

Atlantic Power Announces Repricing of APLP Holdings Term Loan and Revolver

DEDHAM, Mass., April 17, 2017 /PRNewswire/ -- Atlantic Power Corporation (NYSE: AT) (TSX: ATP) ("Atlantic Power" or the "Company") announced effective today a repricing of the \$615 million senior secured term loan and \$200 million senior secured revolving credit facility at its APLP Holdings Limited Partnership ("APLP Holdings") subsidiary. The interest rate margin on the term loan and revolver has been reduced by 75 basis points to LIBOR plus 425 basis points. The LIBOR floor remains at 1.00%. The mandatory 1% annual amortization and cash sweep provisions of the term loan are unchanged.

As a result of the repricing, the Company expects to realize interest cost savings for the remainder of 2017 of \$2.4 million, net of fees related to the transaction that will be recorded in the second quarter. Cumulative savings through the maturity dates of the term loan (April 2023) and revolver (April 2021) are estimated to be approximately \$17 million, net of transaction fees.

The Company is permitted to prepay the term loan in the first six months following this transaction at a 1% premium. Following the six-month period, prepayment is permitted at par.

"We are pleased to have achieved a reduction in the cost of our term loan and revolver, which will increase our cash flow," said Terrence Ronan, Executive Vice President and Chief Financial Officer of Atlantic Power. "The tighter spread was the result of improved credit market conditions as well as the progress we have made in reducing our leverage, which we expect will continue with debt reduction of \$150 million or more in 2017."

About Atlantic Power

Atlantic Power owns and operates a diverse fleet of twenty-three power generation assets across nine states in the United States and two provinces in Canada. The Company's power generation projects sell electricity to utilities and other large commercial customers largely under long-term power purchase agreements, which seek to minimize exposure to changes in commodity prices. The aggregate gross electric generation capacity of this portfolio is approximately 2,138 megawatts (MW), and the Company's aggregate net ownership interest is approximately 1,500 MW. Nineteen of the projects are currently operational, totaling 1,975 MW on a gross capacity basis and 1,337 MW on a net ownership basis. The remaining four projects, all in Ontario, are not operational, three due to revised contractual arrangements with the offtaker and the other, Tunis, has a forward-starting 15-year contractual agreement that will commence between November 2017 and June 2019.

Atlantic Power's shares trade on the New York Stock Exchange under the symbol AT and on the Toronto Stock Exchange under the symbol ATP. For more information, please visit the Company's website at www.atlanticpower.com or contact:

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Copies of the Company's financial data and other publicly filed documents are available on SEDAR at www.sedar.com or on EDGAR at www.sec.gov/edgar.shtml under "Atlantic Power Corporation" or on the Company's [website](#).

Cautionary Note Regarding Forward-Looking Statements

To the extent any statements made in this news release contain information that is not historical, these statements are forward-looking statements 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").

Certain statements in this news release may constitute "forward-looking statements", which reflect the expectations of management regarding the future growth, results of operations, performance and business prospects and opportunities of the Company and its projects. These statements, which are based on certain assumptions and describe the Company's future plans, strategies and expectations, can generally be identified by the use of the words "may," "will," "project," "continue," "believe," "intend," "anticipate," "expect" or similar expressions that are predictions of or indicate future events or trends and which do not relate solely to present or historical matters. Examples of such statements in this press release include, but are not limited, to statements with respect to the following:

- The Company expects interest cost savings for the remainder of 2017 of approximately \$2.4 million, net of transaction-related fees;
- the Company expects to realize total interest cost savings, net of fees, of approximately \$17 million through the maturity dates of the term loan and revolver;
- the reduction in the cost of the term loan and revolver will increase the Company's cash flow; and
- the Company expects that it will further reduce its leverage by reducing debt by \$150 million or more in 2017.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not or the times at or by which such performance or results will be achieved. In addition, a number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under "Risk Factors" and "Forward-Looking Information" in the Company's periodic reports as filed with the U.S. Securities and Exchange Commission (the "SEC") from time to time. These factors include, without limitation, the outcome or impact of the Company's business strategy to increase the intrinsic value of the Company on a per-share basis through disciplined management of its balance sheet and cost structure and investment of its discretionary cash in a combination of organic and external growth projects, acquisitions, and repurchases of debt and equity securities; the Company's ability to enter into new PPAs on favorable terms or at all after the expiration of existing agreements, and the outcome or impact on the Company's business of any such actions. Although the forward-looking statements contained in this news release 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 news release 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 news release, 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, and general financial market and interest rate conditions. The Company's actual results may differ, possibly materially and adversely, from these goals.

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