Atlantic Power Corporation

# Q4 and YE 2014 Earnings Conference Call

February 27, 2015

## Cautionary Note Regarding Forward-looking Statements

To the extent any statements made in this presentation contain information that is not historical, these statements are forward-looking statements or forward-looking information, as applicable, within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended, and under Canadian securities law (collectively “forward-looking statements”).

Forward-looking statements can generally be identified by the use of words such as “should,” “intend,” “may,” “expect,” “believe,” “anticipate,” “estimate,” “continue,” “plan,” “project,” “will,” “could,” “would,” “target,” “potential” and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. Although Atlantic Power Corporation (“AT”, “Atlantic Power” or the “Company”) believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties and should not be read as guarantees of future performance or results, and undue reliance should not be placed on such statements. Please refer to the factors discussed under “Risk Factors” and “Forward-Looking Information” in the Company’s periodic reports as filed with the Securities and Exchange Commission from time to time for a detailed discussion of the risks and uncertainties affecting the Company, including, without limitation, the outcome or impact of the Company’s business plan, including the objective of enhancing the value of its existing assets through optimization investments and commercial activities, delevering its balance sheet to improve its cost of capital and ability to compete for new investments, and utilizing its core competencies to create proprietary investment opportunities, and the Company’s ability to evaluate and/or implement potential options, including asset sales or the contribution of assets to a joint venture if the valuation of a particular asset or assets is compelling in order to raise additional capital for growth and/or debt reduction, and the outcome or impact on the Company’s business of any such potential options. Although the forward-looking statements contained in this presentation are based upon what are believed to be reasonable assumptions, investors cannot be assured that actual results will be consistent with these forward-looking statements, and the differences may be material. These forward-looking statements are made as of the date of this presentation and, except as expressly required by applicable law, the Company assumes no obligation to update or revise them to reflect new events or circumstances. The Company’s ability to achieve its longer-term goals, including those described in this presentation, is based on significant assumptions relating to and including, among other things, the general conditions of the markets in which it operates, revenues, internal and external growth opportunities, its ability to sell assets at favorable prices or at all and general financial market and interest rate conditions. The Company’s actual results may differ, possibly materially and adversely, from these goals.

## Disclaimer – Non-GAAP Measures

Project Adjusted EBITDA is not a measure recognized under GAAP and does not have a standardized meaning prescribed by GAAP, and is therefore unlikely to be comparable to similar measures presented by other companies. Project Adjusted EBITDA is defined as project income (loss) plus interest, taxes, depreciation and amortization (including non-cash impairment charges) and changes in the fair value of derivative instruments. Management uses Project Adjusted EBITDA at the project level to provide comparative information about project performance and believes such information is helpful to investors. A reconciliation of Project Adjusted EBITDA to project income (loss) is provided on slides 37 and 38. Investors are cautioned that the Company may calculate this measure in a manner that is different from other companies.

Cash Distributions from Projects, Adjusted Cash Flows from Operating Activities, Free Cash Flow and Adjusted Free Cash Flow are not measures recognized under GAAP and do not have standardized meanings prescribed by GAAP, and are therefore unlikely to be comparable to similar measures presented by other companies. Adjusted Cash Flows from Operating Activities is used to evaluate cash flows from operating activities without the effects of changes in working capital balances, acquisition expenses, litigation expenses, severance and restructuring charges, and cash provided by or used in discontinued operations. The intent is to reflect normal operations and remove items that are not reflective of the long-term operations of the business. Free Cash Flow is defined as cash flows from operating activities less capex; project-level debt repayments, including amortization of the new term loan; and distributions to noncontrolling interests, including preferred share dividends. Adjusted Free Cash Flow is defined as Free Cash Flow excluding changes in working capital balances, acquisition expenses, litigation expense, severance and restructuring charges, and cash provided by or used in discontinued operations. Management believes that these non-GAAP cash flow measures are relevant supplemental measures of the Company's ability to earn and distribute cash returns to investors. A reconciliation of Free Cash Flow to cash flows from operating activities is provided on slides 37 and 38. Reconciliations of Adjusted Free Cash Flow and Adjusted Cash Flows from Operating Activities to cash flows from operating activities are provided on slide 37. A bridge of Project Adjusted EBITDA to Cash Distributions from Projects is provided on slide 37. Investors are cautioned that the Company may calculate these measures in a manner that is different from other companies.

The Company has not reconciled non-GAAP financial measures relating to individual projects or to the APLP projects to the directly comparable GAAP measures due to the difficulty in making the relevant adjustments on an individual project basis. The Company has not provided a reconciliation of forward-looking non-GAAP measures, because not all of the information necessary for a quantitative reconciliation is available to the Company without unreasonable efforts primarily as a result of the variability and difficulty in making accurate forecasts and projections.

All amounts in this presentation are in US$ and approximate unless otherwise stated.

# Agenda

- Strategic Update
- Financial Results for 2014
- 2015 Guidance and Outlook
- Operations Update
- Wrap-Up and Q&A

# Priorities

1. Evaluating potential asset sales
   - In the process of testing valuations
   - Disciplined seller
   - Expect to provide a clearer picture no later than the next quarterly call

2. Reduce debt and de-risk balance sheet
   - Amortizing approximately $75 million/year of project and term loan debt (5-yr. avg)
   - Opportunistic market purchases of debt securities ($18 million since Q3 call)
   - Robust asset divestiture transaction should allow us to get there more quickly
   - But can be addressed even without asset sales (strong market environment)
     - Reprofile debt – refinance, extend maturities, reduce cost

# Priorities (cont'd.)

3. Rationalize overhead costs
   - Already taken aggressive steps to reduce personnel, development and administrative costs
   - Expect G&A and development expenses of no more than $38 million in 2015, down from $45 million in 2014
     - Includes severance expense of $3 million and $6 million in 2015 and 2014, respectively
   - Targeting further significant improvements in 2016

4. Invest in existing fleet
   - Highly attractive risk-adjusted returns relative to market opportunities; short payback; manageable capex
   - Funding out of existing Free Cash Flow

# Priorities (cont'd.)

5. Growth
   - Near-term focus is on internal optimization opportunities
   - After addressing cost structure and debt profile, should be in a stronger position to consider low-cost disciplined growth

6. Dividend
   - Focused on increasing intrinsic value per share
     - Deleveraging and de-risking balance sheet
     - Making investments in existing fleet at attractive returns
     - Rationalizing and reducing overhead cost structure
     - Positioning the Company to grow
   - Regularly evaluate optimal dividend policy consistent with achieving these goals
     - Assess best uses of available cash, particularly in context of asset divestiture or reprofiling of our debt

# Q4 2014 Financial Results ($ millions)

| | Q4 2014 | Q4 2013 | Change |
|---|---|---|---|
| **Project Adjusted EBITDA** | **$77.9** | **$58.1** | **$19.8** |

***Key Drivers:***

- \+ Orlando – favorable changes to PPA and gas supply costs
- \+ North Island – turbine overhaul in 2013
- \+ Williams Lake – higher availability and generation
- \+ Calstock – higher waste heat and lower maintenance expense
- \+ Mamquam – favorable water flows
- \+ Idaho wind projects – favorable winds
- \+ Piedmont – maintenance outage in 2013; partial reversal of 2013 Zachry reserve
- \- Selkirk – PPA expiration; reduced dispatch
- \+ Reduction in project-level administrative and development expense (Un-allocated Corporate segment)

| | Q4 2014 | Q4 2013 | Change |
|---|---|---|---|
| **Cash flows from operating activities** | **$19.1** | **$9.1** | **$10.0** |
| APLP term loan facility repayments | (11.3) | - | (11.3) |
| Project-level debt repayments | (6.6) | (3.4) | (3.2) |
| Capex | (3.4) | (2.3) | (1.1) |
| Distributions to noncontrolling interests | (2.2) | (4.5) | 2.3 |
| Dividends on preferred shares | (2.8) | (3.1) | 0.3 |
| **Free Cash Flow (Reported)** | **$(7.2)** | **$(4.2)** | **$(3.0)** |

***Key Drivers:***

- \+ Increase in operating cash flow
  - \+ Higher Project Adjusted EBITDA
  - \+ Increased distributions from unconsolidated projects
  - \- Cash outflow for working capital changes
- \- Higher levels of term loan and project debt amortization (no term loan in 2013)
- \- Modestly higher capex

**Strong Project Adjusted EBITDA result for Q4 (+ $20 million)**

# 2014 Financial Results ($ millions)

| Unaudited | 2013 | 2014 | 2014 Guidance [1] |
|---|---|---|---|
| Project Adjusted EBITDA | $268.9 | $299.3 | $285 – $300 |
| APLP Project Adjusted EBITDA | 161.1 | 176.1 | 165 – 175 |
| | | | |
| Cash flows from operating activities | 152.4 | 65.0 | 60 – 70 |
| Free Cash Flow (Reported) | 108.8 | (55.6) | - |
| Free Cash Flow (Guidance basis) [2] | 108.8 | 1.9 | 0 – 10 |
| | | | |
| Total G&A expense | 53.8 | 45.4 | 44 |
| Major maintenance and capex | 41 | 33 | 35 |

