American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_71 Assuming the proposed transaction is approved, will KPCo be exposed to any additional generation, transmission, or distribution requirements that it otherwise would not have faced but for the approval? If so, please describe in detail.

RESPONSE

Liberty is not aware of any such requirements.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
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DATA REQUEST

AG 1-72 Provide the name and position of the person(s) who prepared each Exhibit to the application filing materials, if not already disclosed.

RESPONSE

The testimonies in Exhibit 1 were prepared by the respective witnesses. Exhibits 2 – 4 are public records of the States of New York, Kentucky, and Delaware, respectively, and thus were not prepared by employees of the company. Exhibit 5 is the Stock Purchase Agreement which was prepared by external counsel for each party. The Post-Closing Organizational Chart used as Exhibit 6 was prepared by APUC's Legal Department. Exhibit 7 was prepared by counsel for AEP. Exhibit 8 was prepared by outside counsel for Liberty.

Liberty has corrected Chart B1 in the Post-Closing Organizational Chart filed as Exhibit 6 to the Application. The corrected Post-Closing Organizational Chart is being attached as JR_R_AG_1_72_Attachment_Corrected Post-Closing Organizational Chart.pdf.

Witness: Peter Eichler

LIBERTY UTILITIES ORGANIZATION CHART POST KENTUCKY POWER ACQUISITION

NOTES

1. Unless otherwise indicated, the ownership of all entities is 100%.

2. Defined terms have the meaning ascribed to them in Algonquin Power & Utilities Corp's ("Algonquin") most recent Annual Information Form.

3. "Non-Algonquin" means that the entity in question would not satisfy the definition of an "APCo Entity" in Algonquin's credit agreement.

4. The highlighted boxes denote facilities/assets that are owned by the legal entities, not the legal entity.

5. Simplified organization chart to depict operating utilities.

KEY

1. Corporation or LLC

2. Facility or Asset

Chart A

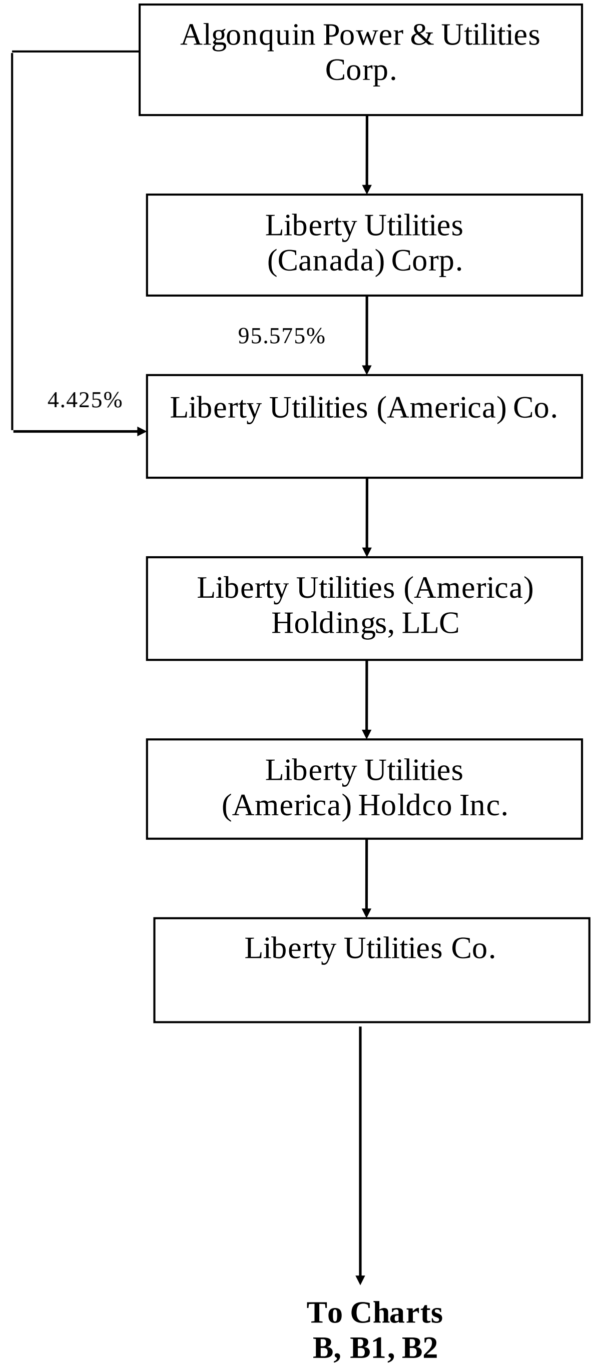

Algonquin Power & Utilities Corp.
Liberty Utilities (Canada) Corp.
95.575%
4.425%
Liberty Utilities (America) Co.
Liberty Utilities (America) Holdings, LLC
Liberty Utilities (America) Holdco Inc.
Liberty Utilities Co.
To Charts B, B1, B2

Chart B
(Continued on Chart B1, B2)

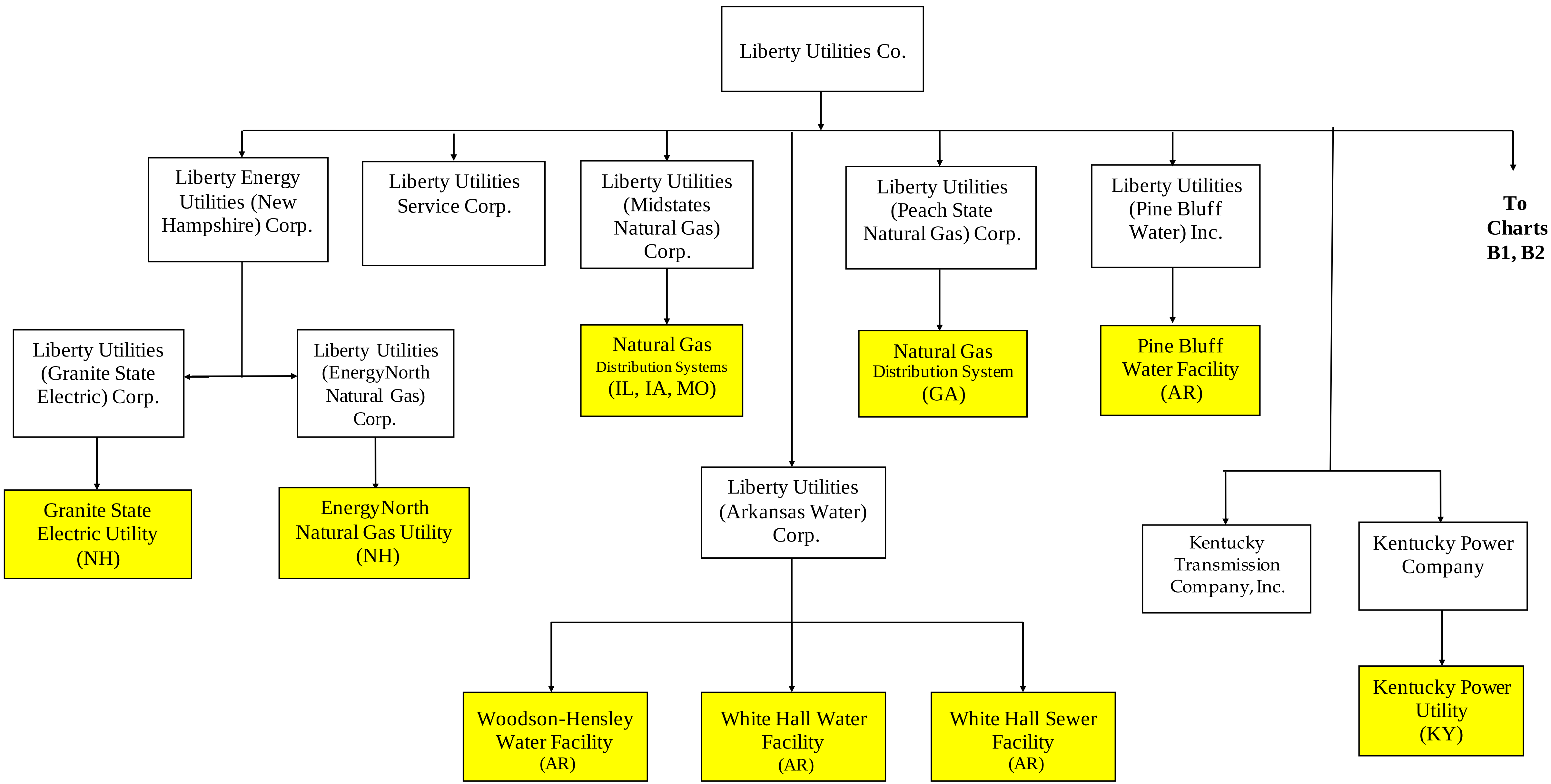


Chart B1

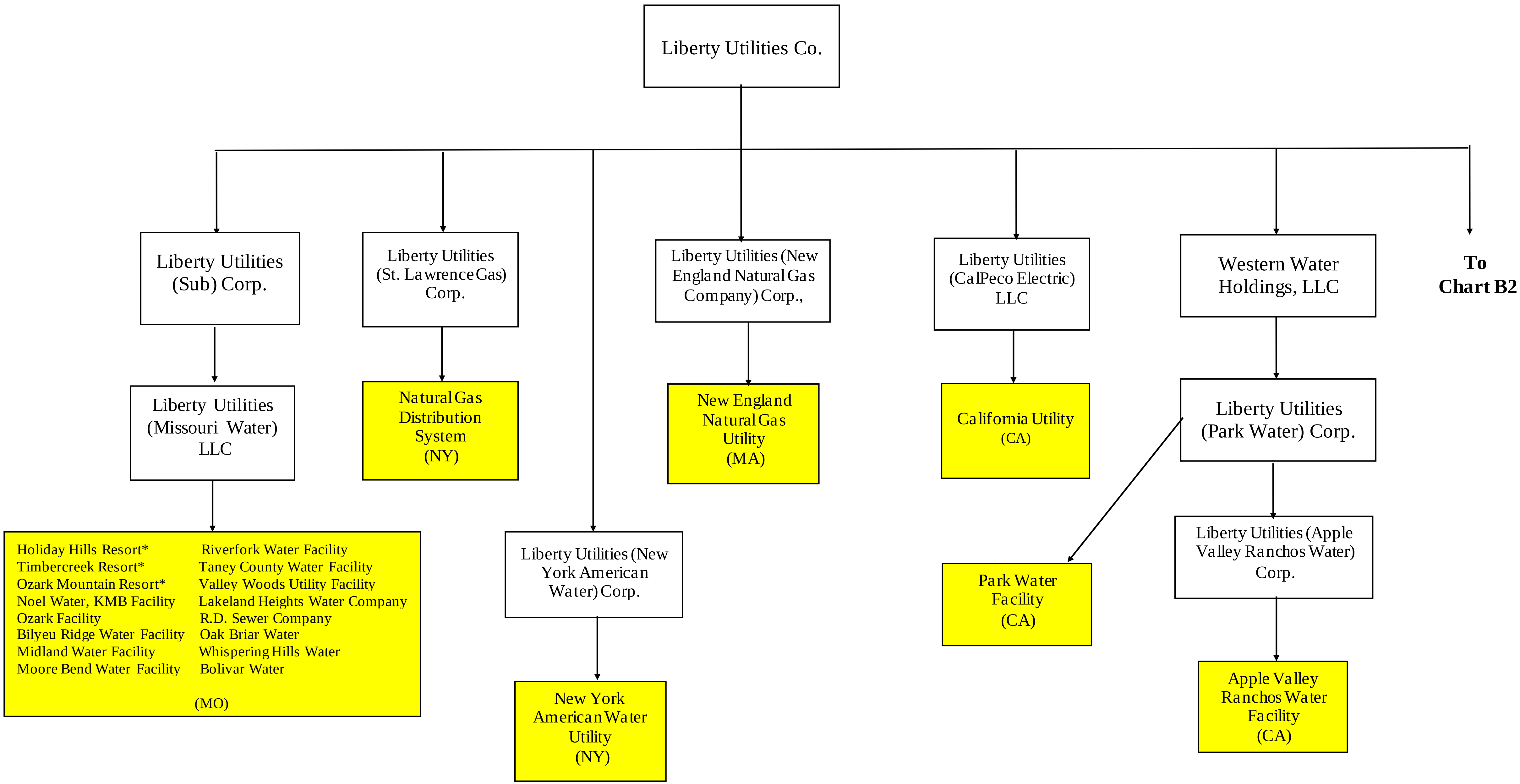
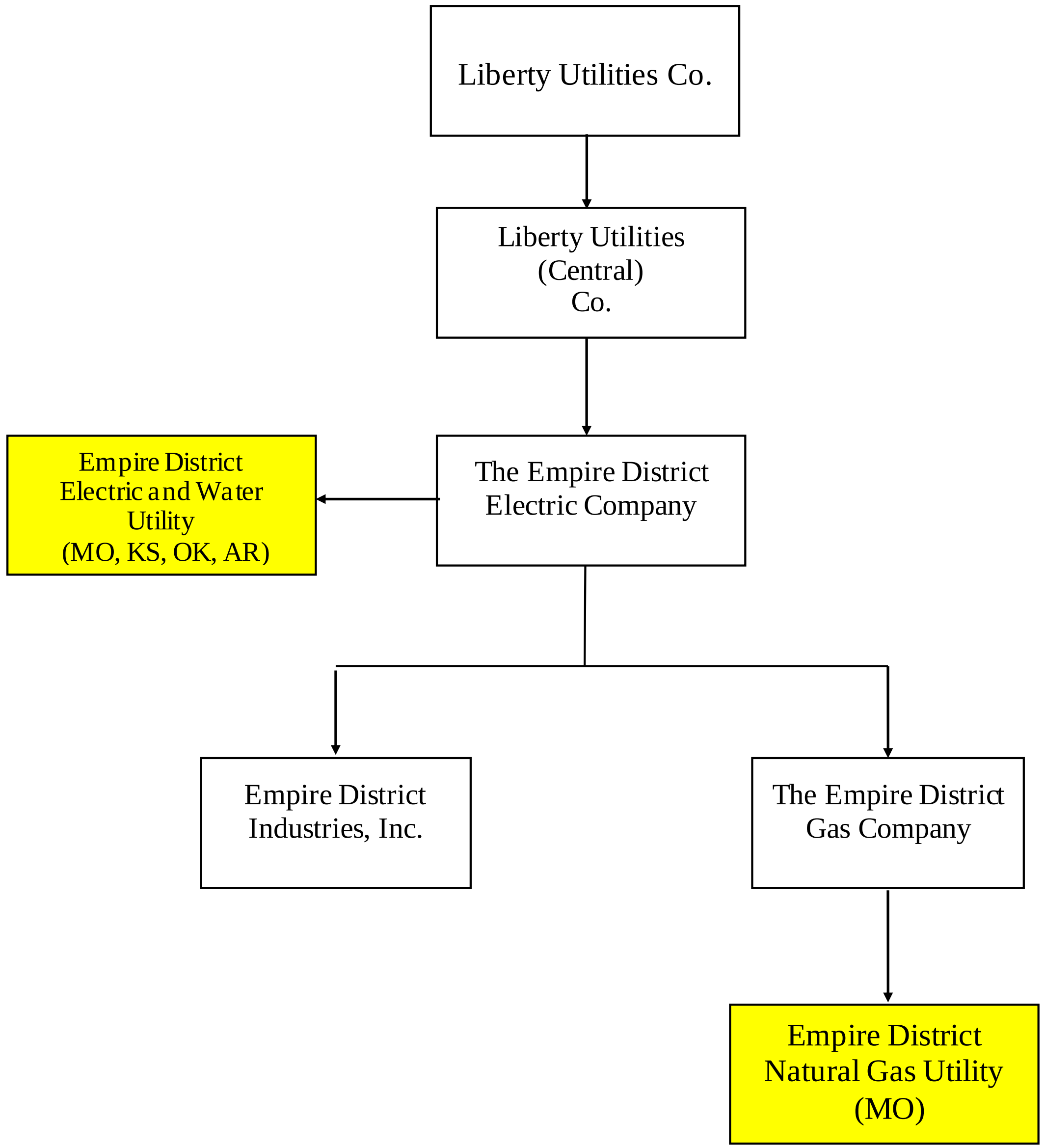

Liberty Utilities Co.
Liberty Utilities (Sub) Corp.
Liberty Utilities (St. Lawrence Gas) Corp.
Liberty Utilities (New England Natural Gas Company) Corp.,
Liberty Utilities (CalPeco Electric) LLC
Western Water Holdings, LLC
To Chart B2
Liberty Utilities (Missouri Water) LLC
Natural Gas Distribution System (NY)
New England Natural Gas Utility (MA)
California Utility (CA)
Liberty Utilities (Park Water) Corp.
Holiday Hills Resort*
Timbercreek Resort*
Ozark Mountain Resort*
Noel Water, KMB Facility
Ozark Facility
Bilyeu Ridge Water Facility
Midland Water Facility
Moore Bend Water Facility
Riverfork Water Facility
Taney County Water Facility
Valley Woods Utility Facility
Lakeland Heights Water Company
R.D. Sewer Company
Oak Briar Water
Whispering Hills Water
Bolivar Water
(MO)
Liberty Utilities (New York American Water) Corp.
New York American Water Utility (NY)
Park Water Facility (CA)
Liberty Utilities (Apple Valley Ranchos Water) Corp.
Apple Valley Ranchos Water Facility (CA)

Chart B2


Liberty Utilities Co.
Liberty Utilities (Central) Co.
The Empire District Electric Company
Empire District Electric and Water Utility (MO, KS, OK, AR)
Empire District Industries, Inc.
The Empire District Gas Company
Empire District Natural Gas Utility (MO)

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
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Dated January 13, 2022

DATA REQUEST

AG 1_73 Please provide a copy of any and all materials, including but not limited to transcripts of presentations, recordings or notes of presentations, or other information, regarding any and all financial analyses concerning the transaction.

RESPONSE

AEP objects to this request on the basis that it is overly broad and unduly burdensome inasmuch as it seeks copies of "all material" regarding "any and all" analyses. AEP further objects to this request because it seeks documents and information that are protected from disclosure by the attorney-client privilege, work-product doctrine, and Joint Applicants' Common Interest Agreement.

In regards to Liberty, please see the attached releases, presentations, and call transcripts related to Kentucky Power, as well as subsequent materials referencing the transaction:

JA_R_AG_1_73_Attachment_2021 Q3 -Exhibit 99.5-Earnings Press Release vF Nov 11.pdf
JA_R_AG_1_73_Attachment_2021-Investor-Day-Dec-14.pdf
JA_R_AG_1_73_Attachment_AQN 2022 Hybrid Investor Presentation_2022.01.06_vF.pdf
JA_R_AG_1_73_Attachment_AQN Investor Presentation - Jan 2022 vf.pdf
JA_R_AG_1_73_Attachment_AQN Investor Presentation - November 18, 2021 vF.pdf
JA_R_AG_1_73_Attachment_AQN-Investor-Presentation-2021-10-26 FINAL.pdf
JA_R_AG_1_73_Attachment_final call Transcript AQN purchase of KPCO acquisition-4380604.pdf
JA_R_AG_1_73_Attachment_final-121421-algonquin-power-investor-day-2021-9180565 _investor Day 2021.pdf
JA_R_AG_1_73_Attachment_Hybrid Offering transcript Jan 6 830 pm clean.pdf
JA_R_AG_1_73_Attachment_Hybrids Launch PR - Jan 10 2022 vF.pdf
JA_R_AG_1_73_Attachment_Hybrids Pricing PR Jan 12 vF.pdf
JA_R_AG_1_73_Attachment_Press Release Investor Day- Dec 14 2021.pdf
JA_R_AG_1_73_Attachment_Press Release_2021.10.26 vF
JA_R_AG_1_73_Attachment_Q3 2021 Conference Call transcript Nov 11 2021 FINAL
JA_R_AG_1_73_Attachment_Q3-2021-Earnings-Call-Presentation-vF.pdf

Witness: Peter Eichler

Algonquin

Algonquin Power & Utilities Corp. Announces 2021 Third Quarter Financial Results

OAKVILLE, Ontario - November 11, 2021 - Algonquin Power & Utilities Corp. (TSX/NYSE: AQN) ("AQN" or the "Company") today announced financial results for the third quarter ended September 30, 2021. All amounts are shown in United States dollars ("U.S. $" or "$"), unless otherwise noted.

"We are pleased to report solid earnings in the third quarter, underpinning AQN's diversified and resilient business model," said Arun Banskota, President and Chief Executive Officer of AQN. "We are excited about our recently announced agreement to acquire Kentucky Power Company and AEP Kentucky Transmission Company, Inc. This acquisition is expected to be a continuation of AQN's disciplined growth strategy, adding to our U.S. regulated footprint, and offers an opportunity for the Company to utilize its proven "greening the fleet" capabilities, aligning with our commitment to advancing a sustainable energy and water future."

Q3 2021 Financial Highlights

- Revenues of $528.6 million, an increase of 40% compared to the third quarter of 2020;
- Adjusted EBITDA[1] of $252.0 million, an increase of 27% compared to the third quarter of 2020;
- Adjusted Net Earnings[1] of $97.6 million, an increase of 11% compared to the third quarter of 2020; and
- Adjusted Net Earnings[1] per share of $0.15, in line with the third quarter of 2020.

Key Financial Information

All amounts in U.S. $ millions except per share information	**Three Months Ended September 30**		
	2021	**2020**	**Change**
Revenue	**528.6**	376.5	40%
Net earnings (loss) attributable to shareholders	**(27.9)**	55.9	(150)%
Per share	**(0.05)**	0.09	(156)%
Cash provided by operating activities	**174.7**	121.4	44%
Adjusted Net Earnings[1]	**97.6**	88.1	11%
Per share	**$ 0.15**	$ 0.15	—%
Adjusted EBITDA[1]	**252.0**	197.9	27%
Adjusted Funds from Operations[1]	**170.2**	148.0	15%
Dividends per share	**$ 0.1706**	$ 0.1551	10%

1. Please refer to "Non-GAAP Financial Measures" at the end of this document for further details.

2. Mid-2022 estimate.

3. Mid-2022 estimate, including AQN's pending acquisition of New York American Water Company, Inc.

4. Please refer to "Non-GAAP Financial Measures" at the end of this document for further details.

Corporate Highlights

- ***Agreement to Acquire Kentucky Power –*** On October 26, 2021, AQN announced that its indirect subsidiary, Liberty Utilities Co., entered into an agreement with American Electric Power Company, Inc. to acquire Kentucky Power Company ("Kentucky Power") and AEP Kentucky Transmission Company, Inc. ("Kentucky TransCo") for a total purchase price of approximately $2.846 billion, including the assumption of approximately $1.221 billion in debt (the "Acquisition").
- ***The Acquisition is Aligned with the Company's Three Strategic Pillars –*** Rooted in AQN's Growth pillar, the Acquisition is expected to add approximately $2.2 billion[2] of regulated rate base assets to the Company's current portfolio, and increase its overall business mix to nearly 80%[3] regulated. The Acquisition is expected to (i) be accretive to Adjusted Net Earnings per share in the first full year of ownership, (ii) generate mid-single digit percentage Adjusted Net Earnings per share accretion thereafter and (iii) support growth in AQN's Adjusted Net Earnings per share over the long-term with a financing plan designed to maintain AQN's investment grade credit ratings.[4] The Acquisition is aligned with the Company's focus on operational excellence, as it intends to leverage its extensive experience in managing and integrating previous acquisitions, while maintaining its focus on safety, reliability and customer service. AQN has significant "greening the fleet" experience, with a strong track record of transitioning other utilities. Consistent with the Company's Sustainability pillar, AQN intends to leverage these capabilities at Kentucky Power, which represents an opportunity to explore the potential to replace over 1 GW of fossil fuel generation capacity with renewables.
- ***Financing of the Acquisition –*** Concurrent with the announcement of the Acquisition, the Company announced a C$800 million bought deal common share offering (the "Offering"). The Underwriters for the Offering were also granted a 15% over allotment option, which if exercised in full would bring the total proceeds to approximately C$920 million. The Offering is expected to satisfy the common equity needs for the Acquisition. The remainder of the Acquisition cash purchase price is expected to be satisfied through a variety of funding sources, which may include a combination of hybrid debt, equity units, and/or the monetization of non-regulated assets or investments. The timing of the remaining financing activities will be influenced by the regulatory approval process for the Acquisition and are subject to prevailing market conditions.
- ***Net-Zero Goals and 2021 ESG Report –*** On October 5, 2021, the Company announced its target to achieve net-zero (scope 1 and 2 greenhouse gas emissions) by 2050. This target is rooted in AQN's purpose of sustaining energy and water for life and is a reflection of the Company's track record of being a leader in the transition to a low-carbon economy. Concurrently, the Company released its 2021 ESG Report, which details AQN's progress with respect to environmental, social and governance ("ESG") matters.
- ***Growth Plan on Track –*** For the nine months ended September 30, 2021, the Company's capital expenditures totaled $3.4 billion and the Company remains on track to complete its over $4.0 billion 2021 capital plan. The acquisition of Kentucky Power and Kentucky TransCo will be additive to the Company's

long-term pipeline of investments. Since the beginning of 2020 as part of its capital investments, the Company has added approximately 1.4 GW of new renewable generation and remains on track to achieving the addition of at least 2.0 GW of renewable power generating capacity between 2019 and the end of 2023, one of the key ESG goals originally set out in the Company's 2019 Sustainability Report.

Additional information regarding AQN is available on its web site at www.AlgonquinPowerandUtilities.com and in its corporate filings on SEDAR at www.sedar.com and EDGAR at www.sec.gov.

Earnings Conference Call

AQN will hold an earnings conference call at 10:00 a.m. eastern time on Friday, November 12, 2021 hosted by President and Chief Executive Officer, Arun Banskota and Chief Financial Officer, Arthur Kacprzak.

Date:	Friday, November 12, 2021	
Time:	10:00 a.m. ET	
Conference Call:	**Toll Free Dial-In Number**	(833) 670-0721
	Toll Dial-In Number	(825) 312-2060
	Conference ID	3981348
Webcast:	https://event.on24.com/wcc/r/3406088/345F8859A87CC629179BCF4421DFA83E	
	Presentation also available at: www.algonquinpowerandutilities.com	

About Algonquin Power & Utilities Corp. and Liberty

Algonquin Power & Utilities Corp., parent company of Liberty, is a diversified international generation, transmission, and distribution utility with over $16 billion of total assets. Through its two business groups, the Regulated Services Group and the Renewable Energy Group, AQN is committed to providing safe, secure, reliable, cost-effective, and sustainable energy and water solutions through its portfolio of electric generation, transmission, and distribution utility investments to over one million customer connections, largely in the United States and Canada. AQN is a global leader in renewable energy through its portfolio of long-term contracted wind, solar, and hydroelectric generating facilities. AQN owns, operates, and/or has net interests in over 4 GW of installed renewable energy capacity.

AQN is committed to delivering growth and the pursuit of operational excellence in a sustainable manner through an expanding global pipeline of renewable energy and electric transmission development projects, organic growth within its rate-regulated generation, distribution, and transmission businesses, and the pursuit of accretive acquisitions.

AQN's common shares, Series A preferred shares, and Series D preferred shares are listed on the Toronto Stock Exchange under the symbols AQN, AQN.PR.A, and AQN.PR.D, respectively. AQN's common shares, Series 2018-A subordinated notes, Series 2019-A subordinated notes and equity units are listed on the New York Stock Exchange under the symbols AQN, AQNA, AQNB, and AQNU, respectively.

Visit AQN at www.algonquinpowerandutilities.com and follow us on Twitter @AQN_Utilities.

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Telephone: (905) 465-4500

Media Inquiries:
Stephanie Bose
Director, Corporate Communications
Liberty
E-mail: Corporate.Communications@libertyutilities.com
Telephone: (905) 465-4500

Caution Regarding Forward-Looking Information

Certain statements included in this news release constitute ‘‘forward-looking information’’ within the meaning of applicable securities laws in each of the provinces of Canada and the respective policies, regulations and rules under such laws and ‘‘forward-looking statements’’ within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, ‘‘forward-looking statements”). The words “will”, “expects”, “intends”, “would”, "plans", “targets” and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements in this news release include, but are not limited to, statements regarding: the expected timing for closing the Acquisition; the purchase price for the Acquisition; the financing of the Acquisition; the impact and expected benefits of the Acquisition to the Company, including the impact of the Acquisition on the Company’s business, operations and financial condition; the Company’s sustainability, environmental and decarbonization targets, initiatives and goals (including the Company’s ability to achieve these targets, initiatives and goals); the Company’s “greening the fleet” plans with respect to Kentucky Power; expectations regarding the Company’s rate base and business mix following completion of the Acquisition; expectations regarding the Company’s credit ratings following completion of the Acquisition; expectations regarding the issuance of additional common equity by the Company; expectations regarding the use of proceeds of the Offering; and expectations regarding capital expenditures. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in AQN's Management Discussion & Analysis and Annual Information Form for the year ended December 31, 2020, and in AQN's Management Discussion & Analysis for the three months and nine months ended September 30, 2021 (the "Interim MD&A"), each of which is or will be available on SEDAR and EDGAR. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Non-GAAP Financial Measures

The terms “Adjusted Net Earnings”, "Adjusted EBITDA" and “Adjusted Funds from Operations” are not recognized measures under U.S. GAAP. There is no standardized measure of “Adjusted Net Earnings”, "Adjusted EBITDA" and “Adjusted Funds from Operations”; consequently, AQN’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. An explanation, calculation and analysis of “Adjusted Net Earnings”, "Adjusted EBITDA" and “Adjusted Funds from Operations”, including a reconciliation to the most directly comparable U.S. GAAP measure, where applicable, can be found in the Interim MD&A.

Adjusted EBITDA

Adjusted EBITDA is a non-GAAP measure used by many investors to compare companies on the basis of ability to generate cash from operations. AQN uses these calculations to monitor the amount of cash generated by AQN. AQN uses Adjusted EBITDA to assess the operating performance of AQN without the effects of (as applicable): depreciation and amortization expense, income tax expense or recoveries, acquisition costs, certain litigation expenses, interest expense, gain or loss on derivative financial instruments, write down of intangibles and property, plant and equipment, earnings attributable to non-controlling interests, non-service pension and post-employment costs, cost related to tax equity financing, costs related to management succession and executive retirement, costs related to prior period adjustments due to the Tax Cuts and Jobs Act ("U.S. Tax Reform"), costs related to condemnation proceedings, financial impacts on the Company's Senate Wind Facility from the significantly elevated pricing that persisted in the Electric Reliability Council of Texas (ERCOT) market over several days (the "Market Disruption Event") as a result of the February 2021 extreme winter storm conditions experienced in Texas and parts of the central U.S., gain or loss on foreign exchange, earnings or loss from discontinued operations, changes in value of investments carried at fair value, and other typically non-recurring or unusual items. AQN adjusts for these factors as they may be non-cash, unusual in nature and are not factors used by management for evaluating the operating performance of the Company. AQN believes that presentation of this measure will enhance an investor’s understanding of AQN’s operating performance. Adjusted EBITDA is not intended to be representative of cash provided by operating activities or results of operations determined in accordance with U.S. GAAP, and can be impacted positively or negatively by these items.

Adjusted Net Earnings

Adjusted Net Earnings is a non-GAAP measure used by many investors to compare net earnings from operations without the effects of certain volatile primarily non-cash items that generally have no current economic impact or items such as acquisition expenses or certain litigation expenses that are viewed as not directly related to a company's operating performance. AQN uses Adjusted Net Earnings to assess its performance without the effects of (as applicable): gains or losses on foreign exchange, foreign exchange forward contracts, interest rate swaps, acquisition costs, one-time costs of arranging tax equity financing, certain litigation expenses and write down of intangibles and property, plant and equipment, earnings or loss from discontinued operations, unrealized mark-to-market revaluation impacts (other than those realized in connection with the sales of development assets), costs related to management succession and executive retirement, costs related to prior period adjustments due to U.S. Tax Reform, costs related to condemnation proceedings, financial impacts from the Market Disruption Event on the Company's Senate Wind Facility, changes in value of investments carried at fair value, and other typically non-recurring or unusual items as these are not reflective of the performance of the underlying business of AQN. The non-cash accounting charge related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of U.S. Tax Reform is adjusted as it is also considered a non-recurring item not reflective of the performance of the underlying business of AQN. AQN believes that analysis and presentation of net earnings or loss on this basis will enhance an investor's understanding of the operating performance of its businesses. Adjusted Net Earnings is not intended to be representative of net earnings or loss determined in accordance with U.S. GAAP, and can be impacted positively or negatively by these items.

Adjusted Funds from Operations

Adjusted Funds from Operations is a non-GAAP measure used by investors to compare cash flows from operating activities without the effects of certain volatile items that generally have no current economic impact or items such as acquisition expenses that are viewed as not directly related to a company's operating performance. AQN uses Adjusted Funds from Operations to assess its performance without the effects of (as applicable): changes in working capital balances, acquisition expenses, certain litigation expenses, cash provided by or used in discontinued operations, financial impacts from the Market Disruption Event on the Company's Senate Wind Facility, and other typically non-recurring items affecting cash from operations as these are not reflective of the long-term performance of the underlying businesses of AQN. AQN believes that analysis and presentation of funds from operations on this basis will enhance an investor's understanding of the operating performance of its businesses. Adjusted Funds from Operations is not intended to be representative of cash flows from operating activities as determined in accordance with U.S. GAAP, and can be impacted positively or negatively by these items.

Reconciliation of Adjusted EBITDA to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

	Three Months Ended September 30	
(all dollar amounts in $ millions)	**2021**	**2020**
Net earnings (loss) attributable to shareholders	**$ (27.9)**	$ 55.9
Add (deduct):		
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]	**4.5**	3.4
Income tax expense (recovery)	**(19.4)**	(19.7)
Interest expense	**51.7**	45.6
Other net losses[3]	**0.9**	16.9
Pension and post-employment non-service costs	**3.9**	2.4
Change in value of investments carried at fair value[2]	**139.1**	23.4
Loss (gain) on derivative financial instruments	**1.8**	(0.3)
Realized loss on energy derivative contracts	**(0.5)**	(0.3)
Loss (gain) on foreign exchange	**1.3**	(0.9)
Depreciation and amortization	**96.6**	71.5
Adjusted EBITDA	**$ 252.0**	$ 197.9

[1] HLBV represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the three months ended September 30, 2021 amounted to $16.0 million as compared to $11.8 million during the same period in 2020.

[2] See *Note 6* in the unaudited interim consolidated financial statements.

[3] See *Note 16* in the unaudited interim consolidated financial statements.

Reconciliation of Adjusted Net Earnings to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted Net Earnings and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to consolidated net earnings in accordance with U.S. GAAP.

The following table shows the reconciliation of net earnings to Adjusted Net Earnings exclusive of these items:

(all dollar amounts in $ millions except per share information)	**Three Months Ended September 30 2021**	**2020**
Net earnings (loss) attributable to shareholders	**$ (27.9)**	$ 55.9
Add (deduct):		
Loss (gain) on derivative financial instruments	**1.8**	(0.3)
Realized loss on energy derivative contracts	**(0.5)**	(0.3)
Other net losses[2]	**0.9**	16.9
Loss (gain) on foreign exchange	**1.3**	(0.9)
Change in value of investments carried at fair value[1]	**139.1**	23.4
Adjustment for taxes related to above	**(17.1)**	(6.6)
Adjusted Net Earnings	**$ 97.6**	$ 88.1
Adjusted Net Earnings per share	**$ 0.15**	$ 0.15

1 See *Note 6* in the unaudited interim consolidated financial statements.

2 See *Note 16* in the unaudited interim consolidated financial statements.

Reconciliation of Adjusted Funds from Operations to Cash Flows from Operating Activities

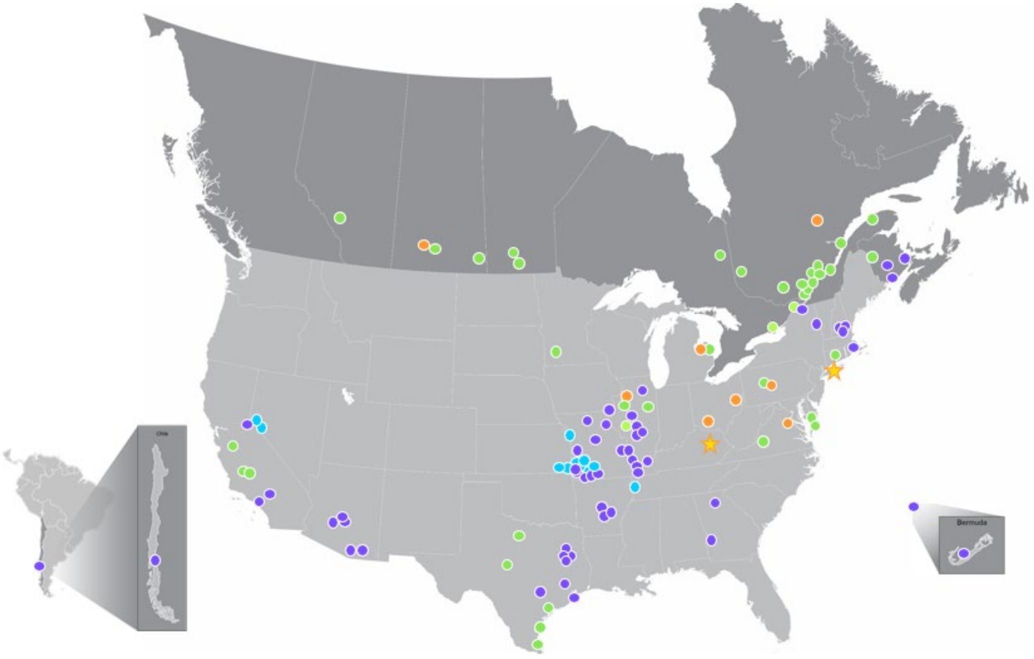
The following table is derived from and should be read in conjunction with the consolidated statement of operations and consolidated statement of cash flows. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted Funds from Operations and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to cash flows from operating activities in accordance with U.S GAAP.

The following table shows the reconciliation of cash flows from operating activities to Adjusted Funds from Operations exclusive of these items:

(all dollar amounts in $ millions)	**Three Months Ended September 30 2021**	**2020**
Cash flows from operating activities	**$ 174.7**	$ 121.4
Add (deduct):		
Changes in non-cash operating items	**(6.2)**	23.7
Acquisition-related costs	**1.7**	2.9
Adjusted Funds from Operations	**$ 170.2**	$ 148.0

Investor Day
December 14, 2021

Algonquin Liberty™



~$9.1 B
Market Cap[1]

~$16.7 B
Total Assets[2]

~141%
Cumulative 5-Year Total Shareholder Return[4]

BBB
Credit Rating

$12.4 B
CapEx Plan from 2022 through end of 2026

1988
Company Founded

3,400+
Employees

~4.1 GW
Renewables (owned, operated and/or net interest in)

~3.8 GW
Prospective Greenfield Development Pipeline

1. Market capitalization on the New York Stock Exchange (NYSE), as of November 30, 2021.
2. Total Assets as of September 30, 2021.
3. 2020 TSR calculation on New York Stock Exchange (NYSE), as of December 31, 2020.
4. 5-year TSR calculation on Toronto Stock Exchange (TSX), as of December 31, 2020.

Forward-Looking Statements

Certain written statements included herein and/or oral statements made in connection with the presentation contained herein constitute “forward-looking information” within the meaning of applicable securities laws in each of the provinces of Canada and the respective policies, regulations and rules under such laws and “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). The words “will”, “expects”, “intends”, “should”, “would”, “anticipates”, “projects”, “forecasts”, “plans”, “estimates” (occasionally denoted herein by the letter “E”), “may”, “outlook”, “aims”, “pending”, “prospective”, “target”, “believes”, “could”, “potential” and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements contained in or made in connection with this presentation include, but are not limited to statements regarding: the expected performance of Algonquin Power & Utilities Corp. (“AQN”, “Algonquin” or the “Company”); the Company’s expected future growth, earnings, cash flows, funds from operations, revenue, debt and dividends; expected future rate base; capital expenditure and investment plans; development projects (including greenfield opportunities) and the anticipated generation capacity, completion, timing, cost, location, size, success rate, customer benefits and qualification for tax credits of such projects; the Company’s pending acquisitions of New York American Water Company, Inc. (“New York American Water” or “NYAW”) and Kentucky Power Company (“Kentucky Power”) and AEP Kentucky Transmission Company, Inc., including the expected timing for closing and the financing thereof; the impact and expected benefits of such acquisitions to the Company, including the impact on the Company’s business, operations, customer count, rate base, business mix, return on equity and financial condition; the Company’s “greening the fleet” plans, including with respect to Kentucky Power and the Mitchell coal plant; expectations regarding the benefits, outcomes and impacts of transitioning to renewable energy; expectations regarding the timing for the transfer or retirement (for rate-making purposes in Kentucky) of the Mitchell coal plant; the expected non-renewal of the offtake contract for the Rockport coal plant; expectations regarding the use of proceeds of the Company’s November 2021 C$800 million bought deal common share offering; expectations regarding the levelized cost of energy from renewable sources; the Company’s financing plan and expected sources and uses of capital, including the impact thereof on the Company’s balance sheet; projections about liquidity, capital sufficiency and credit ratings; targets and expectations regarding credit metrics; the Company’s corporate development and growth initiatives and the results thereof, including future acquisitions and the expected business mix between the Company’s operating segments; expectations regarding potential future asset dispositions and other capital recycling initiatives, including the anticipated benefits and structure thereof; the Company’s sustainability, decarbonization, environmental, social and governance goals, targets and initiatives (including the Company’s ability to achieve these goals, targets and initiatives and the Company’s expectations with respect thereto); the Company’s expected growth strategies; anticipated utility rates, regulatory filings, outcomes and initiatives, available regulatory mechanisms and recoverability of investments; expected tax rates; industry data and projections; expectations regarding safety, reliability and system operating performance; expected future operating costs; expectations regarding legislative changes and initiatives; expectations regarding the Company’s investment in emerging technologies, including battery storage, microgrids, community solar and renewable natural gas; grid updates in connection with the Texas Coastal Wind Facilities; and customer expectations, rates and savings. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their nature they rely on assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in this presentation or contained in AQN’s Management Discussion and Analysis for the three and nine months ended September 30, 2021 (the “Interim MD&A”), AQN’s Management Discussion and Analysis for the three and twelve months ended December 31, 2020 (the “Annual MD&A”), and AQN’s Annual Information Form for the year ended December 31, 2020, each filed with securities regulatory authorities in Canada and the United States. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Currency

In this presentation, unless otherwise specified or the context requires otherwise, all dollar amounts are expressed in U.S. dollars.

Non-GAAP Financial Measures

The terms “Adjusted Net Earnings”, “Adjusted Net Earnings per share” (or “Adjusted Net EPS”), “earnings before interest, taxes, depreciation and amortization” (“EBITDA”), “Adjusted EBITDA”, “Adjusted Funds from Operations”, "Net Energy Sales", "Net Utility Sales" and “Divisional Operating Profit” (together the “Financial Measures”) may be used in this presentation and discussion. The Financial Measures are not recognized measures under U.S. GAAP. There is no standardized measure of the Financial Measures; consequently, AQN’s method of calculating the Financial Measures may differ from methods used by other companies and therefore they may not be comparable to similar measures presented by other companies. An explanation, calculation and analysis of the Financial Measures, including a reconciliation to the most directly comparable U.S. GAAP measure, where applicable, can be found in the Interim MD&A and the Annual MD&A. A reconciliation of certain of the Financial Measures used in the presentation to the most directly comparable U.S. GAAP measure can also be found in the Appendix beginning on page 77 of this presentation.

Market and Industry Data

Certain of the information contained in this presentation concerning economic trends and market, peer and industry data and projections is based upon or derived from information by third party or industry sources. The Company provides no assurance with respect to the accuracy of such information nor has the Company independently verified such information or the assumptions upon which projections of future trends are based. As a result, readers should be aware that any such information and data set forth in this presentation and estimates and beliefs based on such information and data, may not be reliable.

Speakers & Agenda

Jeff Norman

Johnny Johnston

George Trisic

Arthur Kacprzak

Amelia Tsang

1. **Welcome and Safety Moment** .... Amelia Tsang, Vice President, Investor Relations
2. **Strategic Overview** .... Arun Banskota, President and Chief Executive Officer
3. **Leaders in Growth** .... Jeff Norman, Chief Development Officer
4. **Leaders in Operational Excellence** .... Johnny Johnston, Chief Operating Officer
5. **Leaders in Sustainability** .... George Trisic, Chief Sustainability Officer
6. **Financial Overview** .... Arthur Kacprzak, Chief Financial Officer
7. **Closing Remarks** .... Arun Banskota, President and Chief Executive Officer
8. **Q&A**


Strategic Overview
Algonquin | Liberty | 2021 Investor Day

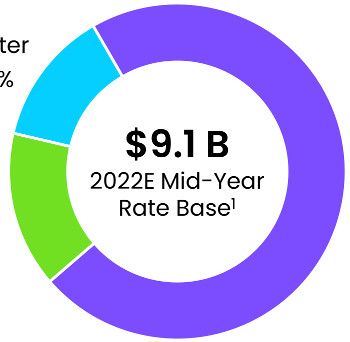
Arun Banskota

"Algonquin continues to play a leading role in the transition to a low-carbon economy."

North American Energy and Water Company

Regulated

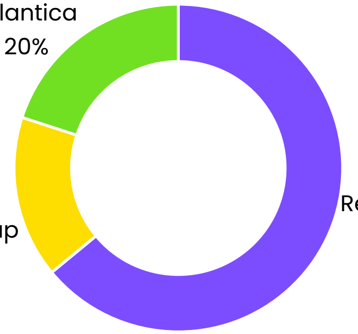
- Operates a diversified portfolio of regulated electric, water and natural gas infrastructure



- Entrepreneurial Culture
- Greening the Fleet
- Tax Equity Experience
- Technology Expertise
- Balance Sheet
- Green Financings

Renewable

- Developer and operator of renewable and clean power generation facilities



Unique diversified portfolio creates opportunities

1. Pro forma estimate, assuming closing of the New York American Water and Kentucky Power acquisitions.
2. Includes renewable generating capacity in both the Regulated Services Group and Renewable Energy Group. Non-renewable generating capacity in the Regulated Services Group is not included.

Growth Levers

Regulated Services Group

- **Organic investments**
  - Expected investment of approximately $0.8B to $1.2B per year to improve safety, reliability and resiliency
- **Optimizing performance**
  - Best practices across diverse jurisdictions leading to minimal regulatory lag
- **Experienced Greening Playbook**
  - Leveraging development and financial expertise
- **Acquisitions and Tuck-ins**
  - 100% success rate of closing announced acquisitions of regulated utilities

Renewable Energy Group

- **Greenfield development**
  - Ability to originate and execute projects
- **Corporate Renewable Energy Customers**
  - Support customers' sustainability targets
- **Emerging Technology**
  - RNG, Battery Storage, Community Solar, Hydrogen
- **Atlantica Sustainable Infrastructure**

Multiple growth levers across both businesses

2021 Execution in Action

	We Did
5-year capital deployment of $9.4B from 2021 through 2025	✓ Deployed $3.4B as at the end of Q3 2021
Unveiled 3,400 MW prospective greenfield pipeline for 1st time	✓ Confident in 600 MW and moved these into capital plan, while growing prospective greenfield pipeline to approx. 3,800 MW
Announced Chevron Framework Agreement	✓ Have signed Final Investment Decision on 4 Permian projects
Focus on key ESG relationships with large corporate renewable energy customers	✓ Contributing to General Mills achieving its RE100 ambitions ✓ Contributing to Kimberly-Clark reaching its 2030 goal of reducing GHG emissions by 50% ✓ New corporate customers – Microsoft, J.P. Morgan
Looking into Growing Battery Storage	✓ Operating 13 MWh in Regulated; 9 MWh under construction in Renewables; prospective pipeline of approx. 1,700 MWh
Looking at RNG	✓ Projects in development in every regulated gas jurisdiction ✓ Executed agreement to acquire RNG platform with portfolio of dairy farm projects in Wisconsin
Greening the Fleet Opportunities	✓ Midwest Greening completed ✓ Kentucky Power Greening Opportunity

We have a solid record of delivering on our commitments and are positioned well for the future

Kentucky Power
Greening the Fleet Playbook

- **Expected to reinforce Algonquin's competitive position in the energy transition and leverage our experience in "greening the fleet"**
  - Strong track record of transitioning our Empire and CalPeco utilities
- **Significant opportunities to transition the existing fossil fuel generation with renewable sources**
  - Opportunity to replace thermal supply from Rockport (Indiana) and Mitchell (West Virginia)
  - Expected levelized cost of energy from renewables lower than market purchases and current fossil-fuel owned generation assets
- **Aligns with Algonquin's target of achieving net-zero greenhouse gas emissions (scope 1 and 2) by 2050**
  - Opportunity to add over 1000 MW of renewable generation capacity

Leveraging proven track record of Greening the Fleet

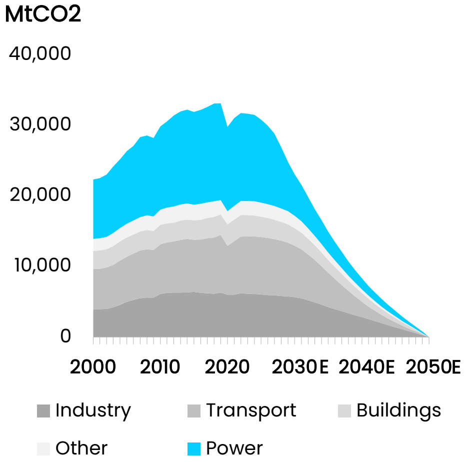
Kentucky Power
Optimizing Performance Playbook

- **Successful track record of identifying, securing regulatory approvals and closing acquisitions**
  - Extensive experience in managing the integration of multi-modality utilities
  - Share learnings and best practices among our utilities with aim of driving consistent improvement of key performance metrics
- **Responsive, Local model approach**
  - Example: Granite State Electric and Empire District Electric
- **Path forward to improving earnings profile of Kentucky Power**
  - Above average regulatory jurisdiction by S&P
  - Certain key regulatory features are available that may help achieve higher return on equity ("ROE")

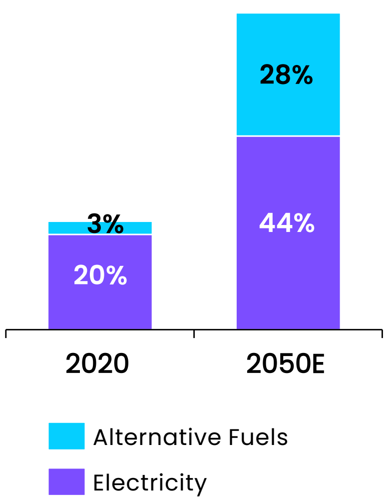
Strong track record of optimizing performance

Sustainable Infrastructure Investment Needs

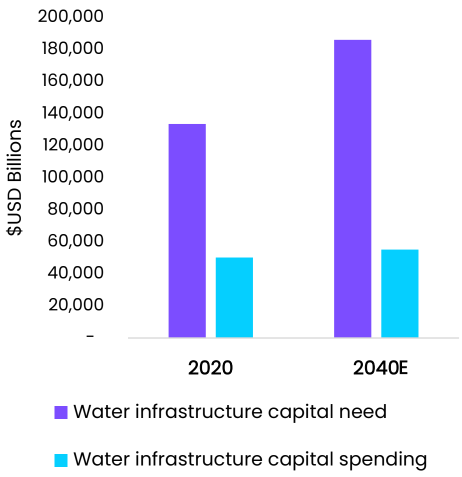
(information derived from third-party sources)



U.S. Energy Outlook[2]



US Water Infrastructure Capital Annual Spending Gap Outlook[3]



Total addressable market of $16 to $19 trillion expected in North America

1. Source: BloombergNEF New Energy Outlook, August 2021.
2. Source: IEA data; The Long-term Strategy of the United States: Pathways to Net-Zero Greenhouse Gas Emissions by 2050, November 2021.
3. Source: American Society of Civil Engineers, The Economic Benefits of Investing in Water Infrastructure, August 2020.

Emerging Commercial Technologies

(information derived from third-party sources)

Battery Storage[1]

~10x

By 2030 for U.S.

Renewable Natural Gas[2]

~4x

By 2030 for U.S.

Community Solar[3]

~22x

By 2030 for U.S.

Algonquin is actively growing across each technology platform

Accelerated Renewables Growth Initiative

Opportune Timing	
AQN Positioned for Success	• Strong track record in greenfield development • Technical expertise in commercial and emerging technologies • History of successful project execution • Strong balance sheet
Value Maximization	• **Scale Benefits:** 1) Operational 2) Procurement 3) Transaction costs • **Partnering Benefits:** 1) Deal flow 2) Potential to sell to lower cost of capital 3) Potential to unlock capital to drive growth

Expect to create value through accelerated development and asset recycling

Financial Outlook

$12.4 B

5-year capital plan from 2022 through 2026

7-9%

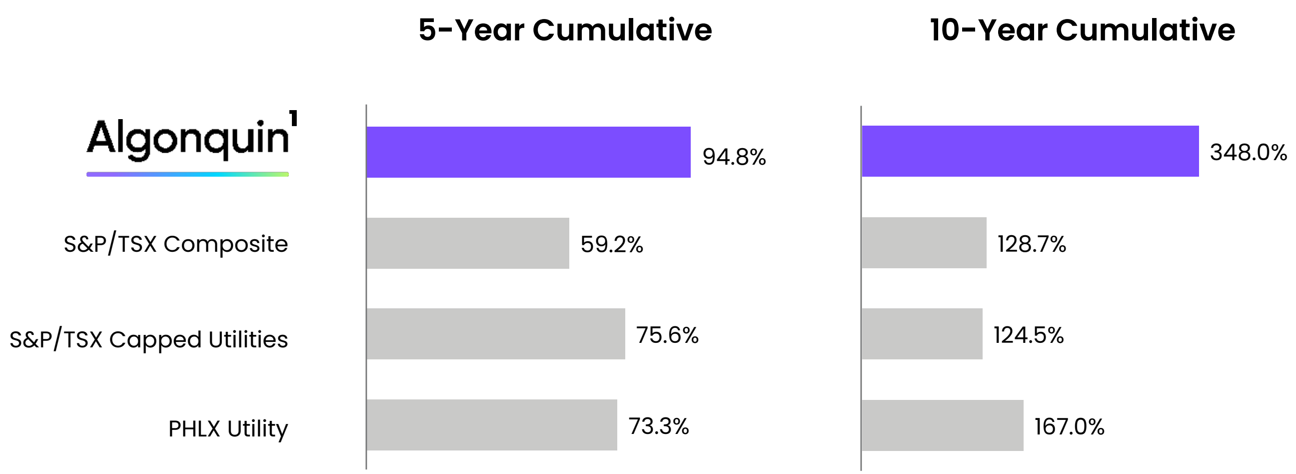
Expected 2022-2026 Adjusted Net Earnings[1] per share 5-year aggregate compound annual growth rate ("CAGR")

14.6%

Expected 5-year rate base CAGR from 2022 through 2026

Robust investment pipeline expected to continue to deliver shareholder value

Strong Track Record of Total Shareholder Returns



Delivering shareholder value over the long-term

1. Algonquin's total shareholder return metrics are based on its TSX listing.
2. Source: FactSet. TSR calculation as at November 30, 2021.

Three Pillar Foundation

Algonquin Power & Utilities Corp.

Growth

- Strong growth track record
- Multiple growth levers
- Strong balance sheet

Operational Excellence

- Award-winning safety culture
- Local operations model
- Strive to achieve authorized ROEs and minimal regulatory lag

Sustainability

- 2050 Net Zero Target
- Annual Sustainability plans
- Ambitious 2023 interim goals across ESG
- Among lowest emissions intensity per dollar of revenue at 0.0013[1]

Continued execution on three strategic pillars


Growth
Algonquin | Liberty | 2021 Investor Day

Jeff Norman

"Algonquin's development and construction platform is ready to execute on this once in a generation growth opportunity"

Regulated Growth Platform

Growth Levels

Organic	Acquisitions	Greening Playbook
	Electric Gas Water	Renewable Natural Gas Microgrids/Storage Utility Scale Wind Utility Scale Solar

Regulated Capital Plan

Organic investments represent ~50% of 5-year regulated capital plan

Renewable Growth Platform

Current Growth Levers

Utility Scale Solar
Utility Scale Storage
Utility Scale Wind

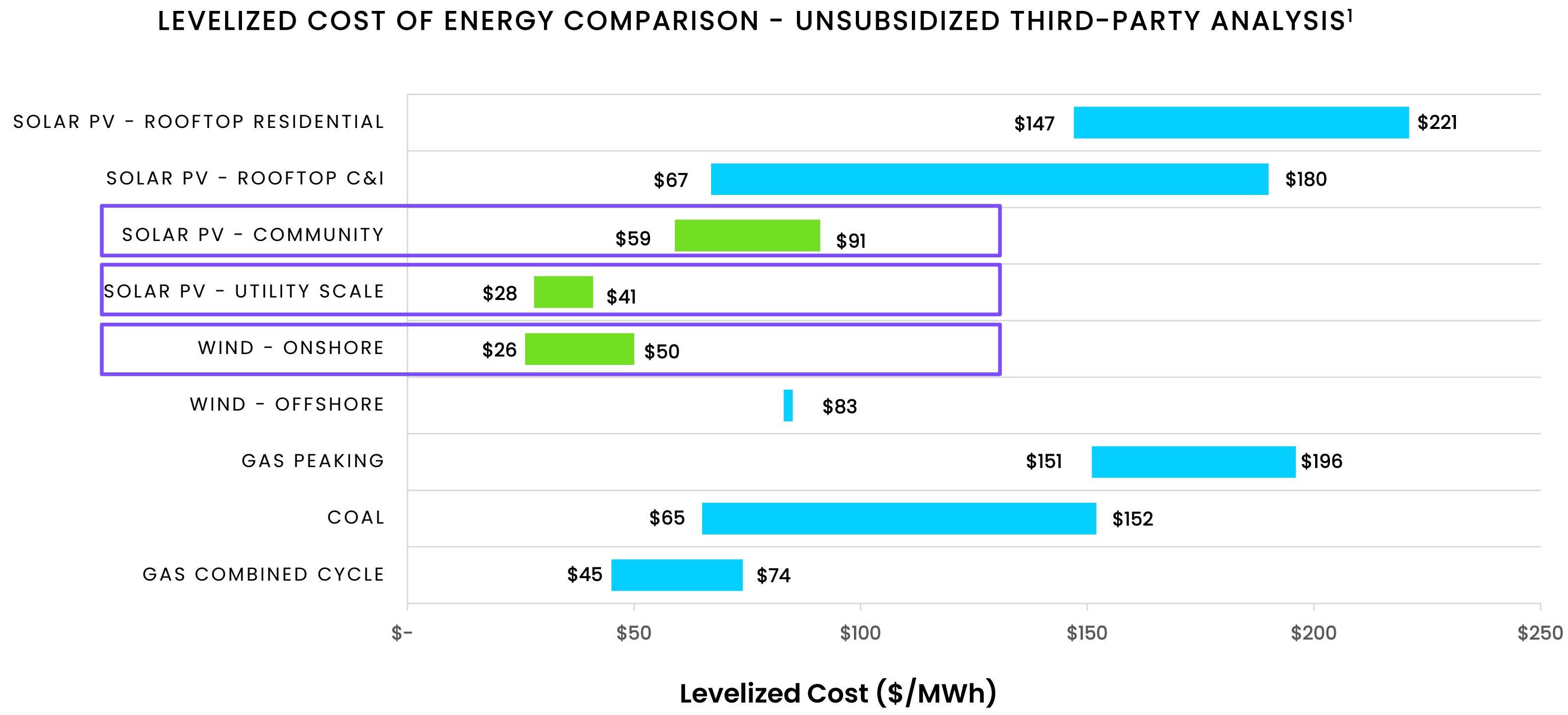
Future Growth Levers

Community Solar
Renewable Natural Gas
Microgrids/Storage

Greenfield Pipeline

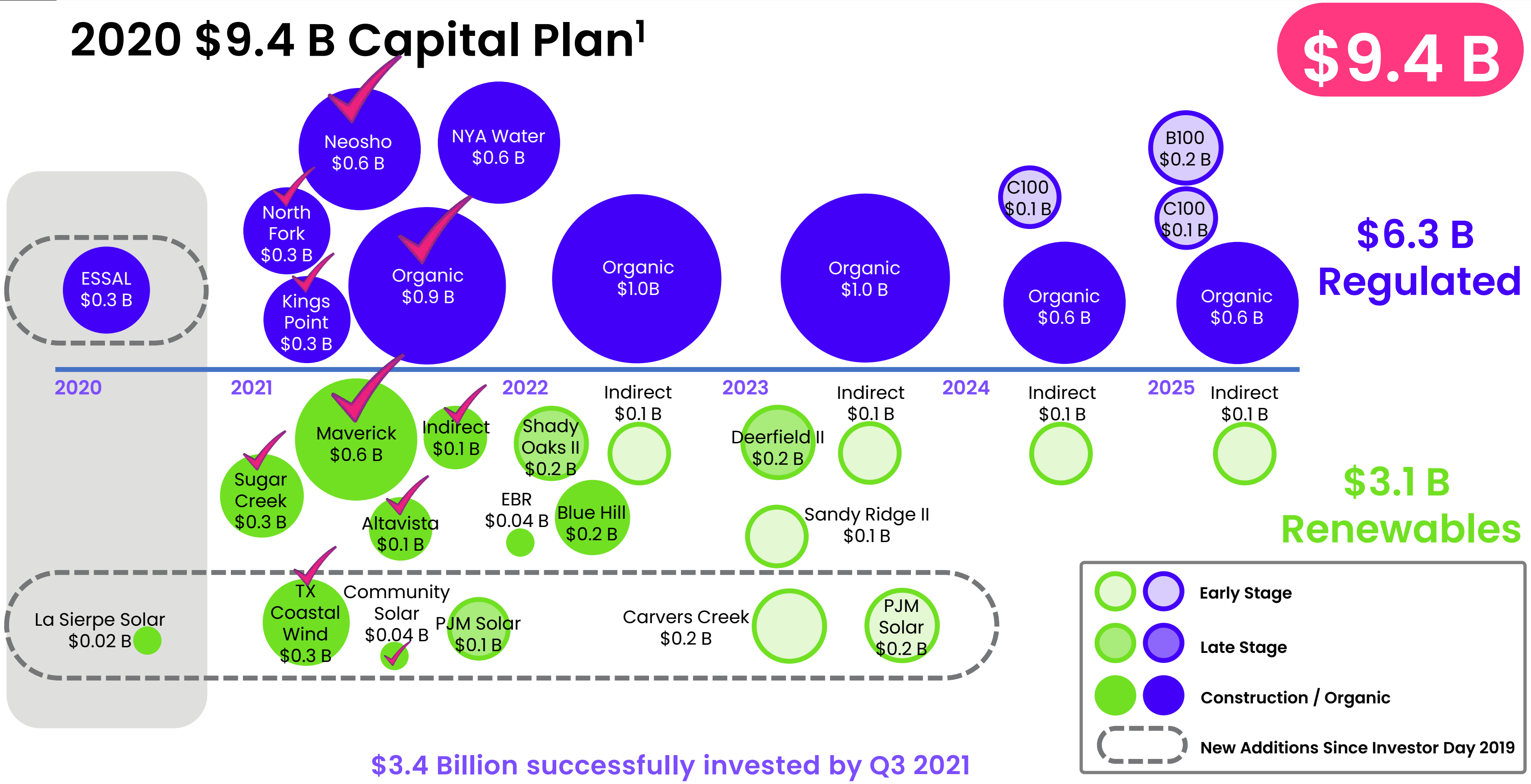
5-Year Capital Plan

Economics Behind Renewable Technologies



Renewable power presents the lowest levelized cost of energy

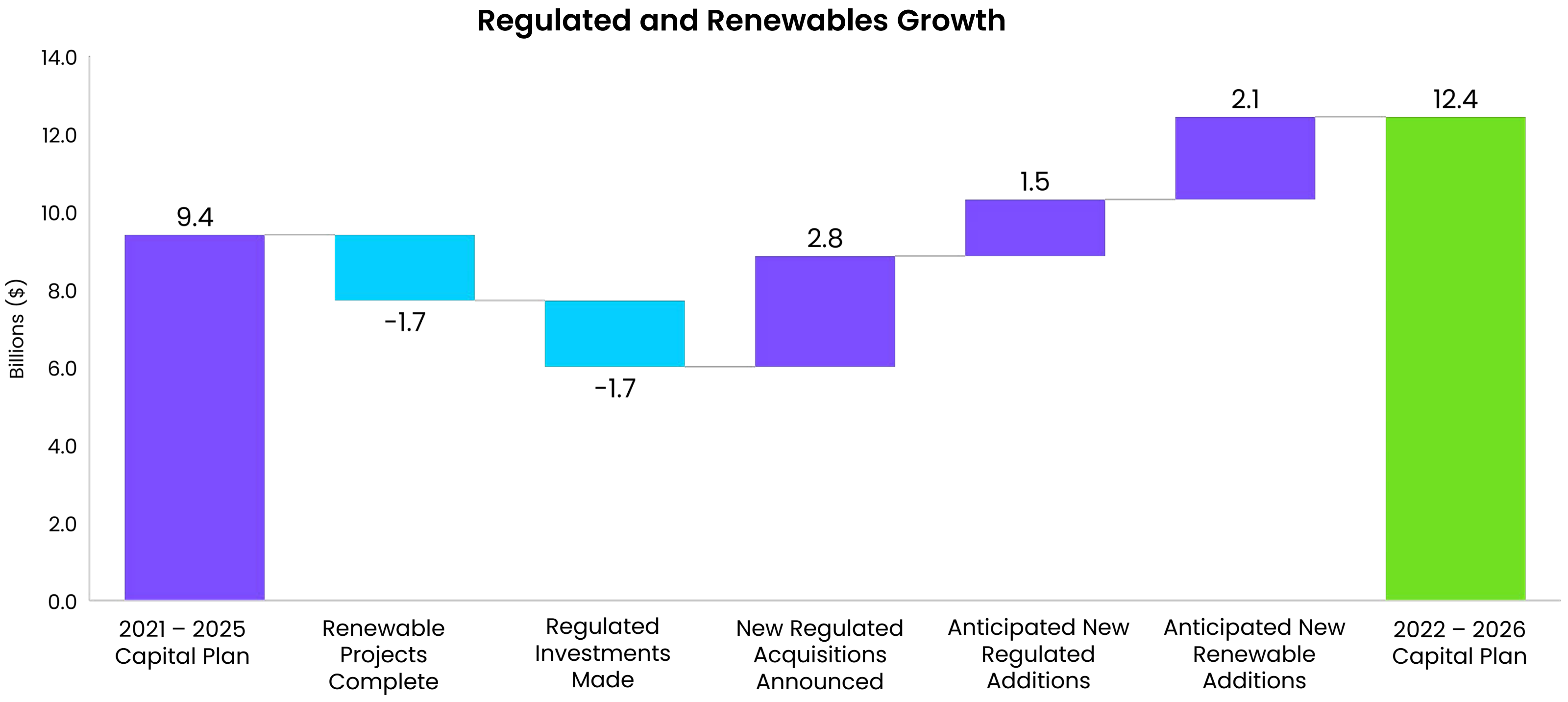
2020 $9.4 B Capital Plan[1]



$3.4 Billion successfully invested by Q3 2021

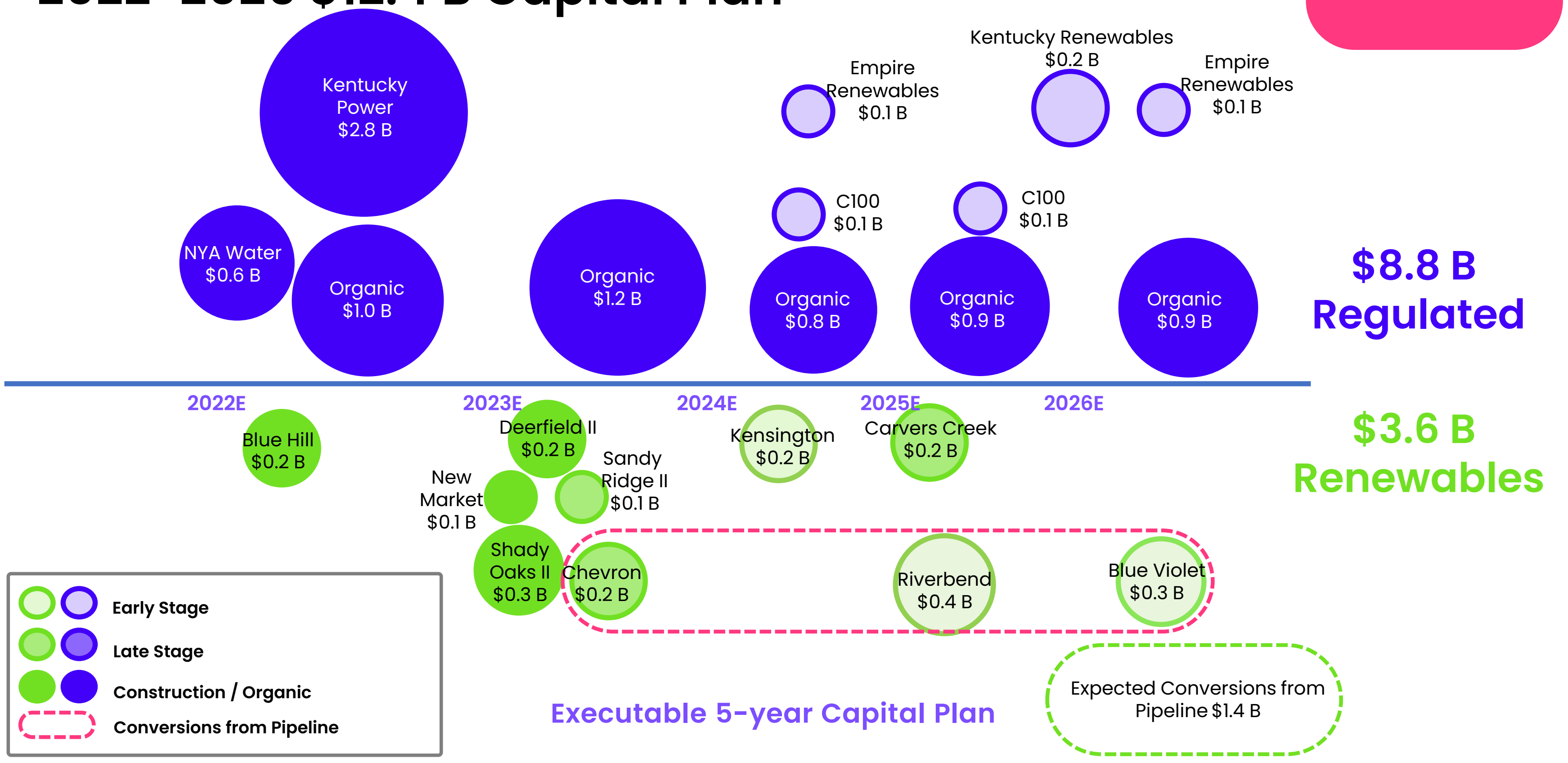
1. This slide was prepared as at December 14, 2020 and is presented herein for historical reference purposes only. Please refer to slide 24 for AQN's five-year capital plan from 2022 through 2026.

