



Introduction to Capstone Infrastructure & Lone Pine Wind Farm

Presentation to Kneehill County

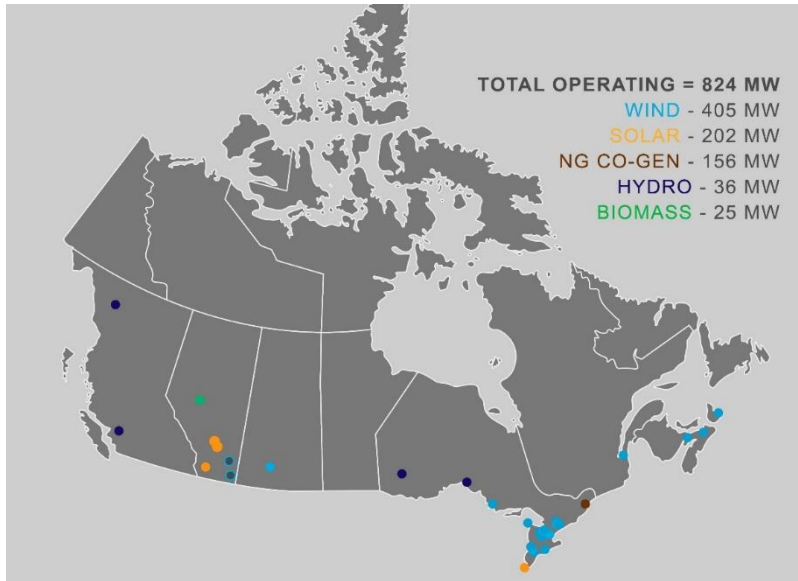
November 28, 2023

Capstone at a Glance

Generating our low-carbon future.

Clean and renewable energy is our business, and our people are our greatest asset.

We're here to drive the energy transition forward through creative thinking, strong partnerships, and a commitment to doing things right.



PROFILE

North American developer and long-term owner-operator of renewable and thermal power projects, including wind, solar, run-of-river hydro, biomass, & natural gas cogeneration.

KEY STATS

824 MW

Gross installed capacity across Canada

2 GW

Current development project pipeline in Canada & US

31 Facilities

Proven track record of Operational and HSE Excellence

RECENT ACTIVITY

- ▶ Successfully decommissioned our first facility in summer 2023: the Fitzpatrick Wind Farm, previously operating in Nova Scotia
- ▶ Surpassed 30 operating facilities with the completion of two solar projects in Alberta in early 2023
- ▶ Opened our second corporate office with a new location added in Calgary in December 2022

Growth and Investment in Alberta

Owner-operator in Alberta since 2007

Capstone's first investment in Alberta was the Whitecourt Power biomass plant in 2007.

Capstone has been active in the development of wind and solar in Alberta since 2018.

With a growing fleet in Alberta, we opened an office in Calgary in 2023, and now employ 50+ full time staff.



Representatives from Starland County, Capstone, Keyera, Borea Construction celebrate first panels being installed at Michichi Solar // Oct 2022