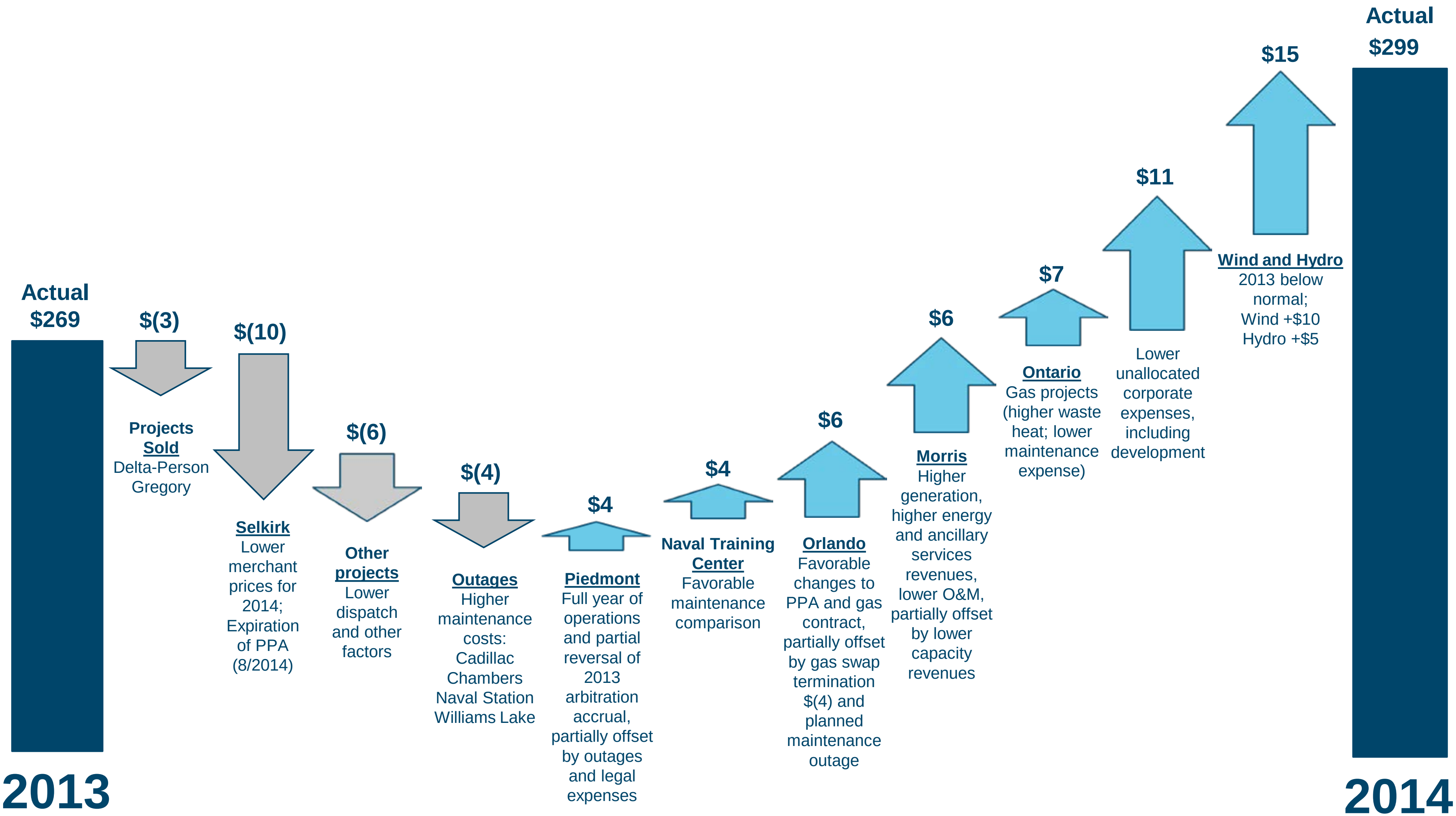
[1] As provided in November 6, 2014 earnings release [2] See slide 16 for a calculation of Free Cash Flow (Guidance basis) and a reconciliation of this measure to GAAP.

Note: Project Adjusted EBITDA, APLP Project Adjusted EBITDA, and Free Cash Flow are not recognized measures under GAAP and do not have any standardized meaning prescribed by GAAP; therefore, these measures may not be comparable to similar measures presented by other companies. Please refer to Slide 37 for reconciliations of these non-GAAP measures to GAAP measures.

**Project Adjusted EBITDA results at high end of guidance ranges; cash flow results within guidance ranges**

# Project Adjusted EBITDA, 2014 vs. 2013 ($ millions)

***Achieved high end of tightened guidance range***



# Cash Flow, 2014 vs 2013 ($ millions)

Includes 1% mandatory amortization and 50% cash sweep

Includes $(8.1) for Piedmont debt paydown at term conversion

Low end of revised guidance range of $0 to $10 primarily because of $6 severance charges and because APLP debt repayment was $5 more than projected

| | 2014 | 2013 | Change |
|---|---|---|---|
| **Cash flows from operating activities** | **$65.0** | **$152.4** | **$(87.4)** |
| APLP term loan facility repayments | (58.4) | - | (58.4) |
| Project-level debt repayments | (26.2) | (15.6) | (10.6) |
| Capex | (13.4) | (6.5) | (6.9) |
| Distributions to noncontrolling interests | (11.0) | (8.9) | (2.1) |
| Dividends on preferred shares | (11.6) | (12.6) | 1.0 |
| **Free Cash Flow (Reported)** | **$(55.6)** | **$108.8** | **$(164.4)** |
| Adjustments related to Q1 refinancing transactions: | | | |
| Transaction-related interest expense | 49.4 | - | 49.4 |
| Piedmont construction debt repayment | 8.1 | - | 8.1 |
| **Adjusted Free Cash Flow (Guidance basis)** | **$1.9** | **$108.8** | **$(106.9)** |

See slide 28 for breakdown of refinancing and debt repurchase transaction-related costs.

Decline due primarily to three factors:

- $(54) Transaction-related costs (Q1 2014)
  - $(49) interest expense
  - $(4) gas swap termination (Orlando)
- $(66) year-over-year changes in working capital primarily due to:
  - $39 decrease in prepaid and other assets due to the collection of security deposits in the first quarter of 2013
- $(32) cash flows from discontinued operations (projects sold in 2013)

Partially offset by:

- $35 increase in distributions from unconsolidated projects
- $30 increase in Project Adjusted EBITDA

# Liquidity ($ millions)

| Unaudited | September 30, 2014 | December 31, 2014 |
|---|---|---|
| Revolver capacity | $210.0 | $210.0 |
| Letters of credit outstanding | (106.0) | (105.7) |
| Unused borrowing capacity | 104.0 | 104.3 |
| Unrestricted cash (1) | 167.6 | 109.9 |
| **Total Liquidity** | **$271.6** | **$214.2** |

(1) Includes project-level cash for working capital needs of $16.3 million at September 30, 2014 and $18.2 million at December 31, 2014.

Includes planned cash reserve for the working capital needs of the business of approximately $80 to $100 million

Changes in cash balance Q4 2014:

- Q4 Free Cash Flow of approximately $(7) million
  - Timing of semi-annual interest payments
  - Amortization of APLP term loan
- Used $41 million of cash to repay Cdn$44.8 million convertible debentures at maturity in October 2014
- Repurchased $3.1 million of convertible debentures under NCIB
- Paid $3.1 million in common share dividends

# Debt Outstanding ($ millions)

## *Reduced total debt by approximately $93 million in 2014 (excluding F/X impacts)*

| Unaudited | APC | APLP | Project-level (consolidated) | Project-level (equity method) | Total |
|---|---|---|---|---|---|
| **December 31, 2013** | **$865** | **$612** | **$399** | **$119** | **$1,995** |
| Issuance of APLP term loan | | 600 | | | 600 |
| Redemption of Curtis Palmer | | (190) | | | (190) |
| Redemption of USGP notes | | (225) | | | (225) |
| Repurchase of high-yield notes | (140) | | | | (140) |
| Amortization of APLP term loan (1% and 50% cash sweep) | | (58) | | | (58) |
| Paydown of Piedmont debt | | | (8) | | (8) |
| Repayment of other project-level debt | | | (19) | (2) | (21) |
| Sale of Delta-Person | | | | (6) | (6) |
| Repayment of convertible debentures (ATP.DB) on October 31 | (41) | | | | (41) |
| Convertible Debenture Repurchases (NCIB) | (3) | | | | (3) |
| F/X impact | (20) | (16) | | | (36) |
| **December 31, 2014** | **$661** | **$723** | **$372** | **$111** | **$1,867** |

2015:

- Expect debt reduction of at least $90 million ($75 million amortization + $15 million completed repurchases to date)
- Expect $8 million reduction in cash interest from debt reduction completed in 2014 and pro rata for 2015

Going forward:

