

Atlantic Power Corporation

Atlantic Power Holdings Receives Significant Cash Distribution

TORONTO, ONTARIO, Mar 4, 2005 (CCNMatthews via COMTEX) -- Atlantic Power Corporation (TSX:ATP.UN) -

On Tuesday March 1st, Atlantic Power Holdings ("Holdings") received a distribution of \$US35,857,500 from the MASSPOWER Project (the "Project"). Atlantic Power Corporation ("ATP") holds a 58.1% interest in Holdings.

This distribution is comprised of (i) a portion of the proceeds paid to the Project by two of its three utility power purchasers to terminate power purchase agreements that together account for approximately 66.5% of the Project's output, (ii) operating income and (iii) the release of restricted cash.

The Project has repaid its outstanding debt and will continue to deliver power under its remaining power purchase agreement extending through 2013 for approximately 7.9% of its output, and will have the option to sell the remainder of its output into the wholesale spot market.

Barry Welch, President and CEO of ATP's Manager stated, "We are very pleased with this outcome and see it as a true win-win situation for the Project and for ratepayers."

Holdings will place these funds into its Reserve Account, which is available to fund acquisitions and other growth opportunities to enhance the long-term stability of distributions.

Atlantic Power Corporation owns interests in a diversified portfolio of 15 power generation projects located primarily in major markets in the United States. Atlantic Power's objectives are to sustain and grow its cash distributions over the long term by enhancing the performance of its existing assets and by making accretive acquisitions.

When used in this news release, the words "anticipate", "expect", "project", "believe", "estimate", "forecast" and similar expressions are intended to identify forward-looking statements, which include statements relating to pending and proposed projects. Such statements are subject to certain risks, uncertainties and assumptions pertaining to operating performance, regulatory parameters, weather and economic conditions and, in the case of pending and proposed projects, risks relating to design and construction, regulatory processes, obtaining financing and performance of other parties, including partners, contractors and suppliers.

Atlantic Power Corporation
Barry Welch
(617) 531-6379
info@atlanticpowercorporation.com

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