

LEVEL 2 MANAGEMENT COMPLIANCE CERTIFICATE

CERTIFICATION OF FINANCIAL AND RISK MANAGERS REPORTING DIRECTLY TO THE EXECUTIVE TEAM

for the reporting period from **October 1st, 2009 to and including December 31st, 2009.**

I hereby affirm and certify that unless otherwise specified in an attached report under my signature:

- To the best of my knowledge and belief the statements in this Certificate are true with respect to operations or activities of Capital Power Corporation (“CPC”) that are within my area of responsibility or accountability; and
- I have taken all steps within my area of responsibility and accountability that in my professional judgment are reasonably necessary and prudent to inform my knowledge and belief and to ensure that adequate and accurate information comes to my attention and is dealt with in a timely manner.

Financial and Risk Compliance - General

1. All amounts were paid and remitted when due or otherwise deducted, withheld, collected or accrued relating to the following with respect to my area of responsibility or accountability:
 - (a) principal and interest on debt;
 - (b) premiums on insurance;
 - (c) taxes of any kind, including sums payable as grants in lieu of taxes;
 - (d) remuneration to employees, including pension plans and benefits; and
 - (e) employer and employee statutory payments and other amounts relating to employees.
2. CPC was in compliance with all covenants (including financial covenants) applicable to its Debentures, arising from or pertaining to my area of responsibility or accountability.
3. CPC was in compliance with statutory liquidity and solvency tests in respect of dividends and other payments, insofar as such tests may be impacted by activities within my area of responsibility of accountability.
4. All commercial transactions entered into, arising from my area of responsibility or accountability, were in compliance with corporate policies and guidelines for managing CPC’s credit exposure.
5. I am aware of, and have a good working knowledge of, the XXX Policy and related procedures as they apply to my area of responsibility or accountability.
6. CPC’s activities in my area of responsibility or accountability were in compliance with the XXX Policy.

7. Nothing arising from my area of responsibility or accountability caused CPC's XXX to exceed the XXX, other than as disclosed either to the Executive Team member to whom I report, or the Audit Committee of the Board of Directors.
8. There were no disputes, claims or possible claims in existence, pending or threatened or circumstances or event(s) which could reasonably be expected to give rise to a claim, arising from my area of responsibility or accountability, that if determined adversely against CPC would reasonably be expected to have a material adverse affect upon CPC's financial condition (on a consolidated basis, or with respect to any CPC subsidiary) that have not been reported to the Executive Team member to whom I report.
9. No event occurred that would reasonably be expected to have a material adverse financial impact upon CPC that has not been disclosed to the Executive Team member to whom I report.
10. I have not overridden any CPC policy or internal control over financial reporting, nor was I asked to override any CPC policy or internal control over financial reporting, and nor did I ask anyone to override any CPC policy or internal control over financial reporting.
11. CPC's activities in my area of responsibility or accountability were in compliance with CPC's Ethics Policy and I have ensured that CPC's Ethics Policy is known to my direct reports.

Financial and Risk Compliance – Specific Due Diligence Measures

Internal Controls

12. All payment requisitions arising from my area of responsibility or accountability were for the sole purpose of paying legitimate sums due and owing for bona fide goods and services supplied to CPC.
13. Within my area of responsibility or accountability, corporate and business unit accounting policies and methods of application were followed without deviation or modification.
14. I understand that the term "fraud" includes misstatements resulting from fraudulent financial reporting and misappropriation of assets.
15. I understand that I am responsible to comply with all corporate policies and procedures designed to detect and prevent fraud and error as it relates to the financial reporting process.
16. Within my area of responsibility or accountability there was no:
 - (a) fraud or suspected fraud affecting CPC involving management or other employees;
 - (b) allegation of fraud or suspected fraud affecting CPC received in communications from employees, former employees or others;
 - (c) violation or possible violation of laws or regulations (including illegal acts or possible illegal acts) the effect of which should be considered for disclosure in CPC's financial statements or as the basis for recording a contingent loss; and
 - (d) communication from regulatory or government authorities or others concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statements.

Commitments & Contingencies

17. Within my area of responsibility or accountability there were no material contractual obligations not disclosed to the Executive Team member to whom I report.
18. Within my area of responsibility or accountability there were no financial or legal claims or potential claims, not disclosed to the Controller who supports my business unit or to the Executive Team member to whom I report, irrespective of whether I had discussed such claims with legal counsel.
19. Within my area of responsibility or accountability there were no material tax liabilities or material contingent tax liabilities not disclosed to the Executive Team member to whom I report.

Subsequent Events

20. Within my area of responsibility or accountability no events occurred, and no matters were discovered, subsequent to the most recent balance sheet date, that could involve material sums of money payable to or from CPC, other than in the ordinary expected course of business.

Assets and Liabilities

21. Within my area of responsibility or accountability there were no material transactions that have not been properly recorded in the accounting records that support CPC's financial statements.
22. Within my area of responsibility or accountability there were no material unrecorded assets or liabilities or contingent assets or liabilities.
23. Within my area of responsibility or accountability there were no agreements to repurchase assets previously sold, including sales with recourse.

Receivables

24. There are no reasons that would affect CPC's ability to collect any accounts receivable arising from my area of responsibility or accountability.

Inventories

25. Significant inventories of materials and supplies within my area of responsibility or accountability are based on physical quantities determined by actual count, weight, or measurement by competent employees under proper supervision.

Capitalization of Development Costs

26. Development costs that were capitalized, arising from my area of responsibility or accountability, are properly chargeable to future operations.

Approved Agreements for Supply of Services to CPC

27. There were no material arrangements or understandings with any third parties which were not described in a written contract, pertaining to my area of responsibility or accountability which were not disclosed.

Provisions for Losses

28. Within my area of responsibility or accountability the accounting records and financial statements have appropriately reflected anticipated losses to be sustained resulting from:
- (a) the fulfillment of, or inability to fulfill, any sales commitments;
 - (b) purchase commitments for inventory or other assets at quantities in excess of normal requirements or at prices in excess of prevailing market prices;
 - (c) reduction of excess, damaged, unusable or obsolete inventories to their estimated net realizable value; and
 - (d) declines (other than temporary declines) in the value of assets.

Revenues

29. All sales of goods or services arising from my area of responsibility or accountability were final and not subject to any conditions or approvals within the control or discretion of the purchaser.

Uncorrected Mis-Statements and Variance Explanations

30. Within my area of responsibility or accountability there are no material uncorrected financial misstatements, either individually or in the aggregate.
31. I have reviewed all financial variance explanations arising from my area of responsibility or accountability relating to variances of greater than \$XXX between actual and budget, and I agree with the stated reasons for the variances.

Labour & Employment Compliance

32. Within my area of responsibility or accountability CPC was in compliance with applicable labour relations and employment standards laws, and in material compliance with the employer's obligations under the terms of collective agreements to which CPC is a party.
33. I am aware of, and have a sound basic understanding of, the labour relations and employment standards laws applicable to my area of responsibility or accountability.
34. I am aware of, and have a good working knowledge of, any collective agreement to which CPC is a party that applies to my area of responsibility or accountability.
35. The procedures, systems and controls, and reporting for activities in my area of responsibility or accountability are adequate to bring to my attention in a timely manner any incident that constitutes or might constitute non-compliance with applicable labour relations or employment standards laws or a breach of an obligation of CPC under a collective agreement to which CPC is a party, pertaining to my area of responsibility or accountability.