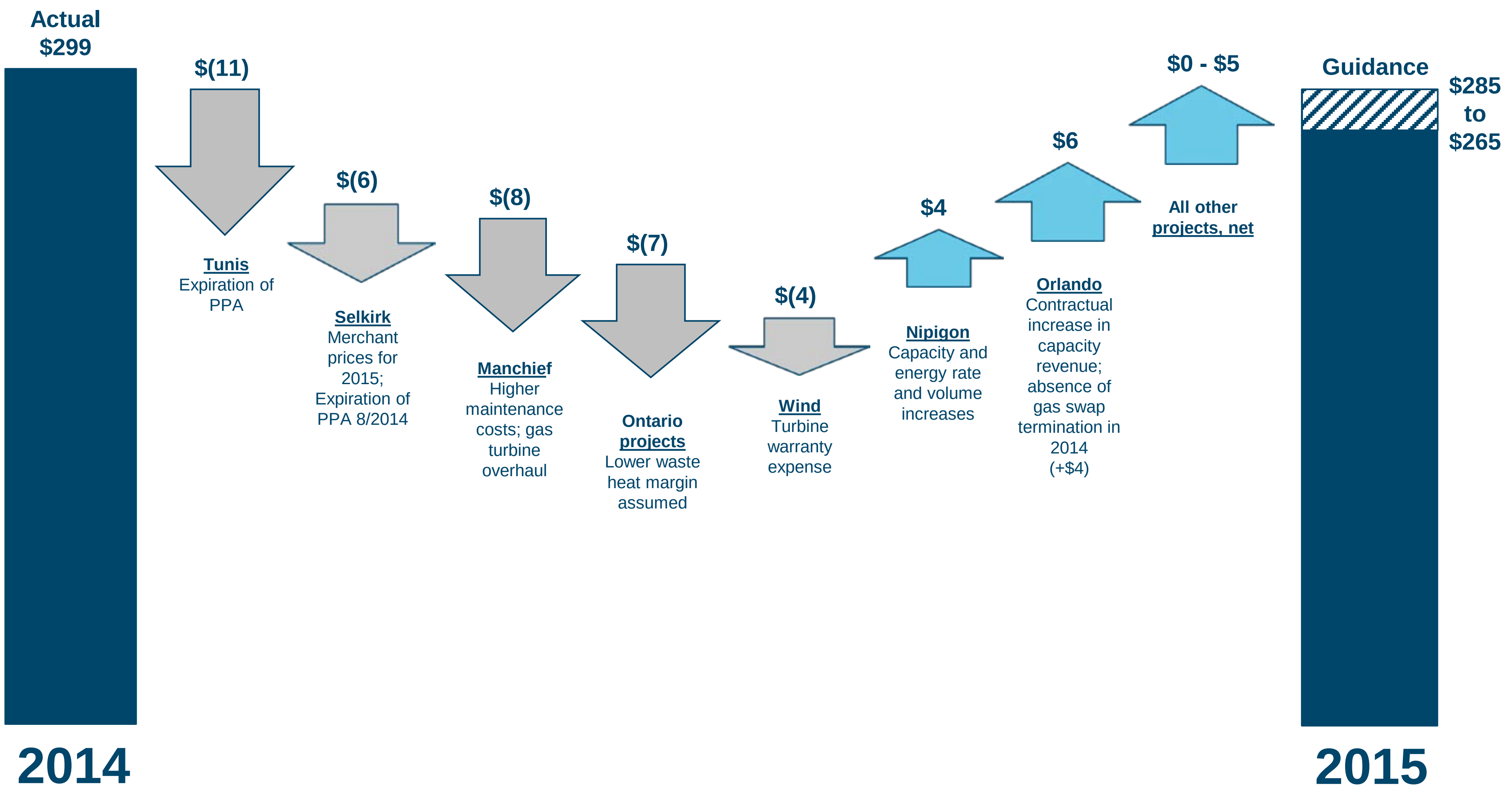
- Expect average annual amortization of approximately $75 million (5-yr. avg.)
- Term loan amortization expected to result in $3 million/year cash interest savings

# 2015 Guidance and Outlook

- Key metrics
  - Project Adjusted EBITDA range of $265 to $285 million
    - APLP only:  range of $148 to $160 million
  - Adjusted Cash Flows from Operating Activities range of $120 to $140 million
  - Adjusted Free Cash Flow range of $10 to $30 million
- Other
  - G&A expense, including project development expense, of $38 million or lower vs. $45 million in 2014
  - Major maintenance and capex of $35 million, including $12 million of capex and $23 million major maintenance, vs. $33 million in 2014
    - Capex is $10 million optimization / $2 million maintenance capex
    - APLP share of capex approximately $11 million (predominantly optimization)
  - Debt amortization of approximately $75 million
    - Project-level debt $24 million, including $3 million for equity-owned projects
    - Term loan $48 to $54 million
  - Reduction in cash interest expense of approximately $8 million

# Project Adjusted EBITDA ($ millions)

## *Bridge of 2014 Actual to 2015 Guidance*



# Bridge of Project Adjusted EBITDA to ACFFO ($ millions)

## *2015 Guidance vs. 2014 Actual*

| | 2014 Actual | 2015 Guidance |
|---|---|---|
| **Project Adjusted EBITDA** | **$299** | **$265 - $285** |
| Adjustment for equity method projects (1) | (6) | (9) |
| Corporate G&A expense | (39) | (31) |
| Cash interest payments | (169) (2) | (112) |
| Cash taxes and changes in working capital | (19) | (4) |
| **Cash flows from operating activities** | **$65** | **$115 - $135** |
| Add back: | | |
| Changes in working capital | 19 | - |
| Discontinued Operations | - | - |
| Severance charges | 6 | 3 |
| Restructuring charges | 2 | 1 |
| Shareholder litigation costs | 1 | - |
| Refinancing transaction costs (2) | 49 | - |
| **Adjusted Cash Flows from Operating Activities (ACFFO)** | **$142** | **$120 - $140** |

Footnotes:
(1) Represents difference between Project Adjusted EBITDA and cash distributions from equity method projects; (2) Includes $49 million cash interest associated with debt refinancing and repurchase transactions in first quarter 2014; see slide 28 for detail.

# Bridge of ACFFO to Free Cash Flow ($ millions)

## *2015 Guidance vs. 2014 Actual*

| | 2014 Actual | 2015 Guidance |
|---|---|---|
| **Adjusted Cash Flows from Operating Activities (ACFFO)** | **$142** | **$120 – $140** |
| Maintenance capex | (1) | (2) |
| Distributions to noncontrolling interests | (11) | (12) |
| Preferred dividends | (12) | (11) |
| Mandatory debt repayment: | | |
| Project-level debt amortization | (18) | (21) |
| Repayment of APLP term loan [1] | (58) | (48) – (54) |
| **Discretionary cash flow** | **42** | **20 – 40** |
| Optimization capex (2015 – planned) | (12) | (10) |
| **Adjusted Free Cash Flow** | **$30** | **$10 – $30** |

| | |
|---|---|
| To reconcile to other FCF metrics: | |
| Changes in working capital | (19) |
| Discontinued operations | - |
| Severance charges | (6) |
| Restructuring charges | (2) |
| Shareholder litigation costs | (1) |
| **Free Cash Flow (consistent with 2014 guidance of $0 to $10)** | **2** |
| Piedmont debt repayment at term conversion | (8) |
| Refinancing transaction costs | (49) |
| **Free Cash Flow (Reported in 2014 10-K)** | **$(55)** |

[1] 50% cash sweep plus mandatory 1% annual amortization

- Used to fund:
  - maintenance capex
  - distributions to noncontrolling interests
  - debt repayment
- Balance available for discretionary purposes

Free cash flow before growth investments

- Available for common dividends, additional growth investments and discretionary debt repurchases
- YTD 2015:
  - $3 common dividends
  - $14 debt repurchases (cash; $15 par value)

# G&A and Development Expenses ($ millions)

*Includes:*
- Operations & Asset Management
- Environmental, Health & Safety
- Ridgeline
- Project Accounting

*Includes:*
- Executive & Financial Management
- Treasury, Tax, Legal, HR, IT
- Corporate Accounting
- Office & administrative costs
- Public company costs
- One-time costs (mostly severance)

| | 2013 Actual | 2014 Actual | 2015 Guidance |
|---|---|---|---|
| ***Included in Project Adjusted EBITDA:*** | | | |
| Development [1] | $7.2 | $3.7 | $2 |
| Project G&A and other | 11.4 | 3.8 | 5 |
| Un-allocated Corporate segment | 18.6 | 7.5 | 7 |
| ***Excluded from Project Adjusted EBITDA:*** | | | |
| Corporate G&A [2] | 35.2 | 37.9 | 31 |
| **Total overhead** | **$53.8** | **$45.4** | **$38** |

Corporate G&A includes $6 severance charges in 2014 and an expected $3 in 2015

**Have already taken steps to achieve at least $16 million annual savings in 2015 relative to 2013; expect further significant improvement in 2016**

[1] Includes approximately $3 million annual contractual obligation related to Ridgeline acquisition that will terminate in the first quarter of 2015. [2] Administration expense on income statement

# Other Developments in Q4

- Completed annual goodwill impairment assessment
  - Had recorded Q3 charge of $92 million (event-driven impairment assessment)
  - No further impairments recorded in Q4
  - Also evaluated carrying value of Tunis long-lived assets; no further impairment in Q4
    - Previously wrote off remaining goodwill and impaired carrying value of assets (Q2)
- As previously reported, Piedmont is not in compliance with its debt service coverage ratio, which went into effect in February 2014 at term conversion
  - Expect no distributions from the project before 2017 at the earliest
- 9.0% senior unsecured notes fixed charge coverage ratio/restricted payments basket update
  - $35.6 million of dividends paid or declared through March 2015 dividend
    - Basket greater of $50 million or 2% of consolidated net assets ($55.8 million as of December 31, 2014)
  - Expect to be back in compliance in the second quarter of 2015, assuming no additional prepayment charges recorded

# Optimization Initiatives

- Compelling internal growth projects
  - Investments with expected strong current yields, more modest capital investment and shorter lag to cash returns than typical construction projects
  - Higher risk-adjusted returns than competitive external projects
- 2013-2014 investments of approximately $18 million
  - Redefined to include only those investments designed to boost production, improve efficiency or increase the margin of the project
    - Examples: Nipigon steam generator replacement and upgrade, Curtis Palmer turbine repower, Morris PowerPhase technology, North Island interconnection upgrade, Calstock boiler re-rate
  - Difference vs. prior expectation of $27 million is due to reclassifying $4 million as maintenance capex and $3 million as commercial and asset management activities
  - Expected cash return of $4 to $8 million in 2015; expect to refine range after gaining operating experience with some of the upgrades (post summer)

