Capital Power overview

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

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

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

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

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

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

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

*Rationalized fleet and sharpened focus*

- Divested small hydro facilities

*Announced major expansion plans in Alberta*

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

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

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

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

(1) Based on MW owned capacity as of Mar 1/13; excludes Sundance PPA (371 MW) and Clover Bar Landfill Gas (4.8 MW).
(2) Based on existing plants plus committed development projects.
Interest in Shepard facility (400 MW) will increase natural gas generation from 50% to 54% of overall generation by 2015

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

*Helps keep availability high and reduces risk of unplanned outages*

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

\(\text{Facility age} \quad \text{Remaining life}\)

\(\text{Gas} \quad \text{(~24 years remaining life)}\)

\(\text{Wind} \quad \text{Solid fuels (US)}\)

\(\text{Canada coal} \quad \text{(~35 years remaining life)}\)

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

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

Operating performance

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Plant Availability</th>
<th>Generation (GWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>96%</td>
<td>3,000</td>
</tr>
<tr>
<td>2010</td>
<td>90%</td>
<td>6,000</td>
</tr>
<tr>
<td>2011</td>
<td>92%</td>
<td>9,000</td>
</tr>
<tr>
<td>2012</td>
<td>91%</td>
<td>12,000</td>
</tr>
<tr>
<td>2013E</td>
<td>93%</td>
<td>15,000</td>
</tr>
</tbody>
</table>

- Generation
- Average plant availability
Clover Bar provides the best peaking responsiveness in Alberta

*Excellent asset to take advantage of volatility and backstop AB fleet*

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

![Plant availability chart](chart_image)
Hedging positions based primarily on generation from Genesee 3 and Keephills 3 baseload coal plants and output from the Sundance PPA

Actively trading throughout various time periods to minimize portfolio risks, create incremental value, and reduce volatility

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

![Graph showing Capital Power captured AB price versus AB average spot power price over quarters Q1/10 to Q4/12. The graph indicates that CPX's prices have generally been higher than the spot market prices, with a peak difference of $100 per MWh in Q4/12.]
North American footprint & target markets

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

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

BC
- 417 MW contracted generation

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

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

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

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

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

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

Provides stable cash flows

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

Located in target region

- Adds to existing Alberta portfolio which will facilitate additional economies of scale and trading synergies
Shepard impact on contracted/merchant mix

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

Contracted vs. Merchant mix

<table>
<thead>
<tr>
<th>Year</th>
<th>Contracted - Base</th>
<th>Contracted - with Shepard</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012A</td>
<td>38%</td>
<td></td>
</tr>
<tr>
<td>2013F</td>
<td>45%</td>
<td></td>
</tr>
<tr>
<td>2014F</td>
<td>51%</td>
<td></td>
</tr>
<tr>
<td>2015F</td>
<td>58%</td>
<td>64%</td>
</tr>
<tr>
<td>2016F</td>
<td>57%</td>
<td>63%</td>
</tr>
</tbody>
</table>
Capital Power Energy Centre to be built to meet Alberta’s power needs

Expands our market share in the attractive Alberta market

- Working with General Electric in the development of the project, and would utilize GE’s latest gas turbine technology
  - Looking to partner with 3rd party in the development of the project
- Evaluating two attractive sites for the project; both sites have existing infrastructure, utilities and close proximity to gas pipelines and transmission
- Targeting COD in 2017-20 to meet additional supply projected to be required from the province’s economic growth and retirements of existing coal-fired facilities
Continue to own the best fleet in the fastest growing power market in North America

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

- Best peaking responsiveness
- Best coal reliability
- Lowest environmental impact and lowest cost
- Most competitive natural gas combined cycle
## Financial performance – 2012

<table>
<thead>
<tr>
<th>$M, except per share amounts</th>
<th>2012</th>
<th>2011</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues and other income(^{(1)})</td>
<td>$1,344</td>
<td>$1,395</td>
<td>(3.7%)</td>
</tr>
<tr>
<td>Adjusted EBITDA(^{(1,2)})</td>
<td>$456</td>
<td>$385</td>
<td>18%</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>$0.84</td>
<td>$1.60</td>
<td>(48%)</td>
</tr>
<tr>
<td>Normalized earnings per share</td>
<td>$1.29</td>
<td>$1.24</td>
<td>4.0%</td>
</tr>
<tr>
<td>Funds from operations excluding non-controlling interests in CPIILP</td>
<td>$381</td>
<td>$352</td>
<td>8.2%</td>
</tr>
<tr>
<td>Cash flow per share</td>
<td>$3.89</td>
<td>$3.89</td>
<td>-</td>
</tr>
</tbody>
</table>

(1) Before unrealized fair value changes in derivative instruments, natural gas inventory held for trading, and foreign exchange and natural gas contracts. Excludes Capital Power Income L.P.

