Building the leading power producer in North America

2024 Guidance

January 2024

Capital Power

Forward-looking information

Forward-looking information or statements included in this presentation are provided to inform our 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 in this presentation includes expectations regarding:

- our 2023 performance targets including for facility availability, sustaining capital expenditures, hedged position, adjusted funds from operations (AFFO) and adjusted EBITDA;
- our plans to transition off-coal, advancement of the Genesee Carbon Conversion Centre and commercial application of carbon conversion, capture and storage technologies;
- future revenues, expenses, earnings, adjusted EBITDA and AFFO;
- 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;
- Expectations from DRIP activation;
- the timing of, funding of, generation capacity of, operational performance and financial returns of, costs of technologies selected for, environmental benefits or commercial and partnership arrangements regarding existing, planned and potential development projects and acquisitions (including phase 2 of Halkirk Wind, the repowering of Genesee 1 and 2 (including being hydrogen ready and carbon conversion ready)), the Genesee carbon capture and storage (CCS) project, the upgrade at Goreway and York Energy, Goreway Battery Energy Storage System (BESS), York Energy BESS, East Windsor expansion, and the Maple Leaf Solar project;
- future growth and emerging opportunities in our target markets;
- the impact of the IRA on our projects;
- potential opportunities and partnerships with Indigenous communities;
- facility availability and planned outages;
- capital expenditures for facility maintenance and other (sustaining capital, future growth projects, commercial initiatives);
- market and regulation designs and proposals and the impact thereof on the Company's core markets; and
- the impact of climate change.

These statements are based on certain assumptions and analyses made by Capital Power considering its experience and perception of historical and future trends, current conditions, expected future developments, and other factors it believes are appropriate including its review of purchased businesses and assets. The material factors and assumptions used to develop these forward-looking statements relate to:

- electricity and other energy and carbon prices;
- performance;
- business prospects (including potential re-contracting of facilities) and opportunities including expected growth and capital projects;
- status and impact of policy, legislation and regulations;
- effective tax rates;
- the development and performance of technology;
- foreign exchange rates; and
- other matters discussed under the Performance Overview, Outlook and Risks and Risk Management sections.

Whether actual results, performance or achievements will conform to our expectations and predictions is subject to several known and unknown risks and uncertainties which could cause actual results and experience to differ materially from our expectations. Such material risks and uncertainties are:

- changes in electricity, natural gas and carbon prices in markets in which we operate and the use of derivatives;
- regulatory and political environments including changes to environmental, climate, financial reporting, market structure and tax legislation;
- disruptions, or price volatility within the Company's supply chains;
- generation facility availability, wind capacity factor and performance including maintenance expenditures;
- 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 the availability of fuel;
- ability to realize the anticipated benefits of acquisitions;
- limitations inherent in our review of acquired assets;
- changes in general economic and competitive conditions, including inflation;
- changes in the performance and cost of technologies and the development of new technologies, new energy efficient products, services and programs; and
- risks and uncertainties discussed under the Risks and Risk Management section.

See Risks and Risk Management in our 2022 Integrated Annual Report 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 date made. Capital Power 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 our expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

Non-GAAP financial measures and ratios

Non-GAAP Financial Measures and Ratios
This presentation contains references to certain financial measures that do not have a standardized meaning prescribed by GAAP and may not be comparable to similar measures presented by other issuers and should not be considered in isolation or used in substitution for measures of performance prepared in accordance with GAAP. Non-GAAP measures referenced herein include adjusted funds from operations (AFFO) and earnings before net finance expense, income tax expense, depreciation and amortization, impairments, foreign exchange gains or losses, finance expense and depreciation expense from the Company's joint venture interests, gains or losses on disposals and unrealized changes in fair value of commodity derivatives and emission credits (Adjusted EBITDA). 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.

This presentation also makes reference to other non-GAAP performance measures and ratios, including AFFO per share (AFFOPS). AFFOPS is determined by applying AFFO to the weighted average number of common shares used in the calculation of basic and diluted earnings per share. Management uses this ratio to assess the performance of Capital Power.

These measures should not be considered alternatives to net cash flows from operating activities and net income, respectively, calculated in accordance with GAAP. Rather, these measures are provided to complement GAAP measures in the analysis of our results of operations from management's perspective.