**Completed $18 million of optimization projects in 2013 - 2014; planning another $11 million in 2015**

# Optimization Initiatives (cont'd)

- Planned 2015 investments of approximately $11 million
  - Several projects at Morris (upgrades to gas turbine and water treatment)
  - Nipigon (feedwater booster pump)
  - More modest projects at Curtis Palmer and Mamquam
- Total investments in 2013 through 2015 of approximately $29 million
  - Expected to produce annual cash flow of at least $10 million in 2016
- In addition to these investments, we are taking actions on the commercial and asset management side to enhance the value of existing projects
  - Average required investment generally very modest for significant cash benefit
    - Examples: Bringing third-party plant management contracts in-house; improving terms with fuel suppliers and other vendors; reducing letter of credit requirements

**Expect to generate at least $10 million annual cash flow in 2016 from $29 million of cumulative investments**

# Major Maintenance and Capex ($ millions)

| Unaudited | 2015 Guidance |
|---|---|
| **Total major maintenance and capex, including optimization** | **$35** |
| *Expensed (included in EBITDA)* | *23* |
| *Capitalized* | *12* |
| | |
| **Optimization investments** | **$11** |

- Invested $18 million in optimization initiatives in 2013 - 2014
  - Expected cash flow contribution of $4 to $8 million in 2015; expect to refine estimate post summer
- Total investment $29 million in 2013 – 2015
  - Expected cash flow contribution in 2016 of at least $10 million

| | | |
|---|---|---|
| Morris – various projects, including: | | |
| Water treatment upgrade | | |
| Upgrade fast-start capability | | |
| Gas turbine component upgrades | | |
| | Total | $8 |
| Nipigon | | |
| Feedwater booster pump upgrade | | $1 |
| Curtis Palmer | | |
| Spillway optimization | | $1 |
| | Total capitalized | $10 |
| Mamquam | | $1 |
| | Total | $11 |

# PPA Strategy and Tunis Update

- Enhance value of our PPAs
  - Optimization projects / investments that benefit customers
    - Compensated through changes to or early extensions of PPA
  - Pursue early extensions or renewals (focus on those in 2018 and beyond)
    - Respond to RFOs and RFPs
    - Negotiate with customers outside of a formal process
- Next PPA expirations not until year-end 2017 (North Bay and Kapuskasing)
- Tunis update
  - Completed mothballing of project mid-February
  - Announced new 15-year agreement with Ontario IESO in mid-January
    - Subject to two conditions
      - Reconfigure to simple cycle
      - Firm gas transportation on economic terms
    - Tunis would operate as market participant
      - Capacity payments for availability; energy margin when economic to operate
      - Significant reduction in expected level of Project Adjusted EBITDA relative to previous PPA
    - Start date between November 2017 and June 2019, at our option

# Significant Accomplishments to Date

- Balance sheet
  - Net reduction in debt of $93 million in 2014; on track for $75 million amortization in 2015
    - In addition, repurchased $15 million of debt securities year to date
  - No non-amortizing corporate debt maturities prior to March 2017
  - Strong liquidity of $214 million, including $110 million of unrestricted cash
  - Evaluating asset divestitures to accelerate debt reduction
    - Will pursue reshaping of our debt even if no asset sales
- Overhead cost structure
  - Implemented personnel and other cost reductions to achieve at least $16 million annual savings in corporate G&A expense in 2015 relative to 2013 (29% reduction)
  - On target to achieve another significant reduction in 2016
- Internal growth
  - Completed optimization investments of $18 million in 2013 – 2014; on track to produce $4 to $8 million of cash flow in 2015
    - Planning another $11 million of optimization investments in 2015
    - Cumulative $29 million investment expected to make 2016 cash contribution of at least $10 million

**Executing on plan to drive shareholder value**

# Appendix

# 2014 Operational Highlights

**Weighted Average Availability**

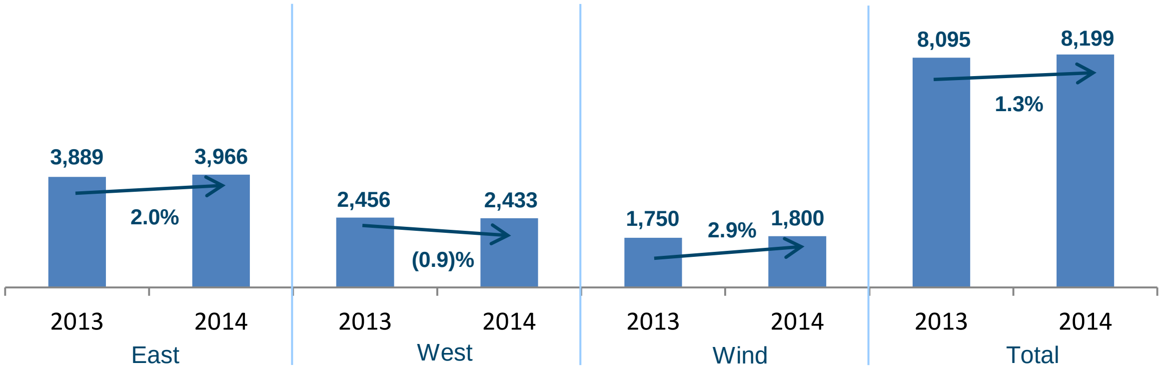
| | 2014 | 2013 |
|---|---|---|
| East | 93.6% | 95.6% |
| West | 91.7% | 91.8% |
| Wind | 96.8% | 98.7% |
| **Total** | **93.4%** | **94.8%** |

Extreme weather, several forced outages and extensions of planned outages affected results

- Ontario projects – unplanned outages due to weather and other factors in Q1
- Nipigon planned outage to replace steam generator
- Canadian Hills weather-related outage in Q1
- Extensions of planned outages at North Island, Naval Station, Orlando and Cadillac
- Piedmont – several forced outages, most recent in July

For the year, reduced availability resulted in capacity payments being $10.3 million lower than their expected level (primarily Ontario and Piedmont); still represented 94% of expected total

**Aggregate Power Generation 2014 vs. 2013 (thousands, Net MWh)**




## Generation increased 1.3%:

- \+ Piedmont on-line in April 2013 (additional quarter in 2014)
- \+ higher dispatch at Frederickson
- \+ improved wind conditions in Idaho (Meadow Creek)
- \- reduced dispatch at Manchief and Williams Lake
- \- reduced generation at Selkirk (mild summer weather; PPA expiration 8/31/14)
- \- reduced generation at Canadian Hills (Q1 weather-related outage)

# Financial Results, 2014 vs 2013 ($ millions)

| | Years ended December 31, | |
|---|---|---|
| **Unaudited** | **2014** | **2013** |
| **Excluding results from discontinued operations(1)** | | |
| Project revenue | $569.2 | $544.1 |
| Project (loss) income | (50.5) | 63.7 |
| Project Adjusted EBITDA | 299.3 | 268.9 |
| Cash Distributions from Projects | 248.9 | 223.0 |
| Adjusted Cash Flows from Operating Activities | 142.4 | 75.7 |
| Adjusted Free Cash Flow | 29.9 | 37.6 |
| **Including results from discontinued operations (1)** | | |
| Cash flows from operating activities | $65.0 | $152.4 |
| Free Cash Flow (Reported) | (55.6) | 108.8 |
| Free Cash Flow (Guidance basis) (2) | 1.9 | 108.8 |

(1) The Path 15 transmission line ("Path 15"), Auburndale Power Partners, L.P. ("Auburndale"), Lake CoGen, Ltd. ("Lake") and Pasco Cogen, Ltd. ("Pasco") (collectively, the "Sold Projects") were sold in April 2013, the Company's interest in Rollcast Energy ("Rollcast") was sold in November 2013, and Thermo Power & Electric, LLC ("Greeley") was sold in March 2014. Accordingly, the revenues, project income (loss), Project Adjusted EBITDA, Cash Distributions from Projects and cash flows from operating activities from these assets are included in discontinued operations for the years ended December 31, 2013 and December 31, 2014. The results of discontinued operations are excluded from Project revenue, Project income, Project Adjusted EBITDA, Cash Distributions from Projects and Adjusted Cash Flows from Operating Activities. Under GAAP, the cash flows attributable to the Sold Projects, Rollcast and Greeley are included in cash flows from operating activities as shown on the Company's Consolidated Statement of Cash Flows; therefore, the Company's calculation of Free Cash Flow also includes cash flows from the Sold Projects, Rollcast, and Greeley. The Gregory project, which was sold in August 2013, and the Delta-Person generating station, which was sold in July 2014, are both accounted for under the equity method of accounting and therefore are included in the Company's financial results from continuing operations.

(2) See slides 15 and 16 for calculation of Free Cash Flow (Guidance basis) and its reconciliation to its comparable GAAP measure cash flows from operating activities.

Note: Project Adjusted EBITDA, Cash Distributions from Projects, Adjusted Cash Flows from Operating Activities, Adjusted Free Cash Flow and Free Cash Flow are not recognized measures under GAAP and do not have any standardized meaning prescribed by GAAP; therefore, these measures may not be comparable to similar measures presented by other companies. . Please refer to Slide 37 for reconciliations of these non-GAAP measures to GAAP measures.

