

## Atlantic Power Corporation Announces Agreement to Sell its Interests in the Path 15 Transmission Project

BOSTON, March 11, 2013 /PRNewswire/ -- Atlantic Power Corporation (NYSE: AT) (TSX: ATP) ("Atlantic Power" or the "Company") announced today that a subsidiary of the Company has entered into a purchase and sale agreement (the "Agreement") with Duke-American Transmission Company, LLC, a joint venture between Duke Energy and American Transmission Co., to sell the Company's interests in the Path 15 transmission project (the "Sale"), including Atlantic Path 15 Transmission, LLC, Atlantic Holdings Path 15, LLC and Atlantic Path 15, LLC (collectively, "Path 15"). Atlantic Power expects to receive net cash proceeds from the Sale, including working capital adjustments, of approximately \$56 million. All project level debt issued by Path 15, totaling \$137 million as of December 31, 2012, will transfer with the Sale. The Company intends to use the net proceeds from the Sale for general corporate purposes and to invest in future accretive growth opportunities. The Agreement contains representations, warranties and indemnification obligations that are customary in the Company's industry. The Sale is subject to customary closing conditions and approvals, including approval from the Federal Energy Regulatory Commission and certain lender approvals, and is expected to close in the second quarter of 2013.

"As we continue to strengthen our renewable and natural gas portfolio, the Path 15 transmission project is no longer a part of the strategic core to our business model," said Barry Welch, President and CEO of Atlantic Power. "Since acquiring the project in 2006, we have successfully completed two FERC rate case filings and have received relatively stable cash flow. However, the sale of Path 15, which is the most highly-levered asset in our portfolio, will allow us to maintain a focus on generation going forward."

### About Atlantic Power

Atlantic Power owns and operates a diverse fleet of power generation and infrastructure assets in the United States and Canada. Atlantic Power's power generation projects sell electricity to utilities and other large commercial customers largely under long-term PPAs, which seek to minimize exposure to changes in commodity prices. Its power generation projects in operation have an aggregate gross electric generation capacity of approximately 3,366 MW in which its aggregate ownership interest is approximately 2,117 MW. These totals exclude projects designated as held for sale at December 31, 2012 and its 40% interest in the Delta-Person generating station for which Atlantic Power entered into an agreement to sell in December 2012. On January 30, 2013, Atlantic Power and certain of its subsidiaries entered into an agreement to sell their interests in the Auburndale Power Partners, L.P., Lake CoGen, Ltd and Pasco CoGen, Ltd. projects. As described above, Atlantic Power has entered into a purchase and sale agreement to sell its 100% interest in its Path 15 transmission project. Its current portfolio of continuing operations consists of interests in twenty nine operational power generation projects across eleven states in the United States and two provinces in Canada. In addition, Atlantic Power has one 53 MW biomass project under construction in Georgia. Recently, Atlantic Power acquired a wind and solar development company, Ridgeline Energy, Inc., located in Seattle, Washington, which will enhance its ability to develop, construct, and operate wind and solar energy projects across the United States and Canada. Atlantic Power also owns a majority interest in Rollcast Energy, a biomass power plant developer in North Carolina.

Atlantic Power has a market capitalization of approximately \$650 million and trades 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 Atlantic Power's website at [www.atlanticpower.com](http://www.atlanticpower.com) or contact:

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

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### 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 forward-looking information as defined 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 future growth, results of operations, performance and business prospects and opportunities of the Company and its projects and other matters. 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 expectation that the Company will successfully sell the Path 15 project on the contemplated timetable and at the expected price; and
- the expectation that the Company will use net proceeds from the Sale to invest in future accretive growth opportunities.

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. 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" in the Company's periodic reports as filed with the U.S. Securities and Exchange Commission and applicable securities regulatory authorities in Canada from time to time. 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.

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