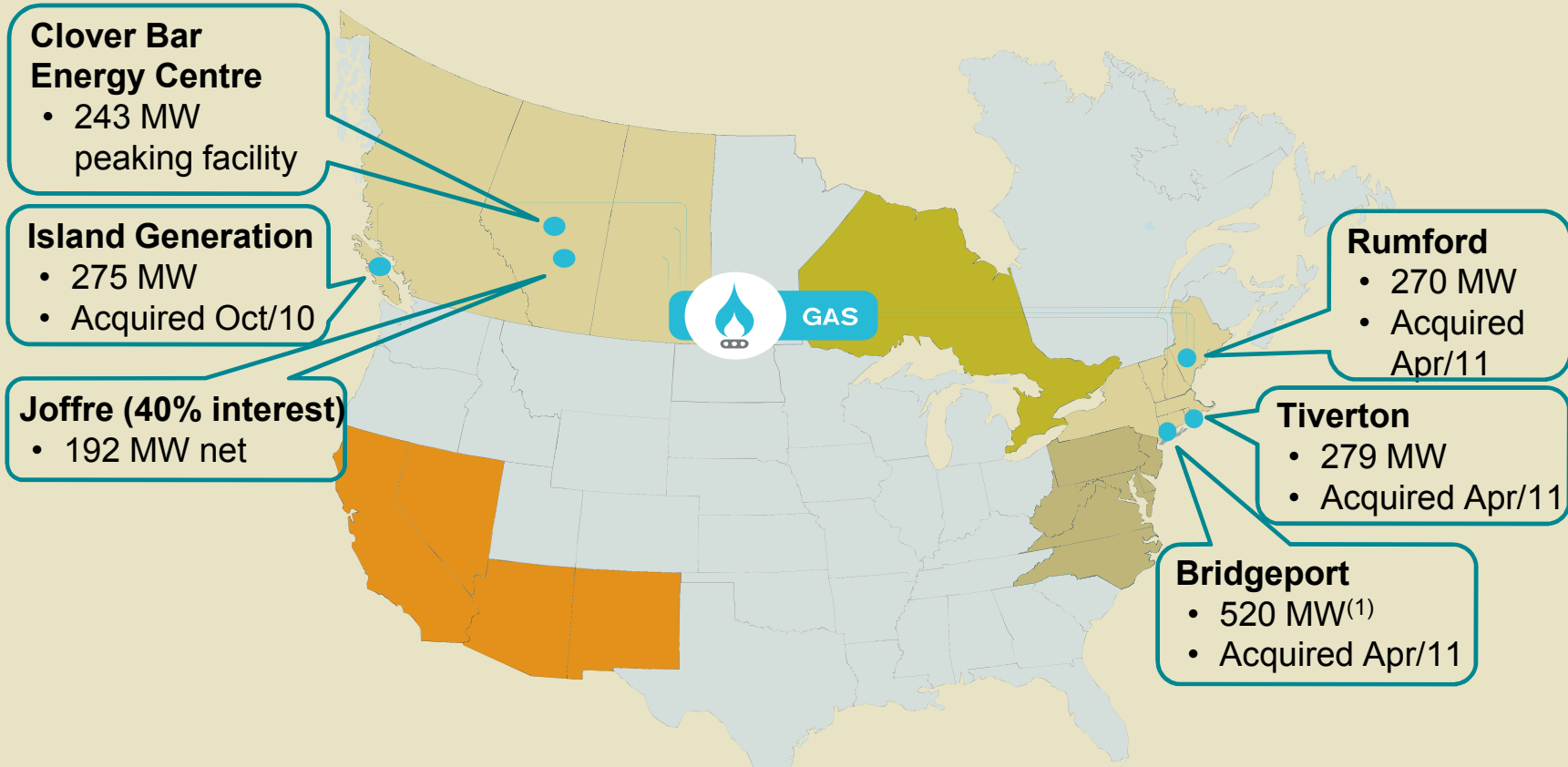
- Generation from natural gas facilities will decrease from 53% to 47% by 2014 year-end due to addition of 4 new wind projects (487 MW)

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

(2) Based on existing plants plus committed development projects and assuming divestiture of small hydro facilities.

