

Kingsbridge II Wind Power Project Connection

Capital Power
Corporation



200 University Ave. Suite 1301, Toronto, ON M5H 3C6 Canada | Spring 2010

Dear Neighbour,

Welcome to the Kingsbridge II Wind Power Project's community newsletter.

As Huron County establishes itself as a leading jurisdiction in Ontario for renewable power generation and expertise, Capital Power is excited to be working with the community as we continue to plan the proposed Kingsbridge II Wind Power Project.



Project Manager Glenn Hubbers.

With our site office in Goderich and the ongoing operations of our Kingsbridge I Wind Power Project, Capital Power has been a part of the Ashfield-Colborne-Wawanosh (ACW) community for several years and we look forward to developing an additional project within the community. As always, we welcome the opportunity to meet with and hear from our neighbours, as we work towards developing Kingsbridge II.

Sincerely,

Glenn Hubbers, P. Eng

Project Manager - Kingsbridge II Wind Power Project

Kingsbridge II Wind Power Project Team

As Capital Power continues to plan the Kingsbridge II Project, we have taken steps to ensure that the best team possible is in place to plan and develop this proposed Project. Glenn Hubbers, will be leading the planning of the Kingsbridge II Wind Power Project, with the help of his experienced team members.

The Kingsbridge II team looks forward to continuing to work with the community and meeting with you over the upcoming summer months in Huron County.

Kingsbridge II Public Open House

On March 9, 2010, Capital Power hosted a public open house at the Lucknow Community Centre to provide an opportunity for community members to meet the Project team and to learn more about the proposed Kingsbridge II Project. The open house, which was attended by nearly 200 interested stakeholders, also provided an opportunity for the Capital Power Project team to receive input regarding Kingsbridge II and to respond to attendees' questions and concerns.

Kingsbridge II team members were available at the open house to answer questions from local residents, members of Huron and Bruce Counties, ACW staff and councillors, Project leaseholders, and members of the media. Input received regarding the proposed Project is important to Capital Power and will be considered when planning Kingsbridge II.

The public open house was the first of two similar events that will be held in the community. More in depth details of the proposed Project including a proposed turbine layout, construction schedule and results from environmental and cultural heritage studies will be made available at the final public open house for the Project. The date and location of the second open house will be announced at least 60 days prior to the event. The notice will be widely distributed including being published in local newspapers and posted on our Project website at www.capitalpower.com/kingsbridgeII.



Kingsbridge II Project Team members were on hand to answer questions from community members at the March 9, 2010 open house.

Community Benefits of Wind Power

While the province-wide benefits of the move towards additional renewable sources of power are well documented, it is important to also note the local benefits that are often associated with an investment in renewable energy.

The investment in green power through the development of a project like Kingsbridge II would help to continue to position Huron County as a leader in green energy and to generate a new source of revenue for area farmers.

If developed, the Project would create significant economic stimulus and employment opportunities while it is being constructed and would provide longer term employment opportunities once the Project was in operation.

Feed-In Tariff Program

In November 2009, Capital Power submitted an application for the proposed Kingsbridge II Wind Power Project into the Ontario Power Authority's (OPA) Feed-In Tariff (FIT) program. On April 8th, 2010 the Ontario Government announced that a total of 184 renewable energy projects, of at least 500 kW in size, would receive FIT contracts representing approximately 2,421 megawatts (MW) of renewable energy.

The Kingsbridge II Wind Power Project, and almost all other renewable energy projects proposed for the Bruce and Huron region, did not receive a contract during this first round owing to insufficient transmission capacity in the area.