GROWTH & INVESTMENT IN ALBERTA

\$850m

committed in capital investment since 2018

700+

skilled jobs created for project construction in 2021-2023

435 MW

New solar and wind projects advanced since 2018

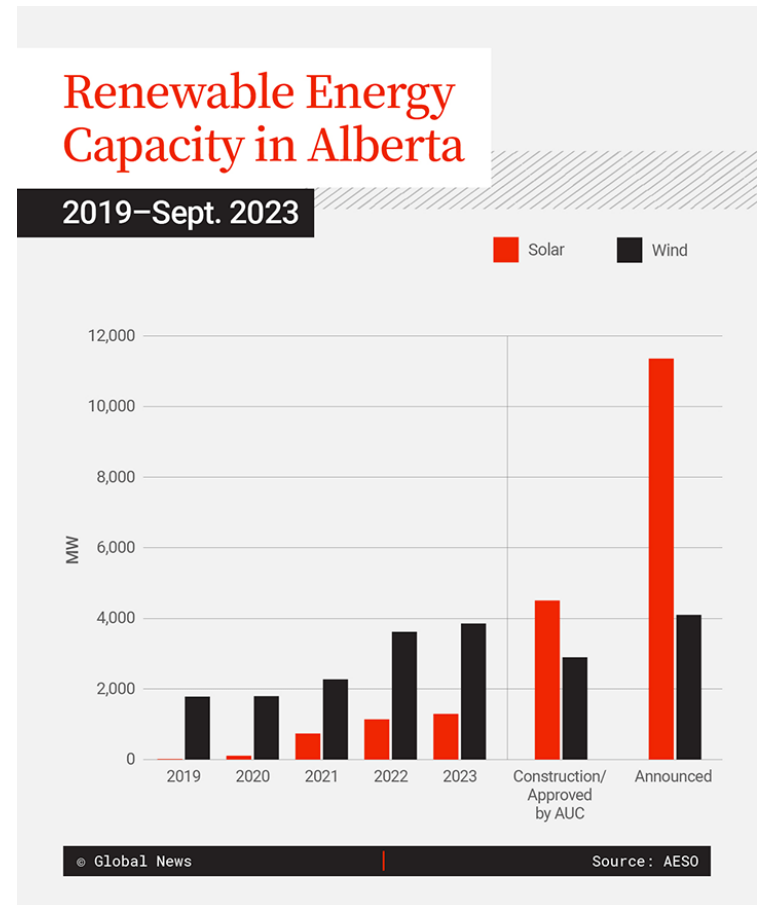
RECENT ACTIVITY

- ▶ Executed multiple corporate PPAs for projects located in Alberta in the last 5 years with numerous organizations including: TC Energy, Keyera, Gibson Energy, Pembina Pipeline
- ▶ Executed Canada's largest municipal PPA with the City of Edmonton for our 192 MW Wild Rose 2 Wind Farm
- ▶ Currently 2 wind projects in construction in Alberta (250+ MW)
- ▶ 50 MW of solar projects COD in 2023
- ▶ 132 MW Claresholm solar farm achieved COD in April 2021

1. What makes Alberta a great place to develop renewable energy projects?
2. Why is Capstone proposing the Lone Pine Wind Farm in Kneehill County?
3. How is the development and approval of these projects regulated?
4. What are the main benefits to the community?

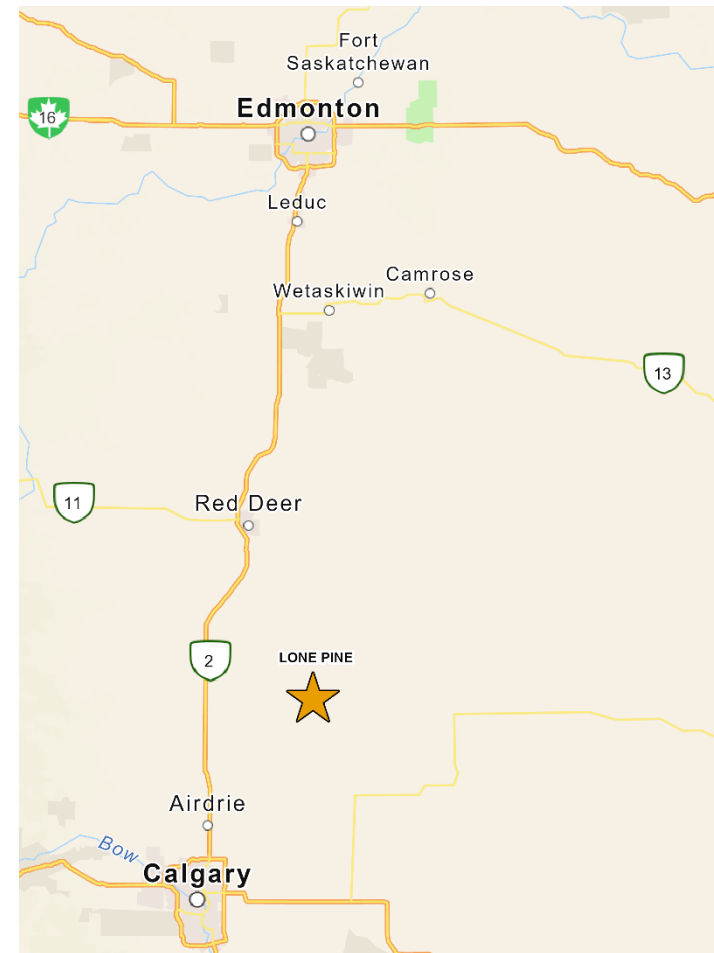
Renewable Energy Development in Alberta

- Alberta's electricity market has been deregulated since 2001
- The province operates a wholesale power market for all electricity bought and sold in Alberta.
- More than \$5 billion of investment have been injected into the market since 2019 (Global News, Nov. 2023).
- Alberta has among the best solar and wind resources in Canada making the province attractive for investment of low-cost renewable energy.
- Corporate Environmental, Social, and Governance (ESG) commitments are driving further investment in renewables projects in Alberta



Why are we proposing Kneehill County?

