


Reliable • Affordable • Clean

Building the leading power producer in North America

January 2025

Investor Presentation

Capital
Power 

5th largest North American natural gas IPP

Large and diversified
generation footprint

~10 GW

Total owned capacity,
~85% natural gas

Unmatched in-house
operational expertise

14

Owned natural
gas facilities

Sound contractual
underpinning

9-11 Years⁽¹⁾

Historical weighted
average contract life

Proven ability to
acquire and optimize

~C\$6B⁽²⁾

Total asset value
from 11 deals

Strong balance
sheet and liquidity

BBB-/BBB (low)

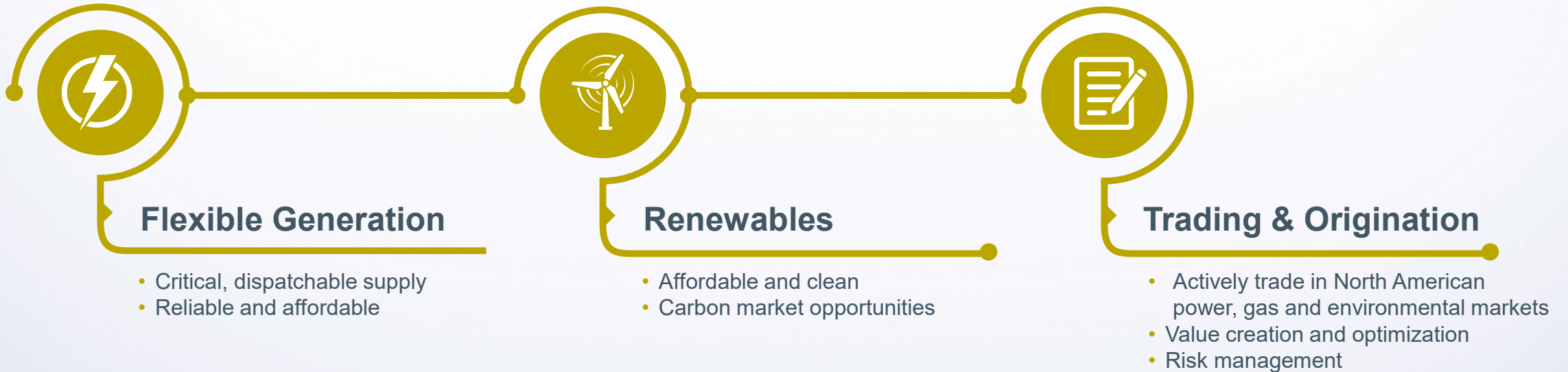
Investment grade
rating (S&P / DBRS)

1. 5-year range for weighted average contract life.

