

**EPCOR
Power L.P.**

**Q3, 2009 Review
Analyst Conference Call
October 27, 2009**

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Certain information in this presentation and in oral answers to questions contains forward-looking information. Actual results could differ materially from conclusions, forecasts or projections in the forward-looking information, and certain material factors or assumptions were applied in drawing conclusions or making forecasts or projections as reflected in the forward-looking information.

Additional information about the material factors and risks that could cause actual results to differ materially from the conclusions, forecasts or projections in the forward-looking information and the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information is contained on pages 13-14 of this presentation and on pages 27-29 of the Partnership's Management's Discussion and Analysis (MD&A) dated October 26, 2009 for the quarter ended September 30, 2009 filed on SEDAR (www.sedar.com).

- **Revised financial expectations for 2009 (Oct/09)**
 - 2009 financial expectations expected to be 5% lower than previous guidance (Mar/09)
 - Previous guidance based on expectation that: cash provided by operating activities (before working capital changes) + PERH dividends = \$147M
 - Expectations revised due to lower forecasted operating margins at North Carolina facilities from lower power demand and lower dispatch
- **PPA negotiations for North Carolina facilities (Oct/09)**
 - Partnership and Progress Energy Carolinas, Inc. (Progress) unable to finalize new PPAs which are acceptable to both parties
 - On October 22, 2009 the North Carolina Utilities Commission (NCUC) issued an order urging the parties to continue negotiations
 - If negotiations are unsuccessful, Partnership expects to file for arbitration with the NCUC
 - By regulation, Progress required to offer PPAs to any Qualifying Facility (QF) at Progress' avoided cost (Southport certified as a QF, Roxboro expected to be re-certified as QF by year-end 2009)
 - Optimistic that either a NCUC arbitration ruling or further negotiations with Progress will result in new PPAs for North Carolina facilities

- **\$100M offering of Cumulative Rate Reset Preferred Shares by EPCOR Power Equity Ltd. (Oct/09)**
 - Offering expected to close Nov 2/09
 - Proceeds used to reduce debt and to permanently finance recent growth initiatives (North Carolina enhancement project, repowering of North Island) and acquisition of Morris facility
- **Launch of DRIP and Premium DRIP™ programs (Oct/09)**
 - DRIP and Premium DRIP™ programs expected to lower cash distribution payments
 - Cash distribution payment frequency changed to monthly from quarterly
 - Retained cash used to fund internal development opportunities and growth initiatives

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Continued Focus on Stabilizing Future Cash Flows

- **Operating cash flows generally in-line with Oct/09 financial guidance**
 - Cash distribution payout ratio of 71% compared to a targeted long-term payout ratio of approximately 75%
- **Significant items impacting year/year results**
 - Contribution from Morris facility acquired on October 31, 2008
 - Non-recurring milestone payment of \$5M in Q3/08 to turbine manufacturer for Frederickson
 - a \$3.4 million reduction of Ontario natural gas costs in Q3/08 from an updated estimate
 - Temporary outages at Calstock (6 weeks) and Roxboro (12 weeks) due to turbine/generator failures
 - Current low natural gas prices negatively impacting enhancement/gas diversion revenues at Ontario plants (down 85% yoy) and dispatch of North Carolina plants

FINANCIAL HIGHLIGHTS – Q3, 2009

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(\$M except per unit amounts)	Q3-09	Q3-08	Change
Revenues ⁽¹⁾	\$122.8	\$148.1	↓ 17%
Operating margin ⁽²⁾	\$53.4	\$56.7	↓ 5.8%
Cash provided by operating activities of continued ops. Per unit ⁽³⁾	\$33.8 \$0.63	\$20.0 \$0.37	↑ 69% ↑ 70%
Cash distributions declared Per unit	\$23.7 \$0.44	\$34.0 \$0.63	↓ 30% ↓ 30%
Capital expenditures	\$33.0	\$5.1	↑ 547%
Payout ratio ⁽⁴⁾	71%	89%	↓ 18

(1) Before fair value changes on foreign exchange contracts.

