

Atlantic Power Corporation Dividend Reinvestment Plan Frequently Asked Questions

The following is a summary of frequently asked questions about the Atlantic Power Corporation Dividend Reinvestment Plan (the “Plan” or “DRIP”). These frequently asked questions are provided for convenience only and are not the actual Plan. If there are any discrepancies between these answers and the actual Plan document, the Plan prevails. The actual Plan document can be found above. Shareholders are urged to carefully read the complete Plan before making any decisions regarding their participation in the Plan.

1. What is the DRIP?

The DRIP is a plan that enables eligible holders of common shares of Atlantic Power Corporation (the “Company”) to invest cash dividends, if, as and when declared and paid on common shares, to acquire additional common shares.

2. What are the advantages of participating in the DRIP?

- A participant may purchase additional common shares with the cash dividends (net of any applicable withholding taxes) paid on the common shares which are held by the participant or held in a participant’s account maintained pursuant to the Plan.
- The price at which common shares will be issued from treasury on reinvestment of cash dividends on common shares will be equal to the Average Market Price (as defined in Question 8 below), less a discount of 3%.
- No commissions, service charges or brokerage fees are payable by participants in connection with the issuance of common shares from treasury to participants under the Plan.
- Full investment of participants’ funds is possible under the Plan because the Plan permits fractions of common shares as well as whole common shares to be purchased and held for participants.
- Dividends in respect of common shares purchased under the Plan will be held by Computershare Trust Company of Canada (“Computershare”), as agent for the Plan, for the participants’ accounts and automatically invested under the Plan in additional common shares of the Company.

3. Who is eligible to participate in the DRIP?

All holders of common shares who are Canadian or U.S. residents are eligible to participate in the Plan at any time by enrolling in the Plan as described in Question 4 below.

4. How do I enroll in the DRIP?

Nearly all of the Company’s shareholders are beneficial owners, meaning that their common shares are registered in the name of their stock brokerage, financial institution or other nominee. If you are an eligible beneficial holder of common shares, you must contact your stock brokerage, financial institution or other nominee with whom your shares are held to enroll in the DRIP. Please note that your stock brokerage, financial institution or other nominee may offer you another service generally referred to as a “synthetic” dividend reinvestment plan, which is NOT the same as the Company’s DRIP. Unlike the Company’s DRIP, a “synthetic” dividend reinvestment plan offered by a stock brokerage, financial institution or other nominee may, among other things:

- only allow you to purchase whole common shares (and no fractional shares) with your reinvested dividends.
- not pass along the 3% discount offered by the Company under its DRIP, and
- charge you a commission or other fee that would not apply if you were participating in the Company's DRIP.

If you wish to enroll in the Company's DRIP, you will need to make sure that your stock brokerage, financial institution or other nominee is enrolling you in the Company's DRIP and not another service they offer to their clients.

If you are an eligible registered holder of common shares, you can enroll in the DRIP by completing an enrollment form online through Computershare's self-service web portal, Investor Centre, at www.computershare.com/investorcentreCanada or by downloading and returning a completed and signed enrollment form to Computershare by no later than 4:00 p.m. (Toronto time) on the fifth business day immediately preceding a dividend record date. An enrollment form may also be obtained by contacting Computershare at 1-800-564-6253. If you are a beneficial holder, and you fill out and send the enrollment form to Computershare, you will NOT be enrolled in the DRIP. Please see above instructions for beneficial holders to enroll in the Plan.

5. When will my dividends start reinvesting after I enroll in the DRIP?

Eligible holders of common shares who return duly completed and signed enrollment forms that are received by Computershare no later than 4:00 p.m. (Toronto time) on the fifth business day immediately preceding a dividend record date will be eligible to reinvest the dividend associated with that record date. Once enrolled, participation in the DRIP continues automatically unless participation is terminated in accordance with the DRIP. If Computershare receives the completed enrollment form after the fifth business day immediately preceding a dividend record date, the cash dividend in respect of that dividend record date will be paid to the shareholder in the usual manner and participation in the Plan will commence with the next dividend.

6. How are common shares purchased under the Plan?

The common shares purchased under the Plan will be purchased by Computershare, as plan agent on behalf of participants, directly from the Company as newly-issued shares from treasury.

7. Can participants purchase additional common shares under the Plan over and above those which their dividends will buy?

No. The agent will only purchase common shares under the Plan using dividends paid on participants' common shares.

8. What price will be paid for the shares purchased under the Plan?

The subscription price of common shares purchased under the Plan will be the weighted average of the trading price for common shares on the stock exchange with the highest volume of common shares traded for the five trading days preceding the relevant dividend payment date (the "Average Market Price") as determined by the Company less a discount of 3%. If the trading price used is from the New York Stock Exchange, the exchange rate from U.S. dollars to Canadian dollars to determine the DRIP price will be the Bank of Canada noon rate of exchange on the dividend payment date.

9. Do I still have to pay withholding tax on dividends that are reinvested?

Participation in the DRIP generally does not change the taxable status of the dividends that are reinvested. Dividends that are subject to withholding tax when paid in cash will still be subject to the same withholding tax when reinvested and dividends that are taxable income to the shareholder will generally still be taxable when they are reinvested under the terms of the Plan. Please contact your tax advisor as individual tax circumstances differ.

10. How much does it cost to participate in the DRIP?

There are no commissions, service charges or brokerage fees payable by participants with respect to share purchases under the DRIP because the participant purchases new common shares directly from the Company. All administrative costs of the DRIP, including the fees and expenses of Computershare, are borne by the Company.

11. Can I reinvest a portion of my quarterly dividend?

No. Eligible holders of common shares who choose to participate in the DRIP must reinvest the entire amount (less any applicable withholding taxes) of their quarterly dividend.

12. Can a Participant withdraw shares held in the DRIP?

A registered participant who is enrolled in the Plan may withdraw whole common shares under the DRIP without terminating his, her or its participation in the DRIP by duly completing the withdrawal portion of the voucher located on the reverse of such registered participant's periodic statement of account and sending such completed voucher to the agent. Beneficial participants should consult their financial institution or stock brokerage in order to obtain certificates for common shares purchased on their behalf under the DRIP.

13. How do I terminate my participation in the DRIP?

Participation in the Plan may be terminated by a registered participant who is enrolled in the Plan at any time by completing and signing the termination portion of the voucher located on the reverse of the registered participant's periodic statement of account and sending such completed and signed voucher to Computershare no later than 4:00 p.m. (Toronto time) on the fifth business day immediately preceding a dividend record date or by following the instructions on Computershare's Investor Centre web portal, at www.computershare.com/investorcentrecanada. Computershare will issue a common share certificate or Direct Registration System Advice for the whole Plan shares and a cash payment for the fractional portion at the market price at the time of sale. A beneficial participant can terminate their participation in the DRIP by giving notice to his, her or its financial institution or stock brokerage through which their common shares are held. Termination by a participant will not prevent such shareholder from participating in the Plan at a later date.

14. What kind of statements will be sent to participants in the Plan?

An account will be maintained by Computershare for each registered participant in the Plan. An unaudited quarterly statement of account will be mailed to each registered participant as soon as practicable following the last day of March, June, September and December, and the appropriate information for tax reporting purposes will be sent by Computershare to each registered participant on an annual basis. Beneficial participants should consult their financial institution or stock brokerage in

order to determine the type of reporting they will receive.

15. I am not a resident of Canada or the United States. Can I still participate?

No. The Plan is only open to holders of common shares who are residents of Canada or the United States.