Natural gas plants in our target markets

Ownership interest in 6 natural gas facilities (~1,800 MW) with generation throughout the stack (baseload, mid-merit, peaking)

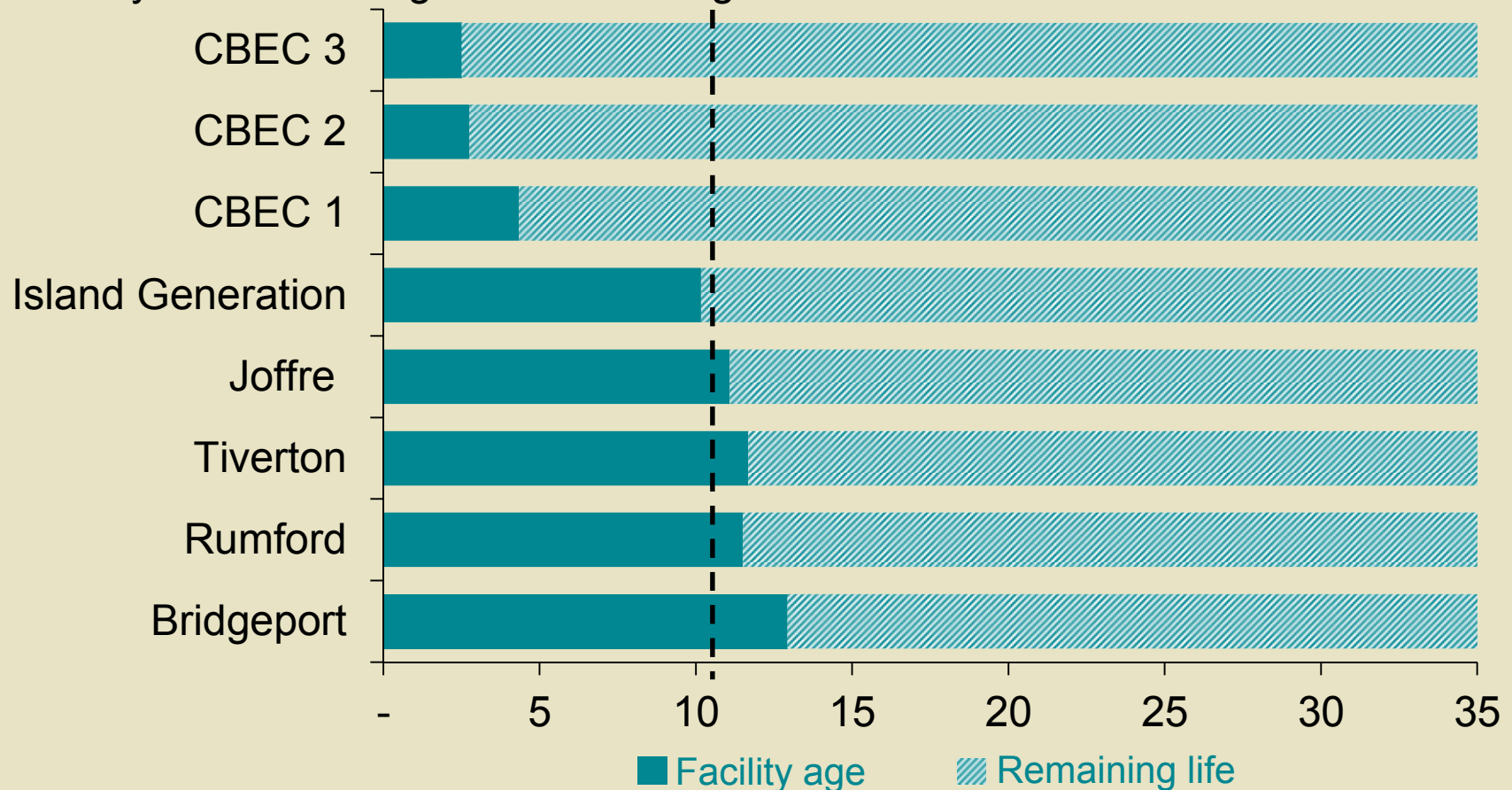


- Experienced with various types of generation (simple/combined cycle and co-generation) and utilizing proven technologies (i.e. GE, Siemens, Alstom)

(1) Represents nominal generation capacity. Bridgeport has a winter capacity of 540 MW

Modern natural gas facilities⁽¹⁾

- Average weighted facility age of gas plants is 10.5 years