2. Denotes full transaction value inclusive of
partner working interest



Creating Balanced Energy Solutions



Natural gas is fueling the energy expansion



Strong power fundamentals favour existing natural gas generation



Multi-faceted power demand growth

- C&I
- Residential
- Transportation
- Data centers



Natural gas: fueling the future

- Reliable
- Affordable
- Clean



Existing natural gas undervalued

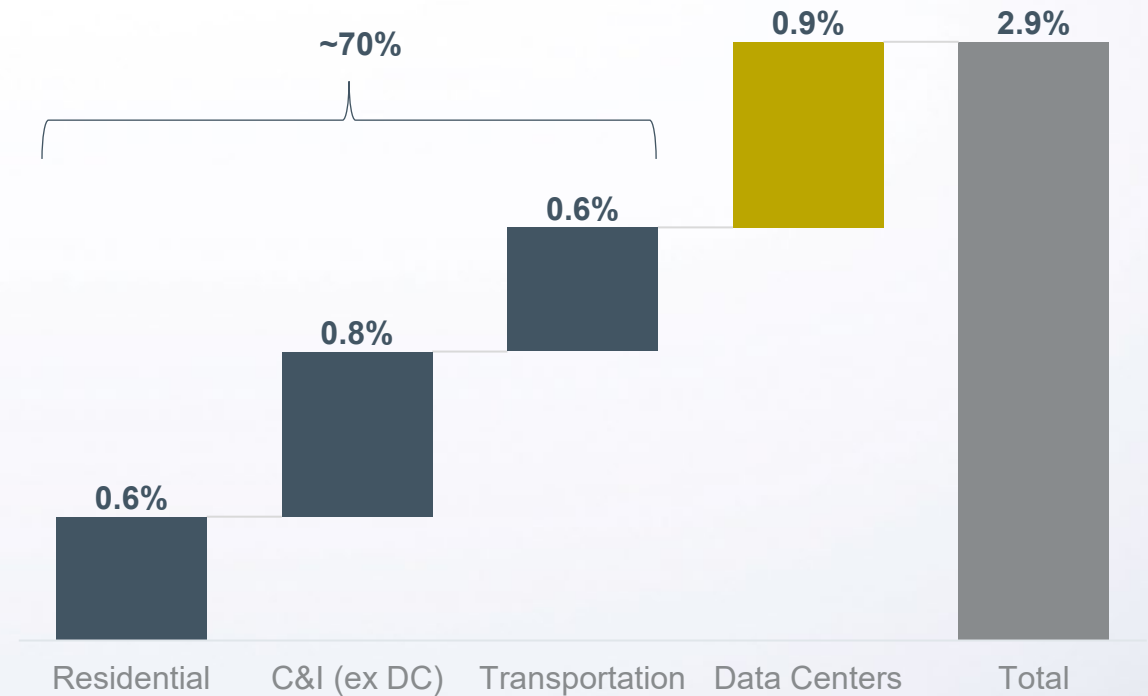
- Compelling acquisition opportunity

CPX has multiple ways to win



Multiple sources of growth driving power demand

US Power Demand CAGR (%)⁽¹⁾



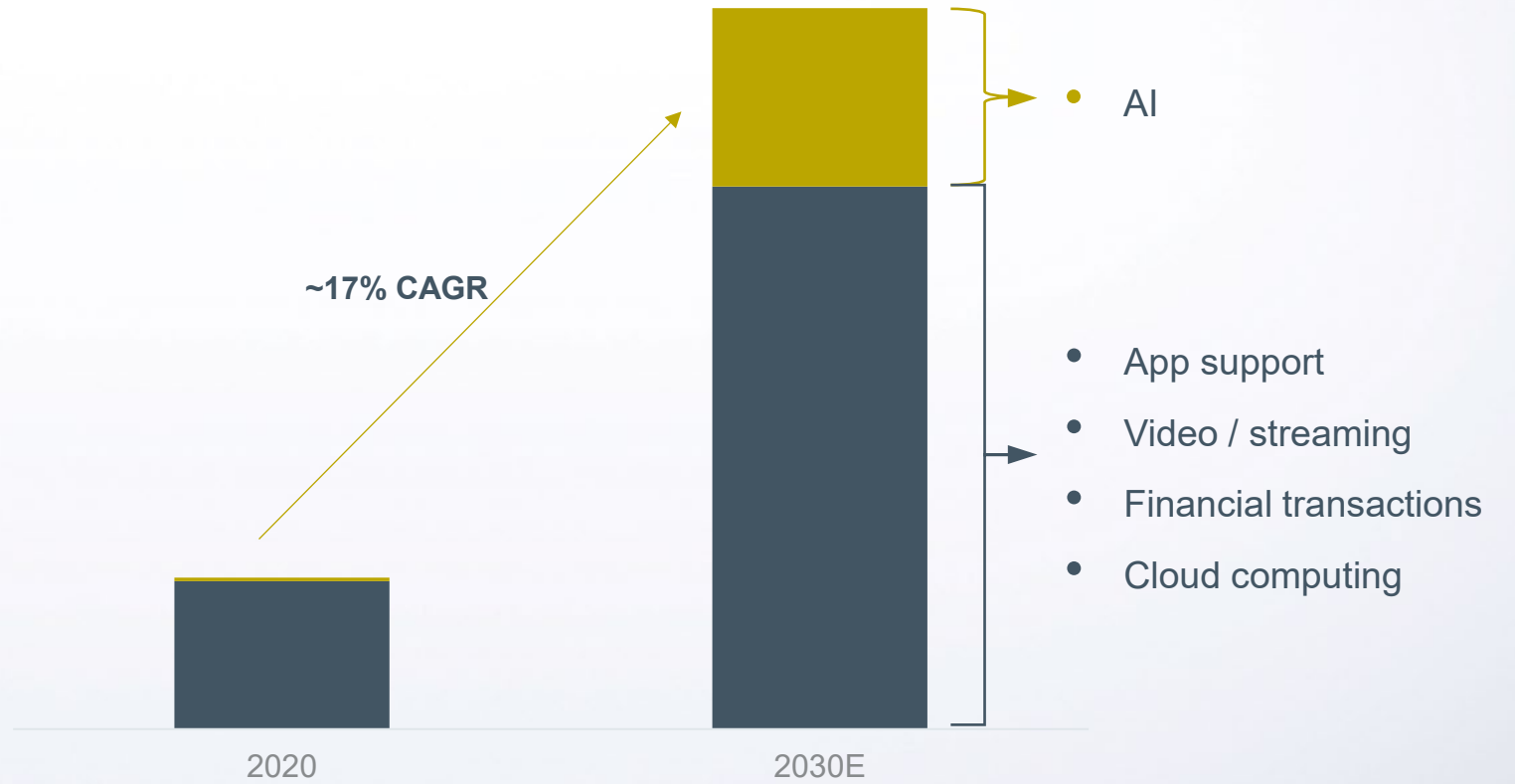
~70% of projected power demand growth is **not** from data centers

1. Goldman Sachs global investment research, EIA: Total demand CAGR of 2.9% is partially offset by other factors leading to 2.4% total compounded growth to 2030



