

Atlantic Power Corporation Announces New Ten-Year Energy Purchase Agreement for Williams Lake Plant

DEDHAM, Mass., Oct. 1, 2019 /PRNewswire/ -- Atlantic Power Corporation (NYSE: AT) (TSX: ATP) ("Atlantic Power" or the "Company") announced today that it has executed a new ten-year Energy Purchase Agreement (EPA) with BC Hydro for the Williams Lake biomass plant in British Columbia, Canada. The new EPA is effective October 1, 2019. The plant had been operating under a short-term EPA since April 2, 2018, which expired on September 30, 2019.

Under the new EPA, Williams Lake will receive a fixed price per megawatt-hour for energy produced. This price escalates annually with the British Columbia CPI. The EPA does not provide for a capacity payment and the energy payment structure does not include a fuel cost passthrough.

Conditions in the British Columbia timber market for the past couple of years have adversely affected both the availability and cost of fuel, which as previously noted by the Company represents the most significant operational and financial risk for Williams Lake. During the period that the plant has been operating under the short-term contract, the Company has been procuring fuel only on a short-term basis. With a long-term EPA now in place, the Company is evaluating fuel supply options and plans to provide EBITDA guidance for Williams Lake under the new EPA at a later date. Considering market conditions and the absence of a fuel cost passthrough, the Company expects there to be greater variability to EBITDA and cash flow from this plant as compared to its other contracted biomass plants.

The Company plans to undertake several major maintenance projects at Williams Lake that will result in a higher level of maintenance expense for the plant in 2020. These projects may be commenced as early as the fourth quarter of 2019 and are expected to be completed in 2020.

"As we have highlighted previously, biomass plants provide benefits beyond the generation of electricity, including support for the local economy and timber industry, and environmental benefits, including forest management," said Joe Cofelice, Executive Vice President, Commercial Development. "We are very pleased to be extending our longstanding relationship with our customer BC Hydro at Williams Lake in order to serve the interests of consumers, the environment and the local community. We thank all those in the local community who supported our efforts to obtain a new long-term contract for this plant."

About Atlantic Power

Atlantic Power is an independent power producer that owns power generation assets in eleven states in the United States and two provinces in Canada. The generation projects sell electricity and steam to investment-grade utilities and other creditworthy large customers predominantly under long-term Power Purchase Agreements that have expiration dates ranging from 2019 to 2043. The Company seeks to minimize its exposure to commodity prices through provisions in the contracts, fuel supply agreements and hedging arrangements. The projects are diversified by geography, fuel type, technology, dispatch profile and offtaker (customer). The majority of the projects in operation are 100% owned and directly operated and maintained by the Company. The Company has expertise in operating most fuel types, including gas, hydro, and biomass, and it owns a 40% interest in one coal project.

Atlantic Power's shares trade 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 the Company's financial data and other publicly filed documents are available 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](#).

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 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," "should," "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 Company's views of the British Columbia timber market;
- the Company's assessment that the availability and cost of fuel represent the most significant risk to the operational and financial performance of Williams Lake;
- the Company's expectation that there will be greater variability to EBITDA and cash flow for Williams Lake than for the Company's other contracted biomass plants; and
- the Company's plans for major maintenance expenditures for Williams Lake in 2019 and 2020.

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 U.S. Securities and Exchange Commission (the "SEC") from time to time for a detailed discussion of the risks and uncertainties affecting the Company. 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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