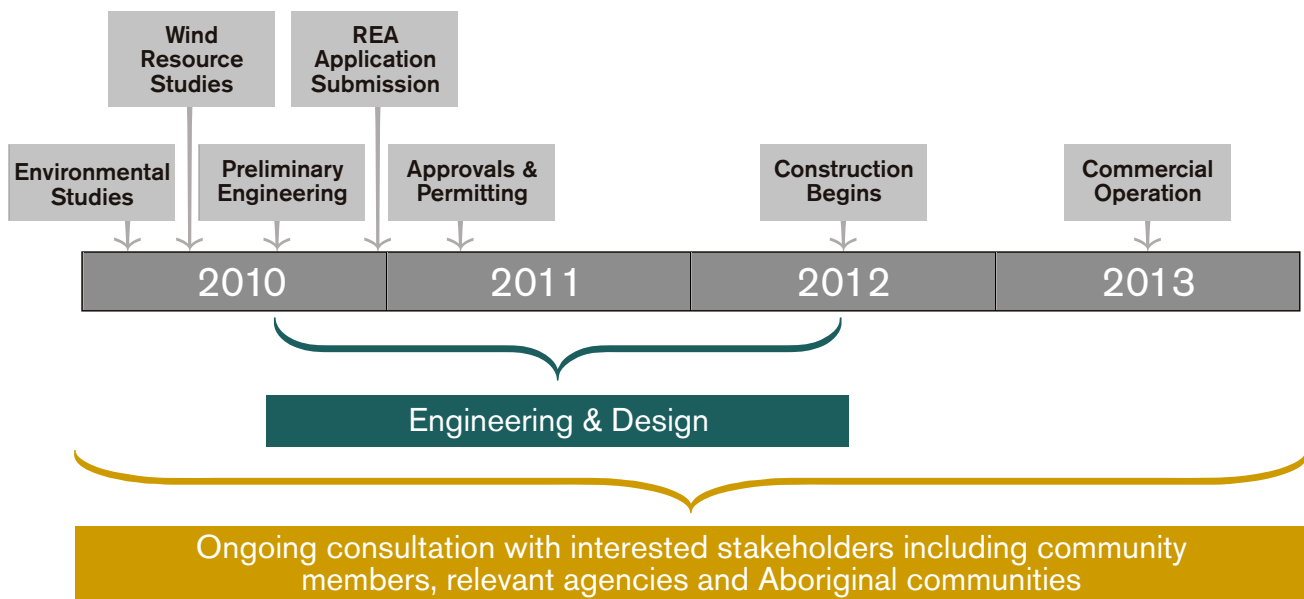
As stated by the OPA, projects that did not receive a first round FIT contract offer will now be put through an Economic Connection Test (ECT) to identify transmission or distribution system expansion projects that will support renewable generation and also meet economic requirements. The first test will start in August/September of this year and renewable energy projects which are enabled by these expansion projects will be eligible for a FIT contract once work begins on the projects.

Many projects in the Huron and Bruce region will now be put through the ECT process including the Kingsbridge II Wind Power Project.

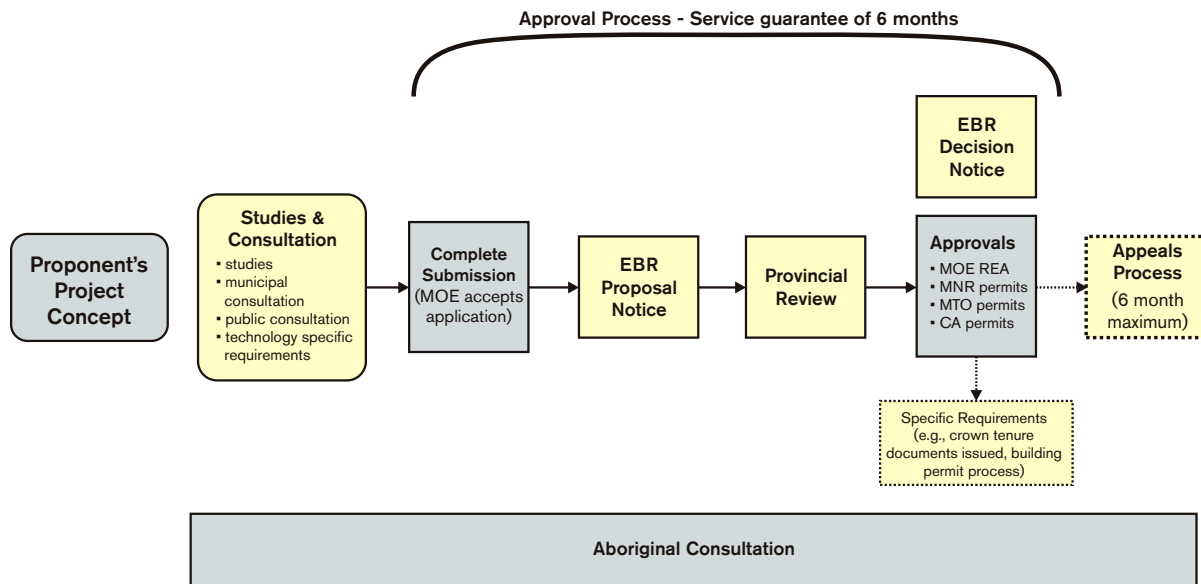
Although we did not receive a first round FIT contract, Capital Power remains committed to the Kingsbridge II Wind Power Project and working with the community over the coming months as we continue our consultations, environmental and cultural heritage studies and our Project development work.

