DEERFIELD WIND: 149 MW WIND DEVELOPMENT PROJECT IN MICHIGAN

ACQUISITION OVERVIEW

- 50% interest in JV, remaining 50% held by Renewable Energy Systems Americas
- JV to develop and construct 149 MW wind project located in Huron County, Michigan
- Expected annual energy of 555.2 GWh based on approximately 5 years of wind data as calculated by DNV GL
- 20-year power purchase agreement with Wolverine Power Supply Cooperative, Inc. for 100% of the facility output
- Late 2016 Commercial Operation Date (COD)
- Comprised of 44 Vestas V110 - 2.05 turbines and 28 Vestas V110 - 2.1 turbines
- Utilized the IRS safe harbour rule (more than 5% of total construction costs have been spent prior to December 2014) to satisfy the commencement of construction requirement for production tax credits
- Operations oversight easily integrated into Algonquin Power’s U.S. wind platform
- Project located on ~20,000 acres land leased from a wind development supportive landowner group
- Algonquin Power Co. retains option to acquire remaining 50% interest in JV at COD

“Deerfield further strengthens and diversifies our renewable energy generation portfolio with a 20 year power purchase agreement and a strong wind regime in a new geographic region”

- IAN ROBERTSON, CEO OF ALGONQUIN POWER & UTILITIES
Expected Financing Structure

- Total expected construction costs of U.S. $303 M
- Expected contribution from tax equity investors of ~U.S. $151 M + U.S. $13 M in PAYGO cash contributions
- Construction funding of U.S. $303 M to be approximately U.S. $250 M in non-recourse construction financing and U.S. $53 M through JV member contributions.

Expected Operations

- Expected annual energy production of 555.2 GWh per year
- 5 year average EBITDA of U.S. $15.3 M (excluding Tax Equity HLBV)

Operations, Maintenance and Warranty Arrangements

- 10-year operations, maintenance and warranty agreement with Vestas

GAAP Earnings

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

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<tr>
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<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
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<td>U.S.</td>
<td>$4.3 M</td>
<td>$7.0 M</td>
<td>$9.4 M</td>
<td>$16.7 M</td>
<td>$24.1 M</td>
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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.