For more information regarding non-GAAP financial measures used by the Company, including the composition of these measures, how management utilizes each non-GAAP financial measure and, where applicable, a reconciliation of the Company's historical non-GAAP financial measures to the most directly comparable measure calculated in accordance with GAAP for the applicable period then ended, please see "*Non-GAAP Financial Measures and Ratios*" in the Company's Management's Discussion and Analysis for the three and nine months ended September 30, 2023, and prepared as of November 1, 2023, which is available under the Company's profile on SEDAR+ at www.sedarplus.ca and on the Company's website at www.capitalpower.com.

Territorial Acknowledgement

In the spirit of reconciliation, Capital Power respectfully acknowledges that we operate within the ancestral homelands, traditional and treaty territories of the Indigenous Peoples of Turtle Island, or North America.

Capital Power's head office is located within the traditional and contemporary home of many Indigenous Peoples of the Treaty 6 Territory and Métis Nation of Alberta Region 4. We acknowledge the diverse Indigenous communities that are located in these areas and whose presence continues to enrich the community.

Learn more about Indigenous Relations at Capital Power.

Presentation Team

Avik Dey
President & Chief
Executive Officer

Sandra Haskins
SVP, Finance & Chief
Financial Officer

Agenda

- Corporate Overview
- 2024 Priorities
- 2024 Targets
- Key Assumptions
- Sources & Uses of Funds
- Key Takeaways

Delivering reliable, affordable and decarbonized electricity solutions

Reliable Power

Stable and growing cash flows from a highly contracted generation portfolio

Operational Excellence

Well maintained and efficiently operated plants

Net Zero by 2045

ESG leader committed to decarbonization

Balance Sheet Strength

Committed to maintaining an investment grade credit rating

Disciplined Growth

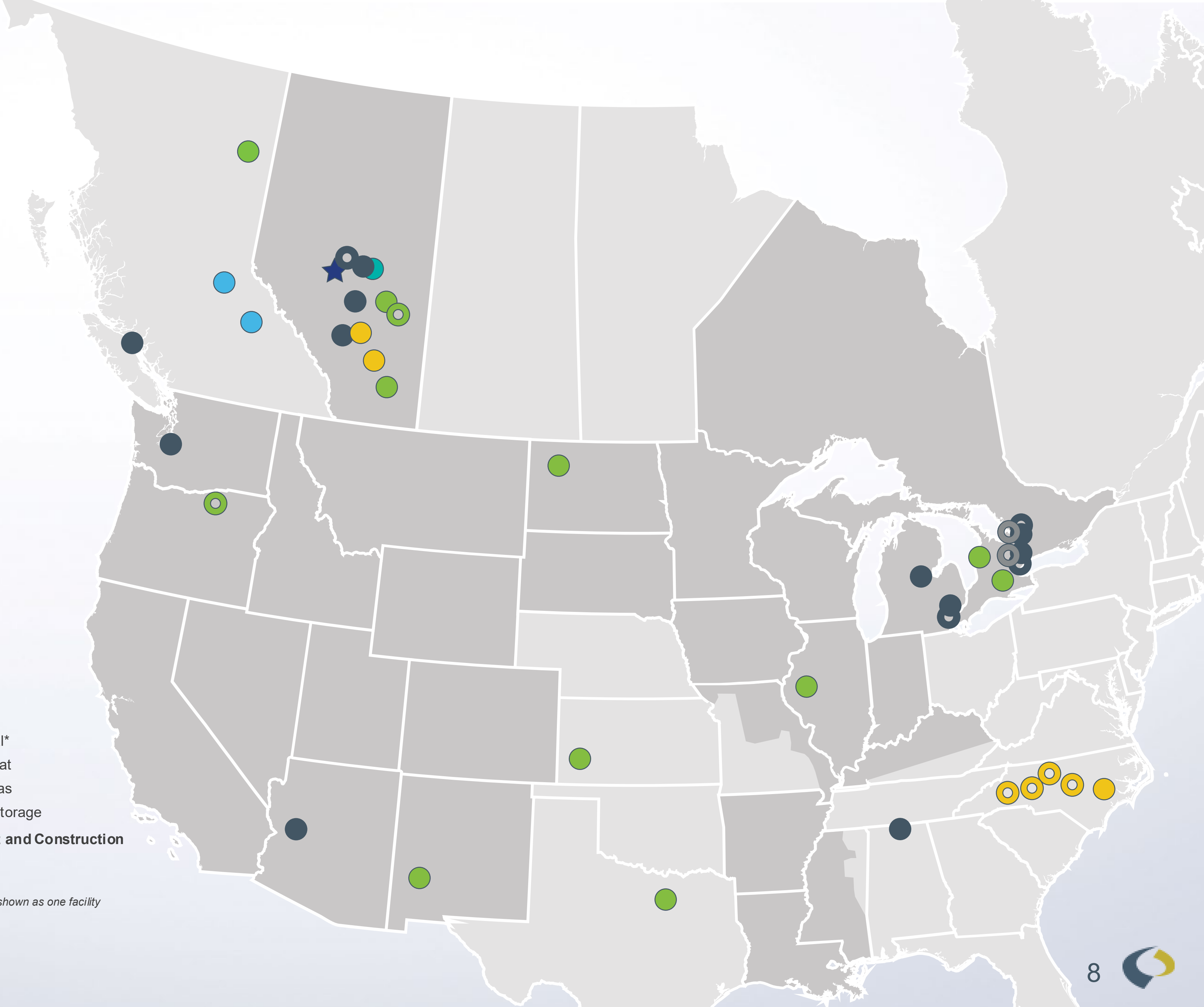
History of dividend growth with guidance of 6% annual growth through 2025