Robust and multi-faceted data center power demand growth

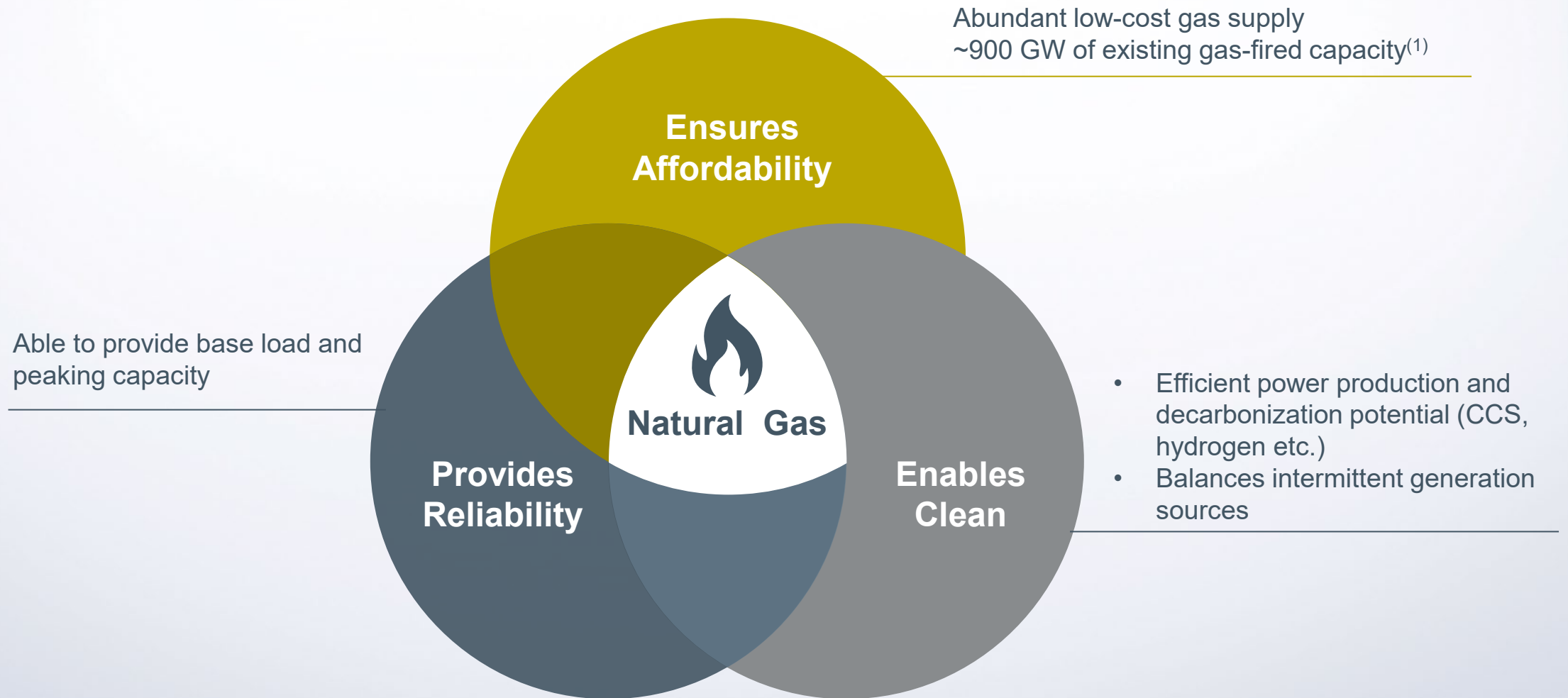
US Data Center Power Demand (TWh)⁽¹⁾



Majority of projected data center power demand growth is not from AI

1. Goldman Sachs global investment research, EIA

Natural gas is critical to meeting growing electricity demand



1. SNL (S&P) as of January 2025 inclusive of gas turbines, steam turbines and combined cycle units

Strategically positioned
existing capacity
available for data center
contracting over the
next five years

Capacity Available at Genesee

~1.5+ GW

natural gas + CCS opportunity

Additional Capacity⁽¹⁾

2025 - 2027

1.6 GW

natural gas

2028+⁽²⁾

4.7 GW

natural gas

1. Includes flexible generation sites with capacity available for contracting or re-contracting, in addition to our the ~1.5MW available at Genesee.