(2) Earnings before finance expense, income tax expense, depreciation and amortization, impairments, foreign exchange losses and gains on acquisitions and disposals.
Financial strength and access to capital

*Strong balance sheet*

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

**Debt to Total Capitalization**

<table>
<thead>
<tr>
<th>Year</th>
<th>Debt to Total Capitalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011(^{(2)})</td>
<td>36%</td>
</tr>
<tr>
<td>2012</td>
<td>38%</td>
</tr>
<tr>
<td>2013E</td>
<td>35%</td>
</tr>
</tbody>
</table>

\(^{(1)}\) $1.9B includes $266MM of CPC subordinated debt
\(^{(2)}\) CPILP accounted for on an equity basis
Debt maturity schedule

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

- Term on credit facilities extended to 5 years

---

(1) As of Dec 31/12.
Strong financial performance of 4 wind projects

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

Forecast cash flow from wind projects
Continued strong cash flow generation

Funds From Operations (FFO)

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

\(^{(1)}\) Discretionary cash flow is a non-GAAP financial measure.
AB commercial portfolio positions

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

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hedged positions (% hedged)</td>
<td>49%</td>
<td>37%</td>
<td>31%</td>
</tr>
<tr>
<td>Average hedged prices ($/MWh)</td>
<td>Mid-$60</td>
<td>Mid-$50</td>
<td>Mid-$50</td>
</tr>
</tbody>
</table>

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

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

---

\(\text{(1)}\) The spark spread sensitivity provided is general guidance. Estimates may vary depending on dispatch and pricing differences for individual plants.
## Development projects - capex

<table>
<thead>
<tr>
<th>Project</th>
<th>Prior to 2013</th>
<th>2013E</th>
<th>Project Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Port Dover Nanticoke</td>
<td>$68</td>
<td>$272</td>
<td>$340</td>
</tr>
<tr>
<td>K2 Wind Ontario</td>
<td>$3</td>
<td>$21</td>
<td>$58(2)</td>
</tr>
<tr>
<td>Shepard Centre</td>
<td>$50</td>
<td>$335</td>
<td>$855</td>
</tr>
</tbody>
</table>

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

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**Continue strong execution of capex program**
2013 Financial targets

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

Normalized EPS target

Funds from operations target ($M)

Cash flow per share target

(1) All financial measures are non-GAAP measures, see page 34.
Credit rating agency metrics(1)

In line with DBRS financial criteria for current rating

**Cash flow/Adj. Debt**

<table>
<thead>
<tr>
<th></th>
<th>2012A</th>
<th>2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**EBITDA/Adj. Interest**

<table>
<thead>
<tr>
<th></th>
<th>2012A</th>
<th>2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Above S&P financial criteria for investment grade rating

**AFFO/Adj. Debt**

<table>
<thead>
<tr>
<th></th>
<th>2012A</th>
<th>2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Corporate Liquidity(2)**

<table>
<thead>
<tr>
<th></th>
<th>2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td>1.0</td>
<td></td>
</tr>
<tr>
<td>1.5</td>
<td></td>
</tr>
<tr>
<td>2.0</td>
<td></td>
</tr>
<tr>
<td>2.5</td>
<td></td>
</tr>
</tbody>
</table>

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

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

Alberta generation and load mix

2010 AB fuel mix by capacity (MW)

- Coal 43%
- NG CC 28%
- NG Cogen 9%
- Hydro 7%
- Wind 6%
- Bio/Wood/Waste/LDF gas, 2%
- Gas other 1%

Source: Velocity suite

Estimated customer electricity usage including oil sands

- Industrial 41%
- Oil Sands 23%
- Residential 14%
- Commercial 21%
- Farm 1%

Source: Internal

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

Positive long term supply dynamics

Forecast spark spreads above historical average

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

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

Source: AESO and CPC Estimates
Historical Alberta prices

Daily average power prices

Annual average power prices and AECO

Annual average AB Power Price ($/MWh)  Annual average AECO ($/GJ)
Alberta market design