# Segment Results, 2014 vs 2013 ($ millions)

| | Years ended December 31, | |
|---|---|---|
| | **2014** | **2013** |
| **Project income (loss)** | | |
| East | $21.8 | $25.8 |
| West | (51.3) | 35.8 |
| Wind | (11.5) | 18.6 |
| Un-allocated Corporate | (9.5) | (16.5) |
| **Total** | **(50.5)** | **63.7** |
| **Project Adjusted EBITDA** | | |
| East | $158.5 | $150.7 |
| West | 78.5 | 77.2 |
| Wind | 69.8 | 59.6 |
| Un-allocated Corporate | (7.5) | (18.6) |
| **Total** | **299.3** | **268.9** |

Note: Project Adjusted EBITDA is not a recognized measure under GAAP and does not have any standardized meaning prescribed by GAAP; therefore, this measure may not be comparable to similar measures presented by other companies. Please refer to Slide 37 for a reconciliation of this non-GAAP measure to a GAAP measure.
The Company has not reconciled non-GAAP financial measures relating to individual project segments to the directly comparable GAAP measure due to the difficulty in making the relevant adjustments on a segment basis.

# Q1 2014 Costs Associated with Refinancing and Debt Repurchase Transactions ($ millions)

| | |
|---|---|
| Make-whole payments and other premiums (US GPs, 9.0% senior unsecured notes) | $(34) |
| Accrued interest (US GPs, Curtis Palmer, 9.0% senior unsecured notes) | (12) |
| Termination of interest-rate swaps (EPP) | (3) |
| **Total included in interest expense** | $(49) |
| Termination of Orlando gas swaps (included in fuel expense) | (4) |
| **Total included in Operating and Free Cash Flow** | **$(54)** |
| | |
| Financing expenses and fees | $(40) |
| Amendment to Piedmont interest-rate swap | (1) |
| **Total deferred financing costs (included in cash flows from financing activities)** [(1)] | **$(41)** |
| | |
| **Total cash costs** | **$(94)** |
| | |
| Non-cash write-off of deferred financing costs (included in interest expense) | (6) |
| **Total all costs** | **$(100)** |

Amount excluded from 2014 Free Cash Flow guidance

(1) Amortized over the life of the financing.

# Organizational Structure

## Atlantic Power Corporation

### Atlantic Power Limited Partnership

| Project | Location | Type | Economic Interest | Net MW | Contract Expiry |
|---|---|---|---|---|---|
| Calstock | Ontario | Biomass | 100% | 35 | 6/2020 |
| Curtis Palmer | New York | Hydro | 100% | 60 | 12/2027 |
| Frederickson | Washington | Nat. Gas | 50% | 125 | 8/2022 |
| Kapuskasing | Ontario | Nat. Gas | 100% | 40 | 12/2017 |
| Kenilworth | New Jersey | Nat. Gas | 100% | 30 | 9/2018 |
| Mamquam | B.C. | Hydro | 100% | 50 | 9/2027 |
| Manchief | Colorado | Nat. Gas | 100% | 300 | 10/2022 |
| Morris | Illinois | Nat. Gas | 100% | 177 | 11/2023 |
| Morseby Lake | B.C. | Hydro | 100% | 6 | 8/2022 |
| Naval Station | California | Nat. Gas | 100% | 47 | 12/2019 |
| Naval Training | California | Nat. Gas | 100% | 25 | 12/2019 |
| Nipigon | Ontario | Nat. Gas | 100% | 40 | 12/2022 |
| North Bay | Ontario | Nat. Gas | 100% | 40 | 12/2017 |
| North Island | California | Nat. Gas | 100% | 42 | 12/2019 |
| Oxnard | California | Nat. Gas | 100% | 49 | 5/2020 |
| Tunis [1] | Ontario | Nat. Gas | 100% | 43 | 11/2032 |
| Williams Lake | B.C | Biomass | 100% | 66 | 3/2018 |

### Atlantic Power Transmission & Atlantic Power Generation

| Project | Location | Type | Economic Interest | Net MW | Contract Expiry |
|---|---|---|---|---|---|
| Cadillac | Michigan | Biomass | 100% | 40 | 12/2028 |
| Canadian Hills | Oklahoma | Wind | 99% | 295 | 12/2032 |
| Chambers | New Jersey | Coal | 40% | 105 | 12/2024 |
| Goshen North | Idaho | Wind | 12.5% | 16 | 11/2030 |
| Idaho Wind | Idaho | Wind | 27.56% | 49 | 12/2030 |
| Koma Kulshan | Washington | Hydro | 49.8% | 6 | 12/2037 |
| Meadow Creek | Idaho | Wind | 100% | 120 | 12/2032 |
| Orlando | Florida | Nat. Gas | 50% | 65 | 12/2023 |
| Piedmont | Georgia | Biomass | 100% | 53 | 12/2032 |
| Rockland Wind | Idaho | Wind | 50% | 40 | 12/2036 |
| Selkirk | New York | Nat. Gas | 18.5% | 64 | Merchant |

[1] On January 20, 2015, we entered into an agreement with the Ontario Power Authority and its successor, the Independent Electricity System Operator (''IESO''), for the future operations of the Tunis facility. Subject to meeting certain technical modifications to the plant, gas delivery and other requirements, Tunis will operate under a 15-year agreement with the IESO commencing between November 2017 and June 2019. The new contract will require the plant to become fully dispatchable as opposed to its current baseload configuration. As such, Tunis will only provide electricity to the Ontario grid when required, thereby assisting to reduce the incidents of surplus baseload generation in the market. The new agreement provides the Tunis project with a fixed monthly payment which escalates annually according to a pre-defined formula while allowing it to earn additional energy revenues for those periods during which it is called upon to operate.

# Capital Summary at December 31, 2014 ($ millions)

| Atlantic Power Corporation | | | |
|---|---|---|---|
| | **Maturity** | **Amount** | **Interest Rate** |
| High-yield Notes | 11/2018 | $319.9 | 9.0% |
| Convertible Debentures (ATP.DB.A) | 3/2017 | $58.0 (C$67.3) | 6.25% |
| Convertible Debentures (ATP.DB.B) | 6/2017 | $68.7 (C$79.7) | 5.6% |
| Convertible Debentures (ATP.DB.U) | 6/2019 | $128.2 | 5.75% |
| Convertible Debentures (ATP.DB.D) | 12/2019 | $85.7 (C$99.4) | 6.0% |
| **Atlantic Power Limited Partnership** | | | |
| Revolving Credit Facility | 2/2018 | $0 | 3.75% |
| Term Loan | 2/2021 | $541.5 | 5.07% (1) |
| Medium-term Notes | 6/2036 | $181.0 (C$210) | 5.95% |
| Preferred shares (AZP.PR.A) | N/A | $123 (C$125) | 4.85% |
| Preferred shares (AZP.PR.B) | N/A | $57 (C$58) | 5.57% |
| Preferred shares (AZP.PR.C) | N/A | $41 (C$42) | 5.09%(2) |
| **Atlantic Power Transmission & Atlantic Power Generation** | | | |
| Project-level Debt (consolidated) | Various | $371.6 | Various |
| Project-level Debt (equity method) | Various | $111.3 | Various |

(1) Includes impact of interest rate swap; (2) Set on December 1, 2014 for March 31, 2015 dividend payment. Will be reset quarterly based on sum of the Canadian Government 90-day Treasury Bill yield (using the three-month average result of .91%) plus 4.18%.

Note: C$ denominated debt was converted to US$ using US$ to C$ exchange rate of $1.16.

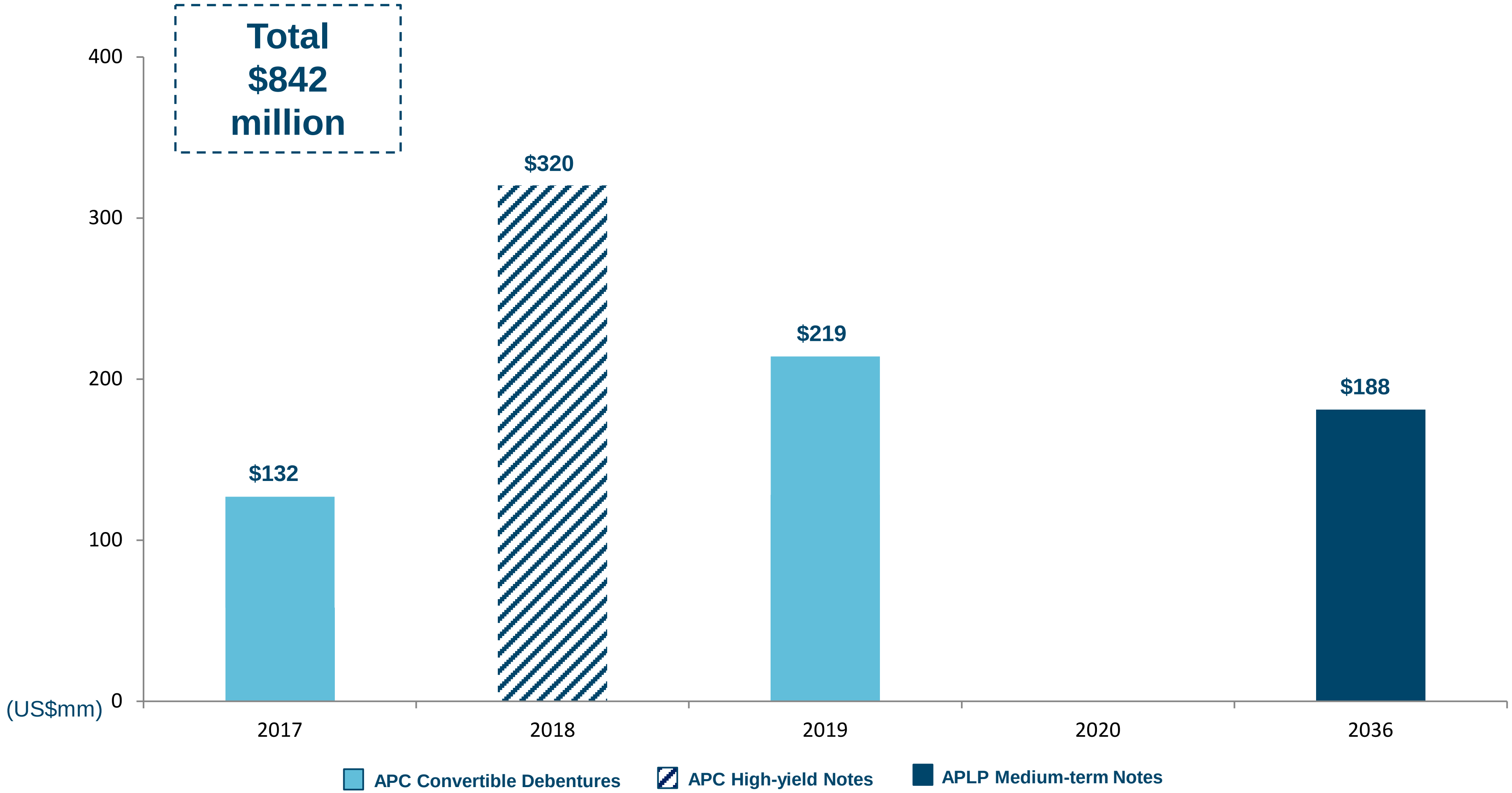
# Capitalization ($ millions)