2. 4.7GW in potential capacity 2028+ includes the 1.6GW available from 2025-2027



Superior data center value proposition; speed to market with confidence



Existing reliable generation

14 flexible generation sites with ~7.8 GW of capacity



Top tier land position with expansion potential

~18,000 acres of developable land



In-house operational capabilities

Dedicated and highly trained specialists



Stakeholder relations

Track record for constructive engagement



Commercial and trading expertise

Thoughtful and creative approach; IG credit rating



**Balanced
energy
solution for
data centers**



Reliable • Affordable • Clean

Capital Power Update

Positioned to succeed amid energy expansion

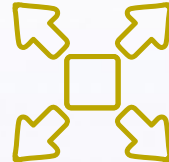


Shareholder value creation priorities

Flexible Generation and Renewables



Contract
Optimization



Optimize
& Expand



Acquire



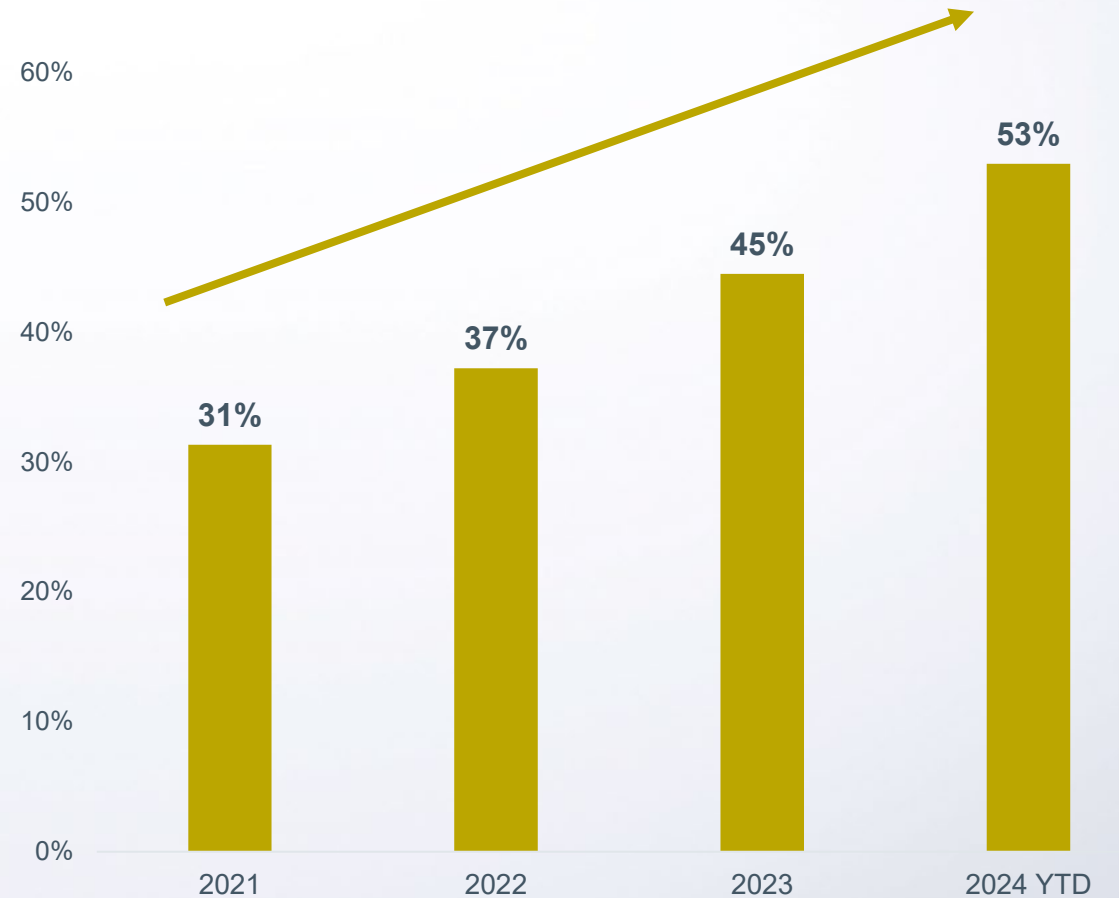
Develop

Targeted Annual TSR of 12-14%

Contract optimization:

There is a strong case for re-contracting our existing flexible generation assets