Capital Plan Growth



$6.4 billion in new additions to 5-year capital plan

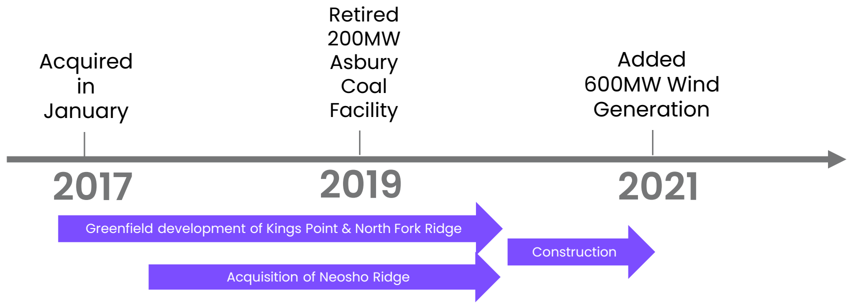
2022-2026 $12.4 B Capital Plan[1]

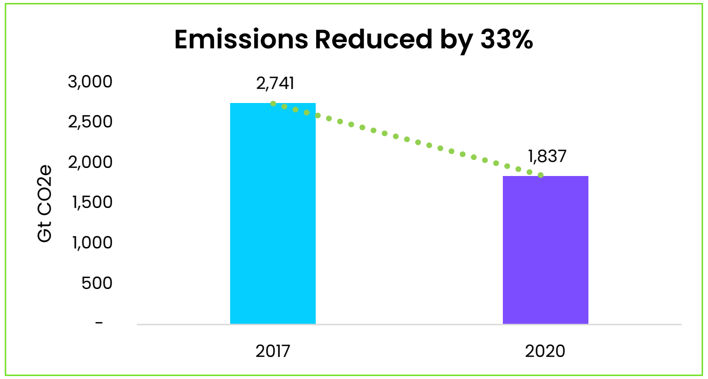


1. Dates represent expected permanent capital outlay

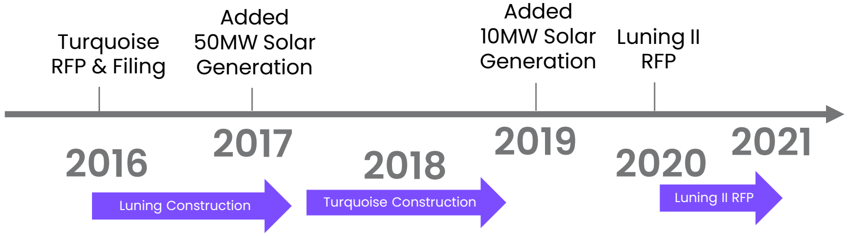

Growth
Regulated
Algonquin | Liberty | 2021 Investor Day

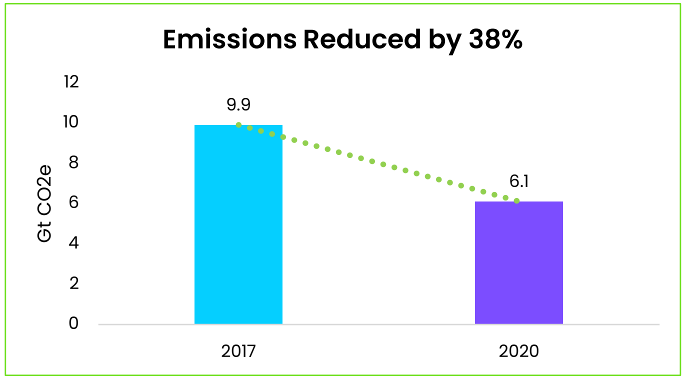
Algonquin's Greening the Fleet Track Record





CalPeco





Greening the Fleet is a proven playbook

Kentucky Power

- **Operational Portfolio**
  - Over 1 GW ownership in operational coal and gas
  - Offtake contract at Rockport Coal to phase out in 2022
  - Mitchell Coal retirement targeted for 2028
- **Greening Playbook**
  - 87% of non-renewable generation expected to end within 7 years
  - Opportunity for over 1 GW of new renewable generation
  - Expected to create customer savings, economic growth, and environmental benefits
  - Our experience at Empire District and CalPeco establishes Liberty as a leader of decarbonizing utilities
  - Preference to construct renewables in Kentucky

KENTUCKY POWER
An AEP Company
Liberty™

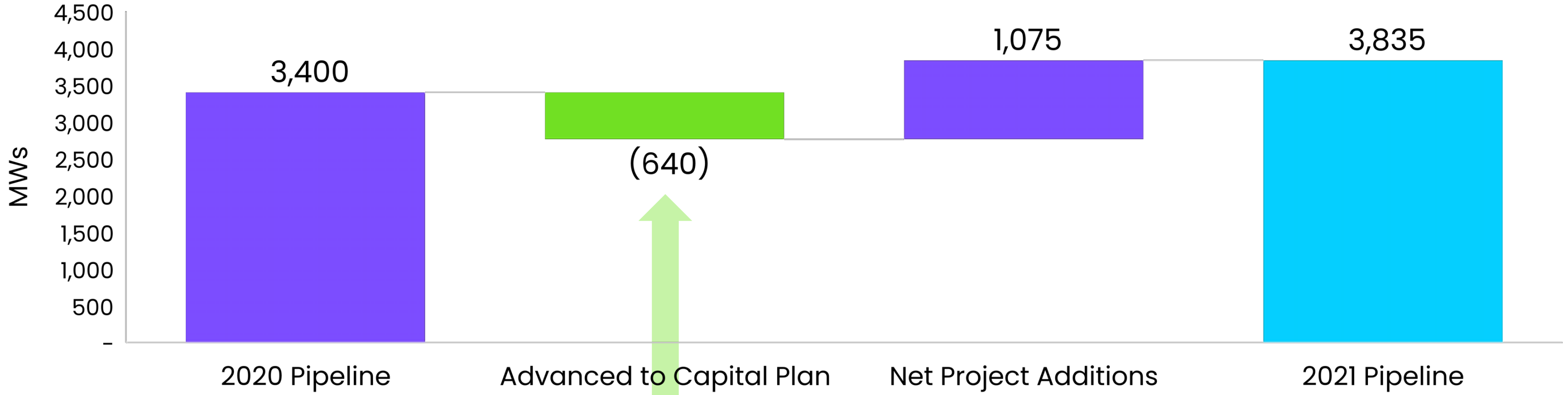
Generation Owned & Purchased

Facility	Location	Capacity	Expected Retirement / Contract End
Rockport Coal [1]	Indiana	393 MW	2022
Mitchell Coal [2]	West Virginia	780 MW	2028
Total		**1,173 MW**	

Customer and community benefits are compelling


Growth
Renewables
Algonquin | Liberty | 2021 Investor Day

2021 Additions to Prospective Greenfield Pipeline



Riverbend
$0.4B
Builds on our success in Michigan with strong customer interest

Chevron
$0.2B
Customer focused behind the meter configuration in New Mexico & Texas

Blue Violet
$0.3B
Hybrid wind/solar project in Illinois with storage contemplation

Strong greenfield pipeline expected to support future growth

Chevron Partnership

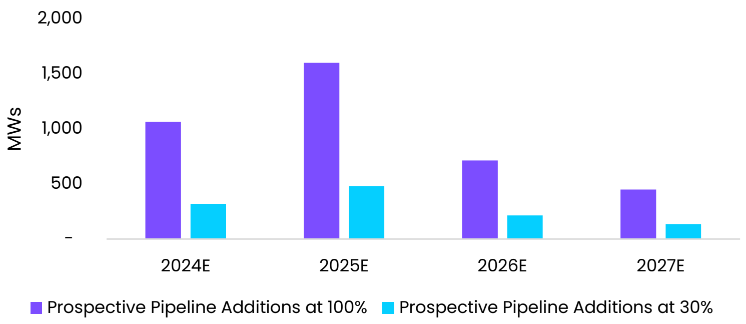
- **Portfolio Update**
  - Currently advancing development of 4 projects in the Permian
  - 120 MW of solar capacity, targeting CODs in 2022-24
  - Final investment decision made in Q4 2021
- **Future Growth**
  - Both parties committed to implementing full growth plan
  - Reviewing technology solutions beyond wind and solar, and beyond current Permian Basin focus
  - Exploring opportunities to grow beyond the Framework Agreement, including additional Chevron sites

Utilizing Algonquin development skills to deliver solutions

Greenfield Pipeline

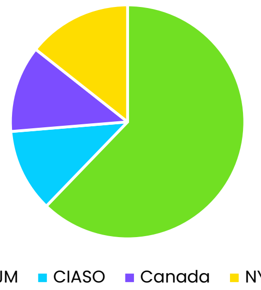
Wind and Solar Pipeline (MW)

Potential Greenfield Additions - Generation

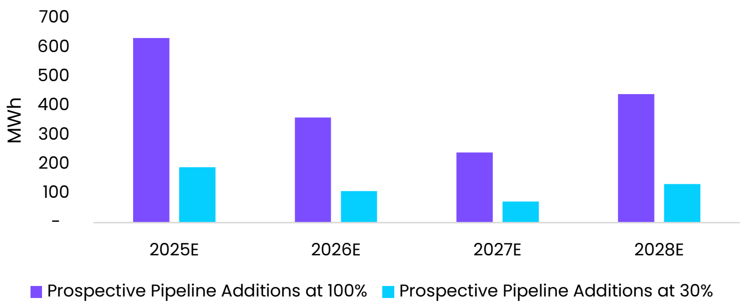


~ 1,700MWh

Storage Pipeline (MWh)



Potential Greenfield Additions - Storage



Greenfield pipeline expansion includes ~1,700MWh of Storage

Renewable Construction Program

Solar Projects		Site Preparation	Panels Installed	Acquired Pre-Notice to Proceed/Greenfield
Altavista [1]	80 MW	100%	100%	Acquired Pre-Notice to Proceed
Community Solar	16 MW	40%	40%	Acquired Pre-Notice to Proceed
New Market Solar Phase I	35 MW	100%	50%	Acquired Pre-Notice to Proceed
New Market Solar Phase 2	65 MW	85%	Q4 2022 (Expected)	Acquired Pre-Notice to Proceed
Total	196 MW			

Wind Projects		Foundations, Roads, etc.	Turbines Erected	Acquired Pre-Notice to Proceed/Greenfield
Maverick Creek	492 MW	100%	100%	Acquired Pre-Notice to Proceed
Blue Hill	175 MW	100%	100%	Greenfield
EBR (Val-Eo)	24 MW	100%	100%	Greenfield
Shady Oaks II	108 MW	100%	78%	Greenfield
Sandy Ridge II	88 MW	Q2 2022 (Expected)	Q4 2022 (Expected)	Greenfield
Deerfield II	112 MW	Q2 2022 (Expected)	Q4 2022 (Expected)	Greenfield
Total	999 MW			

Construction platform executing on over 1,000MW of projects

Growth Highlights

Regulated Growth Platform

- Organic investment opportunities expected to facilitate predicable and recurring growth
- Kentucky Power acquisition expected to drive organic and greening the fleet opportunities
- Disciplined approach to utility acquisitions

Renewable Growth Platform

- Political, economic and social pressure aligned behind renewables
- Proven and scalable utility scale solar/wind development platform
- Advancing next wave of renewable initiatives including renewable natural gas, community solar and microgrids

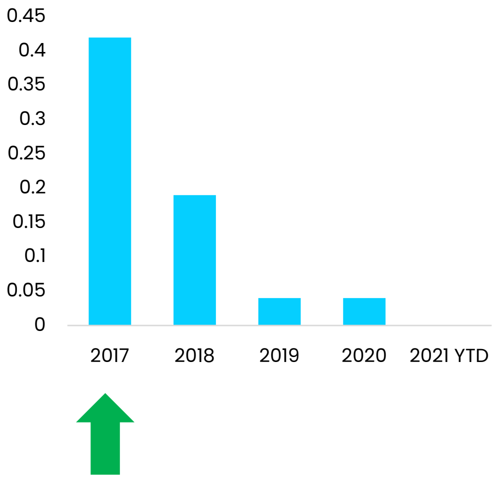

Liberty
USDOT 364417
Operational
Excellence
Algonquin | Liberty | 2021 Investor Day

Johnny Johnston

"Empowering our employees to drive customer improvements, is the foundation to delivering consistent, solid returns for our investors."

Operational Excellence in Action

Safety - Loss Time Injury Rate



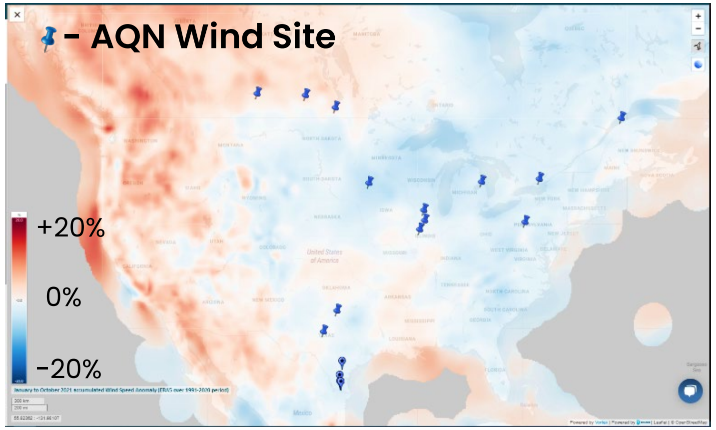
Reliability – 5-year SAIFI
(System Average Interruption Frequency Index)

JD Power Customer Satisfaction Scores

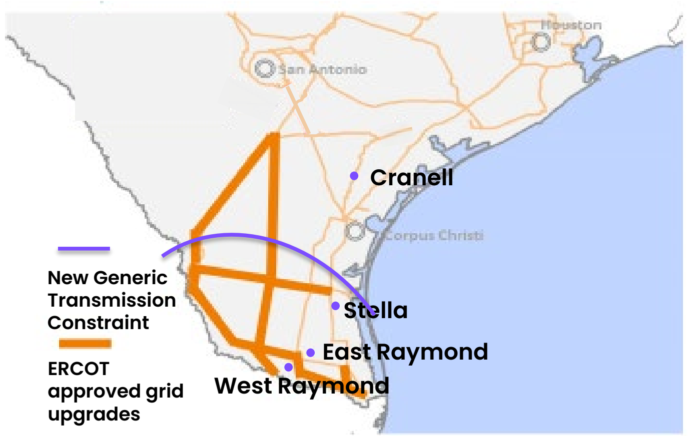
Strong track record of driving enhanced customer outcomes

2021 Headwinds

Overall, we have seen US wind energy resources down 11% in 2021 vs the long-term averages



Jan to Oct 2021 accumulated wind vs 30 year average



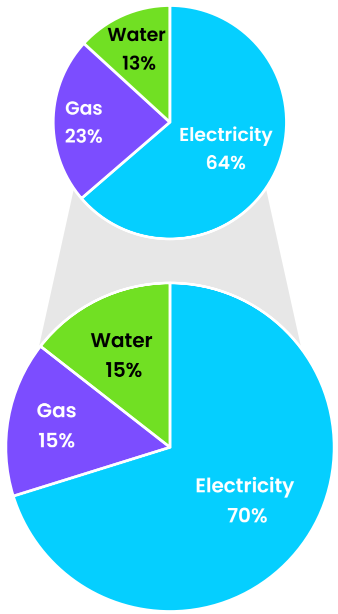
Our operational challenges in 2021 are primarily transient in nature

Investing $4.6B in Our Communities

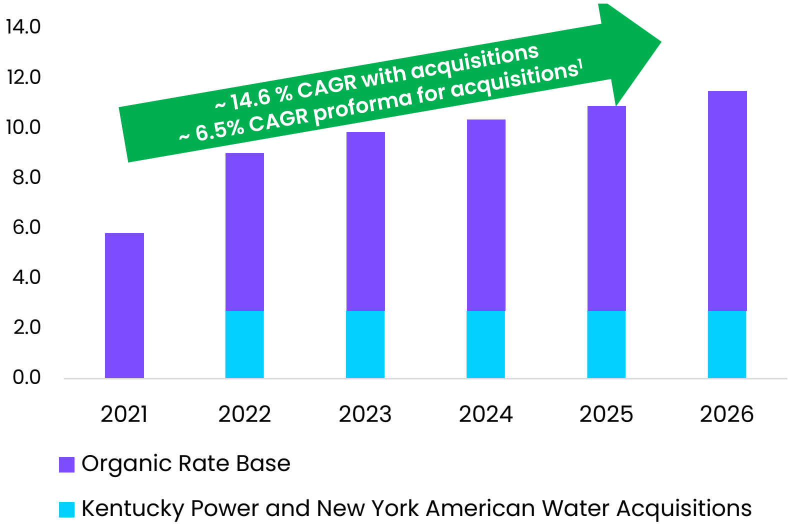
Rate Base

2021 $5.8 B

2026 (Projected) $11.5 B



Expected Rate Base Growth



1. Pro forma calculation assumes New York American Water and Kentucky Power acquisitions had closed on December 31, 2021. Provided for illustrative purposes.

Investing in the future for our customers

Prosperity Community Solar Farm in Missouri

A cost-effective way for customers to invest in renewables

Already fully subscribed

Fast chargers at Big Apple truck stop in Joplin, MO

Part of the EEI National Electric Highway Coalition

EV tariff currently in front of the Missouri commission

182,000 AMI (advanced metering infrastructure) meters successfully installed in Empire service territory

Better customer visibility & services and reduced operating costs

Filings in California, New York & Georgia for next phases

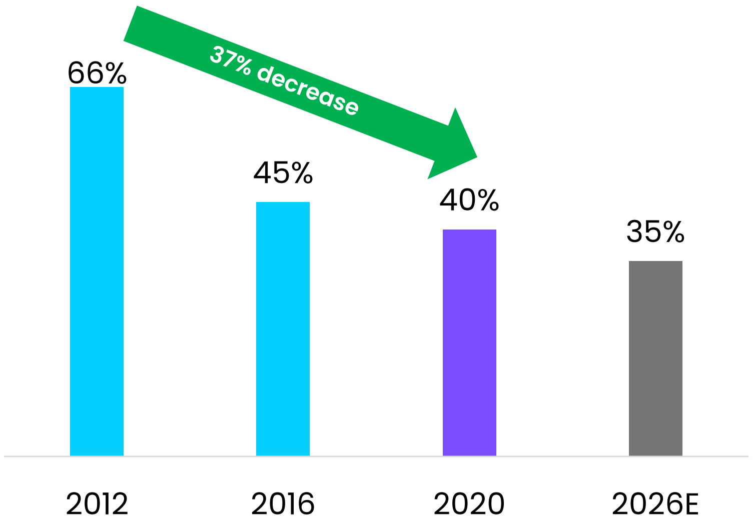
Sagehen Microgrid in California

A non-wires solution to improve resiliency and reduce wildfire risk

Project recognized by EEI and CEA in their innovation awards

Disciplined Focus on Operating Costs

- **Improving safety, reliability, and customer satisfaction while creating operational efficiencies**
- **1% CAGR reduction in adjusted operating costs over last 8 years**
- **Minimizing customer rate impact going forward**
  - Annual average rate increase of ~3%



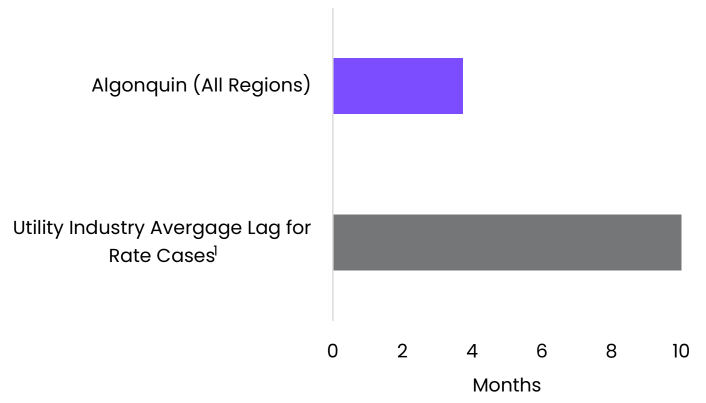
A 1% CAGR reduction in adjusted operating costs over the last 8 years helping customer bill impacts

Regulatory Mechanisms to Aid Recovery – Select Jurisdictions

Mechanism Type	CA	GA	MA	MO	NH	NY	BM	KY
Revenue assurance	✓	✓	✓	✓	✓	✓	✓	
Accelerated recovery	✓	✓	✓	✓	✓	✓	✓	✓
Post test year recovery	✓	✓	✓	✓	✓	✓	✓	✓
Authorized Return on equity (ROE) (AQN Average Authorized ROE 9.5%)	9.7%	10.2%	9.6%	9.3%	9.3%	9.1%	10.7%	9.3%

Pre-Existing
Added or planned during AQN ownership
Plan to receive

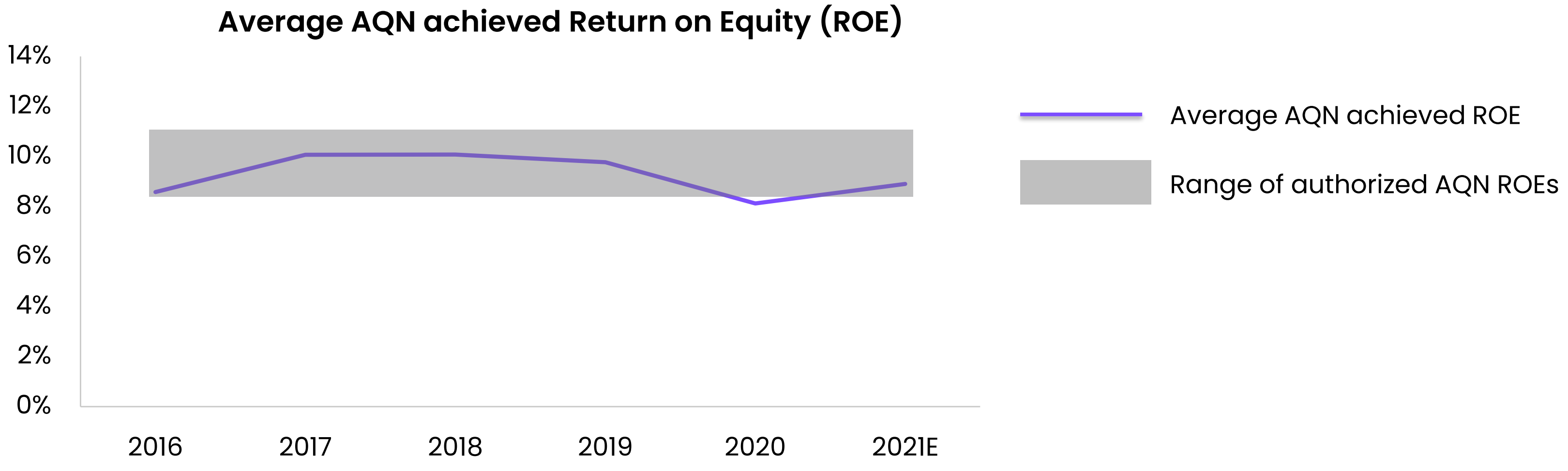
Regulatory Lag Comparison (months)



Our focus on regulatory mechanisms smooth rates and reduce regulatory lag

[1] Source: Edison Electric Institute Mid-year 2021 Rate Review Summary.

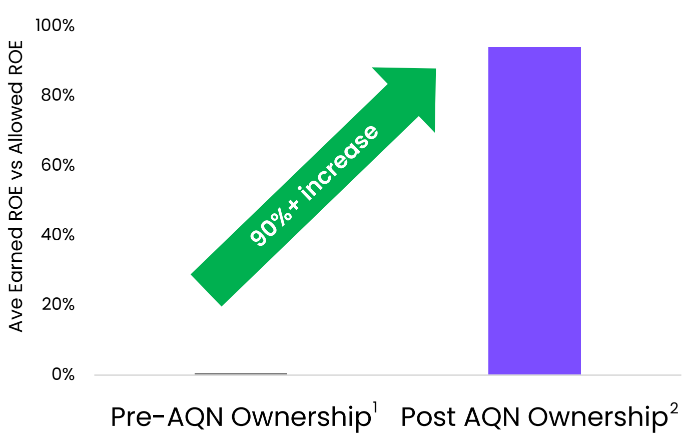
Delivering Stable Returns



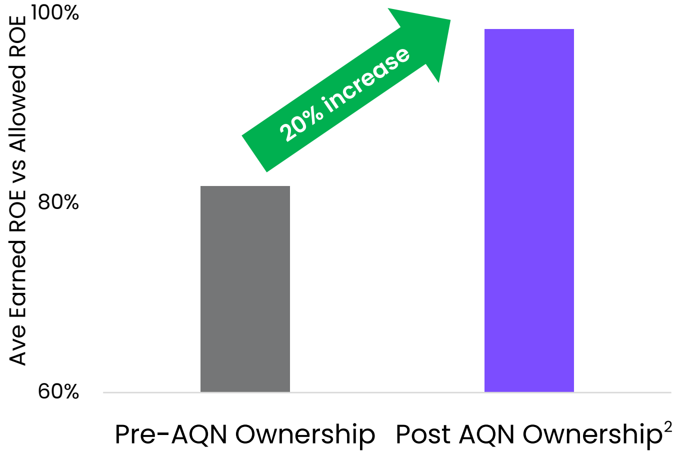
Over the last 5 years we have consistently delivered close to our allowed returns

Improving Returns Case Studies

Granite State Electric, NH



Empire District Electric, MO



Solid track record of improving underperforming returns, with operational & regulatory focus

1. Pre-acquisition returns were the average returns for the 3 years pre-closing.
2. Post-acquisition returns are the average returns through AQN ownership since the first full year of new rates post acquisitions: 2014 for Granite State and 2017 for Empire District.

Acquisition Update

New York American Water

- Expecting to close by Jan. 3, 2022
- Expected Rate Base in 2022 $400M

Kentucky Power

Solid track record of utility integration and on track for completing NYAW and KP in 2022

Operational Excellence Summary

- **Our diverse portfolio, helps to reduce risk, provide customer benefit, improve returns, and provide more stable earnings**
- **Our customer focused 5-year organic capital plan is ~$4.6B**
- **We are focused on affordability with a 1% CAGR reduction in operating costs over the last 8 years**
- **We are experienced at integrating utilities, and look forward to bringing on New York American Water and Kentucky Power in 2022**


Sustainability
Algonquin | Liberty | 2021 Investor Day

George Trisic

"For Algonquin, decarbonization of our business is a value creation strategy."

ESG is Embedded in Our Business Strategy

- Net-zero target guides our decarbonization strategy
- We continue to make strong progress towards current interim 2023 ESG goals
- Our intention is to announce additional interim goals along our net-zero journey
- Our renewable generation expertise has enabled our strong decarbonization track record and is expected to continue to do so

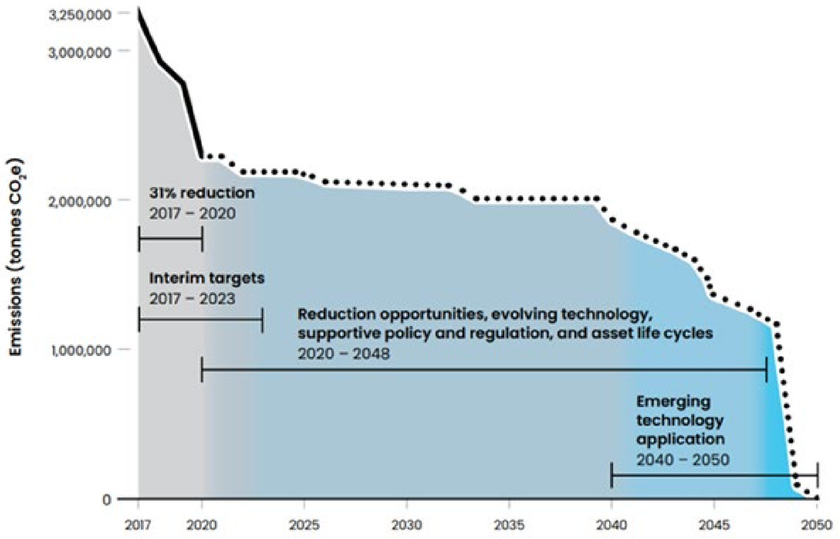
Net-Zero – the Path to 2050

Net-zero by 2050 target for scope 1 and scope 2 emissions across our business operations.

Emissions reduction opportunities

- Greening the fleet
  - Leverage strong track record
  - Renewables buildout opportunity
- Greening our customers
  - C&I partners
- Leveraging technology
  - Green fuels
  - Storage solutions

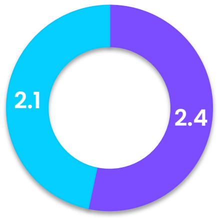
2050 Net-Zero Pathway



1. Calculation includes preliminary base-year emissions estimates for ESSAL (Chile) and Ascendant (Bermuda), each acquired in 2020. These annualized estimates are based on actual emissions data for these entities during the 2020 post-acquisition period. Formal base-year recalculations for ESSAL and Ascendant are expected to be performed in connection with Algonquin's 2021 calendar year ESG disclosure.

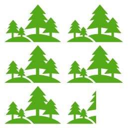
Decarbonization Provides Opportunities for Value Creation

Avg Annual Emissions Avoided by Renewables Fleet
(million MT CO2)



For C&I Customers
Regulated & Unregulated

978,000 passenger vehicles off the road each year



The sequestered CO2 of 5,500,000 acres of U.S. forest each year

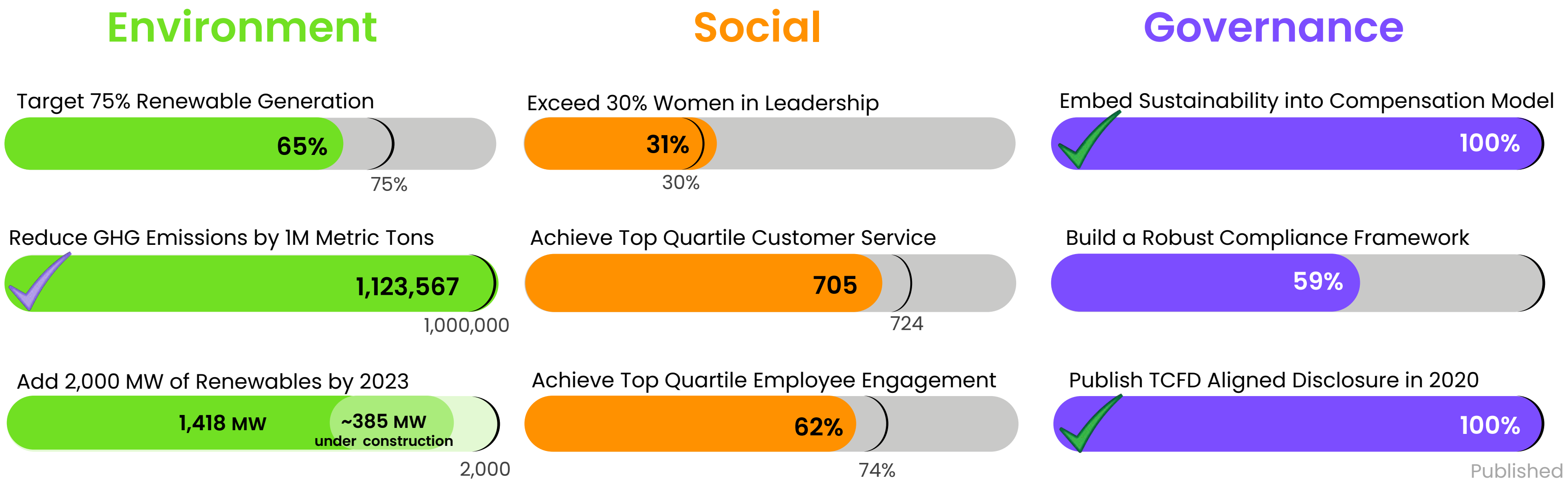
31% emissions reduction since 2017

Greening our Ecosystem: Fleet, Partners, Customers

- **Value creation and positive emissions impact through carbon reduction**
  - Over $1 billion in regulated renewable investments in our Midwest and West US regions
  - Local lease and tax payments
  - Value in new projected greenfield renewables
  - Green financing benefits, green index inclusion
- **AQN averaged 4.5 million MT CO2 avoided emissions per year through renewables (over last 3 years)**[1]
  - Of which approx. 53% avoided for C&I customers (PPAs)
  - Over 1,000 wind turbines and over 1 million solar panels in operation

1. Average based on, in order of preference, an asset's 3-4 year generation average, 2021 generation pro-rated to annual basis, or expected annual generation. Avoided CO2 emissions are calculated based on the combined margin grid emission factor as represented under the International Financial Institution's Dataset of Default Grid Factors for assets in the United States and in Canada. Avoided emissions excludes Algonquin's interest in Atlantica Sustainable Infrastructure plc, and includes Algonquin's proportional ownership of the Red Lily (75%) and 4 Texas Coastal wind facilities (51%), assets for which Algonquin does not have operational control.

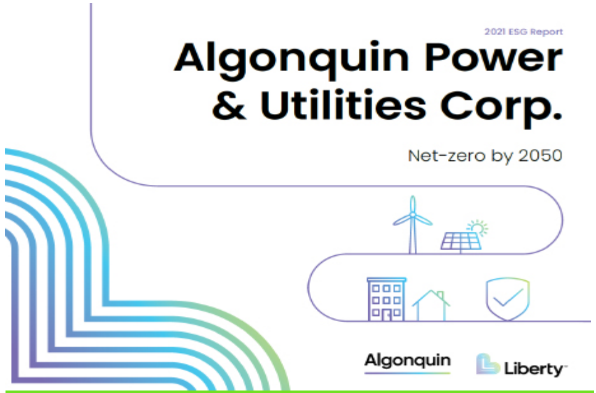
ESG Goals: Our Sustainability Journey Continues[1]



Algonquin is delivering strong progress on interim ESG goals

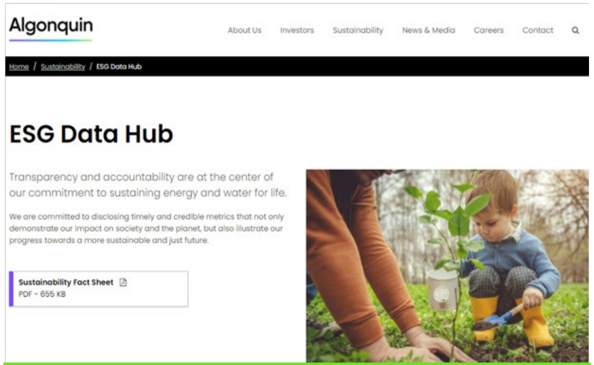
1. Goals are reflected for as at October 31, 2021. The "Target 75% Renewable Generation" goal is focused on nameplate capacity (MW) of operationally controlled assets added to our renewable portfolio. The "Reduce GHG Emissions by 1M Metric Tons" goal reflects an absolute reduction of greenhouse gas emissions. Goals are subject to update as per our reporting boundary, which is based on assets under operational control, and our Base-year and Recalculation Policy. For additional details, please refer to Algonquin's 2021 ESG Report.

Enhancing our ESG Disclosures



2021 ESG Report

Aligned to GRI (comprehensive), SASB, TCFD, UN SDGs[1]



ESG Data Hub

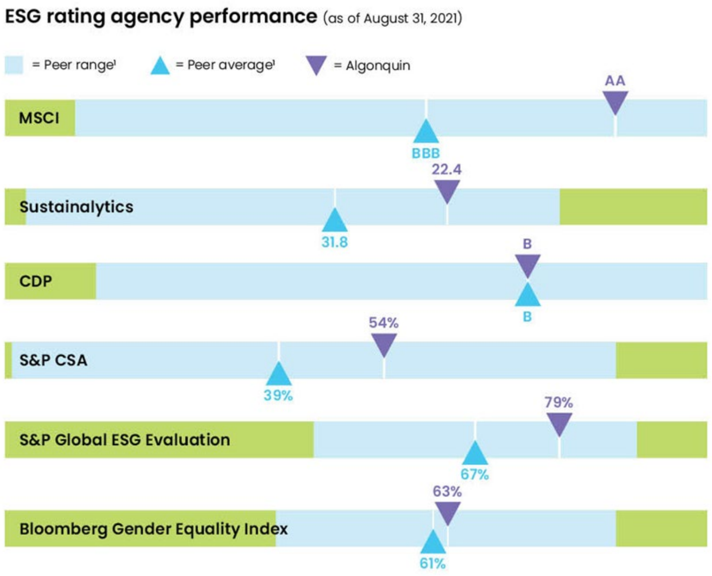
Enhanced access & focus on data disclosures (June 2021)

We strive for transparency, improved disclosure, and data breadth in our ESG reporting

Internationally Recognized as an ESG Leader

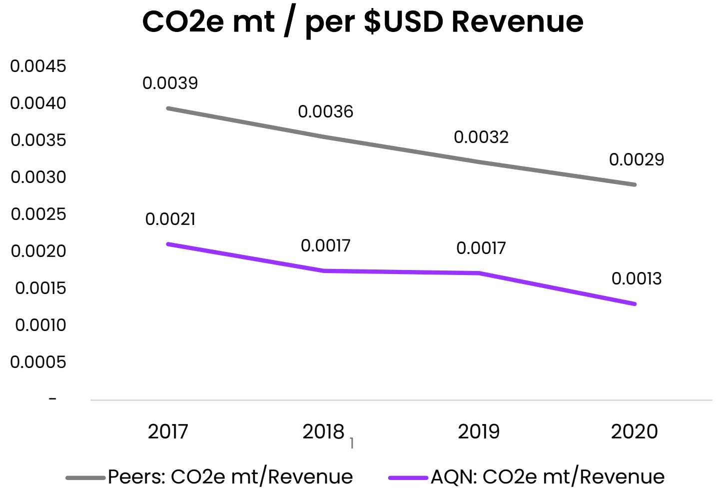
Improving on relevant ESG ratings

- Our approach
  - We are committed to maintaining a leadership position in sustainability
- Our disclosure
  - Focus on enhancing disclosures relevant to stakeholders
- Our results
  - Posting regular improvements
  - 3rd party validation



Sustainability Summary

- **Credible path to Net Zero emissions by 2050**
- **Strong decarbonization strategy and opportunities**
- **Committed to continuing our leadership position**




Financial Overview
Algonquin | Liberty | 2021 Investor Day

Arthur Kacprzak

“Maintaining a strong and resilient balance sheet is a key focus”.

Financial Considerations

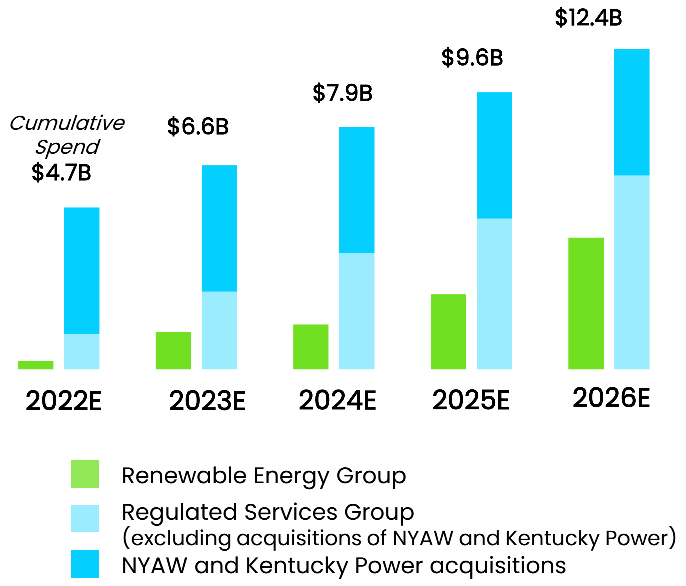
Highly visible capital plan

Funding plan expected to maintain resilient balance sheet

Anticipated long-term sustainable Adjusted Net Earnings[1] per share and dividend growth

Projected $12.4 B Investment Program

- **Highly visible plan to invest in rate base**
  - Technology improvements
  - Greening the fleet
- **Expected to maintain conservative business mix of ~70% from regulated services**
  - Kentucky Power creates headroom for over 1 GW of potential renewable investment
- **Expanding renewables footprint though accretive green generation development**



$12.4B Capital Plan driving growth

Credit Rating Profile

BBB

BBB Fitch

BBB DBRS

- **Committed to maintaining BBB Investment Grade Balance Sheet**
- **Target FFO/Debt 15%-16% maintaining financial cushion**
  - Average FFO/Debt over the last 3 years of: 15.5%
- **Target Business Mix > 70%**
  - Acquisition of Kentucky Power expected to increase business mix to ~ 80% regulated
  - Headroom to increase non-regulated renewables investments

Highly committed to maintain BBB investment grade credit ratings

Well-Capitalized Diversified Balance Sheet[1]

Hybrid Securities – 6%

- **Hybrid securities provide additional pool of cost-effective capital**
- **50% Equity credit from S&P**
  - Preferred shares issued in Canada
  - Subordinated notes issued in the U.S.

Long-term Debt – 38%

- **Senior unsecured debt platforms provide deep access to North American debt capital markets**
- **Diversified access to debt capital markets**
  - Canada & US
  - 144A and private placement
  - Project financing

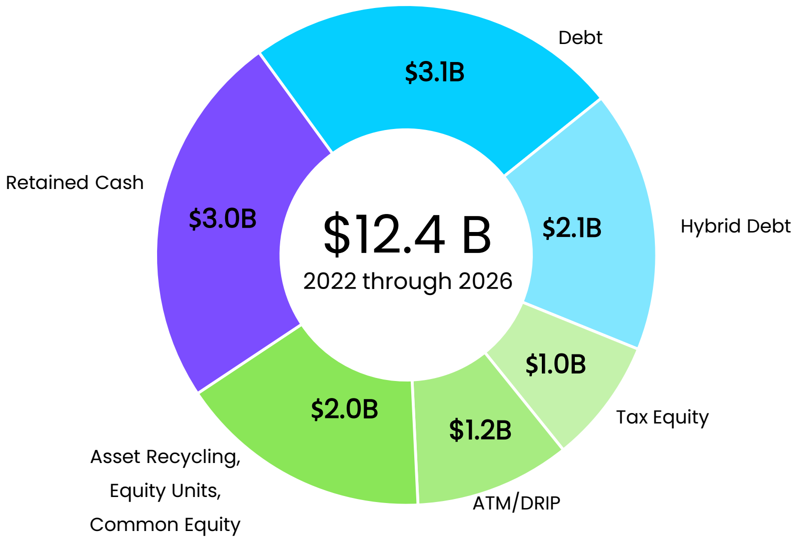
Equity – 56%

- Dual listing on NYSE and TSX provides new sources of equity capital
- Member of S&P/TSX 60 Index
- Tax Equity provides efficient financing for renewables projects
- "Mandatory Convertible" Equity Units

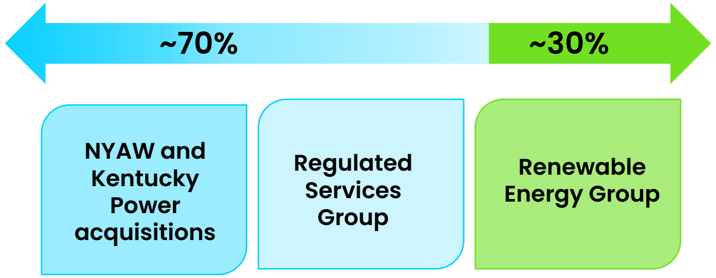
Strong balance sheet supports growth

1. As of September 30, 2021.

Projected 5-Year Funding Plan



Expected Uses

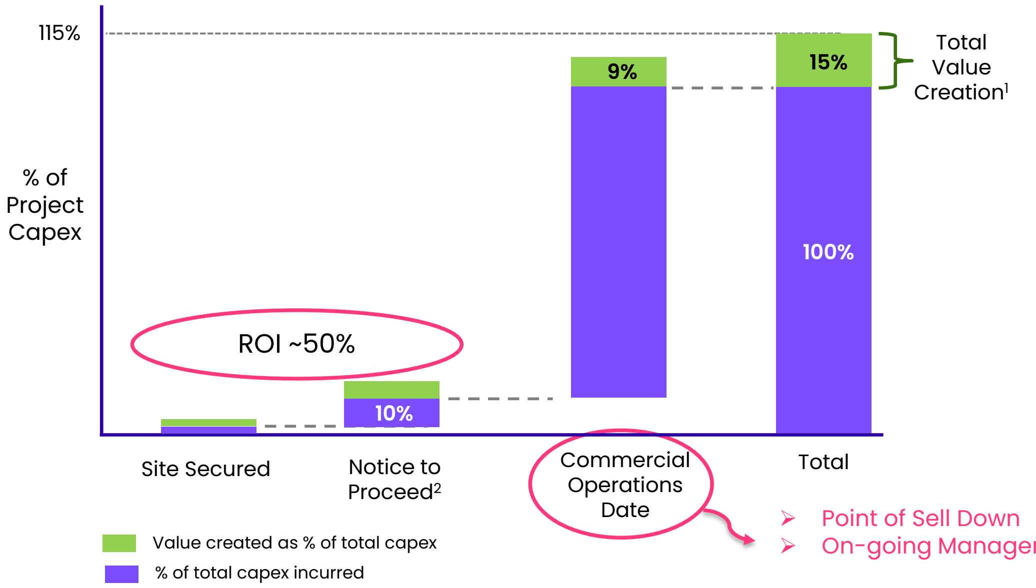


Expected additional de-leveraging over the 5-year period

Capital needs satisfied through a diverse executable funding plan

Non-Regulated Asset Recycling Program

Illustrative Example



- Point of Sell Down
- On-going Management Fees

Value Proposition

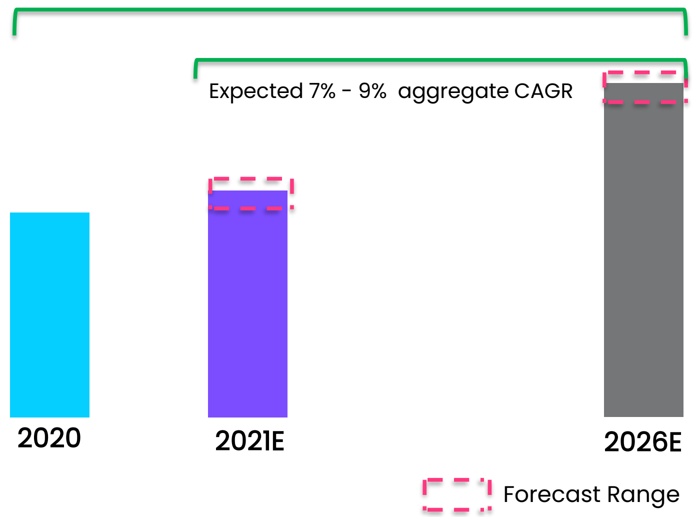
- Reduction in Future Equity Needs
- Business Mix Management
- Fund Development and Growth
- Increase Operating Scale
- Crystalize Profit From Development
- Earn Management Fees

Algonquin is well positioned to capture value creation opportunities along a project's lifecycle

1. Net unlevered returns after payments to tax equity
2. Secured off-take, permitting & inter-connection

Expected 5-Year Adjusted Net EPS[1]

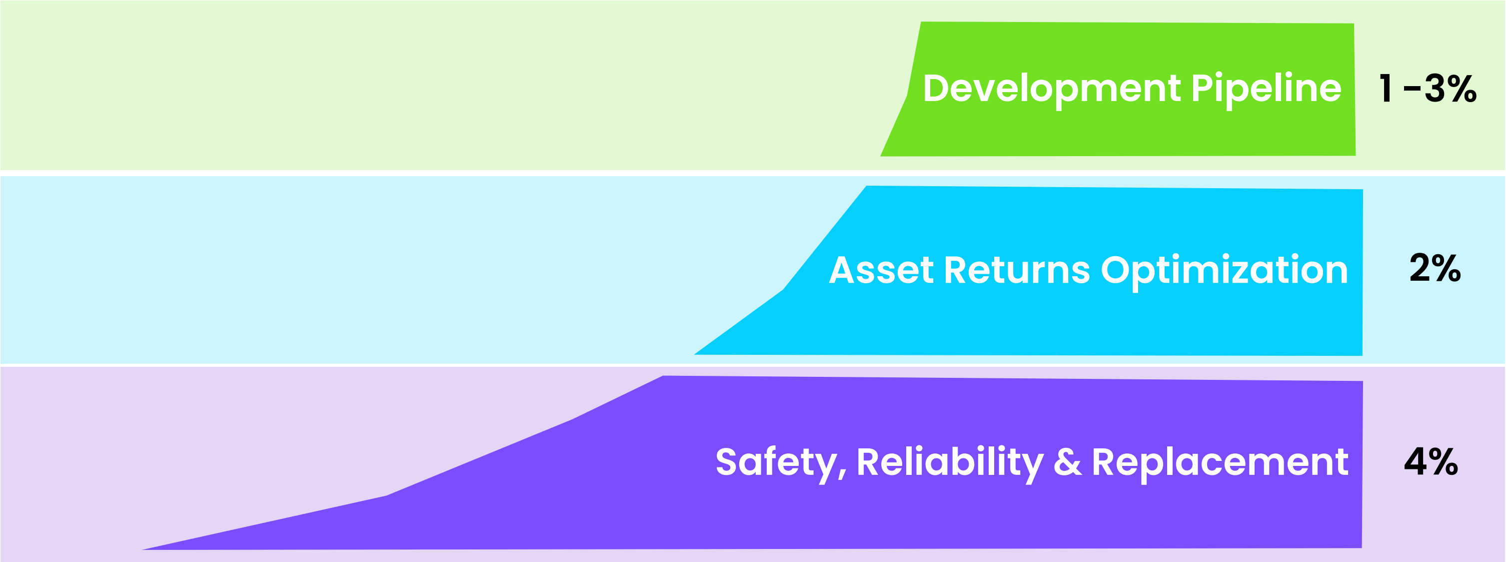
- **Addition of Kentucky Power and New York American Water**
- **ROE Enhancement through Operational Excellence and Local Delivery Model**
- **Opex to Capex strategies**
  - Greening the Fleet
- **Renewables Development**
  - $3.6B pipeline of renewable development assets
  - Proven ability to bring projects to commercialization
- **Investment into Greenfield Development**
- **Optimized Tax Rate**
  - Long Term Effective Tax Rate of 10% – 12%
  - Benefit from self monetization of renewable assets



$12.4B investment program expected to drive strong Adjusted Net Earnings[1] per share growth

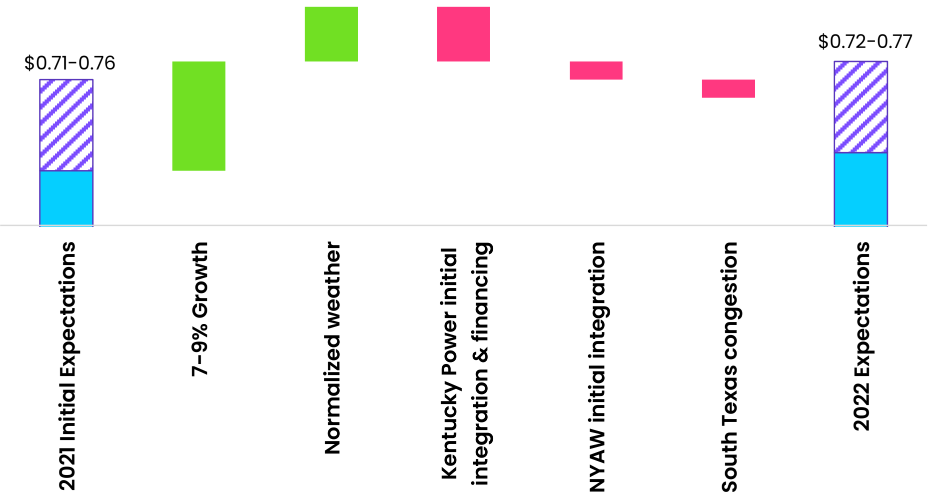
1. Please see note on Non-GAAP Financial Measures on page 2 of this presentation, and the Appendix beginning on page 77 for a reconciliation of Non-GAAP Financial Measures.

Expected Pathways to Adjusted Net EPS[1] CAGR



Multiple pathways to expected 7-9% aggregate Adjusted Net EPS[1] CAGR from 2022 to 2026

2021 to 2022 Adjusted Net EPS[1] Year Over Year Expectations

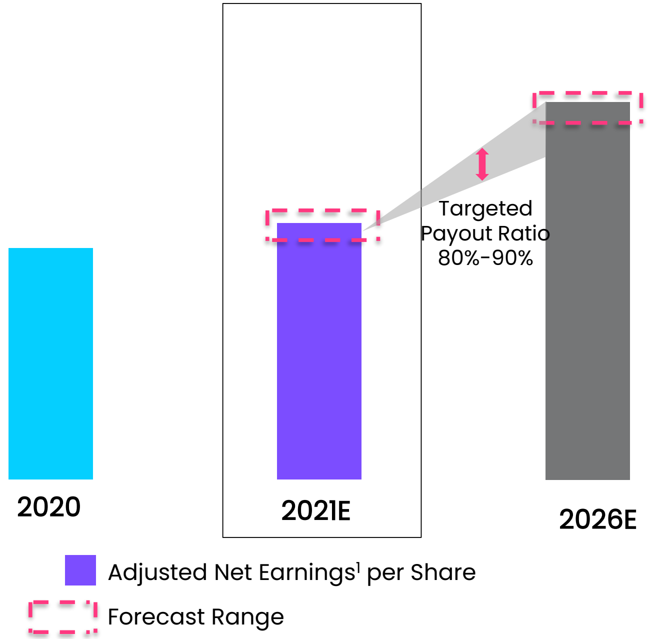


- **2022 Adjusted Net EPS expectations incorporate transitory factors**
  - Kentucky Power initial integration and financing
  - New York American Water initial integration
  - Lower than expected performance from our Texas Coastal Wind Portfolio
- **Longer term baseline expected growth of 7-9% through 2026 continues to benefit from structural tailwinds**
- **2022 Adjusted Net EPS estimate assumes:[2]**
  - Normalized weather
  - Rate decisions in line with expectations
  - Renewable energy production and realized pricing consistent with long-term averages
  - No impacts from COVID-19 on operations
  - Closing of New York American Water at the beginning of 2022; closing of Kentucky Power in mid-2022

1. Please see note on Non-GAAP Financial Measures on page 2 of this presentation, and the Appendix beginning on page 77 for reconciliation of Non-GAAP Financial Measures.
2. AQN's 2022 Adjusted Net Earnings per share estimate is based on the assumptions set out on this slide, as well as those referred to under the heading "Forward-Looking Statements" on slide 2.

Dividend Outlook

- **Sustainable long-term payout ratio target of 80-90% of normalized earnings**
- **Dividends form a key part of total shareholder return**
- **Continued dividend increases driven by Adjusted Net Earnings per share[1] growth**
  - Payout ratio
  - Capital reinvestment opportunities

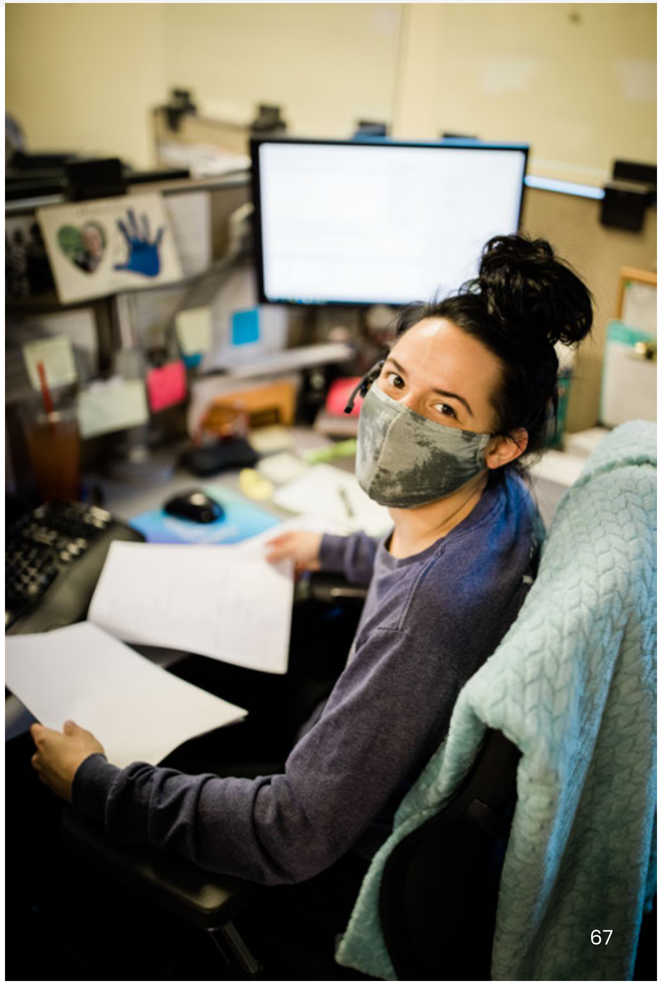


Expected Adjusted Net Earnings[1] per share growth supports strong dividend growth

1. Please see note on Non-GAAP Financial Measures on page 2 of this presentation, and the Appendix beginning on page 77 for a reconciliation of Non-GAAP Financial Measures.

Financial Summary

- Highly visible 5-year capital plan from 2022 through 2026
- Diverse sources of capital positioned to support future growth
- Commitment to investment grade balance sheet
- Estimated 2022 Adjusted Net EPS of $0.72 to $0.77
- Estimated Adjusted Net EPS[1] aggregate CAGR of 7% to 9% from 2022-2026
- Dividend - Sustainable long-term payout ratio target of 80-90% of normalized earnings



Concluding Remarks

- Total Shareholder Returns[1]: 2020 TSR of ~21%; 5-year TSR of ~141%; 10-year TSR of ~562%
- Historical dividend per share CAGR of 10% – 2010 to 2020

Exceptional Growth

- 2015 to 2020 Adjusted Net Earnings[2,3] per share CAGR of 12.2%
- Confident in executing $12.4 billion 5-year capital plan through 2026
- Prospective 3.8 GW greenfield development pipeline through 2026

Resilient Business with Strong Balance Sheet

- ~70% of business: water, electric and gas regulated utilities across 16 jurisdictions
- ~30% of business: developers, owners and operators of primarily North American renewables
- BBB stable credit rating by S&P, DBRS and Fitch
- Diversified asset and geographical base provides resiliency against climate change

Leaders in ESG

- ~4 GW renewables (owned, operated and/or net interest in)
- Board 38% female; executive team 40% female; compensation tied in part to ESG progress
- Leader among representative peer group for 2020 CO_2 emissions intensity per dollar of revenue[4]
- Established a net-zero by 2050 target for scope 1 & scope 2 emissions across AQN's business operations

1. 2020 TSR calculation on NYSE as of December 31, 2020; 5 and 10-year TSR calculation on TSX as of December 31, 2020.
2. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and the Appendix beginning on page 77 for a reconciliation of Non-GAAP Financial Measures.
3. The Company's financial statements for the years ended December 31, 2015, 2016 and 2017 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2016 and 2017 in U.S. dollars. Adjusted Net Earnings per share for 2016 and 2017 are derived from such re-issued financial statements and the related management discussion and analysis. In contrast, Adjusted Net Earnings per share for 2015 has been converted to U.S. dollars for the purposes of this document using the annual exchange rate for 2015 of 0.782, as reported by the Bank of Canada and accordingly, is not directly comparable.
4. Peer group was identified from research by a global financial services firm and consists of AES CORPORATION, AMEREN CORPORATION, AMERICAN ELECTRIC POWER, AVANGRID, INC, DOMINION ENERGY, INC, DTE ENERGY, DUKE ENERGY CORPORATION, ENTERGY CORPORATION, EXELON CORPORATION, NRG ENERGY, INC, PINNACLE WEST CAPITAL CORPORATION, PPL CORPORATION, SOUTHERN COMPANY., VISTRA CORP, XCEL ENERGY INC, NEXTERA ENERGY, INC.

Questions?

You may now ask a question by dialing one of the numbers below.

If you do not wish to ask a question, please remain connected to the broadcast.

Before dialing the conference line, please close your browser to avoid audio feedback.

Toll Free Dial-In Number: (833) 670-0721
Toll Dial-In Number: (825) 312-2060
Please join the conference call using the following passcode: 9180565

Forward-Looking Statements

Certain written statements included herein and/or oral statements made in connection with the presentation contained herein constitute “forward-looking information” within the meaning of applicable securities laws in each of the provinces of Canada and the respective policies, regulations and rules under such laws and “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). The words “will”, “expects”, “intends”, “should”, “would”, “anticipates”, “projects”, “forecasts”, “plans”, “estimates” (occasionally denoted herein by the letter “E”), “may”, “outlook”, “aims”, “pending”, “prospective”, “target”, “believes”, “could”, “potential” and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements contained in or made in connection with this presentation include, but are not limited to statements regarding: the expected performance of Algonquin Power & Utilities Corp. (“AQN”, “Algonquin” or the “Company”); the Company’s expected future growth, earnings, cash flows, funds from operations, revenue, debt and dividends; expected future rate base; capital expenditure and investment plans; development projects (including greenfield opportunities) and the anticipated generation capacity, completion, timing, cost, location, size, success rate, customer benefits and qualification for tax credits of such projects; the Company’s pending acquisitions of New York American Water Company, Inc. (“New York American Water” or “NYAW”) and Kentucky Power Company (“Kentucky Power”) and AEP Kentucky Transmission Company, Inc., including the expected timing for closing and the financing thereof; the impact and expected benefits of such acquisitions to the Company, including the impact on the Company’s business, operations, customer count, rate base, business mix, return on equity and financial condition; the Company’s “greening the fleet” plans, including with respect to Kentucky Power and the Mitchell coal plant; expectations regarding the benefits, outcomes and impacts of transitioning to renewable energy; expectations regarding the timing for the transfer or retirement (for rate-making purposes in Kentucky) of the Mitchell coal plant; the expected non-renewal of the offtake contract for the Rockport coal plant; expectations regarding the use of proceeds of the Company’s November 2021 C$800 million bought deal common share offering; expectations regarding the levelized cost of energy from renewable sources; the Company’s financing plan and expected sources and uses of capital, including the impact thereof on the Company’s balance sheet; projections about liquidity, capital sufficiency and credit ratings; targets and expectations regarding credit metrics; the Company’s corporate development and growth initiatives and the results thereof, including future acquisitions and the expected business mix between the Company’s operating segments; expectations regarding potential future asset dispositions and other capital recycling initiatives, including the anticipated benefits and structure thereof; the Company’s sustainability, decarbonization, environmental, social and governance goals, targets and initiatives (including the Company’s ability to achieve these goals, targets and initiatives and the Company’s expectations with respect thereto); the Company’s expected growth strategies; anticipated utility rates, regulatory filings, outcomes and initiatives, available regulatory mechanisms and recoverability of investments; expected tax rates; industry data and projections; expectations regarding safety, reliability and system operating performance; expected future operating costs; expectations regarding legislative changes and initiatives; expectations regarding the Company’s investment in emerging technologies, including battery storage, microgrids, community solar and renewable natural gas; grid updates in connection with the Texas Coastal Wind Facilities; and customer expectations, rates and savings. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their nature they rely on assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in this presentation or contained in AQN’s Management Discussion and Analysis for the three and nine months ended September 30, 2021 (the “Interim MD&A”), AQN’s Management Discussion and Analysis for the three and twelve months ended December 31, 2020 (the “Annual MD&A”), and AQN’s Annual Information Form for the year ended December 31, 2020, each filed with securities regulatory authorities in Canada and the United States. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Currency

In this presentation, unless otherwise specified or the context requires otherwise, all dollar amounts are expressed in U.S. dollars.

Non-GAAP Financial Measures

The terms “Adjusted Net Earnings”, “Adjusted Net Earnings per share” (or “Adjusted Net EPS”), “earnings before interest, taxes, depreciation and amortization” (“EBITDA”), “Adjusted EBITDA”, “Adjusted Funds from Operations”, "Net Energy Sales", "Net Utility Sales" and “Divisional Operating Profit” (together the “Financial Measures”) may be used in this presentation and discussion. The Financial Measures are not recognized measures under U.S. GAAP. There is no standardized measure of the Financial Measures; consequently, AQN’s method of calculating the Financial Measures may differ from methods used by other companies and therefore they may not be comparable to similar measures presented by other companies. An explanation, calculation and analysis of the Financial Measures, including a reconciliation to the most directly comparable U.S. GAAP measure, where applicable, can be found in the Interim MD&A and the Annual MD&A. A reconciliation of certain of the Financial Measures used in the presentation to the most directly comparable U.S. GAAP measure can also be found in the Appendix beginning on page 77 of this presentation.

Market and Industry Data

Certain of the information contained in this presentation concerning economic trends and market, peer and industry data and projections is based upon or derived from information by third party or industry sources. The Company provides no assurance with respect to the accuracy of such information nor has the Company independently verified such information or the assumptions upon which projections of future trends are based. As a result, readers should be aware that any such information and data set forth in this presentation and estimates and beliefs based on such information and data, may not be reliable.


Appendix
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Speaker Biographies

Arun Banskota | PRESIDENT AND CHIEF EXECUTIVE OFFICER

Arun Banskota joined Algonquin as President in February 2020 and took on the President & CEO role in July 2020. Mr. Banskota has over 30 years of progressively senior roles with a unique combination of experience in energy development, construction, financing, and operations; P&L management of multiple large business units; and 3 start-ups in the clean-tech space. As Managing Director of Global Power, with El Paso Corporation, he had P&L responsibility for a 6,500 MW global portfolio of 32 power plants, project development and approximately 10,000 employees. He was on the leadership team for a large energy company and has successfully managed project development, financing, and operations for solar, wind, and natural gas projects. Mr. Banskota has led 3 start-ups in the clean-tech space, including utility-scale solar, carbon capture with enhanced oil recovery, and electric vehicle infrastructure. As President & CEO of EVgo, he was responsible for taking commercial this high growth start-up to build scale and presence in the electrical vehicle infrastructure sector. In his most recent role as the leader for Data Center Global Services and Energy Team at Amazon.com, he was responsible for the planning, engineering, and delivery of global datacenter capacity for Amazon Web Services, a high-growth global market-leader of cloud services.

Mr. Banskota holds a Masters of Arts from the University of Denver, and a Master of Business Administration from the University of Chicago.

Arthur Kacprzak | CHIEF FINANCIAL OFFICER

Arthur Kacprzak is Chief Financial Officer of Algonquin. Mr. Kacprzak joined Algonquin in 2012 as Vice-President Treasurer, leading the company's treasury and corporate finance functions. In this capacity he was responsible for maintaining the company's investment grade balance sheet and funding its growth initiatives. He was appointed to the role of CFO in September 2020. Prior to joining Algonquin Mr. Kacprzak held various senior level financial positions and has accumulated over 20 years of experience in corporate finance, treasury, accounting, taxation and management consulting.

Mr. Kacprzak holds a Bachelors of Commerce degree from the University of Toronto and a Global Professional Master of Laws degree from the University of Toronto Faculty of Law. He is a Chartered Accountant as well as a CFA Charterholder.

Speaker Biographies

Jeff Norman | CHIEF DEVELOPMENT OFFICER

Mr. Norman is the Chief Development Officer of Algonquin. He was appointed to the Algonquin executive team in 2015. Mr. Norman cofounded the Algonquin Power Venture Fund in 2003 and served as President until it was acquired by Algonquin in 2008. Since 2008, Mr. Norman and the business development team have developed and constructed over 1,955 MWs of renewable energy projects and acquired 14 utilities. Mr. Norman has over 28 years of experience and has reviewed the economic merits of renewable energy projects and utilities throughout North America.

Mr. Norman is a Chartered Accountant and holds a Bachelor of Arts (Chartered Accountancy) and a Masters of Accounting from the University of Waterloo.

Johnny Johnston | CHIEF OPERATING OFFICER

Johnny Johnston is the Chief Operating Officer of Algonquin. Mr. Johnston has over 20 years of international experience in the renewable energy and utilities industry. Prior to joining the Corporation, Mr. Johnston, worked for National Grid where he led the transformation of its U.S. gas business. He has held a number of senior leadership roles in operations, customer service and strategy working in both the U.K. and U.S. across gas and electric businesses. Mr. Johnston has served on the board of the not-for-profit Heartshare Human Services of New York.

Mr. Johnston holds a Masters degree in Engineering Science from the University of Oxford and a Master of Business Administration degree from the University of Cranfield. Mr. Johnston is a registered Chartered Engineer in the U.K.

George Trisic | CHIEF SUSTAINABILITY OFFICER

George Trisic is the Chief Sustainability Officer of Algonquin. In his role, Mr. Trisic is responsible for leading the sustainability, government affairs and governance functions. He has broad experience managing in high growth, start up and expanding businesses across multiple sites and regions. His skill set includes leading multi-functional groups in finance, human resources, legal and information technology in a senior executive role.

Mr. Trisic holds a Bachelor of Laws Degree from the University of Western Ontario. Additionally, he holds a Chartered Director certification from the Directors College (McMaster University).

Key Selected Financial Information

All dollar amounts in US$ M except per share information	Nine months ended September 30 2021	Nine months ended September 30 2020	Twelve months ended December 31 2020	Twelve months ended December 31 2019
Revenue	$ 1,690.6	$ 1,185.7	$ 1,677.1	$ 1,626.4
Adjusted EBITDA[1]	778.5	616.3	869.5	838.6
Cash provided by operating activities	31.0	331.2	505.2	611.3
Adjusted funds from operations[1]	535.8	421.0	600.2	566.2
Net earnings attributable to shareholders	89.2	278.3	782.5	530.9
Adjusted Net Earnings[1]	312.7	238.9	365.8	321.3
Dividends declared to common shareholders	307.6	251.3	344.4	277.8
Per share				
Basic net earnings	$ 0.13	$ 0.50	$ 1.38	$ 1.05
Adjusted Net Earnings[1,2]	0.50	0.43	0.64	0.63
Diluted net earnings	0.13	0.49	1.37	1.04
Dividends declared to shareholders	0.50	0.45	0.61	0.55
Total assets	$ 16,699.0	$ 11,739.9	$ 13,223.9	$ 10,920.8
Long term debt[3]	6,870.3	3,978.0	4,538.8	3,932.2

1. Please see note on Non-GAAP Financial Measures on page 2 of this presentation, and the Appendix beginning on page 77 for a reconciliation of Non-GAAP Financial Measures.
2. AQN uses per share Adjusted Net Earnings to enhance assessment and understanding of the performance of AQN.
3. Includes current and long-term portion of debt and convertible debentures per the financial statements.

Expected CapEx Forecast – Regulated Services Group

	2022E	2023E	2024E	2025E	2026E	Total
Organic Utility Investment						
Empire District Electric	257.6	357.5	140.8	129.0	250.6	**1,135.6**
EnergyNorth	77.9	74.2	72.1	61.9	41.1	**327.1**
CalPeco	68.1	108.1	67.2	66.9	71.3	**381.6**
Granite State	49.8	27.1	25.0	18.3	18.0	**138.3**
NY Water	52.0	52.0	52.0	52.0	52.0	**260.0**
Belco	63.6	41.7	44.3	36.2	27.6	**213.5**
ESSAL	37.8	32.5	27.4	28.8	25.2	**151.7**
K.P.Co.	182.0	135.5	145.5	188.5	152.7	**804.2**
All other utilities and projects	182.1	326.2	248.3	242.3	236.3	**1,235.1**
Total Organic Utility Investment	**971.0**	**1,154.7**	**822.8**	**823.9**	**874.8**	**4,647.2**
Acquisitions and Greening the Fleeting						
Acquisitions	3,453.0	-	-	-	-	**3,453.0**
Greening the Fleet	1.3	0.5	224.6	124.6	301.0	**651.9**
Total Acquisitions and Greening the Fleet	**3,454.3**	**0.5**	**224.6**	**124.6**	**301.0**	**4,104.9**
Total Utility Capital Forecast	**4,425.3**	**1,155.2**	**1,047.3**	**948.5**	**1,175.8**	**8,752.1**

Calculation of Regulated Services Group Rate Base

Values in US$ millions		**References:**
Net Property Plant and Equipment	7,238.3	*Pg. 82 of AQN Q3 2021 Financial Statements (note 18)*
Advances in Aid of Construction	(83.2)	*Pg. 74 of AQN Q3 2021 Financial Statements (note 9)*
Cost of Removal	(196.6)	*Pg. 67 of AQN Q3 2021 Financial Statements (note 5)*
Accumulated Deferred Income Taxes	(575.0)	*Pg. 17 of AQN Q3 2021 MD&A*
Excess ADIT Regulatory Liability	(304.2)	*Pg. 67 of AQN Q3 2021 Financial Statements (note 5)*
Total Rate Base - Liberty Utilities	**6,079.3**	

Reconciliation of Adjusted EBITDA to Net Earnings

(all dollar amounts in $ millions)	Twelve Months Ended December 31 2020		2019	
Net earnings attributable to shareholders	$	782.5	$	530.9
Add (deduct):				
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]		14.9		19.1
Income tax expense		64.6		70.1
Interest expense		181.9		181.5
Other net losses[3]		61.3		26.7
Pension and post-employment non-service costs		14.1		17.3
Change in value of investments carried at fair value[2]		(559.7)		(278.1)
Loss (gain) on derivative financial instruments		(1.0)		(16.1)
Realized loss on energy derivative contracts		(1.1)		(0.2)
Loss (gain) on foreign exchange		(2.1)		3.1
Depreciation and amortization		314.1		284.3
Adjusted EBITDA	**$**	**869.5**	**$**	**838.6**

1 HLBV represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the twelve months ended December 31, 2020 amounted to $69.5 million as compared to $65.0 million during the same period in 2019.