Powering change by changing power

North American footprint

30
Operating Facilities

~7,700
Megawatts



In Operation

- Wind
- Solar
- Gas
- Gas / Coal*
- Waste Heat
- Landfill Gas
- Battery Storage

Development and Construction

**Genesee 1, 2, 3 shown as one facility*

2024 Priorities

A balanced approach to the energy transition

1 DELIVER

Reliable & affordable power today

Provide safe, reliable generation
- Strong total fleet availability at 93% despite large outage days for Genesee repower

Execution of major turnarounds at 7 facilities
- $37M in capex with close to 295 outage days

Successful integration of US acquisitions
- Over 23% fleet capacity expansion
- Diversifies US/Canada cashflow with significant Contracted EBITDA
- Mitigates impacts of Genesee commissioning and lower AB prices

2 BUILD

Decarbonized power systems for tomorrow

Complete $1.35B repower project and successful off coal transition
- Adds 512 MWs of net capacity commencing in 2025 (increase of 58%)
- 40% decrease in emissions intensity; reducing approximately $200M in carbon tax (1)

Advance construction on over 560 MWs incremental capacity

Expand US renewables portfolio

3 CREATE

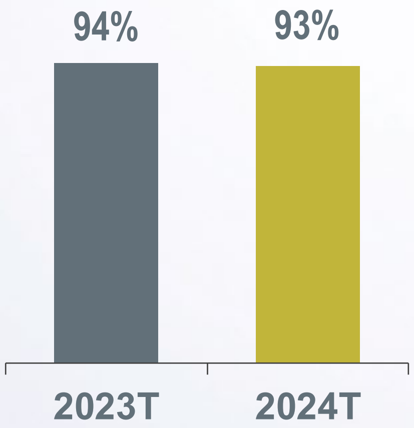
Real net-zero power solutions for customers

Advance low-carbon solutions to meet 2045 net zero
- Continue to explore economic viability of CCS in multiple locations
- Evaluate SMRs in Alberta

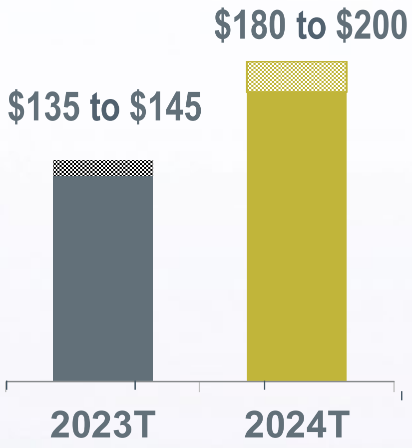
(1) Based on average 2023 Genesee intensity compared to expected 2024 intensity, expected 2024 generation, and 2024 TIER prices