More information about the FIT program can be found at <http://fit.powerauthority.on.ca>.

Proposed Kingsbridge II Wind Power Project Timeline



Ontario Renewable Energy Approvals (REA) Process



*Source: Ministry of the Environment

Renewable Energy Approvals (REA) Process

The proposed Kingsbridge II Wind Power Project will require a REA as per Ontario Regulation 359/09 under the *Environmental Protection Act*. As part of the REA process, studies will be conducted to assess the local environment and possible impacts from the project. These studies will include assessments of:

- Birds and bats (habitat, breeding, migration)
- Vegetation and sensitive natural features (e.g. wetlands)
- Fish and waterways
- Wildlife and habitats
- Species at risk
- Archaeological and heritage resources
- Noise assessment

The results of these studies will be made available to the public and will be presented at a future open house.

The REA application for the Kingsbridge II Wind Power Project will include the results from the studies conducted, as well as, information regarding the Project construction, design and operation, and decommissioning. Approvals or permit requirements from the Ontario Ministries of Natural Resources and Tourism and Culture will also be addressed as part of the REA application.

Capital Power Values Your Input

Your feedback regarding the Kingsbridge II Wind Power Project is important and we value your input. We invite you to please call, e-mail or mail us with your comments or questions or if you would like to be included on our Project mailing list.

About Capital Power Corporation

Capital Power (CPC) is a growth-oriented North American power producer, building on more than a century of innovation and reliable performance. With modern, well-managed facilities and one of the best availability records in North America, we have tripled our generation capacity in 10 years. Capital Power trades on the Toronto Stock Exchange under the symbol CPX.

Headquartered in Edmonton, Alberta, Capital Power has interests in 31 power facilities in Canada and the U.S. totalling approximately 3,500 MW of generation capacity. Capital Power and its subsidiaries develop, acquire and optimize power generation from a wide range of energy sources.

More information can be found at www.capitalpower.com.

Your Questions Answered

How many turbines is Capital Power proposing for the Kingsbridge II Wind Power Project?

The proposed Kingsbridge II Wind Power Project would have a total maximum name plate capacity of approximately 270 megawatts (MW) of renewable energy and would have between 100 and 150 wind turbines (depending upon the turbine manufacturer and model selected).

What are the benefits of wind power?

Compared to other forms of conventional electricity generation, wind power has a significantly smaller environmental footprint and helps diversify Ontario's electricity supply.

- Wind development in Ontario will create local jobs and economic development from construction and operation activities.
- Lease payments for farmers and landowners.
- Municipal property tax payments.

Why was a preliminary turbine layout not provided at the March public open house?

At this time, Capital Power has not completed a preliminary layout for the Project. The open house was an opportunity for the Project team to gather valuable feedback from the community that will be utilized during Project planning, including the layout. A draft turbine layout will be available for public review at least 60 days prior to our final open house.

How can I provide feedback to Capital Power about the proposed Project?

Capital Power encourages you to contact us with your questions or comments regarding the proposed Project. Capital Power is also planning on hosting an additional public open house as another way for the community to learn more about the Project and to provide their comments. All comments Capital Power receives regarding the proposed Project will be included in the REA application for the Project, which will be submitted for approval to the Ontario Ministry of the Environment (MOE).

Will turbines be located west of Bluewater Highway 21?

The Kingsbridge II Project is in its early planning stages and at this time the Project layout does not include leased lands west of Highway 21.

Can you provide me with additional information regarding noise from wind turbines?

- There are two potential sources of sound typically associated with wind turbines:

Aerodynamic – blades pass through the air and create a “swishing” sound.

Mechanical – originates from the gearbox and generator that are often housed in the turbine's nacelle.

- The Ministry of the Environment (MOE) requirements for a project to complete a noise study is dependent upon the project size and the technology used. The MOE also has requirements for projects to consider other operational or proposed wind facilities within a 3 km radius.
- Capital Power accounts for applicable noise requirements when designing a wind farm by using a third party noise expert experienced with noise modelling to determine a project's potential noise levels during the planning phases of our wind farm layout.

How will I know the Kingsbridge II Wind Power Project is safe?

- Safety is a core value that is reflected in our corporate policy and day-to-day work practices at Capital Power. Throughout the life of the Project, public safety measures would be incorporated into the design and operations.
- Capital Power would ensure that wind turbines are maintained and operated in accordance with all applicable codes and regulations.
- Transportation planning and safety measures would be implemented during construction and would minimize the potential for traffic related concerns.
- Built-in safety measures and standard procedures for wind turbine operation and maintenance and control system would help protect physical safety.

Contact Us



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