(2) Before fair value changes on natural gas supply & foreign exchange contracts. See “Non-GAAP Measures” on slide [15].

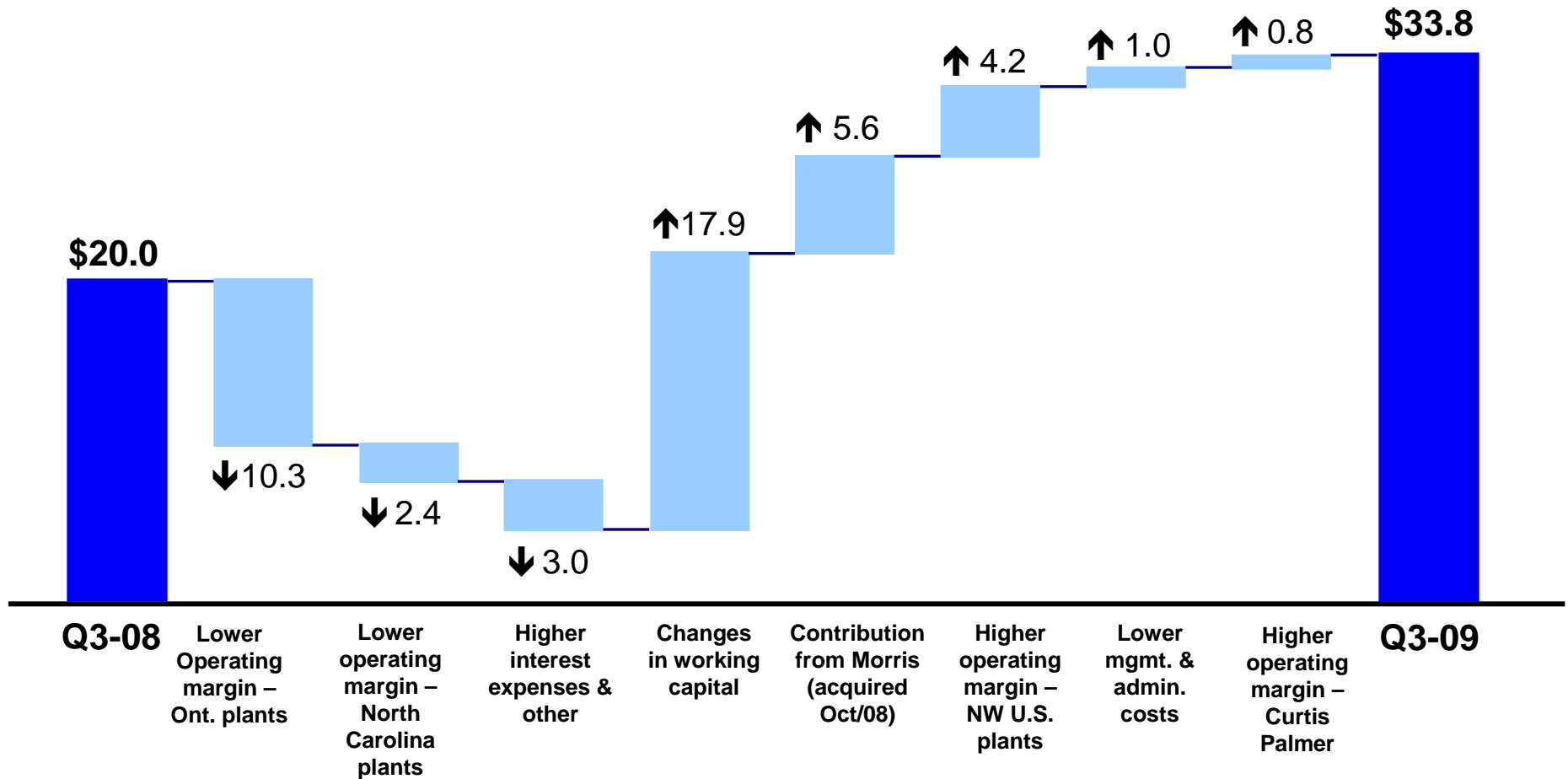
(3) Cash provided by operating activities of continued operations (a GAAP defined measure) divided by the weighted average number of units outstanding in the period. See “Non-GAAP Measures” on slide [15].