2024 Operational and Financial Targets

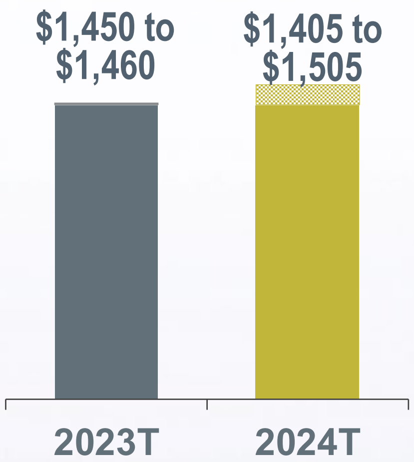
Facility availability



Sustaining capex ($M)



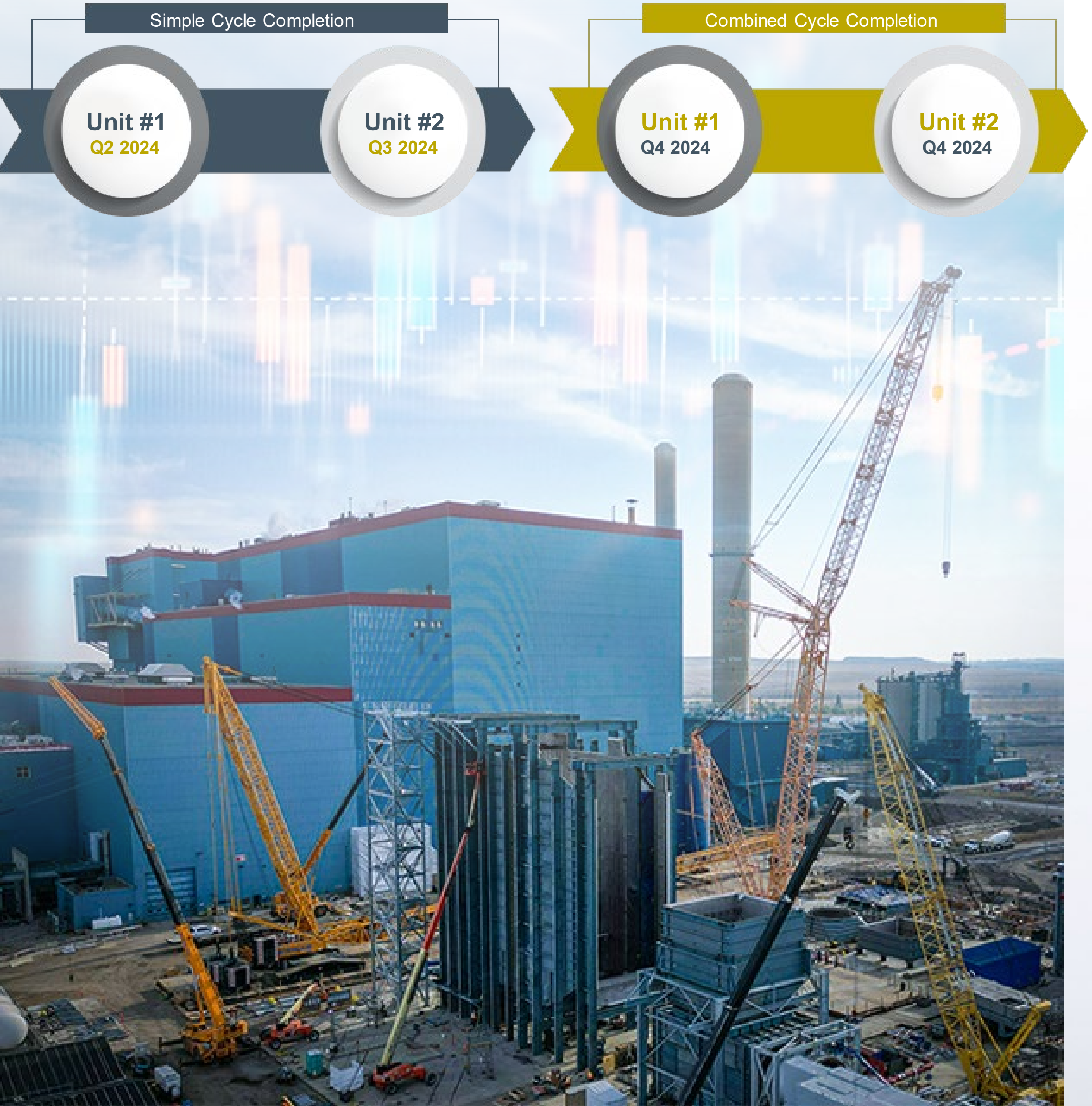
Adjusted EBITDA ($M)



