

Atlantic Power to Implement Issuer Bid for its Income Participating Securities

TORONTO, ONTARIO -- (MARKET WIRE) -- 07/18/08 -- Atlantic Power Corporation ("Atlantic Power" or the "Company") (TSX: ATP.UN)(TSX: ATP.DB) announced today that its Board of Directors has authorized the purchase of up to four million Income Participating Securities ("IPs"), representing approximately 8% of the public float of the Corporation's outstanding IPS, through a proposed normal course issuer bid through the facilities of the Toronto Stock Exchange ("TSX"). Atlantic Power will pay the market price at the time of acquisition for any IPS purchased through the facilities of the TSX, and all IPSs acquired by Atlantic Power under this bid will be cancelled. The issuer bid remains subject to acceptance by the TSX.

As of July 18, 2008, the number of IPSs issued and outstanding totaled approximately 61.5 million. In accordance with the rules of the TSX, the maximum daily purchase under this bid will be approximately 27,000 IPSs, which is 25% of the average daily traded volume on the TSX for the six months ended June 30, 2008. Purchases under the normal course issuer bid may commence on the date that is two clear trading days after the date of acceptance by the TSX and may continue for a period of one year thereafter or until such earlier date as Atlantic Power has acquired the maximum number of IPSs permitted to be acquired under the issuer bid.

"Recent activity in the trading of our IPSs has resulted in a current market price that is significantly lower than the value of the Company," commented Barry Welch, President and CEO. "Our assets are operating as expected and there have been no changes in our underlying business that justify the recent decline in the market price of our IPSs. In addition, the Company has a very strong current cash position that is adequate to support this issuer bid and our stated strategy of growing shareholder value through acquisitions. As a result, the purchase of our IPS for cancellation under this issuer bid represents an attractive investment opportunity, and an appropriate use of the Company's available cash."

The Company will post an investor presentation to its website that further describes our business strategy and management's perspective on the value of the Company. The presentation will be located in the "Investors" section of our website at www.atlanticpowercorporation.com and is expected to be available later today.

About Atlantic Power

Atlantic Power Corporation owns interests in a diversified portfolio of 13 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.

Certain statements in this news release may constitute "forward-looking statements" regarding Atlantic Power's normal course issue bid. Such forward-looking statements reflect current expectations regarding the implementation of the normal course issuer bid and speak only as of the date of this news release. The implementation of Atlantic Power's normal course issuer bid remains subject to the acceptance of the TSX and while Atlantic Power expects that the TSX will accept its normal course issuer bid, there can be no assurance that such acceptance will be received. Forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, Atlantic Power assumes no obligation to update or revise them to reflect new events or circumstances.

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