2 See Note 8 in the annual consolidated financial statements

3 See Note 19 in the annual consolidated financial statements

Reconciliation of Adjusted EBITDA to Net Earnings

	Nine Months Ended September 30			
(all dollar amounts in $ millions)		2021		2020
Net earnings attributable to shareholders	$	89.2	$	278.3
Add (deduct):				
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]		13.8		11.7
Income tax expense (recovery)		(45.2)		13.5
Interest expense		159.4		136.6
Other net losses[3]		11.1		44.8
Pension and post-employment non-service costs		11.4		9.3
Change in value of investments carried at fair value[2]		183.5		(95.7)
Impacts from the Market Disruption Event on the Senate Wind Facility		53.4		—
Costs related to tax equity financing		4.3		—
Loss (gain) on derivative financial instruments		2.1		(1.7)
Realized loss on energy derivative contracts		(0.1)		(1.0)
Loss (gain) on foreign exchange		3.4		(5.6)
Depreciation and amortization		292.2		226.1
Adjusted EBITDA	$	778.5	$	616.3

1 HLBV represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the nine months ended September 30, 2021 amounted to $60.9 million as compared to $49.1 million during the same period in 2020.

2 See *Note 6* in the unaudited interim consolidated financial statements

3 See *Note 16* in the unaudited interim consolidated financial statements

Reconciliation of Adjusted Net Earnings to Net Earnings

(all dollar amounts in $ millions except per share information)	Twelve Months Ended December 31			
		2020		2019
Net earnings attributable to shareholders	$	782.5	$	530.9
Add (deduct):				
Loss (gain) on derivative financial instruments		(1.0)		(0.3)
Realized loss on energy derivative contracts		(1.1)		(0.2)
Other net losses[2]		61.3		26.7
Loss (gain) on foreign exchange		(2.1)		3.1
Change in value of investments carried at fair value[1]		(559.7)		(278.1)
Other non-recurring adjustments		1.0		2.2
Adjustment for taxes related to above[3]		84.9		37.0
Adjusted Net Earnings	**$**	**365.8**	**$**	**321.3**
Adjusted Net Earnings per share	**$**	**0.64**	**$**	**0.63**

1 See Note 8 in the annual audited consolidated financial statements

2 See Note 19 in the annual audited consolidated financial statements

3 Includes a one-time tax expense of $9.3 million to reverse the benefit of deductions taken in the prior year. See Note 18 in the annual consolidated financial statements.

Reconciliation of Adjusted Net Earnings to Net Earnings

	Twelve Months Ended December 31			
(all dollar amounts in $ millions except per share information)		2019		2018
Net earnings attributable to shareholders	$	530.9	$	185.0
Add (deduct):				
Loss (gain) on derivative financial instruments[1]		(0.3)		0.6
Realized (loss) gain on energy derivative contracts		(0.2)		0.1
Other losses		15.1		0.8
Loss (gain) on foreign exchange		3.1		(0.1)
Acquisition-related costs		11.6		0.7
Change in value of investment carried at fair value[3]		(278.1)		138.0
Costs related to tax equity financing		—		1.3
Other non-recurring adjustments		2.2		—
U.S. Tax Reform and related deferred tax adjustments[2]		—		(18.4)
Adjustment for taxes related to above		37.0		4.2
Adjusted Net Earnings	**$**	**321.3**	**$**	**312.2**
Adjusted Net Earnings per share	**$**	**0.63**	**$**	**0.66**

1 Excludes the gain related to the discontinuation of hedge accounting on an energy hedge put in place early in the development of the Sugar Creek Wind Project (See Note 24(b)(ii) in the annual audited consolidated financial statements) for the year ended December 31, 2019.

2 Represents the non-cash accounting adjustment related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of U.S. Tax Reform.

3. See Note 8 in the annual audited consolidated financial statements for the year ended December 31, 2019.

Reconciliation of Adjusted Net Earnings to Net Earnings

(all dollar amounts in $ millions except per share information)	Twelve Months Ended December 31 2018		2017	
Net earnings attributable to shareholders	$	185.0	$	149.5
Add (deduct):				
Loss (gain) on derivative financial instruments		0.6		(1.9)
Realized (loss) on energy derivative contracts		0.1		(0.6)
Loss (gain) on long-lived assets, net		0.8		(1.8)
Loss (gain) on foreign exchange		(0.1)		0.3
Interest expense on Conv. Debs & acquisition financing costs		—		13.4
Acquisition-related costs		0.7		47.7
Change in value of investment in Atlantica carried at fair value		138.0		—
Costs related to tax equity financing		1.3		1.8
Other adjustments		—		2.5
U.S. Tax Reform and related deferred tax adjustments[1]		(18.4)		17.1
Adjustment for taxes related to above		4.2		(3.0)
Adjusted Net Earnings	**$**	**312.2**	**$**	**225.0**
Adjusted Net Earnings per share[2]	**$**	**0.66**	**$**	**0.57**

1 Represents the non-cash accounting adjustment related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of U.S. Tax Reform.

2 Per share amount calculated after preferred share dividends and excluding subscription receipts issued for projects or acquisitions not reflected in earnings.

Reconciliation of Adjusted Net Earnings to Net Earnings

(all dollar amounts in $ millions except per share information)	Twelve Months Ended December 31			
		2017[3]		2016[3]
Net earnings attributable to shareholders	$	149.5	$	97.9
Add (deduct):				
Loss (gain) on derivative financial instruments		(1.9)		(11.9)
Realized loss on energy derivative contracts		(0.6)		(0.6)
Loss (gain) on long-lived assets, net		(1.8)		(2.6)
Loss (gain) on foreign exchange		0.3		(0.4)
Interest expense on convertible debentures & acquisition financing costs		13.4		43.9
Acquisition-related costs		47.7		9.0
Costs related to tax equity financing		1.8		—
Other adjustments		2.5		—
U.S. Tax Reform adjustments[2]		17.1		—
Adjustment for taxes related to above		(3.0)		(13.9)
Adjusted Net Earnings	**$**	**225.0**	**$**	**121.4**
Adjusted Net Earnings per share[1]	**$**	**0.57**	**$**	**0.42**

1 Per share amount calculated after preferred share dividends and excluding subscription receipts issued for projects or acquisitions not reflected in earnings.

2 Represents the non-cash accounting adjustment related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of U.S. Tax Reform.

3. The Company's financial statements for the years ended December 31, 2017 and December 31, 2016 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2017 and December 31, 2016 in U.S. dollars. The 2017 and 2016 amounts shown above are derived from such re-issued financial statements and the related management discussion and analysis.

Reconciliation of Adjusted Net Earnings to Net Earnings

(all dollar amounts in $ millions except per share information)		Twelve Months Ended December 31 2016[2]		2015[2]
Net earnings attributable to shareholders	$	97.9	$	91.9
Add (deduct):				
Loss from discontinued operations		—		1.4
Gain on derivative financial instruments		(11.9)		(1.7)
Realized gain (loss) on derivative financial instruments		(0.6)		(0.7)
Loss (gain) on long-lived assets		(2.6)		2.3
Deferred tax expense due to an agreement with the CRA related to the Unit Exchange Transaction		—		2.1
(Gain) loss on foreign exchange		(0.4)		(2.0)
Interest expense on convertible debenture and bridge financing fees		43.9		—
Acquisition costs		9.0		1.4
Adjustment for taxes		(13.9)		0.3
Adjusted Net Earnings	$	**121.4**	$	**95.0**
Adjusted Net Earnings per share[1]	$	**0.42**	$	**0.36**

1 Per share amount calculated after preferred share dividends and excluding subscription receipts issued for projects or acquisitions not reflected in earnings.

2 The Company's financial statements for the years ended December 31, 2016 and December 31, 2015 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2017 and December 31, 2016 in U.S. dollars. The 2016 amounts shown above are derived from such re-issued financial statements and the related management discussion and analysis. In contrast, the 2015 amounts shown above have been converted to U.S. dollars for the purposes of this document using the annual exchange rate for 2015 of 0.782, as reported by the Bank of Canada and accordingly, are not directly comparable.

Reconciliation of Adjusted Net Earnings to Net Earnings

(all dollar amounts in $ millions except per share information)	Nine Months Ended September 30 2021		2020	
Net earnings attributable to shareholders	$	89.2	$	278.3
Add (deduct):				
Loss (gain) on derivative financial instruments		2.1		(1.7)
Realized loss on energy derivative contracts		(0.1)		(1.0)
Other net losses[2]		11.1		44.8
Loss (gain) on foreign exchange		3.4		(5.6)
Change in value of investments carried at fair value[1]		183.5		(95.7)
Impacts from the Market Disruption Event on the Senate Wind Facility		53.4		—
Costs related to tax equity financing and other non-recurring adjustments		4.3		1.0
Adjustment for taxes related to above		(34.2)		18.8
Adjusted Net Earnings	**$**	**312.7**	**$**	**238.9**
Adjusted Net Earnings per share	**$**	**0.50**	**$**	**0.43**

1 See *Note 6* in the unaudited interim consolidated financial statements
2 See *Note 16* in the unaudited interim consolidated financial statements

Reconciliation of Adjusted Funds from Operations to Cash Flows from Operating Activities

	Twelve Months Ended December 31			
(all dollar amounts in $ millions)		2020		2019
Cash flows from operating activities	$	505.2	$	611.3
Add (deduct):				
Changes in non-cash operating items		77.5		(60.3)
Production based cash contributions from non-controlling interests		3.4		3.6
Acquisition-related costs		14.1		11.6
Adjusted Funds from Operations	**$**	**600.2**	**$**	**566.2**

Reconciliation of Adjusted Funds from Operations to Cash Flows from Operating Activities

(all dollar amounts in $ millions)	Nine Months Ended September 30 2021		2020	
Cash flows from operating activities	$	31.0	$	331.2
Add (deduct):				
Changes in non-cash operating items		437.6		80.3
Production based cash contributions from non-controlling interests		4.8		3.4
Impacts from the Market Disruption Event on the Senate Wind Facility		53.4		—
Costs related to tax equity financing		4.3		—
Acquisition-related costs		4.7		6.1
Adjusted Funds from Operations	**$**	**535.8**	**$**	**421.0**

Corporate Information

Head Office	Greater Toronto Area, Ontario
Toronto Stock Exchange	AQN, AQN.PR.A, AQN.PR.D
New York Stock Exchange	AQN, AQNA, AQNB, AQNU
Shares Outstanding*	671,915,018
Share Price*	$13.53
Market Capitalization*	$9.1 B
Dividend**	$0.6824 per share annually

* Shares outstanding and closing price (NYSE) as of November 30, 2021.
** Annualized using Q4 2021 dividend rate.

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Investor Presentation

January 10, 2022

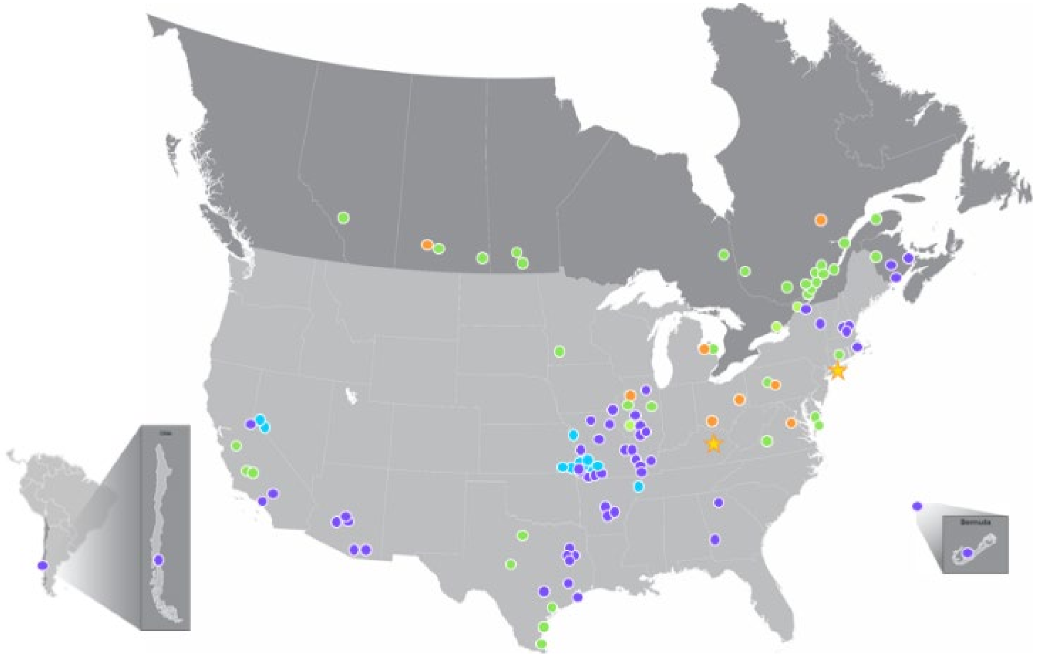
Algonquin

Liberty™

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the registration statement, the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

Algonquin Liberty™



~$16.7 B
Total Assets[2]

BBB/BBB
Credit Ratings (S&P/Fitch)

$12.4 B
CapEx Plan from 2022 through end of 2026

1988
Company Founded

3,400+
Employees

~4.1 GW
Renewables (owned, operated and/or net interest in)

~3.8 GW
Prospective Greenfield Development Pipeline

1. Market capitalization on the New York Stock Exchange (NYSE), as of December 31, 2021.
2. Total Assets as of September 30, 2021.

General

In this presentation (i) “AQN”, “Algonquin” or the “Company” refers to Algonquin Power & Utilities Corp.; and (ii) unless otherwise specified or the context requires otherwise, all dollar amounts are expressed in U.S. dollars.

An investment in the securities described in this document is subject to certain risks. Prospective purchasers should therefore carefully consider the disclosure with respect to the Company (as defined herein) included and incorporated by reference in the Company’s final base shelf prospectus, preliminary prospectus supplement, any other applicable shelf prospectus supplement and any amendment.

Owning the securities described in this document may subject you to tax consequences in both in the United States and Canada. Such consequences may not be described fully in the Company’s final base shelf prospectus, preliminary prospectus supplement, any other applicable shelf prospectus supplement and any amendment. Purchasers of the securities should read the tax discussion contained in the Company’s final base shelf prospectus, preliminary prospectus supplement, any other applicable shelf prospectus supplement and any amendment.

The enforcement by investors of civil liabilities under U.S. federal securities laws may be affected adversely by the fact that the Company is incorporated under the laws of Canada, that most of its officers and directors are residents of Canada and that a portion of the assets of the Company and said persons are located outside the United States.

This offering of the securities described in this document is being made by a Canadian issuer that is permitted, under the multijurisdictional disclosure system adopted by the United States and Canada, to prepare the prospectus supplement in accordance with Canadian disclosure requirements. Purchasers of the securities described herein should be aware that such requirements are different from those of the United States.

Neither the U.S. Securities and Exchange Commission nor any state or Canadian securities regulator has approved or disapproved the securities described in this document or determined if the Company’s final base shelf prospectus, preliminary prospectus supplement or any other applicable shelf prospectus supplement to be filed in connection with the offering of such securities is truthful or complete. Any representation to the contrary is a criminal offence.

The securities described in this document will not be listed or posted for trading on any securities exchange. Accordingly, there will be no market through which such securities may be sold and purchasers may not be able to resell the securities purchased under the prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation.

Algonquin has filed a registration statement (including a prospectus) with the SEC and a final base shelf prospectus with the securities regulatory authorities in each of the provinces and territories of Canada with respect to Algonquin's offering of U.S. dollar denominated notes (the "USD Offering") and Algonquin's offering of Canadian dollar denominated notes (the "CAD Offering") to which this communication relates. Before you invest, you should read the prospectus and the applicable prospectus supplement for the offerings and the other documents Algonquin has filed with the SEC and Canadian securities regulators for more complete information about Algonquin and the offerings. You may get these documents for free by visiting EDGAR on the SEC website at http://www.sec.gov or SEDAR at www.sedar.com or (i) in respect of the USD Offering, by calling BofA Securities, Inc. at 1-800-294-1322, or Wells Fargo Securities at 1-800-326-5897 and (i) in respect of the CAD Offering, by calling RBC Capital Markets at 416-842-6311 or TD securities at 416-982-5676, and such underwriter will arrange to send you the prospectus and the applicable prospectus supplement.

Forward-Looking Statements

Certain written statements included herein and/or oral statements made in connection with the presentation contained herein constitute "forward-looking information" within the meaning of applicable securities laws in each of the provinces and territories of Canada and the respective policies, regulations and rules under such laws and "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"). The words "will", "expects", "intends", "should", "would", "anticipates", "projects", "forecasts", "plans", "estimates" (occasionally denoted herein by the letter "E"), "may", "might", "outlook", "aims", "pending", "prospective", "budget", "target", "believes", "could", "potential" and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements contained in or made in connection with this presentation include, but are not limited to statements regarding: the expected performance of Algonquin; the Company's expected future growth, earnings, cash flows, funds from operations, revenue, debt and dividends; expected future rate base; capital expenditure and investment plans; development projects (including greenfield opportunities) and the anticipated generation capacity, completion, timing, cost, location, size, success rate, customer benefits and qualification for tax credits of such projects; the Company's pending acquisition of Kentucky Power Company ("Kentucky Power") and AEP Kentucky Transmission Company, Inc., ("Kentucky Transco" and, together with Kentucky Power, the "Kentucky Power Entities") including the expected timing for obtaining regulatory approvals and for closing and the financing thereof; the impact and expected benefits of such acquisitions to the Company, including the impact on the Company's business, operations, customer count, rate base, business mix, return on equity and financial condition; the Company's "greening the fleet" plans, including with respect to Kentucky Power and the Mitchell coal plant; expectations regarding the benefits, outcomes and impacts of transitioning to renewable energy; expectations regarding the timing for the transfer or retirement (for rate-making purposes in Kentucky) of the Mitchell coal plant; the expected non-renewal of the offtake contract for the Rockport coal plant; expectations regarding the use of proceeds of the Company's November 2021 C$800 million bought deal common share offering; expectations regarding deleveraging; expectations regarding the levelized cost of energy from renewable sources; the Company's financing plan and expected sources and uses of capital, including the impact thereof on the Company's balance sheet; projections about liquidity, capital sufficiency and credit ratings; targets and expectations regarding credit metrics; the Company's corporate development and growth initiatives and the results thereof, including future acquisitions and the expected business mix between the Company's operating segments; expectations regarding potential future asset dispositions and other capital recycling initiatives, including the anticipated benefits and structure thereof; the Company's sustainability, decarbonization, environmental, social and governance goals, targets and initiatives (including the Company's ability to achieve these goals, targets and initiatives and the Company's expectations with respect thereto); the Company's expected growth strategies; expectations regarding the resiliency of the Company's asset and geographical base; anticipated utility rates, regulatory filings, outcomes and initiatives, available regulatory mechanisms and recoverability of investments; expected tax rates; industry data and projections; expectations regarding safety, reliability and system operating performance; expected future operating costs; expectations regarding legislative changes and initiatives; expectations regarding the Company's investment in emerging technologies, including battery storage, microgrids, community solar and renewable natural gas; grid updates in connection with the Texas Coastal Wind Facilities; customer expectations, rates and savings; and expectations regarding the Company's offerings of subordinated notes, including the expected aggregate principal amounts, timing and terms thereof. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their nature they rely on assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in this presentation or contained in AQN's preliminary prospectus supplement dated the date hereof, AQN's Management Discussion and Analysis for the three and nine months ended September 30, 2021 (the "Interim MD&A"), AQN's Management Discussion and Analysis for the three and twelve months ended December 31, 2020 (the "Annual MD&A"), and AQN's Annual Information Form for the year ended December 31, 2020, each filed with securities regulatory authorities in Canada and the United States. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

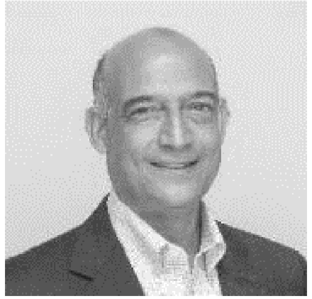
Non-GAAP Financial Measures

The terms "Adjusted Net Earnings", "Adjusted Net Earnings per share" (or "Adjusted Net EPS"), "Adjusted earnings before interest, taxes, depreciation and amortization" ("Adjusted EBITDA") and "Adjusted Funds from Operations" (together, the "Financial Measures") may be used in this presentation and discussion. The Financial Measures are not recognized measures under U.S. GAAP. There is no standardized measure of the Financial Measures; consequently, AQN's method of calculating the Financial Measures may differ from methods used by other companies and therefore they may not be comparable to similar measures presented by other companies. An explanation, calculation and analysis of the Financial Measures and a reconciliation to the most directly comparable U.S. GAAP measure, where applicable, can be found in the Interim MD&A and the Annual MD&A under the headings "Caution Concerning Forward-Looking Statements, Forward-Looking Information and Non-GAAP Measures - Non-GAAP Financial Measures" and "Non-GAAP Financial Measures", which sections are incorporated by reference herein. The Annual MD&A and Interim MD&A are available on SEDAR at www.sedar.com and EDGAR at www.sec.gov. A reconciliation of certain of the Financial Measures used in the presentation to the most directly comparable U.S. GAAP measure can also be found in the Appendix beginning on page 31 of this presentation.

Market and Industry Data

Certain of the information contained in this presentation concerning economic trends and market, peer and industry data and projections is based upon or derived from information by third party or industry sources. The Company provides no assurance with respect to the accuracy of such information nor has the Company independently verified such information or the assumptions upon which projections of future trends are based. As a result, readers should be aware that any such information and data set forth in this presentation and estimates and beliefs based on such information and data, may not be reliable.

Speakers & Agenda



Arthur Kacprzak
Chief Financial Officer

Agenda

I. Transaction Summary & Credit Highlights

II. Business Overview

III. Kentucky Power Acquisition

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V. Summary

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Transaction Summary & Credit Highlights
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Transaction Summary

Term	USD Offering	CAD Offering
Issuer:	Algonquin Power & Utilities Corp.	Algonquin Power & Utilities Corp.
Securities:	Fixed-to-Fixed Reset Rate Junior Subordinated Notes Series 2022 - B due [ ], 2082	Fixed-to-Fixed Reset Rate Junior Subordinated Notes Series 2022 - A due [ ], 2082
Par Amount:	$1,000	C$1,000
Tenor:	60-year non-call 5.25 years	60-year non-call 10 years
First Interest Reset Date:	5.25 years from closing date	10 years from closing date
Expected Ratings (S&P/Fitch):	BB+ (Negative) / BB+ (Stable)	BB+ (Negative) / BB+ (Stable)
Currency:	USD	CAD
Deferral Right:	So long as no Event of Default has occurred, interest can be deferred on one or more occasions for up to five consecutive years	So long as no Event of Default has occurred, interest can be deferred on one or more occasions for up to five consecutive years
Use of Proceeds:	To partially finance the Company's acquisition of the Kentucky Power Entities (together, the "Kentucky Power Acquisition"), provided that, in the short-term, prior to the closing of the acquisition, the Company expects to use such net proceeds to reduce amounts outstanding under existing credit facilities (which indebtedness was principally incurred as a result of ordinary course operations and to fund the Corporation's previously disclosed growth opportunities)	To partially finance the Kentucky Power Acquisition, provided that, in the short-term, prior to the closing of the acquisition, the Company expects to use such net proceeds to reduce amounts outstanding under existing credit facilities (which indebtedness was principally incurred as a result of ordinary course operations and to fund the Corporation's previously disclosed growth opportunities)
Interest:	Payable in cash, semi-annually in arrears	Payable in cash, semi-annually in arrears
Interest Rate:	• Fixed rate until the First Interest Reset Date • Thereafter for each Reset Period, fixed rate equal to the Five-year U.S. Treasury Rate plus Year 5: Original Spread; Year 10: Original Spread + 25 bps; Year 30: Original Spread + 100 bps	• Fixed rate until the First Interest Reset Date • Thereafter for each Reset Period, fixed rate equal to the Five-year Government of Canada Yield plus Year 10: Original Spread + 25 bps; Year 30: Original Spread + 100 bps
Optional Redemption:	• Optional Redemption at Par during 3 months preceding each Interest Reset Date ("Par Call Period") • Optional Redemption at Make-Whole at any time outside of a Par Call Period • Optional Redemption at 102% of par upon a ratings event • Optional Redemption at Par upon a change in tax law	• Optional Redemption at Par at 10 years (3 month par call) and thereafter on any Interest Payment Date • Optional Redemption at Make-Whole • Optional Redemption at 102% of par upon a ratings event • Optional Redemption at Par upon a change in tax law
Subordination:	The payment of principal and interest on the Notes will be subordinated in right of payment to the prior payment in full of all present and future Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of the Company's subsidiaries	The payment of principal and interest on the Notes will be subordinated in right of payment to the prior payment in full of all present and future Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of the Company's subsidiaries
Automatic Conversion:	The Notes will be automatically converted into shares of a newly issues series of preferred shares of the Company upon the occurrence of bankruptcy or related event	The Notes will be automatically converted into shares of a newly issues series of preferred shares of the Company upon the occurrence of bankruptcy or related event
Listing:	Not Listed	Not Listed
Joint Book-Running Managers:	BofA Securities, Wells Fargo Securities	RBC Capital Markets, TD Securities
	USD Offering is not being made to purchasers in Canada	CAD Offering is not being made to purchasers in the U.S.

Credit Highlights

- ~70% of business: water, electric and gas regulated utilities across 16 jurisdictions
- ~30% of business: developers, owners and operators of primarily North American renewables
- Diversified asset and geographical base expected to provide resiliency against climate change
- 1% compound annual growth rate ("CAGR") reduction in adjusted operating costs over last 8 years, while driving enhanced customer outcomes

Prudent CapEx Spend

- $12.4 billion 5-year capital plan from 2022 through 2026
- Prospective 3.8 GW greenfield development pipeline through 2026
- Expect to close Kentucky Power Acquisition in mid-2022; significant opportunities to transition the existing fossil fuel generation with renewable sources

Strong Balance Sheet

- Committed to maintaining BBB investment grade balance sheet
- Funding plan expected to maintain resilient balance sheet
- Capital needs expected to be satisfied through a diverse executable funding plan
- Expect additional de-leveraging over the 5-year period (2022-2026)

Leaders in ESG

- ~4.1 GW renewables (owned, operated and/or net interest in)
- Board 38% female; executive team 40% female; compensation tied in part to ESG progress
- Established a net-zero by 2050 target for scope 1 & scope 2 emissions across AQN's business operations
- Renewable generation expertise has enabled strong decarbonization track record and is expected to continue to do so


Business
Overview
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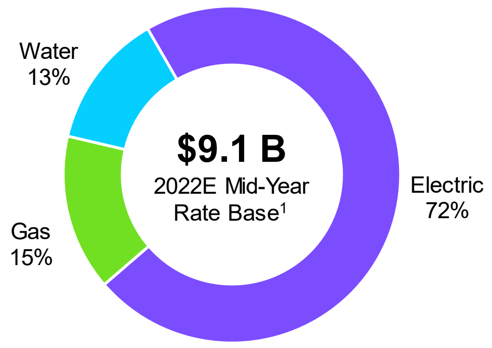
North American Energy and Water Company

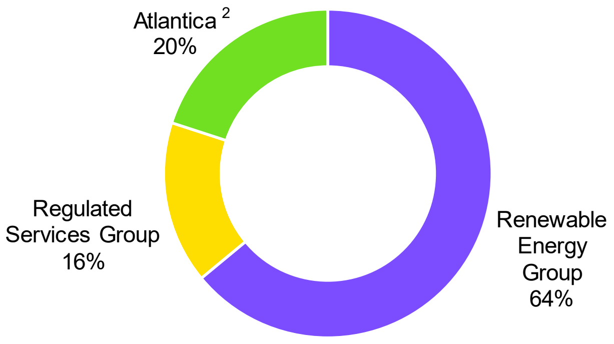
Regulated

- Operates a diversified portfolio of regulated electric, water and natural gas infrastructure



Renewable

- Developer and operator of renewable and clean power generation facilities



- **Entrepreneurial Culture**
- **Greening the Fleet**
- **Tax Equity Experience**
- **Technology Expertise**
- **Balance Sheet**
- **Green Financings**

Unique diversified portfolio creates opportunities

1. Pro forma estimate, assuming closing of the Kentucky Power Acquisition.
2. Refers to AQN's 44.2% interest in Atlantica Sustainable Infrastructure plc.
3. Includes renewable generating capacity in both the Regulated Services Group and Renewable Energy Group. Non-renewable generating capacity in the Regulated Services Group is not included.

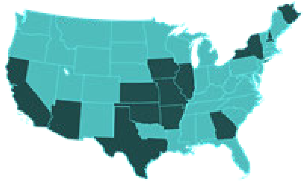
~1,215,000
customer connections[2]

- Stable, predictable earnings and return protection across diverse customer base
- Core customer care competence

~228,000
additional anticipated connections[3]

- Pending acquisition of Kentucky Power Entities
- Strong track record of integrating acquisitions

Regulated utility systems in
13 U.S. states, **1** CDN province,
Chile and Bermuda



- Diversified regulatory jurisdictions
- Efficient capital deployment
- Regulatory relationship management

~$10.3 B
regulated utility assets

- Excellent growth track record
- 5-year CAGR of ~36% for 2015 to 2020
- Accretive acquisitions in supportive regulatory environments

1. All values on this slide as of September 30, 2021.
2. Includes New York American Water.
3. Reflects Kentucky Power Acquisition.

40
renewable energy facilities

- Attractive returns and strong cash flow from renewable and clean energy generation sourced from water, wind, and solar

~2.3 GW
gross generating capacity

- ~81% of generation under long term power purchase contracts with inflation escalators

~1.5 GW
net generating capacity investments

- 44% interest in Atlantica Sustainable Infrastructure's global portfolio of high quality assets; ~16 years weighted average remaining contract life

~13 years
average PPA length

- Diversified portfolio of creditworthy counterparties

1. All values on this slide as of September 30, 2021.

Three Pillar Foundation

Algonquin Power & Utilities Corp.

Growth

- Strong growth track record
- Multiple growth levers
- Strong balance sheet

Operational Excellence

- Award-winning safety culture
- Local operations model
- Strive to achieve authorized returns on equity (“ROE”) and minimal regulatory lag

Sustainability

- 2050 Net Zero Target
- Annual Sustainability plans
- Ambitious 2023 interim goals across ESG

Continued execution on three strategic pillars

Operational Excellence in Action[1]

Safety - Loss Time Injury Rate

Reliability – 5-year SAIFI
(System Average Interruption Frequency Index)

17% improvement

JD Power Customer Satisfaction Scores

~ 60 point improvement

Strong track record of driving enhanced customer outcomes

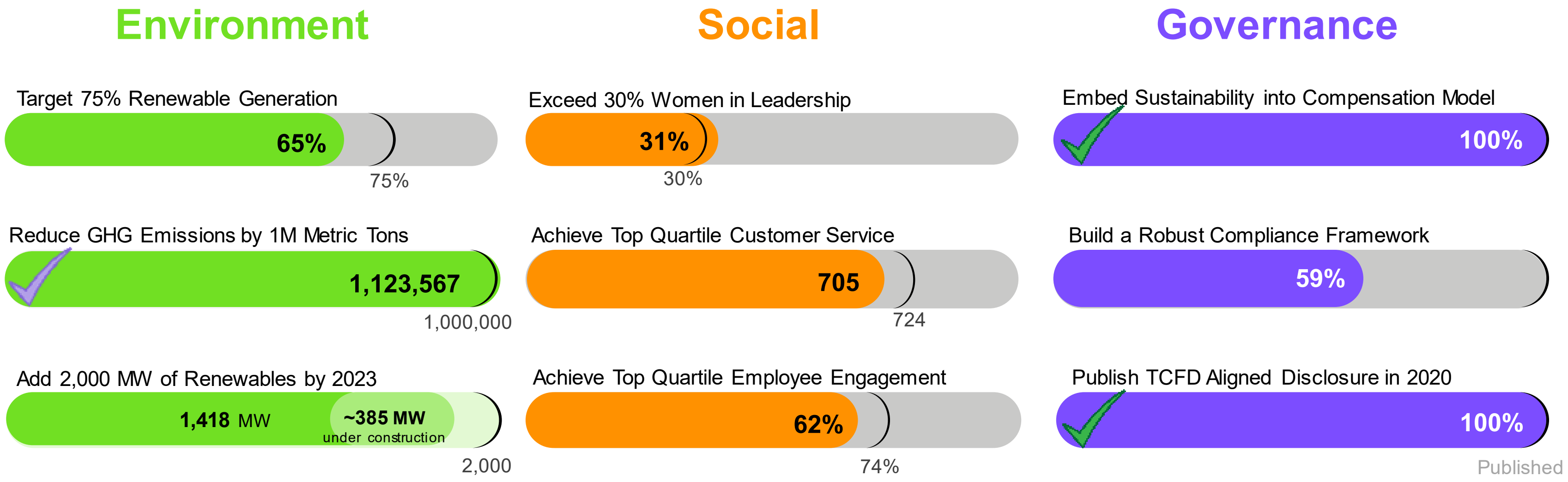
1. YTD 2021 as of 9/30/2021.

ESG is Embedded in Our Business Strategy

- **Net-zero target guides our decarbonization strategy**
- **We continue to make strong progress towards current interim 2023 ESG goals**
- **Our intention is to announce additional interim goals along our net-zero journey**
- **Our renewable generation expertise has enabled our strong decarbonization track record and is expected to continue to do so**

Algonquin is strategically committed to decarbonization

ESG Goals: Our Sustainability Journey Continues[1]



Algonquin is delivering strong progress on interim 2023 ESG goals

1. Progress is reflected as at October 31, 2021. The “Target 75% Renewable Generation” goal is focused on nameplate capacity (MW) of operationally controlled assets added to our renewable portfolio. The “Reduce GHG Emissions by 1M Metric Tons” goal reflects an absolute reduction of greenhouse gas emissions. Goals are subject to update as per our reporting boundary, which is based on assets under operational control, and our Base-year and Recalculation Policy. For additional details, please refer to Algonquin’s 2021 ESG Report. The Company does not incorporate by reference the 2021 ESG Report or any other information on, or accessible through, its website in this Investor Presentation or in the prospectus supplements relating to the offerings, unless expressly provided herein or therein.


Kentucky Power Acquisition
Algonquin | Liberty | Investor Presentation

Kentucky Power Acquisition Overview

Transaction and Purchase Price	• Liberty Utilities Co., an indirect subsidiary of Algonquin, agreed to acquire Kentucky Power and Kentucky Transco from American Electric Power Company Inc., and American Electric Power Transmission Company, LLC – Kentucky Power is a state and U.S. Federal Energy Regulatory Commission ("FERC") regulated, vertically integrated electric utility that provides services to approximately 228,000 active customer connections in twenty Eastern Kentucky counties – Kentucky TransCo is a FERC regulated electric transmission utility operating in the Kentucky portion of the Pennsylvania-New Jersey-Maryland regional transmission organization[1] • Total purchase price of approximately $2.846 billion including the assumption of approximately $1.221 billion in debt[2] • Expected mid-year 2022 rate base acquisition multiple of 1.3x based on expected $2.2 billion of mid-year 2022 rate base
Financing Plan	• Financing plan is designed to maintain Algonquin's investment grade credit ratings • Concurrent with the announcement of the Kentucky Power Acquisition, the Company announced an approximately C$800 million bought deal common equity offering to fund a portion of the purchase price • Secured acquisition financing commitment
Transaction Timing & Approvals	• Regulatory approvals include FERC, the Committee on Foreign Investment in the Unites States, the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act, and state approvals in Kentucky and West Virginia (for the termination and replacement of the existing operating agreement for the Mitchell facility) • Final regulatory approvals and closing of the Kentucky Power Acquisition are expected by mid-2022

1 Significant Growth in Regulated Electric Utility Operations

- Consistent with Algonquin's strategy of completing accretive add-on regulated acquisitions at attractive values
- Increases pro forma regulated rate base to approximately $9 billion and overall pro forma business mix to nearly 80% regulated businesses
- Increases pro forma electric rate base from 63% to 72% of total rate base[1]
- Expected to increase service territory footprint and provide greater regulatory jurisdiction diversification

2 Leverages Greening the Fleet Experience & Re-Confirms Leadership in the Energy Transition

- Significant opportunities to transition the existing rate based fossil fuel generation with rate-regulated renewables sources
- Reinforces Algonquin's competitive position in the energy transition and leverages its experience in greening the fleet
- Kentucky Power greening the fleet initiatives would align with Algonquin's target of achieving net-zero greenhouse gas emissions (scope 1 and 2) by 2050

3 Expected to be Accretive to Earnings and Maintain Investment Grade Credit Profile

- Expected to be accretive to Adjusted Net EPS in first full year and mid-single digit percentage accretion thereafter[2]
- Expected to support growth in Algonquin's Adjusted Net EPS over the long-term[2]
- Financing plan designed to maintain Algonquin's investment grade credit rating

1. 2022E Mid-year rate base.
2. Please see note on Non-GAAP Financial Measures on page 4 of this presentation, and the Appendix beginning on page 31 for a reconciliation of Non-GAAP Financial Measures.

Kentucky Power
Greening the Fleet Playbook

- **Expected to reinforce Algonquin's competitive position in the energy transition and leverage our experience in "greening the fleet"**
  - Strong track record of transitioning our Empire and CalPeco utilities
  - 87% of non-renewable generation expected to end within 7 years
  - Opportunity for over 1 GW of new renewable generation
- **Significant opportunities to transition the existing fossil fuel generation with renewable sources**
  - Opportunity to replace thermal supply from Rockport (Indiana) and Mitchell (West Virginia)
  - Expected levelized cost of energy from renewables lower than market purchases and current fossil-fuel owned generation assets
- **Aligns with Algonquin's target of achieving net-zero greenhouse gas emissions (scope 1 and 2) by 2050**
  - Opportunity to add over 1,000 MW of renewable generation capacity
    - Offtake contract at Rockport Coal (393 MW) to phase out in 2022
    - Mitchell Coal (780 MW) retirement targeted for 2028

Leveraging proven track record of Greening the Fleet

Kentucky Power
Optimizing Performance Playbook

- **Successful track record of identifying, securing regulatory approvals and closing acquisitions**
  - Extensive experience in managing the integration of multi-modality utilities
  - Share learnings and best practices among our utilities with aim of driving consistent improvement of key performance metrics
- **Responsive, Local model approach**
  - Example: Granite State Electric and Empire District Electric
- **Path forward to improving earnings profile of Kentucky Power**
  - Above average regulatory jurisdiction by S&P
  - Certain key regulatory features are available that may help achieve higher ROE

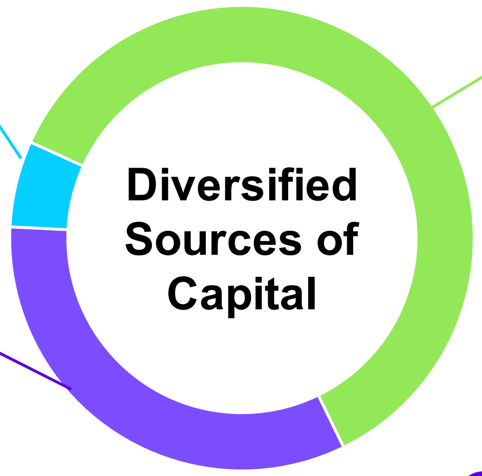
Strong track record of optimizing performance


Financial Overview
Algonquin | Liberty | Investor Presentation

Well-Capitalized Diversified Balance Sheet[1]

Hybrid Securities – 6%

- **Hybrid securities provide additional pool of cost-effective capital**
- **50% Equity credit from S&P and Fitch**
  - Preferred shares issued in Canada
  - Subordinated notes issued in the U.S.



Equity – 56%

- Dual listing on NYSE and TSX provides opportunities for new sources of equity capital
- Member of S&P/TSX 60 Index
- Tax Equity provides efficient financing for renewables projects
- Equity Units

Long-term Debt – 38%

- **Senior unsecured debt platforms provide deep access to North American debt capital markets**
- **Diversified access to debt capital markets**
  - Canada & US
  - 144A and private placements
  - Project financing

Business supported by \$2.6 B of Committed Credit Facilities[2]

1. As of September 30, 2021.
2. As of January 10, 2022.

Credit Rating Profile

BBB

BBB Fitch

BBB DBRS

- **Committed to maintaining BBB Investment Grade Balance Sheet**
- **Target Business Mix > 70% regulated**
  - Acquisition of Kentucky Power expected to increase business mix to ~ 80% regulated
  - Headroom to increase non-regulated renewables investments

Committed to maintain BBB investment grade credit ratings


Summary
Algonquin | Liberty | Investor Presentation

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Tenor:	60-year non-call 5.25 years	60-year non-call 10 years
First Interest Reset Date:	5.25 years from closing date	10 years from closing date
Expected Ratings (S&P/Fitch):	BB+ (Negative) / BB+ (Stable)	BB+ (Negative) / BB+ (Stable)
Currency:	USD	CAD
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Interest:	Payable in cash, semi-annually in arrears	Payable in cash, semi-annually in arrears
Interest Rate:	• Fixed rate until the First Interest Reset Date • Thereafter for each Reset Period, fixed rate equal to the Five-year U.S. Treasury Rate plus Year 5: Original Spread; Year 10: Original Spread + 25 bps; Year 30: Original Spread + 100 bps	• Fixed rate until the First Interest Reset Date • Thereafter for each Reset Period, fixed rate equal to the Five-year Government of Canada Yield plus Year 10: Original Spread + 25 bps; Year 30: Original Spread + 100 bps
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Subordination:	The payment of principal and interest on the Notes will be subordinated in right of payment to the prior payment in full of all present and future Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of the Company's subsidiaries	The payment of principal and interest on the Notes will be subordinated in right of payment to the prior payment in full of all present and future Senior Indebtedness, and will be effectively subordinated to all indebtedness and obligations of the Company's subsidiaries
Automatic Conversion:	The Notes will be automatically converted into shares of a newly issues series of preferred shares of the Company upon the occurrence of bankruptcy or related event	The Notes will be automatically converted into shares of a newly issues series of preferred shares of the Company upon the occurrence of bankruptcy or related event
Listing:	Not Listed	Not Listed
Joint Book-Running Managers:	BofA Securities, Wells Fargo Securities	RBC Capital Markets, TD Securities
	USD Offering is not being made to purchasers in Canada	CAD Offering is not being made to purchasers in the U.S.

Forward-Looking Statements

Certain written statements included herein and/or oral statements made in connection with the presentation contained herein constitute "forward-looking information" within the meaning of applicable securities laws in each of the provinces and territories of Canada and the respective policies, regulations and rules under such laws and "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"). The words "will", "expects", "intends", "should", "would", "anticipates", "projects", "forecasts", "plans", "estimates" (occasionally denoted herein by the letter "E"), "may", "might", "outlook", "aims", "pending", "prospective", "budget", "target", "believes", "could", "potential" and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements contained in or made in connection with this presentation include, but are not limited to statements regarding: the expected performance of Algonquin; the Company's expected future growth, earnings, cash flows, funds from operations, revenue, debt and dividends; expected future rate base; capital expenditure and investment plans; development projects (including greenfield opportunities) and the anticipated generation capacity, completion, timing, cost, location, size, success rate, customer benefits and qualification for tax credits of such projects; the Company's pending acquisition of Kentucky Power Company ("Kentucky Power") and AEP Kentucky Transmission Company, Inc., ("Kentucky Transco" and, together with Kentucky Power, the "Kentucky Power Entities") including the expected timing for obtaining regulatory approvals and for closing and the financing thereof; the impact and expected benefits of such acquisitions to the Company, including the impact on the Company's business, operations, customer count, rate base, business mix, return on equity and financial condition; the Company's "greening the fleet" plans, including with respect to Kentucky Power and the Mitchell coal plant; expectations regarding the benefits, outcomes and impacts of transitioning to renewable energy; expectations regarding the timing for the transfer or retirement (for rate-making purposes in Kentucky) of the Mitchell coal plant; the expected non-renewal of the offtake contract for the Rockport coal plant; expectations regarding the use of proceeds of the Company's November 2021 C$800 million bought deal common share offering; expectations regarding deleveraging; expectations regarding the levelized cost of energy from renewable sources; the Company's financing plan and expected sources and uses of capital, including the impact thereof on the Company's balance sheet; projections about liquidity, capital sufficiency and credit ratings; targets and expectations regarding credit metrics; the Company's corporate development and growth initiatives and the results thereof, including future acquisitions and the expected business mix between the Company's operating segments; expectations regarding potential future asset dispositions and other capital recycling initiatives, including the anticipated benefits and structure thereof; the Company's sustainability, decarbonization, environmental, social and governance goals, targets and initiatives (including the Company's ability to achieve these goals, targets and initiatives and the Company's expectations with respect thereto); the Company's expected growth strategies; expectations regarding the resiliency of the Company's asset and geographical base; anticipated utility rates, regulatory filings, outcomes and initiatives, available regulatory mechanisms and recoverability of investments; expected tax rates; industry data and projections; expectations regarding safety, reliability and system operating performance; expected future operating costs; expectations regarding legislative changes and initiatives; expectations regarding the Company's investment in emerging technologies, including battery storage, microgrids, community solar and renewable natural gas; grid updates in connection with the Texas Coastal Wind Facilities; customer expectations, rates and savings; and expectations regarding the Company's offerings of subordinated notes, including the expected aggregate principal amounts, timing and terms thereof. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their nature they rely on assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in this presentation or contained in AQN's preliminary prospectus supplement dated the date hereof, AQN's Management Discussion and Analysis for the three and nine months ended September 30, 2021 (the "Interim MD&A"), AQN's Management Discussion and Analysis for the three and twelve months ended December 31, 2020 (the "Annual MD&A"), and AQN's Annual Information Form for the year ended December 31, 2020, each filed with securities regulatory authorities in Canada and the United States. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Non-GAAP Financial Measures

The terms "Adjusted Net Earnings", "Adjusted Net Earnings per share" (or "Adjusted Net EPS"), "Adjusted earnings before interest, taxes, depreciation and amortization" ("Adjusted EBITDA") and "Adjusted Funds from Operations" (together, the "Financial Measures") may be used in this presentation and discussion. The Financial Measures are not recognized measures under U.S. GAAP. There is no standardized measure of the Financial Measures; consequently, AQN's method of calculating the Financial Measures may differ from methods used by other companies and therefore they may not be comparable to similar measures presented by other companies. An explanation, calculation and analysis of the Financial Measures and a reconciliation to the most directly comparable U.S. GAAP measure, where applicable, can be found in the Interim MD&A and the Annual MD&A under the headings "Caution Concerning Forward-Looking Statements, Forward-Looking Information and Non-GAAP Measures - Non-GAAP Financial Measures" and "Non-GAAP Financial Measures", which sections are incorporated by reference herein. The Annual MD&A and Interim MD&A are available on SEDAR at www.sedar.com and EDGAR at www.sec.gov. A reconciliation of certain of the Financial Measures used in the presentation to the most directly comparable U.S. GAAP measure can also be found in the Appendix beginning on page 31 of this presentation.

Market and Industry Data

Certain of the information contained in this presentation concerning economic trends and market, peer and industry data and projections is based upon or derived from information by third party or industry sources. The Company provides no assurance with respect to the accuracy of such information nor has the Company independently verified such information or the assumptions upon which projections of future trends are based. As a result, readers should be aware that any such information and data set forth in this presentation and estimates and beliefs based on such information and data, may not be reliable.


Questions?
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Appendix
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Key Selected Financial Information

All dollar amounts in US$ M except per share information	Nine months ended September 30		Twelve months ended December 31	
	2021	2020	2020	2019
Revenue	$ 1,690.6	$ 1,185.7	$ 1,677.1	$ 1,626.4
Adjusted EBITDA[1]	778.5	616.3	869.5	838.6
Cash provided by operating activities	31.0	331.2	505.2	611.3
Adjusted funds from operations[1]	535.8	421.0	600.2	566.2
Net earnings attributable to shareholders	89.2	278.3	782.5	530.9
Adjusted Net Earnings[1]	312.7	238.9	365.8	321.3
Dividends declared to common shareholders	307.6	251.3	344.4	277.8
Per share				
Basic net earnings	$ 0.13	$ 0.50	$ 1.38	$ 1.05
Adjusted Net Earnings[1,2]	0.50	0.43	0.64	0.63
Diluted net earnings	0.13	0.49	1.37	1.04
Dividends declared to shareholders	0.50	0.45	0.61	0.55
Total assets	$ 16,699.0	$ 11,739.9	$ 13,223.9	$ 10,920.8
Long term debt[3]	6,870.3	3,978.0	4,538.8	3,932.2

1. Please see note on Non-GAAP Financial Measures on page 4 of this presentation, and the Appendix beginning on page 31 for a reconciliation of Non-GAAP Financial Measures.
2. AQN uses per share Adjusted Net Earnings to enhance assessment and understanding of the performance of AQN.
3. Includes current and long-term portion of debt and convertible debentures per the financial statements for the three and nine months ended September 30, 2021.

Reconciliation of Adjusted EBITDA to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

The following table shows a reconciliation of net earnings to Adjusted EBITDA exclusive of these items:

	Twelve Months Ended December 31	
(all dollar amounts in $ millions)	2020	2019
Net earnings attributable to shareholders	$ 782.5	$ 530.9
Add (deduct):		
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]	14.9	19.1
Income tax expense	64.6	70.1
Interest expense	181.9	181.5
Other net losses[2]	61.3	26.7
Pension and post-employment non-service costs	14.1	17.3
Change in value of investments carried at fair value[3]	(559.7)	(278.1)
Loss (gain) on derivative financial instruments	(1.0)	(16.1)
Realized loss on energy derivative contracts	(1.1)	(0.2)
Loss (gain) on foreign exchange	(2.1)	3.1
Depreciation and amortization	314.1	284.3
Adjusted EBITDA	**$ 869.5**	**$ 838.6**

1 HLBV represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the twelve months ended December 31, 2020 amounted to $69.5 million as compared to $65.0 million during the same period in 2019.

2 See Note 19 in the annual consolidated financial statements for the year ended December 31, 2020.

3 See Note 8 in the annual consolidated financial statements for the year ended December 31, 2020.

Reconciliation of Adjusted EBITDA to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

The following table shows a reconciliation of net earnings to Adjusted EBITDA exclusive of these items:

	Nine Months Ended September 30			
(all dollar amounts in $ millions)		2021		2020
Net earnings attributable to shareholders	$	89.2	$	278.3
Add (deduct):				
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]		13.8		11.7
Income tax expense (recovery)		(45.2)		13.5
Interest expense		159.4		136.6
Other net losses[2]		11.1		44.8
Pension and post-employment non-service costs		11.4		9.3
Change in value of investments carried at fair value[3]		183.5		(95.7)
Impacts from the Market Disruption Event on the Senate Wind Facility		53.4		—
Costs related to tax equity financing		4.3		—
Loss (gain) on derivative financial instruments		2.1		(1.7)
Realized loss on energy derivative contracts		(0.1)		(1.0)
Loss (gain) on foreign exchange		3.4		(5.6)
Depreciation and amortization		292.2		226.1
Adjusted EBITDA	**$**	**778.5**	**$**	**616.3**

1 HLBV represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the nine months ended September 30, 2021 amounted to $60.9 million as compared to $49.1 million during the same period in 2020.

2 See *Note 16* in the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021.

3 See *Note 6* in the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021.

Reconciliation of Adjusted Net Earnings to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted Net Earnings and provides additional information related to the operating performance of AQN Investors are cautioned that this measure should not be construed as an alternative to consolidated net earnings in accordance with U.S. GAAP.

The following table shows the reconciliation of net earnings to Adjusted Net Earnings exclusive of these items:

	Twelve Months Ended December 31	
(all dollar amounts in $ millions except per share information)	2020	2019
Net earnings attributable to shareholders	$ 782.5	$ 530.9
Add (deduct):		
Loss (gain) on derivative financial instruments	(1.0)	(0.3)
Realized loss on energy derivative contracts	(1.1)	(0.2)
Other net losses[2]	61.3	26.7
Loss (gain) on foreign exchange	(2.1)	3.1
Change in value of investments carried at fair value[1]	(559.7)	(278.1)
Other non-recurring adjustments	1.0	2.2
Adjustment for taxes related to above[3]	84.9	37.0
Adjusted Net Earnings	**$ 365.8**	**$ 321.3**
Adjusted Net Earnings per share	**$ 0.64**	**$ 0.63**

1 See Note 19 in the annual audited consolidated financial statements for the year ended December 31, 2020.

2 See Note 8 in the annual audited consolidated financial statements for the year ended December 31, 2020.

3 Includes a one-time tax expense of $9.3 million to reverse the benefit of deductions taken in the prior year. See Note 18 in the annual consolidated financial statements. for the year ended December 31, 2020.

Reconciliation of Adjusted Net Earnings to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted Net Earnings and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to consolidated net earnings in accordance with U.S. GAAP.

The following table shows the reconciliation of net earnings to Adjusted Net Earnings exclusive of these items:

	Nine Months Ended September 30			
(all dollar amounts in $ millions except per share information)		2021		2020
Net earnings attributable to shareholders	$	89.2	$	278.3
Add (deduct):				
Loss (gain) on derivative financial instruments		2.1		(1.7)
Realized loss on energy derivative contracts		(0.1)		(1.0)
Other net losses[1]		11.1		44.8
Loss (gain) on foreign exchange		3.4		(5.6)
Change in value of investments carried at fair value[2]		183.5		(95.7)
Impacts from the Market Disruption Event on the Senate Wind Facility		53.4		—
Costs related to tax equity financing and other non-recurring adjustments		4.3		1.0
Adjustment for taxes related to above		(34.2)		18.8
Adjusted Net Earnings	**$**	**312.7**	**$**	**238.9**
Adjusted Net Earnings per share	**$**	**0.50**	**$**	**0.43**

1 See *Note 16* in the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021.

2 See *Note 6* in the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021.

Reconciliation of Adjusted Funds from Operations to Cash Flows from Operating Activities

(all dollar amounts in $ millions)	Twelve Months Ended December 31 2020	2019
Cash flows from operating activities	$ 505.2	$ 611.3
Add (deduct):		
Changes in non-cash operating items	77.5	(60.3)
Production based cash contributions from non-controlling interests	3.4	3.6
Acquisition-related costs	14.1	11.6
Adjusted Funds from Operations	**$ 600.2**	**$ 566.2**

Reconciliation of Adjusted Funds from Operations to Cash Flows from Operating Activities

	Nine Months Ended September 30	
(all dollar amounts in $ millions)	2021	2020
Cash flows from operating activities	$ 31.0	$ 331.2
Add (deduct):		
Changes in non-cash operating items	437.6	80.3
Production based cash contributions from non-controlling interests	4.8	3.4
Impacts from the Market Disruption Event on the Senate Wind Facility	53.4	—
Costs related to tax equity financing	4.3	—
Acquisition-related costs	4.7	6.1
Adjusted Funds from Operations	**$ 535.8**	**$ 421.0**

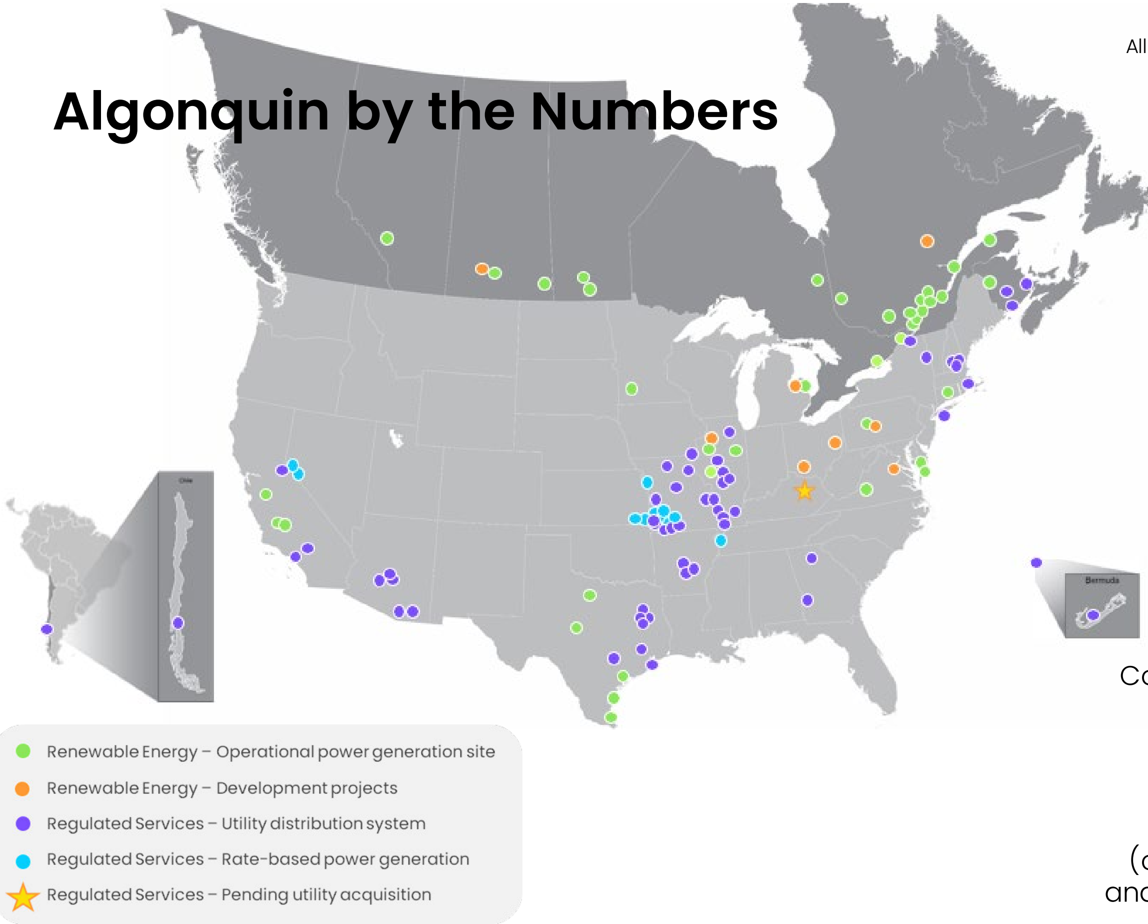
Investor Presentation

CIBC Western Institutional Investor Conference
January 19-21, 2022

Algonquin

Liberty™

Algonquin by the Numbers



All dollar amounts presented in U.S. $ unless otherwise noted.

~$9.7 B
Market Cap[1]

~$16.7 B
Total Assets[2]

~350%
Cumulative 10-Year Total Shareholder Return[4]

BBB
Credit Rating

$12.4 B
CapEx Plan from 2022 through end of 2026

1988
Company Founded

3,400+
Employees

~4.1 GW
Renewables (owned, operated and/or net interest in)

~3.8 GW
Prospective Greenfield Development Pipeline

Algonquin Liberty™

1. Market capitalization on the New York Stock Exchange (NYSE), as of December 31, 2021.
2. Total Assets as of September 30, 2021.
3. 5-year TSR calculation on Toronto Stock Exchange (TSX), as of December 31, 2021.
4. 10-year TSR calculation on Toronto Stock Exchange (TSX), as of December 31, 2021.

Algonquin: Investment Theses

- Total Shareholder Returns ("TSR")[1]: 3-Year TSR of ~52%; 5-year TSR of ~101%; 10-year TSR of ~350%
- Historical dividend per share Compound Annual Growth Rate ("CAGR") of 10% – 2010 to 2020

Exceptional Growth

- Adjusted Net Earnings[2,3] per share CAGR of 12.2% from 2015 to the end of 2020 (34% CAGR in net earnings attributable to shareholders (on a per share basis) over the same period)
- Confident in executing $12.4 billion 5-year capital plan through 2026
- Prospective 3.8 GW greenfield development pipeline through 2026

Resilient Business with Strong Balance Sheet

- ~70% of business: water, electric and gas regulated utilities across 16 jurisdictions
- ~30% of business: developers, owners and operators of primarily North American renewables
- BBB stable credit rating by S&P, DBRS and Fitch
- Diversified asset and geographical base provides resiliency against climate change

Leaders in ESG

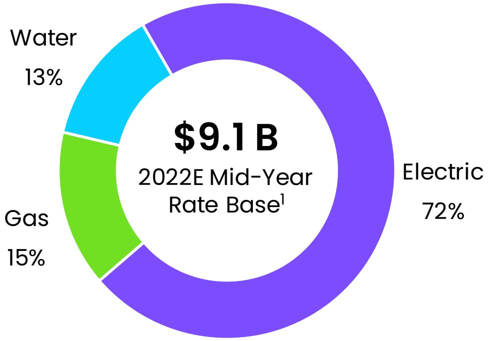
- ~4 GW renewables (owned, operated and/or net interest in)
- Board 38% female; executive team 40% female; compensation tied in part to ESG progress
- Leader among representative peer group for 2020 CO_2 emissions intensity per dollar of revenue[4]
- Established a net-zero by 2050 target for scope 1 & scope 2 emissions across AQN's business operations

1. TSR calculations for 3, 5 and 10 year on Toronto Stock Exchange (TSX), as of December 31, 2021.
2. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and Appendix – Reconciliation of Non-GAAP Financial Measures beginning on page 28 of this presentation.
3. The Company's financial statements for the years ended December 31, 2015, 2016 and 2017 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2016 and 2017 in U.S. dollars. Adjusted Net Earnings per share for 2016 and 2017 are derived from such re-issued financial statements and the related management discussion and analysis. In contrast, Adjusted Net Earnings per share for 2015 has been converted to U.S. dollars for the purposes of this document using the annual exchange rate for 2015 of 0.782, as reported by the Bank of Canada and accordingly, is not directly comparable.
4. Peer group was identified from research by a global financial services firm and consists of AES CORPORATION, AMEREN CORPORATION, AMERICAN ELECTRIC POWER, AVANGRID, INC, DOMINION ENERGY, INC, DTE ENERGY, DUKE ENERGY CORPORATION, ENTERGY CORPORATION, EXELON CORPORATION, NRG ENERGY, INC, PINNACLE WEST CAPITAL CORPORATION, PPL CORPORATION, SOUTHERN COMPANY., VISTRA CORP, XCEL ENERGY INC, NEXTERA ENERGY, INC.

Algonquin Liberty™

Regulated Services

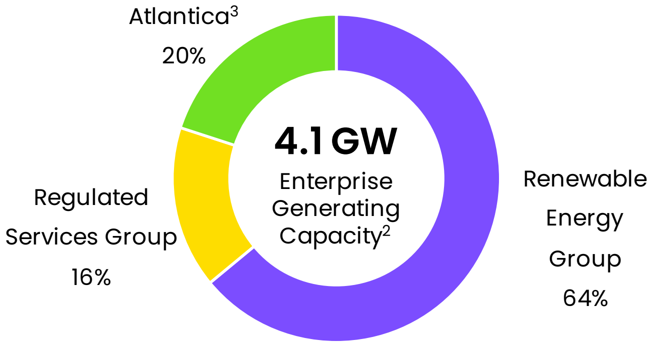
- Operates a diversified portfolio of regulated water, natural gas and electric utility systems



- Entrepreneurial Culture
- Greening the Fleet
- Tax Equity Experience
- Technology Expertise
- Balance Sheet
- Green Financings

Renewable Energy

- Developer and operator of renewable and clean power generation facilities



Multiple avenues for growth within projected 5-year, $12.4 B capital program with over 70% expected for regulated opportunities

Algonquin Liberty

1. Pro forma estimate, assuming closing of Kentucky Power Acquisition.
2. Includes renewable generating capacity in both the Regulated Services Group and Renewable Energy Group. Non-renewable generating capacity in the Regulated Services Group is not included.
3. Represents the Company's ~44% interest in Atlantica Sustainable Infrastructure plc.

Algonquin Power & Utilities Corp.

Growth

- Strong growth track record
- Multiple growth levers
- Strong balance sheet

Operational Excellence

- Award-winning safety culture
- Local operations model
- Strive to achieve authorized ROEs and minimal regulatory lag

Sustainability

- 2050 Net Zero Target
- Annual Sustainability plans
- Ambitious 2023 interim goals across ESG

Three pillars form the key foundation as we continue to build the business

2021 ESG Report highlights our 2023 ESG goals:

Environment

Target 75% Renewable Generation
65%
75%

Reduce GHG Emissions by 1M Metric Tons
1,123,567
1,000,000

Add 2,000 MW of Renewables by 2023
1,418 MW
~423 MW Under construction
Capital Plan
2,000

Social

Exceed 30% Women in Leadership[2]
31%
>30%

Achieve Top Quartile Customer Service
705
724

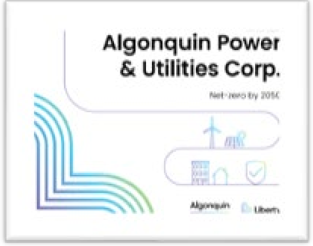
Achieve Top Quartile Employee Engagement
62%
74%

Governance

Embed Sustainability into Compensation Model
100%

Build a Robust Compliance Framework
59%

Publish TCFD Aligned Disclosure in 2020
100%



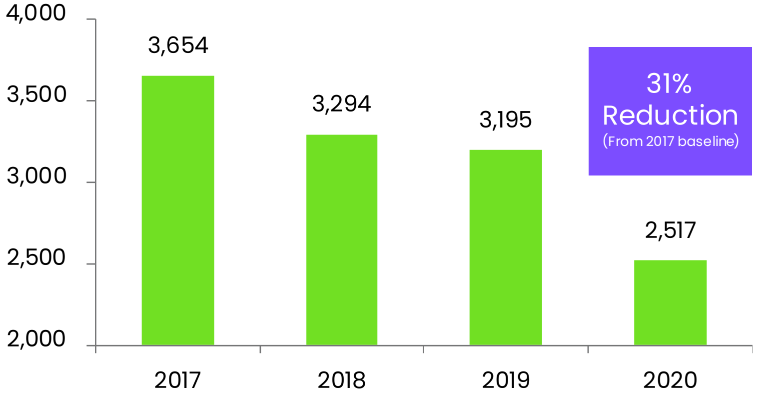
Delivering on our ESG goals:

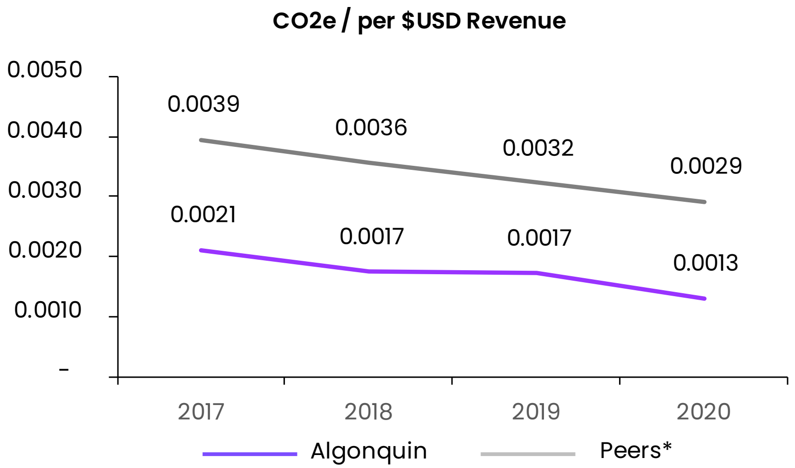
- ✓ *2021 ESG Report* includes emissions data and third-party verification of 2020 emissions
- ✓ Recognized in the *Bloomberg Gender Equality Index*
- ✓ Recognized as a 10+ year legacy responder for *CDP*
- ✓ Framework agreement with Chevron to co-develop 500+ MW of renewables; advancement on Permian projects
- ✓ Completed 'greening the fleet' initiative in the U.S. Midwest in 2021
- ✓ Established a net-zero by 2050 target for scope 1 & scope 2 emissions across AQN's business operations

Algonquin Liberty

1. Process data on ESG goals as at November 30, 2021. The "Target 75% Renewable Generation" goal is focused on nameplate capacity (MW) of operationally controlled assets added to our renewable portfolio. The "Reduce GHG Emissions by 1M Metric Tons" goal reflects an absolute reduction of greenhouse gas emissions. Goals are subject to update as per our reporting boundary, which is based on assets under operational control, and our Base-year and Recalculation Policy. For additional details, please refer to Algonquin's 2021 ESG Report.
2. Leadership roles refer to employees in the following job levels: executive, senior vice president, vice president, president, senior director, director and senior manager.

Decarbonizing our Business





Peer group was identified from research by a global financial services firm and is comprised of 15 utility companies (AMEREN CORPORATION, AMERICAN ELECTRIC POWER, AVANGRID INC, DOMINION ENERGY INC, DTE ENERGY COMPANY, DUKE ENERGY CORP, ENTERGY CORP, EXELON CORP, NEXTERA ENERGY, NRG ENERGY INC, PINNACLE WEST CAPITAL, PPL CORP, THE SOUTHERN CO, VISTRA CORP, XCEL ENERGY INC) located across the United States. Peer average is based on annual Scope 1 and 2 emissions normalized by annual revenue in USD, retrieved from publicly available sources.