CPX U.S. flexible generation capacity factor¹



1. Historical capacity factors have been re-baselined to include U.S. acquisitions.



Optimize & Expand
Building fleetwide
efficiencies through
optimization and
expansion

York⁽¹⁾ and Goreway Uprates

~60MW
Capacity
Added

~\$14M
Annual EBITDA
Benefit

3 & 6 year
Contract
Extensions

Decatur CT Uprate

~90MW
Capacity
Added

~\$8M
Annual EBITDA
Benefit

10 year
Contract
Extension

Acquire
Compelling
US M&A value
proposition

Large and fragmented market

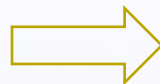


Natural Gas Generation⁽¹⁾

~3,000
Facilities

~900 GW
Capacity

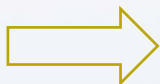
Owners motivated to monetize



>2/3⁽²⁾

US natural gas capacity
acquired by financial buyers

Lower cost with certainty



~20 – 50%⁽³⁾

Lower cost than build
(\$/kW)

1. SNL (S&P) as of January 2025 inclusive of gas turbines, steam turbines and combined cycle units

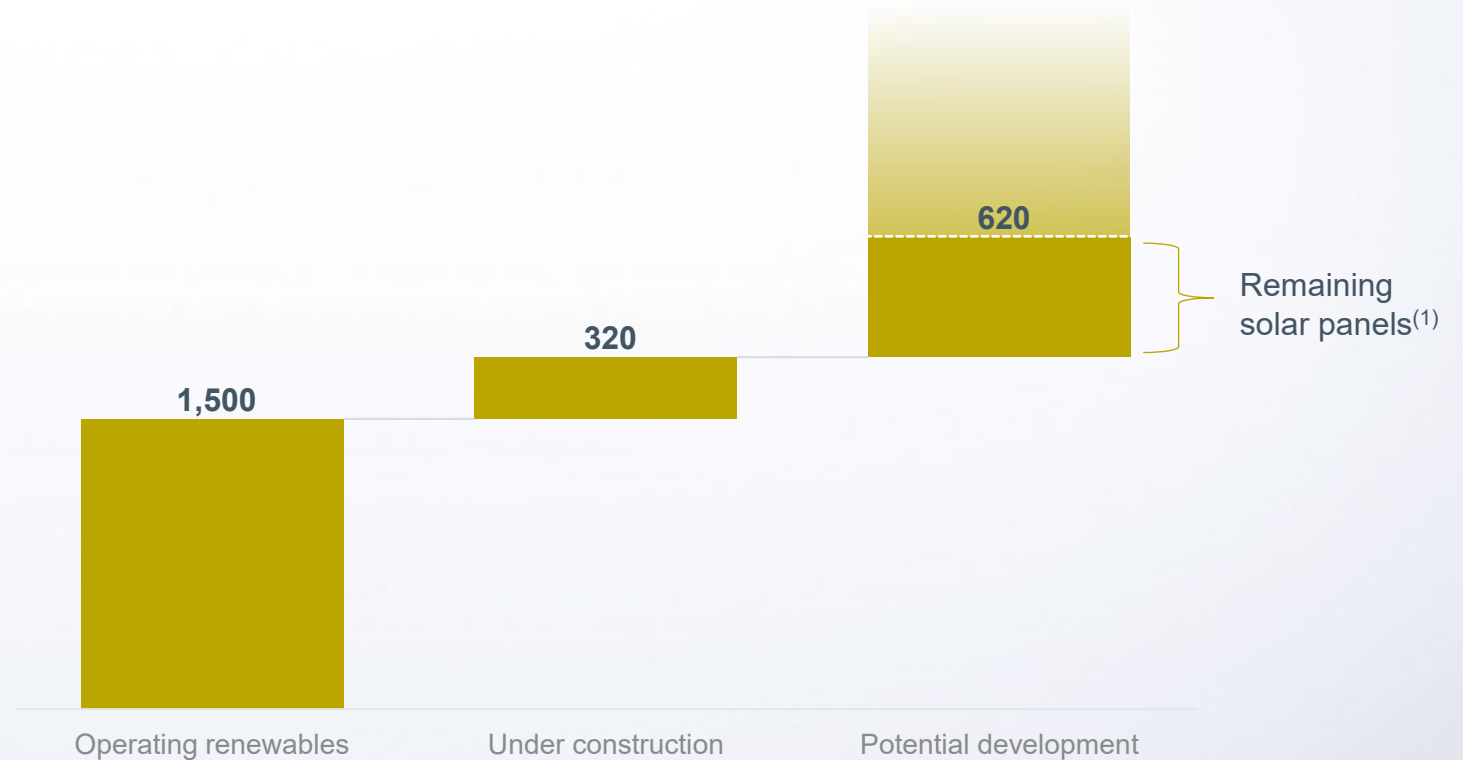
2. Based on Jefferies analysis (last 5 years ended September 30th, 2024)