AFFO ($M)

2024 Guidance

- Facility availability reflects Genesee repower commissioning – total fleet performance continues to be strong
- Sustaining capex is consistent with 2023 but includes acquired assets
- 2024 financial ranges have widened to reflect variability on construction and commissioning, and closing dates for La Paloma and Harquahala



Genesee repower timelines/assumptions

Simple Cycle Completion – 411 MWs capacity

- Unit 1 Q2 2024
- Unit 2 Q3 2024
- Output during commissioning will range between 0 MWs and 411 MWs
- Existing dual fuel units will run in parallel until commissioning is complete

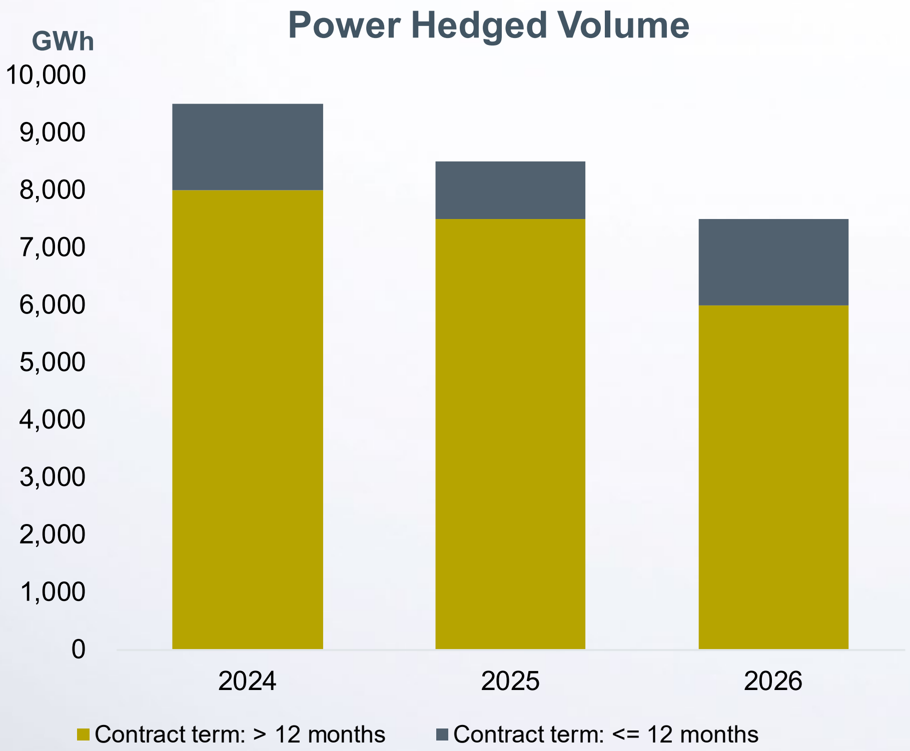
Combined Cycle Completion – 466 MWs capacity

- Unit 1 Q4 2024
- Unit 2 Q4 2024
- Each unit will have 22-day total outage time in advance of completion
- Output will range between 0 MWs and 466 MWs during commissioning
- Expect to reach 566 MWs on both units in the first half of 2025

Mid-point of financial guidance assumes approximately 1,000 GWhs of commissioning volumes during 2024

Alberta commercial portfolio

Reducing volatility and risk through hedging



	2024	2025	2026
Power			
Hedged volume (GWh)[3]	10,500	9,000	7,500
Weighted average hedged prices[1] ($/MWh)[3]	High-$70s	Mid-$70s	Mid-$70s
Forward Alberta power prices ($/MWh)[4]	$83	$64	$67
Natural gas			
Hedged volume (TJ)[3]	70,000	60,000	50,000
Weighted average hedged prices[1, 2,3] ($/GJ)	< $2.00	< $3.00	< $4.00
Forward Alberta gas prices ($/GJ)[4]	$1.90	$3.00	$3.40

>12 Months

High-$70/MWh

Weighted average hedged price

1) 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. When long-term forward portfolio optimization hedges are transacted, they reflect the market's expectations for future period pricing.
2) Net of gains as part of the Company's gas portfolio optimization activities, including sales of previously purchased length.
3) Hedge data as of November 10, 2023
4) Forwards as of December 31, 2023