Reducing our carbon footprint and our results stand out compared to our peers

Algonquin Liberty

Growth Levers

Regulated Services Group

- **Organic investments**
  - Expected investment of approximately $0.8B to $1.2B per year to improve safety, reliability and resiliency
- **Optimizing performance**
  - Best practices across diverse jurisdictions leading to minimal regulatory lag
- **Experienced Greening Playbook**
  - Leveraging development and financial expertise
- **Acquisitions and Tuck-ins**
  - 100% success rate of closing announced acquisitions of regulated utilities

Renewable Energy Group

- **Greenfield development**
  - Ability to originate and execute projects
- **Corporate Renewable Energy Customers**
  - Support customers' sustainability targets
- **Emerging Technology**
  - RNG, Battery Storage, Community Solar, Hydrogen
- **Atlantica Sustainable Infrastructure**

Multiple growth levers across both businesses to support growth and ability to execute

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Regulated Services Group: Predictable Earnings and Growth[1]

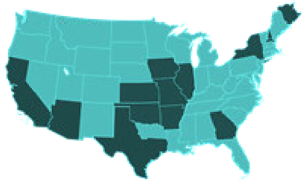
~1,215,000
customer connections[2]

- Stable, predictable earnings and return protection across diverse customer base
- Core customer care competence

~228,000
additional anticipated connections[3]

- Pending acquisition of Kentucky Power
- Strong track record of integrating acquisitions

Regulated utility systems in **13** U.S. states, **1** CDN province, Chile and Bermuda



- Diversified regulatory jurisdictions
- Efficient capital deployment
- Regulatory relationship management

~$10.3 B
regulated utility assets

- Excellent growth track record
- 5-year CAGR of ~36% for 2015 to 2020
- Accretive acquisitions in supportive regulatory environments

Algonquin Liberty

Kentucky Power Acquisition Overview

Transaction and Purchase Price

- Liberty Utilities Co., an indirect subsidiary of Algonquin, agreed to acquire Kentucky Power and Kentucky Transco from American Electric Power Company Inc., and American Electric Power Transmission Company, LLC
  - Kentucky Power is a state and U.S. Federal Energy Regulatory Commission ("FERC") regulated, vertically integrated electric utility that provides services to approximately 228,000 active customer connections in twenty Eastern Kentucky counties
  - Kentucky TransCo is a FERC regulated electric transmission utility operating in the Kentucky portion of the Pennsylvania-New Jersey-Maryland regional transmission organization[1]
- Total purchase price of approximately $2.846 billion including the assumption of approximately $1.221 billion in debt[2]
- Expected mid-year 2022 rate base acquisition multiple of 1.3x based on expected $2.2 billion of mid-year 2022 rate base

Financing Plan

- Financing plan is designed to maintain Algonquin's investment grade credit ratings
- Concurrent with the announcement of the Kentucky Power Acquisition, the Company announced an approximately C$800 million bought deal common equity offering to fund a portion of the purchase price
- Secured acquisition financing commitment
- Recently closed $750 million and C$400 million subordinated debt (hybrid) offering

Transaction Timing & Approvals

- Regulatory approvals include FERC, the Committee on Foreign Investment in the Unites States, the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act, and state approvals in Kentucky and West Virginia (for the termination and replacement of the existing operating agreement for the Mitchell facility)
- Final regulatory approvals and closing of the Kentucky Power Acquisition are expected by mid-2022

Acquisition is additive to long-term investment pipeline

Strategic Rationale of the Kentucky Power Acquisition

1 Significant Growth in Regulated Electric Utility Operations

Algonquin

KENTUCKY POWER

2 Leverages Greening the Fleet Experience & Re-Confirms Leadership in the Energy Transition

- Significant opportunities to transition the existing rate based fossil fuel generation with rate-regulated renewables sources
- Reinforces Algonquin's competitive position in the energy transition and leverages its experience in greening the fleet
- Kentucky Power greening the fleet initiatives would align with Algonquin's target of achieving net-zero greenhouse gas emissions (scope 1 and 2) by 2050

3 Expected to be Accretive to Earnings and Maintain Investment Grade Credit Profile

- Expected to be accretive to Adjusted Net EPS in first full year and mid-single digit percentage accretion thereafter[2]
- Expected to support growth in Algonquin's Adjusted Net EPS over the long-term[2]
- Financing plan designed to maintain Algonquin's investment grade credit rating

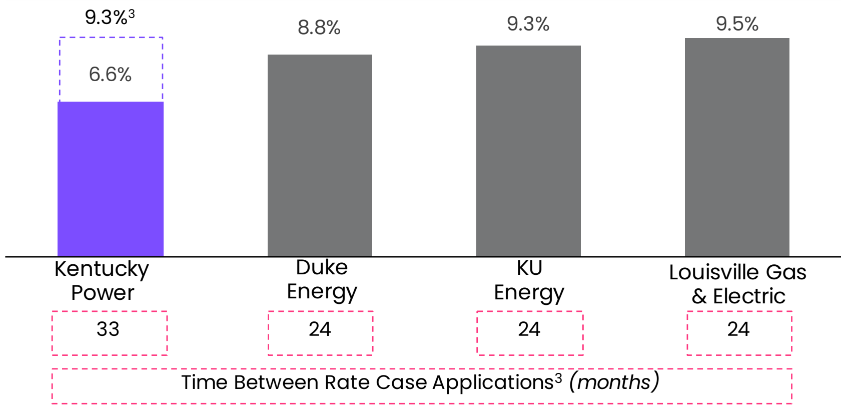
Algonquin Liberty™

1. Based on estimated 2022E mid-year rate base.
2. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and Appendix – Reconciliation of Non-GAAP Financial Measures beginning on page 28 of this presentation.

Kentucky Power: Optimizing Performance Playbook

- Successful track record of identifying, securing regulatory approvals and closing acquisitions
  - Extensive experience in managing the integration of multi-modality utilities
  - Share learnings and best practices among our utilities with aim of driving consistent improvement of key performance metrics
- Responsive, Local model approach
  - Example: Granite State Electric and Empire District Electric
- Path forward to improving earnings profile of Kentucky Power
  - Above average regulatory jurisdiction by S&P
  - Certain key regulatory features are available that may help achieve higher ROE

Earned ROEs for Kentucky Utilities[1,2]



Source: FERC Form 1

Opportunity for Regulatory Enhancements & Improved Regulatory Outcomes

- Kentucky Power had an average earned ROE of 6.6% from 2016-2020 as compared to an authorized ROE of 9.3%[4], and an average time of 33 months between electric utility rate cases filed in the last seven years
- Anticipated transfer of or retirement (for rate-marking purposes) of Kentucky Power's 50% ownership interest (representing 780 MW) in the Mitchell coal plant in 2028 allows opportunity for rate-regulated renewables to be added to Kentucky Power's rate base
- Opportunity to switch to prospective test year from current historical regime
- Kentucky Power's current equity thickness is lower than most peers'

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1. Average Earned ROE from 2016-2020.
2. Earned ROE calculated Net Income/Total Proprietary Capital from FERC Form 1.
3. Average time between electric utility rate cases filed in the last 7 years.
4. Reflects authorized ROE made effective in January 2021; authorized ROE for riders with an approved equity return (Decommissioning Rider and Environmental Surcharge) is 9.1%.

Greening the Fleet Playbook at Kentucky Power

Greening the Fleet Pathway

Rockport UPA Termination

Mitchell Operating Agreement

- Operation of the Mitchell coal plant expected to be transferred to a subsidiary of the seller upon closing of Kentucky Power Acquisition

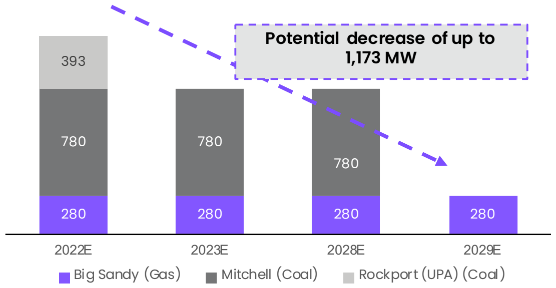
Replacing Mitchell Coal Capacity

- Opportunity to replace the capacity provided by the Mitchell coal plant with emissions-free renewable generation or lower emissions generation fuels
- Algonquin expects that Kentucky Power will not directly source any generation from coal-fired facilities after 2028

Renewables Build-Out

- Expiring Rockport UPA and transfer of or retirement (for rate-making purposes) of Kentucky Power's 50% ownership interest in the Mitchell coal plant in 2028 reinforcing need for new generation sources
- Expected levelized cost of energy from renewables lower than market purchases and current fossil-fuel owned generation assets

Opportunity for Significant Reduction to Non-Renewable Generation[1,2] *(MW)*



Renewable Generation

1+ GW of potential regulated renewables investment opportunities

Aligns with Algonquin's target of achieving net-zero for scope 1 & 2 emissions by 2050

Algonquin Liberty

1. Mitchell (Coal) 780 MW based on proportionate capacity.
2. 2023 reduction based on Rockport UPA termination; 2029 reduction based on Mitchell transfer or retirement.

Algonquin's Greening the Fleet Track Record

Case Study — Empire District Electric

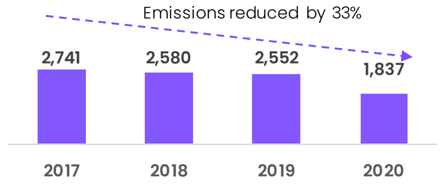
Transaction Details

- Acquired in January 2017
- Fully regulated electric, gas, and water utility based in Missouri serving electric customers in the Midwest (Missouri, Kansas, Oklahoma and Arkansas)

Energy Transition Highlights

- Owned primarily coal- and gas-fired power plants with limited renewables investments when acquired
- Retired 200 MW Asbury coal-fired power in 2020, ahead of schedule
- Added 600 MW of new build wind capacity in 2021
- Total investment of $1.1 billion

Annual Emissions *(Thousands of Mt CO_2e)*



Case Study

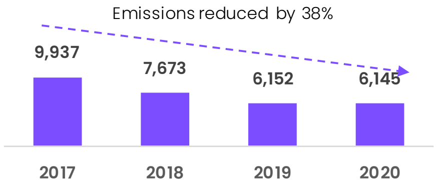
Transaction Details

- Jointly acquired with Emera from NV Energy in 2011; subsequently acquired Emera's equity interest in 2012
- Fully regulated electric utility serving customers in California

Energy Transition Highlights

- Aligned with California Renewable Portfolio Standard with a goal of 100% renewables generation and zero carbon footprint
- Added Luning 1 in 2017 with 50 MW
- Added Turquoise Solar in 2019 with 10 MW
- Currently developing Luning II with 60 MW Solar and 240 MWh of storage

Annual Emissions *(Mt CO_2e)*



Responsible stewards of energy and water infrastructure

Renewable Energy Group: Diversified Fleet, Strong Growth[1]

40
renewable energy facilities

- Attractive returns and strong cash flow from renewable and clean energy generation sourced from water, wind, and solar
- Operating in 11 states, 6 provinces and 7 ISOs

~2.3 GW[2]
gross generating capacity

- ~81% of generation under long term power purchase contracts with inflation escalators

~1.5 GW[2]
net generating capacity investments

- 44% interest in Atlantica Sustainable Infrastructure's global portfolio of high quality assets; ~17 years weighted average remaining contract life

~13 years
average PPA length

- Diversified portfolio of creditworthy counterparties

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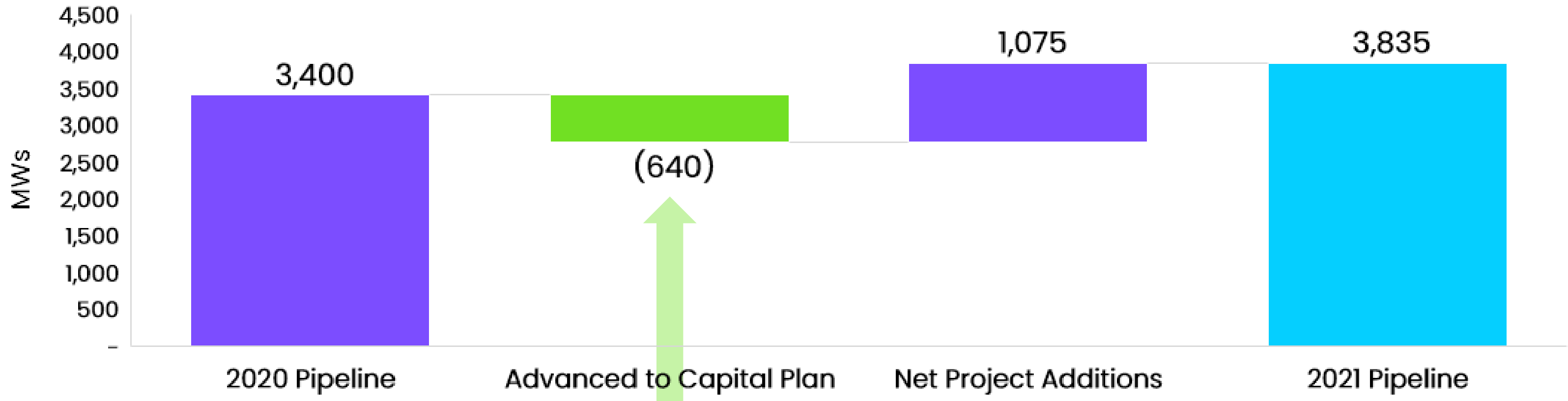
2021 Additions to Prospective Greenfield Pipeline



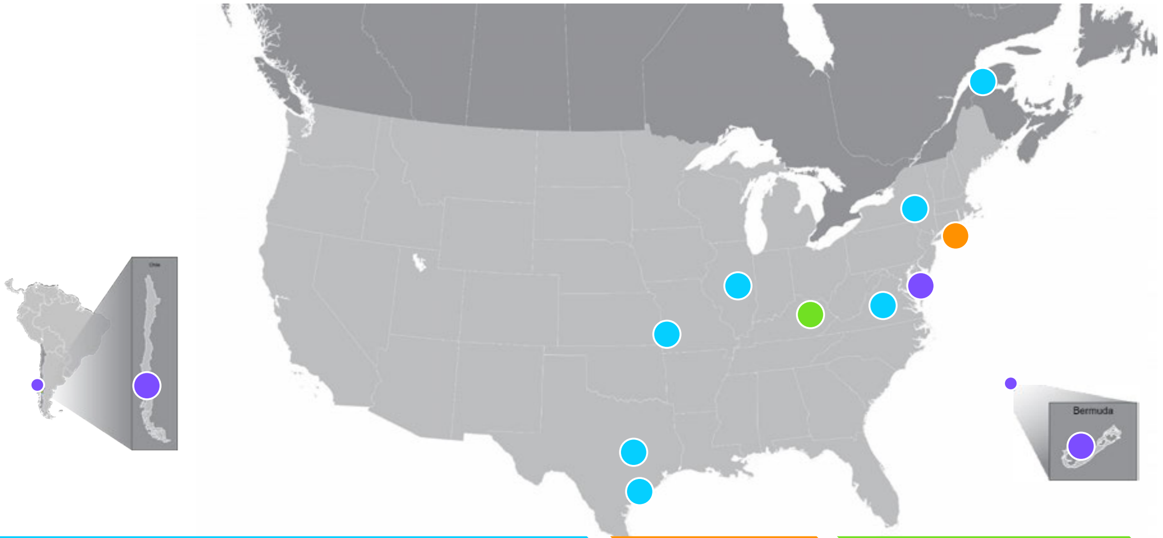
Riverbend
~$0.4B
Builds on our success in Michigan with strong customer interest

Chevron
~$0.2B
Customer focused behind the meter configuration in New Mexico & Texas

Blue Violet
~$0.3B
Hybrid wind/solar project in Illinois with storage contemplated

Strong greenfield pipeline expected to support future growth

Portfolio Additions



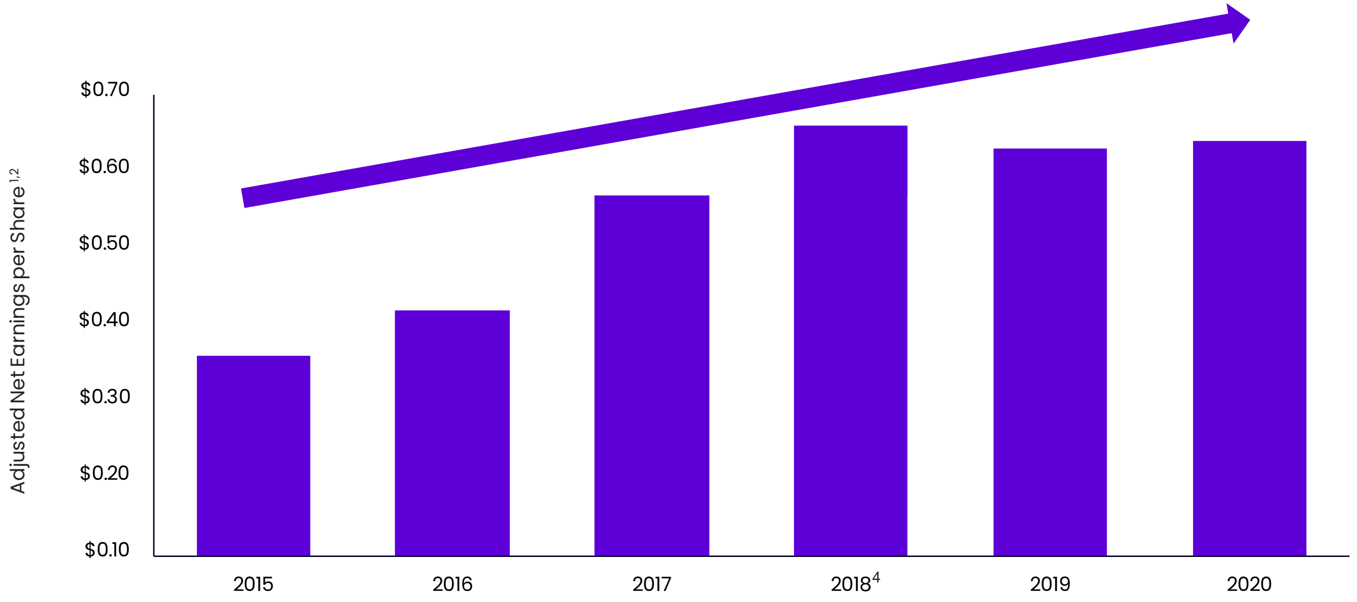
2020	2021							2022 (completed)	2022 (Expected)
Great Bay II **ESSAL** **Ascendant**	**Sugar Creek** Illinois Wind 202 MW	**Midwest Greening** Missouri/Kansas Wind 600 MW	**Maverick Creek** Texas Wind 492 MW	**Altavista**[1] Virginia Solar 80 MW	**TX Coastal**[2] Texas Wind 439 MW	**Community Solar** New York Solar 16 MW	**EBR** Quebec Wind 24 MW	**New York American Water** New York Water ~125,000 customer connections	**Kentucky Power & Kentucky TransCo** ~228,000 customer connections

Successful integration track record continues

Algonquin Liberty

1. Power purchase agreement with Meta.
2. The portfolio consists of four facilities. The Company has acquired a 51% interest in four facilities (totaling 861 MW).

Compelling Long-Term Growth



Offering a strong, visible growth plan through 2026

1. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and Appendix – Reconciliation of Non-GAAP Financial Measures beginning on page 28 of this presentation.
2. The Company's financial statements for the years ended December 31, 2015, 2016 and 2017 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2016 and 2017 in U.S. dollars. Adjusted Net Earnings per share for 2016 and 2017 are derived from such re-issued financial statements and the related management discussion and analysis. In contrast, Adjusted Net Earnings per share for 2015 has been converted to U.S. dollars for the purposes of this document using the annual exchange rate for 2015 of 0.782, as reported by the Bank of Canada and accordingly, is not directly comparable.
3. From 2015 to the end of 2020, 34% CAGR in the Company's net earnings attributable to shareholders (on a per share basis), based on earnings per share of $0.32 for the 2015 fiscal year, $0.33 for the 2016 fiscal year, $0.37 for the 2017 fiscal year, $0.38 for the 2018 fiscal year, $1.05 for the 2019 fiscal year and $1.38 for the 2020 fiscal year.
4. 2018 Adjusted Net Earnings per share included one-time tax reform impact of $0.09.

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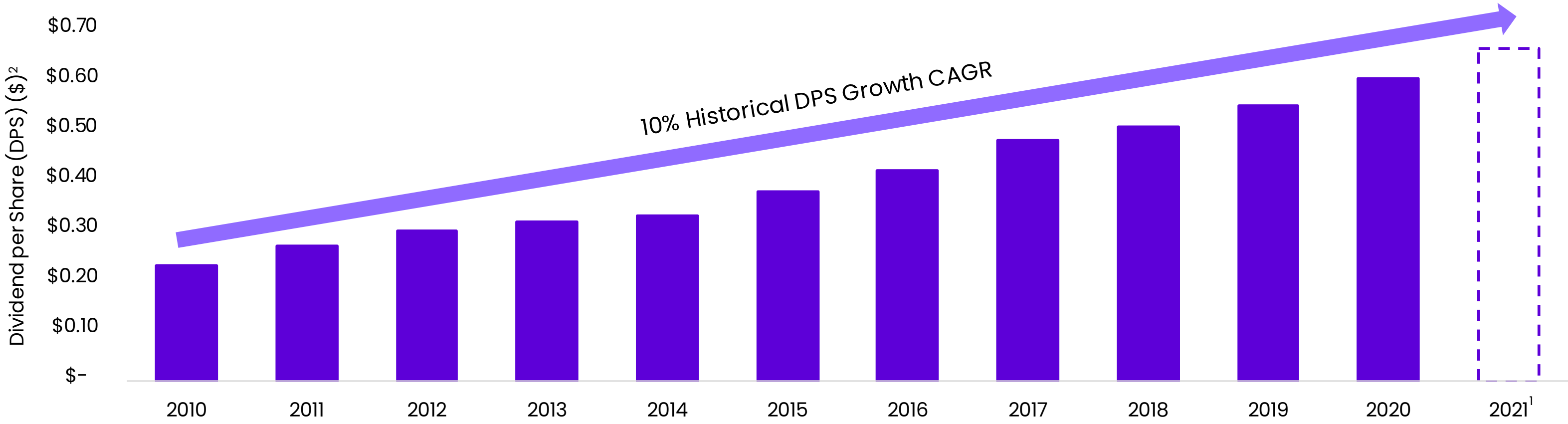
Track Record of Common Share Dividend Growth



Robust growth model

- Long-term trend of Adjusted Net Earnings per share[3] growth has supported ~10% annual dividend increase from 2009-2021
- Dual-listing on TSX/NYSE provides strong access to N.A. capital markets
- Member of the S&P/TSX60, S&P/TSX Canadian Dividend Aristocrats, and the MSCI Canada Indices

Diversified, conservative business platform

- Long-term investment grade BBB fixed rate debt financing
- Large proportion of earnings from regulated utility operations
- Reduced commodity price exposure through inflation indexed long-term PPAs

1. Estimate based on annualized using Q4 2021 dividend rate. For further information on AQN's dividend policy, see AQN's most recent annual information form.
2. The dividend paid in 2010 to 2014 was translated from Canadian to U.S. dollars using the average annual exchange rates as posted by the Bank of Canada.
3. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and Appendix – Reconciliation of Non-GAAP Financial Measures beginning on page 28 of this presentation.

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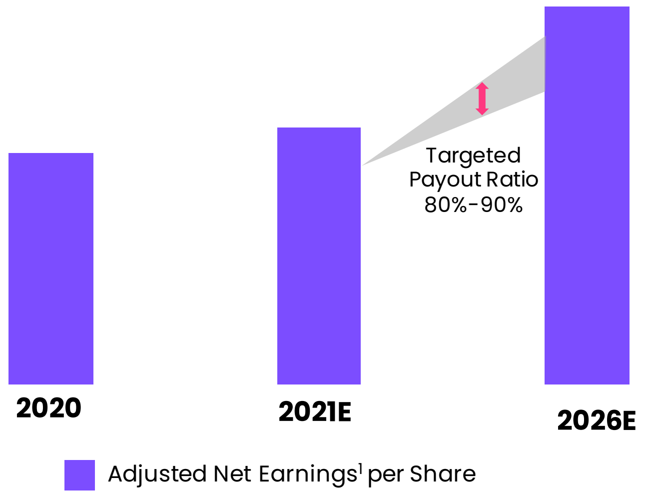
Dividend Outlook

- **Sustainable long-term payout ratio target of 80-90% of normalized earnings**
- **Dividends form a key part of total shareholder return**
- **Continued dividend increases driven by Adjusted Net Earnings per share[1] growth**
  - Payout ratio
  - Capital reinvestment opportunities



Expected Adjusted Net Earnings[1] per share growth supports strong dividend growth

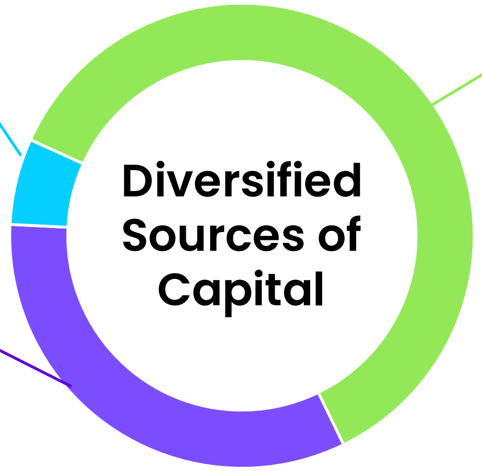
Well-Capitalized Diversified Balance Sheet[1]

Hybrid Securities – 6%

- **Hybrid securities provide additional pool of cost-effective capital**
- **50% Equity credit from S&P and Fitch**
  - Preferred shares issued in Canada
  - Subordinated notes issued in the U.S.

Long-term Debt – 38%

- **Senior unsecured debt platforms provide deep access to North American debt capital markets**
- **Diversified access to debt capital markets**
  - Canada & US
  - 144A and private placement
  - Project financing



Equity – 56%

- Dual listing on NYSE and TSX provides opportunities for new sources of equity capital
- Member of S&P/TSX 60 Index
- Tax Equity provides efficient financing for renewables projects
- Equity Units

Business supported by $2.6 B of committed credit facilities[2]

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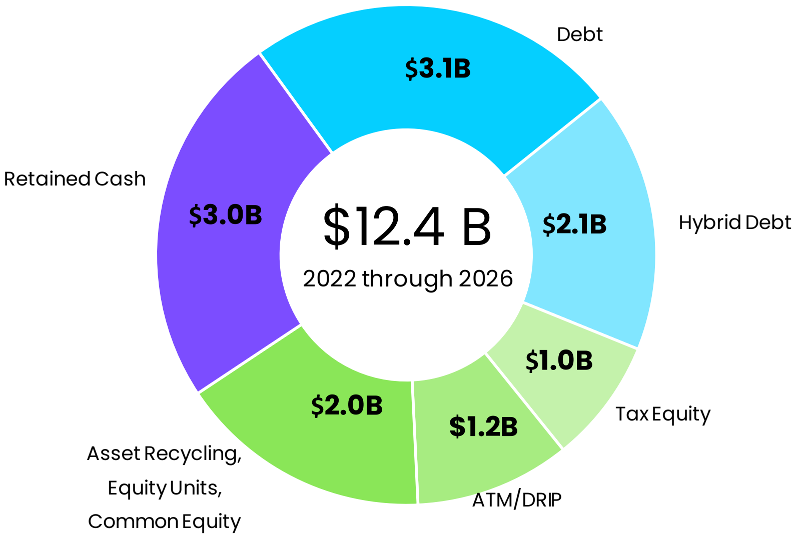
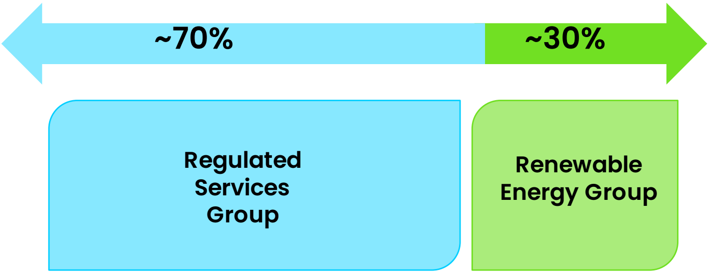
1. As of September 30, 2021.
2. As of January 10, 2022.

Projected 5-Year Funding Plan



Expected Uses



Expected additional de-leveraging over the 5-year period

Capital needs expected to be satisfied through a diverse executable funding plan

Appendix

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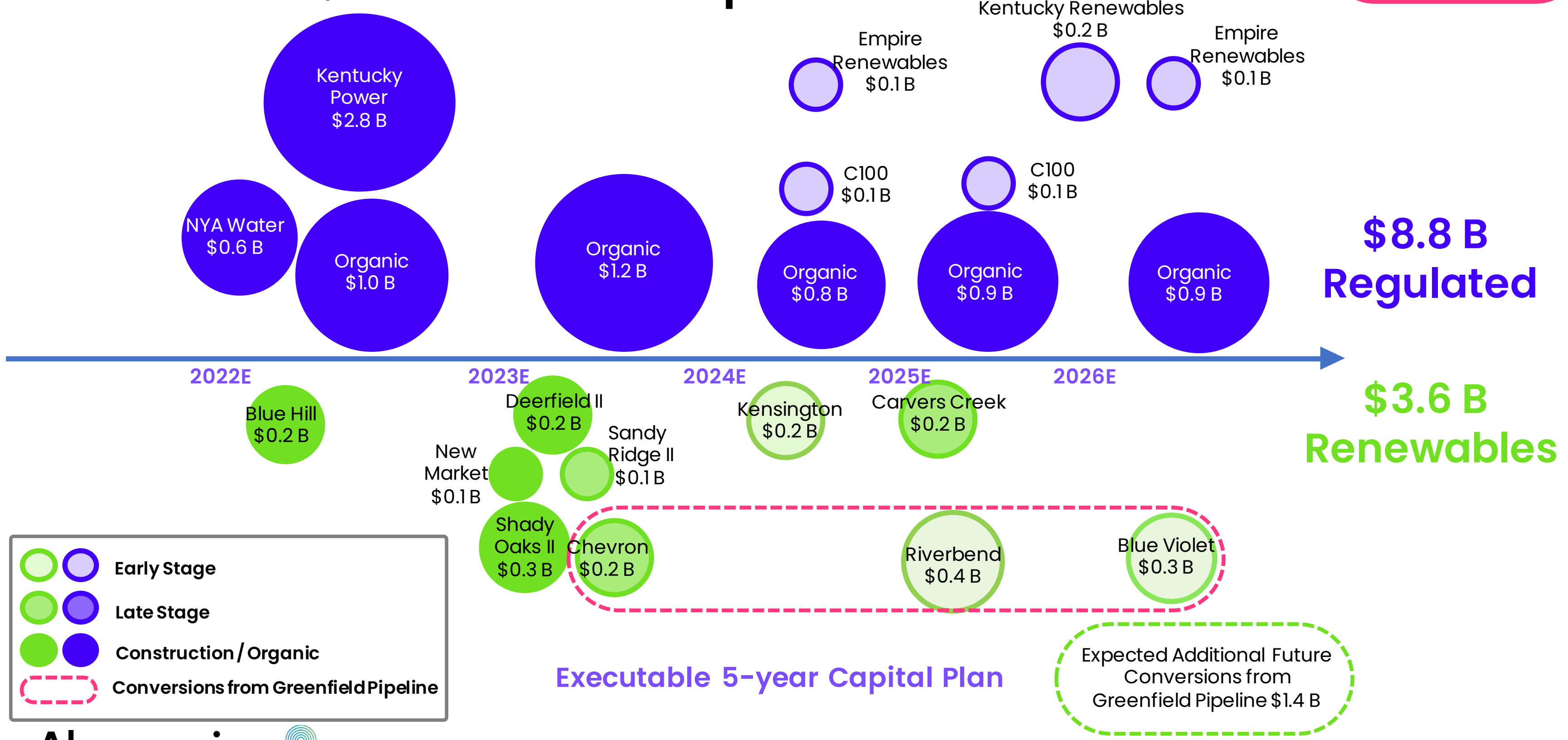
Liberty™

2022-2026 $12.4 B Growth Pipeline[1]



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1. Dates represent permanent capital outlay. This slide was prepared as at December 14, 2021 in connection with the Company's 2021 Investor Day and is provided herein for reference purposes only.

Kentucky Power Acquisition Rate Base

Rate base figures are in $ billions

	Rate Base
Kentucky Power[1]	1.40
Long term regulatory assets related to decommissioning rider / environmental surcharge[2]	0.37
Additional Kentucky Power rate base through Dec 31, 2020 (future recovery through rate case)[3]	0.15
Subtotal	**1.92**
Rate Base as at Dec 31, 2020 – Kentucky Power[4]	1.92
Rate Base as at Dec 31, 2020 – AEP Kentucky Transmission Company, Inc.[4]	0.13
Total Rate Base at Dec 31, 2020	**2.05**
Average Historical Rate Base Growth from 2016 to 2020[5]	4-5%

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Key Selected Financial Information

All figures are in $ millions except per share data	Three Months Ended September 30			Twelve Months Ended December 31		
	2021	2020	Variance	2020	2019	Variance
Net earnings (loss) attributable to shareholders	(27.9)	55.9	(150)%	782.5	530.9	47%
Per share	(0.05)	0.09	(156)%	1.38	1.05	31%
Cash provided by operating activities	174.7	121.4	44%	505.2	611.3	(17)%
Adjusted Net Earnings[1]	97.6	88.1	11%	365.8	321.3	14%
Per share[1]	0.15	0.15	--%	0.64	0.63	2%
Adjusted EBITDA[1]	252.0	197.9	27%	869.5	838.6	4%
Adjusted Funds from Operations[1]	170.2	148.0	15%	600.2	566.2	6%
Dividend per share	0.1706	0.1551	10%	0.6063	0.5512	10%

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions)	Three Months Ended September 30 2021	2020
Net earnings (loss) attributable to shareholders	$ **(27.9)**	$ 55.9
Add (deduct):		
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]	**4.5**	3.4
Income tax expense (recovery)	**(19.4)**	(19.7)
Interest expense	**51.7**	45.6
Other net losses[3]	**0.9**	16.9
Pension and post-employment non-service costs	**3.9**	2.4
Change in value of investments carried at fair value[2]	**139.1**	23.4
Loss (gain) on derivative financial instruments	**1.8**	(0.3)
Realized loss on energy derivative contracts	**(0.5)**	(0.3)
Loss (gain) on foreign exchange	**1.3**	(0.9)
Depreciation and amortization	**96.6**	71.5
Adjusted EBITDA	**$ 252.0**	**$ 197.9**

1 HLBV represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the three months ended September 30, 2021 amounted to $16.0 million as compared to $11.8 million during the same period in 2020.

2 See *Note 6* in the unaudited interim consolidated financial statements for the three months ended September 30, 2021.

3 See *Note 16* in the unaudited interim consolidated financial statements for the three months ended September 30, 2021.

Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions)		Twelve Months Ended December 31 2020		2019
Net earnings attributable to shareholders	$	**782.5**	$	530.9
Add (deduct):				
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]		**14.9**		19.1
Income tax expense		**64.6**		70.1
Interest expense		**181.9**		181.5
Other net losses[3]		**61.3**		26.7
Pension and post-employment non-service costs		**14.1**		17.3
Change in value of investments carried at fair value[2]		**(559.7)**		(278.1)
Gain on derivative financial instruments		**(1.0)**		(16.1)
Realized loss on energy derivative contracts		**(1.1)**		(0.2)
Loss (gain) on foreign exchange		**(2.1)**		3.1
Depreciation and amortization		**314.1**		284.3
Adjusted EBITDA	$	**869.5**	$	**838.6**

1 HLBV represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the three and twelve months ended December 31, 2020 amounted to $20.4 million and $69.5 million as compared to $16.0 million and $65.0 million during the same period in 2019.

2 See *Note 8* in the annual audited consolidated financial statements for the year ended December 31, 2020.

3 See *Note 19* in the annual audited consolidated financial statements for the year ended December 31, 2020.

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions except per share information)	**Three Months Ended September 30**			
		2021		**2020**
Net earnings (loss) attributable to shareholders	**$**	**(27.9)**	$	55.9
Add (deduct):				
Loss (gain) on derivative financial instruments		**1.8**		(0.3)
Realized loss on energy derivative contracts		**(0.5)**		(0.3)
Other net losses[2]		**0.9**		16.9
Loss (gain) on foreign exchange		**1.3**		(0.9)
Change in value of investments carried at fair value[1]		**139.1**		23.4
Adjustment for taxes related to above		**(17.1)**		(6.6)
Adjusted Net Earnings	**$**	97.6	**$**	**88.1**
Adjusted Net Earnings per share	**$**	**0.15**	**$**	**0.15**

1 See *Note 6* in the unaudited interim consolidated financial statements for the three months ended September 30, 2021.
2 See *Note 16* in the unaudited interim consolidated financial statements for the three months ended September 30, 2021.

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions except per share information)	Twelve Months Ended December 31 2020		2019	
Net earnings attributable to shareholders	$	**782.5**	$	530.9
Add (deduct):				
Gain on derivative financial instruments		**(1.0)**		(0.3)
Realized loss on energy derivative contracts		**(1.1)**		(0.2)
Other net losses[2]		**61.3**		26.7
Loss (gain) on foreign exchange		**(2.1)**		3.1
Change in value of investments carried at fair value[1]		**(559.7)**		(278.1)
Other non-recurring adjustments		**1.0**		2.2
Adjustment for taxes related to above[3]		**84.9**		37.0
Adjusted Net Earnings	**$**	365.8	**$**	**321.3**
Adjusted Net Earnings per share	**$**	0.64	**$**	**0.63**

1 See *Note 8* in the annual audited consolidated financial statements for the year ended December 31, 2020.

2 See *Note 19* in the annual audited consolidated financial statements for the year ended December 31, 2020.

3 Includes a one-time tax expense of $9.3 million to reverse the benefit of deductions taken in the prior year. See *Note 18* in the annual audited consolidated financial statements for the year ended December 31, 2020.

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Reconciliation of Non-GAAP Financial Measures

	Twelve Months Ended December 31			
(all dollar amounts in $ millions except per share information)		2019		2018
Net earnings attributable to shareholders	**$**	**530.9**	$	185.0
Add (deduct):				
Loss (gain) on derivative financial instruments[1]		**(0.3)**		0.6
Realized (loss) gain on energy derivative contracts		**(0.2)**		0.1
Other Losses		**15.1**		0.8
Loss (gain) on foreign exchange		**3.1**		(0.1)
Acquisition-related costs		**11.6**		0.7
Change in value of investments carried at fair value[3]		**(278.1)**		138.0
Costs related to tax equity financing		**—**		1.3
Other non-recurring adjustments		**2.2**		—
U.S. Tax Reform and related deferred tax adjustments[2]		**—**		(18.4)
Adjustment for taxes related to above		**37.0**		4.2
Adjusted Net Earnings	**$**	**321.3**	**$**	**312.2**
Adjusted Net Earnings per share	**$**	**0.63**	**$**	**0.66**

1 Excludes the gain related to the discontinuation of hedge accounting on an energy hedge put in place early in the development of the Sugar Creek Wind Project (See *Note 24(b)(iv)* in the annual audited consolidated financial statements for the year ended December 31, 2019).

2 Represents the non-cash accounting adjustment related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of the U.S. Tax Cuts and Jobs Act ("U.S. Tax Reform").

3 See *Note 8* in the annual audited consolidated financial statements for the year ended December 31, 2019.

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions except per share information)		Twelve Months Ended December 31 2018		2017
Net earnings attributable to shareholders	$	**185.0**	$	149.5
Add (deduct):				
Loss (gain) on derivative financial instruments		**0.6**		(1.9)
Realized (loss) gain on energy derivative contracts		**0.1**		(0.6)
Loss (gain) on long-lived assets, net		**0.8**		(1.8)
Loss (gain) on foreign exchange		**(0.1)**		0.3
Interest expense on Conv. Debs & acquisition financing costs		**—**		13.4
Acquisition-related costs		**0.7**		47.7
Change in value of investment in Atlantica carried at fair value		**138.0**		—
Costs related to tax equity financing		**1.3**		1.8
Other adjustments		**—**		2.5
U.S. Tax Reform and related deferred tax adjustments[1]		**(18.4)**		17.1
Adjustment for taxes related to above		**4.2**		(3.0)
Adjusted Net Earnings	$	312.2	$	**225.0**
Adjusted Net Earnings per share[2]	$	0.66	$	**0.57**

1. Represents the non-cash accounting adjustment related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of U.S. Tax Reform.
2. Per share amount calculated after preferred share dividends and excluding subscription receipts issued for projects or acquisitions not reflected in earnings.

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions except per share information)		Twelve Months Ended December 31 2017[3]		2016[3]
Net earnings attributable to shareholders	$	149.5	$	97.9
Add (deduct):				
Loss (gain) on derivative financial instruments		(1.9)		(11.9)
Realized loss on energy derivative contracts		(0.6)		(0.6)
Loss (gain) on long-lived assets, net		(1.8)		(2.6)
Loss (gain) on foreign exchange		0.3		(0.4)
Interest expense on convertible debentures and acquisition financing		13.4		43.9
Acquisition-related costs		47.7		9.0
Costs related to tax equity financing		1.8		—
Other adjustments		2.5		—
U.S. Tax Reform adjustments[2]		17.1		—
Adjustment for taxes related to above		(3.0)		(13.9)
Adjusted Net Earnings	$	225.0	$	121.4
Adjusted Net Earnings per share[1]	$	0.57	$	0.42

1. Per share amount calculated after preferred share dividends and excluding subscription receipts issued for projects or acquisitions not reflected in earnings.
2. Represents the non-cash accounting adjustment related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of U.S. Tax Reform.
3. The Company's financial statements for the years ended December 31, 2017 and December 31, 2016 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2017 and December 31, 2016 in U.S. dollars. The 2017 and 2016 amounts shown above are derived from such re-issued financial statements and the related management discussion and analysis.

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Reconciliation of Non-GAAP Financial Measures

	Twelve Months Ended December 31			
(all dollar amounts in $ millions except per share information)		**2016[2]**		**2015[2]**
Net earnings attributable to shareholders	**$**	**97.9**	$	91.9
Add (deduct):				
Loss from discontinued operations		**—**		1.4
Gain on derivative financial instruments		**(11.9)**		(1.7)
Realized gain (loss) on derivative financial instruments		**(0.6)**		(0.7)
Loss (gain) on long-lived assets		**(2.6)**		2.3
Deferred tax expense due to an agreement with the CRA related to the Unit Exchange Transaction		**—**		2.1
(Gain) loss on foreign exchange		**(0.4)**		(2.0)
Interest expense on convertible debenture and bridge financing fees		**43.9**		—
Acquisition costs		**9.0**		1.4
Adjustment for taxes		**(13.9)**		0.3
Adjusted Net Earnings	**$**	121.4	**$**	**95.0**
Adjusted Net Earnings per share[1]	**$**	**0.42**	**$**	**0.36**

1. Per share amount calculated after preferred share dividends and excluding subscription receipts issued for projects or acquisitions not reflected in earnings.
2. The Company's financial statements for the years ended December 31, 2016 and December 31, 2015 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2017 and December 31, 2016 in U.S. dollars. The 2016 amounts shown above are derived from such re-issued financial statements and the related management discussion and analysis. In contrast, the 2015 amounts shown above have been converted to U.S. dollars for the purposes of this document using the annual exchange rate for 2015 of 0.782, as reported by the Bank of Canada and accordingly, are not directly comparable.

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Reconciliation of Non-GAAP Financial Measures

	Three Months Ended September 30	
(all dollar amounts in $ millions)	**2021**	**2020**
Cash flows from operating activities	**$ 174.7**	$ 121.4
Add (deduct):		
Changes in non-cash operating items	**(6.2)**	23.7
Acquisition-related costs	**1.7**	2.9
Adjusted Funds from Operations	$ 170.2	**$ 148.0**

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions)	Twelve Months Ended December 31 2020		2019	
Cash flows from operating activities	$	**505.2**	$	611.3
Add (deduct):				
Changes in non-cash operating items		**77.5**		(60.3)
Production based cash contributions from non-controlling interests		**3.4**		3.6
Acquisition-related costs		**14.1**		11.6
Adjusted Funds from Operations	**$**	**600.2**	**$**	**566.2**

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Corporate Information

Head Office	Greater Toronto Area, Ontario
Toronto Stock Exchange	AQN, AQN.PR.A, AQN.PR.D
New York Stock Exchange	AQN, AQNA, AQNB, AQNU
Shares Outstanding*	671,960,276
Share Price*	$14.45
Market Capitalization*	$9.7B
Dividend**	$0.6824 per share annually

* Shares outstanding, closing price (NYSE), and market capitalization as of December 31, 2021.
** Annualized using Q4 2021 dividend rate.

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Contact Information

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Investor Presentation

Scotiabank Energy & Infrastructure Conference
November 18, 2021

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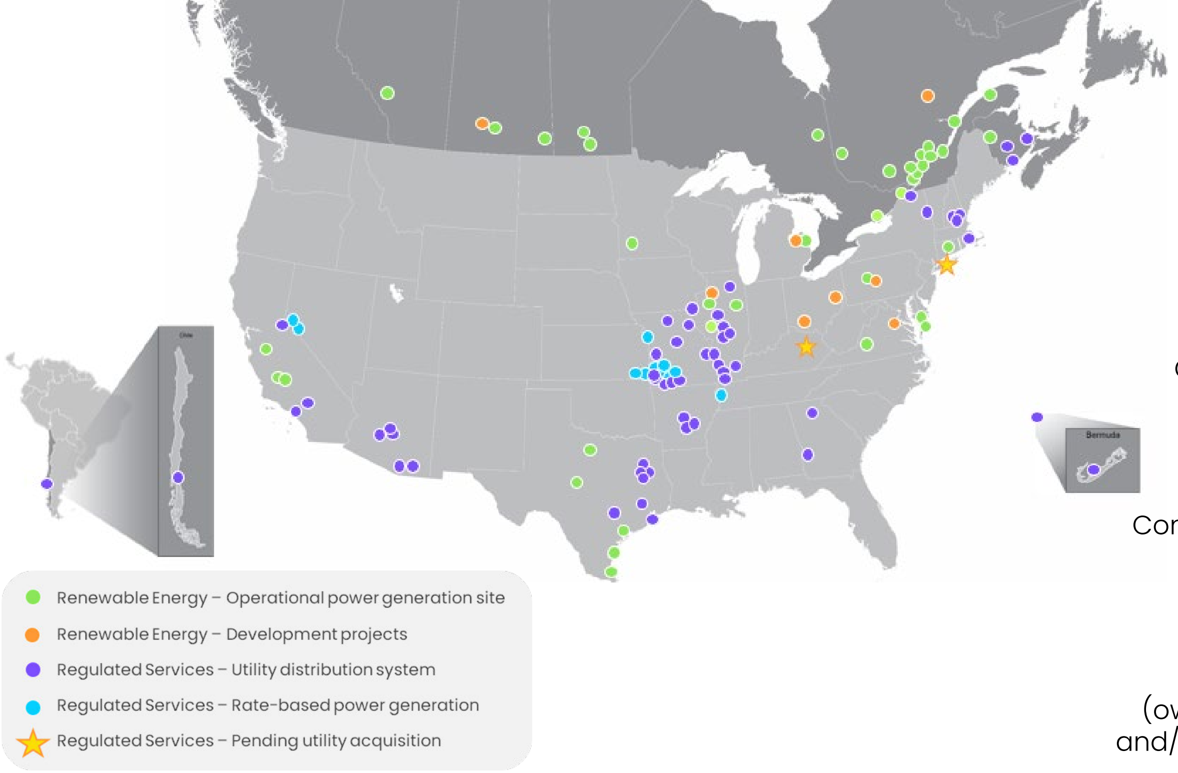
Algonquin by the Numbers



All dollar amounts presented in U.S. $ unless otherwise noted.

~$9.1 B
Market Cap[1]

~$16.7 B
Total Assets[2]

~141%
Cumulative 5-Year Total Shareholder Return[4]

BBB
Credit Rating

$9.4 B
CapEx Plan from 2021 through end of 2025

1988
Company Founded

3,400+
Employees

~4 GW
Renewables (owned, operated and/or net interest in)

~3.4 GW
Prospective Greenfield Development Pipeline

1. Market capitalization on the New York Stock Exchange (NYSE), as of October 31, 2021.
2. Total Assets as of September 30, 2021.
3. 2020 TSR calculation on New York Stock Exchange (NYSE), as of December 31, 2020.
4. 5-year TSR calculation on Toronto Stock Exchange (TSX), as of December 31, 2020.

Algonquin: Investment Theses

- Total Shareholder Returns ("TSR")[1]: 2020 TSR of ~21%; 5-year TSR of ~141%; 10-year TSR of ~562%
- Historical dividend per share Compound Annual Growth Rate ("CAGR") of 10% – 2010 to 2020

Exceptional Growth

- 2015 to 2020 Adjusted Net Earnings[2,3] per share CAGR of 12.2%
- Confident in executing $9.4 billion 5-year capital plan through 2025
- Prospective 3.4 GW greenfield development pipeline through 2025

Resilient Business with Strong Balance Sheet

- ~70% of business: water, electric and gas regulated utilities across 16 jurisdictions
- ~30% of business: developers, owners and operators of primarily North American renewables
- BBB stable credit rating by S&P, DBRS and Fitch
- Diversified asset and geographical base provides resiliency against climate change

Leaders in ESG

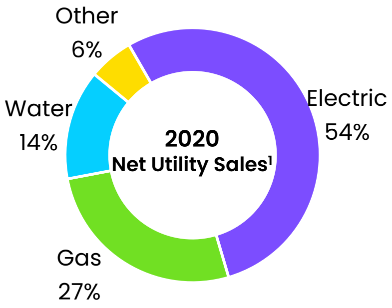
- ~4 GW renewables (owned, operated and/or net interest in)
- Board 38% female; executive team 44% female; compensation tied in part to ESG progress
- Leader among representative peer group for 2020 CO_2 emissions intensity per dollar of revenue[4]
- Established a net-zero by 2050 target for scope 1 & scope 2 emissions across AQN's business operations

1. TSR calculations on New York Stock Exchange (NYSE) for 2020; 5 and 10 year on Toronto Stock Exchange (TSX), as of December 31, 2020.
2. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and Appendix – Reconciliation of Non-GAAP Financial Measures beginning on page 26 of this presentation.
3. The Company's financial statements for the years ended December 31, 2015, 2016 and 2017 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2016 and 2017 in U.S. dollars. Adjusted Net Earnings per share for 2016 and 2017 are derived from such re-issued financial statements and the related management discussion and analysis. In contrast, Adjusted Net Earnings per share for 2015 has been converted to U.S. dollars for the purposes of this document using the annual exchange rate for 2015 of 0.782, as reported by the Bank of Canada and accordingly, is not directly comparable.
4. Peer group was identified from research by a global financial services firm and consists of AES CORPORATION, AMEREN CORPORATION, AMERICAN ELECTRIC POWER, AVANGRID, INC, DOMINION ENERGY, INC, DTE ENERGY, DUKE ENERGY CORPORATION, ENTERGY CORPORATION, EXELON CORPORATION, NRG ENERGY, INC, PINNACLE WEST CAPITAL CORPORATION, PPL CORPORATION, SOUTHERN COMPANY., VISTRA CORP, XCEL ENERGY INC, NEXTERA ENERGY, INC.

Algonquin Liberty™

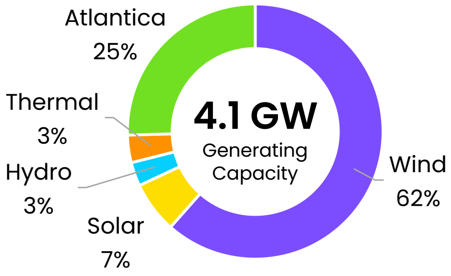
Regulated Services Group

- Operates a diversified portfolio of regulated water, natural gas and electric utility systems
- Emphasis on local approach to our key stakeholders:
  - *Customers*
  - *Communities*
  - *Employees*
  - *Regulators*



Renewable Energy Group

- Developer and operator of renewable and clean power generation facilities
- Diverse, stable portfolio with long-term contracts
- 44% investment in international portfolio of high-quality, long-term contracted renewable energy assets[2]



Multiple avenues for growth within projected 5-year, $9.4 B capital program with over 70% expected for regulated opportunities

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1. See note on Non-GAAP Financial Measures on page 2 of this presentation. Please also see the Annual MD&A for an explanation of Net Utility Sales and a calculation for the relevant period.
2. Refers to AQN's 44% interest in Atlantica Sustainable Infrastructure plc.

Algonquin Power & Utilities Corp.

Growth

- Strong growth trajectory and capital program
- Opportunities for growth through C&I greening efforts

Operational Excellence

- Reliable delivery of key services to stakeholders
- Dedicated to safety culture and customer first mindset

ESG

- Focus on leadership in ESG
- Committed to ESG through company initiatives and values

Three pillars form the key foundation as we continue to build the business

2021 Sustainability Report highlights our 2023 ESG goals:

Environment

Target 75% Renewable Generation
65%
75%

Reduce GHG Emissions by 1M Metric Tons
1,123,567
1,000,000

Add 2,000 MW of Renewables by 2023
1,418 MW
~423 MW
Under construction
Capital Plan
2,000

Social

Exceed 30% Women in Leadership[1]
31%
>30%

Achieve Top Quartile Customer Service
703
724

Achieve Top Quartile Employee Engagement
62%
74%

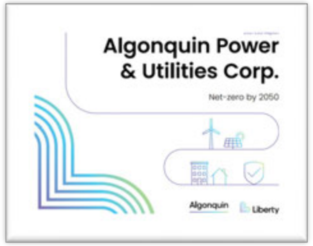
Governance

Embed Sustainability into Compensation Model
100%

Build a Robust Compliance Framework
59%

Publish TCFD Aligned Disclosure in 2020
100%

Progress data on ESG goals as at October 31, 2021.



Delivering on our ESG goals:

- ✓ *2021 Sustainability Report* includes emissions data and third-party verification of 2020 emissions
- ✓ Recognized in the *Bloomberg Gender Equality Index*
- ✓ Recognized as a 10+ year legacy responder for *CDP*
- ✓ Framework agreement with Chevron to co-develop 500+ MW of renewables; advancement on Permian projects
- ✓ Completed 'greening the fleet' initiative in the U.S. Midwest in 2021
- ✓ Established a net-zero by 2050 target for scope 1 & scope 2 emissions across AQN's business operations

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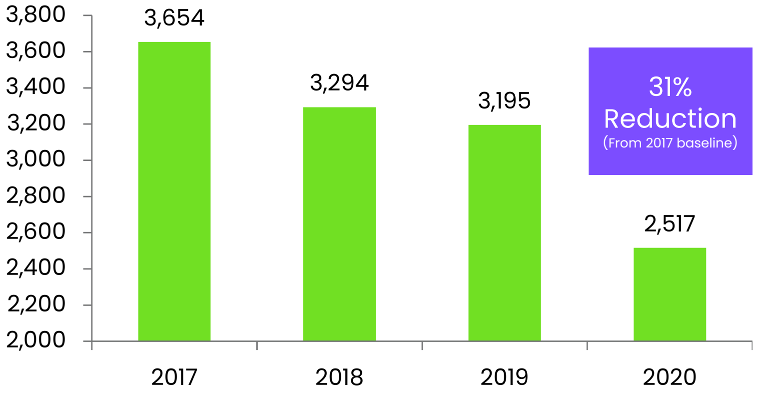
1. Leadership roles refer to employees in the following job levels: executive, senior vice president, vice president, president, senior director, director and senior manager.

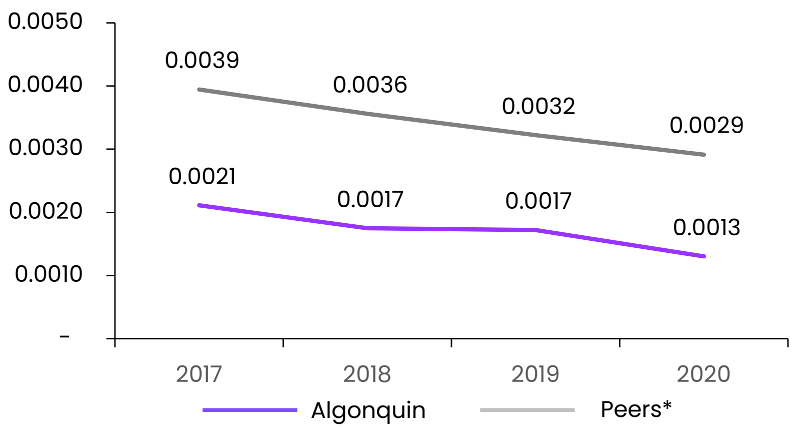
Decarbonizing our Business

Total Scope 1+2 Emissions
(thousands Mt CO_2e)



Emissions Intensity Benchmarking

CO2e / per $USD Revenue



*Peer group was identified from research by a global financial services firm.
*Peers: AES CORPORATION, AMEREN CORPORATION, AMERICAN ELECTRIC POWER, AVANGRID, INC, DOMINION ENERGY, INC, DTE ENERGY, DUKE ENERGY CORPORATION, ENTERGY CORPORATION, EXELON CORPORATION, NRG ENERGY, INC, PINNACLE WEST CAPITAL CORPORATION, PPL CORPORATION, SOUTHERN COMPANY., VISTRA CORP, XCEL ENERGY INC, NEXTERA ENERGY, INC.

Reducing our carbon footprint and our results stand out compared to our peers

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Regulated Services Group: Predictable Earnings and Growth[1]

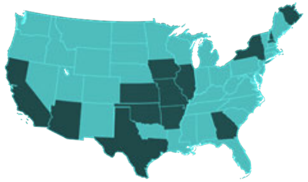
~1,090,000
customer connections

- Stable, predictable earnings and return protection across diverse customer base
- Core customer care competence

~353,000
additional anticipated connections

- Pending acquisition of New York American Water & Kentucky Power
- Strong track record of integrating acquisitions

Regulated utility systems in
13 U.S. states, **1** CDN province,
Chile and Bermuda



- Diversified regulatory jurisdictions
- Efficient capital deployment
- Regulatory relationship management

~$10.3 B
regulated utility assets

- Excellent growth track record
- 5-year CAGR of ~36% for 2015 to 2020
- Accretive acquisitions in supportive regulatory environments

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Growth Levers: Regulated Services Group

- Improving safety and reliability of mission critical infrastructure
- Completing at attractive multiples
- Leveraging development expertise
- Continuing successful track record of accretive acquisitions and effective integration

Multiple levers support growth and ability to execute

Kentucky Power Acquisition Overview

- Provides services to ~228,000 active customer connections in twenty Eastern Kentucky counties
- Total purchase price of ~$2.8 billion including assumption of ~$1.2 billion in debt[1]
- Acquisition expected to close in mid-2022
- Expected mid-year 2022 rate base acquisition multiple of 1.3x

- Concurrent C$800M bought deal common share offering; offering is expected to satisfy the common equity needs for the Acquisition
- Remainder of the cash purchase price expected to be funded through a combination of hybrid debt, equity units and/or monetization of non-regulated assets or investments
- Secured $2.725 billion acquisition financing commitment

Acquisition is additive to long-term investment pipeline

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1. Subject to customary purchase price adjustments at closing.

Strategic Rationale of the Acquisition

1 Significant Growth in Regulated Electric Utility Operations

2 Leverages Greening the Fleet Experience & Re-Confirms Leadership in the Energy Transition

- Significant opportunities to transition the existing rate based fossil fuel generation with rate-regulated renewables sources
- Reinforces Algonquin's competitive position in the energy transition and leverages its experience in greening the fleet
- Kentucky Power greening the fleet initiatives would align with Algonquin's target of achieving net-zero greenhouse gas emissions (scope 1 and 2) by 2050

3 Expected to be Accretive to Earnings and Maintain Investment Grade Credit Profile

- Expected to be accretive to Adjusted Net EPS in first full year and mid-single digit percentage accretion thereafter[3]
- Expected to support growth in Algonquin's Adjusted Net EPS over the long-term[3]
- Financing plan designed to maintain Algonquin's investment grade credit rating

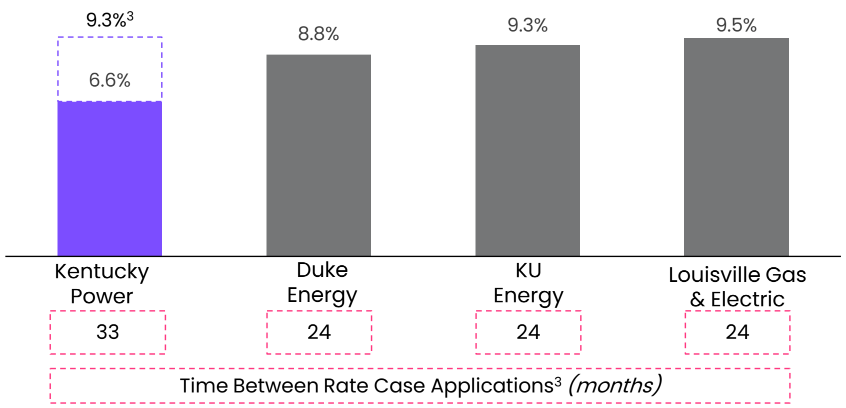
1. Includes New York American Water.
2. 2022E Mid-year rate base, including pending acquisition of New York American Water.
3. Please see "Non-GAAP Financial Measures" on page 2 of this presentation.

ROE Playbook at Kentucky Power

ey KPSC Regulatory Features

- ✓ Rated Average/1 by S&P Global; Top third of all states ranked
- ✓ Commissioners appointed by governor for 4 year terms; provides continuity
- ✓ Merger approval standard "consistent with public interest"; maximum four months to issue order
- ✓ Strong regulatory regime with attractive features
- ✓ Surcharge Supportive Integrated Resource planning (IRP) process; recent review supports retiring coal in favor of renewables

Earned ROEs for Kentucky Utilities[1,2]



Source: FERC Form 1

Opportunity for Regulatory Enhancements & Improved Regulatory Outcomes

- Kentucky Power had an average earned ROE of 6.6% from 2016-2020 as compared to an authorized ROE of 9.3%[4], and an average time of 33 months between electric utility rate cases filed in the last seven years
- Anticipated transfer of or retirement (for rate-marking purposes) of Kentucky Power's 50% ownership interest (representing 780 MW) in the Mitchell coal plant in 2028 allows opportunity for rate-regulated renewables to be added to Kentucky Power's rate base
- Opportunity to switch to prospective test year from current historical regime
- Kentucky Power's current equity thickness is lower than peers'

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1. Average Earned ROE from 2016-2020.
2. Earned ROE calculated Net Income/Total Proprietary Capital from FERC Form 1.
3. Average time between electric utility rate cases filed in the last 7 years.
4. Reflects authorized ROE made effective in January 2021; authorized ROE for riders with an approved equity return (Decommissioning Rider and Environmental Surcharge) is 9.1%.

Greening the Fleet Playbook at Kentucky Power

Greening the Fleet Pathway

Rockport UPA Termination

Mitchell Operating Agreement

- Operation of the Mitchell coal plant expected to be transferred to a subsidiary of the seller upon closing of Acquisition

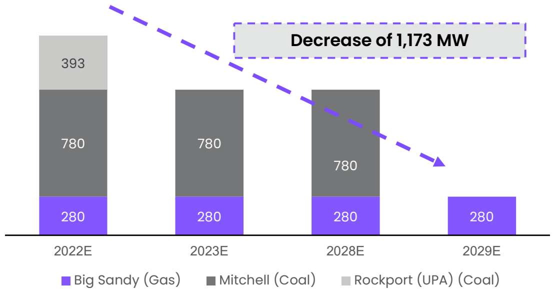
Replacing Mitchell Coal Capacity

- Opportunity to replace the capacity provided by the Mitchell coal plant with emissions-free renewable generation or lower emissions generation fuels
- Algonquin expects that Kentucky Power will not directly source any generation from coal-fired facilities after 2028

Renewables Build-Out

- Expiring Rockport UPA and transfer of or retirement (for rate-making purposes) of Kentucky Power's 50% ownership interest in the Mitchell coal plant in 2028 reinforcing need for new generation sources
- Expected levelized cost of energy from renewables lower than market purchases and current fossil-fuel owned generation assets

Opportunity for Significant Reduction to Non-Renewable Generation[1,2] *(MW)*



Renewable Generation

1+ GW of potential regulated renewables investment opportunities

Aligns with Algonquin's target of achieving net-zero for scope 1 & 2 emissions by 2050

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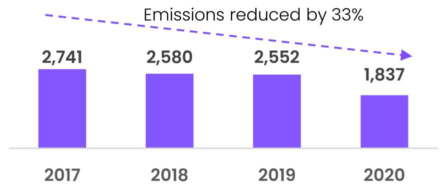
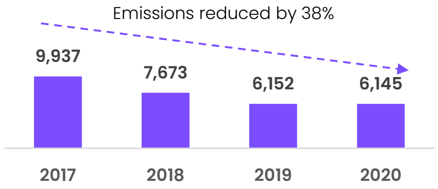
1. Mitchell (Coal) 780 MW based on proportionate capacity.
2. 2023 reduction based on Rockport UPA termination; 2029 reduction based on Mitchell transfer or retirement.

Algonquin's Greening the Fleet Track Record

Case Study — Empire District Electric

Transaction Details	• Acquired in January 2017 • Fully regulated electric, gas, and water utility based in Missouri serving electric customers in the Midwest (Missouri, Kansas, Oklahoma and Arkansas)
Energy Transition Highlights	• Owned primarily coal- and gas-fired power plants with limited renewables investments when acquired • Retired 200 MW Asbury coal-fired power in 2020, ahead of schedule • Added 600 MW of new build wind capacity in 2021 • Total investment of $1.1 billion
Annual Emissions *(Thousands of Mt CO_2e)*	

Case Study

Transaction Details	• Jointly acquired with Emera from NV Energy in 2011; subsequently acquired Emera's equity interest in 2012 • Fully regulated electric utility serving customers in California
Energy Transition Highlights	• Aligned with California Renewable Portfolio Standard with a goal of 100% renewables generation and zero carbon footprint • Added Luning 1 in 2017 with 50 MW • Added Turquoise Solar in 2019 with 10 MW • Currently developing Luning II with 60 MW Solar and 240 MWh of storage
Annual Emissions *(Mt CO_2e)*	

Responsible stewards of energy and water infrastructure

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Renewable Energy Group: Diversified Fleet, Strong Growth

40
renewable energy facilities

- Attractive returns and strong cash flow from renewable and clean energy generation sourced from water, wind, and solar

~2.3 GW
gross generating capacity

- ~81% of generation under long term power purchase contracts with inflation escalators

~1.5 GW
net generating capacity investments

- 44% interest in Atlantica Sustainable Infrastructure's global portfolio of high quality assets; ~17 years weighted average remaining contract life[1]

~13 years
average PPA length

- Diversified portfolio of creditworthy counterparties

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Growth Levers: Renewable Energy Group

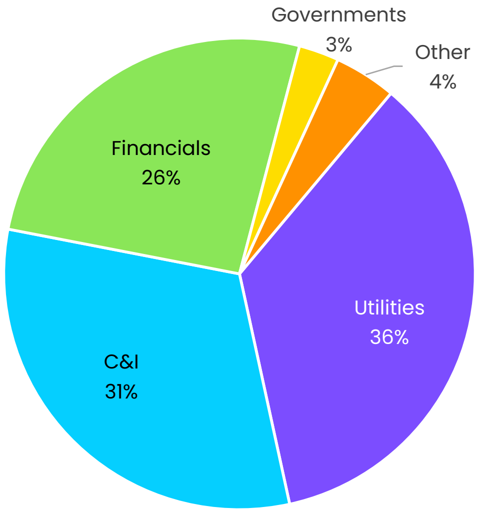
- Helping C&I customers achieve emissions goals
- Government

- Prospective pipeline of over 3,400 MW of greenfield opportunities

Multiple levers provide confidence in successful execution of 5-year capital plan

Offtake Customers

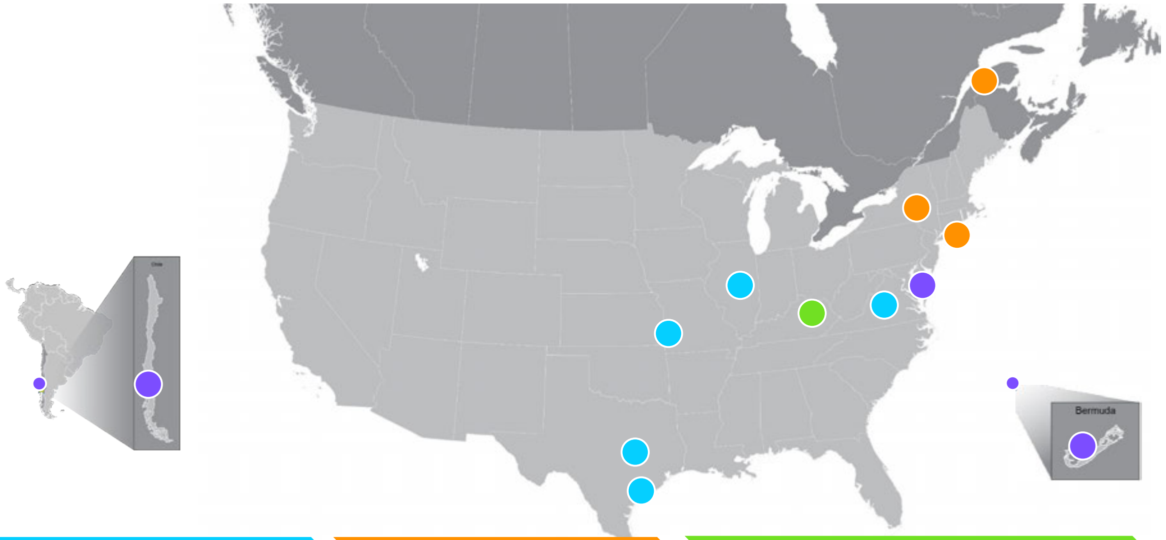
- **~13 year average PPA length**
- **Offtake Additions**
  - Diverse and experienced customers
  - Signed C&I contracts for 492 MW Maverick Creek Wind Facility
  - Signed C&I contract for 80 MW Altavista Solar Wind Facility[1]
  - Established framework agreement with Chevron to co-develop >500 MW of renewable power projects
- **Well positioned to help C&I customers advance their own sustainability targets as they accelerate towards clean energy**



Diversified customer base key to driving future growth

1. Power Purchase Agreement with Facebook.

Portfolio Additions



2020	2021 (completed)					2021 (Pending)		2022 (Expected)	
Great Bay II **ESSAL** **Ascendant**	**Sugar Creek** Illinois Wind 202 MW	**Midwest Greening** Missouri/Kansas Wind 600 MW	**Maverick Creek** Texas Wind 492 MW	**Altavista**[1] Virginia Solar 80 MW	**TX Coastal**[2] Texas Wind 439 MW	**Community Solar** New York Solar 16 MW	**EBR** Quebec Wind 24 MW	**New York American Water** New York Water 125,000 customer connections	**Kentucky Power & Kentucky Transmission Company** 228,000 active customer connections

Successful integration track record continues

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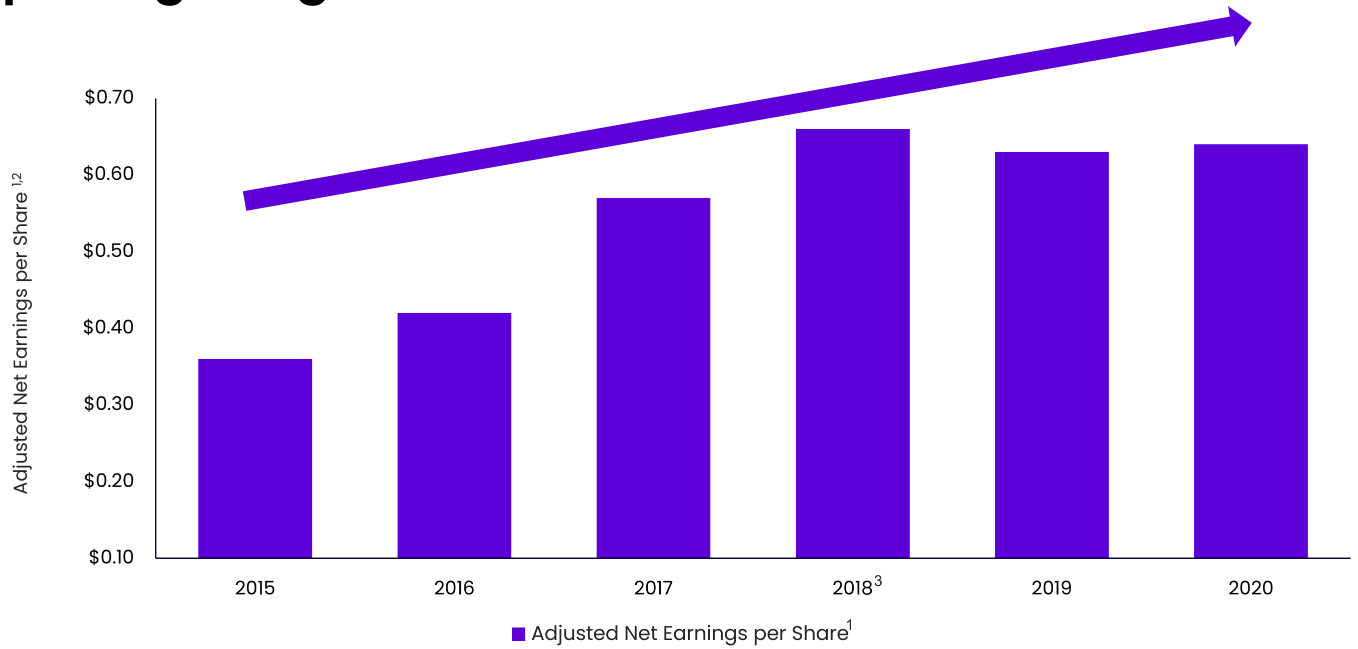
1. Power purchase agreement with Facebook.
2. The portfolio consists of four facilities. The Company has acquired a 51% interest in four facilities (totaling 861 MW).