- ~24 years remaining life on natural gas facilities

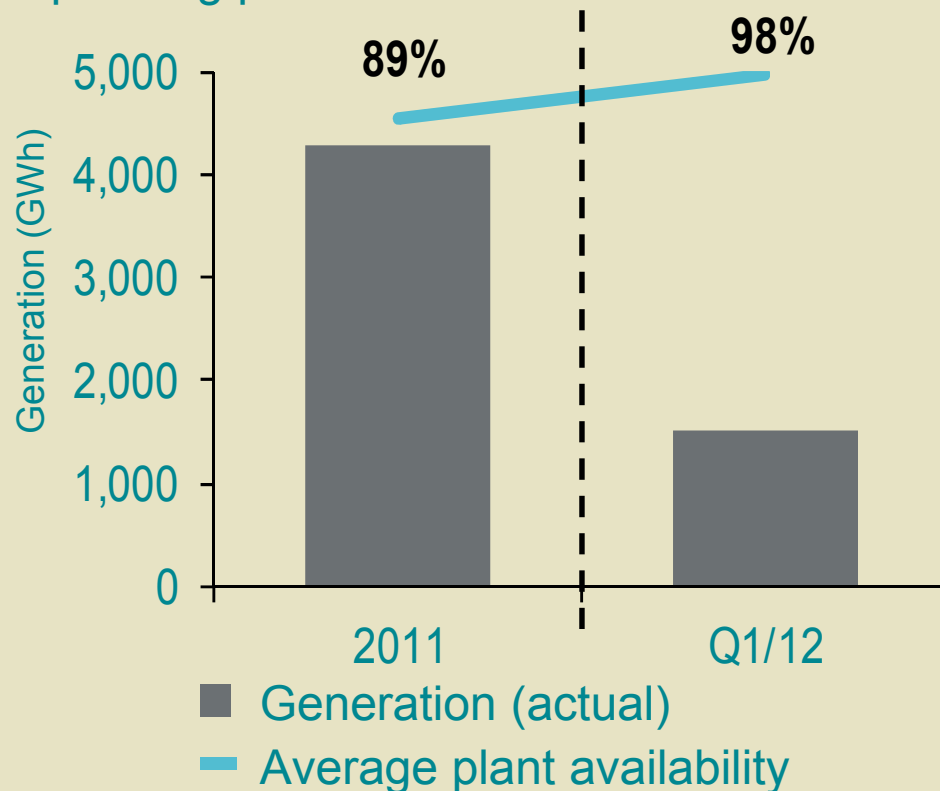


(1) Average natural gas facility age and remaining life weighted by owned capacity as of June 1/12

Natural gas plant operating performance

Good operating availability at natural gas facilities through the successful integration of acquisitions and strong operations at existing facilities

Operating performance



{ Investor Relations Contacts

Randy Mah
Senior Manager
(780) 392-5305
rmah@capitalpower.com

Chris Williams
Senior Analyst
(780) 392-5105
cwilliams@capitalpower.com