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

Alberta reserve margin and new capacity

- **Capacity (MW)**
  - 1200
  - 1000
  - 800
  - 600
  - 400
  - 200
  - 0

- **Reserve Margin**
  - 30%
  - 25%
  - 20%
  - 15%
  - 10%
  - 5%
  - 0%

- **Years**: 2001 to 2012

**Graph Notes**
- **New capacity**
- **AESO's historical reserve margin**
## Expected coal unit retirements - CST

*Retirements under the federal Capital Stock Turnover (CST) regulations*

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

(1) Represents units that Capital Power has ownership/interests in.
Alberta power market summary

Alberta's market design framework

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

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

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

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

Large, high quality generation portfolio

Young and modern fleet with proven operating history

Technology focus on natural gas, coal, wind and solar

North American footprint in attractive target markets

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

Investment grade credit rating

Financial strength with access to capital

Strong cash flow generation
## Summary of assets

<table>
<thead>
<tr>
<th></th>
<th>Genesee 1</th>
<th>Genesee 2</th>
<th>Genesee 3</th>
<th>Keephills 3</th>
<th>Joffre</th>
<th>Clover Bar Energy Centre</th>
<th>Clover Bar Landfill</th>
<th>Halkirk</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capacity</strong></td>
<td>422 MW</td>
<td>430 MW</td>
<td>516 MW</td>
<td>495 MW</td>
<td>480 MW</td>
<td>243 MW</td>
<td>4.8 MW</td>
<td>150 MW</td>
</tr>
<tr>
<td><strong>% owned / operated</strong></td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>50 / 100</td>
<td>50 / 0</td>
<td>40 / 0</td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>100 / 100</td>
</tr>
<tr>
<td><strong>Location</strong></td>
<td>Warburg, Alberta</td>
<td>Warburg, Alberta</td>
<td>Warburg, Alberta</td>
<td>Keephills, Alberta</td>
<td>Joffre, Alberta</td>
<td>Edmonton, Alberta</td>
<td>Edmonton, Alberta</td>
<td>Halkirk, Alberta</td>
</tr>
<tr>
<td><strong>Fuel</strong></td>
<td>Coal</td>
<td>Coal</td>
<td>Coal</td>
<td>Coal</td>
<td>Natural gas</td>
<td>Natural gas</td>
<td>Landfill gas</td>
<td>Wind</td>
</tr>
<tr>
<td><strong>PPA Expiry</strong></td>
<td>2020</td>
<td>2020</td>
<td>Merchant</td>
<td>Merchant</td>
<td>Merchant</td>
<td>Merchant</td>
<td>Merchant</td>
<td>~40% - 45% of total revenues from 20-year REC sale agreement / Merchant</td>
</tr>
</tbody>
</table>
## Summary of assets (cont’d)

<table>
<thead>
<tr>
<th></th>
<th>Kingsbridge 1</th>
<th>Island Generation</th>
<th>Quality Wind</th>
<th>Roxboro</th>
<th>Southport</th>
<th>Tiverton</th>
<th>Rumford</th>
<th>Bridgeport</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontario &amp; British Columbia Contracted</strong></td>
<td>40 MW</td>
<td>275 MW</td>
<td>142 MW</td>
<td>88 MW</td>
<td>46 MW</td>
<td>279 MW(1)</td>
<td>270 MW(1)</td>
<td>540 MW(1)</td>
</tr>
<tr>
<td><strong>Capacity</strong></td>
<td>% owned / operated</td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>100 / 100</td>
<td>100 / 100</td>
</tr>
<tr>
<td><strong>Location</strong></td>
<td>Goderich, Ontario</td>
<td>Campbell River, BC</td>
<td>Near Tumbler Ridge, BC</td>
<td>Roxboro, North Carolina</td>
<td>Southport, North Carolina</td>
<td>Tiverton, Rhode Island</td>
<td>Rumford, Maine</td>
<td>Bridgeport, Connecticut</td>
</tr>
<tr>
<td><strong>Fuel</strong></td>
<td>Wind</td>
<td>Natural gas</td>
<td>Wind</td>
<td>Mixture of wood residuals, tire-derived fuel and coal</td>
<td>Mixture of wood residuals, tire-derived fuel and coal</td>
<td>Natural gas</td>
<td>Natural gas</td>
<td>Natural gas</td>
</tr>
<tr>
<td><strong>PPA Expiry</strong></td>
<td>2026 / 2027</td>
<td>2022</td>
<td>2037</td>
<td>2021</td>
<td>2021</td>
<td>Merchant</td>
<td>Merchant</td>
<td>Merchant</td>
</tr>
</tbody>
</table>

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

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

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

Forward-looking information

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

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

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

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