

ALGONQUIN POWER & UTILITIES CORP.



FACT SHEET

TSX: AQN



ALGONQUIN POWER CO.: COMMERCIAL OPERATION OF 200 MW WIND PROJECT WITH 20 YEAR POWER PURCHASE AGREEMENT

ODELL WIND: 200 MW WIND PROJECT IN MINNESOTA

OVERVIEW

- On September 4th, announced acquisition of construction stage wind project located in Cottonwood, Jackson, Martin, and Watonwan Counties in Minnesota
- Expected annual energy production of 832 GW-hrs
- Commercial operations date achieved July 29th, 2016
- 20 year power purchase agreement with a subsidiary of Xcel Energy (S&P A-) for 100% of the output from the facility
- Comprised of 100 Vestas V110-2.0 MW turbines
- Utilized the IRS safe harbor rule (more than 5% of total construction costs were incurred prior to December 2013) to satisfy the commencement of construction requirement for production tax credits
- Long term Service & Maintenance Agreement in place with Vestas, providing full warranty coverage
- Operations oversight easily integrated into Algonquin Power's U.S. wind fleet
- Project located on ~24,000 acres land leased from a wind development supportive landowner group

“Odell’s strong wind resource in a new geographic region and its long-term power purchase agreement make it an outstanding addition to our fleet of renewable generation facilities.”

- IAN ROBERTSON, CEO OF ALGONQUIN POWER & UTILITIES



Algonquin

Algonquin Power Co., our electric generation subsidiary, owns or has interests in renewable energy and thermal energy facilities representing more than 1,300 MW of installed capacity.



Liberty Utilities™

Liberty Utilities Co., our regulated utility business, provides water, electricity, and natural gas utility services to more than 560,000 customers through a portfolio of regulated generation, transmission, and distribution utility systems.

ALGONQUIN POWER & UTILITIES CORP.



www.algonquinpower.com



BUILDING ON OUR SUCCESS AND DELIVERING VALUE ACCRETIVE GROWTH FOR OUR SHAREHOLDERS

Financing Structure

- Total construction costs of U.S. \$330.7 M
- Initial contribution from tax equity investors of ~U.S. \$180 M
- Project costs financed 45% debt, 55% equity
- Equity included \$70 million offering of subscription receipts to Emera

Operations

- Expected annual energy production of 832 GW-hrs per year
- Power purchase agreement rate of U.S. \$22.27 (2015\$), escalated at 2.5% annually
- Expected annual monetization of value of production tax credits for APCo through PAYGO cash contributions from tax equity over first 10 years of 26.6% (U.S. \$6.12/MW-hr – 2016\$) of total ~\$23/MW-hr current value of the production tax credit

Operations, Maintenance and Warranty Arrangements

- Long term (10 years) Service & Maintenance agreement in place with Vestas, providing full warranty coverage
- Turbine and balance of plant operations, general administration, land lease and property tax costs estimated at U.S. \$8.90/MW-hr (2015\$) for first three years, U.S. \$11.62/MW-hr (2015\$) thereafter
- Average depreciation life on project capital assets of 30 years

HLBV Earnings

- Hypothetical liquidation at book value (HLBV) after-tax earnings as set out below are in addition to traditional GAAP net earnings from the project:

2016	2017	2018	2019	2020
U.S. \$ 5.9M	U.S. \$ 13.1M	U.S. \$ 15.3M	U.S. \$ 17.8M	U.S. \$ 21.1M





CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain written and oral statements contained in this document are forward-looking within the meaning of certain securities laws and reflect the views of Algonquin Power & Utilities Corp. (the "Company") with respect to future events, based upon assumptions relating to, among others, the performance of the Company's assets and the business, financial and regulatory climates in which it operates. These forward looking statements include, among others, statements with respect to the expected performance of the Company, its future plans and its dividends to shareholders.

Since forward-looking statements relate to future events and conditions, by their very nature they require us to make assumptions and involve inherent risks and uncertainties. We caution that although we believe our assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that our actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors include those presented in the Company's annual financial results, the annual information form and most recent quarterly management's discussion and analysis. Given these risks, undue reliance should not be placed on forward-looking statements, which apply only as of their dates. Except as required by law, the Company does not intend to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

NON-GAAP FINANCIAL MEASURES

The terms "adjusted net earnings", "adjusted earnings before interest, taxes, depreciation and amortization" ("Adjusted EBITDA"), "adjusted funds from operations", "per share cash provided by adjusted funds from operations", "per share cash provided by operating activities", "net energy sales", and "net utility sales", (together the "Financial Measures") may be used in this presentation. The Financial Measures are not recognized measures under GAAP. There is no standardized measure of the Financial Measures, consequently APUC's method of calculating these measures may differ from methods used by other companies and therefore may not be comparable to similar measures presented by other companies. A calculation and analysis of the Financial Measures can be found in APUC's most recent Management Discussion & Analysis. Per share cash provided by operating activities is not a substitute measure of performance for earnings per share. Amounts represented by per share cash provided by operating activities do not represent amounts available for distribution to shareholders and should be considered in light of various charges and claims against APUC.