(4) Payout ratio is cash distributions divided by cash provided by operating activities of continuing operations excluding changes in working capital less maintenance capital expenditures

Financial Performance In-line With Expectations Provided in October, 2009

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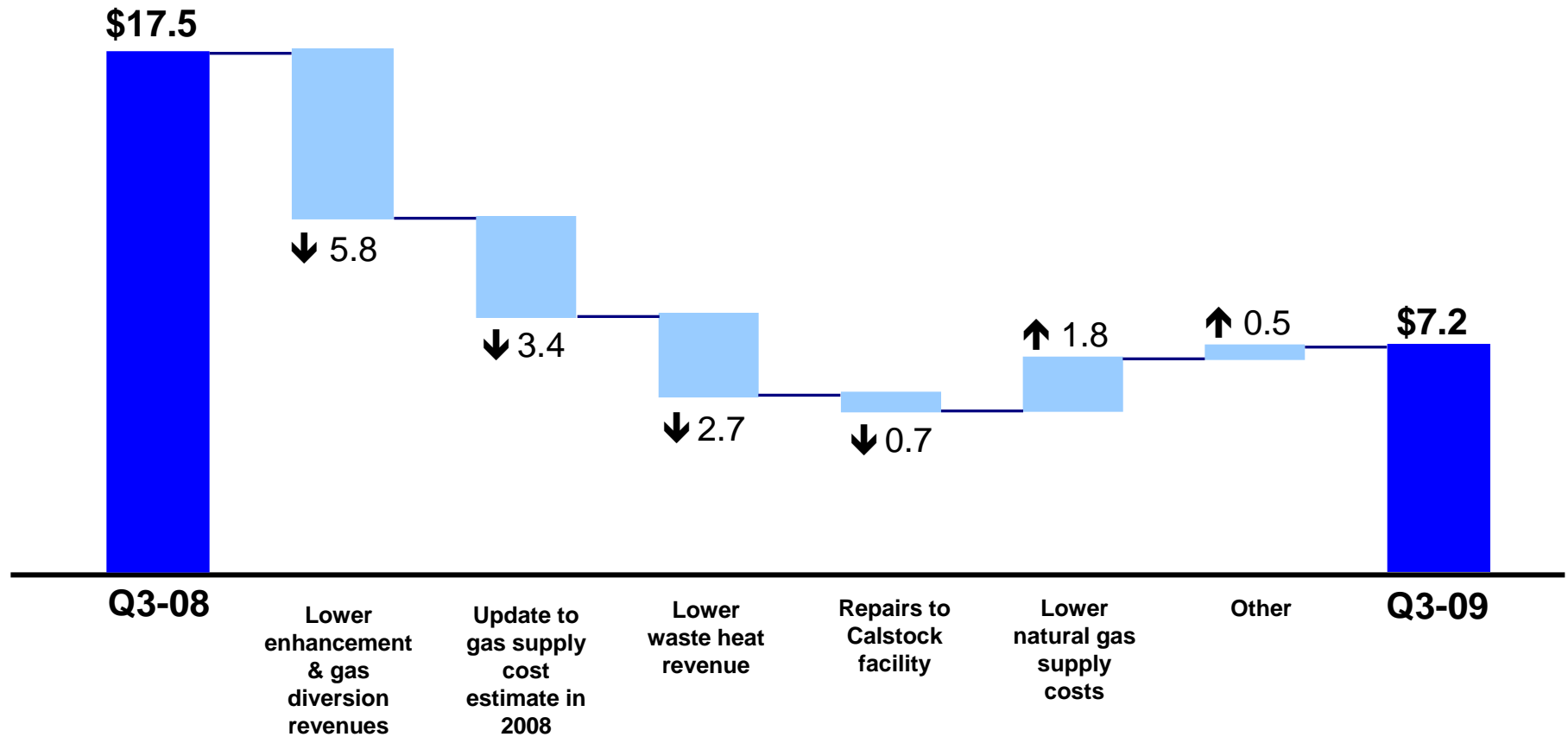
Cash provided by operating activities of continued operations (\$M)



