

Atlantic Power Corporation Announces Entry by Atlantic Power Limited Partnership into Agreement with Ontario Power Authority for Future Operations at Tunis Facility

BOSTON, Jan. 20, 2015 /PRNewswire/ -- Atlantic Power Corporation (NYSE: AT) (TSX: ATP) ("Atlantic Power" or the "Company") today announced that Atlantic Power Limited Partnership, a wholly-owned indirect subsidiary of the Company ("APLP"), entered into an agreement with the Ontario Power Authority and its successor, the Independent Electricity System Operator ("IESO"), for the future operations of the Tunis facility.

"This agreement represents the culmination of many months of discussions with the IESO to obtain an arrangement that is beneficial for both the ratepayers of Ontario and the Company," said Ken Hartwick, Interim President and CEO. "Atlantic Power's focused approach of working with the IESO to arrive at a mutually-beneficial outcome is demonstrable of both our capabilities and our resolve in developing opportunities to extend the commercial viability of our existing fleet. The agreement with the IESO provides for a strong baseline cashflow profile for Tunis which will form part of the facility's total return profile extending out to at least 2032."

Subject to meeting certain technical modifications to the plant, gas delivery and other requirements, Tunis will operate under a 15-year agreement with the IESO commencing between November 2017 and June 2019.

The new contract will require the plant to become fully dispatchable as opposed to its current baseload configuration. As such, Tunis will only provide electricity to the Ontario grid when required thereby assisting to reduce the incidents of surplus baseload generation in the market. The new agreement provides APLP with a fixed monthly payment which escalates annually according to a pre-defined formula while allowing Tunis to earn additional energy revenues for those periods during which it is called upon to operate.

About Atlantic Power

Atlantic Power owns and operates a diverse fleet of power generation 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 power purchase agreements, 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 2,945 MW in which its aggregate ownership interest is approximately 2,024 MW. Its current portfolio consists of interests in twenty-eight operational power generation projects across eleven states in the United States and two provinces in Canada.

Atlantic Power 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 the Company's website at www.atlanticpower.com or contact:

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Copies of financial data and other publicly filed documents are filed 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](http://www.atlanticpower.com).

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.

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. Please refer to the factors discussed under "Risk Factors" and "Forward-Looking Information" in the Company's periodic reports as filed with the Securities and Exchange Commission from time to time for a detailed discussion of the risks and uncertainties affecting the Company, including, without limitation, the Company's ability to evaluate and/or implement potential options, including asset sales or joint ventures to raise additional capital for growth and/or potential debt reduction, and the impact any such potential options may have on the Company or the Company's stock price. 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. 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, its ability to sell assets at favorable prices or at all and general financial market and interest rate conditions. 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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