## *Presented on a consolidated basis and excludes equity method projects*

| | December 31, 2013 | | December 31, 2014 | |
|---|---|---|---|---|
| Long-term debt (incl. current portion) | | | | |
| APC revolving credit facility | $0 | | - | |
| APC High-yield Notes | 460 | | $320 | |
| Curtis Palmer notes | 190 | | | |
| US GP Notes | 225 | | | |
| APLP Medium-Term Notes (1) | 197 | | 181 | |
| APLP revolving credit facility | - | | 0 | |
| APLP Term Loan | - | | 541 | |
| Project-level debt (non-recourse) | 399 | | 372 | |
| Convertible debentures (2) | 405 | | 341 | |
| **Total long-term debt** | **$1,876** | **69%** | **$1,755** | **75%** |
| Preferred shares | 221 | 8% | 221 | 10% |
| Common equity (3) | 609 | 23% | 356 | 15% |
| **Total shareholders equity** | **830** | **31%** | **577** | **25%** |
| **Total capitalization** | **$2,706** | **100%** | **$2,332** | **100%** |

(1) Year-over-year change due to F/X impacts
(2) Year-over-year change due to F/X impacts and repayments of convertible debentures totaling $44 million (October 2014 maturity of ATP.DB ($41 million) and repurchases under the NCIB ($3 million)).
(3) Common equity includes other comprehensive income and retained deficit.

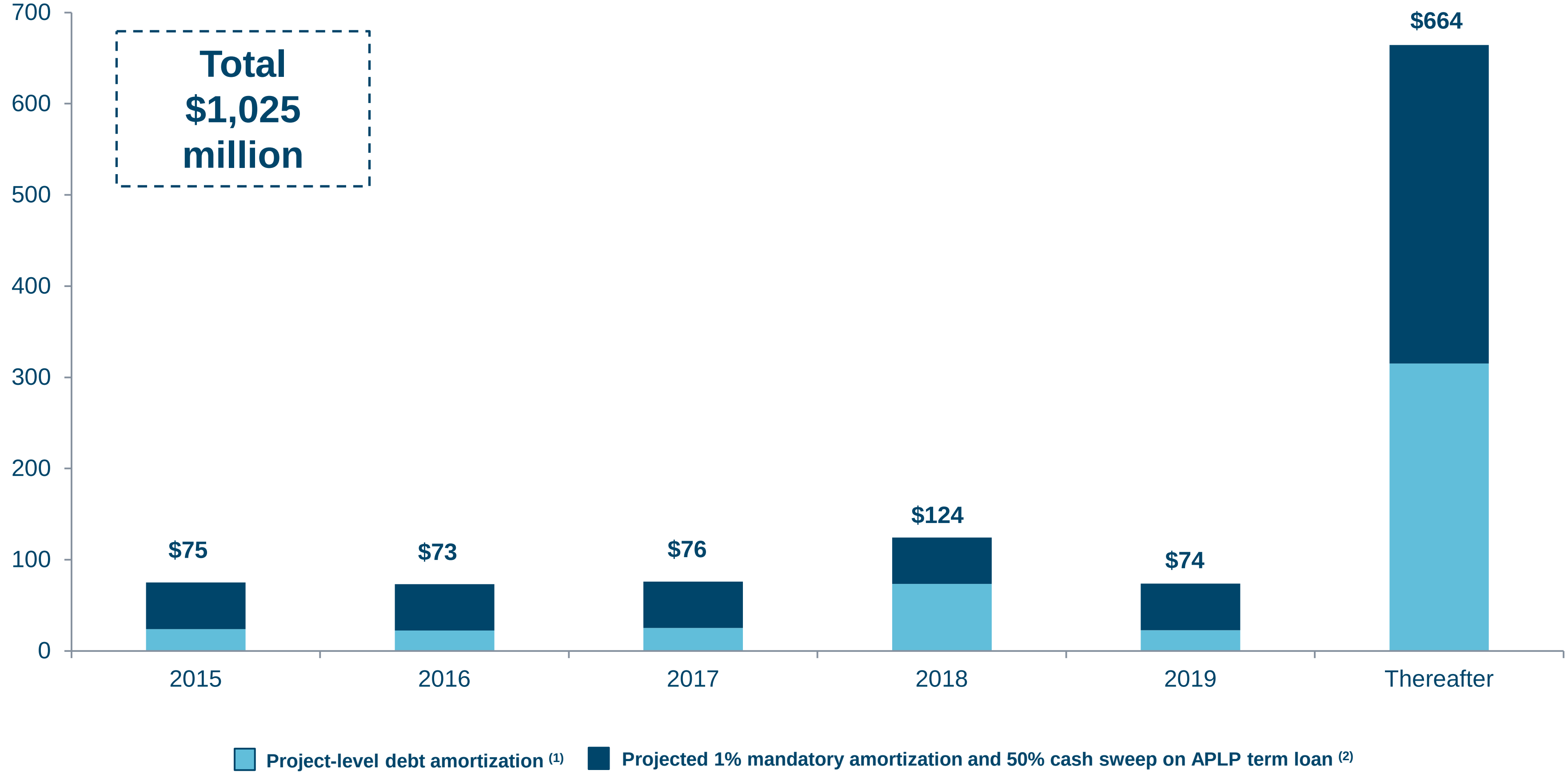
# Bullet Debt Maturity Profile at December 31, 2014 ($ millions)




Note: See slide 33 for Debt Amortization Schedule

# Amortizing Debt Schedule at December 31, 2014 ($ millions)

- Project-level non-recourse debt totaling $483 million that amortizes over the life of the project PPAs
- $542 million 7-year amortizing term loan at APLP, which has 1% annual amortization (calculated on the declining balance of the loan) and a 50% sweep of APLP's free cash flow




Note: See slide 32 for Bullet Debt Maturities Profile; (1) Includes Rockland consolidated at 100% ($83.8 million) , proportional interest in debt at the Company's equity method projects of $111.3 million, and Piedmont bullet payment in 2018 of $51.5 million; (2) Projected 1% amortization (calculated on declining balance of the APLP term loan) and 50% cash sweep on the APLP term loan assumes projected average annual amortization of $51 million/year with the assumption that the Company will repay approximately 70% of the original $600 million term loan down by the end of its seven-year term.

# Calculation of APLP Cash Sweep ($ millions)

**2015 APLP Project Adjusted EBITDA ($148 - $160)**

*Less:*

*Capitalized portion of major maintenance and capex*

= Cash flow before debt service

*Less:*

*Interest expense on revolving credit facility*

*Interest expense on term loan*

*Interest expense on medium-term notes*

*Term loan 1% fixed mandatory amortization*

= Cash flow before 50% cash sweep [1]