3. Based on Capital Power's acquisition track record (last 10 years) vs illustrative greenfield cost range of US\$1,400 - \$1,600 / kW of capacity



Develop
Material renewables
growth with future
sell-down potential

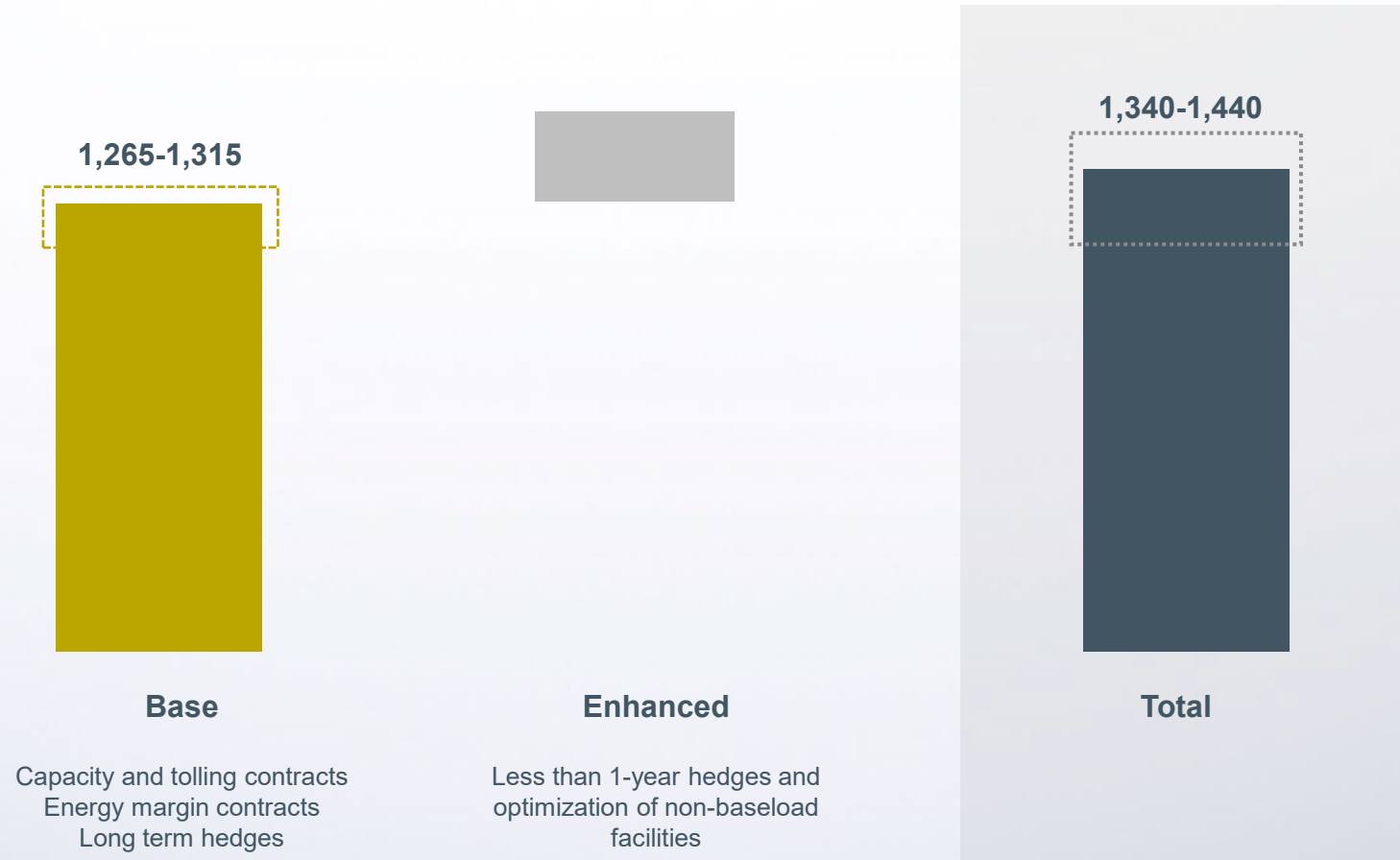
CPX Renewables Capacity (MW)



Renewable assets: 13 operating,
4 under construction

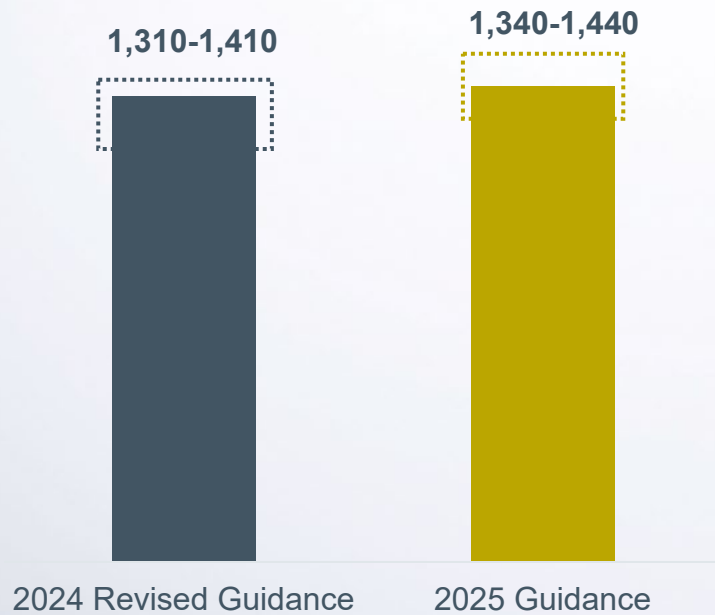
1. Solar panels remaining for deployment, pursuant to First Solar agreement. Figures adjusted to AC and represent gross WI capacity