Compelling Long-Term Growth



Offering a strong, visible growth plan through 2025

1. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and Appendix – Reconciliation of Non-GAAP Financial Measures beginning on page 26 of this presentation.
2. The Company's financial statements for the years ended December 31, 2015, 2016 and 2017 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2016 and 2017 in U.S. dollars. Adjusted Net Earnings per share for 2016 and 2017 are derived from such re-issued financial statements and the related management discussion and analysis. In contrast, Adjusted Net Earnings per share for 2015 has been converted to U.S. dollars for the purposes of this document using the annual exchange rate for 2015 of 0.782, as reported by the Bank of Canada and accordingly, is not directly comparable.
3. 2018 Adjusted Net Earnings per share included one-time tax reform impact of $0.09.

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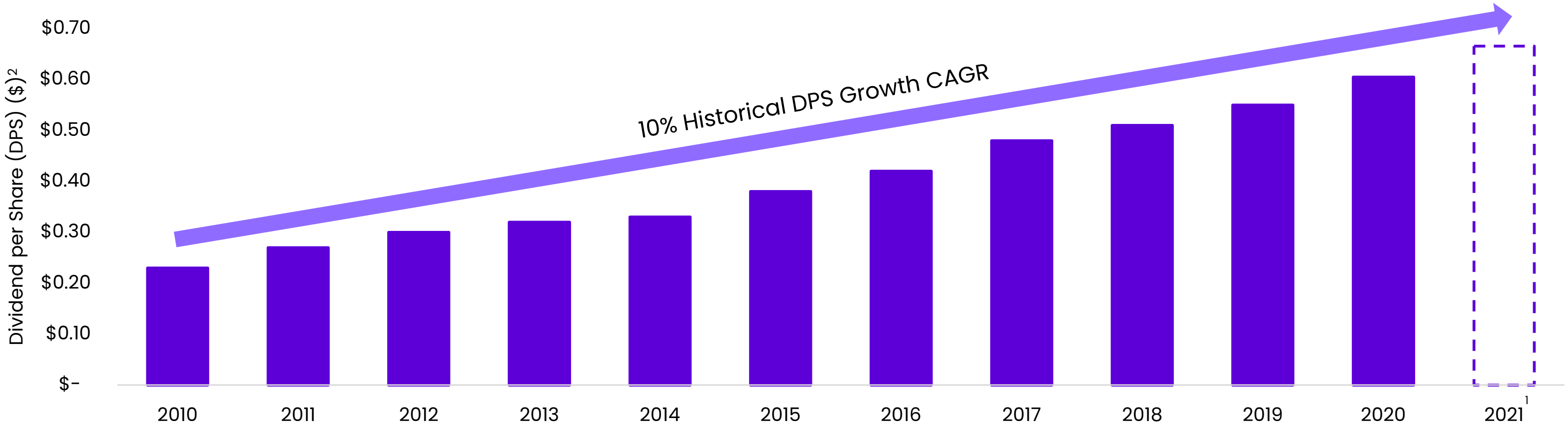
Track Record of Common Share Dividend Growth



Robust growth model

- Long-term trend of Adjusted Net Earnings per share[3] growth has supported ~10% annual dividend increase from 2009-2021
- Dual-listing on TSX/NYSE provides strong access to N.A. capital markets

Diversified, conservative business platform

- Member of the S&P/TSX60, S&P/TSX Canadian Dividend Aristocrats, and the MSCI Canada Indices
- Long-term investment grade BBB fixed rate debt financing
- Large proportion of earnings from regulated utility operations
- Reduced commodity price exposure through inflation indexed long-term PPAs

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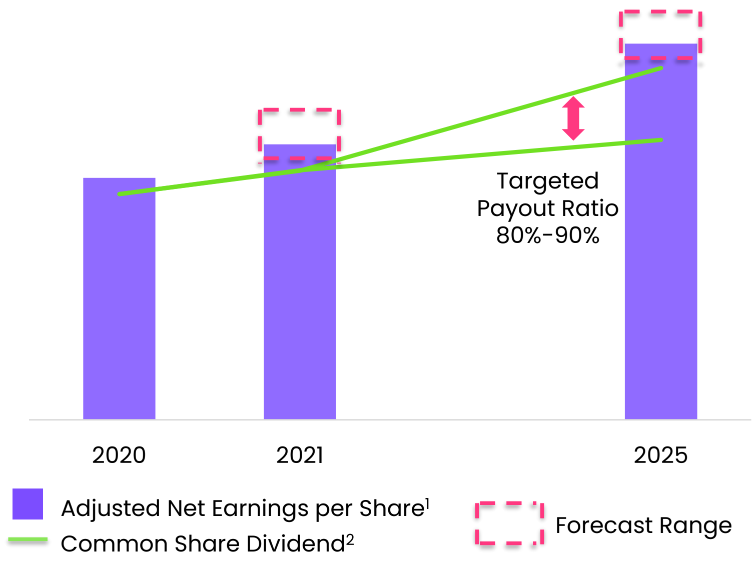
1. Estimate based on annualized using Q4 2021 dividend rate. For further information on AQN's dividend policy, see AQN's most recent annual information form.
2. The dividend paid in 2010 to 2014 was translated from Canadian to U.S. dollars using the average annual exchange rates as posted by the Bank of Canada.
3. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and Appendix – Reconciliation of Non-GAAP Financial Measures beginning on page 26 of this presentation.

Algonquin's Dividend Outlook

- Payout ratio
- Capital reinvestment opportunities



Expected Adjusted Net Earnings[1] per share growth supports strong dividend growth

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1. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and Appendix – Reconciliation of Non-GAAP Financial Measures beginning on page 26 of this presentation.
2. Estimate based on annualized using Q4 2021 dividend rate.

Investment Grade Capital Structure

(in U.S. $ M)	As of Sept 30, 2021[3]	
Long-term debt[1, 3]	4,488.7	33.4%
Preferred shares / Sub. Notes/ Equity Units	1,946.4	14.5%
Equity[2, 3]	6,999.5	51.1%
Total capitalization	13,434.6	100%

Strong Access to Equity Capital

- Preferred Shares
- Hybrid Debt
- Mandatory Convertible Equity Units
- DRIP Program & At-the-Market (ATM) Program
- Access to US and Canadian Equity Capital Markets
  - Listed NYSE & TSX

Renewable Energy Bond Platform

- Canadian public style bond platform
- C$1.2 B senior unsecured bonds outstanding
- Investment-grade credit ratings:
  - S&P: BBB / DBRS: BBB / Fitch: BBB

Regulated Services Bond Platform

- Private placement and 144A markets
- U.S. $2.4 B of senior bonds outstanding
- C$200 M of senior unsecured bonds outstanding
- Investment-grade credit ratings:
  - S&P: BBB / DBRS: BBB (high) [4] & BBB[5] / Fitch: BBB

Highly committed to maintaining investment-grade capital structure

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Appendix

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Key Selected Financial Information

All figures are in $ millions except per share data	Three Months Ended September 30			Twelve Months Ended December 31		
	2021	2020	Variance	2020	2019	Variance
Adjusted Net Earnings[1]	97.6	88.1	11%	365.8	321.3	14%
Per share[1]	0.15	0.15	--%	0.64	0.63	2%
Adjusted EBITDA[1]	252.0	197.9	27%	869.5	838.6	4%
Adjusted Funds from Operations[1]	170.2	148.0	15%	600.2	566.2	6%
Dividend per share	0.1706	0.1551	10%	0.6063	0.5512	10%

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions)	Three Months Ended September 30 2021		2020	
Net earnings (loss) attributable to shareholders	$	(27.9)	$	55.9
Add (deduct):				
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]		4.5		3.4
Income tax expense (recovery)		(19.4)		(19.7)
Interest expense		51.7		45.6
Other net losses[3]		0.9		16.9
Pension and post-employment non-service costs		3.9		2.4
Change in value of investments carried at fair value[2]		139.1		23.4
Loss (gain) on derivative financial instruments		1.8		(0.3)
Realized loss on energy derivative contracts		(0.5)		(0.3)
Loss (gain) on foreign exchange		1.3		(0.9)
Depreciation and amortization		96.6		71.5
Adjusted EBITDA	**$**	**252.0**	**$**	**197.9**

1 HLBV represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the three months ended September 30, 2021 amounted to $16.0 million as compared to $11.8 million during the same period in 2020.

2 See *Note 6* in the unaudited interim consolidated financial statements for the three months ended September 30, 2021.

3 See *Note 16* in the unaudited interim consolidated financial statements for the three months ended September 30, 2021.

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions)	Twelve Months Ended December 31 2020		2019	
Net earnings attributable to shareholders	$	782.5	$	530.9
Add (deduct):				
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]		14.9		19.1
Income tax expense		64.6		70.1
Interest expense		181.9		181.5
Other net losses[3]		61.3		26.7
Pension and post-employment non-service costs		14.1		17.3
Change in value of investments carried at fair value[2]		(559.7)		(278.1)
Gain on derivative financial instruments		(1.0)		(16.1)
Realized loss on energy derivative contracts		(1.1)		(0.2)
Loss (gain) on foreign exchange		(2.1)		3.1
Depreciation and amortization		314.1		284.3
Adjusted EBITDA	$	**869.5**	$	**838.6**

1 HLBV represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the three and twelve months ended December 31, 2020 amounted to $20.4 million and $69.5 million as compared to $16.0 million and $65.0 million during the same period in 2019.

2 See *Note 8* in the annual audited consolidated financial statements for the year ended December 31, 2020.

3 See *Note 19* in the annual audited consolidated financial statements for the year ended December 31, 2020.

Algonquin Liberty

Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions except per share information)	Three Months Ended September 30 2021		2020	
Net earnings (loss) attributable to shareholders	$	(27.9)	$	55.9
Add (deduct):				
Loss (gain) on derivative financial instruments		1.8		(0.3)
Realized loss on energy derivative contracts		(0.5)		(0.3)
Other net losses[2]		0.9		16.9
Loss (gain) on foreign exchange		1.3		(0.9)
Change in value of investments carried at fair value[1]		139.1		23.4
Adjustment for taxes related to above		(17.1)		(6.6)
Adjusted Net Earnings	**$**	**97.6**	**$**	**88.1**
Adjusted Net Earnings per share	**$**	**0.15**	**$**	**0.15**

[1] See *Note 6* in the unaudited interim consolidated financial statements for the three months ended September 30, 2021.

[2] See *Note 16* in the unaudited interim consolidated financial statements for the three months ended September 30, 2021.

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions except per share information)		Twelve Months Ended December 31 2020		2019
Net earnings attributable to shareholders	$	782.5	$	530.9
Add (deduct):				
Gain on derivative financial instruments		(1.0)		(0.3)
Realized loss on energy derivative contracts		(1.1)		(0.2)
Other net losses[2]		61.3		26.7
Loss (gain) on foreign exchange		(2.1)		3.1
Change in value of investments carried at fair value[1]		(559.7)		(278.1)
Other non-recurring adjustments		1.0		2.2
Adjustment for taxes related to above[3]		84.9		37.0
Adjusted Net Earnings	$	**365.8**	$	**321.3**
Adjusted Net Earnings per share	$	**0.64**	$	**0.63**

1 See *Note 8* in the annual audited consolidated financial statements for the year ended December 31, 2020.

2 See *Note 19* in the annual audited consolidated financial statements for the year ended December 31, 2020.

3 Includes a one-time tax expense of $9.3 million to reverse the benefit of deductions taken in the prior year. See *Note 18* in the annual audited consolidated financial statements for the year ended December 31, 2020.

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in $ millions except per share information)		Twelve Months Ended December 31 2019		2018
Net earnings attributable to shareholders	$	530.9	$	185.0
Add (deduct):				
Loss (gain) on derivative financial instruments[1]		(0.3)		0.6
Realized (loss) gain on energy derivative contracts		(0.2)		0.1
Other Losses		15.1		0.8
Loss (gain) on foreign exchange		3.1		(0.1)
Acquisition-related costs		11.6		0.7
Change in value of investments carried at fair value[3]		(278.1)		138.0
Costs related to tax equity financing		—		1.3
Other non-recurring adjustments		2.2		—
U.S. Tax Reform and related deferred tax adjustments[2]		—		(18.4)
Adjustment for taxes related to above		37.0		4.2
Adjusted Net Earnings	$	321.3	$	312.2
Adjusted Net Earnings per share	$	0.63	$	0.66

1 Excludes the gain related to the discontinuation of hedge accounting on an energy hedge put in place early in the development of the Sugar Creek Wind Project (See *Note 24(b)(iv)* in the annual audited consolidated financial statements) for the year ended December 31, 2019.

2 Represents the non-cash accounting adjustment related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of U.S. Tax Reform.

3 See Note 8 in the annual audited consolidated financial statements for the year ended December 31, 2019.

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Reconciliation of Non-GAAP Financial Measures

(all dollar amounts in U.S. $ millions, except per share data)	**Twelve Months Ended Dec 31** 2018	2017
Net earnings attributable to shareholders	$185.0	$149.5
Add (deduct):		
Loss (gain) on derivative financial instruments	0.6	(1.9)
Realized (loss) gain on energy derivative contracts	0.1	(0.6)
Loss (gain) on long-lived assets, net	0.8	(1.8)
Loss (gain) on foreign exchange	(0.1)	0.3
Interest expense on Conv. Debs & acquisition financing costs	—	13.4
Acquisition-related costs	0.7	47.7
Change in value of investment in Atlantica carried at fair value	138.0	—
Costs related to tax equity financing	1.3	1.8
Other adjustments	—	2.5
U.S. Tax Reform and related deferred tax adjustments[1]	(18.4)	17.1
Adjustment for taxes related to above	4.2	(3.0)
Adjusted Net Earnings	**$312.2**	**$225.0**
Adjusted Net Earnings per share[2]	**$0.66**	**$0.57**

1. Represents the non-cash accounting adjustment related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of U.S. Tax Reform.
2. Per share amount calculated after preferred share dividends and excluding subscription receipts issued for projects or acquisitions not reflected in earnings.

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Reconciliation of Non-GAAP Financial Measures

	Twelve Months Ended Dec 31	
(all dollar amounts in U.S. $ millions, except per share data)	**2017[3]**	**2016[3]**
Net earnings attributable to shareholders	$149.5	$97.9
Add (deduct):		
Loss (gain) on derivative financial instruments	(1.9)	(11.9)
Realized loss on energy derivative contracts	(0.6)	(0.6)
Loss (gain) on long-lived assets, net	(1.8)	(2.6)
Loss (gain) on foreign exchange	0.3	(0.4)
Interest expense on convertible debentures and acquisition financing	13.4	43.9
Acquisition-related costs	47.7	9.0
Costs related to tax equity financing	1.8	—
Other adjustments	2.5	—
U.S. Tax Reform adjustment[2]	17.1	—
Adjustment for taxes related to above	(3.0)	(13.9)
Adjusted Net Earnings	**$225.0**	**$121.4**
Adjusted Net Earnings per share[1]	**$0.57**	**$0.42**

1. Per share amount calculated after preferred share dividends and excluding subscription receipts issued for projects or acquisitions not reflected in earnings.
2. Represents the non-cash accounting adjustment related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of U.S. Tax Reform.
3. The Company's financial statements for the years ended December 31, 2017 and December 31, 2016 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2017 and December 31, 2016 in U.S. dollars. The 2017 and 2016 amounts shown above are derived from such re-issued financial statements and the related management discussion and analysis.

Reconciliation of Non-GAAP Financial Measures

	Twelve Months Ended Dec 31	
(all dollar amounts in U.S. $ millions, except per share data)	**2016[2]**	**2015[2]**
Net earnings attributable to shareholders	$97.9	$91.9
Add (deduct):		
Loss from discontinued operations	—	1.4
Gain on derivative financial instruments	(11.9)	(1.7)
Realized gain (loss) on derivative financial instruments	(0.6)	(0.7)
Loss (gain) on long-lived assets	(2.6)	2.3
Deferred tax expense due to an agreement with the CRA related to the Unit Exchange Transaction	—	2.1
(Gain) loss on foreign exchange	(0.4)	(2.0)
Interest expense on convertible debenture and bridge financing fees	43.9	—
Acquisition costs	9.0	1.4
Adjustment for taxes	(13.9)	0.3
Adjusted Net Earnings	**$121.4**	**$95.0**
Adjusted Net Earnings per share[1]	**$0.42**	**$0.36**

1. Per share amount calculated after preferred share dividends and excluding subscription receipts issued for projects or acquisitions not reflected in earnings.
2. The Company's financial statements for the years ended December 31, 2016 and December 31, 2015 were originally reported in Canadian dollars. Following a change to the Company's reporting currency to U.S. dollars in 2018, the Company re-issued audited financial statements for the years ended December 31, 2017 and December 31, 2016 in U.S. dollars. The 2016 amounts shown above are derived from such re-issued financial statements and the related management discussion and analysis. In contrast, the 2015 amounts shown above have been converted to U.S. dollars for the purposes of this document using the annual exchange rate for 2015 of 0.782, as reported by the Bank of Canada and accordingly, are not directly comparable.

Reconciliation of Non-GAAP Financial Measures

	Three Months Ended September 30	
(all dollar amounts in $ millions)	**2021**	**2020**
Cash flows from operating activities	$ 174.7	$ 121.4
Add (deduct):		
Changes in non-cash operating items	(6.2)	23.7
Acquisition-related costs	1.7	2.9
Adjusted Funds from Operations	**$ 170.2**	**$ 148.0**

Algonquin Liberty™

Reconciliation of Non-GAAP Financial Measures

	Twelve Months Ended December 31			
(all dollar amounts in $ millions)		**2020**		**2019**
Cash flows from operating activities	$	505.2	$	611.3
Add (deduct):				
Changes in non-cash operating items		77.5		(60.3)
Production based cash contributions from non-controlling interests		3.4		3.6
Acquisition-related costs		14.1		11.6
Adjusted Funds from Operations	**$**	**600.2**	**$**	**566.2**

Algonquin Liberty™

Corporate Information

Head Office	Greater Toronto Area, Ontario
Toronto Stock Exchange	AQN, AQN.PR.A, AQN.PR.D
New York Stock Exchange	AQN, AQNA, AQNB, AQNU
Shares Outstanding*	627,795,347
Share Price*	$14.43
Market Capitalization*	$9.1B
Dividend**	$0.6824 per share annually

* Shares outstanding, closing price (NYSE), and market capitalization as of October 31, 2021.
** Annualized using Q4 2021 dividend rate.

Algonquin

Liberty™

Contact Information

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Arthur Kacprzak
Chief Financial Officer

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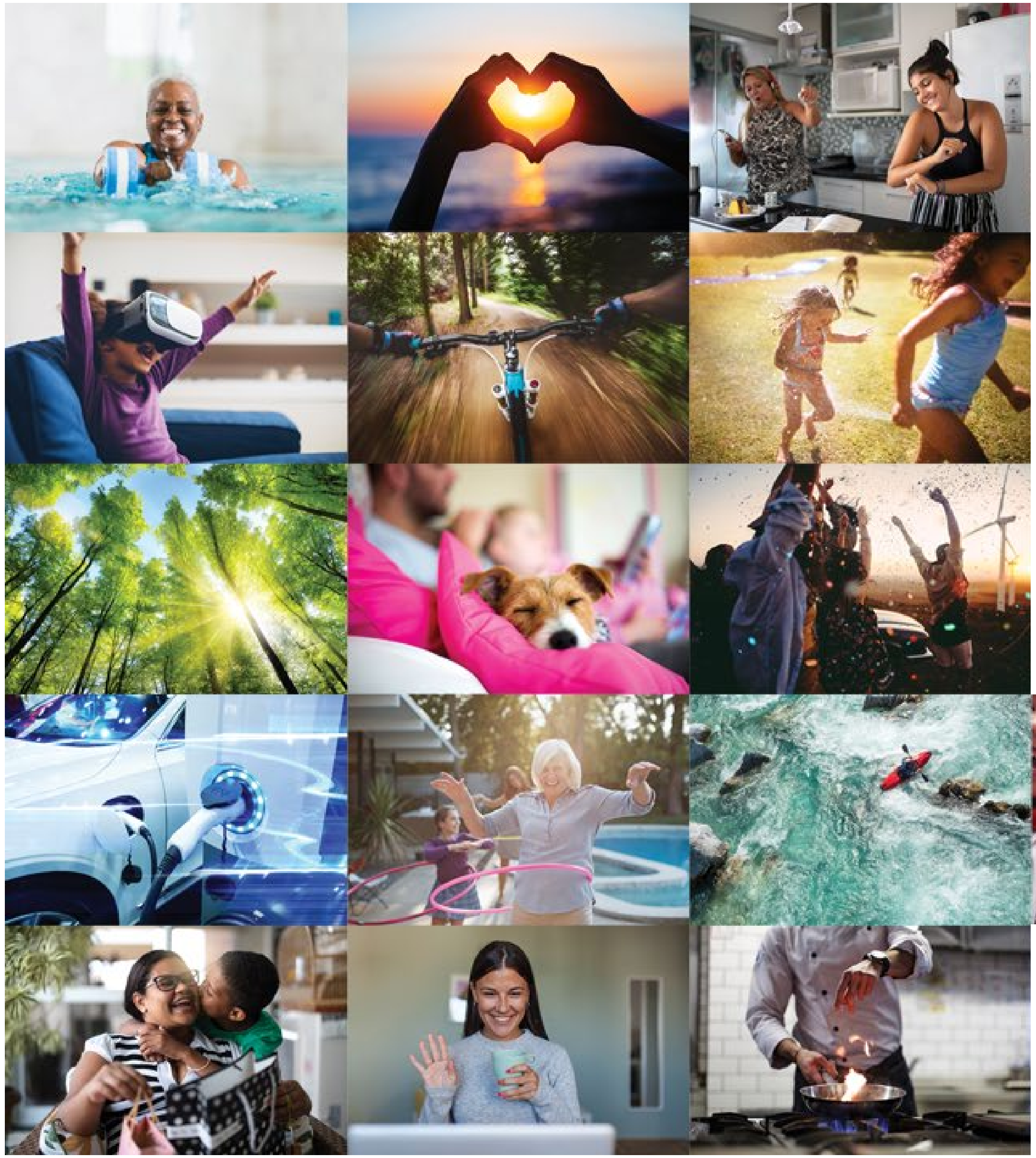

October 26, 2021 | Algonquin Power & Utilities Corp.

Algonquin to Acquire Kentucky Power Company & AEP Kentucky Transmission Company, Inc.

Algonquin

Disclosure

Forward-Looking Statements

Certain written statements included herein and/or oral statements made in connection with the presentation contained herein constitute “forward-looking information” within the meaning of applicable securities laws in each of the provinces of Canada and the respective policies, regulations and rules under such laws and “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). The words “will”, “expects”, “intends”, “should”, “would”, “anticipates”, “projects”, “forecasts”, “plans”, “estimates”, “may”, “outlook”, “aims”, “pending” and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements contained in or made in connection with this presentation include, but are not limited to statements regarding: Algonquin Power & Utilities Corp.’s (“AQN”, “Algonquin” or the “Company”) proposed acquisition of the Acquired Entities (as defined herein), including the expected timing for the completion of the Transaction, the purchase price of the Transaction (as defined herein), expectations regarding satisfaction of closing conditions and receipt of regulatory approvals and the expected financing of the Transaction; the anticipated benefits of the Transaction, including the impact of the Transaction on the Company’s business, operations, financial condition, cash flows and results of operations; the expected performance and growth of the Company, including expectations regarding 2021 Adjusted Net EPS (as defined herein); expectations regarding the Company’s generation capacity, customer base, regulated rate-base, electric rate base, distribution and transmission infrastructure and business mix following completion of the Acquisition; expectations regarding the Company’s credit rating following the completion of the Transaction; the expected size of the concurrent bought deal offering; expectations regarding the issuance of additional common equity by the Company; the Company’s sustainability and decarbonization targets, initiatives and goals; expectations regarding the impact of the Transaction on the business of the Acquired Entities and their stakeholders, including opportunities for regulatory enhancements; the Company’s “greening the fleet” plans with respect to the Acquired Entities, including with respect to the Mitchell coal plant; expectations regarding the Acquired Entities’ sourcing of coal-fired generation; expectations regarding the benefits, outcomes and impacts of transitioning to renewable energy; the closing of the Company’s acquisition of New York American Water (as defined in the Company’s Annual Information Form dated March 4, 2021 for the year ended December 31, 2020) and the Company’s sustainability and environmental, social and governance goals. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their nature they rely on assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in this presentation or contained in AQN’s preliminary short form prospectus dated the date hereof, AQN’s Management Discussion and Analysis for the three and six months ended June 30, 2021 (the “Interim MD&A”), AQN’s Management Discussion and Analysis for the three and twelve months ended December 31, 2020 (the “Annual MD&A”), and AQN’s Annual Information Form for the year ended December 31, 2020, each filed with securities regulatory authorities in Canada and the United States. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Currency

In this presentation, unless otherwise specified or the context requires otherwise, all dollar amounts are expressed in U.S. dollars.

Non-GAAP Financial Measures

The terms “Adjusted Net Earnings” and “Adjusted Net Earnings per share” (or “Adjusted Net EPS”) may be used in this presentation and discussion. The terms “Adjusted Net Earnings” and “Adjusted Net EPS” are not recognized measures under U.S. GAAP. There is no standardized measure of “Adjusted Net Earnings” or “Adjusted Net EPS”; consequently, AQN’s method of calculating these measures may differ from methods used by other companies and therefore they may not be comparable to similar measures presented by other companies. An explanation, calculation and analysis of “Adjusted Net Earnings” and “Adjusted Net EPS”, including a reconciliation to the most directly comparable U.S. GAAP measure, where applicable, can be found in the Interim MD&A and the Annual MD&A.

Agenda and Presenters

1 Transaction Overview

2 Strategic Rationale

3 Mergers & Acquisitions (“M&A”) Track Record

4 Kentucky Power & Kentucky TransCo Overview

5 Regulatory Overview

6 Greening the Fleet Opportunity

7 Combined Business Profile

8 Financing Plan

9 Key Milestones & Timeline

Presenters

Arun Banskota
President and
Chief Executive Officer

Jeffery Norman
Chief Development Officer

Arthur Kacprzak
Chief Financial Officer

Transaction Overview

Transaction and Purchase Price	• Liberty Utilities Co., an indirect subsidiary of Algonquin, agreed to acquire Kentucky Power Company ("Kentucky Power") and AEP Kentucky Transmission Company, Inc. ("Kentucky TransCo" and collectively, the "Acquired Entities") from American Electric Power Company Inc. ("AEP"), and American Electric Power Transmission Company, LLC (the "Transaction") - Kentucky Power is a state and U.S. Federal Energy Regulatory Commission ("FERC") regulated, vertically integrated electric utility that provides services to approximately 228,000 active customer connections in twenty Eastern Kentucky counties - Kentucky TransCo is a FERC regulated electric transmission utility operating in the Kentucky portion of the Pennsylvania-New Jersey-Maryland regional transmission organization ("PJM")[1] • Total purchase price of approximately $2.846 billion including the assumption of approximately $1.221 billion in debt[2] - Expected mid-year 2022 rate base acquisition multiple of 1.3x based on $2.2 billion of mid-year 2022 rate base
Financing Plan	• Following closing of the underwritten public offering of common shares announced concurrently with the Acquisition, Algonquin does not expect to raise additional capital by way of the issuance of common equity through mid-2022, being the expected timing for closing of the Transaction • Remainder of the cash purchase price, after accounting for the proceeds of the concurrent common equity offering, expected to be funded through a combination of hybrid debt, equity units and/or monetization of non-regulated assets or investments • Financing plan is designed to maintain Algonquin's investment grade credit ratings • Secured approximately $2.725 billion acquisition financing commitment
Transaction Timing & Approvals	• Regulatory approvals include FERC, the Committee on Foreign Investment in the Unites States ("CFIUS"), the expiration or termination of the waiting period under the Hart-Scott-Rodino Act ("HSR"), and state approvals in Kentucky and West Virginia (for the termination and replacement of the existing operating agreement for the Mitchell facility) • Final regulatory approvals and Transaction close are expected by mid-2022

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1 – Regional Transmission organization that coordinates the movement of wholesale electric in the mid-Atlantic.
2 – Subject to customary closing adjustments.

Strategic Rationale

Algonquin

KENTUCKY POWER

1 Significant Growth in Regulated Electric Utility Operations

- Consistent with Algonquin's strategy of completing accretive add-on regulated acquisitions at attractive values
- Increases pro forma regulated rate base to approximately $9 billion[1] and overall pro forma business mix to nearly 80%[1] regulated businesses
- Increases pro forma electric rate base from 63% to 72% of total rate base[2]
- Expected to increase service territory footprint and provide greater regulatory jurisdiction diversification

2 Leverages Greening the Fleet Experience & Re-Confirms Leadership in the Energy Transition

- Significant opportunities to transition the existing rate based fossil fuel generation with rate-regulated renewables sources
- Reinforces Algonquin's competitive position in the energy transition and leverages its experience in greening the fleet
- Kentucky Power greening the fleet initiatives would align with Algonquin's target of achieving net-zero greenhouse gas emissions (scope 1 and 2) by 2050

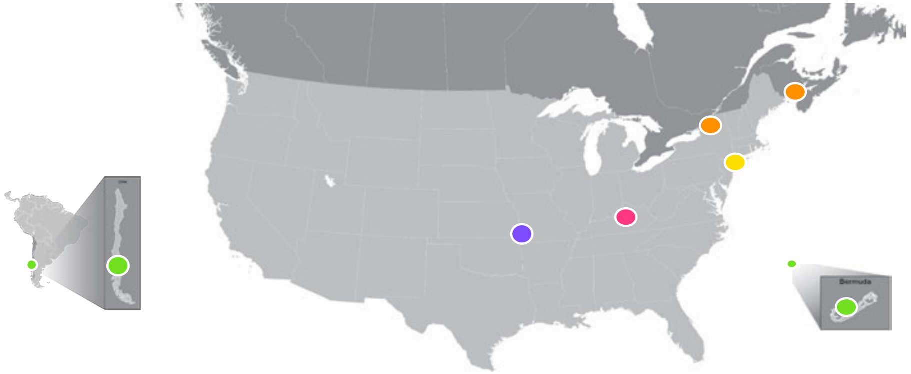
3 Expected to be Accretive to Earnings and Maintain Investment Grade Credit Profile[3]

- Expected to be accretive to Adjusted Net EPS in first full year and mid-single digit percentage accretion thereafter
- Expected to support growth in Algonquin's Adjusted Net EPS over the long-term
- Financing plan designed to maintain Algonquin's investment grade credit rating

1 – Includes New York American Water.
2 – 2022E Mid-year rate base, including pending acquisition of New York American Water.
3 – Please see "Non-GAAP Financial Measures" on page 2 of this presentation.

Track Record of Successful M&A Execution

- ✓ 5 utility acquisitions successfully integrated since 2017, New York American Water closing pending, and acquisition of Kentucky Power and Kentucky TransCo expected to close in mid-2022
- ✓ Expertise in integrating utilities of scale (Empire District Electric Company ("Empire"), California Pacific Electric Company ("CalPeco"), Granite State Electric Inc., and Energy North Natural Gas Inc.)
- ✓ Focus on providing safe, reliable and affordable service to customers
- ✓ Algonquin's commitment to existing communities, customers and employees is a foundation of its track record of successful integration



Regulated Utility Additions Since 2017

2017

Empire District Electric Company
- Purchase Price: $2.4 billion
- Closing Period: ~11 months
- Customer connections: ~218,000

2019

New Brunswick Gas
- Purchase Price: C$339 million
- Closing Period: ~10 months

St. Lawrence Gas
- Purchase Price: $70 million
- Closing Period: ~26 months
- Customer connections: ~16,000

2020

Empresa de Servicios Sanitarios de Los Lagos S.A. ("ESSAL")
- Purchase Price: $162 million[2]
- Closing Period: ~1 month
- Customer connections: ~230,000

Ascendant
- Purchase Price: $365 million
- Closing Period: ~17 months
- Customer connections: ~35,000

2021 (Expected)

NY American Water Company Inc.
- Purchase Price: $608 million
- Closing Period: pending
- Customer connections: ~125,000

2022 (Expected)

Kentucky Power & Kentucky TransCo
- Purchase Price: $2.8 billion[1]
- Closing Period: pending
- Active customer connections: ~228,000

Algonquin

1 – Includes assumption of debt. Subject to customary closing conditions.
2 – Aggregate purchase price for 94% stake in ESSAL.

Kentucky Power & Kentucky TransCo: Fully Regulated Electric Utilities

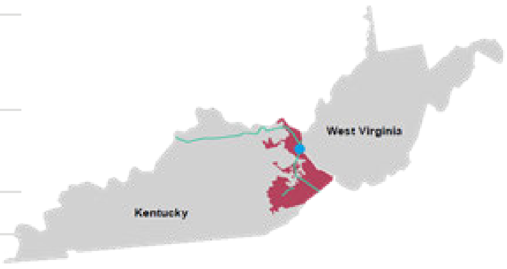
Business Overview

- Engages in the generation, transmission, and distribution of electricity
- ~228,000 active customer connections in 20 eastern Kentucky counties
- ~93% of rate base regulated under the Kentucky Public Service Commission ("KPSC") and ~7% of rate base FERC-regulated transmission lines
- Opportunity to build a strong relationship with the KPSC and work towards future regulatory outcomes beneficial to all stakeholders

Summary Statistics

Company	**Head Office**	Ashland, Kentucky
Regulated Asset	**Rate Base (Mid-Year 2022E)**	$2.2B[1]
	Infrastructure	Transmission & Distribution: 11,152 mi. Owned Generation: 1,060 MW
Regulatory Framework	**Jurisdictions**	Kentucky & FERC (PJM)
	S&P RRA Rating	Average 1
	Authorized Return[2]	Generation & Distribution: ROE[3]: ~9.3%[4] FERC Transmission: ROE[3]: ~10.4%[5]
	Equity Thickness[2]	~43%

Service Territory



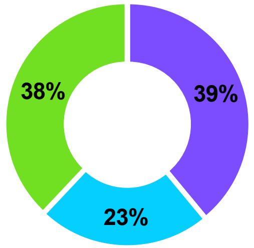
Service Area
Transmission Lines
Generation

Kentucky Power Expected Earnings Growth Drivers

- ✓ Opportunities for improved regulatory outcomes
- ✓ Transmission and distribution investments to ensure system reliability and integrity
- ✓ Anticipated build out of renewable generation

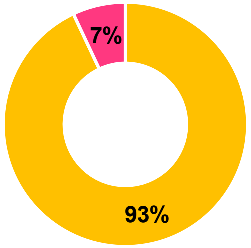
Customer & Rate Base Breakdown

Energy Sales (2020)



Industrial and Other
Commercial
Residential

Rate Base (Mid-Year 2022E)



Kentucky Public Service Commission
FERC

1 – Expected 2022 mid-year rate base comprised of Kentucky Power ($2.0bn) and Kentucky TransCo ($0.2bn).
2 – Approved Rate Case in January 2021.
3 – ROE defined as "Return on Equity".
4 – Reflects authorized ROE made effective in January 2021; authorized ROE for riders with an approved equity return (Decommissioning Rider and Environmental Surcharge) is 9.1%.
5 – Reflects base ROE of ~9.9% plus 0.5% RTO incentive adder.

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KPSC Regulatory Environment

Key KPSC Regulatory Features

- ✓ Rated Average/1 by S&P Global; top third of all states ranked
- ✓ Commissioners appointed by Governor for 4 year terms; provides continuity
- ✓ Merger approval standard "consistent with public interest"; maximum four months to issue order
- ✓ Strong regulatory regime with attractive features
- ✓ Mechanisms in place to some mitigate regulatory lag; including fuel costs, environmental compliance, switching to a prospective test year, etc.
- ✓ Surcharge Supportive Integrated Resource planning (“IRP”) process; recent review supports retiring coal in favor of renewables

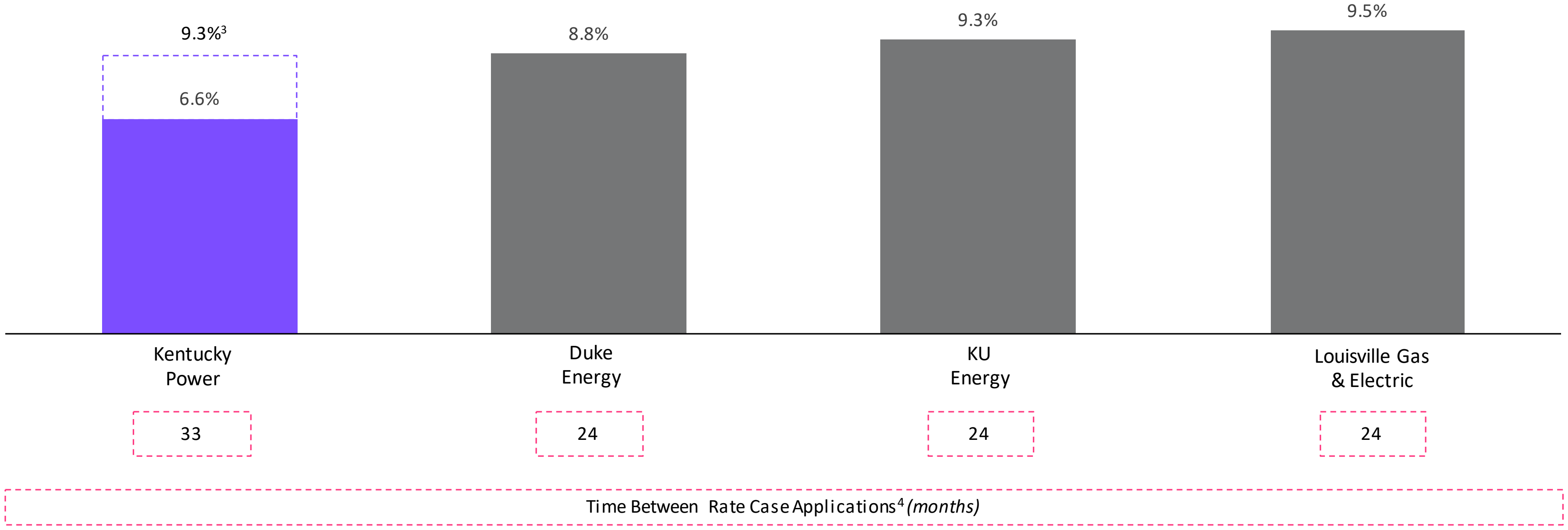
Opportunity for Regulatory Enhancements and Improved Regulatory Outcomes

- ✓ Kentucky Power had an average earned ROE of 6.6% from 2016-2020 as compared to an authorized ROE of 9.3%[1], and an average time of 33 months between electric utility rate cases filed in the last seven years
- ✓ Anticipated transfer of or retirement (for rate-marking purposes) of Kentucky Power’s 50% ownership interest (representing 780 MW) in the Mitchell coal plant in 2028 allows opportunity for rate-regulated renewables to be added to Kentucky Power's rate base
- ✓ Opportunity to switch to prospective test year from current historical regime
- ✓ Kentucky Power’s current equity thickness is lower than peers’

1 – Reflects authorized ROE made effective in January 2021; authorized ROE for riders with an approved equity return (Decommissioning Rider and Environmental Surcharge) is 9.1%.

Earned ROEs for Kentucky Utilities[1,2,5]

- Opportunity for improved regulatory outcomes



Source: FERC Form 1

1 – Average Earned ROE from 2016-2020.
2 – Earned ROE calculated Net Income/Total Proprietary Capital from FERC Form 1.
3 – Reflects authorized ROE made effective in January 2021; authorized ROE for riders with an approved equity return (Decommissioning Rider and Environmental Surcharge) is 9.1%.
4 – Average time between electric utility rate cases filed in the last 7 years.
5 – These comparables (as defined by applicable Canadian securities laws) are intended to allow a potential investor to evaluate the business of Kentucky Power as compared to the other entities identified. The other entities were selected because they are each regulated utilities operating in the State of Kentucky, like Kentucky Power, and are affected by relatively similar trends, growth prospects and risks as those affecting Kentucky Power, and therefore Algonquin believes that they are an appropriate basis for comparison with Kentucky Power. This information was obtained from public sources and has not been verified by Algonquin or any of the underwriters. The business, assets and financial results of the other entities may not be completely comparable to that of Kentucky Power in all respects and such entities may face different risks and industry conditions than Kentucky Power. Additionally, the comparable information presented herein is presented for the periods indicated, and such information may change in the future. As a result, potential investors should not rely solely on the comparables set forth in this presentation in deciding whether or not to purchase the securities described in this presentation. If the comparables presented herein contain a misrepresentation, a purchaser of the securities described in this presentation will not have a remedy in respect of such misrepresentation under applicable Canadian securities laws.

Greening the Fleet Opportunity at Kentucky Power

Greening the Fleet Pathway

Rockport UPA Termination

- 393 MW leased coal capacity under a Unit Power Agreement ("UPA") that expires in 2022
- Algonquin does not intend for the UPA to be renewed by Kentucky Power

Mitchell Operating Agreement

- Operation of the Mitchell coal plant expected to be transferred to a subsidiary of AEP upon closing of Transaction

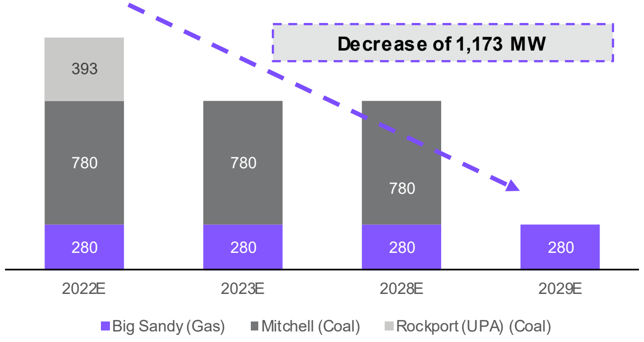
Replacing Mitchell Coal Capacity

- Opportunity to replace the capacity provided by the Mitchell coal plant with emissions-free renewable generation or lower emissions generation fuels
- Algonquin expects that Kentucky Power will not directly source any generation from coal-fired facilities after 2028

Renewables Build-Out

- Expiring Rockport UPA and transfer of or retirement (for rate-making purposes) of Kentucky Power's 50% ownership interest in the Mitchell coal plant in 2028 reinforcing need for new generation sources
- Expected levelized cost of energy from renewables lower than market purchases and current fossil-fuel owned generation assets

Opportunity for Significant Reduction to Non-Renewable Generation[1,2] *(MW)*



Renewable Generation

1+ GW of potential regulated renewables investment opportunities

Greening the Fleet initiatives at Kentucky Power are aligned with Algonquin's target of achieving net-zero for scope 1 and scope 2 emissions by 2050

Algonquin

1 – Mitchell (Coal) 780 MW based on proportionate capacity.
2 – 2023 reduction based on Rockport UPA termination; 2029 reduction based on Mitchell transfer or retirement.

Algonquin's Greening the Fleet Track Record

Case Study — Liberty Empire District Electric

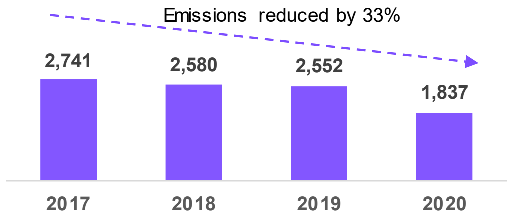
Transaction Details

- Acquired in January 2017
- Fully regulated electric, gas, and water utility based in Missouri serving electric customers in the Midwest (Missouri, Kansas, Oklahoma and Arkansas)

Energy Transition Highlights

- Owned primarily coal- and gas-fired power plants with limited renewables investments when acquired
- Retired 200 MW Asbury coal-fired power in 2020, ahead of schedule
- Added 600 MW of new build wind capacity in 2021
- Total investment of $1.1 billion

Annual Emissions *(Thousands of Mt CO_2e)*



Case Study — Liberty CalPeco

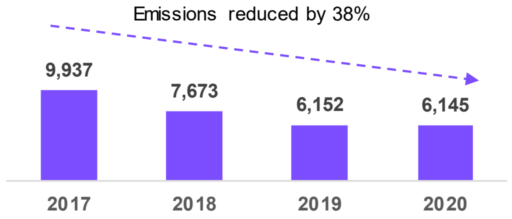
Transaction Details

- Jointly acquired with Emera from NV Energy in 2011; subsequently acquired Emera's equity interest in 2012
- Fully regulated electric utility serving customers in California

Energy Transition Highlights

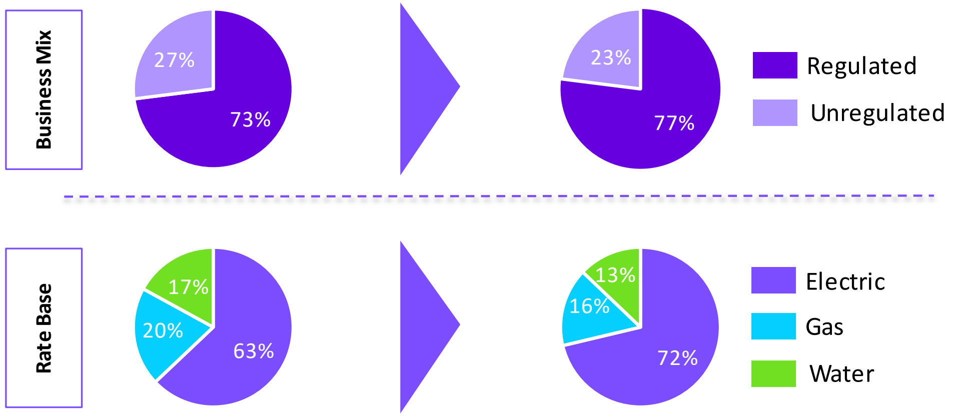
- Aligned with California Renewable Portfolio Standard with a goal of 100% renewables generation and zero carbon footprint
- Added Luning 1 in 2017 with 50 MW
- Added Turquoise Solar in 2019 with 10 MW
- Currently developing Luning II with 60 MW Solar and 240 MWh of storage

Annual Emissions *(Mt CO_2e)*

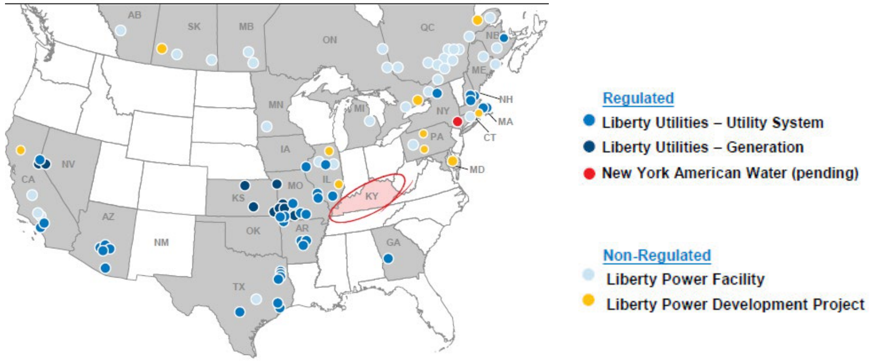


Enhances Algonquin's Scale and Regulated Business Mix

Business Mix Shifts Towards Regulated Opportunities



Pro Forma North American Business Footprint



Kentucky represents contiguous service territory to existing Liberty footprint

	Algonquin (Pre-Transaction)	Acquired Entities	Algonquin (Pro Forma)[6]	% Increase
Total Generation Capacity	5.7 GW[1]	1.1 GW[2]	**6.8 GW**	19%
Rate Base (Rate Base 2022E Mid-Year)	$6.8 B[5]	$2.2 B	**$9.0 B**	32%
Transmission & Distribution Line Miles	29,818[3]	11,152	**40,970**	37%
Total Customer Connections	1.2 MM[5]	0.2 MM	**1.4 MM**	19%
Enterprise Value[4]	$17.9 B	$2.8 B	**$20.8 B**	16%

1 - Includes owned generation and investments in generating assets including pro-rata share of Atlantica generation; does not include minority investments (such as Plum Point and Iatan).
2 – 780 MW coal, 280 MW natural gas, excluding 393 MW under a UPA which expires in December 2022.
3 – Transmission comprised of gas distribution lines, electricity distribution lines, and water distribution mains.
4 – S&P Capital IQ data as of October 25, 2021.
5 – Includes pending acquisition of New York American Water.
6 – Pro Forma numbers include New York American Water and Acquired Entities.

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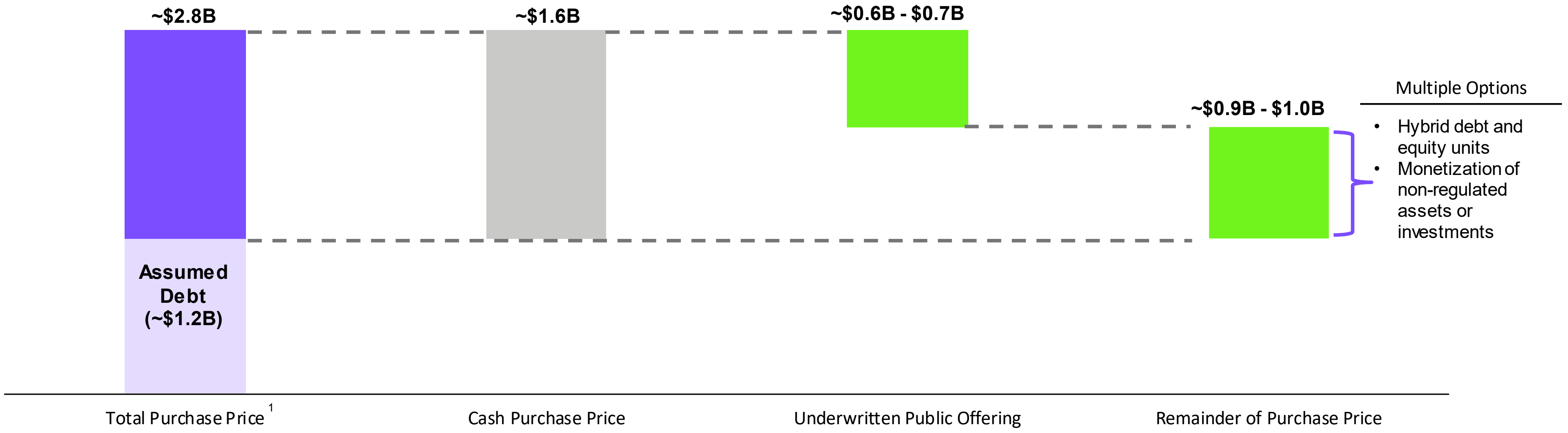
Financing Plan Designed to Maintain Investment Grade Credit Ratings

- $2.725 billion acquisition financing commitment to support the Transaction
- Following closing of the concurrent equity offering, Algonquin does not expect to raise capital by way of the issuance of common equity through mid-2022, being the expected timing for closing of the Transaction
- Various tools available to satisfy remainder of purchase price

Indicative Financing Plan *($B)*



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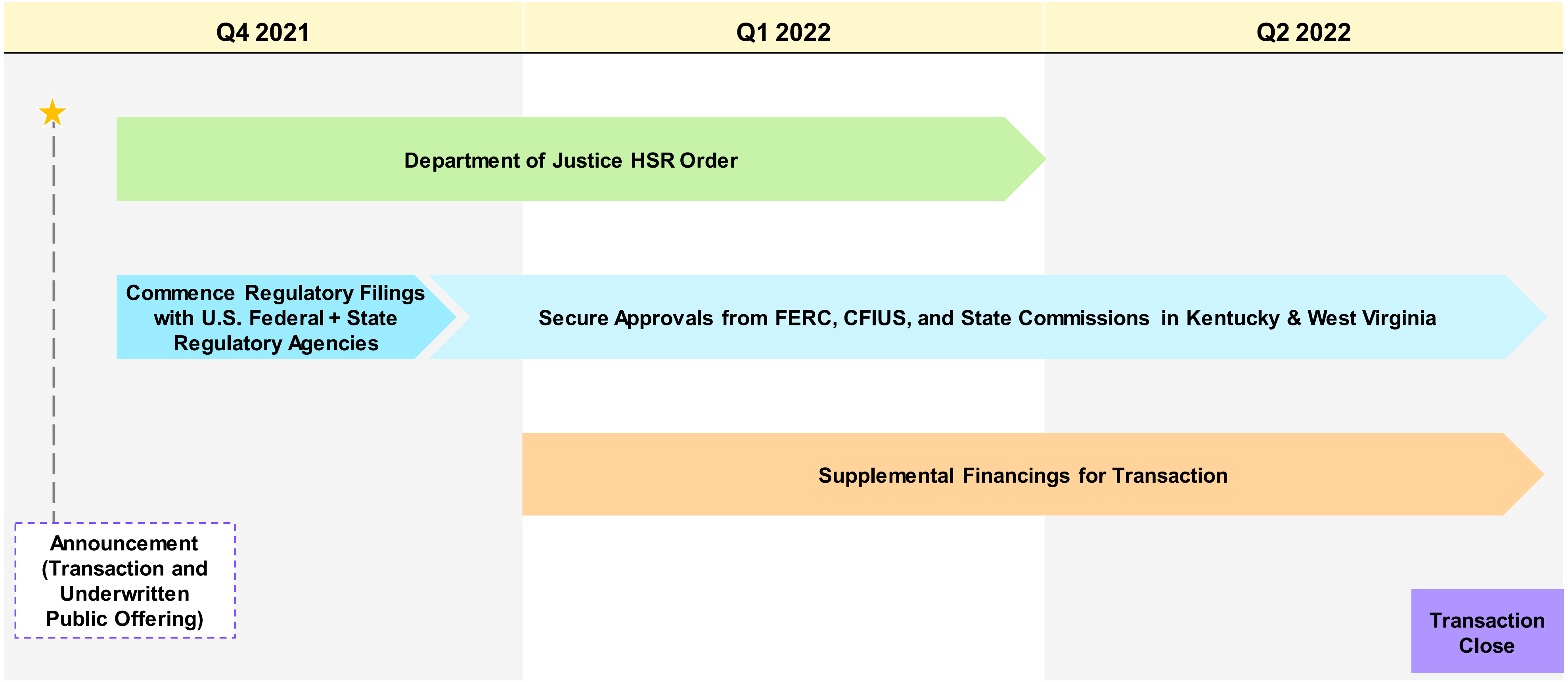
1 – Subject to customary closing adjustments.

Illustrative Transaction Timeline



Closing Remarks

- ✓ Significant growth in regulated electric utility operations
- ✓ Leverages greening the fleet thesis and re-confirms leadership in the energy transition
- ✓ Expected to be accretive to Adjusted Net EPS and supportive of long-term growth outlook[1]
- ✓ Financing plan designed to maintain investment grade credit ratings

1 - Please see "Non-GAAP Financial Measures" on page 2 of this presentation.

Thank you

Algonquin

CORPORATE PARTICIPANTS

Amelia Tsang
Vice President, Investor Relations

Arun Banskota
President and Chief Executive Officer

Jeffery Norman
Chief Development Officer

Arthur Kacprzak
Chief Financial Officer

PRESENTATION

Operator

Welcome to the Algonquin Power and Utilities Corp. Call relating to the announced acquisition of Kentucky Power Company and AEP Kentucky Transmission Company, Inc.

At this time, I would like to turn the conference over to Amelia Tsang, Vice President, Investor Relations at Algonquin Power and Utilities Corp. Please go ahead.

Amelia Tsang, Vice President, Investor Relations

Thank you, everyone, for joining us today for our exciting announcement of the pending acquisition of two regulated utilities in the state of Kentucky.

Presenting on the call today are Arun Banskota, our President and CEO; Arthur Kacprzak, our Chief Financial Officer; and Jeff Norman, our Chief Development Officer.

To accompany our announcement today, we have a supplemental webcast presentation available on our website at algonquinpowerandutilities.com.

Before continuing the call, we would like to remind you that our discussion during the call will include certain forward-looking information, including, but not limited to, our expectations regarding the announced transaction and its expected benefits. At the end of the call, I will read a notice regarding both forward-looking information and non-GAAP financial measures. Please also refer to our preliminary prospectus filed today, as well as our most recent MD&A, each available on SEDAR and EDGAR, for additional important information on these items.

Unless otherwise noted, dollar amounts referred to on this call are in U.S. dollars.

On our call today, Arun will provide an overview of the acquisition, the strategic rationale, and recap our M&A track record. Jeff will follow with an overview of Kentucky Power and their regulatory landscape, future greening the fleet opportunities, and the combined business profile, and then Arthur will follow with the financing plans, key milestones, and expected timelines, and Arun will conclude with concluding remarks.

Please note, there will not be a Q&A session on today's call following our prepared remarks.

With that, I'll turn it over to Arun.

Arun Banskota, President and Chief Executive Officer

Thank you, Amelia, and good day, everyone.

We are excited today to be here to discuss the announced acquisition of Kentucky Power Company and AEP Kentucky Transmission Company, Inc.

Today, Algonquin and American Electric Power Company entered into a stock purchase agreement pursuant to which Algonquin will acquire Kentucky Power Company, or Kentucky Power, and AEP Kentucky Transmission Company, Inc., or Kentucky TransCo. Kentucky Power is a vertically integrated electric utility that services over 200,000 customer connections and is state and FERC regulated, while Kentucky TransCo is an electric transmission utility operating in the PJM integrated market and is FERC regulated. We are excited to welcome the Kentucky Power employees into the Liberty family.

The total enterprise value of the acquisition is approximately $2.8 billion comprised of assumed debt of approximately $1.2 billion and a cash purchase price of approximately $1.6 billion. From our perspective, this represents an attractive value as a multiple of 1.3 times rate base, which is based on estimated mid-year 2022 rate base of approximately $2.2 billion. We expect to close the transaction in mid 2022 subject to customary closing conditions, including the receipt of various state and federal regulatory and governmental approvals.

With respect to the financing plan, and you'll hear more from Arthur later on in the presentation, we have designed a financing plan intended to maintain our investment-grade credit ratings. A key component of the plan involves proceeds from the common share bought deal offering announced today, which we expect will satisfy Algonquin's common equity funding requirements through mid 2022 being the anticipated timing for closing the acquisition. We believe we have a high degree of flexibility to fund the remainder of the cash purchase price with a variety of funding sources that Arthur will go into greater detail on.

We view Kentucky Power as an ideal fit for Algonquin. As outlined in our last investor day, we are pursuing disciplined growth in our regulated services group through acquisitions at a compelling value, combined with opportunities to employ our greening the fleet capabilities.

First, this transaction checks both boxes, with the added benefit of increasing our pro forma regulatory business mix to nearly 80 percent of our portfolio from nearly 70 percent currently, and further increasing our service territory and regulatory jurisdiction diversification with a supportive regulatory framework. Once complete, we expect to have approximately $9 billion of rate base, increasing our pro forma electric rate base from 63 percent to 72 percent of our total expected pro forma rate base.

Second, we have significant greening the fleet experience, with a strong track record through the transition of our utilities such as Empire and CalPeco. We plan on leveraging this experience at Kentucky Power. In particular, the Kentucky Power business offers significant opportunities for us to transition the existing fossil fuel generation to rate renewables, which would reinforce our leading role in the transition to a low-carbon economy. I am pleased to note that the acquisition is consistent with our 2050 net zero greenhouse gas emissions target that we introduced in early October. I am excited about this transaction as it further highlights that Algonquin's regulated businesses are well-positioned to contribute to and benefit from the energy transition.

Lastly, as I touched on in my earlier remarks, we view this transaction to be of compelling value, and expect the transaction to be accretive to adjusted net earnings per share in the first full year of ownership, generating mid-single-digit accretion to adjusted net earnings per share thereafter, and support growth in our adjusted net earnings per share over the long term.

I would like to spend a few minutes touching on Algonquin's extensive experience in managing the acquisition, approval, and integration of multimodality utilities such as Kentucky Power and Kentucky TransCo.

We have a successful track record of identifying, securing regulatory approval, and closing acquisitions. As with our previously-acquired utilities, we strive to share learnings and best practices among our utilities with the aim of driving consistent improvement in our key performance metrics that provide value for our customers and investors. A number of these acquisitions have been utility acquisitions from large entities, and our stewardship of those utilities as part of our Liberty family has helped us to create value for our shareholders. This will mark our seventh utility acquisition in the past five years, and we look forward to welcoming Kentucky Power and Kentucky Transco into the Algonquin Liberty family.

I will now pass it over to Jeff to take us through the Kentucky Power business.

Jeffery Norman, Chief Development Officer

Thank you, Arun, and good day, everyone.

I am pleased to provide an overview of Kentucky Power and Kentucky TransCo and the many opportunities we are excited about for this business and our commitment to the Kentucky community.

Kentucky Power was founded in 1919, and is a fully integrated regulated electric utility serving over 200,000 customer connections in 20 Eastern Kentucky counties with an estimated mid-year 2022 rate base of approximately $2 billion. Kentucky TransCo is a regulated electric transmission business that serves the PJM power market and has an estimated mid-year 2022 rate base of approximately $200 million, for a total acquired rate base of approximately $2.2 billion.

We see significant opportunities to reposition the business with the improvement of realized ROEs to authorized levels and improved regulatory outcomes, as well as transitioning over one gigawatt of regulated fossil-fuel generation to renewable resources, both of which I will go over in greater detail on the next couple of slides. I will, however, note that these opportunities demonstrate our plans to ensure reliable, clean electric services to Kentucky Power's customers, and that we plan to maintain Kentucky Power's headquarters in Ashland, along with supporting investments in the local community.

Kentucky Power is primarily regulated by the Kentucky Public Service Commission, or KPSC, which we view as a constructive regulatory jurisdiction. The jurisdiction is rated highly by S&P, and is one of the top states ranked from a regulatory perspective. In addition, the jurisdiction has several attractive attributes that can allow regulated utilities to earn their authorized returns and reduce regulatory lag. We see a number of opportunities for regulatory enhancements at Kentucky Power and improved regulatory outcomes.

One key example of a constructive regulatory feature is the forward test year, which I will note are not currently being employed by Kentucky Power and would provide for more timely recovery of costs and expenditures. We look forward to working with the Commission on implementing certain improvements to help us deploy the necessary investments to improve the services we can deliver for our customers.

Kentucky Power is a utility that has historically realized ROE below the authorized levels when compared to peers in Kentucky. We see a strong path forward for improving the earnings profile to achieve an ROE that is closer to the authorized amount of 9.3 percent, or the distribution base through the availability of a number of key regulatory features in Kentucky that we touched on in the prior slide.

Now, turning back to greening the fleet opportunity, Kentucky Power's generation fleet is currently fuelled by fossil fuel generation and represents an opportunity to transition this fleet to renewable energy. This would represent our largest greening the fleet opportunity to date, and is aligned with our target to achieve net zero scope 1 and 2 emissions by 2050. We see a pathway to decarbonise this business that would substitute the comparatively high fuel and operating cost for fossil fuel facilities into the potential for capital investment for renewable facilities that have no fuel costs and much lower operating costs, therefore providing benefits for the planet and our customers.

The unit power agreement and the Rockport coal-fired plant expires in 2022 and we expect to allow that contract to expire, with the expected transfer of Kentucky Power's 50 percent interest in the Mitchell coal-fired plant from operations by 2028, and based on recent discussions by the Kentucky Public Service Commission, Kentucky Power is expected to have the opportunity to replace these fossil fuel generation sources with renewable generation. To replace the lost electricity supply from Rockport and Mitchell, we see an opportunity to add over one gigawatt of renewable generation.

We look forward to partnering with the KPSC through the integrated resource planning process and leveraging our greenfield development expertise to deliver low cost, clean energy solutions to Kentucky Power's customers as part of our demonstrated greener fleet capabilities.

As Arun mentioned earlier, we have accumulated a significant amount of experience and in-house expertise with our greening the fleet capabilities we plan to leverage going forward.

We recently completed three Midwest wind facilities with an aggregate capacity of 600 megawatts as part of greening the fleet for the Empire District Electric Company, representing an investment of over $1 billion.

In March 2020, we also successfully retired the Asbury coal plant 15 years ahead of schedule, thereby reducing carbon dioxide emissions by nearly 1 million metric tonnes. In total, we have reduced Empire's emissions' intensity by 33 percent since 2017.

At CalPeco, a regulated electric utility in California, we have reduced annual emissions by over 38 percent since 2017. We are continuing to drive forward further greening initiatives, including the Luning expansion project that would add approximately 60 megawatts of solar and 240 megawatts of battery storage at the existing Luning solar site.

Our successful track record and experience with greening the fleets of regulated generations positions us well to support the transition of Kentucky Power to a lower carbon footprint.

The acquisition of Kentucky Power is expected to enhance the scale of Algonquin's regulated business, increasing the pro forma regulated rate base to approximately US$9 billion, while increasing the pro-forma regulatory business mix to nearly 80 percent and the pro forma electric regulated rate base contribution to 72 percent, reflecting the Company's stable cash flow generation. The acquisition increases Algonquin's footprint and builds scale adjacent to its existing Midwest service territory. Overall, the transaction represents double-digit percentage increases to a number of Algonquin's key utility metrics.

With that, I'll pass the call over to Arthur.

Arthur Kacprzak, Chief Financial Officer

Thanks, Jeff.

Before I dive into Slide 13, I would like to reiterate that this acquisition is expected to have important financial benefits for our shareholders, along with being a strategic fit for us. We expect the transaction to be accretive to adjusted net EPS in the first full year of ownership, and generate mid-single-digit accretion to our adjusted net EPS thereafter, while being supportive of our long-term growth trajectory. Our business mix is also expected to shift to nearly 80 percent regulated business mix on a pro-forma basis.

As Arun highlighted earlier, we designed a financing plan that is intended to maintain our investment-grade credit ratings. The (inaudible) bar on the left hand side of the page represents the total enterprise value of the transaction, which is approximately $2.8 billion and is comprised of approximately $1.2 billion of assumed debt at the Kentucky Power level and a cash purchase price of approximately $1.6 billion, which is represented by the second bar to the right.

Concurrent with the announcement of the Kentucky Power acquisition, we announced the bought deal offering of common shares, which is expected to satisfy Algonquin's common equity funding needs through mid 2022 being the anticipated timing for closing of the acquisition. Algonquin intends to use the proceeds of the offering to partially fund the cash purchase price for the acquisition. As for the remainder of the cash purchase price funding, we have significant optionality for funding sources that may include a combination of hybrid debt, equity units and/or the monetization of non-regulated assets or investments. While we expect to have the majority of our permanent financing in place at or near transaction close, we have also secured an approximately $2.7 billion acquisition financing commitment from CIBC and Scotiabank to support the transaction.

Moving on to Slide 14, I'd like to spend a bit of time talking about the expected timeline for the transaction. There are a number of customary followings and approvals that will need to—that we will need in order to complete the transaction. In particular, we will need to secure approvals from the state commissions in the Kentucky and West Virginia. Algonquin looks forward to meeting and engaging with the regulators as we seek their approvals. We have extensive experience with state regulatory approval processes, and believe that being in a compelling proposition as to their responsive utility operator expecting to maintain a strong local presence in all of our service territories as mentioned earlier.

Our approach to Kentucky Power's community will be no different. We expect to continue Kentucky Power's historic levels of community involvement, charitable contributions, and local support in the Eastern Kentucky region.

With that, I'd like to hand the call back over to Arun for closing remarks.

Arun Banskota, President and Chief Executive Officer

Thank you, Arthur.

I'll wrap up today's call with four summary points.

First, the acquisition of Kentucky Power is expected to increase our regulated utility business mix and offer greater diversification of our service territory and regulatory jurisdictions.

Second, the Kentucky Power business has significant opportunities for us to employ our proven greening the fleet initiatives to achieve further growth and reconfirm our leadership role in the energy transition.

Third, the transaction is expected to be accretive and supportive of our long-term growth outlook, bringing value to our shareholders.

And finally, we have designed a prudent financing plan for the transaction that is intended to maintain our investment-grade credit ratings.

Thank you, everyone, for attending today.

With that, please stay on the line for the following cautionary statement.

Amelia Tsang, Vice President, Investor Relations

Our discussion during this presentation contained certain forward-looking information, including, but not limited to, our expectations regarding the announced acquisition and its expected benefits and impacts, the anticipated timing for closing, Algonquin's greening the fleet plans and sustainability targets and concurrent common share offerings, and Algonquin's financing plans for the remainder of the acquisition purchase price. This forward-looking information is based on certain assumptions, including those described in our preliminary prospectus filed today, as well as in our most recent interim MD&A, each available on SEDAR and EDGAR.

In addition, this forward-looking information is subject to risks and uncertainties that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. Forward-looking information provided during this call speaks only as of the date of this call and is based on the plans, beliefs, estimates, projections, expectations, opinions, and assumptions of Management as of today's date. There can be no assurance that forward-looking information will prove to be accurate and you should not place undue reliance on forward-looking information. We disclaim any obligation to update any forward-looking information or to explain any material difference between subsequent actual events and such forward-looking information except as required by applicable law.

In addition, during the course of this call, we may have referred to certain non-GAAP financial measures, including, but not limited to, adjusted net earnings and adjusted net earnings per share, or adjusted net EPS. There is no standardized measure of such non-GAAP financial measures, and consequently, Algonquin's method of calculating these measures may differ from methods used by other companies, and therefore, they may not be comparable to similar measures presented by other companies.

For more information about both forward-looking information and non-GAAP financial measures, please refer to our most recent MD&A filed on SEDAR and EDGAR and also available on our website.

Thank you, and that concludes the call.

Operator

Thank you. The conference has now ended. Please disconnect your lines at this time, and we thank you for your participation.

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Algonquin Power & Utilities Corp.

Investor Day 2021

December 14, 2021

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Arun Banskota, *President and Chief Executive Officer*

Arthur Kacprzak, *Chief Financial Officer*

Jeffery Norman, *Chief Development Officer*

Johnny Johnston, *Chief Operating Officer*

George Trisic, *Chief Sustainability Officer*

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Nelson Ng, *RBC Capital Markets*

Sean Steuart, *TD Securities*

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Julien Dumoulin-Smith, *Bank of America Merrill Lynch*

Robert Hope, *Scotiabank*

David Quezada, *Raymond James*

PRESENTATION

Amelia Tsang

Good morning, everyone. I'm Amelia Tsang, Vice President of Investor Relations at Algonquin Power & Utilities Corp. Thank you for joining us for our second virtual investor day. I'd like to extend a warm welcome to our investor community and thank you for your time and interest.

Before continuing, I want to make our legal team happy by highlighting that our discussion during this management presentation will include forward-looking, including, our expectations regarding future earnings, capital expenditures, dividends, planned initiatives, pending acquisitions and growth. This forward-looking information is subject to the cautionary statements in the supporting slide show. Actual results may differ. We will also refer to certain non-GAAP financial measures and have a notice about these items at the end of the presentation. In keeping our Company's safety first culture, we usually start a meeting with a safety. So today I'd do the same. When one thinks about safety, one usually thinks about physical safety, however, with the ongoing challenges of the pandemic and as the weather starts getting colder and darker earlier, it's a good reminder to be mindful of one's health and taking the time and necessary steps needed to keep you in the right frame of mind.

Now on to the presentation.

I'd like to introduce our first speaker, Arun Banskota, President and CEO of Algonquin Power & Utilities Corp.

Arun Banskota

Thank you, Amelia, and welcome to our 2021 Analyst and Investor presentation. A very good morning to everyone.

We are pleased to be with you today to share our strategic overview, track record against commitments made for 2021 and plans for 2022. Our employees have made significant progress in 2021, and these successes are a testament to our entrepreneurial spirit, owner mindset and customer-centric approach. This, combined with our culture of team work and inclusion, translates into delivered results which we look forward to sharing over the next couple of hours.

On a personal note, after last year's virtual analyst day, I was really hoping to meet everyone in person today. However, with the new COVID variant, we decided to err on the side of being safe since safety is always first at Algonquin.