50% applied to amortize term loan at APLP

50% retained at APLP

*Less:*

*Preferred share dividends*

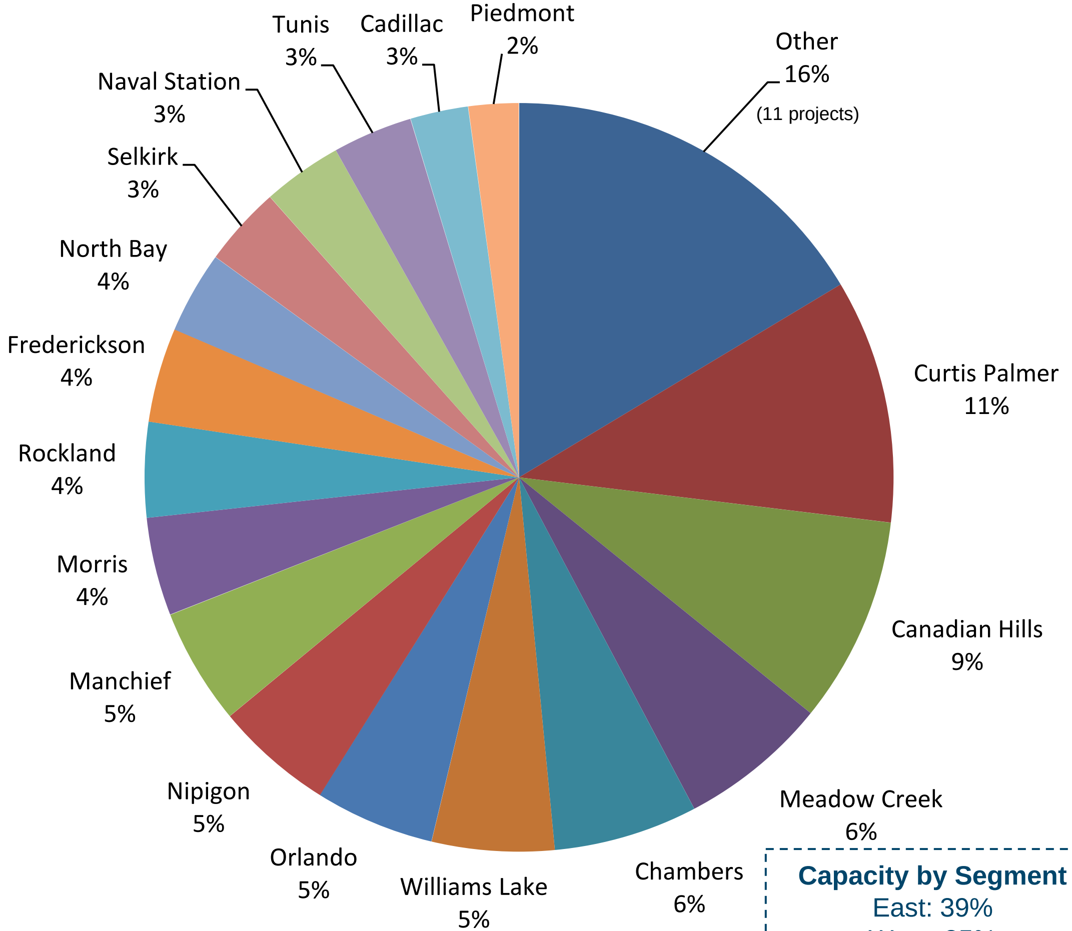
= Distributions to APC [1]

[1] The cash sweep and distributions to the Company from APLP occur at each quarter end.

# Earnings and Cash Flow Well Diversified by Project

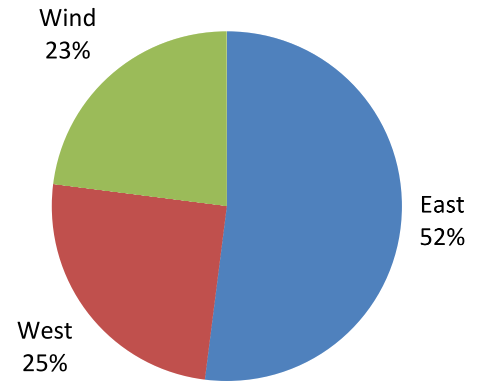
East segment most significant contributor

## No single project contributed more than 11% to Project Adjusted EBITDA for the year ended December 31, 2014 [(1)]

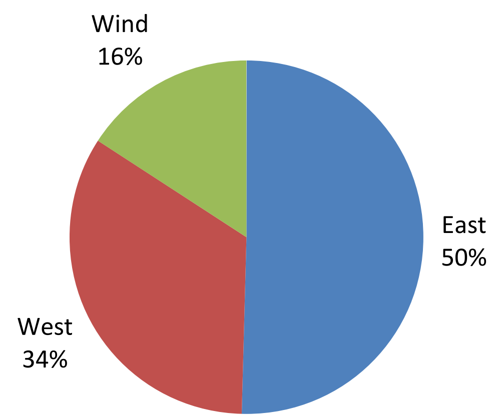



**Capacity by Segment**
East: 39%
West: 35%
Wind: 26%

## YTD December 2014 Project Adjusted EBITDA by Segment [(1)]




## YTD December 2014 Cash Distributions from Projects by Segment [(2)]

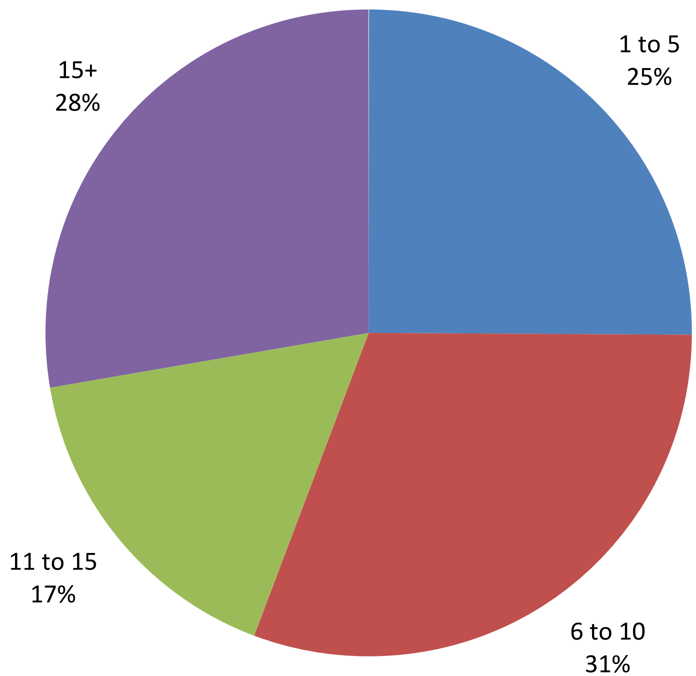



[(1)] Based on $299.3 million in Project Adjusted EBITDA for the year ended December 31, 2014; does not include Project Adjusted EBITDA from discontinued operations. Unallocated corporate segment is included in "Other" category for project percentage allocation and allocated equally between segments for the 2014 Project Adjusted EBITDA by Segment. Selected projects were projected to be top contributors and to comprise approximately 80% of the Company's 2014 budget. (2) Based on $248.9 million in Cash Distributions from Projects for the year ended December 31, 2014.
Note: Calculations include Delta-Person which was sold in July 2014.

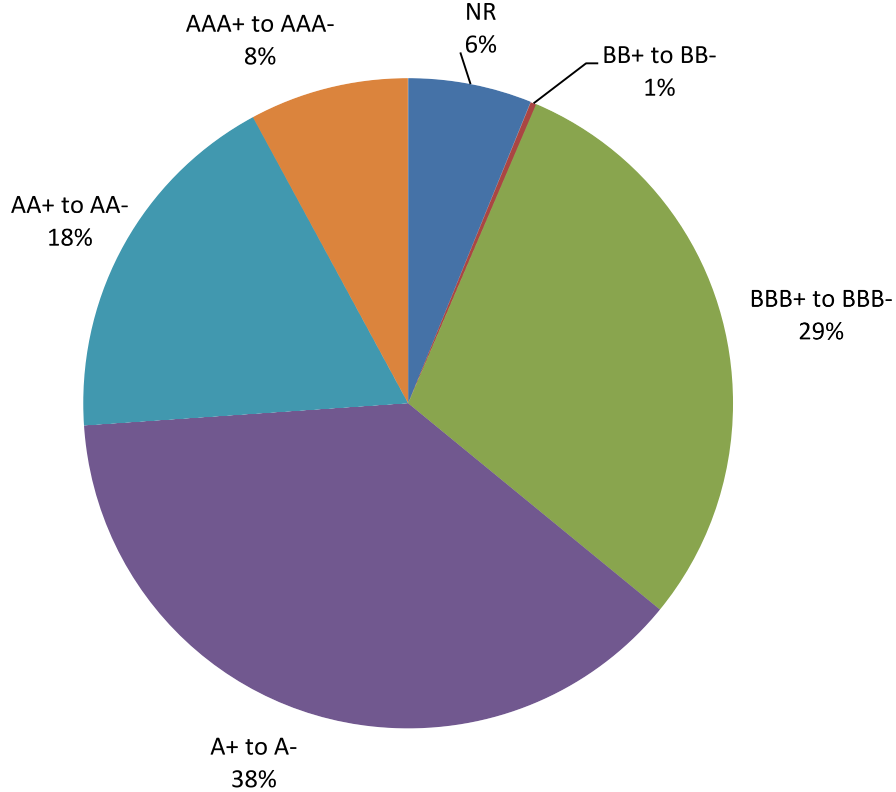
# Cash Flows Supported by Contracts with Creditworthy Offtakers

AT's contracted projects have an average remaining PPA life of 11 years (1)

## PPA Length (years) (1)




## Pro Forma Offtaker Credit Rating (1)




**77% of capacity is covered by PPAs that do not expire until 2020 or later**

(1) Weighted by 2014 Project Adjusted EBITDA and excluding Delta-Person and Greeley (the Company completed the sales of Greeley in March 2014 and Delta-Person in July 2014) and Selkirk and Tunis, for which the PPAs expired 8/31/14 and 12/31/14, respectively.

# Regulation G Disclosures (Annual Results)

Project Adjusted EBITDA is not a measure recognized under GAAP and does not have a standardized meaning prescribed by GAAP, and is therefore unlikely to be comparable to similar measures presented by other companies. Project Adjusted EBITDA is defined as project income (loss) plus interest, taxes, depreciation and amortization (including non-cash impairment charges) and changes in the fair value of derivative instruments. Management uses Project Adjusted EBITDA at the project level to provide comparative information about project performance and believes such information is helpful to investors. A reconciliation of Project Adjusted EBITDA to project income (loss) is provided below. Investors are cautioned that the Company may calculate this measure in a manner that is different from other companies.