Stable and contracted EBITDA with **potential for growth** (\$M)

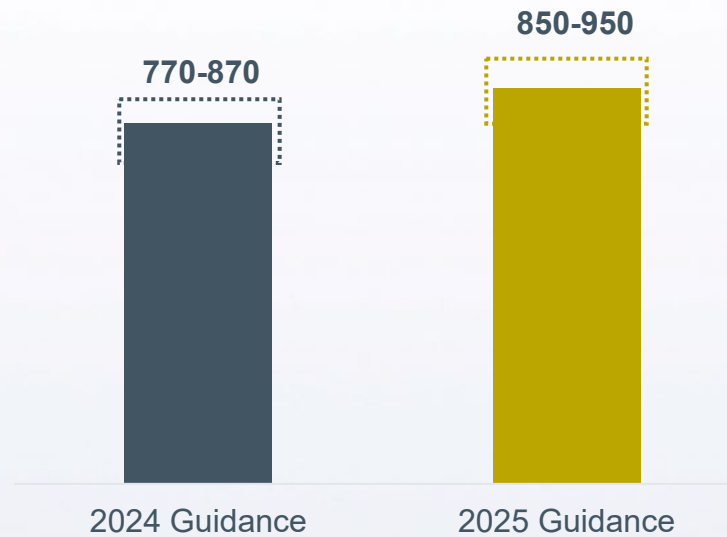


2025 Guidance Summary (\$M)

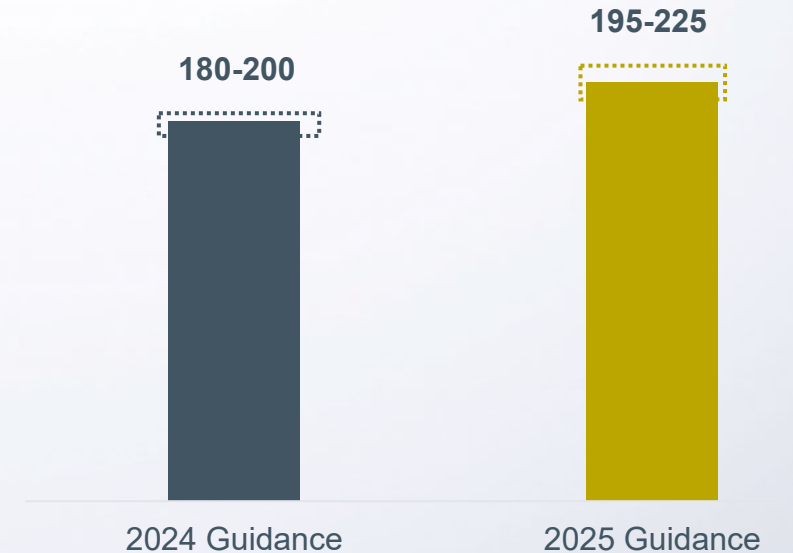
Adjusted EBITDA



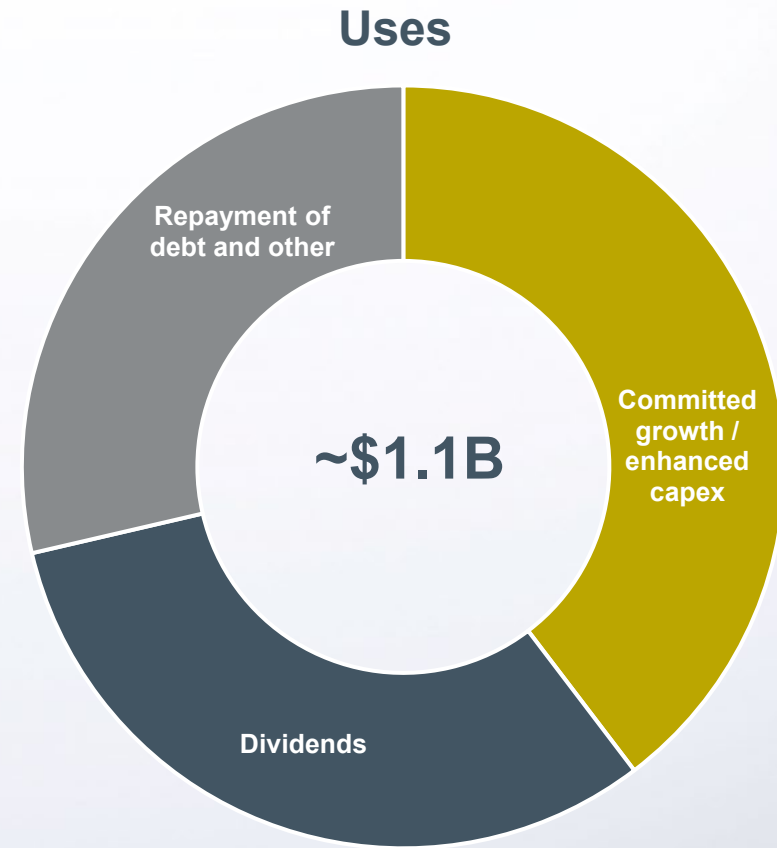
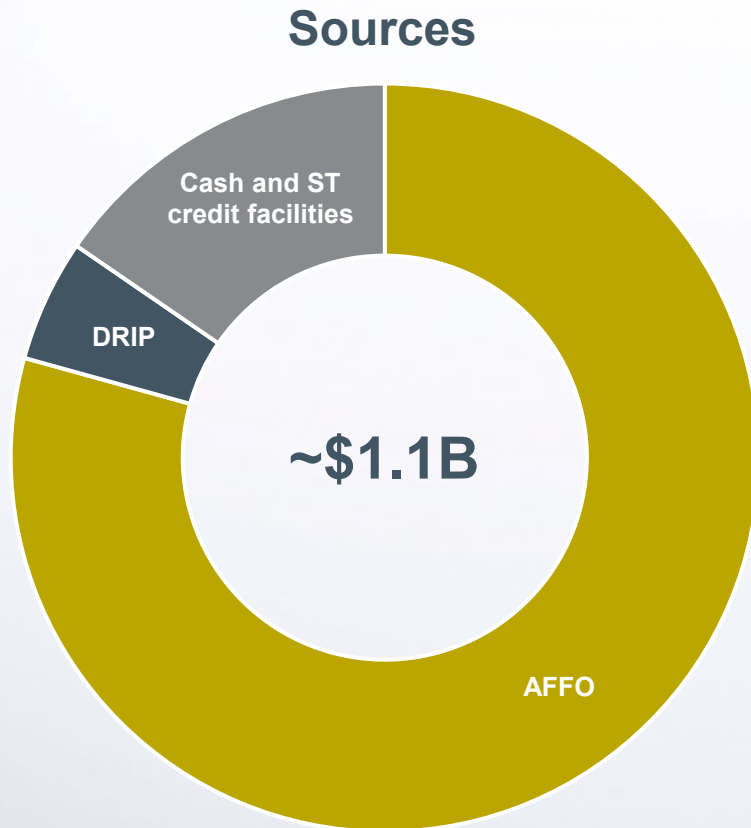
AFFO



Sustaining Capex



2025: Fully Funded | Strong Liquidity | Ready to Grow



CPX Investment Thesis

- ✓ **Strong fundamentals** favour existing gas generation capacity
- ✓ Large, diversified **existing generation footprint**
- ✓ Unparallel in-house **operational and commercial expertise**
- ✓ Proven ability to **acquire and optimize thermal generation assets**
- ✓ Contracted cash flow provides **stability and low-cost** capital