- **Wind resource** decoupled from southern Alberta wind patterns
- Proximity to the **transmission** grid with ability to deliver to power to load centers
- **Low environmental risk**, aligning with Alberta Environment and Protected Areas Wildlife Directive for wind energy
- **Strong support** from host landowners close to 40 different participants joined since 2016
- **Positive working relationship** between Capstone and the Kneehill County through development and construction of Kneehill Solar



Regulatory & Consultation Process

- Renewable energy projects in Alberta are subject to approvals at three levels of jurisdiction: federal, provincial and municipal
- The key provincial regulator for electricity projects in the Alberta Utilities Commission
- Alberta Environment & Protected Areas sets out guidelines for renewables siting and reclamation
 - Wildlife Directive for Alberta Wind Energy Projects
 - Conservation and Reclamation Directive for Renewable Energy Operations
- Alberta Electric System Operator manages access to the grid for new connection projects
- Local municipality responsible for issuing development permits and entering into road use and other agreements



Capstone in the Community

- Capstone is a **long-term owner operator**, and operating and maintaining high caliber facilities, we attribute our success to our local engagement in the communities where we operate.
- **Employment Opportunities:** Create jobs for local residents, both during construction and on-going maintenance and operations.
- **Investment in Local Infrastructure:** Property taxes contribute to improvements of public roads, schools, or community centers.
- **Community Support:** Direct contribution to initiatives through donations and serving as a local presence, and welcoming schools to our facilities to learn about sustainability and renewable energy.

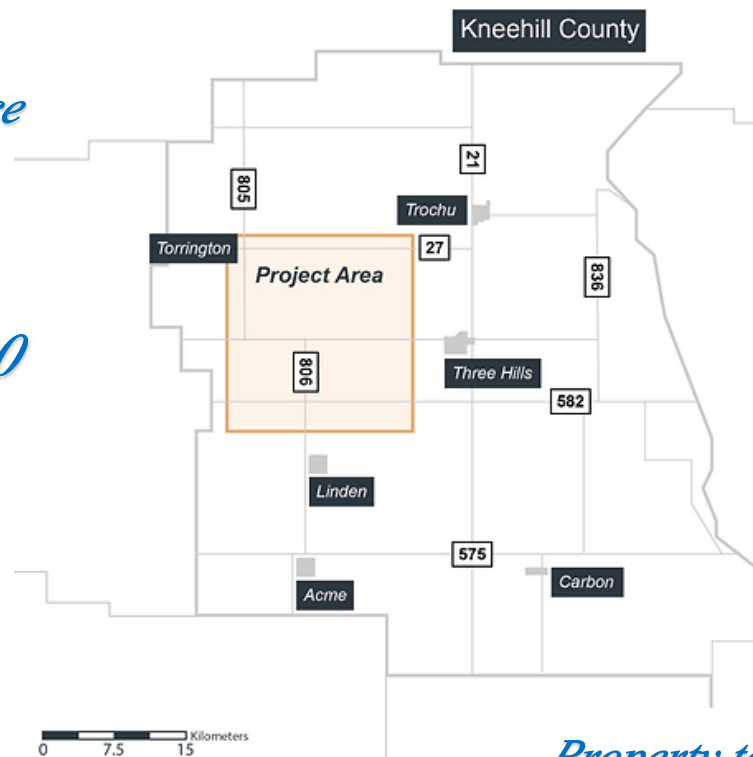


Lone Pine Wind Farm by the Numbers

*36 participating
landowners signed since
2016*

*More than 12,000
acres leased*

*350 MW
takes ~65 acres
(<1% land take)*



*Capital investment
>\$700m*

*Over \$50m in royalties
to project and
neighbouring landowners*

*Property tax contribution over
\$200m*

**based on current mill rate*

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For more information related to renewable energy and other topics, please visit:

- Canadian Renewable Energy Association: <https://renewablesassociation.ca/blog/>
- Business Renewables Centre: <https://businessrenewables.ca/resources>
- Pembina Institute: <https://www.pembina.org/blogs>
- Alberta Utilities Commission: https://media.www.auc.ab.ca/prd-wp-uploads/regulatory_documents/Reference/PublicInvolvementBrochure.pdf
- Farmer's Advocate Office: <https://www.alberta.ca/surface-rights-and-renewable-energy>
- Alberta Electric System Operator: <https://www.aeso.ca/grid/connecting-to-the-grid/>