Cash Distributions from Projects, Adjusted Cash Flows from Operating Activities, Free Cash Flow and Adjusted Free Cash Flow are not measures recognized under GAAP and do not have standardized meanings prescribed by GAAP, and are therefore unlikely to be comparable to similar measures presented by other companies. Adjusted Cash Flows from Operating Activities is used to evaluate cash flows from operating activities without the effects of changes in working capital balances, acquisition expenses, litigation expenses, severance and restructuring charges, and cash provided by or used in discontinued operations. The intent is to reflect normal operations and remove items that are not reflective of the long-term operations of the business. Free Cash Flow is defined as cash flows from operating activities less capex; project-level debt repayments, including amortization of the new term loan; and distributions to noncontrolling interests, including preferred share dividends. Adjusted Free Cash Flow is defined as Free Cash Flow excluding changes in working capital balances, acquisition expenses, litigation expense, severance and restructuring charges, and cash provided by or used in discontinued operations. Management believes that these non-GAAP cash flow measures are relevant supplemental measures of the Company's ability to earn and distribute cash returns to investors. A reconciliation of Free Cash Flow to cash flows from operating activities is provided below. Reconciliations of Adjusted Free Cash Flow and Adjusted Cash Flows from Operating Activities to cash flows from operating activities are provided below. Investors are cautioned that the Company may calculate these measures in a manner that is different from other companies.

| (Unaudited) | Years ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| **Cash Distributions from Projects** | $248.9 | $223.0 | $196.6 |
| Repayment of long-term debt | (29.8) | (26.5) | (27.4) |
| Interest expense, net | (33.5) | (37.6) | (24.0) |
| Capital expenditures | (14.0) | (15.1) | (1.8) |
| Other, including changes in working capital | 26.9 | 33.3 | 25.4 |
| **Project Adjusted EBITDA** | $299.3 | $268.9 | $224.4 |
| Depreciation and amortization | 201.7 | 208.8 | 163.5 |
| Interest expense, net | 39.7 | 38.5 | 24.0 |
| Change in the fair value of derivative instruments | 10.4 | (50.3) | 56.6 |
| Other (income) expense | 98.0 | 8.2 | 11.5 |
| **Project (loss) income** | $(50.5) | $63.7 | $(31.2) |
| Administrative and other expenses (income) | 143.5 | 101.4 | 112.9 |
| Income tax (benefit) expense | (12.1) | (19.5) | (28.1) |
| Income (loss) from discontinued operations, net of tax | (0.1) | (5.6) | 15.7 |
| **Net loss** | $(182.0) | $(23.8) | $(100.3) |
| Adjustments to reconcile to net cash provided by operating activities | 265.6 | 129.1 | 264.7 |
| Change in other operating balances | (18.6) | 47.1 | 2.7 |
| **Cash flows from operating activities** | $65.0 | $152.4 | $167.1 |
| Term loan facility repayments (1) | (58.4) | - | - |
| Project-level debt repayments | (26.2) | (15.6) | (19.6) |
| Purchases of property, plant and equipment (2) | (13.4) | (6.5) | (2.9) |
| Distributions to noncontrolling interests (3) | (11.0) | (8.9) | - |
| Dividends on preferred shares of a subsidiary company | (11.6) | (12.6) | (13.0) |
| **Free Cash Flow** | $(55.6) | $108.8 | $131.6 |

(1) Includes mandatory 1% annual amortization and 50% excess cash flow repayments by the Partnership. (2) Excludes construction costs related to our Canadian Hills project in 2014 and 2013 and our Piedmont and Meadow Creek projects in 2013. (3) Distributions to noncontrolling interests primarily include distributions, if any, to the tax equity investors at Canadian Hills and to the other 50% owner of Rockland.

Note: Cash Distributions from Projects, Project Adjusted EBITDA and Free Cash Flow are not recognized measures under GAAP and do not have any standardized meanings prescribed by GAAP; therefore, these measures may not be comparable to similar measures presented by other companies.

| (Unaudited) | Years ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| **Cash flows from operating activities** | $65.0 | $152.4 | $167.1 |
| Changes in other operating balances | 18.6 | (47.1) | (2.7) |
| Cash flows from discontinued operations | - | (31.6) | (89.0) |
| Severance charges | 6.0 | 1.0 | - |
| Restructuring charges | 2.0 | - | - |
| Litigation expenses | 1.4 | 1.0 | - |
| Refinancing transaction costs | 49.4 | - | - |
| **Adjusted Cash Flows from Operating Activities** | $142.4 | $75.7 | $75.4 |
| Term loan facility repayments (1) | (58.4) | - | - |
| Project-level debt repayments | (26.2) | (15.6) | (19.6) |
| *Amount associated with discontinued operations (included in line above)* | *-* | *5.2* | *15.6* |
| *Principal repayment of Piedmont debt at term conversion (included above)* | *8.1* | *-* | *-* |
| Purchases of property, plant and equipment (2) | (13.4) | (6.5) | (2.9) |
| *Amount associated with discontinued operations (included in line above)* | *-* | *0.3* | *1.6* |
| Distributions to noncontrolling interests (3) | (11.0) | (8.9) | - |
| Dividends on preferred shares of a subsidiary company | (11.6) | (12.6) | (13.0) |
| **Adjusted Free Cash Flow** | $29.9 | $37.6 | $57.1 |
| Additional GAAP cash flow measures: | | | |
| Cash flows from investing activities | $68.7 | $147.1 | $(523.8) |
| Cash flows from financing activities | $(182.4) | $(207.6) | $362.7 |

(1) Includes mandatory 1% annual amortization and 50% excess cash flow repayments by the Partnership. (2) Excludes construction costs related to our Canadian Hills project in 2014 and 2013 and our Piedmont and Meadow Creek projects in 2013. (3) Distributions to noncontrolling interests primarily include distributions, if any, to the tax equity investors at Canadian Hills and to the other 50% owner of Rockland.

Note: Adjusted Cash Flows from Operating Activities and Adjusted Free Cash Flow are not recognized measures under GAAP and do not have any standardized meanings prescribed by GAAP; therefore, these measures may not be comparable to similar measures presented by other companies.

# Regulation G Disclosures (Quarterly Results)

Project Adjusted EBITDA is not a measure recognized under GAAP and does not have a standardized meaning prescribed by GAAP, and is therefore unlikely to be comparable to similar measures presented by other companies. Project Adjusted EBITDA is defined as project income (loss) plus interest, taxes, depreciation and amortization (including non-cash impairment charges) and changes in the fair value of derivative instruments. Management uses Project Adjusted EBITDA at the project level to provide comparative information about project performance and believes such information is helpful to investors. A reconciliation of Project Adjusted EBITDA to project income (loss) is provided below. Investors are cautioned that the Company may calculate this measure in a manner that is different from other companies.

Free Cash Flow is not a measure recognized under GAAP and does not have a standardized meaning prescribed by GAAP, and is therefore unlikely to be comparable to similar measures presented by other companies. Free Cash Flow is defined as cash flows from operating activities less capex; project-level debt repayments, including amortization of the new term loan; and distributions to noncontrolling interests, including preferred share dividends. Management believes that these non-GAAP cash flow measures are relevant supplemental measures of the Company's ability to earn and distribute cash returns to investors. A reconciliation of Free Cash Flow to cash flows from operating activities is provided below. Investors are cautioned that the Company may calculate these measures in a manner that is different from other companies.

**Unaudited**

| | Three months ended December 31, 2014 | Three months ended December 31, 2013 |
|---|---|---|
| **Project Adjusted EBITDA by segment** | | |
| East [1] | $42.2 | $38.2 |
| West [2] | 16.0 | 9.5 |
| Wind | 20.8 | 16.3 |
| Un-allocated corporate [3] | (1.1) | (5.9) |
| **Total** | 77.9 | 58.1 |
| **Reconciliation to project income** | | |
| Depreciation and amortization | 46.8 | 55.2 |
| Interest expense, net | 7.4 | 10.7 |
| Change in the fair value of derivative instruments | 22.0 | (15.4) |
| Other expense | - | 0.4 |
| **Project (loss) income** | $1.7 | $7.2 |

(1) Excludes Auburndale, Lake and Pasco, which are components of discontinued operations.
(2) Excludes Path 15, which is a component of discontinued operations.
(3) Excludes Rollcast, which is a component of discontinued operations.

Note: Project Adjusted EBITDA, which is not a recognized measure under GAAP and does not have any standardized meaning prescribed by GAAP; therefore, this measure may not be comparable to a similar measure presented by other companies.

**Unaudited**

| | Three months ended December 31, 2014 | Three months ended December 31, 2013 |
|---|---|---|
| **Cash flows from operating activities** | $19.1 | $9.1 |
| APLP term loan facility repayments | (11.3) | - |
| Project-level debt repayments | (6.6) | (3.4) |
| Capex | (3.4) | (2.3) |
| Distributions to noncontrolling interests | (2.2) | (4.5) |
| Dividends on preferred shares | (2.8) | (3.1) |
| **Free Cash Flow (Reported)** | $(7.2) | $(4.2) |

Note: Free Cash Flow, which is not a recognized measure under GAAP and does not have any standardized meaning prescribed by GAAP; therefore, this measure may not be comparable to a similar measure presented by other companies.