Key Assumptions for Acquisitions

Acquisitions contribute **$260M** in Adjusted EBITDA in 2024, filling the gap from softened Alberta fundamentals

Fredrickson 1

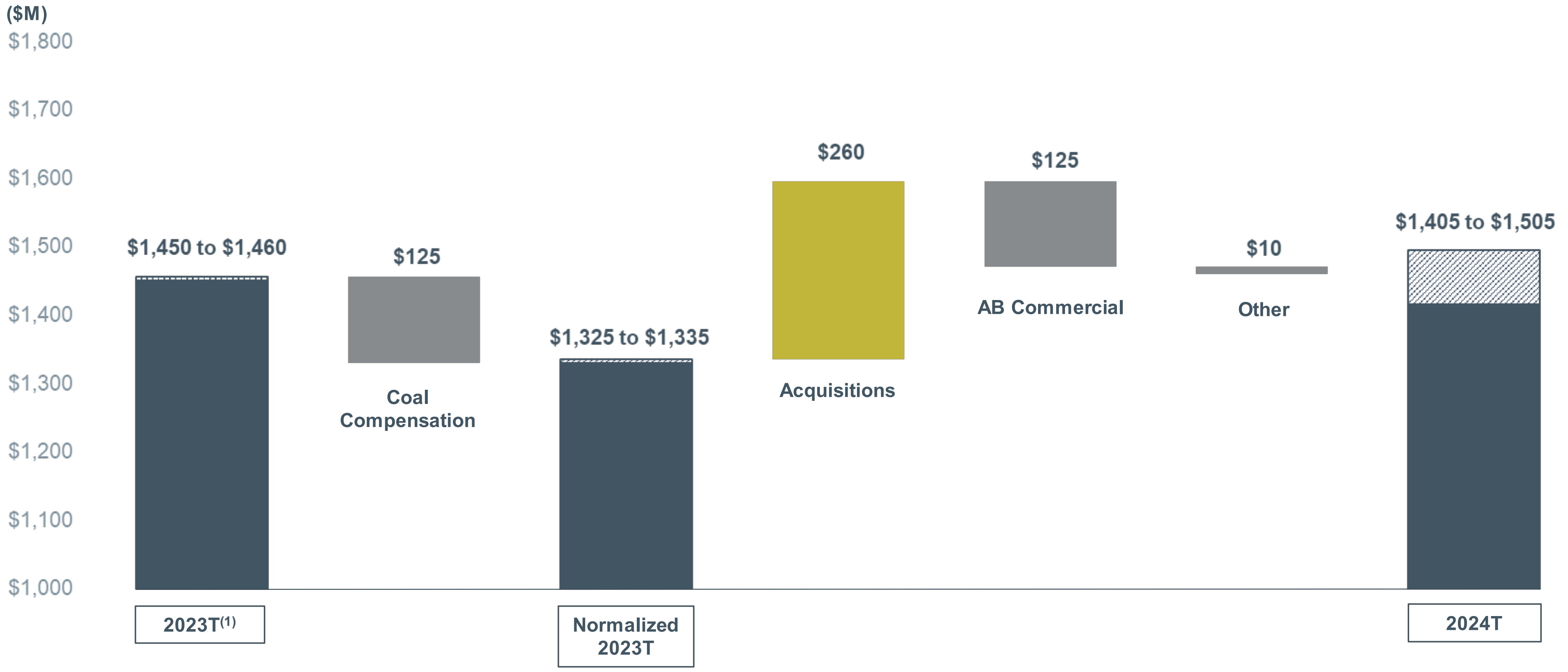
- Closed December 28, 2023
- EBITDA $18M CAD

La Paloma / Harquahala

- Expected close in February 2024
- EBITDA $243M CAD net of transaction costs

2024 Adjusted EBITDA Compared to 2023 Guidance

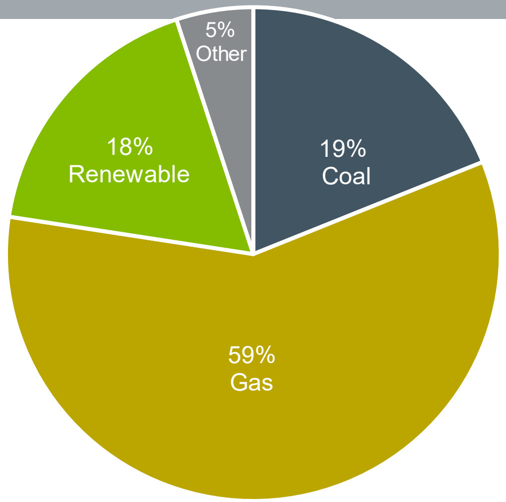
Increase of over 9% in year-over-year adjusted EBITDA on normalized basis