Sharing this presentation with me today are Jeffery Norman, Chief Development Officer; Johnny Johnston, our Chief Operating Officer; George Trisic, our Chief Sustainability Officer; and Arthur Kacprzak, our Chief Financial Officer; and Amelia Tsang, Vice President of Investor Relations.

Today, we are pleased to present the investment community with an update on our performance, strategic direction in light of critical trends and perspectives on the future, our exciting growth prospects, our sustainability journey, and financial outlook.

We have had an exciting 2021. For those of you who joined us at last year's investor day, exactly one year ago today, you will recall that we had an ambitious set of goals. I'm pleased to say that we have largely delivered on many of our priorities, which are positioning us well for the future. We are also well positioned to benefit from the decarbonization transformation that is currently underway and which will only accelerate over the coming years.

First, I would like to spend a few minutes discussing our business profile. Algonquin Liberty is a North American energy and water company providing mission critical electricity, water and natural gas services across both regulated and renewable businesses. Currently, our portfolio comprises of approximately 70% regulated, moving to an expected 80% of our portfolio, assuming the closing of our acquisitions of Kentucky Power and New York American Water. We operate across all three modalities of electric, water and natural gas, and we service over one million customer connections, which translates to approximately three million customers.

Our renewable business currently represents approximately 30% of our portfolio, and directly owns and operates 2,300 megawatts of net renewable generation capacity, of which approximately 81% is contracted with a weighted average remainder contract length of 13 years. Across both businesses, we own over 4,000 megawatts net interest in aggregate renewable power generation.

There are a number of synergies across the two businesses. Our entrepreneurial culture spans both businesses, and we have been leaders in greening the fleet. We have extensive experience in tax equity, which helps manage the initial capital requirements of renewable generation against customer rate stability for regulated projects. We have technical expertise in both commercial and emerging renewable technologies, including utility scale in community solar, wind, battery storage and renewable natural gas. We have a strong balance sheet and have a proven ability to raise green financing.

A key differentiator for us is a number of growth levels across our two businesses, which we expect will allow us to deliver superior results and returns in capital, EPS growth, capital deployment and other measures of shareholders performance.

Today, I want to highlight our growth lever. In our regulated business, we focus on deploying capital to benefit our customers. We expect to invest between $800 million and $1.2 billion annually into our rate base to improve safety, security, reliability and resiliency. When we complete the acquisition of Kentucky Power and New York American Water, this gives U.S. an opportunity to deploy more capital and one-times a larger rate base in ways that can benefit our customers.

Additionally, we have a proven playbook of taking on and successfully delivering on key turnaround opportunities. This includes maximizing performance within our regulatory frameworks, retrofitting and investing in our asset base to support a sustainable future.

Because we serve customers across 16 jurisdictions, we are able to learn and deploy best practices to improve returns and reduce regulatory lag. We are generally able to achieve at or near our authorized returns. Our greening the fleet playbook, which we have successfully utilized at both CalPeco and Empire District, enables us to replace older fossil fuel assets with cleaner renewables and great investments. Similar to our decarbonizating contribution on the renewable side of the business with renewable energy generation, greening the fleet is our unique contribution to decarbonizating the regulated industry.

Our disciplined approach to acquisitions, both public announced utility acquisitions and smaller tuck-ins, has allowed us to expand our scale and more efficiently spread our fixed cost. To date, we have successfully closed every one of the 27 utility acquisitions we have announced over the last two decades. We normally do not announce our tuck-ins, but the City of Bolivar, located in Missouri State, water utility acquisition is a good example of our tuck-in growth lever. We have recently received regulatory approval to acquire the city's water infrastructure and approximately 10,000 customer connections. The combined effect of these regulated growth levers has enabled us to grow our regulated footprint with rate-based growth at a 37% CAGR over the last 10 years, or up 22-fold over the last decade.

Now, turning to the growth levers on our renewable business. In this business, our ability to originate and execute projects is a critical growth lever. Twenty twenty-one has been a record year for Algonquin with 1,400 megawatts of new renewable projects brought online. The fact that we are able to do this successfully in the midst of the COVID pandemic, and supply chain challenges, is testament to the hard work and entrepreneurial culture of our employees. We are continuing to advance our greenfield pipeline and grew our capabilities to accelerate delivery of renewable projects.

We continue to develop successful partnerships for renewable development with commercial and industrial customers to support sustainable energy. Recent examples of such partnerships are with Microsoft and JP Morgan. We also continue to invest in emerging technologies to position our business for the future. These include renewable natural gas, battery storage and community solar. We have achieved significant milestones in key projects like our New York Community Solar with Battery Storage Project and a compelling renewable natural gas platform opportunity in Wisconsin.

And finally, our investment in Atlantica Sustainable Infrastructure provides us a vehicle for growth in international non-regulated assets. Atlantica asset base is attractive with investments in over 36 long-life assets diversified across geographies and technologies. One hundred percent of Atlantica's revenues are contracted or regulated, with remaining average weighted life of 16 years, and Atlantica is a recognized leader in ESG.

Overall, our growth levers in renewables have enabled us to complete 1,400 megawatts of new assets commencing operations this year. In fact, our renewable portfolio in terms of net megawatts owned and operated has increased in size by 128% and 494% over the last five and ten years, respectively. And as you are about to see, our development pipeline suggests a continued strong growth trajectory ahead of us.

Exactly a year ago today, we outlined our 2021/2025 strategic and capital plan. We have largely delivered on our commitments, and I'm proud of our team at Algonquin who turned our strategic plans into a reality. Last investor day, we outlined a capital investment plan of $9.4 billion from 2021 to 2025. This is a very front-loaded capital deployment plan, and we had already deployed nearly $3.4 billion by the end of the third quarter, while navigating the continued impacts of COVID and supply chain challenges.

This capital plan includes the successful completion of our Midwest Greening the Fleet Program, as well as investments in improving the safety and reliability of our systems. We also brought approximately 1,400 megawatts of renewable generation online, positioning us well for further opportunities in these markets.

Last year, we unveiled a 3,400 megawatt prospective greenfield pipeline for the first time. We have since converted 600 megawatts from that greenfield pipeline into our new five-year capital plan, while simultaneously growing the net greenfield backlog to 3,800 megawatts. This offers strong preliminary validation for our ability to both grow and create value from this greenfield pipeline. We now plan to continue investing in growing this prospective greenfield pipeline, developing viable projects through construction to the operational stage, bringing low-cost capital to validate our development value creation and provide recurring value to our shareholders.

In increased scale, in development and operations, would be a self-reinforcing process that is expected to reduce our transaction costs, increase our negotiating position, give us visibility to more opportunities, and allow us to continue investing in technologies and systems that will make us even more operationally excellent.

Further proof our greenfield success is our partnership with Chevron. Last July, we announced a Framework Agreement with Chevron for over 500 megawatts of renewable generation. We have now taken the first four projects totaling 120 megawatts in the Permian Basin through the development process and jointly approved final investment decisions to commence construction.

In addition to Chevron, our existing relationships with key corporate renewable energy customers, such as General Mills and Kimberly-Clark, continue to advance. Since last investor day, we have signed or announced new agreements with Microsoft and JP Morgan.

Additionally, we spoke of future levers of growth last year, and I'm pleased to say that we've been executing on that front. We said we'd be evaluating growing our battery storage business. We already own and operate 13.5 megawatt hours of battery storage in our regulated business, and we have a solar with battery storage project under construction in our renewable business. This year, I'm pleased to introduce a new prospective pipeline of storage opportunities of 1,700 megawatt hours which we will discuss later.

We continue to grow and make progress on our renewable natural gas projects. We have made applications in three of our regulatory jurisdictions for RNG and are developing a portfolio of projects across every one of our gas utilities. Recently, in our renewable business, we executed an agreement for an RNG platform in Wisconsin, which includes both operational and development projects, and we plan to build on this experience.

In terms of our greening the fleet playbook, we successfully finished construction of 600 megawatts of wind generation in the U.S. Midwest into our rate base. We now have another large greening the fleet opportunity with our recent $2.8 billion agreement to acquire Kentucky Power Company.

Our recent agreement to acquire Kentucky Power is a great case study in deploying our two proven playbooks of greening the fleet and optimizing underperforming assets. First, we have accumulated a significant amount of experience and in-house expertise with our greening the fleet capabilities and we plan to leverage this going forward.

At our Empire District Electric Utility, we have reduced Empire's emissions intensity by 33% since 2017. At CalPeco in California, we have reduced annual emissions by over 38% since 2017. With this strong track record, we plan on leveraging this experience at Kentucky Power, which we believe offers significant opportunities for us to transition the existing fossil fuel generation to rate-based renewables.

With the expiry of the Indiana based Rockport Coal Purchase Agreement, in 2022, and the anticipated transfer or retirement of the West Virginia based Mitchell Coal plant in 2028, we see an opportunity to replace over 1,100 megawatts of fossil generation capacity with Kentucky based renewables. Cleaner renewable assets have lower operating cost, avoid the volatility of fossil fuels, and provide even better customer value while investing in the local communities.

We look forward to partnering with the Kentucky Public Services Commission, or KPSC, through the integrated resource planning process and leveraging our greenfield development expertise to deliver low-cost clean energy solutions to Kentucky Power's customers as part of our demonstrated greening the fleet capabilities. Given the path we see to decarbonization, this acquisition is very much in line with our commitment to achieve net-zero greenhouse gas emissions by 2050.

Secondly, our playbook of optimizing underperforming assets. I spoke earlier of our strong track record of identifying and closing acquisitions. Further, we have a specialized skill set of integrating new acquisitions into the Algonquin Liberty family. We look to optimize, implement best-in-class benchmarking and share best practices. We are a disciplined and selective acquirer and we will continue to prioritize financing accretive transactions that do not unduly jeopardize our strong balance sheet. Similar with previous acquisitions, we plan to utilize our local customer-centric operational model to minimize disallowances by having transparency of our costs. This local model allows us to manage our costs within our regulatory allowances.

Also contributing to our ability to earn returns is a focus on added regulatory mechanisms. Under our ownership, we have been able to secure revenue decoupling, capital trackers, property tax adjustments and similar mechanisms which all help the utility's increase in returns while providing bill stability and deploying the necessary capital to allow us to better serve our customers. You'll hear from Johnny about the improvements we have made in Granite State Electric in New Hampshire and Empire District under Liberty ownership.

Kentucky Power is primarily regulated by the KPSC, which we view as a constructive regulatory jurisdiction and rated above average by S&P. Kentucky Power is a utility that has historically realized ROE below the authorized levels when compared to peers in Kentucky.

We see a compelling path forward to improve the earnings profile, to achieve an ROE that is closer to the authorized 93% for the distribution rate base through the availability of certain key regulatory features. For instance, forward test years are not currently being employed by Kentucky Power despite its approved use by other regulated peers in the state and could provide for more timely recovery of costs.

We look forward to working with the Commission on implementing certain improvements to help us deploy the necessary investments to deliver reliable and clean electric services to Kentucky Power's customers. By the way, the upper right picture shows Yvette Bailey (phon), our Supervisor at our New Brunswick Gas and Utility making sure I am (inaudible) correctly. Great training. But I'm not sure if I am at the very high standards that Yvette holds for her work crew.

I also want to take a moment to discuss some of the strategic considerations and positive tailwinds for our industry. We are undergoing a significant sustainable transformation in the energy and water industries, and both are regulated and renewable businesses are well positioned to benefit from this transformation. We believe sustainable infrastructure is one of the most significant transglobally and multiple factors are converging to drive this change.

Policy and regulatory changes are promoting sustainable investments. For example, the proposed Build Back Better legislation will potentially support up to half a trillion dollars of investments in clean energy and climate initiatives. While renewable investments are already economically compelling, and moved beyond policy requirements, positive policy and regulatory tailwinds can help accelerate this decarbonization transformation.

Based on industry research and publications, we estimate that the total addressable investment opportunity across electric, natural gas and water infrastructure over the next 20 years in North America is roughly US$16 trillion to US$19 trillion. The left chart shows Bloomberg's projection of a potential pathway towards global net-zero carbon emissions by 2050. This requires over 14% year-on-year annual carbon reductions.

Unlike other areas of the economy, like buildings and agriculture, where cost effective solutions have yet to widely emerge, our decarbonization solutions are readily available and economic. That means any realistic pathway towards net-zero carbon emissions are heavily front end dependent on the power sector in the next 10 to 20 years. Most projections find that the energy sector needs to shoulder a considerable majority of the decarbonization burden by 2035 if the combined effort to achieve net-zero is to succeed by 2050.

The middle chart shows that approximately 23% of Americans are currently using electricity and alternative fuels, which is forecasted to grow to 72% by 2050, suggesting a $14 trillion to $17 trillion decarbonization opportunity in North America net-zero investments are required by 2050.

The right chart shows the U.S. spending projection by the American Society of Civil Engineers. They forecast a growing spending gap between needed pipeline and water treatment replacement and currently projected levels of spending. This investment opportunity of $2 trillion is needed to address increasing environmental, safety and leakage (phon) issues in the water space.

In addition to this, hydrogen has the potential to become a large investment opportunity. Given Algonquin's experience and expertise across all three modalities of electric, water and gas, we are one of the few companies in this industry that can address the entire spectrum of sustainable opportunities. We plan to continue investing in our development and operational capabilities to benefit from this once-in-a-generation set of sustainable opportunities.

Technology trends are aligning to support required investments and accelerate transmission rates over the next decades to address concerns including decarbonization, resiliency, localized energy and integration management of multiple sources. To cite a few industry projections, through 2030, utility-scale batteries are projected to grow 10 times current capacity. Renewable natural gas capacity will expand up to four times. Community solar should grow up to 22 times.

It is clear that the energy profile of tomorrow will be different than that of today, both in source and design. Utilities and renewable companies will be critical players in this transformation, thus creating investments and growth opportunities for Algonquin. Our DNA and roots as an agile, entrepreneurial, forward-thinking business serves us well in this journey, as does our diversified portfolio of sustainable electric, water and gas assets.

Against all this backdrop of strong policy tailwinds, we believe that we have a once-in-a-generation opportunity to accelerate renewable's growth and add shareholder value. We plan to increase and accelerate our investments in greenfield development to serve the continued strong demand for renewable energy. This should allow us to capture the higher development margins and take these projects through construction.

Once in operation, we see an opportunity to partner with institutional investors wishing to make alternate sustainable investments with our ability to develop and deliver on long-term contracted sustainable assets. In particular, we may be able to sell down to these investors while earning and operating a management fee. We could then deploy some or all of the capital gains in further greenfield development creating a potential new recurring source of earnings for our investors. With scale, we get incremental benefits including improved negotiating power, lower transaction costs and access to greater opportunities. You can think of this as a flywheel impact, increased development to capture the higher upfront margins, de-risk the projects through construction and long-term offtake contracts, sell down to realize the development margins and create recurring management fees and utilize the capital gains to further accelerate development. We plan to start executing on this opportunity in 2022.

The cumulative effect of all this policy backdrop, the large sustainable investment opportunity in front of us, and Algonquin's experience in execution, is a strong financial outlook for Algonquin. Today, we are bringing forward our long-term financial outlook. We are updating our five-year capital plan and plan to invest $12.4 billion from 2022 through the end of 2026. Given last year's capital plan was front-end loaded, and we invested $3.4 billion through the first nine months of the year, our 2022 to 2026 capital plan represents an additional $6.4 billion in new expenditures compared to the $9.4 billion capital plan from 2021 through 2025 that we announced last year.

For the five-year period from 2022 to 2026, we are targeting an adjusted net EPS CAGR of 7% to 9%. We have already identified all the regulated and renewable investments that make up this CAGR range, and let me be clear on the following point. Our 7% to 9% outlook commencing in 2022 is unchanged from our prior 8% to 10% outlook for the 2021 to '25 period, when one considers our adjusted net EPS growth rate in 2021 would be double-digits, even at the low end of the forecasted range.

Let me conclude my section with a look back at our results so far.

With all this backdrop that I just discussed, and the continued execution of our three strategic pillars, we have been able to deliver an outstanding track record of performance. We have a history of providing excellent value to our shareholders and we remain well positioned to continue this in the future, as we have multiple levers of growth across both our regulated and renewable businesses. Over the last five and ten years, we have delivered 95% and 348%, respectively, in total shareholder returns, outperforming key market and utility sector peer group averages. Also, we delivered an adjusted net EPS CAGR of 12.2% from 2015 through to 2020.

We're very proud of these accomplishments, but are even more excited at what lies in store given that we are going through a period of the greatest decarbonization transformation and sustainable investments in the energy and water industries, and both our regulated and renewable businesses are very well positioned to benefit.

Now, we will discuss in greater detail how we plan to continue enhancing our leadership across our three strategic pillars.

For growth, you'll hear from Jeff about how we continue to find and pursue attractive investment opportunities in a disciplined way. For operational excellence, we seek to be close to our customers and communities and operate a local model with strong local teams and accountability with positive regulatory outcomes. Johnny will cover much more on operational excellence in his presentation. On sustainability, we announced our commitment for net-zero for scope 1 and 2 emissions by 2050 earlier this year. The achievement of our net-zero target is supported by our strong decarbonization track record and experience in regulated utility management and renewables development which George provide more details on. Arthur will then provide greater details around our financial expectations, strong balance sheet and financing plan.

With that, let me turn it over to Jeff to go into more detail on growth. Jeff?

Jeffery Norman

Thank you, Arun, and welcome, everyone. I am looking forward to discussing Algonquin's growth plans with you.

Arun has shared the $12.4 billion five-year capital plan. I'm going to dig into that capital plan and provide some additional details.

From a growth perspective, we are very fortunate to have a greenfield development and construction platform ready to execute on the once-in-a-generation investment opportunity that Arun has outlined.

We have created an investment platform that provides a unique opportunity to enable customer benefits through direct investment in regulated assets and utility acquisitions. This slide shows the three regulated growth drivers which comprise our regulated growth platform. Fifty two percent of our five-year regulated capital plan is driven by the recurring investment required to replace aging assets within our utility footprint and upgrades to deliver water and energy through our reliable and resilient system. These are the organic investments in blue on the left side of the slide. They tend to be highly predictable year after year. Arthur will discuss the role these investments play in our five-year CAGR. Johnny will discuss the role in delivering on our commitment to operational excellence.

The power of the utility platform to enable organic investments is evident when you think about water utilities. Arun spoke to the $2 trillion in investment required in the water and wastewater sector. With the recent addition of ESSAL and the expected addition of New York American Water, we expect to add approximately 280,000 water and wastewater customer connections. This significantly increases Algonquin's ability to invest in the infrastructure needed to safely and reliably deliver water and collect and treat wastewater. With the expected addition of New York American Water, water and wastewater utilities will comprise 13% of Algonquin's total rate base for our regulated business.

The second driver in the center of the slide is for acquisitions. Acquisitions pending close represent 42% of our regulated capital plan. Arun mentioned our disciplined approach to utility acquisitions. This discipline is demonstrated with the 1.4 times rate base for New York American Water, a 1.1 times rate base for ESSAL, and a 1.3 times rate base for Kentucky Power.

Focusing on water for a moment, we believe the price delta between pure play water utilities, which generally trade at 3 times rate base in the U.S., and the average price for New York American Water and ESSAL at approximately 1.3 times, demonstrates the value created by our disciplined approach to water acquisitions within our regulated business. Keep in mind, water utilities can trade at 30 times earnings or more.

We are proud of our track record in sourcing, closing and integrating utility acquisitions. That being said, our capital plan only includes signed transaction, so any new acquisitions announced in the future would be expected to provide additional upside.

The third growth lever is the greening playbook. The greening playbook is a growth differentiator that delivers customer and shareholder benefits. The greening playbook includes items like: investing in community solar assets at Empire District Electronic; investing in utility scale solar and wind generation. This represents the most significant in the greening opportunities. In 2022, our customers will see the benefits of our investment to construct the three wind facilities in our central region that comprise the customer savings plan.

The greening opportunity continues to advance with the application of an incremental 60 megawatt solar and 240 megawatt hour storage investment, which, combined, are expected to provide low-cost reliable, renewable energy to our customers at CalPeco. Assuming all goes well with our recent file (phon), this will be the third application of the greening playbook for CalPeco.

We expect to deliver significant benefits by applying our green playbook to Kentucky Power. It is important to note that Algonquin has transitioned from a long and successful track record of developing single assets to the owner of two mature growth platforms, our regulated growth platform and the renewable growth platform.

Earlier this year, we indicated that our investment in greenfield development represented a drag of approximately $0.02 on adjusted net earnings per share. Given the robust environment for renewables we see today, we believe that that decision was the right decision for our shareholders and we intend to continue to invest in renewables by pursuing a two-pronged approach to development, pure greenfield development and sourcing development sites from our network of junior developers. This approach is generally consistent with other large development platforms in the United States.

This slide illustrates how our renewable growth platform applies to the growth drivers (inaudible). The majority of our current growth is expected to be driven by three drivers: utility scale wind, utility scale solar, and more recently, utility scale storage. These are on the left side of the slide. Our future growth platform will include community solar, renewable natural gas and micro grids. These are on the right side of the slide. Working the current growth platform and continuing to build the future growth platform will position Algonquin to continue growing our greenfield pipeline. The greenfield pipeline, in turn, feeds our five-year capital plan.

I do want to share a couple of highlights that demonstrate the progress we made in 2021 on building that future growth platform. We placed our first fully subscribed community solar project into operations and we have prepared to commence construction of four additional sites in New York during 2022. On the renewable natural gas side, we have entered into an agreement to acquire 100% of Sandhill Advanced Biofuels. Sandhill is currently developing four RNG projects that are in late stage development and two projects are placed in commercial operations. More importantly, we see Sandhill as a platform that we can build to help ensure we are active participants in the growing RNG space. We are targeting 16 additional sites over the next five years.

The progress on our future growth platform does not represent a significant portion of our five-year capital plan, or greenfield pipeline today. That being said, we have made meaningful progress to build the platform for our future.

The levelized cost of energy forecasting is a key tool that we use to assess what technologies to include in our greenfield pipeline. Despite all the great ESG and societal pressure to transition renewables, economics remain the most powerful catalyst for change. I've outlined in purple rectangles the key technologies in our current capital plan. I would like to highlight a couple of items.

The first is the cost of solar PV at the community level relative to the cost of PV rooftop, in particular residential rooftop. In our regulated business and our renewable business, we are investing in community solar over residential rooftop. We're not against residential rooftop and understand the appeal of residential rooftop to some customers, but we currently believe that community solar is more attractive based on customer benefits and scalability.

The second is that the cost gap between utility scale solar and utility scale wind relative gas peaking and cold fire generation, which continues to grow. Utility scale wind and solar projects are the best economic choice on a per megawatt hour basis. Please keep in mind that these are the unsubsidized levelized cost of energy numbers produced by Lazard. We have not assumed that the ITC and PTC extensions contemplated in the Build Back legislation will be adopted. That being said, we expect the legislation to pass, which would further reinforce the economic value from renewable energy.

Finally, the challenges of integrating renewables, given the intermittency of the generation is a problem that must be solved. The cost of battery storage is becoming attractive. Bloomberg found that newbuild batteries can be cost competitive with gas peakers (phon). This is a major and important step forward. It is also consistent with the greenfield storage pipeline I will be discussing in a few slides.

Arun spoke to We Said, We Did, so I wanted to continue the theme by sharing the 2020 capital plan we shared at investor day last December. You can see that by the end of Q3 2021, we had successfully executed $3.4 billion of our 2021 plan. The completed items are marked with red checks. They include a combination of renewable project completions, like Maverick Creek and organic investments.

In 2020, we had a number of questions around our ability to replenish our five-year capital plan given the size of the 2021 capital program. I will walk through how we have grown our five-year capital plan to $12.4 billion and how we have expanded our greenfield pipeline to facilitate future growth.

This slide provides a bridge from our 2020 five-year capital plan of $9.4 billion to our 2021 five-year capital plan of $12.4 billion. The first step is a capital plan reduction as a result of successfully completing $1.7 billion in reg investments and $1.7 billion in renewable investments. The investments' marked with a red check on the previous slide. The quantum of this investment program, coupled with the fact that we are still standing, proves that we have successfully scaled our growth platform.

I expect nobody's surprised to see the $2.8 billion investment in Kentucky Power, a very important addition. The next addition is the net increase in our organic investments over the five years, which is expected to be $1.5 billion. These inorganic investments tend to be recurring. Part of the growth in yearly organic investments is driven by the addition of Kentucky Power. The final proof point is the ongoing success of our development platform, which has resulted in an increase of $2.1 billion in expected renewable projects to the five-year capital plan.

This slide pulls the capital plan together, with the reg growth represented by the blue circles on top, and the renewable growth represented by the green circles on the bottom. The size of the circles in this chart represent the relative size of each investment. The shading from dark to light represents the project stage. With this additional context, I would like to point out a couple of items.

Seventy three percent of the five-year capital plan is linked with signed utility acquisitions, organic cap ex for the utility business and renewable projects already in construction. This gives us confidence in the five-year capital plan. You will see new projects representing $0.9 billion that represent conversions from our greenfield pipeline to our five-year capital plan.

On the bottom right, you will see a further $1.4 billion in expected capital plan additions in 2025 and 2026. These are projects that we expect to convert from our 3.8 gigawatt prospective greenfield pipeline to our capital plan. Based on past development success and the size of our greenfield pipeline, we are confident in meeting the five-year capital plan.

The next couple of slides focus on the regulated growth platform. Arun mentioned our track record on greening the fleet. We are very proud of our ability to move from acquiring Empire District Electric in 2017 to having 600 megawatts of spinning (phon) wind in 2021. We are equally proud of what we have achieved in greening CalPeco.

Greening the fleet is a well executed Algonquin playbook. The key take-aways from this slide are: have deployed the greening playbook several times and created value for our shareholders, while delivering customer benefits. We have a track record of completing greening initiatives on an expedited timeline. And we create value by not just building renewable generation, we seize opportunities to actively replace thermal generation and Kentucky Power is the latest example.

Let's talk about Kentucky Power. We are excited about the opportunity to deliver customer and community benefits by deploying our green playbook. As Arun indicated in his remarks, this opportunity is driven by the expiry of the Rockport Unit Purchase Agreements in 2022 and expected retirement in 2028 from a Kentucky Power perspective of the Mitchell Coal facility. Combined, this represents an effective retirement of 1.1 gigawatts of out-of-state generation over a seven-year period. We expect to replace the Kentucky Power coal generation capacity with renewable generation that will ideally be located in Kentucky.

The investment in generation should deliver attractively priced energy to Kentucky Power customers in addition to important community benefits through property taxes, lease payments and employment. We have already taken steps to refine our diligence on available resources. Our current assumption does not include an extension of the ITC or PTC; however, we believe the Build Back Better legislation will be passed, which should provide additional tailwinds to this initiative. It is still early days but we currently see solar and potentially wind generation being utilized in our greening playbook.

The next few slides focus on renewable growth. Investor Day 2020 was the first time we provided visibility into our greenfield pipeline. The purpose of the greenfield pipeline is to feed the five-year capital plan. This year, we converted six projects from the greenfield pipeline to that capital plan. Combined, these projects represent approximately 640 megawatts. We are very pleased with this level of initial greenfield success. The five-year capital plan anticipates converting an additional 975 megawatts from the greenfield pipeline into the five-year capital plan. Based on our long-term development success, a strong demand for renewable energy and the success of our greenfield pipeline in 2021, we believe 975 megawatts is conservative.

Now for a quick walk through the greenfield pipeline.

In January 2021, we had 3,400 megawatt greenfield pipeline. We have converted approximately 640 from the greenfield pipeline which left us with approximately 2,800 megawatts. We went to work on the fundamentals of development, securing land, advancing local relationships, advancing interconnection work, understanding customer needs, conducting baseline environmental studies on that 2,800 megawatt greenfield pipeline. We also prospected for new sites. This work had us adjust the expected project size for some sites up, some sites down, as we refine them. We dropped some sites and we qualified several new sites. Net, we added just over 1 gigawatt to the greenfield pipeline. The results of the greenfield pipeline that has grown by 13% and converted 640 megawatts of projects to our five-year capital plan. As mentioned earlier, given the strong fundamentals behind renewables, we intend to continue to invest and grow our prospective greenfield pipeline which should lead to even more additions to the capital plan at our next investor day.

I'll provide a quick overview of the six projects converted from the greenfield pipeline in 2021.

The first, being Riverbend, is a wind project and represents an opportunity to capitalize on strong customer interest in this project location and build on our success in Michigan with Deerfield I and Deerfield II, which is currently under construction.

The second project is Blue Violet. It is a combined wind and solar project. In addition to the solar/wind footprint, we see value in adding storage to this location and have recently submitted a storage interconnection application. We believe storage economics will become increasingly attractive in PJM, that's the penetration of renewable generation increases.

The remaining four projects were developed in partnership with Chevron. As Arun indicated, we entered into the Chevron partnership in July 2020. By December of 2021, we jointly advanced four projects with a combined capacity of 120 megawatts. Algonquin and Chevron have both agreed that these projects have reached the final investment decision. We are very pleased to have a productive working relationship with our partner, Chevron, and we feel that this initial success of four projects has demonstrated the strength of that partnership.

We are also pleased that both parties remain committed to implementing the full growth plan and we are reviewing ways to expand the relationship including additional technologies beyond wind and solar in additional Chevron sites.

Understanding the needs of our growing base of large renewable energy buyers allows us to focus on markets that are important to key customers. Arun mentioned a number of our major customers, including Kimberly-Clark, General Mills, Microsoft, JP Morgan and Facebook, currently Meta. Meta signed a PTA with our Altavista Solar Project in Virginia. As an example, this relationship allows us to better understand the needs of customers with large data center loads in Virginia. Collectively, our stable of customers provide us with valuable insight into which markets we should focus on for our greenfield development.

This slide provides an overview of our prospective greenfield generation pipeline and our prospective greenfield storage pipeline, which is focused on customer needs. The pie charts on the left of the slide demonstrate the allocation of projects by region. To avoid confusion, the Chevron projects are represented as a region. The top pie chart is the greenfield generation pipeline. The bottom pie chart is the greenfield battery storage pipeline.

The size of the storage projects are based on storage capacity and megawatt hours. Generally, we are looking at four hours of storage for most of our projects. As you can see from the pie charts, our largest region is PJM for both generation and storage. The next largest region from a generation capacity perspective is Microsoft. I would point out the New York portion of the generation pie. As New York projects are attractive, due to the presence of long-term NYISO (phon) contracts and a strong push for renewables in the state.

The bar charts on the right demonstrate the anticipated commercial operation dates. The purple or dark blue bars represent 100% of the greenfield pipeline allocated by expected COD. The smaller light blue bars represent 30% of the dark bars, assuming a 30% development success rate.

Moving to construction. We have successfully scaled our construction program from a one or two project per year pace several years ago, to having nine utility scale projects under active construction in 2021, in addition to the community solar initiative. Some projects, like Maverick Creek, reached COD early in the year, others like Blue Hill just completed the final turbine blade lift in the last month.

Two points I'd like to make. The number of projects developed from the first cup of coffee with landowners identified as greenfield, these include Blue Hill, Shady Oaks II, Sandy RidgeII, and EBR, which was jointly developed with a local partner. Secondly, the construction platform that is capable of scale will allow our greenfield pipeline to capture the value of going through and de-risking construction.

In summary, Algonquin's growth plans are not focused on a single project or acquisition. Our focus is on building scale for two platforms: the regulated growth platform and the renewable platform. The platform on the regulated side allows us to make recurring organic investments in our growing utility footprint, complete large and small acquisitions with a disciplined approach and utilize our greening playbook. The platform on the renewable side has delivered additions to our five-year capital plan, expanded the greenfield pipeline and advanced construction on over a thousand megawatts of renewable projects. All growth platforms are positioned to leverage the political, economic and social momentum to decarbonize.

Before Johnny speaks to operational excellence, we are going to share a short video on greening the fleet.

Thank you for listening to our growth story.

(Video Presentation)

Johnny Johnston

Good morning. It's good to be with you again today. As you've heard from Jeff, we have an exciting growth agenda ahead of us. I'm going to provide more details on our optimizing performance playbook that you heard Arun reference earlier, and how our focus on operational excellence and what matters most to our customers creates incremental value that benefits our customers, the communities we serve and, of course, our investors.

Each asset we bring on we benchmark and compare against our existing assets, looking for opportunities to learn and where we can apply previous learnings. This allows us to continuously improve, and as a result, customer outcomes and business performance generally improve as a result of being within the Algonquin portfolio.

This chart gives a great overview of how we have delivered sustained improvements against some of our key metrics. I'm particularly proud of our safety performance. Our employees are our most critical asset and we want them to go home safely to their families each evening. In 2021, we're on track to not have a single lost time injury across our whole North American business. To put this in context, this equates to over 9.1 million hours of work since our last lost time injury. This is truly fantastic performance that we remain laser-focused on sustaining.

We know that reliability is incredibly important to our customers whatever the commodity. You can see here how over time we've continued to improve and reduce our average electric outage frequency rate by approximately 20% over the last five years. I'm pleased with our progress on JD Power Customer Satisfaction Scores too. For those that aren't close to how this metric is measured, there are some elements around brand recognition that benefit larger utilities that are able to do more advertising. Despite our smaller size we are making good progress. From where we first measured ourselves back in 2017, we've seen a 60 point improvement, and as we deploy our customer first digital customer engagement platform, we can only expect this to continue to increase.

The key message I want to leave you with is that assets under our management have generally performed better than they did before we acquired them, and as a result, we're able to provide better service to our customers and to our investors and we look to do that year over year over year.

Despite the operational improvements we've seen this year, we have had a couple of challenges. On the renewable side, we've seen the average wind speeds at our U.S. sites down 11% versus the expected long-run averages. As you can see on the chart on the left, this has had a much broader industry impact than just for us. We've had other weather challenges too on our regulated business, with a number of winter months warmer than normal, impacting our non-decoupled utilities in Missouri and New Brunswick. We also saw Winter Storm Uri back in February that impacted a number of our regulated and renewable assets that were in its path.

On the right you can see that there's also been congestion challenges with new generic transmission constraint being announced that's impacted the basis cost at our Texas Coastal Wind facilities. As you may remember, we purchased a 51% ownership of these four assets in 2021. It's been good to see the market respond with the acceleration of a number of grid projects being brought forward that now have ERCOT approval and have been designated critical, as requested by the Public Utilities Commission of Texas. These projects should make this a transient impact for us. The impacts of these challenges that we have seen this year have been attenuated by a multijurisdiction model showing just another of the benefits that it brings us.

Focusing on our customer needs, we intend to invest $4.6 billion of organic investment in our water, gas and electric utilities over the next five years. Three point eight billion of these dollars are expected in core safety and reliability investments. This will involve the replacing of aging infrastructure, including pipes, wires and poles, in an effort to ensure we can continue to provide safe and reliable service. These investments are on top of the greening the fleet initiatives that you heard Jeff mention earlier. It is these investments, alongside our culture and focus on performance, that is bringing the biggest driver of the customer improvements that you saw on my first slide.

When you combine these investments with the pending acquisition of New York American Water and Kentucky Power, we're expecting to almost double our rate base in the next five years. That's a rate base CAGR growth of 14.6%, or 6.5% on a pro forma basis for the new acquisitions. At a growing area of investment rather than modernizing our systems to meet future customer needs in a rapidly decarbonizing world through grid modernization, community solar, advanced metering, EV charging infrastructure, and micro grids, as well as deploying a digital customer engagement platform, making it easier for our customers to access their data and to do business with us. It's important to note that these are not just investments in our electric utilities, as we expect to make similar investments in our water and gas utilities too.

This slide has some examples of the projects we completed in 2021. I won't take you through them individually, but in our five-year capital plan we have $800 million of the $4.6 billion of organic regulated investment that I referred to in the last slide that are tagged to investments like these across all of our jurisdictions and modalities.

Alongside safety and reliability, affordability is a key priority for our customers and so for us. As we deploy this necessary capital, we keep a very close eye on managing our operating costs. This is always important. However, with the increases that we're seeing on gas prices and the knock-on impact to our customer bills, it's more important than ever. Our adjusted O&M per customer has decreased to the 1% CAGR over the last eight years. This is even more significant when you map that against the U.S. inflation rate, which has increased at around 1.5% a year over that same timeframe.

You can see over the last eight years we've brought down our O&M efficiency ratio, that's our operating cost as a proportion of our revenues, from 66% back in 2012 to around 40% in 2020, and we're looking to bring that down further to around 35% by 2026. This means that while we are looking to grow our rate base at over 14% a year, we expect an annual customer bill impact to be around 3% year-over-year, in and around the forecast inflation rates for the same time period.

Our multijurisdictional model also helps on the regulatory front. As we deploy the capital necessary for meeting customer needs, it's important for us to leverage our regulatory experience across our jurisdictions to minimize regulatory lag, reducing the impact on our earnings and so making it easier for us to source the necessary capital for these customer-focused investments.

You can see on the chart that we've highlighted some of the key mechanisms in our larger jurisdictions. Revenue assurance will be (inaudible). Accepted recovery through trackers, such as our gas system enhancement plan, or GSEP cap ex tracker in Massachusetts, or plant and service accounting mechanism, or PSA, not pizza, as I've heard some say in Missouri, or post test year recovery, either through true-ups or forward test years. Each of the green ticks shows mechanisms we have secured over time leveraging our experience in the other jurisdictions. It is these mechanisms, combined with our careful focus on timing rate cases around major capital deployments, that's allowed us to minimize our regulatory lag.

You can see on the chart that we have an average lag of around four months, which is around 60% lower than the industry average for filing rate cases. These mechanisms have helped us to get individual utilities to deliver their allowed returns, but it's really our portfolio that's allowed us to deliver a more stable set of returns, which in turn makes it easier for us to access capital to continue to deliver for our customers. If you think about a hypothetical utility with a historic test year, you would expect following a fair rate case outcome that it would be earning around its allowed return. But as the years go on and you deploy the necessary capital that those returns would erode year over year through to the next rate case. You can imagine if you had three similar utilities filing over a three-year cycle. The test years were phased a year apart. Then when you combine the collective returns in any given year that the average would be pretty constant from year to year. Even though in each year, each utility’s returns would be at a different point in the return cycle.

With our multiple jurisdictions, we have this effect happen as rate cases are dispersed across a number of different years, smoothing out the natural variability of returns of any one utility. As you can see on the chart here, over the last five years we’ve consistently delivered close to our allowed returns on average across the portfolio. You’ll see a slight dip in 2020 which was a test year in our biggest utility with our biggest year of capital deployment to date. Overall, you can see that our approach has been effective in sustaining solid returns, while at the same time, deploying nearly $4 billion of much needed organic capital into our regulated utilities.

While the portfolio approach is valuable, we also do need a focus on the individual utilities and this slide gives case studies of the two previously acquired electric utilities that Arun referenced earlier. On the left, we have our Granite State utility in New Hampshire where we improved the average pre-acquisition returns of close to zero to getting close to on average delivering our allowed returns. On the right, you can see Empire in Missouri, which is a similar asset base to Kentucky Power where we were able to increase average returns by around 20% and close to our allowed returns.

In both cases, the improved returns have been measured from the first year of new rates post acquisition and to deliver these results we used the same playbook. Firstly, securing additional regulatory mechanisms, such as decoupling and property tax trackers in New Hampshire and plant and service accounting, or PSA, in Empire. Secondly, leveraging our local model that keeps us aligned with local customer and regulatory needs with clear P&L accountability, benchmarking with our other jurisdictions and keeping a close eye on managing our costs and living within our rate case allowances. Finally, carefully timing our rate filings to align with our major capital projects and to try to minimize regulatory lag, not just for each individual utility but across the portfolio.

Twenty Twenty-Two is going to be an important year for us from an integration perspective. As context, in 2020, we had our first full year of St. Lawrence Gas and New Brunswick Gas. In 2021, we had our first full years of the Bermuda Electric Company and ESSAL in Chile, together bringing on nearly 300,000 new customer connections. I'm pleased to share that they have both had solid first years, in line with our expectations.

With every acquisition we get to further refine and improve our approach. As we look forward to 2022, subject to successful regulatory processes, we're excited to bring New York American Water and Kentucky Power into the team. For New York American Water, we filed our joint proposal with six of seven intervener support. Hearings were held on November 16, and it's on the New York PSE's agenda for this Thursday. We expect to close by January 3, 2022, bringing on an expected rate base of around $400 million.

You heard earlier a fair bit around Kentucky Power. Like New York, we've been really impressed by the local team and are really excited about them joining us. We're due to file for approval with the commission in the next few weeks but we're expecting this to close in mid-2022, bringing on an estimated $2.2 billion of rate base. When combined with New York American Water, over 300,000 customer connections, a material growth in our water and electric businesses.

Both of these utilities are under earning today and so we'll be looking to utilize the same playbook that I just took you through, and we have confidence that we'll be able to have similar successes. We'll be looking to implement new regulatory mechanisms, such as a forward-looking test here in Kentucky, which is something that we're allowed in Kentucky but has yet to be utilized by Kentucky Power. In both New York and Kentucky, we'll be looking to file our first rate cases in 2023, with new rates expected in 2024, providing us the opportunity to getting closer to meeting our allowed returns.

On the local side, we're moving proven senior leaders from our existing utility businesses to be the president of New York Water and to lead the transition in Kentucky. These roles are expected to help with cultural integration, building local relationships in the community, and bringing that local focus to living within our regulatory allowances. From our first utility acquisition to reaching our first million customer connections in 2020 took nearly 20 years. With Kentucky Power and New York American Water, that will bring our total customer connection count up to approximately 1.4 million. I think we're on track to march to our second million customer connections far quicker than our first.

In conclusion, I hope that you've heard that delivering for our customers through operational excellence is a real driver of value. We're expecting to invest $4.6 billion while minimizing the impact to customer bills. In our playbook of securing fair regulatory mechanisms, leveraging our multijurisdictional model with a local approach, and timing our rate case filings around capital deployments helps us to deliver solid and stable returns, while meeting customer needs. We've got a solid track record of integrating acquisitions and are poised to successfully deliver on New York American Water and Kentucky Power in 2022.

With that, we now have a short video on our net zero commitment, which will be followed by George Trisic, our Chief Sustainability Officer, to talk about how we create value through our approach to sustainability.

(Video presentation).

George Trisic

Good morning. I'm pleased to have the opportunity to speak to you today about one of Algonquin's key strategic pillars, sustainability. Algonquin started in the renewable energy business more than 30 years ago, when we entered into the hydro business with our first small hydro dam project. We've come a long way from that time and now have more than a thousand wind turbines and a million solar panels in operation, contributing to a cleaner energy future every day.

We've made meaningful progress in driving sustainable business practices in each of our business lines, reducing our annual carbon emissions by more than 1 million metric tons relative to 2017 levels, by implementing pipeline upgrades in our natural gas distribution business, resulting in total reduction of 1.5 million metric tons in the aggregate of methane emissions in that business over that same time period. Last year, we were able to recharge about 2.4 million liters of water back into the water table and enabled the reuse of about 2.1 million liters of recycled water.

Sustainability is not a top-down directive in our organization, but something embraced across all of our businesses by our employees. Through the work of regional sustainability councils, our employees drive grassroots initiatives locally in support of our sustainability strategy. Sustainability has not been a bandwagon we jumped on. It's been something we were doing well before the band started playing.

This year, we further embedded sustainability into our business strategy by announcing our 2050 net-zero carbon emissions target for our scope one and scope two emissions. This target, approved by our Board, is expected to serve as a strategic guardrail for our business groups, and drive alignment across all of them for long-term planning and business strategy development. On the pathway to 2050, as we continue to refine our decarbonization initiatives, it's our intent to announce refreshed interim goals as we approach 2023, the end of the timeframe for our nine current interim ESG-linked goals that we announced in 2019.

We've already achieved meaningful decarbonization of our business since 2017. During that timeframe, we have reduced our overall enterprise carbon emissions by 31%. Decarbonization of our business and the businesses of our customers underpins our 2050 net-zero strategy and we see this, not only as a social imperative, but also as a significant value creation opportunity.

Let me share with you now some additional context around our net zero 2050 target.

Before we announced this commitment, our sustainability team worked with our business units to review our current asset base and asset life cycles to get comfortable that we saw a credible path forward to achieving net zero by 2050, without the need to rely on any changes to existing regulatory policy or legislation and without the need to bank on any new technology development or enhancements. This curve you see to the right is just a baseline curve for us and as we continue to see dropping LCOE prices for renewable technologies, including battery storage, the commercialization and availability of new technology in emerging greenfields, and the development of supportive government and regulatory policies and programs, we expect to be able to further refine this baseline pathway to net zero and bend this decarbonization curve down even more.

Algonquin has a proven and credible track record in greening our business and that of our customers. In fact, the impact that we've had on greening our customers' emissions by providing green energy through power purchase agreements represents an average of 2.4 million metric tons of CO_2 emissions avoided annually based on our current efforts. This, together with our own emission reductions in our business, represents the equivalent of nearly a million gas powered vehicles being taken off the road each year, or the amount of carbon sequestration annually provided by 5.5 million acres of U.S. forest.

At the same time, our decarbonization strategy has been a value creation strategy for our business and for our stakeholders. It has enabled over 1 billion of renewable generation investment. It has provided annual land lease and property tax contributions to the communities where we develop renewables projects of between $15 million to $18 million per year. It has also enabled a prospective greenfield pipeline of renewables of the size of 3,800 megawatts as Jeff noted earlier. It has also provided the opportunity to issue in the developing green financing markets and led to our inclusion in several ESG-focused stock market indices and investment funds.

I'd like to now provide a quick update on the progress we have made on our current 2023 interim sustainability goals.

To date, we have achieved three of our nine ESG goals and we're making good progress on the remaining six. When you look at our environmental goals, we have exceeded our target for 1 million metric tons of CO_2 emissions reductions in our existing asset base. We've made strong progress towards our goal to invest in at least an additional 2,000 megawatts of new, renewable generation assets, and achieve a mix of 75% renewable energy in our current power generation fleet.

Over the past two years, despite the challenges of the COVID pandemic, we will have successfully completed the largest renewable project construction program in our corporate history, reaching full commercial operations on an additional 1,400 megawatts of renewables. We've also been able to move our renewables mix from 45% of our generating fleet to 65%, a 44% improvement in three years. On our social goals, we are tracking to above market gender representation, both at our Board and Executive levels and we're making strong progress in our talent development pipeline. We also continue on our journey towards top quartile customer satisfaction and employee engagement scores. On the governance side, we've made progress with further embedding climate and sustainability targets in our incentive plans, both in our annual incentive and our long-term management incentive programs.

We continue to make improvements to the data set and scope of our ESG disclosures. This year, in October, we published our 2021 sustainability report that you can find available on our website. In this year's report, we've increased our data disclosure level to achieve GRI comprehensive level disclosures and we continued our alignment to leading ESG disclosure frameworks, SASB, TCFD, and the United Nations Sustainable Development Goals.

New this year, for those of you who need access to our sustainability data, is our ESG data hub that's on our website. There you can get access to our updated data a few months earlier than the publication of our annual sustainability report, as well as data tables presented in a user-friendly way for analysts that want data access. It's no secret that data quality and assurance are becoming paramount and over the past three years, we've been laying the groundwork to improve our data scope and quality and putting in place the business processes that should enable broader data audit and accuracy going forward.

We use stakeholder engagement to determine which ESG frameworks and ratings are important to our stakeholders. This slide highlights the ratings that we have identified through those engagements, and as an organization we continue to focus on remaining a leader in sustainability and in demonstrating ongoing improvements in our sustainability plans, our efforts, and our disclosures. As our ratings relative to our respective peer groups demonstrate, this has been reflected.

In closing, I'd like to leave you with a few key takeaways about Algonquin and sustainability. First, we have a credible path to net-zero emissions by 2050 with expected further decarbonization of both our existing businesses, and our newly announced utility business acquisitions. This presents further value creation opportunities through continuing investments in rate base, renewables build out, and opportunities for customer decarbonization.

Secondly, we have an established credibility and a proven track record in greening the fleet and in decarbonizing utilities. Our efforts to date are reflected in our low carbon emissions intensity for revenue of 0.0013 of CO_2e for $1 of 2020 revenue. This represents the third lowest in our 16 member U.S. utilities peer group. Said another way, you can think of every 2020 revenue dollar we earned as being at least 50% cleaner as compared to the average of that same peer group. Finally, we remain committed to continuing our leadership and sustainable business practices and the decarbonization of our business.

I want to thank you for this opportunity to update you on our sustainability achievements to date. Now, let me pass things along to Arthur Kacprzak, our Chief Financial Officer.

Arthur Kacprzak

Thank you, George and good morning, everyone. It's great to be here with you this morning. I'm going to spend the next several minutes discussing some financial considerations of all the initiatives we have discussed so far. I'll outline how we are thinking about our five-year capital plan and how we expect that will contribute to driving long-term sustainable adjusted net earnings per share growth. I will also discuss our funding plans that are designed to maintain a strong and resilient balance sheet. Lastly, I will provide our thoughts on 2022 adjusted net EPS, as well as our longer term adjusted net EPS growth expectations.

The capital plan in 2021 was the largest in Algonquin's history, having successfully deployed approximately $3.4 billion of capital on various growth initiatives on both sides of our businesses. As we look forward into 2022 and beyond, we see a path to deploying approximately $12.4 billion of capital over the next five years, representing an additional $6.4 billion of new investments. Johnny and Jeff have already touched on the components of the capital plan earlier and I'll discuss the impacts from this plan on our adjusted net EPS in a few minutes. However, as I think it's worthwhile to first reiterate that none of this capital growth is expected to occur at the expense of our balance sheet.

Before moving on to discuss the funding sources for our capital plan, let me touch on this important topic for a few minutes, starting with rating considerations.

Algonquin is rated by S&P, Fitch and DBRS with all three rating agencies assigning a BBB rating and we remain highly committed to maintaining these ratings in the long-term. We believe the BBB credit rating optimizes our cost of capital, not only by providing for the issuance of cost effective debt, but also reducing risk to our equity holders.

To maintain this rating profile, we manage two main metrics. First, FFO to debt, which is the main governing financial metric. Over the last three years, this metric has averaged 15.5%, which is in line with our target of 15% to 16% and maintains a buffer to the 14% long-term target set by S&P. Second, we are focused on maintaining an Adjusted EBITDA business mix at or above 70% from our regulated business. The pending acquisition of Kentucky Power is expected to shift this mix to almost 80% regulated, providing incremental headroom and flexibility.

Moving on to our balance sheet, we target and maintain a well-capitalized and diversified balance sheet, providing for multiple sources of funding. Based on our latest report in the numbers, our equity-like instruments accounted for 56% of total capitalization. Our shares are dual listed on both the NYSE and TSX, allowing access to both the U.S. and Canadian markets. In Canada, we're included in the TSX 60 and IT indices. This year, we expanded our equity sources through the issuance of green mandatory convertible equity units, which are expected to receive 100% equity credit from S&P. To our knowledge this was the first green mandatory convertible equity unit offering ever done, showcasing Algonquin's ongoing leadership and commitment to deploying sustainable capital to support sustainable initiatives.

Hybrid securities account for 6% of our total capital. These securities typically receive 50% equity credit from the rating agencies and never convert to common equity. Finally, long-term debt accounts for 38% of total capital and consists primarily of senior unsecured notes issued by our renewable energy and regulated groups.

Our balance sheet is supported by over $3.1 billion of committed credit facilities, providing available liquidity to satisfy expected near-term funding requirements. We benefit from the strong relationships we have built with our banking partners across North America and internationally and have been fortunate to receive their significant support in maintaining the strong liquidity profile.

Returning to our capital plan, as I mentioned, we are expecting to invest over $12.4 billion into the renewable energy and regulated businesses over the next five years. This investment is expected to be funded by a combination of retained cash flows, debt, hybrid debt, and equity and equity-like instruments, staying in line with our current capitalization and of course, credit ratings. In fact, our plan calls for further deleveraging of our balance sheet over the five-year plan.

The pie chart on the left shows the expected proportions for each funding source and I'll touch on each briefly.

Starting with retained cash, after payment of dividends we expect that approximately $3 billion will be reinvested into the business and will satisfy about 25% of our funding needs. Moving on to debt, which we anticipate will account for the next 25%, we have multiple debt sources on both the regulated and renewable sides of the business. The regulated side of the business raises debt primarily through a Holdco level 144A debt platform, but we also access the private placement market for certain utilities. The renewable business sources debt primarily through its Holdco level bond platform, but we can also source non-recourse financing from projects developed outside of the consolidated group.

Moving on to hybrid debt, which we expect will solve for about $2.1 billion of our funding needs and continues to be a cost-effective source of capital for us. As mentioned, hybrid debt is expected to receive 50% equity credit from the rating agencies and never converts to common shares. This treatment is awarded if the equity quantity issued remains below certain thresholds. We expect to have room to issue up to $1.5 billion of hybrid debt in 2022 and have a total capacity to issue up to $2.5 billion prior to the end of 2026.

Moving on to equity and equity-like instruments. First, we have tax equity funding which will continue to be an important source of equity for us and is expected to account for approximately $1 billion of our funding plan. I should note that this is not predicated on extension of the existing renewable tax credits, which is currently making its way through the U.S. legislative process. If these extensions are passed, tax equity funding may become an even more important funding source for us.

Next, we have the DRIP and ATM programs, which allow for the issuance of a base level of equity per year in a cost-effective manner. We expect that most of our common equities will be satisfied through these programs, accounting for up to $1.2 billion over the next five years, or about $240 million per year on average. Lastly, we have asset recycling, mandatory convertible equity units, and discrete common equity issuance as a source of equity funding, accounting for approximately $2 billion of the funding needs. We look to optimize a proportion of these funding sources based on market conditions at the time. I should note that asset recycling is expected to form a greater proportion of our funding needs than it has in the past and I'll touch on this in a bit more detail next.

In summary, we believe that we have a diverse and executable funding plan with limited reliance on common equity, which is expected to maintain and in fact, strengthen our balance sheet.

Now, taking a deep diver into the asset recycling topic. Arun has touched on how asset recycling can be viewed as not only a source of capital for us, but also an enabler to accelerate renewables development. We see an opportunity to sell down a portion of our current and future operating renewable generation assets to investors that have a low cost of capital in which to make alternative, sustainable investments. This in turn would be expected to create the flywheel effect that Arun alluded to earlier, by increasing development to capture the higher upfront margins, de-risk the projects through construction and long-term offtake contracts, sell down to realize the development margins, and create recurring management fees as operators of the assets.

Referring to the slide, we have shown an example of the potential value uplift that is created on various stages of development in proportion to the capital cost of the project. The example is intended to be illustrative and is not intended to be a midpoint valuation of our current portfolio, as actual asset valuations will differ with various factors. However, as you can see, the economics could be very compelling, and Algonquin is positioned to capture the entire value through its proven expertise and focus on the full development cycle. The value created prior to notice to proceed, meaning that offtake is permitting and interconnection have been secured, is about 6% of the total capital cost.

Through our focus on greenfield development, we are poised to capture significant upside during these early phases of the project. Although the risk of project failure is greater, the capital invested is low. For successful projects, Algonquin could capture a significant return on invested capital. Once the project is de-risked through construction, there is an expected additional value capture. This is a natural point where the project can be sold down and as an operator of renewable assets, Algonquin is well positioned to continue to earn ongoing management and operating fees.

To summarize, asset recycling program could provide a number of advantages. On the funding side, the benefit of course is a reduction in future equity needs to fund our continued growth. Selling down a portion of nonregulated renewable assets would also be expected to help maintain our credit rating business mix targets by reducing top line earnings from this business, while being able to expand our renewables development program at a higher pace and being able to capture more of that upfront value. By remaining operators of the assets, we would continue to expand our operating scale, which would drive further efficiencies, while earning management fees. This initiative is still in the early stages, but we expect to provide further details throughout 2022.

Turning now to what this all means for our five-year adjusted net EPS expectations. Upon executing on the capital investment program and some of the other initiatives we have outlined today, we see our adjusted net EPS growing at an aggregate CAGR of 7% to 9% over the next five years. This is in line with the forecasted 8% to 10% adjusted net EPS CAGR for the 2021 to 2025 period that we outlined at last year's investor day. Twenty twenty-one was our largest capital deployment year and despite some challenges experienced with wind resources and weather, we expect adjusted net EPS to be at or around the lower end of our previously communicated range, representing double digit adjusted net EPS growth over the prior year.

Moving forward from 2021, we have several growth initiatives that are expected to continue to drive growth. The additions of New York American Water and Kentucky Power are expected to drive long-term EPS growth post 2022, as both acquisitions are anticipated to close next year. We expect to continue to drive value as we execute on our $3.6 billion capital plan, focused on development, construction of renewable assets. In fact, our plan sees a significant ramp up on investments in greenfield development in the early years that is only conservatively reflected in the current plan.

Previously, we indicated that spend on greenfield development would have a $0.02 negative impact on our 2021 adjusted net EPS. I'm happy to say that investment appears to have been worth it. As Jeff has pointed out, we have converted approximately 640 megawatts of this pipeline into later stages of development and added approximately 1,100 megawatts of new prospective projects. We expect to continue to increase our investment in the upcoming years as we continue to expand our development group to take advantage of the tailwinds impacting the renewable sector.

Our effective tax rate also continues to see benefit from increased investment in renewables. Through additional opportunities to self-monetize renewable tax credits, we anticipate being able to maintain our effective tax rate in the 10% to 12% range on average over the next five years. We do not expect to pay significant cash taxes during this period with the investments pushing out the tax cash horizon to 2026 and beyond.

On top of the investment in these initiatives, we anticipate to continue to drive value by increasing (audio interference) operators of our assets. With that in mind, allow me to take a deeper dive into the drivers of our adjusted net EPS growth.

First, we have our foundational core investment. This represents growth from investment into our regulated rate base to continue to provide safe, reliable, and cost-effective service to our customers. This is primarily driven by the $5.4 billion investment into our regulated group, not counting acquisitions.

Second is the value we drive through operational expertise. This includes all initiatives that minimize regulatory lag and allow us to earn closer to our allowed ROEs, including the optimizations of earnings from new acquisitions. This accounts for an estimated 2% of our growth trajectory.

Lastly, an estimated 1% to 3% is derived from the execution on our renewables capital plan and the renewables greenfield pipeline captures all of the value drivers from these initiatives.

Lastly, I want to touch on briefly our new acquisitions. You don't see that listed on the slide since we don't count on new acquisitions in our growth plans. But we are certainly no strangers to finding opportunities that we expect to be accretive to our shareholders. Any acquisition opportunities will be viewed on top of our long-term growth targets. In summary, the multiple pathways to achieve our stated growth expectations of between 7% to 9% over the next five years gives us confidence on the execution of this plan.

Now, turning to provide a bit more detail on our 2022 adjusted net EPS expectations. Twenty twenty-two is expected to be a transitionary year for us. As a result, we expect adjusted net EPS for next year to be below our long-term 7% to 9% growth expectations. The adjusted net EPS walk on the slide illustrates the various drivers. On the positive side, we expect to see our adjusted EPS growing from the 2021 investments and initiatives. We also anticipate the transitionary weather factors that negatively impacted 2021 will reverse in 2022. However, offsetting these positive growth factors are a few transitionary items that are expected to negatively impact adjusted net EPS next year.

We have two significant acquisitions anticipated to close in the year, New York American Water and Kentucky Power. We do not expect to see the full earnings potential from these utilities next year. Kentucky Power is expected to close in mid-2022, but since we have issued the common equity for that acquisition already, we expect to see dilutive impact from a partial year of operation, as well as initial lower rates of return. The New York American Water acquisition is likely to close in early 2022, but we expect this utility not to fully contribute to earnings during the year due to an initial period of under earning. Lastly, we expect our adjusted net EPS to be negatively impacted by our investment in the Texas coastal wind facilities, primarily due to higher-than-expected basis costs resulting from the general transmission constraint that Johnny touched on earlier. The impact of this additional basis cost is expected to reverse in future years as new grid capacity is built. We remain focused on working with the asset operator and maintaining these impacts to the best extent possible.

In summary, factoring in these transitionary factors, we are forecasting adjusted net EPS in 2022 to be between $0.72 and $0.77, subject to certain assumptions, including normalized weather patterns and renewable energy production that is in line with long-term averages.

The last item I wanted to touch on is our dividend outlook. Our dividend, of course is at the discretion of our Board. However, I do want to provide some context with respect to how we think about our future dividend growth, which is consistent with the message delivered last year. First, we want to ensure sustainability of our dividend. To do that, requires setting an appropriate long-term payout ratio target that is lower than adjusted net EPS. In setting this payout ratio target, we consider the sources of cash flow generation in our business, which currently comes from approximately 70% regulated utilities, and 30% IPP businesses.

Pure play utility companies typically have payout ratios of about 60% to 70% based on earnings. IPP businesses, however, typically set their payout ratios based on FFO. Combining these two parts points to a payout ratio of somewhere in the range of 80% to 90% of normalized EPS, which we believe is a long-term sustainable target for Algonquin. I want to stress that the payout ratio outlined is a long-term target and we continue to view dividend growth as an important part of the total return we provide our shareholders.

In conclusion, I hope you heard that we have a highly visible five-year capital plan with a large portion expected to be spent on organic investments which are anticipated to increase our rate base to $11.5 billion over the same time period. We have a diverse sources of capital to fund the capital plan, including a compelling value proposition of asset recycling that I spoke in detail about. However, this is all underpinned with our ongoing commitment to maintaining an investment grade balance sheet. We believe (audio interference) we still expect to deliver year-over-year adjusted net EPS growth. Our five-year projected adjusted net EPS CAGR growth remains intact of 7% to 9%.

With that, I'll turn it over to Arun for some closing remarks. Arun?

Arun Banskota

Thank you, Arthur. I want to leave you with our key messages on Algonquin's investment thesis that I hope came through during this morning's presentations.

First, we have a track record of providing outstanding long-term total shareholder returns. Second, we have multiple growth levers across both our regulated and renewable businesses that give us high confidence in the execution of our 2022-26 capital plan. Third, with our mix of regulated and renewables, we have a very resilient business with a strong balance sheet, and we are leaders in sustainability, as measured by our carbon intensity.

Before we open the line for questions, I remain very excited that both of Algonquin's regulated and renewables businesses are well aligned with the global push towards decarbonization and are well positioned to benefit from this transformation. In summary, our three strategic pillars of growth, operational excellence, and sustainability will be the key foundations as we continue to build the business and work to deliver long-term value to our shareholders.

With that, I will turn the call over to the Operator for any questions from those on the line.

Operator

Your first question comes from the line of Nelson Ng of RBC.

Nelson Ng

Great, thanks. Good morning, everyone. My first question just relates to the EPS growth guidance of 7% to 9%. I know you said it's consistent with the 8% to 10% in the previous year. But with your capital plan growing to just over $12 billion, like should the EPS growth guidance be a little higher or are you just being a bit conservative? I think Arun mentioned last year that you were more confident on hitting the higher end of the growth range. Is that still the case for this EPS growth guidance?

Arun Banskota

Hi Nelson, good morning, and thanks for the question. Look, last year at investor day, we had clearly messaged that 2021 was going to be a very front-loaded growth year, right. We have already deployed $3.4 billion of cap ex by the end of Q3. We had always messaged that that 8% to 10% was because of that front-loaded capital deployment, and that subsequent years would actually be more in the 7% to 9% range. We are sticking with that 7% to 9% long-term guidance. I will also repeat what I said last year, which was that we are moving more towards a conservative guidance, so that we have more opportunities for upside for our guidance than perhaps earlier years.

Nelson Ng

Okay, thanks for the clarification. Then just my one follow up question is on the RNG acquisition. You mentioned that you acquired a company with I think two operating assets and four under construction and a few more under development. Can you just give some color as to the acquisition costs and also the RNG production capacity of the two assets and also the four that's under construction?

Arun Banskota

Sure, let me give a little bit of context and then I'll turn it over to Jeff for more details here. Look, first of all, of our different growth levers, renewable natural gas is certainly one of those. Last year, I basically said that we are looking at renewable natural gas opportunities. By this time of investor day, I can tell you that we have filed applications in three of our regulated businesses. We have a pipeline of projects across each one of our gas LDCs and we really wanted to make sure that we also deployed capital and learned more about the RNG business in a constructive way on the renewable side of the business as well.

We're very excited about Wisconsin because Wisconsin actually represents after California, the largest addressable opportunity in terms of RNG. (Audio interference). Pretty much as a platform opportunity to grow RNG on the renewable side of the business. Jeff, why don't you give more detail from that transaction?

Jeffery Norman

Yes, no, happy to and thanks for the question Sean. It is a small acquisition. The project in total is about $20 million once we have the four sites up and operating, so it's actually much more about the platform than it is about the individual projects. Just to clarify, they currently have four projects, two that are just hitting operations and two that are under development. But our intent is to expand that to have 16 additional sites within the next five years from that platform. That gives you a little bit of an idea on the context.

Nelson Ng

Thanks Jeff. Can I just ask a clarification? Are you guys self-supplying RNG? Is that the intent? Or are you looking to essentially develop the projects and sell them to the market and sell the credits on the market?

Jeffery Norman

Yes, we are looking to develop the projects and then sell the RNG in the market.

Nelson Ng

Okay, thanks. I'll get back in the queue.

Operator

Your next question comes from the line of Sean Steuart of TD Securities.

Sean Steuart

Thank you. Good morning, everyone, and thanks for all the work putting the event together. First question, I wanted to follow up on Nelson's question with respect to your five-year EPS growth target. I appreciate, Arun that you're taking maybe a more conservative approach to that guidance than was the case previously but even not just a year-over-year from what you guys guided towards last year but over the last few years we've seen a deceleration in that growth trend. I'm wondering if you can speak to some of that compression. How much of that is attributable to the Company reaching a mature stage and with the scale difficult to grow as quickly? How much of it is compression on non-regulated development returns? Any other factors that are feeding into that general trend of slower EPS growth over time.

Arun Banskota

Sure. Sean, the first thing I would push back on perhaps is the term used, which is decelerated, right. If you look at the '21 to '25 capital plan of $9.4 billion and we've already deployed $3.4 billion in the first three quarters. In fact, the $12.4 billion plan for '22 to '26 represents an addition of $6.4 billion of additional capital deployment over the next five years. On top of that, I think you should keep in mind what we talked about on the renewable side of the business, the once in a generation opportunity we see in front of us to really accelerate on the renewable side of the business as well. You look at our organic growth on the regulated side, last year I believe we said somewhere in the range of $800 million a year. This year we're saying more somewhere in the range of $800 million to $1.2 billion a year of organic growth. All in all, I don't see any deceleration.

Now, as we obviously get larger, I mean, Kentucky Power will be the largest transaction on the regulated side for us, for example. Obviously, there is a law of numbers and so perhaps we may be seeing some impacts of that in terms of the 79% CAGR. But again, I would stress that we don't see that as a change from last year's guidance of 8% to 10%. Given all of the growth levers we have, we remain very confident we're going to be able to hit that guidance range.

I don't know, Arthur. Do you have anything to add to that?

Arthur Kacprzak

No, Arun. I think you covered it well. I mean, I think the guidance that we provided this year is consistent with the guidance last year. We were still within the range, even with the additional additions to the capital plan. We stayed within 7% to 9%. Again, we view that as a very doable target for us and that's one of the reasons, actually, we outlined the pathways to growth on how that actually stacks up for us on an ongoing prospective basis.

Sean Steuart

Okay, understood. Second question, with respect to asset recycling becoming a larger portion of the mix, should we read that as this would be strictly Algonquin's organic pipeline, or does Atlantica factor into that as well?

Arun Banskota

Look, you know, we're always looking for opportunities to maximize shareholder value, right. I would never take anything off the table. But at the same time, you know, our plans currently that we are showing you today at investor day is really around the renewable business and the asset recycling on that part of the business. Obviously, if doing something in Atlantica is much more accretive to our shareholders, like I keep on saying, nothing is off the table. But you know, we are currently laser focused on the asset recycling on the renewable side of the business for now.

Sean Steuart

Okay. That's all I had for now. Thank you very much.

Arun Banskota

Yes, thanks Sean.

Operator

Your next question comes from the line of Rich Sunderland of J.P. Morgan.

Richard Sunderland

Hi, good morning. Thanks for taking my questions here. Just maybe starting with the Texas coastal wind, can you quantify that drag to '22 and then speak a little bit more to the timing for normalization over the planned period, or I guess when the transmission will get built out and reduce that hit to earnings?

Arun Banskota

Great question, Rich and I will turn that over to Johnny to respond.

Johnny Johnston

Hi, good morning, Rich. I guess as ever with the grid, there are additions both in terms of supply, transmission, and demand, all the way through. It's probably—we always expect there to be a degree of congestion as part of—as we model out these projects. It is a little bit larger than we expected but if you look at the approved projects already going through the ERCOT process, there's transmission already under construction and so we're expecting that to come online in the next year or so. As we think about certainly the plan period, we're expecting this to be mitigated certainly by the end of it. But exactly how that's going to play out through the planned period, you know, we'll have to wait and see and look to mitigate that as we go through as best we can.

Arun Banskota

I think, Richard, on the positive side, the ERCOT board has in fact already approved the plans to strengthen the grid connectivity in that region to actually take out that basis risk that Johnny just talked about. That is on the positive side.

Richard Sunderland

Thanks for the color there. Then for my second question, thinking about the regulated earned returns and the range of that gray bar on your slide, back on Slide 42. Can you lay out a little bit more about where you see that trending over the course of the planned period? Or maybe to put it more simply, just do you expect to get to the high end of the range from the low end currently by the end and kind of what are the steps and risks to achieving that, thinking about, I guess, the Kentucky forward test year and other factors. Thank you.

Arun Banskota

Rich, I actually don't have the slide in front of me. I think you are referring to that illustrative slide that shows the 4% and the 2% and the 1% to 2% for renewables. Is that the right slide you're referring to?

Richard Sunderland

I'm also thinking about the slide with the trends since 2016 of the utility returns and then the dip in 2020 that you bounced off into '21.

Arun Banskota

Okay, got it. Got it. Okay, Johnny, why don't you take that one?

Johnny Johnston

Yes, so for clarity Rich, I mean the gray bar is really covering the range of allowed terms that we have today across our various utilities. You'll have seen, I think, on the prior slide on our bridge our allowed returns today across all of our utilities are about 9.5%. If you look at that last five-year period, on average, our delivered returns have been 9.4%, so incredibly close to what our allowed returns are on average. That remains our sort of goal going forward, and certainly through to the end of the planned period.

Richard Sunderland

Great, thank you for the color.

Arun Banskota

(Multiple speakers). Thanks Rich.

Operator

Your next question comes from the line of Rupert Merer of National Bank.

Rupert Merer

Hi, good morning, everyone. Thanks for taking the questions.

Arun Banskota

Good morning, Rupert.

Rupert Merer

If I can go back to the EPS growth forecast, 7% to 9%, what's the starting point for that? Will that be the actual EPS for 2021 or more the normalized level? Can you remind us maybe what the normalized level would be if that's (inaudible)?

Arun Banskota

Great question. Arthur, do you want to take that?

Arthur Kacprzak

Sure. Sure. Hi Rupert. How are you? We are starting that 7% to 9% off our guidance range that we've put forth. We are starting that off the bottom range of our guidance but actually, to be honest, it actually comes out to the same range if you started off the bottom or the midpart of the guidance.

Rupert Merer

Okay, great. Is there a baseline assumption on equity issuance or asset recycling that's baked into the forecast?

Arthur Kacprzak

We've outlined our sources of capital. If you refer back to that chart where we've looked at the different sources of equity capital. We have put in about $1 billion tax equity. We put in $1.2 billion or so over the next five years ATM and DRIP, and then we have a slice of about $2 billion for various, including asset recycling, mandatories, and common equity. Like I said in my remarks, we'll be looking to optimize around that $2 billion. We haven't shared exactly how that's going to break out over the next five years. But as I said, asset recycling is probably going to be a larger part than it has been in the past.

Rupert Merer

Okay, great and then secondly, how does inflation feed into your forecast looking forward? You mentioned you've had this 1% CAGR and a reduction in operating costs. How do you see that playing out in the future and if you can talk about any impacts you're seeing on construction costs or timing of investment related to supply chain issues as well?

