

Atlantic Power Announces Filing of Amended Management's Discussion and Analysis for the Year Ended December 31, 2007

BOSTON, MASSACHUSETTS -- (MARKET WIRE) -- 03/27/08 -- Atlantic Power Corporation (TSX: ATP.UN)(the "Company") announced today that it is filing an amended management's discussion and analysis for the three months and year ended December 31, 2007 to reflect a correction in its calculation of cash flow available for distribution. Cash flow available for distribution for the three months and year ended December 31, 2007 reported in the Company's March 26 press release and in the Company's management's discussion and analysis for the three months and year ended December 31, 2007 was understated by \$3.0 million. The corrected cash flow available for distribution is \$20.7 million and \$74.0 million for the respective three-month and year-to-date periods.

As a result of this revision, cash flow available for distribution for the three months and year ended December 31, 2007 increased by 78% and 28%, respectively, over the prior year periods and the payout ratio for 2007 was 83%. A revised calculation of cash flow available for distribution is attached to this news release.

Atlantic Power Corporation owns interests in a diversified portfolio of 14 power generation projects and one transmission line located 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.

Cash Flow Available for Distribution is not a measure recognized under Canadian generally accepted accounting principles ("GAAP") and does not have a standardized meaning prescribed by GAAP. Management believes Cash Flow Available for Distributions is a relevant supplemental measure of the Company's ability to earn and distribute cash returns to investors. A reconciliation of Cash Flows from Operating Activities to Cash Flow Available for Distributions is attached to this news release and is also included in the Company's management's discussion and analysis for the three months and year ended December 31, 2007. Investors are cautioned that the Company may calculate this measure in a manner that is different from other companies.

Cash Available for Distribution
(In thousands of U.S. dollars,
except as otherwise stated)

| (unaudited) | Three months ended December 31, | | Years ended December 31, | |
|---|------------------------------------|----------|-----------------------------|----------|
| | 2007 | 2006 | 2007 | 2006 |
| ----- | | | | |
| Cash flows from operating activities | 47,184 | 23,883 | 85,901 | 57,521 |
| Project-level debt repayment | (13,156) | (11,441) | (37,581) | (27,185) |
| Interest on IPS portion of Subordinated Notes | 9,968 | 7,723 | 36,726 | 26,464 |
| Income tax installments recoverable (net) (1) (2) | (21,638) | (8,124) | (6,120) | 4,734 |
| Purchase of property, plant and equipment (3) | (1,691) | (415) | (4,930) | (3,641) |
| ----- | | | | |
| Cash Flow Available for Distribution, US\$(4) | 20,667 | 11,626 | 73,996 | 57,893 |

| | | | | |
|--|--------|--------|--------|--------|
| Cash Flow Available for Distribution, Cdn\$(4) | 20,295 | 13,272 | 79,435 | 67,399 |
| Interest on IPS Subordinated Notes | 9,968 | 7,723 | 36,726 | 26,464 |
| Dividends on IPS Common Shares | 6,693 | 5,187 | 24,662 | 16,985 |
| <hr/> | | | | |
| Total IPS distributions, US\$ | 16,661 | 12,910 | 61,388 | 43,449 |
| Total IPS distributions, Cdn\$ | 16,296 | 14,776 | 65,181 | 49,151 |
| <hr/> | | | | |
| Cash Flow Available for Distribution per basic IPS, Cdn\$(4) | \$0.33 | \$0.25 | \$1.29 | \$1.45 |
| Cash Flow Available for Distribution per diluted IPS, Cdn\$(4) | \$0.32 | \$0.23 | \$1.25 | \$1.42 |
| <hr/> | | | | |
| Total distribution declared per IPS, US\$ | \$0.27 | \$0.25 | \$1.00 | \$0.94 |
| Total distribution declared per IPS, Cdn\$ | \$0.27 | \$0.27 | \$1.06 | \$1.04 |
| <hr/> | | | | |

1. Income tax installments recoverable represents management's estimate of U.S. federal income tax installment payments that will be recovered in future periods. The amount presented is comprised of installment payments made during the period, offset by the current tax provision recorded in the consolidated statement of operations and deficit and any income tax refunds received. These adjustments have the effect of removing changes in working capital resulting from the timing of quarterly tax payments and annual refund from the calculation of cash flow available for distribution. In addition, during the third quarters of both 2007 and 2006, the respective prior year tax returns were finalized. As a result, the previously recorded tax provisions were adjusted to reflect the actual tax liability on the final tax returns. These amounts are included in this table as additions to income tax installments recoverable in the amounts of \$1,544 and \$2,195 for the three and twelve months ended December 31, 2007 and 2006 respectively.

2. During the second quarter of 2007, the Company settled a long-term gas transportation contract liability for a \$9.75 million cash payment. The cash payment was previously expected to create a taxable loss in 2007 that would be carried back to prior years and result in a refund of approximately \$3.2 million. This expected refund was previously included in income tax installments recoverable for the period ended second quarter of 2007. During the fourth quarter of 2007, management revised its estimates of taxable income for 2007 and determined that the Company is likely to have taxable income during the year rather than the taxable loss that resulted from the analysis in the second quarter. Accordingly, the Company does not expect to realize the \$3.2 million cash tax benefit that was added to cash available for distribution in the second quarter and this amount has been subtracted from cash available for distribution in the fourth quarter.

3. Capital expenditures exclude growth capital expenditures at the Lake Project to purchase and install upgraded gas turbines in the amount of \$4,546 and \$12,341 for the three and twelve months ended December 31, 2007. Proceeds from the sale of the replaced turbines in the amount of \$3,061 are also excluded from cash available for distribution for the three and twelve month periods ended December 31, 2007.

4. Cash Flow Available for Distribution 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 issuers. See "Non-GAAP Financial Measures".

Contacts:
Atlantic Power Corporation

Barry Welch
(617) 977-2700
Email: info@atlanticpowercorporation.com

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