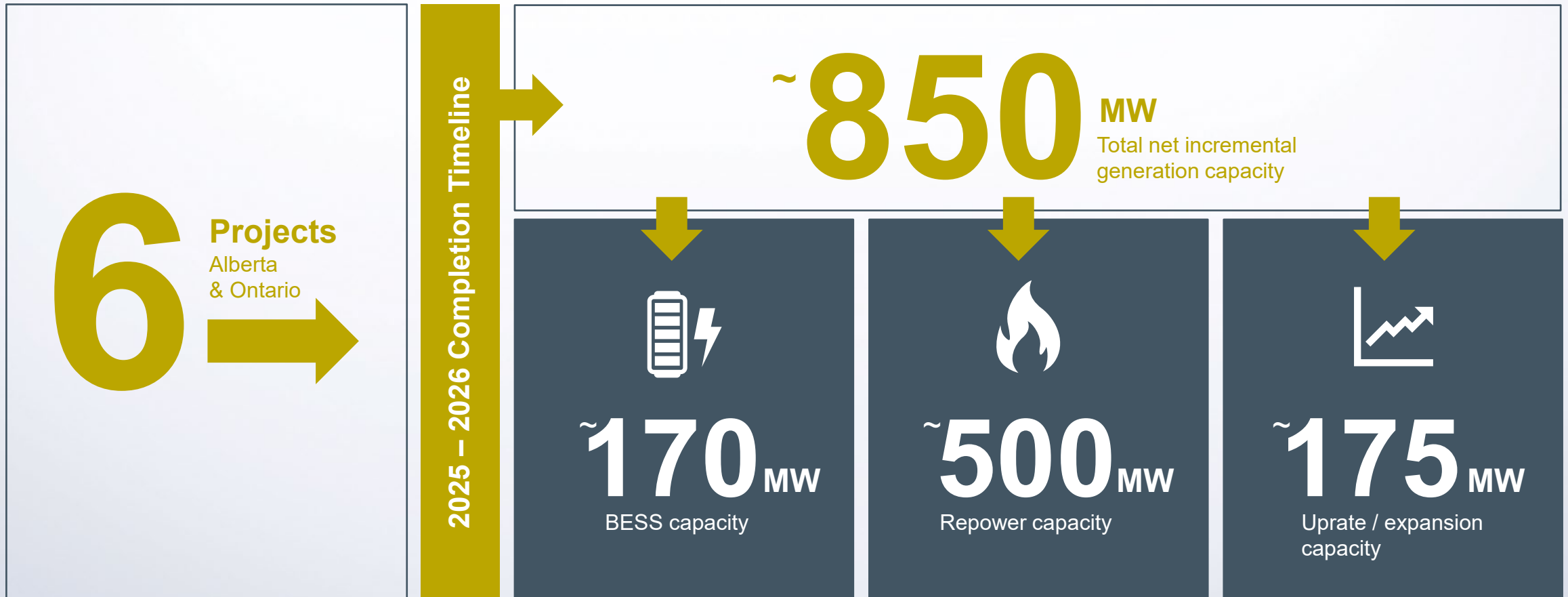
Appendix I

Power Industry Fundamentals



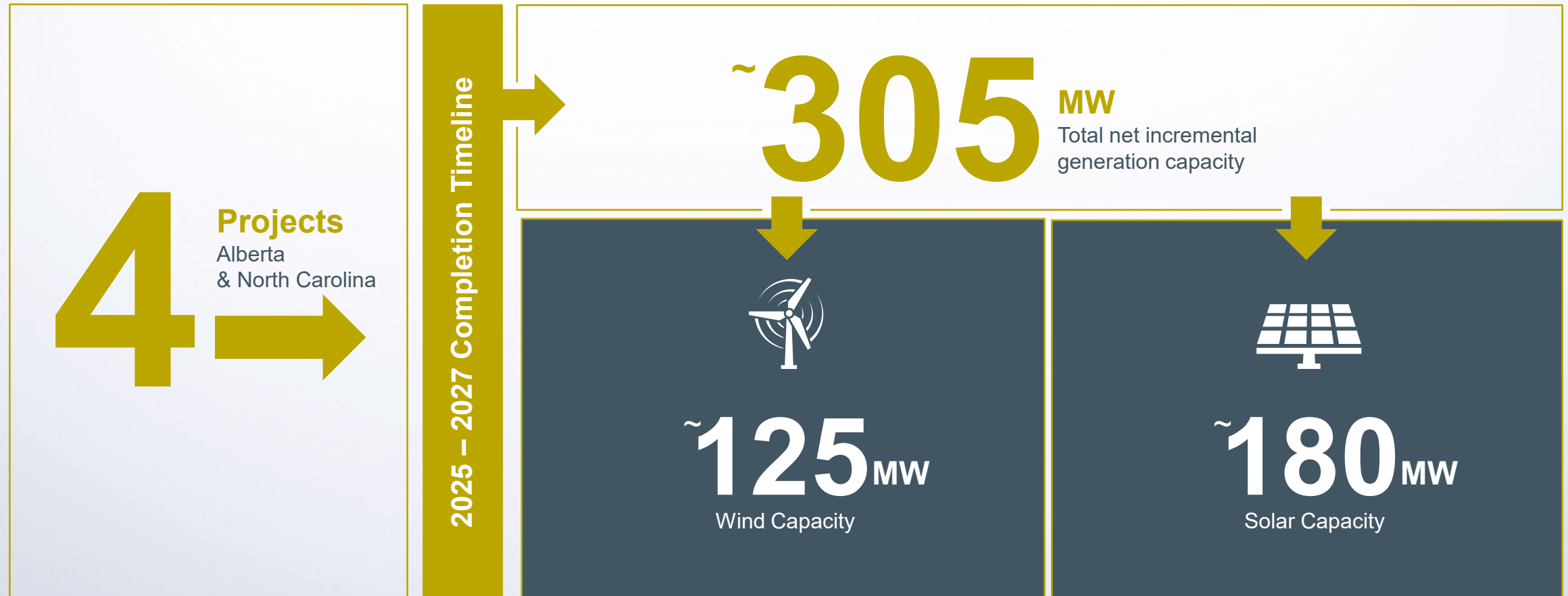
Flexible Generation

Project Portfolio Update



Renewables

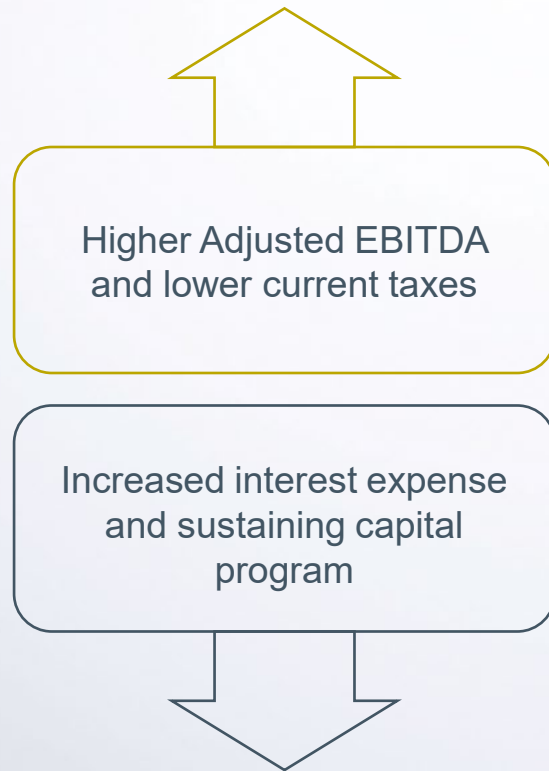
Project Portfolio Update



Year over year adjusted EBITDA reconciliation (\$M)



Year over year AFFO reconciliation (\$M)



We are committed to **growing our dividend per share**, as we invest in growth



1. Represents simple average of 2019 to 2023
Subject to market conditions, economic outlook, cash flow forecast, and Board approval at the time

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 2024 performance targets including for facility availability, sustaining capital expenditures, hedged position, FFO to debt ratio, adjusted funds from operations (AFFO) and adjusted EBITDA;
- our plans to transition off-coal 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 and sustainability benefits including contributions to affordability, reliability, and decarbonization, 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, 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);
- the financing plans, transaction close timing, financial impacts, receipt of required regulatory approvals, and future development opportunities of Frederickson 1 Generating Station;
- future growth and emerging opportunities in our target markets;
- the impact of the regulatory developments on our projects and business;
- potential opportunities and partnerships with Indigenous communities;
- 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 2023 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.





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