Lower operating margins at Ontario and North Carolina plants partially offset from Morris facility contribution and higher operating margins at NW U.S. plants

Q3, 2009 CONTINUITY – ONTARIO PLANTS

Operating margin (\$M)



Enhancement and gas diversion revenues impacted by lower natural gas prices – average Ontario (Dawn) natural gas prices down 61% in Q3 yoy

Priority	Status
Execute LM5000 gas turbine replacement at North Island	✓
Implement alternative fuel sourcing strategies at Calstock and Williams Lake	✓
Renegotiate PPAs in Ontario <ul style="list-style-type: none"> • On-going discussions with OEFC • Terms sheets exchanged for Tunis facility; expect to announce in Q4/09 	On track
Negotiate flow-through provisions of impacts from short run avoided cost (SRAC) with U.S. Navy	On track
Evaluate acquisition and development opportunities <ul style="list-style-type: none"> • Repowering project at Oxnard facility expected to be completed Q2/10 • Potential construction of additional facilities at Manchief site • Development at Queen Charlotte Islands on hold at this time 	On track

Priority	Status
<p>Complete construction of enhancements to North Carolina facilities</p> <ul style="list-style-type: none"> • Expect to invest additional \$33M (US\$31M) in Q4/09 • Several challenges in retrofitting existing facilities have been encountered and are putting pressure on project cost • Enhancements will increase operating fuel mix flexibility of plants to meet stricter environmental regulations and ensure QF status 	<p>Cost pressures</p>
<p>Finalize negotiations for Roxboro and Southport PPAs</p> <ul style="list-style-type: none"> • Continue to negotiate with Progress and work with NCUC on arbitration process • Optimistic that either a NCUC arbitration ruling or further negotiations with Progress will result in new PPAs for North Carolina facilities 	<p>Challenged</p>

Priority	Status
<p data-bbox="191 380 821 435">Execute strategy for PERH</p> <ul data-bbox="191 456 1591 1024" style="list-style-type: none"><li data-bbox="191 456 1591 565">• PERH recapitalization – Partnership has a 14.3% common equity interest (15.4% beneficial interest previously)<li data-bbox="191 573 1052 621">• Dividends suspended on common shares<li data-bbox="191 630 1444 678">• Various changes made to long-term management agreement<li data-bbox="191 686 1541 795">• Through a fully committed Rights Offering and term loan, PERC is poised to repay an upcoming expiring debt<li data-bbox="191 803 1583 966">• Partnership expected to exercise its pre-emptive right in the Rights Offering to maintain its current pro-rata interest in PERH at a cost of US\$8.3M<li data-bbox="191 974 1591 1024">• Net book value of PERH at Sep 30/09 is \$13M (< 1% of total assets)	Improving

QUESTIONS

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Certain information in this presentation, oral answers to questions in respect of this presentation and the Partnership's MD&A dated October 26, 2009 for the quarter ended September 30, 2009 is forward-looking and related to anticipated financial performance, events and strategies. When used in this context, words such as "will", "anticipate", "believe", "plan", "intend", "target" and "expect" or similar words suggest future outcomes. By their nature, such statements are subject to significant risks, assumptions and uncertainties, which could cause the Partnership's actual results and experience to be materially different than the anticipated results. In particular, forward-looking information and statements include (i) the sustainability of distributions, including relative to a long-term payout ratio target of 75% of cash provided by operating activities less maintenance capital; (ii) planned capital upgrades at Southport and Roxboro of US\$80 million, (iii) planned capital upgrades at Oxnard of US\$20 million, (iv) expectations regarding the in service timeline for additional facilities at Manchief, (v) expectations regarding the Partnership's cash provided by operating activities, dividends received from PERH, capital expenditures generally and working capital in 2009, (vi) expectations regarding the cash to be retained by the Partnership as a result of the distribution reduction and the expected uses of that cash, (vii) anticipated closed date of the preferred share offering, (viii) expectations regarding the financing of the Partnership's capital expenditures (ix) expectations with regard to the operating margin and dispatch levels for the North Carolina facilities, (x) managements expectations in respect of new PPA's for the Southport and Roxboro facilities, (xi) with respect to the Partnership's long-term outlook for the North Carolina plants, (xii) anticipated completion of the Roxboro and Southport facility modifications and the impact thereof on the operation of the facilities, (xiii) the expectation that the Roxboro facility will be re-certified as a QF by the end of 2009, and (xiv) that the Partnership will apply to the NCUC to arbitrate if an agreement for a new PPA with Progress is not reached.