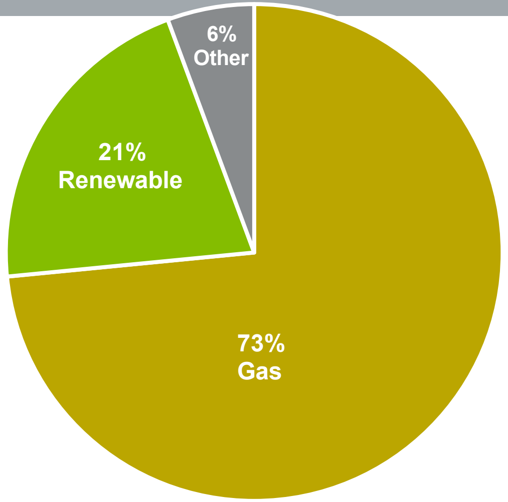


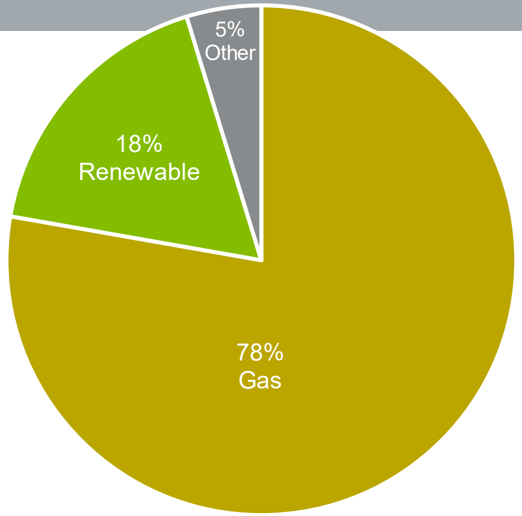
1) 2023T expected to be low end of the guidance range of $1,455M - $1,515M