Arun Banskota

Well, maybe I'll start out and then look around the table to see if anybody wants to add color. Yes, we have seen impacts on inflation on the renewable side of the business and supply chain impacts and so on and so forth. However, the modus operandi we have is basically firming up both supplier agreements and our EPC contracts. Once they're finalized, they're obviously fixed price contracts, right. Now, on the other side of the ledger, we obviously also do long-term offtake contracts, and we make sure that those are fixed, obviously fixed contract as well.

What we try to make sure is negotiate those two sides of the agreement as close together as possible so that there is very little daylight (phon) that can impact us from an inflation perspective, right. With that strategy, where we've been able to continually preserve our returns, and we have seen as with inflation on the supply side, we have seen offtake pricings increases as well. Now, on the regulated side of the basis, in theory, inflationary pressures should be cost pass throughs, right. Although we remain very laser focused on customer rates, for example. But I don't know if folks have any further color to add to that.

Jeffery Norman

From the renewable side, I'd say you covered it well, so maybe over to you Johnny, if you've got comments on the reg side.

Johnny Johnston

Yes, I mean, I think as you've seen historically, we have taken a very close eye on managing our operating costs to try and create room in the bill for the investment program, whilst managing affordability. As you sort of see that O&M efficiency target through to 2026, you can see that we're looking to bring it down further from where we are to date. We are absolutely laser focused on managing cost (inaudible).

Rupert Merer

Great, well, thank you for the color. I'll get back in the queue.

Arun Banskota

Thanks Rupert.

Operator

Your next question comes from the line of Naji Baydoun of iA Capital Markets.

Naji Baydoun

Hi, good morning. I just wanted to start off with a question on the funding plan. Obviously, makes room for a lot of hybrid issuance and if we think about that part of your financing plan versus previous years it kind of implies a $1.5 billion of incremental hybrid at capacity. I'm just wondering if you can talk about is that how you're thinking about financing the Kentucky Power acquisition and what assets that would be more geared towards new renewables? Is that how we should be thinking about the financing plan?

Arun Banskota

Arthur?

Arthur Kacprzak

Hi Naji. Great, great question. Look, I mean, the funding at the end of the day is fungible, right. I mean, at the end of the day, it all comes into one bucket but maybe just touching a bit on the hybrid market. Look, the hybrid market is very attractive right now. You're seeing yields out there in about 4% or so, so it's a very attractive cost of capital for us and we've got room in our capital structure for it. It's certainly a market that we want to continue to access and again, given the yields right now, it will be prudent for us to do so.

Naji Baydoun

Okay. Maybe a question on the greenfield developments. You're adding about 640 megawatts today and you're expecting to add close to another gigawatt going forward. Is that sort of the pace of investment, if we think about it on an average annualized basis that you expect to achieve going forward on the renewable side?

Arun Banskota

Jeff, do you want to take that?

Jeffery Norman

Yes, sure. That's a pace that we're very comfortable with but we're an ambitious group and so we would always hope to exceed that, and we think the market opportunity and specifically, if the Build Back Better legislation comes through that there's a great opportunity to do more.

Arun Banskota

I would say the 600 megawatts that you saw from that greenfield pipeline coming into base is probably more like base case. We talk about once in a generation opportunity to really accelerate, we believe we can do better.

Naji Baydoun

Okay, got it. I'll leave it there. Thank you.

Arun Banskota

Thanks, Naji.

Operator

Your next question comes from the line of Julien Dumoulin-Smith of Bank of America Merrill Lynch.

Julien Dumoulin-Smith

Hi, thanks for all the details, team. Really appreciate the time. Well done. Perhaps if I could kick it off here, just coming back to the dividend conversation just briefly. Just wanted to understand, how are you looking at the evolution of your company? I heard the comments about payout ratio, and I was thinking earlier, if I recall right, you'd kind of compared yourself versus a utility now. Is this kind of an evolution in how you think about yourselves in comping yourselves increasingly versus kind of yield vehicles and renewable vehicles at large, like say Atlantica as you think about this higher payout?

Arun Banskota

Yes, Julien. How are you? Look, we have talked about it quite a bit in past investor calls and other forms as well. Arthur, do you want to take that?

Arthur Kacprzak

Sure. In terms of the dividend, hi Julien. Look, I mean, our messaging remains consistent kind of where we thought of ourselves as last year. We're a mix of a utility and an IPP business and our dividend is reflective of that, right. We've got a portion of our business and a group of our shareholders that hold us for various reasons, one of which is a dividend that has an attractive yield.

Julien Dumoulin-Smith

Got it, right but (multiple speakers). Yes, I mean, it's departing a little bit from utility to be more of a hybrid, it seems like. But actually, maybe more germane as I think about it here, as you think about the earnings trajectory, '21 versus '22, you know, I very much appreciate the dynamic that you very explicitly drew. Can you kind of give us a little bit of a sense on '23 here? It sounds like, again, if I were to repeat the factors back to you, many of those kind of flip in the other direction in '23. Is it fair to think that you'd be ahead of shall we call it your ratable earnings growth plan in '23, as many of those kind of kick in, if you will?

Arthur Kacprzak

Yes, look, 2023 is like I mean, we're not providing detailed guidance at this stage but look, as we outlined, some of these factors are going to definitely reverse in 2023 and will contribute to 2023 earnings. It's again, 2022 is a transitionary year for us with again, with the two acquisitions. Like we mentioned, Kentucky Power, for example we view that in 2023 as an acquisition that we expect to be flat (phon) to slightly for us. You can take that as well into consideration. Again, we'll see a lot of these factors continuing to reverse.

Julien Dumoulin-Smith

Got it and then just I know you talked about financing. I just want to push a little bit further. How much better than issuing equity could perhaps some of these financing alternatives look like in terms of shall we say like PE equivalent issuance metrics, if that's a fair way to ask it, right? Because there's a lot of different ways that you could raise this capital. But just in terms of how accretive it is versus issuing stock today, how much better could it be under what the various plans that you're looking at?

Arthur Kacprzak

Yes, that's a good question and I mean, and in terms of us as we kind of think about issuing equity versus the other sources, we do really look at it on a pecking order of accretion. Look, like I said, hybrids right now are actually quite accretive to us. I mean, I would say the breakeven kind of a yield that we look at from a hybrid perspective is closer to about 7.5% yield and we're seeing yields right now at about 4% or so, 4% to 5%, so it's certainly accretive to issuing common equity. Others, it really depends on the market at the time.

Julien Dumoulin-Smith

Got it. Fair enough. The baseline for the growth of EPS, just the starting point, just to clarify that. I apologize, given the slides scrolling.

Arthur Kacprzak

The baseline I would say, look, if you look at the equity funding plan, I would say a base level of equity is about $1.2 billion that we see probably covered primarily through our DRIP and potentially some of our

ATM as well. After, we'll assess obviously the funding sources for kind of the remaining $2 billion that we require.

Julien Dumoulin-Smith

Got it and the baseline for EPS CAGR is what, in terms of like a stop (phon) point?

Arthur Kacprzak

Baseline for the starting point for EPS CAGR?

Julien Dumoulin-Smith

Yes.

Arthur Kacprzak

Sorry, are you going back to…? Like I answered, it's we're viewing it as a starting point at around the lower end of this year's guidance.

Julien Dumoulin-Smith

Okay, all right. Sorry, got it. I appreciate the clarity there.

Arun Banskota

Thanks Julien.

Operator

Your next question comes from the line of Robert Hope of Scotia Bank.

Robert Hope

Hello everyone. Just a question on the renewable growth project. Taking a look at the 2021 pipeline versus the 2020 pipeline, just noticing a couple of the projects have kind of moved and scheduled. We've got Carvers Creek pushed out to 2025 and Shady Oaks out a little bit there as well. Can you maybe just talk about what you're seeing in terms of project scheduling and whether or not challenges in the supply chain are affecting some of the schedules here?

Arun Banskota

Let me just give an overall context and then I'll turn it over to Jeff for a lot more detail, right. Look, when we show you a five-year plan, last year it was front loaded $3.4 billion in 2021. The next year again it's front loaded, and we obviously have a very high degree of confidence. But I think what should give you confidence is that behind this five-year plan sits a very, very large and robust pipeline of development projects and now this year for the first time, we're actually showing you a development plan for battery storage projects as well, which is totally incremental to the base plan. With schedules and things of the sort, there may be some shifting and things of the sort, but we are very confident that we're going to be able to more than fill in any shifts.

Jeff, why don't you give more details around any of the particular movements?

Jeffery Norman

Yes, no, happy to. Robert, so at a macro level, we definitely are seeing there's lots of supply constraint issues. There's lots of interconnection issues. Everyone's pretty excited about those markets. The downside of that is there's lots of pressure on those resources. That being said, I point back to Arun's comment that we worked really hard to make sure we integrate the timing of the PPA signing and the execution of the key contracts.

You've got two different situations. Shady Oaks II is slipping by a few quarters. We're not overly concerned about it. It's just a little bit of improvement in accuracy from last year to this year and then the second one is Carvers. Carvers has some interconnection delays which we reflected in the schedule. In the full backdrop, we're actually very confident in the capital plan.

Arun Banskota

One of the things that you should take confidence in also is that in the midst of our largest development and construction year, 1,400 megawatts we brought online, right in the midst of COVID, and all of the supply chain challenges, right. I believe we have a very solid and disciplined team that works through all of these issues. These will continue to be challenges as we and everybody else perhaps accelerates the growth in renewables but that ability that we've proven over the course of the last year should give you confidence in our ability to manage those challenges.

Robert Hope

All right. That's helpful. Then maybe a follow up question just on Kentucky. We're still very, very early days in the process but how have the conversations gone with stakeholders so far? Are there any issues that you think you'll have to resolve and maybe just overall status on kind of that process?

Arun Banskota

Look, we continue to be extremely excited. I was in Kentucky a few weeks ago, visiting a lot of the stakeholders there as well. In many ways, actually the landscape for greening the fleet in Kentucky is even better perhaps than what we were able to do in the Midwest. Because keep in mind that in the Midwest, we have a wholly owned coal plant based in Missouri, employing local folks, contributing to the local economy, all those kind of things, right. Now, you contrast that with Kentucky where you've got one coal plant that's based in Indiana and there's a unit purchase agreement with Rockport. That is set to expire at the end of 2022, and then you've got another coal plant, Mitchell, in West Virginia, burning West Virginia coal and really not contributing to the Kentucky economy perhaps, right.

When you look at all of the sources of power from Kentucky Power currently, which is from these two coal plants and from Big Sandy which is a natural gas plant, and then from the grid purchases, the highest, the costliest energy that Kentucky Power is purchasing is in fact from these two coal plant sources. Being able to invest in renewable energy in Kentucky, contributing to the local economy, lower levelized cost of energy as we've shown on our slides, all of those provide a really, really solid backdrop for us to do our greening the fleet in Kentucky. As well as all the (inaudible) that I talked about, which is really optimizing the asset playbook that we've shown elsewhere as well, right.

When I went to all of the stakeholders, they're pretty excited about the possibilities in Kentucky. I mean, obviously, we have to go through a process, work with the regulators, partner with them, go through the IRP process. But I believe that the fundamentals are really, really well built for us frankly, even better than perhaps the Midwest. I don't know, Arthur or Jeff, if you have anything more to add to that.

Jeffery Norman

Yes, no, I'd just reinforce that the stakeholders, the initial round of stakeholder meetings completely are supportive and what Arun is saying has been better than we could have hoped for. We're pretty excited.

Robert Hope

Thank you.

Operator

Your final question…

Arun Banskota

Thanks Rob.

Operator

… comes from the line of David Quezada of Raymond James.

David Quezada

Thanks. Good morning. Just one last one from me. Just curious on your conversations with your corporate partners, Microsoft, J.P. Morgan, Kimberly-Clark, curious how the potential extension to the tax credits in the U.S. affects the conversations with those partners. Do you think that once we know whether or not that piece of legislation has gone through could that maybe spark an uptick in those partners looking to purchase more renewable power?

Arun Banskota

Jeff, do you want to take that?

Jeffery Norman

Yes, I would say that, you know, we expect that the Build Back Better legislation will be passed. It's extremely important to President Biden. There will be a few impacts and I think you've pointed out one, which there will be most likely a lower price per megawatt hour. Because some of those and a significant amount of the benefits will be passed through to the customers. But that will drive more activity, which will give more opportunities for investment and so our discussions with those customers have been positive, with excitement towards being able to deliver on their sustainability goals at an economic price point.

The other part of that that's exciting in terms of our impact on customer bills to the extent that we're able to green and bring those benefits to bear, we can do more for less impact or more savings on to customer bills on the reg side. All in all, we see Build Back Better as a great tailwind, although we haven't factored any of that into our five-year planning.

Arun Banskota

Then David, let me again emphasize, that's why we are so excited, right. While we showed you that renewables are already from a LCE perspective a very compelling value proposition, you add on top of that all of the policy tailwinds that you are seeing. You look at all of the different commercial and industrial partners of ours, who have very ambitious goals to accelerate their own net-zero plans.

Then I think Jeff mentioned in his conversation as well, narrative, that we have now gone from building a one off, one after another project to actually having real platform. You see that through the size of the greenfield pipeline we announced last year, the much larger size of more than 1,000 megawatts in fact, addition to the greenfield pipeline, new pipeline of battery storage opportunities that we are planning, our ability to mature that pipeline and actually take 600 megawatts of that into the base plan from last year's greenfield pipeline.

You add all of this together, now we have a platform that has the recurring level of development growth, construction, being able to take that into operations. Now, that's why we feel confident that with all of the economics and the tailwinds, we're going to be able to do this asset recycling because we see that now possibly to do that on a recurring basis, right. That's why we are so excited about this once in a generation opportunity.

David Quezada

Excellent. Thanks for the color, guys. That's all I had.

Arun Banskota

Yes. Thank you, David and go ahead, Operator.

Operator

I'll turn the call back over to Arun.

Arun Banskota

Okay, fantastic. Thank you, Operator, and thank you, everyone, for staying with us for the last couple hours or so. Thank you for your time and I'll just end with the same message that I have given before. This investor day we are even more excited about the outlook that we see for Algonquin to continue on this journey of decarbonization transformation and we just believe that we have a lot of opportunities out there. We now have a mature platform to really take advantage of that opportunity and continue to add significant value to our shareholders.

With that, thank you very much for your time and stay safe. Thank you.

Operator

This concludes today's conference call. Thank you for participating. You may now disconnect.

Hybrid Marketing Presentation

Call Transcript

Slide1 : Cover

Slide 2: By the Numbers - Amelia

Good afternoon, everyone. By way of introduction, I am Amelia Tsang, Vice President of Investor Relations at Algonquin Power and Utilities Corp.

Our management team will provide a brief overview of the company and the contemplated transaction. Thank you for your time and interest in joining us today.

Slide 3 and 4: Disclaimer - Amelia

Before we dive in, I want to quickly highlight that our discussion will include certain forward-looking statements, including our expectations regarding future capital expenditures, planned initiatives, pending acquisitions and growth. Certain material factors and assumptions were applied in drawing a conclusion or making a forecast or projection reflected in the forward-looking statements and actual results may differ materially from a conclusion, forecast or projection in such forward-looking statements. These forward-looking statements are subject to the cautionary statement in the supporting slide deck, which includes additional information about the material factors and assumptions underlying such forward-looking statements and that could cause actual results to differ materially. We will also refer to certain non-GAAP financial measures and have a notice about these items at the end of the presentation.

Slide 5: Speakers and Agenda - Amelia

Presenting on the call today are Arun Banskota, our President and Chief Executive Officer, and Arthur Kacprzak, our Chief Financial Officer. As an agenda for today's presentation, Arthur will spend a few minutes covering off Algonquin's key credit highlights and how they support the contemplated transaction. Arun will then provide an overview of our existing business and the acquisition of Kentucky Power for which the proceeds of this contemplated offering are intended to be used. Arthur will then finish off with a financial overview of the company…..Arthur

Slide 6: Transaction Summary & Credit Highlights Cover slide

Slide 7: Transaction Summary Slide - Arthur

Thanks Amelia. We are proposing concurrent offerings of a benchmark size of US dollar Fixed to Fixed Rate Reset Junior Subordinated notes to the public in the US, and Canadian dollar Fixed to Fixed Rate Reset Junior Subordinated notes to the public in Canada. As mentioned, we expect to use the proceeds to partially finance the Kentucky Power Acquisition which we will touch on in great detail during the presentation. Please refer to the slide for the terms of the contemplated offerings. We will cover the transaction in more details later in the presentation.

Slide 8:Credit Highlights – Arthur

Moving on to some of the key credit highlights that underpin these contemplated offerings. First, we believe we have a resilient business model with approximately 70% of our overall business comprised of regulated utilities. Our business has generated historically stable and predictable cash flows from our diversified portfolio of regulated electric, natural gas, water and wastewater distribution utilities. Our renewables business is approximately 81% contracted with a weighted average remainder contract length of 13 years.

Second, we have developed multiple growth levers across both our regulated and renewable businesses that give us confidence in the execution of our $12.4 billion 5-year capital plan from 2022 through 2026. Within this capital plan is the expected closing of Kentucky Power. Arun will cover off why we are so excited about this acquisition. Additionally, we have grown our prospective greenfield pipeline to approximately 3800MW after converting 600MWs from the previous year into our latest 5-year capital plan.

Third, with our mix of regulated and renewables, we have a resilient business with a strong balance sheet and remain committed to maintaining our BBB investment grade balance sheet as well as maintaining a strong business risk profile.

And, finally we strive to be leaders in Sustainability. Algonquin started in the renewable energy business more than 30 years ago, when we entered into the hydro business with our first small hydro dam project. In 2021, we further embedded sustainability into our business strategy by announcing our 2050 net-zero carbon emissions target for our scope one and scope two emissions. With that I will turn things over to Arun to provide an overview of our businesses and our 3-pillar foundation of Growth, Operational Excellence and Sustainability…..Arun

Slide 9: Business Overview Cover Slide

Slide 10: North American Energy and Water Company - Arun

Thanks Arthur. With society and economies aligned around the goal to minimize carbon emissions, Algonquin's regulated and renewables businesses are well positioned to contribute to and benefit from this decarbonization transition.

Algonquin Liberty is a North American energy and water company providing mission-critical electricity, water, and natural gas services and we operate through two business groups:

Currently, our portfolio comprises approximately 70% regulated, moving to an expected 80% of our portfolio on a pro forma basis assuming the closing of Kentucky Power in mid-2022. We operate across all three modalities of electric, water, and natural gas.

Our Renewables business currently represents approximately 30% of our portfolio and directly owns and operates 2300 MW of net renewable generation capacity. Across both businesses, we own over 4000 MW net interests in aggregate renewable power generation.

There are a number of synergies across the two businesses. Our entrepreneurial culture spans both businesses, and we have been leaders in greening the fleet. We have extensive experience in tax equity, which helps manage the initial capital requirement of renewable generation against customer rate stability for regulated projects. We have technical expertise in both commercial and emerging renewable technologies, including utility-scale and community solar, wind, and increasingly battery storage and renewable natural gas.

Slide 11: Our Regulated Services Group

We operate across all three modalities of electric, water, and natural gas, and we service over 1.2 million customer connections, which translates to approximately 3 million customers assuming 3 customers per connection.

A key strength of our utilities business comes from its diversification. We own and operate regulated utilities that provide water, gas, and electric distribution services across 16 jurisdictions, including 13 U.S. states and 1 Canadian province. This diversity of operations across multiple regions, modalities, and regulatory environments provides strength to our overall operations. Because we serve customers across 16 jurisdictions, we seek to learn and deploy best practices to improve returns and reduce regulatory lag.

Slide 12: Our Renewable Energy Group

Our Renewable Energy Group is focused on developing and operating sustainable, clean energy generating facilities. We now have approximately 2.3 GW of gross generating capacity across 40 facilities. Similar to the utility side, our assets are diversified by modality - hydro, wind, solar and thermal. The majority of our power business is located in the U.S. Our geographic diversity helps to smooth out natural variations in production that occurs in renewable energy generation. As I mentioned earlier, currently approximately 81% of our production is supported by long-term off take agreements with an average contract duration of approximately 13 years.

Collectively, our two businesses each bring together long-term assets and provide a strong and stable base for our business.

Slide 13: Three Pillar Foundation

Our team continues to focus our efforts on Algonquin's three strategic pillars - Growth, Operational Excellence, and Sustainability

For **Growth**, we have levers on both sides of our business which help us to find and pursue attractive investment opportunities in a disciplined way. For instance, on the Regulated side, one lever of growth is our organic investments in improving the safety and reliability of our mission critical infrastructure.

For **Operational Excellence**, we seek to be close to our customers and communities and operate a local model with strong local teams and accountability, with positive regulatory outcomes.

And finally, we remain firmly committed to **Sustainability** through the inclusion of environmental, social and governance values in our broader corporate strategy and day to day operations, supported by our strong decarbonization track record and experience in regulated utility management and renewables development.

Slide 14: Operational Excellence in Action

As mentioned, Operational Excellence is one of our key pillars and we are focused on safety, security and reliability. This chart gives a great overview of how we have delivered sustained improvements against some of our key metrics:

I am particularly proud of our safety performance. Our employees are our most critical asset and we want them all to go home safely to their families each evening. In 2021, we have not had a single lost time injury across our North American business. To put this in context this equates to over 9.1 million hours of work since our last Lost Time Injury. This is a truly fantastic performance.

We know that **reliability** is important to our customers whatever the commodity we are providing. You can see here how over time we have continued to improve and reduce our average electric outage frequency rate with a 20% improvement over the last 5 years.

I am also pleased with our progress on JD Power. For those who are close to this metric and how it is measured there are some elements around brand recognition from advertising that are more biased to the larger utilities but from where we first measured ourselves back in 2017 we have seen a 60 point improvement.

The key message I want to leave you with is that assets under our management have generally performed better than they did before we acquired them, benefiting our customers **and** investors, and we look to do that year over year.

Slide 15: ESG is Embedded in Our Business Strategy

Sustainability is not a top down directive in our organization but something embraced across our business.

Late last year, we further embedded sustainability into our business strategy by announcing our 2050 Net Zero Target for our Scope 1 and 2 emissions. This target is expected to serve as a strategic guardrail for our business groups and drive alignment across all of our business groups for our long-term planning and business strategy.

And on the pathway to 2050 as we continue to refine our 2050 decarbonization initiatives it is our intent to announce refreshed interim goals as we approach 2023, the end of the timeframe for our nine current interim ESG-linked goals announced in 2019.

Decarbonization of our business and the businesses of our customers underpins our 2050 Net Zero Strategy and we see this not only as a social imperative but also as a significant value creation opportunity.

Slide 16: ESG Goals: our Sustainability Journey Continues

I would like to now provide a quick update on the progress we have made on our current 2023 interim sustainability goals:

- To date we have achieved 3 of our nine ESG goals and are making good progress on the remaining 6.

- With respect to our environmental goals, we have exceeded our target for one million metric tonnes of CO_2 e emissions reductions in our existing asset base and have made strong progress towards our goal to invest in at least 2,000 MW of new renewable generation assets and achieve a mix of 75% renewable energy in our current power generation fleet.
- Over the past two years, despite the challenges of the COVID pandemic, we will have successfully completed the largest renewable project construction program in our corporate history, reaching full commercial operations on an additional 1,400 megawatts of renewables. We've also been able to move our renewables mix from 45% of our generating fleet to 65%, a 44% improvement in three years.
- On our Social goals we are continuing to improve gender representation at our board and executive levels and making progress in our talent development pipeline, and we continue our journey towards top quartile customer satisfaction and employee engagement scores.
- On the governance side, we made progress with further embedding climate and sustainability targets in our incentive plans by adding achievement of our current ESG goals to our long term management incentive plan and to our annual incentive program for all eligible employees.

Slide 17: Kentucky Power Acquisition Cover slide

Turning now to discuss our acquisition of Kentucky Power. We view Kentucky Power as a good fit for Algonquin as we continue to pursue disciplined growth in our regulated services group through acquisitions at a compelling value, combined with opportunities to employ our greening the fleet capabilities.

Slide 18: Kentucky Power Acquisition Overview

On October 26, 2021, Algonquin and American Electric Power Company entered into a stock purchase agreement pursuant to which Algonquin will acquire Kentucky Power Company, or Kentucky Power, and AEP Kentucky Transmission Company, Inc., or Kentucky TransCo. Kentucky Power is a vertically integrated electric utility that services over 200,000 customer connections and is state and FERC regulated, while Kentucky TransCo is an electric transmission utility operating in the PJM integrated market and is FERC regulated.

The total enterprise cost of the acquisition is approximately $2.8 billion comprised of assumed debt of approximately $1.2 billion and a cash purchase price of approximately $1.6 billion. From our perspective, this represents an attractive value as a multiple of 1.3 times rate base, which is based on an estimated mid-year 2022 rate base of approximately $2.2 billion.

With respect to the financing plan, we have designed a financing plan intended to maintain our investment-grade credit ratings. Concurrent with announcement of the transaction, we announced a C$800 million bought deal offering of common shares to fund a portion of the purchase price.

We also secured an acquisition financing commitment from bank lenders to support the transaction.

We expect to close the transaction in mid 2022 subject to customary closing conditions, including the receipt of various state and federal regulatory and governmental approvals.

Slide 19: Strategic Rationale of KPCo Acquisition

Now I thought I'd spend a few minutes on the rationale behind this acquisition and why we feel strongly that it represents a strategic fit for us.

First, this transaction is expected to increase our pro forma regulatory business mix to nearly 80 percent of our portfolio from just over 70 percent currently, and further increase our service territory and regulatory jurisdiction diversification with a supportive regulatory framework. Once complete, we expect to have approximately $9 billion of rate base, increasing our pro forma electric rate base from 63 percent to 72 percent of our total expected pro forma rate base.

Second, we have significant greening the fleet experience, with a strong track record through the transition of utilities such as Empire and CalPeco. We plan on leveraging this experience at Kentucky Power. In particular, the

Kentucky Power business offers significant opportunities for us to transition the existing fossil fuel generation to rate renewables, which would reinforce our leading role in the transition to a low-carbon economy.

Third, we view this transaction to be of compelling value, and expect the transaction to be accretive to adjusted net earnings per share in the first full year of ownership, generating mid-single-digit accretion to adjusted net earnings per share thereafter, and support growth in our adjusted net earnings per share over the long term.

Slide 20: Kentucky Power – Greening the Fleet Playbook

Our agreement to acquire Kentucky Power is a great case study in deploying our two proven playbooks of greening the fleet and optimizing under-performing assets.

First, we have accumulated experience and in-house expertise with our greening the fleet capabilities and we plan to leverage this going forward. At our Empire District Electric utility, we reduced Empire's emissions' intensity by 33 percent from 2017 through the end of 2020. At CalPeco in California, we reduced annual emissions by over 38 percent during that same period.

With this strong track record, we plan on leveraging this experience at Kentucky Power which we believe offers significant opportunities for us to transition the existing fossil fuel generation to rate-based renewables. With the expiry of the Indiana-based Rockport coal purchase agreement in 2022 and the anticipated transfer or retirement of the West Virginia-based Mitchell coal plant in 2028, we see an opportunity to replace over 1,000 MW of fossil generation capacity with renewables. We look forward to partnering with the Kentucky Public Service Commission, or KPSC, through the Integrated Resource Planning process and leveraging our greenfield development expertise to deliver low cost clean energy solutions to Kentucky Power's customers as part of our demonstrated "Greening the Fleet" capabilities.

Given the path we see to decarbonization, this acquisition is in line with our commitment to achieve net zero greenhouse gas emissions by 2050.

Slide 21: Strategic Rationale – Optimizing Performance

Secondly – our playbook of optimizing under-performing assets.

We have a specialized skill set of integrating new acquisitions into the Algonquin Liberty family. We look to optimize, implement benchmarking, and share best practices. We are a disciplined and selective acquirer and we plan on continuing to prioritize financially accretive transactions that do not unduly jeopardize our strong balance sheet.

Similar to previous acquisitions, we plan to utilize our local customer-centric operational model to minimize disallowances by having transparency of our costs. This local model helps us manage our costs within our regulatory allowances. Also contributing to our ability to earn returns is a focus on added regulatory mechanisms. Under our ownership we have been able to secure revenue decoupling, capital trackers, property tax adjustments and similar mechanisms which all help the utilities increase their returns while providing bill stability and deploying the necessary capital to allow us to better serve our customers. For example, after the acquisition of Granite State Electric in New Hampshire, since our first test year our returns have averaged nearly 9% ROE whereas under prior ownership the returns were frequently under 3%. Similarly and perhaps more pertinently, at Empire District Electric prior to our acquisition ROEs achieved were commonly in the 7-8% range; whereas under our ownership we have been able to average nearly 9.5%.

Kentucky Power is primarily regulated by the KPSC, which we view as a constructive regulatory jurisdiction and rated “above average” by S&P. Kentucky Power is a utility that has historically realized ROE below the authorized levels when compared to peers in Kentucky. We see a compelling path forward to improve the earnings profile to achieve an ROE that is closer to the authorized 9.3% for the distribution rate base through the availability of certain key regulatory features. For instance, forward test years are not currently being employed by Kentucky Power despite its approved use by other regulated peers in the state and could provide for more timely recovery of costs. We look forward to working with the KPSC on implementing certain improvements to help us deploy the necessary investments to deliver reliable and clean electric services to Kentucky Power’s customers.

I’ll turn it back over to Arthur to speak to our financial strengths

Slide 22: Financial Overview

Thanks Arun, I’ll spend the next section of the presentation discussing Algonquin’s diversified and resilient business model from a financial perspective

Slide 23: Well Capitalized Diversified Balance Sheet

Turning to our Balance Sheet. We target to maintain a well-capitalized and diversified Balance Sheet providing for multiple sources of funding. Based on our latest reported numbers, Equity or Equity like instruments accounted for 56% of our total capitalization. Our shares are dual listed on the NYSE and the TSX allowing access to both the US and Canadian markets. In Canada, we are included in the TSX60 and iCLN indexes. During 2021, we expanded our equity sources through the issuance of Green Mandatory Convertible Equity Units.

Long Term Debt accounted for 38% of total capital and consists primarily of senior unsecured notes issued by our Renewable Energy and Regulated Groups where we have established financing platforms.

Finally we have about 6% of our total capital sourced from Hybrid Securities including junior subordinated notes and preferred shares. We receive 50% equity credit from S&P for these securities.

Our Balance Sheet is supported by over $2.6B of committed credit facilities providing available liquidity to satisfy expected near term funding requirements. We benefit from the strong relationships we have built with our banking partners across North America and internationally and have been fortunate to receive their significant support in maintaining a strong liquidity profile.

Slide 24– Credit Rating Profile

Algonquin is rated by S&P, Fitch and DBRS with all 3 rating agencies assigning a BBB rating, and we remain highly committed to maintaining these ratings in the long term. We believe that a BBB credit rating optimizes our cost of capital**.** To maintain this rating profile, we seek to manage certain metrics. For instance, we are focused on maintaining an Adjusted EBITDA business mix at or above 70% from our regulated business. The pending acquisition of Kentucky Power is expected to shift this mix to almost 80% regulated providing incremental headroom and flexibility.

Slide 25 Summary Cover Slide

Slide 26 Credit Highlights

I want to leave you with our key messages of the key credit highlights of Algonquin we spoke throughout this presentation.

With our mix of regulated and renewables, we have a resilient business with a strong balance sheet. We remain very excited that both of Algonquin’s Regulated and Renewables businesses are well aligned with the global push towards decarbonization, and are well positioned to benefit from this transformation, including our recent acquisition of Kentucky Power.

In summary, our three strategic pillars of growth, operational excellence and sustainability will be the key foundation as we continue to build the business and work to deliver long-term value to our stakeholders.

And with that, I’ll turn it over to the banks who will provide further details on the transaction

Slide 27 Transaction Summary -- Jake Horstman (WFS)

Thank you Arthur. This is Jake Horstman from the Wells Fargo Securities Debt Capital Markets Team. On behalf of Algonquin, and the joint bookrunners, Bank of America and Wells Fargo on the USD offering and RBC and TD on the CAD offering, we thank you for listening to the deal roadshow.

Before we wrap up, I will speak briefly to the key terms of the proposed offerings on slide 27.

The offerings will consist of benchmark size, $1,000 par US dollar and Canadian dollar Fixed to Fixed Rate Reset Junior Subordinated notes in Canada and the US. The tenor on the USD offering will be 60-year non-call 5.25 years and the CAD offering will be 60-year non-call 10 years.

The expected ratings on both offerings are BB+ (negative) at S&P and BB+ (stable) at Fitch.

As mentioned previously, the proceeds for the offerings are expected to be used to partially finance the Company’s acquisition of the Kentucky Power Entities.

The interest rate will be fixed rate until the First Interest Reset Date. Thereafter, for each Reset Period for the USD offering, the fixed rate will equal the five-year US Treasury Rate plus the original spread in year 5, plus the original spread plus 25 bps in year 10, and plus the original spread plus 100 bps in year 30.

For the CAD offering, for each Reset period, the fixed rate will equal the five year Government of Canada Yield plus the original spread plus 25 bps in year 10 and plus the original spread plus 100 bps in year 30.

The USD notes will be redeemable at par during 3 months preceding each interest reset date, or at make-whole at any time outside of a Par Call Period. The CAD notes will be redeemable at par at 10 years with a 3 month par call and thereafter on any Interest Payment Date, or any time at make-whole.

Last, the USD Offering is not being made to purchasers in Canada, and the CAD Offering is not being made to purchasers in the U.S.

Further details can be obtained by contacting Bank of America/Wells Fargo in the US and RBC and TD in Canada.

And with that, I’ll turn it over to Amelia who will close out the presentation.

Slide 28 Disclaimer Slide - Amelia

As mentioned at the beginning of the presentation, please refer to the screen for a written cautionary statement regarding the forward-looking statements and non-GAAP financial measures used during this presentation.

HAVE SLIDE STAY UP FOR 1 Minute

Algonquin

Algonquin Power & Utilities Corp. Announces Consideration of Subordinated Debt Offerings

OAKVILLE, Ontario – January 10, 2022 – Algonquin Power & Utilities Corp. ("AQN" or the "Company") (TSX/NYSE: AQN) today announced that it is considering an underwritten public offering in the United States of U.S. dollar denominated fixed-to-fixed reset rate junior subordinated notes series 2022-B due 2082 (the "U.S. Offering").

Concurrently with the U.S. Offering, AQN has also announced that it is considering an underwritten public offering in Canada of Canadian dollar denominated fixed-to-fixed reset rate junior subordinated notes series 2022-A due 2082 (the "Canadian Offering", and together with the U.S. Offering, the "Offerings"). The completion of the U.S. Offering is not contingent on the success of any other offering, including the Canadian Offering, and the completion of the Canadian Offering is not contingent on the success of any other offering, including the U.S. Offering. There is no certainty that AQN will complete either of the Offerings or as to the timing or terms on which either of the Offerings might be completed.

If successfully completed, AQN intends to use the net proceeds of each Offering to partially finance the Company's previously announced acquisition of Kentucky Power Company and AEP Kentucky Transmission Company, Inc. (the "Kentucky Power Acquisition"), provided that, in the short-term, prior to the closing of the Kentucky Power Acquisition, the Company expects to use the net proceeds of the Offerings to reduce amounts outstanding under existing credit facilities of the Company and its subsidiaries.

The U.S. Offering will be made to the public in the United States pursuant to a prospectus supplement filed under the Company's base shelf prospectus dated November 18, 2021 (the "Base Shelf Prospectus"), which will form part of the Company's effective registration statement filed with the U.S. Securities and Exchange Commission ("SEC"). The Canadian Offering will be made to the public in each of the provinces and territories of Canada pursuant to a prospectus supplement filed under the Base Shelf Prospectus.

The joint book-running managers for the U.S. Offering are BofA Securities and Wells Fargo Securities and the lead underwriters for the Canadian Offering are RBC Capital Markets and TD Securities. The terms of the notes offered pursuant to the U.S. Offering (the "U.S. Notes"), if any, will be set forth in a final prospectus supplement to be filed by AQN under AQN's issuer profile on SEDAR at www.sedar.com and with the SEC at www.sec.gov and the terms of the notes offered pursuant to the Canadian Offering (the "Canadian Notes"), if any, will be set forth in a final prospectus supplement to be filed by AQN under AQN's issuer profile on SEDAR at www.sedar.com. The Base Shelf Prospectus and the related prospectus supplements will contain important information about the U.S. Notes and the Canadian Notes, respectively. Investors should read the Base Shelf Prospectus and the applicable preliminary prospectus supplement before making an investment decision. Copies of the Base Shelf Prospectus and the preliminary prospectus supplement relating to the U.S. Notes may be obtained for free by visiting www.sedar.com or EDGAR on the SEC's website at www.sec.gov and copies of the Base Shelf Prospectus and the prospectus supplement relating to the Canadian Notes may be obtained for free by visiting www.sedar.com. Alternatively, AQN, any underwriter or any dealer participating (i) in the U.S. Offering will arrange to send you the Base Shelf Prospectus and the prospectus supplement relating to the U.S. Notes if you request it by calling BofA Securities, Inc. toll-free at 1-800-294-1322; or Wells Fargo

Securities, LLC toll-free at 1-800-645-3751 and (ii) in the Canadian Offering will arrange to send you the Base Shelf Prospectus and the prospectus supplement relating to the Canadian Notes if you request it by calling RBC Capital Markets at 416-842-6311; or TD Securities at 416-982-5676.

The U.S. Notes will not be qualified for distribution to purchasers in Canada, or to residents of Canada, under the securities laws of any province or territory of Canada. The U.S. Notes may not be, directly or indirectly, offered, sold or delivered in Canada or to residents of Canada.

The Canadian Notes will not be registered under the U.S. Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States or to U.S. persons without registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933 and applicable securities laws.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy the securities described in this news release, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

All dollar amounts referenced herein are in U.S. dollars unless otherwise noted.

About Algonquin Power & Utilities Corp.

Algonquin Power & Utilities Corp., parent company of Liberty, is a diversified international generation, transmission, and distribution utility with over $16 billion of total assets. Through its two business groups, the Regulated Services Group and the Renewable Energy Group, AQN is committed to providing safe, secure, reliable, cost-effective, and sustainable energy and water solutions through its portfolio of electric generation, transmission, and distribution utility investments to over one million customer connections, largely in the United States and Canada. AQN is a global leader in renewable energy through its portfolio of long-term contracted wind, solar, and hydroelectric generating facilities. AQN owns, operates, and/or has net interests in over 4 GW of installed renewable energy capacity.

AQN is committed to delivering growth and the pursuit of operational excellence in a sustainable manner through an expanding global pipeline of renewable energy and electric transmission development projects, organic growth within its rate-regulated generation, distribution, and transmission businesses, and the pursuit of accretive acquisitions.

AQN's common shares, Series A preferred shares, and Series D preferred shares are listed on the Toronto Stock Exchange under the symbols AQN, AQN.PR.A, and AQN.PR.D, respectively. AQN's common shares, Series 2018-A subordinated notes, Series 2019-A subordinated notes and equity units are listed on the New York Stock Exchange under the symbols AQN, AQNA, AQNB, and AQNU, respectively.

Caution Regarding Forward-Looking Information

Certain statements included in this news release constitute ''forward-looking information'' within the meaning of applicable securities laws in each of the provinces and territories of Canada and the respective policies, regulations and rules under such laws and ''forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, ''forward-looking statements"). The words "will", "expects", "intends" and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements in this news release include, but are not limited to, statements regarding the expected use of proceeds of the Offerings. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their very nature they rely upon assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in AQN's Management Discussion and Analysis and Annual Information Form for the year ended December 31, 2020 and AQN's Management Discussion and Analysis for the three months and nine months ended September 30, 2021, each of which is available on SEDAR and EDGAR, and those set out in the preliminary prospectus supplements related to the Offerings. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

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Algonquin

Algonquin Power & Utilities Corp. Announces Pricing of Subordinated Debt Offerings

OAKVILLE, Ontario – January 12, 2022 – Algonquin Power & Utilities Corp. ("AQN" or the "Company") (TSX/NYSE: AQN) today announced that it has priced the previously announced (i) underwritten public offering in the United States (the "U.S. Offering") of US$750 million aggregate principal amount of 4.75% fixed-to-fixed reset rate junior subordinated notes series 2022-B due January 18, 2082 (the "U.S. Notes"); and (ii) underwritten public offering in Canada (the "Canadian Offering" and, together with the U.S. Offering, the "Offerings") of C$400 million (approximately US$320 million) aggregate principal amount of 5.25% fixed-to-fixed reset rate junior subordinated notes series 2022-A due January 18, 2082 (the "Canadian Notes" and, together with the U.S. Notes, the "Notes"). Concurrent with the pricing of the Offerings, the Company entered into a cross currency interest rate swap, coterminous with the Canadian Notes, to convert the Canadian dollar denominated proceeds from the Canadian Offering into U.S. dollars, resulting in an effective interest rate to the Company of approximately 5.08% throughout the initial fixed-rate period of the Canadian Notes. The Offerings are expected to close on or about January 18, 2022, subject to customary closing conditions.

AQN intends to use the net proceeds of the Offerings to partially finance the Company's previously announced acquisition of Kentucky Power Company and AEP Kentucky Transmission Company, Inc. (the "Kentucky Power Acquisition"), provided that, in the short-term, prior to the closing of the Kentucky Power Acquisition, the Company expects to use the net proceeds of the Offerings to reduce amounts outstanding under existing credit facilities of the Company and its subsidiaries.

The U.S. Offering is being made to the public in the United States pursuant to a prospectus supplement filed under the Company's base shelf prospectus dated November 18, 2021 (the "Base Shelf Prospectus"), which will form part of the Company's effective registration statement filed with the U.S. Securities and Exchange Commission ("SEC"). The Canadian Offering is being made to the public in each of the provinces and territories of Canada pursuant to a prospectus supplement filed under the Base Shelf Prospectus.

The joint book-running managers for the U.S. Offering are BofA Securities and Wells Fargo Securities and the lead underwriters for the Canadian Offering are RBC Capital Markets and TD Securities. The terms of the U.S. Notes will be set forth in a final prospectus supplement to be filed by AQN under AQN's issuer profile on SEDAR at www.sedar.com and with the SEC at www.sec.gov and the terms of the Canadian Notes will be set forth in a final prospectus supplement to be filed by AQN under AQN's issuer profile on SEDAR at www.sedar.com. The Base Shelf Prospectus and the related prospectus supplements will contain important information about the U.S. Notes and the Canadian Notes, respectively. Investors should read the Base Shelf Prospectus and the applicable prospectus supplement before making an investment decision. Copies of the Base Shelf Prospectus and the prospectus supplement relating to the U.S. Notes may be obtained for free by visiting www.sedar.com or EDGAR on the SEC's website at www.sec.gov and copies of the Base Shelf Prospectus and the prospectus supplement relating to the Canadian Notes may be obtained for free by visiting www.sedar.com. Alternatively, AQN, any underwriter or any dealer participating (i) in the U.S. Offering will arrange to send you the Base Shelf Prospectus and the prospectus supplement relating to the U.S. Notes if you request it by calling BofA Securities, Inc. toll-free at 1-800-294-1322; or Wells Fargo Securities, LLC toll-free at 1-800-645-3751 and (ii) in the Canadian Offering will arrange to send you the Base Shelf Prospectus and the prospectus supplement relating to the Canadian Notes if you request it by calling RBC Capital Markets at 416-842-6311; or TD Securities at 416-982-5676.

The U.S. Notes will not be qualified for distribution to purchasers in Canada, or to residents of Canada, under the securities laws of any province or territory of Canada. The U.S. Notes may not be, directly or indirectly, offered, sold or delivered in Canada or to residents of Canada.

The Canadian Notes will not be registered under the U.S. Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States or to U.S. persons without registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933 and applicable securities laws.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy the securities described in this news release, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

All dollar amounts referenced herein are in U.S. dollars unless otherwise noted.

About Algonquin Power & Utilities Corp.

Algonquin Power & Utilities Corp., parent company of Liberty, is a diversified international generation, transmission, and distribution utility with over $16 billion of total assets. Through its two business groups, the Regulated Services Group and the Renewable Energy Group, AQN is committed to providing safe, secure, reliable, cost-effective, and sustainable energy and water solutions through its portfolio of electric generation, transmission, and distribution utility investments to over one million customer connections, largely in the United States and Canada. AQN is a global leader in renewable energy through its portfolio of long-term contracted wind, solar, and hydroelectric generating facilities. AQN owns, operates, and/or has net interests in over 4 GW of installed renewable energy capacity.

AQN is committed to delivering growth and the pursuit of operational excellence in a sustainable manner through an expanding global pipeline of renewable energy and electric transmission development projects, organic growth within its rate-regulated generation, distribution, and transmission businesses, and the pursuit of accretive acquisitions.

AQN's common shares, Series A preferred shares, and Series D preferred shares are listed on the Toronto Stock Exchange under the symbols AQN, AQN.PR.A, and AQN.PR.D, respectively. AQN's common shares, Series 2018-A subordinated notes, Series 2019-A subordinated notes and equity units are listed on the New York Stock Exchange under the symbols AQN, AQNA, AQNB, and AQNU, respectively.

Caution Regarding Forward-Looking Information

Certain statements included in this news release constitute ‘‘forward-looking information’’ within the meaning of applicable securities laws in each of the provinces and territories of Canada and the respective policies, regulations and rules under such laws and ‘‘forward-looking statements’’ within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, ‘‘forward-looking statements”). The words “will”, “expects”, “intends” and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements in this news release include, but are not limited to, statements regarding closing of the Offerings and the expected use of proceeds of the Offerings. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their very nature they rely upon assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in AQN's Management Discussion and Analysis and Annual Information Form for the year ended December 31, 2020 and AQN's Management Discussion and Analysis for the three months and nine months ended September 30, 2021, each of which is available on SEDAR and EDGAR, and those set out in the prospectus supplements related to the Offerings. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

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Algonquin

Algonquin Power & Utilities Corp. to Provide Business Update at Investor Day

OAKVILLE, Ontario – December 14, 2021 – Today Algonquin Power & Utilities Corp. ("AQN" or the “Company”) (TSX/NYSE: AQN) will be hosting its annual Analyst and Investor Day in a virtual format. During the event, members of the executive team will provide an update on AQN’s strategic priorities and an overview of its financial position.

"We executed on many strategic initiatives in 2021, including the agreement to purchase Kentucky Power, an acquisition aligned with our three strategic pillars of growth, operational excellence and sustainability,” said Arun Banskota, President and Chief Executive Officer of AQN. “As we look ahead, against the backdrop of strong policy tailwinds and a large renewable energy investment opportunity, we are pleased to announce a capital plan of $12.4 billion for 2022 through 2026. Both our regulated and renewables businesses are well positioned to benefit from and contribute to the decarbonization transition, while creating long term shareholder value.”

Business Highlights:

- The Company continues to focus on its strategic pillar of growth, including a new $12.4 billion capital plan from 2022 through 2026, which represents a net $3.0 billion increase from AQN’s previous $9.4 billion plan for 2021 through 2025. With the Company having deployed nearly $3.4 billion during the first nine months of 2021, the new five-year capital plan includes $6.4 billion of incremental capital investment compared to the previous plan.

- The Company has advanced over 600 MW from its prospective greenfield pipeline into its new five-year capital plan, including: (i) four solar projects in the U.S. Permian Basin to be developed under the framework agreement with Chevron Corporation, (ii) Blue Violet Wind, a Michigan wind project, and (iii) Riverbend, an Illinois hybrid wind and solar project that may also incorporate battery storage.

- The Company continues to expand its prospective greenfield development pipeline, which is now comprised of approximately 3,800 MW of wind and solar opportunities and approximately 1,700 MWh of battery storage opportunities.

Financial Highlights and Outlook:

- Approximately 70%, or $8.8 billion, of the investment opportunities in the Company’s $12.4 billion capital plan from 2022 through 2026 are expected to be invested by the Regulated Services Group, while approximately 30%, or $3.6 billion, are expected to be invested by the Renewable Energy Group.

- AQN expects Adjusted Net Earnings per share of $0.72 to $0.77 for the 2022 fiscal year and forecasts an Adjusted Net Earnings per share compound annual growth rate in the range of 7%-9% for the five-year period from 2022 through 2026. Please see “Caution Regarding Forward-Looking Information” and “Non-GAAP Financial Measures” below.

All dollar amounts referenced herein are in U.S. dollars unless otherwise noted.

Presentation materials will be available on the Company’s website at www.algonquinpower.com.

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Conference call details are as follows:

Date:	Tuesday, December 14, 2021	
Time:	9:00 a.m. EST to 11:30 a.m. EST	
Webcast Access:	https://webinars.vantagevenues.com/algonquin-investor-day-2021/	
	Presentation will also be available at: www.algonquinpowerandutilities.com	
Dial-in Access:	**Toll Free Canada/U.S.**	1-833-670-0721
	Please use following passcode to join the conference call: 9180565	

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Visit AQN at www.algonquinpowerandutilities.com and follow us on Twitter @AQN_Utilities.

Caution Regarding Forward-Looking Information

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Algonquin

conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in AQN's Management Discussion & Analysis and Annual Information Form for the year ended December 31, 2020, and in AQN's Management Discussion & Analysis for the three months and nine months ended September 30, 2021 (the "Interim MD&A"), each of which is available on SEDAR and EDGAR. In addition, the Company's expected Adjusted Net Earnings per share range of $0.72 to $0.77 for the 2022 fiscal year is based on the following additional assumptions:

- normalized weather patterns in the geographical areas in which the Company operates or has projects;
- rate decisions in line with expectations;
- renewable energy production and realized pricing consistent with long-term averages;
- no impacts from COVID-19 on operations;
- closing of the acquisition of New York American Water Company, Inc. at the beginning of 2022; and
- closing of the acquisition of Kentucky Power Company and AEP Kentucky Transmission Company, Inc. in mid-2022.

Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Non-GAAP Financial Measures

The term “Adjusted Net Earnings” is not a recognized measure under U.S. GAAP. There is no standardized measure of “Adjusted Net Earnings” and, consequently, AQN's method of calculating this measure 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 “Adjusted Net Earnings”, including a reconciliation to net earnings, is set out below and can also be found in the Interim MD&A and the Annual MD&A.

“Adjusted Net Earnings” is a non-GAAP measure used by many investors to compare net earnings from operations without the effects of certain volatile primarily non-cash items that generally have no current economic impact or items such as acquisition expenses or litigation expenses that are viewed as not directly related to a company's operating performance. AQN uses “Adjusted Net Earnings” to assess its performance without the effects of (as applicable): gains or losses on foreign exchange, foreign exchange forward contracts, interest rate swaps, acquisition costs, one-time costs of arranging tax equity financing, litigation expenses and write down of intangibles and property, plant and equipment, earnings or loss from discontinued operations, unrealized mark-to-market revaluation impacts (other than those realized in connection with the sales of development assets), costs related to management succession and executive retirement, costs related to prior period adjustments due to the Tax Cuts and Jobs Act, costs related to condemnation proceedings, financial impacts on the Company's Senate Wind Facility from the significantly elevated pricing that persisted in the Electric Reliability Council of Texas market over several days as a result of the February 2021 extreme winter storm conditions experienced in Texas and parts of the central U.S., changes in value of investments carried at fair value, and other typically non-recurring items as these are not reflective of the performance of the underlying business of AQN. The non-cash accounting charge related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of the Tax Cuts and Jobs Act is adjusted as it is also considered a non-recurring item not reflective of the performance of the underlying business of AQN. AQN believes that analysis and presentation of net earnings or loss on this basis will enhance an investor's understanding of the operating performance of its businesses. "Adjusted Net Earnings" is not intended to be representative of net earnings or loss determined in accordance with U.S. GAAP, and can be impacted positively or negatively by these items.

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Algonquin

Algonquin Power & Utilities Corp. Announces Agreement to Acquire Kentucky Power Company and Concurrent Bought Deal Common Equity Financing

This news release constitutes a "designated news release" for the purposes of the Company's prospectus supplement dated May 15, 2020 to its short form base shelf prospectus dated April 3, 2020. All amounts are shown in United States dollars ("$") unless otherwise indicated.[1]

Strategic acquisition of a fully regulated electric utility reinforces AQN's leadership in the energy transition

Key Highlights

- Expected to add over $2 billion[2] of regulated rate base assets in a favourable regulatory jurisdiction.
- Expected to be supportive of AQN's overall Adjusted Net Earnings[3] per share growth rate underpinned by further regulated asset growth.
- Intention to leverage the Company's "greening the fleet" capabilities, with an opportunity to replace over 1 GW of rate based fossil fuel generation with renewable energy.
- Delivers compelling value with expected rate base acquisition multiple of 1.3x based on expected mid-year 2022 rate base of $2.2 billion.
- Expected to be accretive to AQN's Adjusted Net Earnings per share in the first full year of ownership and to generate mid-single digit percentage accretion thereafter.
- Aligns with AQN's target to achieve net-zero greenhouse gas emissions (scope 1 and 2) by 2050.
- Kentucky Power will maintain its headquarters in Kentucky, and the Transaction is expected to enhance investment and employment in the state.
- Concurrent C$800 million ($646 million) bought deal common equity financing will fund a portion of the Transaction purchase price. Following closing of the financing, the Company does not expect to raise additional capital by way of issuance of common equity through mid-2022, being the expected timing for closing of the Transaction.
- Financing plan designed to maintain investment grade credit ratings.

OAKVILLE, Ontario – October 26, 2021 – Algonquin Power & Utilities Corp. (TSX: AQN) (NYSE: AQN) ("AQN" or the "Company") today announced that Liberty Utilities Co., an indirect subsidiary of AQN, has entered into an agreement with American Electric Power (NASDAQ: AEP) ("AEP") to acquire Kentucky Power Company ("Kentucky Power") and AEP Kentucky Transmission Company, Inc. ("Kentucky TransCo") for a total purchase price of approximately $2.846 billion (approximately C$3.523 billion), including the assumption of approximately $1.221 billion in debt (the "Transaction"). Kentucky Power is a state rate-regulated electricity generation, distribution and transmission utility operating within the Commonwealth of Kentucky, serving approximately 228,000 active customer connections and operating under a cost of service framework. Kentucky TransCo is an electricity transmission business operating in the Kentucky portion of the transmission infrastructure that is part of the Pennsylvania – New Jersey – Maryland regional transmission organization ("PJM"). Kentucky Power and Kentucky TransCo are both regulated by the U.S. Federal Energy Regulatory Commission ("FERC").

"The acquisition of Kentucky Power and Kentucky TransCo is a continuation of AQN's disciplined growth strategy, adding to its regulated footprint in the United States. Kentucky Power offers an opportunity for AQN to utilize its "greening the fleet" capabilities in a complementary and constructive jurisdiction. Including Kentucky Power under the AQN umbrella also enables AQN to leverage its operational experience to improve customer outcomes in Kentucky by executing on AQN's core values of providing safe and reliable service to its customers. The Transaction is expected to be accretive to Adjusted Net Earnings per share and to support the Company's growth trajectory, extend AQN's environmental leadership by providing an opportunity to replace over 1 GW of rate based fossil fuel generation with renewable energy, and add long lived, regulated assets to its portfolio," commented Arun Banskota, President and Chief Executive Officer of AQN.

1. *Where applicable in this news release, the following Bank of Canada October 25, 2021 exchange rates have been used: (1) a U.S. dollar to Canadian dollar exchange rate of 1.2379, and (2) a Canadian dollar to U.S. dollar exchange rate of 0.8078.*
2. *Mid-2022 estimate.*
3. *Please refer to "Non-GAAP Financial Measures" at the end of this document for further details.*
4. *Mid-2022 estimate, including AQN's pending acquisition of New York American Water Company, Inc.*

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Transaction Highlights

Significant Growth in Regulated Electric Utility Operations
The acquisition of Kentucky Power and Kentucky TransCo is expected to add over $2 billion[2] of regulated electricity generation, distribution and transmission rate base assets to the Company's current portfolio, increasing AQN's pro forma electric rate base from 63%[4] to 72%[4] of AQN's estimated total pro forma rate base calculated as of mid-year 2022. Upon closing of the Transaction, AQN expects its regulated rate base to increase by 32% to approximately $9 billion[4], its customer base to increase by 19% to over 1.4[4] million customer connections and to have approximately 41,000[4] miles of distribution and transmission infrastructure, representing a 37% increase. As a result of the Transaction, AQN's business mix is expected to shift to nearly 80%[4] regulated operations, calculated on a pro forma basis as of mid-year 2022.

Leverages Greening the Fleet Experience & Re-Confirms Leadership in the Energy Transition
Kentucky Power currently operates two regulated electricity generation facilities (the Mitchell coal generating facility in West Virginia and the Big Sandy natural gas generating facility in Kentucky), and procures electricity under a unit power agreement ("UPA") with the Rockport coal generating facility as well as through market purchases in PJM. In separate filings, Kentucky Power and AEP's Wheeling Power subsidiary plan to seek regulatory approval to transfer operational control of Mitchell Plant to Wheeling Power and set up Kentucky Power's exit from the plant in 2028.

To support the expiry of the Rockport UPA in 2022 and the expected transfer or retirement (for rate-making purposes in Kentucky) of Kentucky Power's 50% ownership interest (representing 780 MW) in the Mitchell facility in 2028, Kentucky Power is expected to have the opportunity to replace these fossil fuel generation sources with renewable generation. The addition of this generation would support the transition of Kentucky Power's generating mix to non-emitting generation sources and materially reduce the greenhouse gas ("GHG") emissions intensity of its generation output.

The Company has significant experience in "greening" fleets of regulated fossil fuel generation. In 2017, AQN completed the acquisition of The Empire District Electric Company ("Empire") and recently completed a $1.1 billion investment in 600 MW of wind generation ("greening the fleet") to support Empire's service territory, which included the early retirement of the Asbury Coal Plant, reducing GHG emissions by nearly one million metric tons, a reduction in absolute emissions (scope 1 and 2) by 33% and a 26% reduction in emission intensity through the end of 2020 from 2017 levels at Empire. Similarly, at CalPeco, AQN's electricity utility in California, the Company has implemented similar initiatives, investing approximately $132 million in the addition of two utility scale solar generation facilities in order to provide clean energy for its California customers which has contributed to a 38% reduction in absolute emissions (scope 1 and 2) and a 47% reduction in emission intensity through the end of 2020 compared to 2017 levels.

Accretive to Earnings and Maintains Investment Grade Credit Profile
Based on the financing plan detailed below and expectations around earnings for Kentucky Power and Kentucky TransCo over the short- and long-term, the Transaction is expected to (i) be accretive to Adjusted Net Earnings per share in the first full year of ownership, (ii) generate mid-single digit percentage Adjusted Net Earnings per share accretion thereafter and (iii) support growth in AQN's Adjusted Net Earnings per share over the long-term with a financing plan designed to maintain AQN's investment grade credit ratings.

Commitment to Kentucky Power's Communities, Customers and Employees
Following the closing of the Transaction, Kentucky Power will continue to be regulated by the Kentucky Public Service Commission and FERC and Kentucky TransCo will continue to be regulated by FERC. AQN intends to maintain Kentucky Power's headquarters in the state of Kentucky and enhance investment as well as employment opportunities in the state. As the Company integrates Kentucky Power, incremental employment opportunities are expected as certain formerly centralized activities are anticipated to be delivered locally. In addition, AQN expects that Kentucky Power will continue to support the communities in its existing service territories.

Net-Zero Target
On October 5, 2021, the Company announced its target to achieve net-zero by 2050. This target is rooted in AQN's purpose of *sustaining energy and water for life* and is a reflection of the Company's track record of being a leader in the transition to a low-carbon economy. AQN's longer-term plans with respect to "greening the fleet" and decarbonization initiatives at Kentucky Power are aligned with AQN's purpose and goal of achieving net-zero across the Company's business operations for scope 1 and scope 2 emissions by 2050.

Approvals
Closing of the Transaction is subject to receipt of certain regulatory and governmental approvals, including the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, clearance of the Transaction by the Committee on Foreign Investment in the United States, the approval by each of the Kentucky Public Service Commission and FERC, and the approval of the Public Service Commission of West Virginia with respect to the termination and replacement of the existing operating agreement for the Mitchell facility, and the satisfaction of other customary closing conditions. If the acquisition agreement is terminated in certain circumstances, the Company may be required to pay to AEP a termination fee. The Transaction is expected to close in mid-2022.

Financing Plan and Concurrent Bought Deal Common Equity Financing
AQN has obtained a $2.725 billion syndicated acquisition financing commitment from CIBC and Scotiabank to support the Transaction. The acquisition financing commitment is subject to customary terms and conditions, including certain commitment reductions upon closing of permanent financing.

Today, the Company entered into an agreement with a syndicate of underwriters led by CIBC Capital Markets and Scotiabank (collectively, the "Underwriters"), pursuant to which the Underwriters have agreed to purchase, on a bought deal basis, an aggregate of 44,080,000 common shares of the Company (the "Shares") at an offering price of C$18.15 per Share (the "Offering Price") for total gross proceeds to the Company of C$800 million ($646 million) (the "Offering"). In connection with the Offering, the Company has granted the Underwriters an over-allotment option, exercisable in whole or in part, at any time for a period of 30 days following the closing of the Offering, to purchase up to an additional 6,612,000 Shares at the Offering Price (the "Over-Allotment Option"). If the Over-Allotment Option is exercised in full, the gross proceeds of the Offering will be C$920 million ($743 million).

The net proceeds of the Offering are expected to be used to (a) partially finance the Transaction purchase price, and (b) in the short-term, prior to the closing of the Transaction, reduce amounts outstanding under existing credit facilities of the Company and its subsidiaries. Following closing of the Offering, the Company does not expect to raise additional capital by way of the issuance of common equity through mid-2022, being the expected timing for closing of the Transaction. The remainder of the Transaction cash purchase price of approximately $979 million (approximately $882 million if the Over-Allotment Option is exercised in full) is expected to be satisfied through a variety of funding sources, which may include a combination of hybrid debt, equity units, and/or the monetization of non-regulated assets or investments. The timing of the remaining financing activities will be influenced by the regulatory approval process for the Transaction and are subject to prevailing market conditions. The Company's financing plan is designed to maintain its investment grade credit ratings.

The Shares will be issued by way of a short form prospectus filed with securities regulatory authorities in each of the provinces of Canada and a registration statement filed with the U.S. Securities and Exchange Commission (the "SEC") under the multi-jurisdictional disclosure system. The Company has filed a preliminary short form prospectus and a registration statement (including a preliminary short form prospectus) in respect of the Offering. The preliminary short form prospectus is subject to amendment and completion and the registration statement has not yet become effective. Investors should read the short form prospectus and registration statement before making an investment decision. Completion of the Offering is subject to customary conditions, including receipt of the approval of the Toronto Stock Exchange and the New York Stock Exchange and the issuance of a receipt for the final prospectus by provincial securities regulatory authorities in each of the provinces of Canada. The Offering is expected to close on or about November 8, 2021.

This news release does not constitute an offer to sell or the solicitation of any offer to buy nor will there be any sale of these securities in any province, state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such province, state or jurisdiction.

Financial Outlook
On November 11, 2021, the Company is expected to release its financial results for the quarter ending September 30, 2021. Based on currently available, preliminary information, results are estimated to be moderately impacted by lower than forecasted wind resource at certain of the Company's renewable energy facilities, largely offset by lower than forecasted depreciation and interest expense as well as the self-monetization of tax attributes from its renewable energy facilities.

In addition, the Company currently expects its Adjusted Net Earnings per share for the 2021 fiscal year to be in or around the lower end of the Company's previously-disclosed range of $0.71 to $0.76. This estimate is based on, and should be read in conjunction with, the assumptions referred to and set out under "Caution Regarding Forward-Looking Statements" below.

The Company's estimated financial results set out in this news release constitute "forward-looking statements" and "forward-looking information" within the meaning of applicable securities laws. Actual results may differ materially. Accordingly, investors are cautioned not to place undue reliance on these estimates. See "Caution Regarding Forward-Looking Statements" below.

Financial Advisors
Morgan Stanley & Co. LLC and CIBC Capital Markets acted as financial advisors to AQN for the Transaction.

Teleconference Call Details: AQN management will host a conference call for investors and analysts at 4:45 pm Eastern Time today to discuss the Transaction.

Date:	Tuesday, October 26, 2021	
Time:	4:45pm ET	
Conference Call:	Toll Free Dial-In Number (Canada/US):	1-800-806-5484
	Local Dial-In Number	416-340-2217
	Participant passcode:	2956771#
	International Dial-In Numbers:	https://www.confsolutions.ca/ILT?oss=7P9R8008065484
	Presentation also available at: www.algonquinpowerandutilities.com	

Availability of Documents
The Company has filed a preliminary short form prospectus relating to the Offering with securities regulatory authorities in each of the provinces of Canada and a registration statement (including the preliminary short form prospectus) with the SEC for the Offering to which this communication relates. The Shares may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. Before readers invest, they should read the prospectus in that registration statement and other documents the Company has filed with the SEC for more complete information about the Company and the Offering. Potential investors may get any of these documents for free by visiting EDGAR on the SEC website at www.sec.gov or via SEDAR at www.sedar.com. Copies of such documents may also be obtained from CIBC Capital Markets, 161 Bay Street, 5th Floor, Toronto, ON M5J

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2S8, by telephone at 1-416-956-6378 or by email at Mailbox.CanadianProspectus@cibc.com; or Scotia Capital Inc., Attention: Equity Capital Markets, Scotia Plaza, 62nd Floor, 40 King Street West, Toronto, Ontario M5H 3Y2, or by telephone at 1-416-863-7704 and in the United States from Scotia Capital (USA) Inc., Attention: Equity Capital Markets, 250 Vesey Street, 24th Floor, New York, New York, 10281, or by telephone at 1-212-225-6853 or by email at equityprospectus@scotiabank.com.

About AQN and Liberty

AQN, parent company of Liberty, is a diversified international generation, transmission, and distribution utility with over $16 billion of total assets. Through its two business groups, the Regulated Services Group and the Renewable Energy Group, AQN is committed to providing safe, secure, reliable, cost-effective, and sustainable energy and water solutions through its portfolio of electric generation, transmission, and distribution utility investments to over one million customer connections, largely in the United States and Canada. AQN is a global leader in renewable energy through its portfolio of long-term contracted wind, solar, and hydroelectric generating facilities. AQN owns, operates, and/or has net interests in over 4 GW of installed renewable energy capacity.

AQN is committed to delivering growth and the pursuit of operational excellence in a sustainable manner through an expanding global pipeline of renewable energy and electric transmission development projects, organic growth within its rate-regulated generation, distribution, and transmission businesses, and the pursuit of accretive acquisitions.

AQN’s common shares, Series A preferred shares, and Series D preferred shares are listed on the Toronto Stock Exchange under the symbols AQN, AQN.PR.A, and AQN.PR.D, respectively. AQN's common shares, Series 2018-A subordinated notes, Series 2019-A subordinated notes and equity units are listed on the New York Stock Exchange under the symbols AQN, AQNA, AQNB, and AQNU, respectively.

Visit AQN at www.algonquinpower.com and follow us on Twitter @AQN_Utilities.

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Caution Regarding Forward-Looking Statements

Certain statements included in this news release constitute ''forward-looking information'' within the meaning of applicable securities laws in each of the provinces of Canada and the respective policies, regulations and rules under such laws and ''forward-looking statements'' within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, ''forward-looking statements"). The words "will", "expects", "targets", "plans", "would" and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements in this news release include, but are not limited to statements regarding the Transaction and related expectations regarding the satisfaction of closing conditions, including regulatory approvals; the expected closing date of the Transaction; the financing of the Transaction; the impact and expected benefits of the Transaction to the Company, including the impact of the Transaction on the Company's business, operations and financial condition; the Company's sustainability and decarbonization targets, initiatives and goals (including the Company's ability to achieve these initiatives and goals); expectations regarding the impact on the Transaction on Kentucky Power and Kentucky Transco and their stakeholders, including expectations regarding enhanced investment and employment in the state of Kentucky; the Company's "greening the fleet" plans with respect to Kentucky Power, including with respect to the Mitchell facility; the expected performance and growth of the Company, including expectations regarding the Company's third quarter 2021 financial results and 2021 Adjusted Net Earnings per share; expectations regarding the Company's customer base, total rate base, electric rate base, distribution and transmission infrastructure and business mix following completion of the Transaction; expectations regarding the Company's credit ratings following completion of the Transaction; expectations regarding the issuance of additional common equity by the Company; the Company's expectations regarding the benefits, outcomes and impacts of transitioning to renewable energy; and expectations regarding the Offering, including the use of proceeds and expected timing thereof. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. The Company cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in the Company's preliminary short form prospectus dated the date hereof, Management Discussion & Analysis for the three and twelve months ended December 31, 2020 ("Annual MD&A"), Annual Information Form for the year ended December 31, 2020, and Company's Management Discussion & Analysis for the three months ended June 30, 2021 (the "Interim MD&A"), each of which is available on SEDAR and EDGAR. In addition, the Company's estimates regarding its 2021 Adjusted Net Earnings per share described herein are based on the following additional assumptions:

- normalized weather patterns in the geographical areas in which the Company operates or has projects;
- a renewable resource estimate and realized pricing that is consistent with long-term averages;
- the Company being able to obtain favourable regulatory outcomes, including fuel cost recovery at its Missouri electric utility relating to the February 2021 extreme winter storm conditions experienced in the area; and
- absence of adverse supply chain impacts or other delays impacting the estimated placed-in-service timing of the Company's 2021 construction projects.

Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Forward-looking statements contained herein (including any financial outlook) are provided for the purposes of assisting the reader in understanding the Company and its business, operations, risks, financial performance, financial position and cash flows as at and for the periods indicated and to present information about management's current expectations and plans relating to the future, and the reader is cautioned that such information may not be appropriate for other purposes. Other than as specifically required by law, the Company undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

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Non-GAAP Financial Measures

The term "Adjusted Net Earnings" is used in this press release. The terms "Adjusted Net Earnings" and "Adjusted Net Earnings per share" are not recognized measures under U.S. GAAP. There is no standardized measure of "Adjusted Net Earnings" or "Adjusted Net Earnings per share"; consequently, AQN'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. An explanation, calculation and analysis of "Adjusted Net Earnings" and "Adjusted Net Earnings per share", including a reconciliation to the most directly comparable U.S. GAAP measure, where applicable, can be found in the Interim MD&A and the Annual MD&A.

Adjusted Net Earnings

Adjusted Net Earnings is a non-GAAP measure used by many investors to compare net earnings from operations without the effects of certain volatile primarily non-cash items that generally have no current economic impact or items such as acquisition expenses or litigation expenses that are viewed as not directly related to a company's operating performance. AQN uses Adjusted Net Earnings to assess its performance without the effects of (as applicable): gains or losses on foreign exchange, foreign exchange forward contracts, interest rate swaps, acquisition costs, one-time costs of arranging tax equity financing, certain litigation expenses and write down of intangibles and property, plant and equipment, earnings or loss from discontinued operations, unrealized mark-to-market revaluation impacts (other than those realized in connection with the sales of development assets), costs related to management succession and executive retirement, costs related to prior period adjustments due to the Tax Cuts and Jobs Act ("U.S. Tax Reform"), costs related to condemnation proceedings, financial impacts on the Company's Senate Wind Facility from the significantly elevated pricing that persisted in the Electric Reliability Council of Texas market over several days as a result of the February 2021 extreme weather conditions experienced in Texas and parts of the central U.S., changes in value of investments carried at fair value, and other typically non-recurring or unusual items as these are not reflective of the performance of the underlying business of AQN. The non-cash accounting charge related to the revaluation of U.S. deferred income tax assets and liabilities as a result of implementation of the effects of U.S. Tax Reform is adjusted as it is also considered a non-recurring item not reflective of the performance of the underlying business of AQN. AQN believes that analysis and presentation of net earnings or loss on this basis will enhance an investor's understanding of the operating performance of its businesses. AQN uses per share Adjusted Net Earnings to enhance assessment and understanding of the performance of AQN. Adjusted Net Earnings and Adjusted Net Earnings per share are not intended to be representative of net earnings or loss determined in accordance with U.S. GAAP, and can be impacted positively or negatively by these items.