These statements are based on certain assumptions and analyses made by the Partnership in light of its experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate. The material factors and assumptions used to develop these forward-looking statements include: (i) the Partnership's operations, financial position and available credit facilities, (ii) the Partnership's assessment of commodity, currency and power markets, (iii) the markets and regulatory environment in which the Partnership's facilities operate, (iv) the state of capital markets, (v) management's analysis of applicable tax legislation, (vi) the assumption that the currently applicable and proposed tax laws will not change and will be implemented, (vii) the assumption that counterparties to fuel supply and power purchase agreements will continue to perform their obligations under the agreements taking account of the matters described herein, (viii) the level of plant availability and dispatch, (ix) the performance of contractors and suppliers, (x) the renewal or replacement of PPAs and terms of PPAs

(xi) the ability of the Partnership to successfully integrate and realize the benefits of its acquisitions, (xii) the ability of the Partnership to implement its strategic initiatives and whether such initiatives will yield the expected benefits, (xiii) expected water flows, and (xiv) the ability of the Partnership to adequately source alternative sources of supply of wood waste.

Whether actual results, performance or achievements will conform to the Partnership's expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results to differ materially from the Partnership's expectations. Such risks and uncertainties include, but are not limited to risks relating to (i) the operation of the Partnership's facilities, (ii) plant availability and performance, (iii) the availability and price of energy commodities including natural gas and wood waste, (iv) the performance of counterparties in meeting their obligations under PPAs, (v) competitive factors in the power industry, (vi) economic conditions, including in the markets served by the Partnership's facilities, (vii) ongoing compliance by the Partnership with its current debt covenants, (viii) developments within the North American capital markets, (ix) the availability and cost of permanent long-term financing in respect of acquisitions and investments, (x) unanticipated maintenance and other expenditures, (xi) the Partnership's ability to successfully realize the benefits of acquisitions and investments, (xii) changes in regulatory and government decisions including changes to emission regulations, (xiii) waste heat availability and water flows, (xiv) changes in existing and proposed tax and other legislation in Canada and the US and including changes in the Canada-US tax treaty, (xv) the tax attributes of and implications of any acquisitions, (xvi) the availability and cost of equipment, (xvii) changing demand for natural gas in northern Ontario and areas further to the east and levels of natural gas supply in western Canada available for shipping on the TransCanada Canadian Mainline, (xix) the ability of the Partnership to adequately source alternative sources of supply of wood waste, (xx) the regulatory process by which the Roxboro facility gets re-certified as a QF may not result in such re-certification, and (xxi) the NCUC arbitration or negotiations with Progress may not result in PPAs with satisfactory financial terms.

Readers are cautioned not to place undue reliance on forward-looking statements as actual results could differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking statements. Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. Except as required by law, the Partnership disclaims any intention and assumes no obligation to update any forward-looking statement.

The Partnership uses operating margin as a performance measure and cash provided by operating activities of continuing operations per unit as a cash flow measure. These terms are not defined financial measures according to Canadian generally accepted accounting principles (GAAP) and do not have standardized meanings prescribed by GAAP. Therefore, these measures may not be comparable to similar measures presented by other enterprises.

The Partnership uses operating margin to measure the financial performance of plants and groups of plants. A reconciliation from operating margin to net income before tax and preferred share dividends is contained in the Partnership's MD&A dated October 26, 2009 for the quarter ended September 30, 2009.

Cash provided by operating activities of continuing operations per unit is cash provided by operating activities of continuing operations divided by the weighted average number of units outstanding in the period.