2023 Guidance	2024 Guidance Midpoint with Existing Assets	2024 Guidance Midpoint with Acquisitions

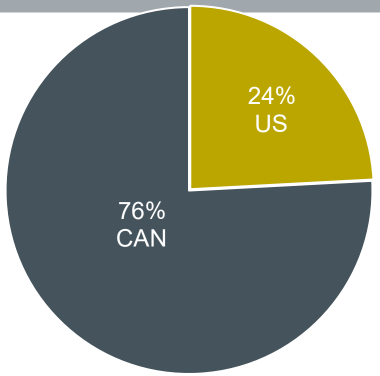
Adjusted EBITDA Split by Fuel Type

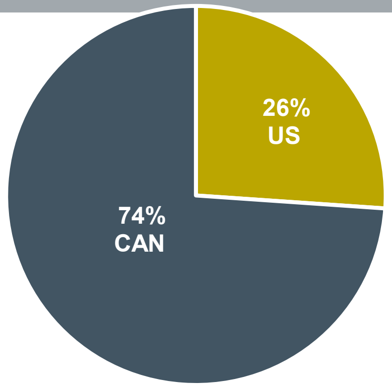


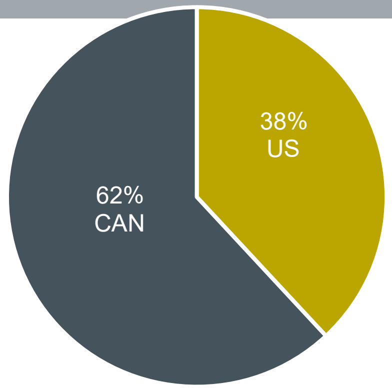




Adjusted EBITDA Split by US vs CAN





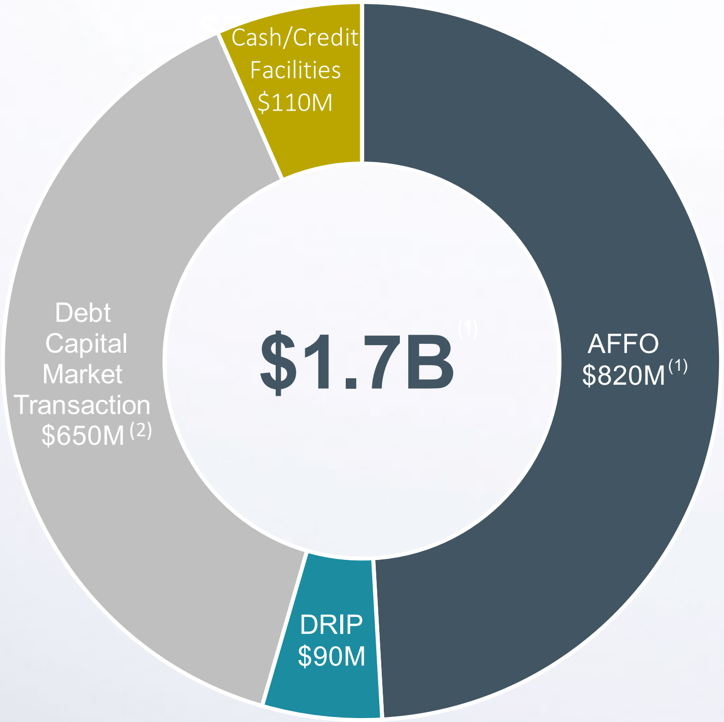


2023 Guidance	2024 Guidance Midpoint with Existing Assets	2024 Guidance Midpoint with Acquisitions
$1,450M to $1,460M	**$1,195M**	**$1,455M**

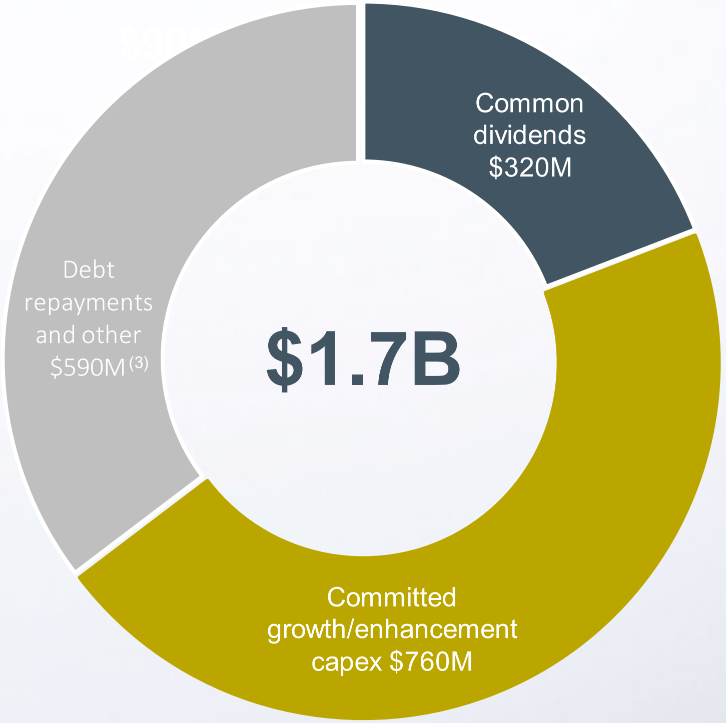
Cash Flow and Financing Outlook

Balanced finance plan to fund 2024 growth

Expected Sources



Expected Uses



1) AFFO is a non-GAAP financial measure. Midpoint of guidance range of $770M to $870M.
2) Includes $200M hybrid issuance as part of the La Paloma and Harquahala financing plan.
3) Includes principal payments on corporate debt, finance lease payables and equity accounted investments. Excludes debt repayments on tax equity investor.

Key Takeaways

Strong Financial Performance

- Over 9% increase over 2023 in normalized Adjusted EBITDA

Genesee Repower project complete

- Most efficient combined cycle unit in Canada
- Reduces approximately $200M in carbon tax

Acquisitions diversify portfolio and cashflow resiliency

- Canada/U.S. EBITDA split now approximately 60% / 40%
- Adds significant Contracted EBITDA

Credit Metrics within target ranges, continued balance sheet strength

- Guidance for 6% annual dividend increase maintained through to 2025

Investor Relations

Kat Perron
Media & Investor Relations
1-780-392-5335
investor@capitalpower.com

capitalpower.com