Q3 2021 Earnings Conference Call Speaking Notes

Friday, November 12, 2021 – 10:00 a.m. Toronto Time

Slide: Cover

Amelia Tsang

Good morning, everyone. Thanks for joining us this morning for our third quarter earnings conference call.

Presenting on the call today are Arun Banskota, our President and Chief Executive Officer, and Arthur Kacprzak, our Chief Financial Officer. Also joining us this morning for the question and answer part of the call will be Jeff Norman, our Chief Development Officer and Johnny Johnston, our Chief Operating Officer.

To accompany our earnings call today we have a supplemental webcast presentation available on our web site, AlgonquinPowerandUtilities.com. Our financial statements and Management discussion and analysis are also available on the website as well as on SEDAR and EDGAR.

Slide 2: Disclaimer

Before continuing the call, we would like to remind you that our discussion during the call will include certain forward-looking information, including but not limited to, our expectations regarding future earnings, capital expenditures and pending acquisitions. At the end of the call, I will read a notice regarding both forward-looking information and non-GAAP financial measures. Please also refer to our most recent MD&A filed on SEDAR and EDGAR, and available on our website, for additional important information on these items.

Slide 3: Agenda

On our call this morning, Arun will provide an overview of our Q3 performance, Arthur will follow with the Financial Results and then Arun will conclude with an update on our strategic plan for the business.

We will then open the lines for questions. I ask that you restrict your questions to two, and then re-queue if you have any additional questions to allow others the opportunity to participate.

With that, I'll turn it over to Arun….

Slide 4: Q3 2021 Strategic Achievements

Arun Banskota:

Thank you and a very good morning to those who've been able to join us on the call and on-line.

Slide 5: Q3 2021 Strategic Achievements

I'm pleased to report solid key financial metrics for the third quarter of the year.

- Q3 Adjusted EBITDA was $252 million, a 27% increase year over year and
- Our Q3 Adjusted Net Earnings per Share was $0.15 – in line with last year

On our regulated side of the business, operating profit was positively impacted by the addition of our new Empire wind facilities as well as the first full year of operations from our Bermuda electric utility and the ESSAL water utility in Chile, which both closed late last year and have both performed in line with our expectations.

On the Renewables side of the business, operating profit from our new facilities such as Sugar Creek and Maverick Creek contributed to increased earnings on a year over year basis. Excluding new facilities, production was 7.3% below the same period last year due to lower wind resource but this was partially offset from other income including increased Renewable Energy Credit or REC revenues.

I'm pleased to report that the company's operating results were not materially impacted by the pandemic this quarter. Recall that in the third quarter last year, the pandemic did have a $0.01 impact on earnings per share. Generally speaking, we are not seeing negative impacts from COVID on our loads as business conditions in the regions we operate in return to normal.

Our team continues to focus our efforts on Algonquin's three strategic pillars - **Growth, Operational Excellence, and Sustainability**. We operate through 2 primary businesses, Regulated and Renewables, and we will spend some time on each for an update.

Slide6 Growth Lever - Acquisitions

On the Regulated side, one important lever of growth is acquisitions. On that topic, I'm pleased to discuss our recently announced agreement to acquire Kentucky Power Company - a vertically integrated, regulated electric utility that services approximately 228,000 customer connections in 20 Eastern Kentucky counties. As part of the Transaction, we will also be acquiring AEP Kentucky Transmission Company, Inc. – a regulated electric transmission utility operating in the PJM integrated market. We look forward to welcoming the Kentucky Power employees into the Liberty family and to working with AEP during the closing and transition process.

The total enterprise value of the acquisition is approximately $2.8 billion comprised of assumed debt of approximately $1.2 billion and a cash purchase price of approximately $1.6 billion. From our perspective, this represents an attractive valuation multiple of 1.3x rate base, based on an estimated mid-year 2022 rate base of approximately $2.2 billion.

This transaction will have the benefit of increasing our pro forma regulatory business mix to nearly 80% of our portfolio from nearly 70% currently, and further increasing our service territory and regulatory jurisdiction diversification with a supportive regulatory framework. Upon closing of the transaction, we expect to have approximately $9 billion of rate base, increasing our pro forma electric rate base from 63% to 72% of our total pro forma rate base.

We expect to close the transaction in mid-2022 subject to customary closing conditions, including the receipt of various state and federal regulatory and governmental approvals. We expect the transaction to be accretive to Adjusted Net EPS in the first full year of ownership which would be calendar year 2023 and generate mid-single digit accretion to our Adjusted Net EPS thereafter while being supportive of our long-term growth trajectory.

Slide7 – Strategic Rationale – Greening the fleet

Now I thought I'd spend a few minutes on the rationale behind this acquisition and why we feel strongly that it represents a strategic fit for us. This acquisition fits squarely into our two playbooks of "greening the fleet" and improving ROEs from non-optimized assets.

As I've mentioned in the past, "greening the fleet" is an important lever of growth and an area where we have a strong track record through the transition of our Empire and CalPeco utilities. Just between 2017 and 2020, we successfully reduced absolute Carbon emissions at the acquired Empire District Electric utility by 33% and at the acquired CalPeco Electric utility by 38% by including renewables in the rate base, use of tax equity, and shutting down a 200 MW coal plant in the case of Empire District. We plan on leveraging this experience at Kentucky Power. In particular, the Kentucky Power business offers significant opportunities for us to transition the existing fossil fuel generation to renewables, which would reinforce our leading role in the transition to a low-carbon economy.

We see a pathway to decarbonize as it is our expectation that the low-cost resource to replace retiring or transferred coal will be a combination of renewables (wind, solar) with support from energy storage. Wind and solar represent the lowest levelized cost of energy and are expected to provide benefits for our customers. The existing Unit Power Agreement with the Rockport coal-fired plant will expire in 2022 and Kentucky Power's 50% interest in the Mtichell coal-fired plant is expected to be retired or transferred by 2028. To replace the lost electricity supply from Rockport and Mitchell, we see an opportunity to utilize the integrated resource planning process to explore the potential to replace over 1,100 MW of fossil generation capacity with renewables. This would represent our largest "greening the fleet" opportunity to date and is aligned with our target to achieve net-zero scope 1 and 2 emissions by 2050.

We look forward to partnering with the Kentucky Public Service Commission, or KPSC, through the Integrated Resource Planning process and leveraging our greenfield development expertise to deliver low cost clean energy solutions to Kentucky Power's customers as part of our demonstrated "Greening the Fleet" capabilities.

Slide 8 – Strategic Rationale –ROE Playbook

Secondly, Algonquin's has had a successful track record of identifying, securing regulatory approvals and closing acquisitions. We have extensive experience in managing the integration of multi-modality utilities such as Kentucky Power and Kentucky TransCo. As with our previously acquired utilities, we strive to share learnings and best practices among our utilities with the aim of driving consistent improvement in our key performance metrics that provide value for our customers. A number of these acquisitions have been utility acquisitions from large entities and our stewardship of those utilities as part of our Liberty family has helped us to create value for our shareholders and our customers. Similar with previous utilities we will utilize our local, responsive approach as our local model has been able to reduce disallowances from having transparency of our costs as well the local model allows us to manage our costs within our regulatory allowances. In addition, we have generally been able to utilize our geographic diversity to deploy capital in a manner that reduces regulatory lag and increases returns, as we have done with many of our utilities. Also contributing to our ability to earn returns is a focus on added regulatory mechanisms. Under our ownership we have been able to secure decoupling mechanisms, capital trackers, property tax adjustment and similar mechanisms which all help the utilities increase their returns while providing bill stability and adding the necessary capital to allow us to better serve our customers. For example, after the acquisition of Granite State Electric in New Hampshire, since our first test year our returns have averaged nearly 9% ROE whereas under prior ownership the returns were frequently under 3%. Similarly and perhaps more pertinently, at Empire District Electric prior to our acquisition ROEs achieved were commonly in the 7-8% range; whereas under our ownership we have been able to average nearly 9.5%.

Kentucky Power is primarily regulated by the KPSC, which we view as a constructive regulatory jurisdiction and is highly rated by S&P from a regulatory perspective. Kentucky Power is a utility that has historically realized ROE below the authorized levels when compared to peers in Kentucky. We see a compelling path forward to improving the earnings profile to achieve an ROE that is closer to the authorized amount of 9.3% for the distribution rate base through the availability of certain key regulatory features. For instance, forward test years are not currently being employed by Kentucky Power despite its approved use by other regulated peers in the state and could provide for more timely recovery of costs and expenditures.

We look forward to working with the Commission on implementing certain improvements to help us deploy the necessary investments to deliver reliable electric services to Kentucky Power's customers and we plan to maintain Kentucky Power's headquarters in Ashland along with developing constructive relationships in the local community.

Arthur will discuss the financing plan of the acquisition shortly.

Lastly, on the acquisition front, I wanted to provide you with an update on our pending acquisition of New York American Water. We filed our Joint Proposal, signed by PSC staff and the majority of interveners in early November, with a hearing scheduled for November 16th. While this has been a longer process than originally anticipated, we remain confident that the transaction will close and we are on track do that within the timeline set out in the stock purchase agreement, which calls for closing to occur on or prior to January 3, 2022.

Slide 9: Operational Excellence Pillar

Moving on now to operational excellence… In a mission critical industry, safety and reliability are always the most important areas of focus. I am pleased to share that we have passed the impressive milestone of over 650 days, that is over 9 million work hours, without a single lost time injury across our North American business while keeping our customers and communities safe and maintaining our system reliability and resiliency.

I wanted to thank our employees during the wildfire season which was operational excellence in action. During the quarter, the Caldor Fire impacted our South Lake Tahoe area at Calpeco and our local teams worked with Incident Command and Infrastructure Protection teams where power lines were shut down for safety. I'm glad to say that operations have returned to normal and our team was proactive during the evolving event - pruning trees around poles, deploying fire retardant on poles, and clearing vegetation. Longer term, we intend to continue to make investments for system resiliency, system hardening and wildfire prevention.

On the regulatory front, our Missouri rate case continues to progress and we expect the outcome in the middle of next year. In our regulated businesses, we are closely tracking rising gas prices as we head into this winter. We have different regulator approved hedging policies in place but overall, we expect the energy costs to increase and for these to flow through to customer bills through our various recovery mechanisms. Affordability is always a concern for us and so we continue to work with our various partners on our energy efficiency programs and low income programs to help mitigate these costs where we can.

Slide 10: Sustainability Pillar

And finally, we remain firmly committed to **Sustainability** through the inclusion of environmental, social and governance values in our broader corporate strategy and day to day operations.

I'm pleased to report that last month we announced our target for net-zero for Scope 1 and 2 emissions by 2050. The achievement of our net-zero target is supported by our strong decarbonization track record, extensive experience in regulated utility management, and deep expertise in renewables development.

I spoke earlier of our Greening the Fleet capabilities and wanted to highlight our track record of environmental stewardship. Since acquiring The Empire District Electric Company in 2017, Algonquin's total scope 1 GHG emissions have been reduced by over 1 million metric tons, and Scope 1 and 2 emissions intensity per dollar of revenue have decreased by 26%. Similarly, at CalPeco, we have already reduced the carbon intensity of CalPeco by 46% since 2017.

Concurrent with the release of our net-zero target, we also released our 2021 Sustainability Report which not only outlined our progress on our ESG initiatives, but also provided a higher level of detail around 9 priority ESG targets for 2023 – some of which we have already achieved ahead of schedule, and others that we are confident in meeting.

With that, I'll pass it over to Arthur who will speak to our third quarter 2021 financial results

Arthur…

Slide 11: Q3 Financial Performance

Arthur Kacprzak:

Thank you, Arun, and good morning, everyone.

I'm pleased to report that Algonquin has reported solid third quarter results, reflecting the benefits of our diversified and resilient business model and proven track record of disciplined growth.

Slide 12: Financial Performance

Turning to slide 12 , our third quarter 2021 consolidated Adjusted EBITDA was $252.0 million, which is up approximately 27% from the $197.9 million we reported for the same period last year but slightly below our expectations.

The Regulated Services Group delivered $195.8 million in operating profit in the current quarter, which compares to $146.1 million in the same quarter last year.

This improvement primarily reflects contributions from BELCO, our Bermuda Electric Utility and ESSAL our Chilean Water Utility, as both acquisitions closed in Q4 of last year, in addition to contributions from our wind facilities that were placed in service earlier this year as part of the Midwest “greening the fleet” initiative. Results also benefited from new rates implemented at the Energy North and Peach State Gas Systems, as well as at the Park Water and Apple Valley Water Systems in California. This was offset by the impact of a one-time retroactive rate increase in Q3 of last year, at the Calpeco Electric System. I should also note that the Regulated Services Group did not experience any material negative impacts from Covid-19 this quarter. However, the comparative results from Q3 of 2020 were negatively impacted by the pandemic by approximately $4.2 million.

The Renewable Energy Group reported Q3 divisional operating profit of $72.5 million, which compares to $67.1 million in the same quarter last year an increase of about 8% but below our expectations for this business unit.

The addition of the Sugar Creek and Maverick Creek Wind Generation Facilities as well as the Great Bay II and Altavista Solar Generation Facilities all contributed to the quarter over quarter increase in operating profit. Our investment in Atlantica also continued to provide benefits, with dividends received increasing by $2.8 million over the prior year.

However, this increase was partially offset by several factors. We experienced: lower overall production at our wind generation facilities primarily due to resource shortfalls, which have generally been seen across the industry. Excluding the impact of the newly added facilities, production in our existing power generation facilities was 7.3% lower than the same quarter last year or approximately 15.4% below the Long-Term Average. Production shortfalls along with lower than expected realized pricing also negatively impacted the results from our investment in the Texas Coastal Wind Facilities. Some of these impacts however were partially offset by higher realized Renewable Energy Credits or REC pricing at our U.S. Wind Facilities. Lastly, performance at our Sanger facility was negatively impacted this quarter by higher carbon compliance cost and lower capacity payments.

I should note that during the quarter the company self-monetized approximately $8.7 million in renewable tax credit benefits, which would have otherwise been included as part of the Renewable Energy Group's profit and in Adjusted EBITDA, but are reflected in our overall adjusted net earnings.

In total, our Q3 adjusted net earnings per share came in at $0.15, which is in line with the $0.15 reported last year.

Slide 13: Financial Updates – KPCo Financing

Before turning to the capital plan, I wanted to spend a few minutes on the financing plan for the Kentucky Power acquisition, which was designed to maintain our mid BBB investment grade credit ratings and maintain a strong and resilient Balance Sheet.

Concurrent with announcement of the transaction, we announced a C$800 million bought deal offering of common shares to fund a portion of the purchase price. This offering is expected to satisfy all of our common equity needs through the expected closing of the transaction in mid-2022. To fund the remainder of the cash purchase price, we plan to utilize some or all of the following sources. First, Hybrid debt – which has seen some very attractive rates in the market recently and provides for an attractive funding source receiving 50% equity credit from S&P and Fitch. We continue to maintain significant room in our capital structure for this low-cost capital. Second, potential monetization of our non-regulated assets or investments. The current low cost of capital environment continues to precipitate a strong valuation for quality renewable generation assets. Although our core competency continues to be as a developer, operator and owner of regulated and renewable assets, we believe augmenting these competencies with the introduction of low cost capital through monetization of some of our renewable assets or investments has the potential to drive greater shareholder value. Lastly, Mandatory convertible equity units. As you have heard me say before, we believe that mandatory convertible equity units are a great fit in our capital structure, having the potential to be lower cost capital compared to common equity and more effectively matching an investment's cash generation profile with its financing. However, recognizing the ultimate conversion to common equity, we intend to be prudent in the magnitude of their use.

While we expect to have the majority of our permanent financing in place at or near transaction close, we also secured an approximately $2.7 billion acquisition financing commitment from two Canadian banks to support the acquisition.

Lastly before turning to our capital plan, just a few words on the acquisition. We view this acquisition to be of compelling value and expect it to be accretive to Adjusted Net EPS in the first full year of ownership which would occur in calendar year 2023 based up our anticipated mid 2022 closing. Thereafter, we would expect it to generate mid-single digit accretion to Adjusted Net EPS and support growth in our Adjusted Net EPS over the long-term.

<u>Slide 14: Financial Updates – Capital plan</u>

Now moving on to provide some updates on our financing activities and progress on our 2021 Capital Plan.

Since August of 2020, we have placed into operation approximately 1,400MW of renewable energy projects from our construction pipeline. During the first nine months of the year, Algonquin has deployed approximately $3.4B of capital on initiatives relating to the safety and reliability of our electric, water and gas systems as well as delivering new renewable generation from our projects including Maverick Creek Wind, Altavista Solar and our Midwest Greening -

bringing the total capital deployed so far this year to approximately $3.4B and on track for our expected capital deployment in 2021 of over $4B.

During the quarter, the company utilized its ATM program, raising proceeds slightly north of $100 million. We view the ATM program as allowing for cost effective and opportunistic issuance of our Common Stock but plan to be disciplined in its use. We do not expect to access the ATM markets further until after the expected closing date of the Kentucky Power acquisition at the earliest.

Lastly, I want to say that our Balance Sheet remains strong and resilient. At the end of the third quarter, the company had approximately $1.9 billion of liquidity and capital reserves available. We continue to have strong support from our key banking partners and expect to maintain a resilient liquidity profile as our business continues to expand.

Before turning things over to Arun, I'd like to provide a brief update on our 2021 Adjusted Net EPS guidance. We continue to expect to benefit from the first full year of operations of BELCO and ESSAL which closed in Q4 of last year as well as the new renewable facilities that were placed in service earlier this year.

Excluding the impact of the market disruption on the Senate Wind Facility related to Winter Storm Uri in Q1, we continue to expect our 2021 adjusted net earnings per share to be in or around the lower end of the Company's range of $0.71 to $0.76 that was communicated previously. We continue to assume in our earnings guidance normalized weather patterns in the fourth quarter as well as resource availability and production at our renewable generating facilities that is within long term averages. We also assume that the Company is able to obtain constructive regulatory outcomes as well as the absence of any supply chain delays that would impact our estimated placed in-service dates based on current equipment delivery and construction schedules.

We continue to deliver solid earnings, which along with our history of superior dividend growth we believe will continue to drive strong shareholder return.

With that, I will now hand it back to Arun to outline our strategic plans.

Slide 15:Advancing our Strategic Plan Cover Slide

Arun Banskota:

Thanks, Arthur.

Before we close out our prepared comments this morning, I want to give an update on our strategic initiatives.

Slide 16: Advancing our Strategic Plan

With society and economies working hard and preparing for the energy transition, I'm excited about how Algonquin's Regulated and Renewables businesses are both well positioned to contribute to and benefit from this decarbonization transition.

We remain committed to our strong track record of disciplined growth, with many different levers at our disposal. Having deployed nearly $3.4 B of capital this year, we remain on track for our 2021 planned capital expenditures. The addition of Kentucky Power will be additive to the Company's long-term investment pipeline.

Another growth lever on our Renewables side that I'd like to touch on is our significant focus on new green field development. As a reminder, this prospective greenfield pipeline is over and above our long-term capital investment plan. Our greenfield investments are focused on securing new opportunities and continuing to advance the projects that will eventually form part of our base long-term capital plan in future years.

We look forward to discussing this in more detail at our upcoming Analyst & Investor Day which is scheduled for the morning of Tuesday, December 14th where we will be providing the investment community the opportunity to hear from key members of the leadership team for an update on our operations, strategic direction, and future growth plans for Algonquin.

Slide 17: Concluding Remarks

In summary, our 3 strategic pillars of **operational excellence, growth and Sustainability** will be a key foundation as we continue to build the business and strive to bring long term value to our shareholders. We remain well positioned to continue to execute on our growth strategies while pursuing our sustainability goals, guided by maximizing operational excellence on behalf of our investors and customers.

Slide 18: Q&A

With that, I will turn the call over to the operator for any questions from those on the line.

[Operator on the line]

END OF QUESTIONS

Arun Banksota

Thank you for taking the time on our call today. With that, please stay on the line for our disclaimer.

[Investor Relations to read Disclaimer]:

Our discussion during this call contained certain forward-looking information, including but not limited to our expectations regarding earnings, capital expenditures, pending acquisitions, potential futures “greening the fleet” initiatives, and potential future funding sources and transactions . This forward-looking information is based on certain assumptions, including those described in our most recent MD&A filed on SEDAR and EDGAR and available on our website, and is subject to risks and uncertainties that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. Forward-looking information provided during this call speaks only as of the date of this call and is based on the plans, beliefs, estimates, projections, expectations, opinions and assumptions of management as of today’s date. There can be no assurance that forward-looking information will prove to be accurate, and you should not place undue reliance on forward-looking information. We disclaim any obligation to update any forward-looking information or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

In addition, during the course of this call we may have referred to certain non-GAAP financial measures, including, but not limited to, adjusted net earnings, adjusted net earnings per share (or adjusted net EPS), adjusted EBITDA, adjusted funds from operations, and divisional operating profit. There is no standardized measure of such non-GAAP financial measures, and consequently APUC’s method of calculating these measures may differ from methods used by other companies and therefore they may not be comparable to similar measures presented by other companies.

For more information about both forward-looking information and non-GAAP financial measures, including a reconciliation of non-GAAP measures to the corresponding GAAP measures, please refer to our most recent MD&A filed on SEDAR in Canada or EDGAR in the United States, and available on our website.

Q3 2021

Earnings Conference Call

November 12, 2021

10:00 a.m. ET

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Forward-Looking Statements

Certain written statements included herein and/or oral statements made in connection with the presentation contained herein constitute “forward-looking information” within the meaning of applicable securities laws in each of the provinces of Canada and the respective policies, regulations and rules under such laws and “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). The words “will”, “expects”, “intends”, “would”, “could”, "plans", “targets”, “aims”, “may”, “pro forma” and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements contained in or made in connection with this presentation include, but are not limited to, statements regarding: expected future growth, earnings (including 2021 Adjusted Net Earnings per share) and results of operations; the expected timing for closing the Acquisition (as defined herein); the purchase price for the Acquisition; the financing of the Acquisition; the impact and expected benefits of the Acquisition to Algonquin Power & Utilities Corp. (“AQN”, “Algonquin” or the “Company”), including the impact of the Acquisition on the Company’s business, operations and financial condition; the Company’s sustainability, environmental and decarbonization targets, initiatives and goals (including the Company’s ability to achieve these targets, initiatives and goals); the Company’s “greening the fleet” plans with respect to Kentucky Power Company (“Kentucky Power”), including with respect to the Mitchell coal plant; expectations regarding Kentucky Power’s future rate base and return on equity (“ROE”); expectations regarding the timing for the transfer or retirement (for rate-making purposes in Kentucky) of the Mitchell coal plant; expectations regarding the Company’s pro forma rate base and business mix; expectations regarding the cost of energy from renewable sources; expectations regarding the Company’s credit ratings; expectations regarding the issuance of additional common equity by the Company; expectations regarding the use of proceeds of the C$800 bought deal common share offering; expectations regarding the benefits, outcomes and impacts of transitioning to renewable energy; the closing of the Company’s pending acquisition of New York American Water; the Company’s greenfield development pipeline; and expectations regarding capital expenditures. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their nature they rely on assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in this presentation or contained in AQN’s Management Discussion and Analysis for the three and nine months ended September 30, 2021 (the “Interim MD&A”), AQN’s Management Discussion and Analysis for the three and twelve months ended December 31, 2020 (the “Annual MD&A”), and AQN’s Annual Information Form for the year ended December 31, 2020, each filed with securities regulatory authorities in Canada and the United States. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Currency

In this presentation, unless otherwise specified or the context requires otherwise, all dollar amounts are expressed in U.S. dollars.

Non-GAAP Financial Measures

The terms “Adjusted Net Earnings”, “Adjusted Net Earnings per share” (“Adjusted Net EPS”), “earnings before interest, taxes, depreciation and amortization” (“EBITDA”), “Adjusted EBITDA”, “Adjusted Funds from Operations”, "Net Energy Sales", "Net Utility Sales" and “Divisional Operating Profit” (together the “Financial Measures”) may be used in this presentation and discussion. The Financial Measures are not recognized measures under U.S. GAAP. There is no standardized measure of the Financial Measures. Consequently, AQN’s method of calculating the Financial Measures may differ from methods used by other companies and therefore they may not be comparable to similar measures presented by other companies. An explanation, calculation and analysis of the Financial Measures, including a reconciliation to the most directly comparable U.S. GAAP measure, where applicable, can be found in the Interim MD&A. A reconciliation of certain of the Financial Measures used in this presentation to the most directly comparable U.S. GAAP measure can also be found in Appendix - Non-GAAP Financial Measures beginning on page 20 of this presentation.

Speakers and Agenda

Arun Banskota
President and
Chief Executive Officer

Arthur Kacprzak
Chief Financial Officer

Amelia Tsang
Vice President,
Investor Relations

Introductory Remarks………………………………………………………………	Amelia Tsang
Q3 2021 Strategic Achievements…………………………………………………	Arun Banskota
Q3 2021 Financial Highlights………………………………………………………	Arthur Kacprzak
Advancing our Strategic Plan………………………………………………………	Arun Banskota

Q3 2021 Earnings Conference Call

Strategic Achievements

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Strategic Achievements

✓ Solid Key Financial Metrics

- Q3 2021 Adjusted EBITDA[1] of $252.0 million – a 27% year-over-year increase
- Q3 2021 Adjusted Net EPS[1] of $0.15 – in line with Q3 2020
- Growth through acquisitions and related investment opportunities

✓ No material earnings impact by the pandemic in Q3 2021

- Supported by resiliency of business model
- Business conditions in regions we operate in return to normal

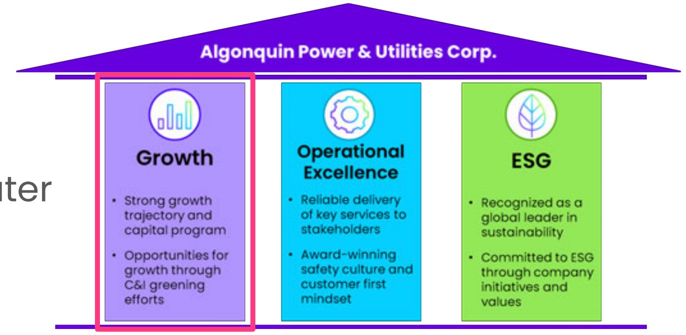
✓ Three Pillar Foundation Underpins Strategy

- Continue to focus our efforts on Algonquin's three strategic pillars:
  - Growth
  - Operational Excellence
  - Sustainability

1. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and Appendix - Non-GAAP Financial Measures beginning on page 20 of this presentation.

Regulated Services Group - Growth

- **Agreement to Acquire Kentucky Power and AEP Kentucky Transmission Company, Inc. (the "Acquisition")**
  - Provides services to ~228,000 active customer connections in twenty Eastern Kentucky counties
  - Total purchase price of ~$2.8 billion including assumption of ~$1.2 billion in debt[1]
  - Acquisition expected to close in mid-2022
  - Expected mid-year 2022 rate base acquisition multiple of 1.3x
- **Strategic Rationale:**
  - Consistent with Algonquin's strategy of completing accretive add-on regulated acquisitions at attractive values
  - Increases pro forma regulated rate base to approximately $9 billion[2] and overall pro forma business mix to nearly 80%[2] regulated businesses
  - Increases pro forma electric rate base from 63% to 72% of total rate base[2]
  - Expected to increase service territory footprint and provide greater regulatory jurisdiction diversification



1. Subject to customary purchase price adjustments at closing.
2. Based on expected $2.2 billion mid-year 2022 rate base, including pending acquisition of New York American Water.

Strategic Rationale – Greening the Fleet

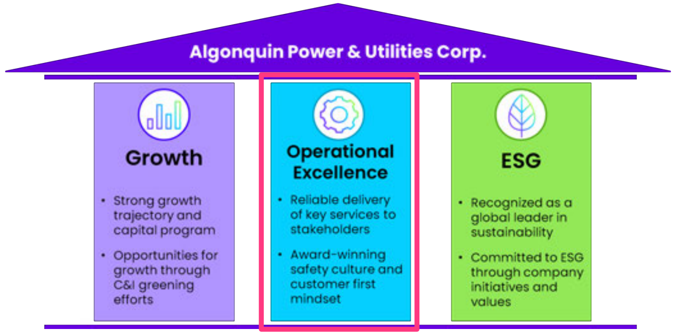
- **Significant opportunities to transition the existing fossil fuel generation with renewable sources**
  - Expiring Rockport unit power agreement and expected transfer or retirement (for rate-making purposes in Kentucky) of Kentucky Power's 50% ownership interest in the Mitchell coal plant in 2028 reinforcing need for new generation sources
  - Expected levelized cost of energy from renewables lower than market purchases and current fossil-fuel owned generation assets
- **Reinforces Algonquin's competitive position in the energy transition and leverages its experience in "greening the fleet"**
  - Strong track record of transitioning our Empire and CalPeco utilities
- **Align with Algonquin's target of achieving net-zero greenhouse gas emissions (scope 1 and 2) by 2050**
  - Opportunity to add over 1GW of renewable generation capacity at Kentucky Power

Strategic Rationale – ROE Playbook

- **Successful track record of identifying, securing regulatory approvals and closing acquisitions**
  - Extensive experience in managing the integration of multi-modality utilities
  - Strive to share learnings and best practices among our utilities with aim of driving consistent improvement of key performance metrics
- **Strong path forward to improving earnings profile of Kentucky Power**
  - Kentucky Power is regulated by Kentucky Public Service Commission, a constructive and highly rated regulatory jurisdiction by S&P
  - Certain key regulatory features are available that may help achieve higher ROE
    - Employing forward test years could provide for more timely recovery of costs and expenditures

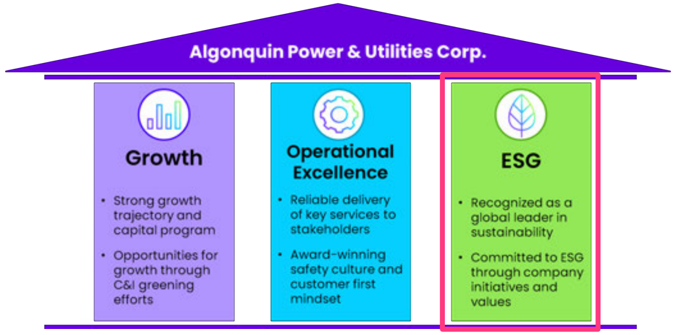
Regulated Services Group – Operational Excellence

- **Safety and reliability key priorities**
  - Achieved milestone of over 650 days and over 9 million hours without a single lost time injury
- **Caldor Fire Update**
  - Operations have returned to normal
  - Continue to evaluate investments needed to support system resiliency, system hardening and wildfire prevention



Three Pillar Foundation – Sustainability

- **Net-Zero Target for Scope 1 & 2 Emissions by 2050**
  - Extension of Company's decades' long commitment to sustainability
  - Environmental stewardship at forefront of Company's strategic direction
- **Track Record of Environmental Stewardship**
  - Empire:
    - Reduced emissions by over 900,000 metric tons of CO2
    - Reduced Scope 1 and 2 emissions intensity per dollar of revenue by 26%
  - CalPeco:
    - Reduced carbon intensity by 46% since 2017
- **2021 Sustainability Report**
  - Outlines solid progress on AQN's ESG goals
  - Provides higher level of detail around nine priority issues



Q3 2021 Earnings Conference Call

Financial Performance

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Financial Performance

All figures are in $ millions except per share data

	Three Months Ended September 30		
	2021	2020	Variance
Adjusted Net Earnings[1]	97.6	88.1	11%
Per share [1]	0.15	0.15	--%
Adjusted EBITDA[1]	252.0	197.9	27%
Adjusted Funds from Operations[1]	170.2	148.0	15%
Dividend per share	0.1706	0.1551	10%

1. Please see "Non-GAAP Financial Measures" on page 2 of this presentation, and Appendix - Non-GAAP Financial Measures beginning on page 20 of this presentation.

Financial Update – Kentucky Power Acquisition Financing

- **Financing plan is designed to maintain Algonquin's investment grade credit ratings**
  - Concurrent C$800M bought deal common share offering; offering is expected to satisfy the common equity needs for the Acquisition
- **Remainder of the cash purchase price expected to be funded through a combination of**
  - hybrid debt
  - equity units and/or
  - monetization of non-regulated assets or investments
- **Secured $2.725 billion acquisition financing commitment**

Acquisition is additive to long-term investment pipeline

Financial Update

- **Expected Capital Deployment in 2021 of Over $4 billion On Track**
  - Total capital deployed as of end Q3 2021: ~$3.4B
  - Delivered ~1,400 MW since Aug 2020 of new renewable generation capacity from 2020 construction pipeline
- **2021 Adjusted Net EPS Guidance Update**
  - Expect to continue to benefit from first full year of operations at BELCO, ESSAL and new renewable facilities placed in service earlier this year
  - Expect 2021 adjusted net earnings per share to be in or around the lower end of the Company's range of $0.71 to $0.76[1]

Committed to maintaining BBB (flat) capital structure

1. Excluding the impact of the market disruption on the Senate Wind Facility related to Winter Storm Uri in Q1 2021.

Q3 2021 Earnings Conference Call

Advancing our Strategic Plan

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Advancing our Strategic Plan

✓ Well positioned to contribute and benefit from decarbonization transition

- Regulated Services Group
- Renewable Energy group

✓ Identified Pipeline of Prospective 3.4 GW Greenfield Opportunities

- Not included in $9.4 billion capital investment plan from 2021 through 2025
- Aim to bring qualifying projects into construction in 2023 and beyond

Three Strategic Pillars remain a key foundation

Concluding Remarks

Continue to successfully execute on largest construction program in Company's history

Three strategic pillars provide key foundation as we continue to build the business

Strive to create long-term shareholder value through delivery of earnings and dividend growth

Robust investment pipeline and three pillar foundation expected to support long-term shareholder value

Q&A

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Q3 2021 Earnings Conference Call

Appendix

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Non-GAAP Financial Measures

Reconciliation of Adjusted EBITDA to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

	Three Months Ended September 30	
(all dollar amounts in $ millions)	2021	2020
Net earnings (loss) attributable to shareholders	**$ (27.9)**	$ 55.9
Add (deduct):		
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]	**4.5**	3.4
Income tax expense (recovery)	**(19.4)**	(19.7)
Interest expense	**51.7**	45.6
Other net losses[3]	**0.9**	16.9
Pension and post-employment non-service costs	**3.9**	2.4
Change in value of investments carried at fair value[2]	**139.1**	23.4
Loss (gain) on derivative financial instruments	**1.8**	(0.3)
Realized loss on energy derivative contracts	**(0.5)**	(0.3)
Loss (gain) on foreign exchange	**1.3**	(0.9)
Depreciation and amortization	**96.6**	71.5
Adjusted EBITDA	**$ 252.0**	$ 197.9

1 HLBV represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the three months ended September 30, 2021 amounted to $16.0 million as compared to $11.8 million during the same period in 2020.

2 See *Note 6* in the unaudited interim consolidated financial statements.

3 See *Note 16* in the unaudited interim consolidated financial statements.

Non-GAAP Financial Measures

Reconciliation of Adjusted Net Earnings to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted Net Earnings and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to consolidated net earnings in accordance with U.S. GAAP.

The following table shows the reconciliation of net earnings to Adjusted Net Earnings exclusive of these items:

	Three Months Ended September 30	
(all dollar amounts in $ millions except per share information)	2021	2020
Net earnings (loss) attributable to shareholders	$ (27.9)	$ 55.9
Add (deduct):		
Loss (gain) on derivative financial instruments	1.8	(0.3)
Realized loss on energy derivative contracts	(0.5)	(0.3)
Other net losses[2]	0.9	16.9
Loss (gain) on foreign exchange	1.3	(0.9)
Change in value of investments carried at fair value[1]	139.1	23.4
Adjustment for taxes related to above	(17.1)	(6.6)
Adjusted Net Earnings	$ 97.6	$ 88.1
Adjusted Net Earnings per share	$ 0.15	$ 0.15

[1] See *Note 6* in the unaudited interim consolidated financial statements.
[2] See *Note 16* in the unaudited interim consolidated financial statements.

Non-GAAP Financial Measures

Reconciliation of Adjusted Funds from Operations to Cash Flows from Operating Activities

The following table is derived from and should be read in conjunction with the consolidated statement of operations and consolidated statement of cash flows. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted Funds from Operations and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to cash flows from operating activities in accordance with U.S. GAAP.

The following table shows the reconciliation of cash flows from operating activities to Adjusted Funds from Operations exclusive of these items:

	Three Months Ended September 30	
(all dollar amounts in $ millions)	2021	2020
Cash flows from operating activities	**$ 174.7**	$ 121.4
Add (deduct):		
Changes in non-cash operating items	**(6.2)**	23.7
Acquisition-related costs	**1.7**	2.9
Adjusted Funds from Operations	**$ 170.2**	$ 148.0

Corporate Information

Head Office	Greater Toronto Area, Ontario
Toronto Stock Exchange	AQN, AQN.PR.A, AQN.PR.D
New York Stock Exchange	AQN, AQNA, AQNB, AQNU
Shares Outstanding*	627,795,347
Share Price*	$14.43
Market Capitalization*	$9.1 B
Dividend**	$0.6824 per share annually

* Shares outstanding, closing price (NYSE), and market capitalization as of October 31, 2021.
** Annualized using Q4 2021 dividend rate.

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Contact Information

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President and Chief Executive Officer

Arthur Kacprzak
Chief Financial Officer

Amelia Tsang
Vice President, Investor Relations

Tel : 905-465-4500
Email: Investorrelations@apucorp.com

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_74 Explain whether any of the Joint Applicants' subsidiaries or affiliates located in Kentucky, or any other state, will as a condition of the proposed transaction be required to guarantee the debt of any other subsidiary, affiliate, or holding company of the Joint Applicants. If "yes," please provide complete details.

a. If "yes," are any of the terms to which the Kentucky-based subsidiaries or affiliates of Joint Applicants have agreed, or will agree, different in any way from the terms agreed to by subsidiaries or affiliates based in other states? If so, explain in detail.

RESPONSE

No.

Witness: Michael Mosindy

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_75 Explain whether any of the Joint Applicants' subsidiaries or affiliates located in Kentucky, or any other state, will as a condition of the proposed transaction be required to grant liens or other encumbrances against their own assets in favor of any lender(s) providing financing or any portion of financing necessary for the proposed merger to occur. If "yes," please provide complete details.

a. If "yes," are any of the terms to which the Joint Applicants' Kentucky-based subsidiaries or affiliates have agreed, or will agree, different in any way from the terms agreed to by subsidiaries or affiliates based in other states? If so, explain in detail.

RESPONSE

No.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
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DATA REQUEST

AG 1_76 Will KPCo give clear and conspicuous notice to Kentucky consumers regarding any change in services resulting from the proposed transaction? If so, explain how. If not, why not?

RESPONSE

Kentucky Power will comply with any notice requirements required by Kentucky law.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
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DATA REQUEST

AG 1_77 Will the transaction result in any write-ups, writeoffs, or a restatement of financial results of KPCo, its parent entities, or those of its affiliates? If yes, please explain in detail with all financial ramifications for KPCo's ratepayers.

RESPONSE

No.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
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DATA REQUEST

AG 1_78 Identify any anticipated/estimated change(s) in KPCo's equity-to-capital ratio. Provide all documentation which relates to same.

RESPONSE

Please see response to KIUC-1-42.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
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DATA REQUEST

AG 1_79 If KPCo’s parent entities and/or its affiliates experience any changes in their equity-to-capital ratio, please describe any potential effect on KPCo and its ratepayers.

RESPONSE

Reasonable changes to Liberty’s or its affiliates’ equity-to-capital ratio would not be expected to impact Kentucky Power Company or its customers.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
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DATA REQUEST

AG 1_80 As of the anticipated closing date of the proposed transaction, how much of KPCo's debt (in dollars and percentage of total capital) will held by Liberty or any Liberty subsidiary? Concerning this debt:

a. provide a copy of each debt instrument between KPCo and Liberty or any subsidiary of Liberty;
b. provide a workpaper showing, as of the anticipated closing date of the proposed transaction, and at the end of the most recent accounting period, the amount outstanding on each such debt instrument and the interest rate; and
c. explain what is anticipated to happen to each debt instrument as a result of the transaction proposed in this case.

RESPONSE

As of the anticipated closing date of the proposed transaction, approximately $530 million or approximately 43% of Kentucky Power's debt is expected to be repaid and refinanced by Liberty.

a. Please see attached confidential intercompany debt agreement between Liberty and a subsidiary, JA_R_AG_1_80_ConfidentialAttachment_InterCompany Promissory Note-LUCo and EDE- June 2021.pdf.

b. Please see attached working paper for a summary of Kentucky Power debt outstanding and expected to be refinanced at Liberty, JA_R_AG_1_80_Attachment_KPCo Debt Summary.xlsx.

c. Please see response to (b) and response to AG 1-85.

Witness: Michael Mosindy

American Electric Power Company, Inc.
Kentucky Power Company
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DATA REQUEST

AG 1_81 Have any of the Joint Applicants conducted a recent, complete due diligence report of all EPA-regulated facilities included in the proposed transaction?

a. If so, provide a copy of same;
b. If not, explain why not; and
c. If not, explain why the Joint Applicants believe it prudent to accept "ownership" of the applicable facilities without a due diligence report.

RESPONSE

a.-c. Liberty conducted an extensive due diligence review, as part of its evaluation and proposed acquisition of Kentucky Power. Through the due diligence process in evaluating the Kentucky Power assets and operations, Liberty reviewed documents provided by AEP, requested additional documents and information of AEP to assess liability and risk, discussed certain questions during follow-up conversations with AEP, and reviewed publicly available information.

Liberty assessed environmental liabilities and compliance status of EPA-regulated facilities. Additionally, Liberty is an experienced owner and operator of similar facilities and understands risks posed by these operations. As a result of Liberty's experience and the information provided by AEP, Liberty determined that a separate due diligence report of EPA-regulated facilities was not necessary. Additionally, Liberty and AEP are jointly planning the transfer of the Kentucky Power assets to Liberty and continue to assess and plan the transition of responsibilities to Liberty while maintaining compliance with all Federal and state rules, regulations, permits, and operating requirements.

Witness: Stephan T. Haynes

Witness: Drew Landoll

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DATA REQUEST

AG 1_82 For each of the past five years, provide a dollar breakdown by year of any charitable donations that Liberty and / or any charitable affiliate have made. This list should detail the donation by way of purpose or designation for the contribution.

RESPONSE

Please see the breakdown requested in the table below. See Staff 1-35 for examples of causes and organizations that Liberty's donations support across its service territories.

Year	Donations
2020	$1,672,000
2019	$1,132,450
2018	$1,019,572
2017	$1,078,925
2016	$1,366,031

Witness: David Swain

American Electric Power Company, Inc.
Kentucky Power Company
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DATA REQUEST

AG 1_83 What benefits will KPCo's customers receive as a result of the proposed transaction? Explain in detail with specific savings attributable to all projected savings.

RESPONSE

As discussed in Witness Eichler's direct testimony, Kentucky Power's customers would benefit from Kentucky Power becoming the second largest utility in the portfolio owned by its new parent company and, as such, receiving a relatively greater share of attention and access to capital resources. Moreover, Liberty sees Kentucky Power as a utility at the early stages of energy transition across each of the generation, transmission, and distribution parts of the energy value chain. On the generation front, the impending completion of the Rockport UPA, the approaching end of lifecycle at the Big Sandy and the retirement (for ratemaking purposes) of the Mitchell plant create opportunities to right-size the capacity requirements, reduce cost of fuel expenditures and explore the downstream local economic impact of repurposing brownfield coal sites for solar developments. Exploring the merits of continual PJM participation, as Liberty is committing to do, is an opportunity to rethink whether the long-standing arrangement still offers the best value for Kentucky Power and its transforming industrial landscape. Finally, Liberty's understanding of the age, condition and performance of the distribution grid are suggestive of a need of not only extensive renewal, but also a more evidence-based approach to pacing and prioritization of both core asset investments and foundational smart grid tools - where they make sense.

Witness: Peter Eichler

American Electric Power Company, Inc.
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DATA REQUEST

AG 1_84 Will Liberty, and its parent entities commit to not use “pushdown accounting” in any manner arising from the proposed transaction? If not, why not?

RESPONSE

Yes.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
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DATA REQUEST

AG 1_85 Will the proposed transaction allow KPCo any opportunity to refinance any current outstanding debt? If so, would this translate to higher costs? If so, provide details. If not, why not?

RESPONSE

With the proposed transaction it is expected that approximately $530 million of Kentucky Power Company's current outstanding debt (consisting of term loans, intercompany debt, and a pollution control bond) will be refinanced at Liberty. It is expected that the costs on the refinanced debt at Liberty would be in line with what Kentucky Power Company is currently incurring given they have a similar credit rating.

Witness: Michael Mosindy

American Electric Power Company, Inc.
Kentucky Power Company
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DATA REQUEST

AG 1_86 Will the Joint Applicants agree to commit in this jurisdiction to any other conditions or commitments that are either imposed by or agreed upon in any other regulatory approval process associated with this transaction in any other jurisdiction? If not, explain why not.

RESPONSE

Liberty will assess any conditions that may be imposed by other regulators such as the Federal Energy Regulatory Commission and determine at that time whether they are appropriate to apply to the state level of regulation of Kentucky Power.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
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DATA REQUEST

AG 1_87 Assuming the proposed transaction receives full approval from all relevant regulatory authorities, what amount of liquid assets will KPCo's new parent entities hold?

RESPONSE

Kentucky Power Company's new parent entities expect to have over $1 billion in liquidity.

Witness: Michael Mosindy

American Electric Power Company, Inc.
Kentucky Power Company
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DATA REQUEST

AG 1_88 Provide a narrative describing the development of the structure for the bidding and negotiation process and include in the narrative the identity of the individuals who were responsible for the development and approval of the structure of the bidding and negotiation process.

a. Identify every corporation, holding company, partnership, firm, individual, investor group, or other entity that was invited, solicited, or asked to participate in the bidding process.
b. Identify the criteria for selecting targets for soliciting a bid.
c. To the extent that there were various sequences of the bidding process, describe in detail each sequence and identify the participants for each sequence and the corresponding result, by participant, of each sequence. (By participant, indicate whether the participant moved to the next level, whether the participant withdrew, whether the participant was eliminated, etc.).

RESPONSE

The Joint Applicants object to this request on the basis that it seeks information that is outside the scope of this proceeding and that is neither relevant to this proceeding or calculated to lead to the discovery of admissible evidence. In support of this objection the Joint Applicants state that information concerning the identities of persons and entities who were solicited and/or were involved in the bidding and/or negotiation process, the criteria for selecting targets, or the selection process AEP used has nothing to do with the Commission's inquiry into this matter, which, pursuant to KRS 278.020(6) and (7), is whether Liberty has the financial, technical, and managerial abilities to provide reasonable service and that the proposed acquisition is in accordance with law, for a proper purpose, and consistent with the public interest.

Respondent: Counsel

American Electric Power Company, Inc.
Kentucky Power Company
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DATA REQUEST

AG 1_89 For any participant in the bidding process that submitted a valuation of KPCo, Liberty, Algonquin and/or their affiliates, or in any manner otherwise identified a purchase price, please provide a copy of the valuation and identify the purchase price.

RESPONSE

The Joint Applicants object to this request on the basis that it seeks information that is outside the scope of this proceeding and that is neither relevant to this proceeding or calculated to lead to the discovery of admissible evidence. In support of this objection the Joint Applicants state that information concerning any bids other than that of Liberty has nothing to do with the Commission's inquiry into this matter, which, pursuant to KRS 278.020(6) and (7), is whether Liberty has the financial, technical, and managerial abilities to provide reasonable service and that the proposed acquisition is in accordance with law, for a proper purpose, and consistent with the public interest.

Respondent: Counsel

American Electric Power Company, Inc.
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DATA REQUEST

AG 1_90 For any valuation or purchase price submitted, indicate whether KPCo's parent entities asked a third-party consultant (such as an investment advisor, financial consultant, etc.) to review, critique, or otherwise analyze the valuation or purchase price. If there was such a request, then please provide details for each request and the response and include any documents relating to the request and response, including e-mails and any other documentation as defined in the instructions to these data requests.

RESPONSE

The Joint Applicants object to this request on the basis that it seeks information that is outside the scope of this proceeding and that is neither relevant to this proceeding or calculated to lead to the discovery of admissible evidence. In support of this objection the Joint Applicants state that information concerning whether or not AEP utilized a third-party consultant to assist with bid analysis has nothing to do with the Commission's inquiry into this matter, which, pursuant to KRS 278.020(6) and (7), is whether Liberty has the financial, technical, and managerial abilities to provide reasonable service and that the proposed acquisition is in accordance with law, for a proper purpose, and consistent with the public interest.

Respondent: Counsel

American Electric Power Company, Inc.
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DATA REQUEST

AG 1_91 Identify with specificity each factor, stated-reason, or rationale of the Joint Applicants offered in support of their argument in the instant matter that Liberty's acquisition of KPCo is consistent with the public interest, within the meaning of KRS 278.020.

RESPONSE

KRS 278.020 requires Commission approval so long as Liberty demonstrates that it has the "financial, technical, and managerial abilities to provide reasonable service" and the Transaction is "in accordance with law, for a proper purpose, and is consistent with the public interest."

Liberty's acquisition of Kentucky Power is consistent with the public interest, within the meaning of KRS 278.020 for the following reasons:

- **Liberty Has the Financial, Technical and Managerial Ability to Provide Reasonable Service**

    - Liberty has the financial ability to provide reasonable service to the customers of Kentucky Power as evidenced by its longstanding history of operations and its current financial standing. Liberty and its parent company, APUC, have proven capabilities of raising financing in the debt and equity capital markets as evidenced by the financing they arranged for their previous acquisitions and day-to-day operations. *See* Application, ¶ 20.

    - Liberty has extensive technical and managerial experience in utility operations based on its provision of utility service to over 1,200,000 customers across the electric, gas, water and wastewater industries in its family of utilities operating in the United States, Canada, Bermuda, and Chile. Liberty operates these utilities through approximately 3000 employees. *See* Application, ¶ 21.

    - Based on its ownership and operation of this diverse group of assets, Liberty has extensive experience in planning, constructing, and operating regulated utilities across different modalities and jurisdictions, and as a result, has a demonstrated understanding of the importance of integrity, customer service, community involvement, and affiliate/stakeholder relations. Equally important, Liberty is well versed in the regulatory compact and experienced in oversight by governing agencies. *See* Application, ¶ 22.

  - Liberty owns and operates three electric utilities in the United States which serve approximately 271,000 electric customers across Arkansas, California, Kansas, Missouri, New Hampshire and Oklahoma. Liberty's collective experience operating Empire Electric, Granite State Electric, CalPeco Electric and Bermuda Electric demonstrates Liberty's technical and managerial abilities to operate Kentucky Power. *See* Application, ¶ 23.

  - Liberty has significant experience in integrated resource planning for its electric utilities. Through its integrated resource plans, Liberty has worked to implement lower cost generation for its customers in an environmentally sustainable fashion. *See* Application, ¶ 25.

  - Liberty has significant experience procuring renewable energy through power purchase agreements, operating gas and fuel oil fired generation assets, combined cycle natural gas units, and a coal fired generation unit that is co-owned with other partners. This level of technical and financial ability will be highly beneficial to Kentucky Power as Liberty assumes operating control of the generation fleet and begins planning for the future of Kentucky Power's generation fleet through the integrated resource planning process. *See* Application, ¶ 25.

  - Liberty has demonstrated experience successfully managing its 26 regulated utilities in the United States through local, hands-on management of each of its utilities with oversight provided by boards of directors that include both company and independent directors from the areas it serves. *See* Application, ¶ 26.

- **The Transaction is in Accordance With Law and For a Proper Purpose**

  - The Transaction will be in accordance with law because it will only be consummated once all requisite regulatory approvals are obtained, and the Transaction meets the requirements of KRS 278.020. *See* Application, ¶ 29.

  - The Transaction is for a proper purpose because it is intended to result in the orderly transition of ownership of Kentucky Power and allow for the continued service to the customers of Kentucky Power in a safe and reliable manner. Liberty will increase the number of Kentucky jobs, retain current Kentucky Power employees, and institute additional local control of Kentucky Power. These are proper purposes for the acquisition of control of a utility. *See* Application, ¶30.

- **The Transaction is Consistent With the Public Interest**

    - The Transaction is consistent with the public interest, first and foremost because Liberty has the necessary financial, technical and managerial capability to operate Kentucky Power, and is committed to a long-term presence in Kentucky in partnership with its customers. *See* Application, ¶ 31.

    - Liberty's operating model places strong emphasis on local expertise and control, which supports the public interest. Liberty is cognizant that successful integration of a new entity starts with investment in local top talent across the organization. *See* Application, ¶ 32.

    - Liberty intends to keep the Company's headquarters in Ashland and to make a concerted effort to maintain and enhance the roles played by Kentucky-based staff. The logistics of transitioning Kentucky Power from an entity embedded into the AEP service model to a utility within Liberty's locally-focused corporate model also creates an opportunity to rethink the means of service delivery for a number of customer-facing and corporate services functions. *See* Application, ¶ 32.

    - Liberty plans to maintain service centers in Ashland, Hazard, and Pikeville and area offices in Paintsville and Whitesburg. At this stage of its transition-planning work, returning these functions to eastern Kentucky will create benefits to the Company's customers while creating local employment opportunities. *See* Application, ¶ 32.

    - Liberty's corporate model promoting local focus is a positive benefit of the Transaction as it is distinguishable from AEP's more centralized approach to operations and will allow for Kentucky Power to provide enhanced customers services in the future. *See* Application, ¶ 32.

    - Liberty will preserve the role of Kentucky Power's local president who will serve as President of Kentucky Power Company and Kentucky Transco, and whose role will be complemented by the oversight of a new Kentucky Power Board of Directors. *See* Application, ¶ 32.

    - Liberty's strategic vision and operational track record are uniquely aligned with the structural needs of Kentucky Power and its customers and will position Kentucky Power well into the future, when the bulk of its generation fleet will require renewal – and rethinking. *See* Application, ¶ 34.

- Liberty has built its reputation in the marketplace as an agent of responsible change, capable of identifying and executing on energy transition opportunities that reduce costs to customers over the life of the projects and that many industry peers are only beginning to explore. Liberty's track record at Empire Electric showcases this. *See* Application, ¶ 34.

- Liberty will bring a strategic focus to Kentucky Power as Kentucky Power's size makes it important in Liberty's portfolio. Although in AEP's footprint it is among the smallest utilities, Kentucky Power would be among the largest in Liberty's portfolio and would receive the commensurate share of managerial attention and resources. *See* Eichler Testimony, page 6, line 3.

- Liberty has never sold a utility which it has acquired. This record of owning utilities long term informs how Liberty approaches its relationships with the customers and communities, and the environments in which it operates. When your perspective is building relationships that last for the long term, an approach consistent with building long-term relationships is taken. *See* Eichler Testimony, page 6, line 7.

- Liberty's will make the following commitments to Kentucky Power's customers. *See* Eichler Testimony, page 7, line 4.

    - Maintain Kentucky Power's head office in the service territory.
    - Localize upwards of 100 utility operations jobs back to Kentucky Power.
    - Within 2 years of the close of the transaction, Kentucky Power will evaluate the benefits and costs of its participation in the PJM, and to the extent appropriate, explore alternatives.
    - Reopen a customer walk-in center in Ashland and at least one other community.
    - Establish and maintain a Kentucky Power Company board of directors comprised of a majority of independent non-management members with at least one seat reserved for a business and/or community leader from Kentucky Power's service territory.
    - Assume all regulatory commitments currently in force from prior Commission Orders for Kentucky Power.
    - Not seek recovery of the transaction premium or transaction costs in Kentucky Power's rates.
    - Continue to work with local and state governmental entities.
    - Continue to promote economic development in Kentucky.
    - The transaction will not impact or affect contractual relationships with municipal or wholesale customers of Kentucky Power.

In addition to the above factors, more specificity regarding each factor, reason and rationale as to why the transaction meets the statutory requirements of KRS 278.020 is set forth in detail in pages 9 – 18 of the Application, pages 14 – 16 of Witness Haynes' Testimony, pages 7 – 9 of Witness West's Testimony, pages 3-16 of Witness Swain's Testimony, pages 4 – 48 of Witness Eichler's Testimony, and pages 3 – 16 of Witness Landoll's Testimony.

Witness: Brian K. West

Witness: Stephan T. Haynes

Witness: Peter Eichler

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DATA REQUEST

AG 1_92 Do the Joint Applicants anticipate, project, or otherwise forecast any additional reorganizations, mergers, change of control, or other transactions involving KPCo for the thirty-six (36) month period following any potential approval and consummation of this purchase agreement? If yes, please describe in detail.

RESPONSE

No.

Witness: Peter Eichler

American Electric Power Company, Inc.
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DATA REQUEST

AG 1_93 Is Liberty and its parent entities willing to make a commitment that if they do not hold KPCo for a ten-year (10) period, then they will pay (to the Commonwealth of Kentucky) an exit fee if they voluntarily enter into an agreement to sell KPCo? If not, explain why not.

RESPONSE

Liberty respectfully declines to make the commitment referenced, as it would be premature and unfounded. As stated in Witness Eichler's direct testimony at page 6, Liberty has never sold a utility which it has acquired, as building long-term relationships with customers and communities Liberty serves is a major part of the company's strategy.

Witness: Peter Eichler

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DATA REQUEST

AG 1_94 For each commitment Joint Applicants have made, please identify the aspect of the commitment that does not presently exist. (In other words: For each commitment indicate whether it is simply a continuation of a current commitment or whether it represents an incremental increase in an existing commitment or a wholly-new commitment.)

RESPONSE

Please refer to response Staff 1-02. All commitments made in pages 7 and 8 of Witness Eichler's Direct Testimony are new commitments of Liberty as they relate to Kentucky Power following its acquisition.

Witness: Peter Eichler

American Electric Power Company, Inc.
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DATA REQUEST

AG 1_95 Will KPCo and / or its ratepayers, directly or indirectly, incur any additional costs, liabilities, or obligations in conjunction with the proposed transaction in connection with the repayment and refinancing of closing indebtedness? Explain in complete detail.

RESPONSE

No.

Witness: Peter Eichler

American Electric Power Company, Inc.
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DATA REQUEST

AG 1_96 With regard to future rate cases, please explain the following:

a. How will KPCo demonstrate that it is not seeking a higher rate of return on equity ("ROE") than would have been sought if no acquisition had occurred? Explain in complete detail.
b. Will the Joint Applicants agree to commit that costs incurred to insure that KPCo's requested ROE will not exceed the ROE level it would have sought if no acquisition had occurred be borne solely by shareholders and not recovered through rates? If not, why not?

RESPONSE

a. Given that ROE is at least in part a reflection of the capital markets as they exist at the time of an application for a change in rates, neither Kentucky Power's current owner, AEP, nor its proposed owner, Liberty, currently know what their respective ROE requests would be in an application scheduled for filing in mid-2023.

b. Given the response to a, there would be no realistic way to measure a condition such as the one contemplated, and therefore, such a commitment cannot be made.

Witness: Brian K. West

Witness: Peter Eichler

DATA REQUEST

AG 1_97 Identify any and all changes in the corporate bylaws and all other rules and regulations pertaining to the governance of Liberty, KPCo, Algonquin and all affiliates that will occur as a result of the proposed transaction.

RESPONSE

It is intended that upon closing, Kentucky Power Company will adopt a standard form of bylaw to align its governance with other U.S. operating subsidiaries of Liberty Utilities Co. The form of bylaw is provided in response to AG 1-100. . Similarly, the Corporate Governance Guidelines for Certain Regional Subsidiaries of Liberty Utilities Co., provided in response to AG 1-100, will apply to Kentucky Power. These guidelines address various governance matters, including conduct, responsibilities, and powers of directors, how conflicts of interest are managed, Board composition and renewal, conduct of Board meetings, director orientation, and periodic board effectiveness assessments.

No changes relating to the governance of Liberty Utilities Co. or Algonquin Power & Utilities Corp. are contemplated as a result of the proposed transaction.

Witness: Peter Eichler

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DATA REQUEST

AG 1_98 If Joint Applicants fail to adhere to any Commission conditions imposed as a condition or consequence of any approval, do the Joint Applicants believe any ultimate approval could be rescinded? If not, why not? If not, what are the ramifications to the ratepayers, including rate implications? Explain in detail.

RESPONSE

Joint Applicants are unable to respond to this question, which seeks a legal opinion and speculation regarding the conditions that the Commission may impose in approving Joint Applicants' application. KRS 278.020 does not contemplate rescission, and Joint Applicants cannot contemplate a circumstance in which such a drastic and infeasible remedy could be applied post-closing. In the unlikely event that the Commission were to impose fines and penalties for failure to comply with its orders, any fines and penalties would not be recoverable from customers.

Witness: Peter Eichler

American Electric Power Company, Inc.
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DATA REQUEST

AG 1_99 State whether any of the Joint Applicants have or currently do retain the services of lobbyists related in any manner to: (a) any employee of the federal government; and / or (b) any employee of the Commonwealth of Kentucky. If so, identify the lobbyist and employee, and explain in detail whether the retention of these services constituted a conflict of interest or potential conflict under any applicable law, and if so, why. Identify any corrective action either or both of the Joint Applicants believe may be required to remedy any such conflict or potential conflict.

RESPONSE

The Joint Applicants object to this request on the basis that it seeks information that is outside the scope of this proceeding and that is neither relevant to this proceeding or calculated to lead to the discovery of admissible evidence. Subject to and without waiving this objection the Joint Applicants state, Kentucky Power utilizes registered lobbyists within the Commonwealth of Kentucky. American Electric Power has lobbyists registered at the federal level, and Kentucky Power receives a portion of those costs through the AEP shared services agreement. The Joint Applicants monitor hundreds of proposed laws, regulations, rules, and policies annually. Participation in the political process protects customers, shareholders, employees, and the companies. No conflict of interest or potential conflict of interest exists for any of the Joint Applicants' lobbyists. Therefore, no corrective action is needed. See the table below for a list of the AEP lobbyists.

Kentucky lobbyists	**Employer**	**Registered on behalf of**
Amy Elliott	Kentucky Power	Kentucky Power
Patrick Jennings	Commonwealth Alliances	Kentucky Power
Collin Johnson	Commonwealth Alliances	Kentucky Power
Kate Hall	Commonwealth Alliances	Kentucky Power
Federal Lobbyists		
Tony Kavanaugh	American Electric Power	American Electric Power
Martin McBroom	American Electric Power	American Electric Power
Martin Kanner	Kanner & Associates	American Electric Power
Stephen Fotis	Van Ness Feldman LLC	American Electric Power

Liberty employs contract lobbyists in the states in which it has operations and assets in order to monitor any emerging legislation that may impact the interests of its customers, or its operating and/or compliance requirements. In addition to state lobbyist contractors, lobbyists are also retained at the federal level. Regarding Kentucky, Liberty retained Civic Point, a Frankfort-based lobbying firm in late October 2021 to monitor any legislative developments of interest in the state, as well as to facilitate relationship building with key legislators. As Liberty is not the current owner of Kentucky Power, the company is not actively lobbying on any issue in the state.

In October, Liberty retained Public Strategies Washington Inc. (PSW) as its federal lobbyist. PSW is in the process of registering to lobby on our behalf on the federal level and is included in the table below along with Liberty's Kentucky lobbyists.

Liberty is not currently aware that any of the lobbyists are relatives of federal or Kentucky based employees, but is in the process of verifying the same.

Name	Employer	Registered on Behalf Of
Kentucky Lobbyists		
Trey Grayson	Civic Point	Liberty Utilities
Steve Robertson	Civic Point	Liberty Utilities
Brooke Parker Robertson	Civic Point	Liberty Utilities
Federal Lobbyists		
Ali McGuigan	Public Strategies Washington Inc.	Liberty Utilities & Liberty Power
Nancy O'Neall	Public Strategies Washington Inc.	Liberty Utilities & Liberty Power
Patrick O'Neill	Public Strategies Washington Inc.	Liberty Utilities & Liberty Power

As of 1/15/22 the federal lobbyists noted above are in the process of registering for Liberty and will be registering for both LU and LP.

Witness: Brian K. West

Witness: David Swain

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Dated January 13, 2022

DATA REQUEST

AG 1_100 Identify all individuals in Liberty, Algonquin and all affiliates who will have the authority and ability to set the agenda of KPCo's board of directors, to add to the agenda, and how that process would work. Identify also who would have the ability to delete items from the Board's agenda, and how that process would work.

a. Provide copies of all bylaws and / or any and all other rules, regulations, etc. that would or could control how the boards of directors of KPCo, Liberty and Algonquin operate, who has the ability to set agendas, including all provisions regarding voting rights and proxies.

RESPONSE

The Chair of Kentucky Power Company's Board, in consultation with its management and APUC's Governance and Securities Manager (who provides corporate secretarial support for operating entities), will establish the agenda for each Board meeting. Each member of Kentucky Power Company's Board will be encouraged to suggest the inclusion of items on the agenda at any time. In addition, requests for additional information or reports made by members Kentucky Power Company's Board will be added to future meeting agendas and tracked until they have been addressed.

It is intended that Arun Banskota, President and CEO of APUC, will be the Chair of Kentucky Power's Board.

The Corporate Governance Guidelines for Certain Regional Subsidiaries of Liberty Utilities Co., which is attached and is confidential (JA_R_AG_1_100_ConfidentialAttachment_Utilities_Co_US_Sub_Corporate_Governance_Guidelines - February 17 2021 (002) 1.pdf), and the standard form of bylaw that is intended to be adopted by Kentucky Power Company (see attached, JA_R_AG_1_100_Attachment_By-Law - Form of U.S. Operating Entity.pdf) establish the framework for the operation of Kentucky Power's Board and address voting rights/proxies at meetings of stockholders. Similarly, the framework for the operation of APUC's Board is established by APUC's Bylaw #4 and its mandate (see attached documents JA_R_AG_1_100_Attachment_By-Law-No.-4.pdf and JA_R_AG_1_100_Attachment_Mandate - Board of Directors -2021.pdf). (Note: Bylaw #4 refers to Hydrogenics Corporation, which is a predecessor of APUC.)

Witness: Peter Eichler

BYLAWS

OF

[CORPORATE NAME]

Adopted as of [Date]

ARTICLE I
OFFICES

Section 1.01 Offices. The principal office of **[corporate name]**, a **[jurisdiction]** corporation formerly named **[former corporate name]** (the "**Corporation**"), shall be established from time to time by resolution of the board of directors of the Corporation (the "**Board of Directors**"). The Corporation may have other offices, both within and without the State of **[jurisdiction]**, as the Board of Directors from time to time shall determine or the business of the Corporation may require.

Section 1.02 Books and Records. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be maintained on any information storage device or method; *provided* that the records so kept can be converted into clearly legible paper form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to applicable law.

ARTICLE II
MEETINGS OF THE STOCKHOLDERS

Section 2.01 Place of Meetings. All meetings of the stockholders shall be held at such place, if any, as shall be designated from time to time by resolution of the Board of Directors (or, in the absence of such resolution, by the person calling such meeting) and stated in the notice of meeting.

Section 2.02 Annual Meeting. The annual meeting of the stockholders for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such date, time and place, if any, as shall be determined by the Board of Directors and stated in the notice of the meeting.

Section 2.03 Special Meetings. Subject to any rights of stockholders set forth in the Corporation's Articles of Incorporation (the "**Certificate of Incorporation**"), special meetings of stockholders for any purpose or purposes may be called by the President, and shall be called by the Secretary upon the written request of at least a majority of the Board of Directors or the holders of not less than a majority of the voting power of the Corporation's stock entitled to vote, and may not be called by any other person or persons. The only business which may be conducted at a special meeting shall be the matter or matters set forth in the notice of such meeting.

Section 2.04 Telephone Meetings. Meetings of the stockholders may be held by means of, and each stockholder entitled to participate in any meeting of the stockholders must be entitled to participate in any such meeting by means of, telephone conference or other communications equipment by which all persons participating in the meeting can hear each other and be heard. Participation by a stockholder in a meeting pursuant to this Section 2.04 shall constitute presence in person at such meeting.

Section 2.05 Adjournments. Any meeting of the stockholders, annual or special, may be adjourned from time to time to reconvene at the same or some other place, if any, and notice need not be given of any such adjourned meeting if the time, place, if any, thereof and the means of remote communication are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date is fixed for stockholders entitled to vote at the adjourned meeting, the Board of Directors shall fix a new record date for notice of the adjourned meeting and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at the adjourned meeting as of the record date fixed for notice of the adjourned meeting.

Section 2.06 Notice of Meetings. Notice of the place, if any, date, hour, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and means of remote communication of every meeting of stockholders shall be given by the Corporation not less than ten days nor more than 60 days before the meeting (unless a longer minimum or shorter maximum time period is specified by law) to every stockholder entitled to vote at the meeting as of the record date for determining the stockholders entitled to notice of the meeting. Notices of special meetings shall also specify the purpose or purposes for which the meeting has been called. Except as otherwise provided herein or permitted by applicable law, notice to stockholders shall be in writing and delivered either personally, by mail to the stockholders at their respective addresses appearing on the books of the Corporation, or by means of electronic transmission in accordance with applicable law. Notice of any meeting need not be given to any stockholder who, either before or after the meeting, submits a waiver of notice or who attends such meeting, except when the stockholder attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of the meeting shall be bound by the proceedings of the meeting in all respects as if due notice thereof had been given.

Section 2.07 List of Stockholders. To the extent required by applicable law, the officer of the Corporation who has charge of the stock ledger shall prepare and make available at any meeting of stockholders, in each case in accordance with applicable law, a complete list of the stockholders entitled to vote at such meeting. Except as provided by applicable law, the stock ledger of the Corporation shall be the only evidence as to who are the stockholders entitled to examine the stock ledger and the list of stockholders or to vote in person or by proxy at any meeting of stockholders.

Section 2.08 Quorum. Unless otherwise required by law, the Certificate of Incorporation or these Bylaws, at each meeting of the stockholders, a majority in voting power of the shares of the Corporation entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power, by the affirmative vote of a majority in voting power thereof, to adjourn the meeting from time to time, in the manner provided in Section 2.04, until a quorum shall be present or represented. A quorum, once established, shall not be broken by the subsequent withdrawal of enough votes to leave less than a quorum. At any such adjourned meeting at which there is a quorum, any business may be transacted that might have been transacted at the meeting originally called.

Section 2.09 Conduct of Meetings. At every meeting of the stockholders, the Chairperson, or in his or her absence or inability to act, the President, or, in his or her absence or inability to act, the person whom the Chairperson shall appoint, shall act as chairperson of, and preside at, the meeting. The Secretary or, in his or her absence or inability to act, the person whom the chairperson of the meeting shall appoint secretary of the meeting, shall act as secretary of the meeting and keep the minutes thereof. The chairperson of any meeting of the stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairperson, are appropriate for the proper conduct of the meeting.

Section 2.10 Voting; Proxies. The election of directors by the stockholders at any meeting thereof shall be by written ballot and shall be decided by a plurality of the votes cast by the holders of stock entitled to vote in the election. Unless otherwise required by law or the Certificate of Incorporation, any matter other than the election of directors that is brought before any meeting of stockholders shall be decided by the affirmative vote of the majority of shares present in person or represented by proxy at the meeting and entitled to vote on the matter. Each stockholder entitled to vote at a meeting of stockholders or to consent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date. Voting at meetings of stockholders need not be by written ballot.

Section 2.11 Action of the Stockholders Without a Meeting. Any action to be taken at any annual or special meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action to be so taken, shall be signed by all stockholders and shall be delivered to any officer of the Corporation. Any such actions by written consent shall be filed with the minutes of the proceedings of the stockholders.

Section 2.12 Fixing the Record Date.

(a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than 60 nor less than ten days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however,* that the Board of Directors may fix a new record date for the determination of stockholders entitled to vote at the adjourned meeting and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for the determination of stockholders entitled to vote therewith at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting: (i) when no prior action by the Board of Directors is required by law, the record date for such purpose shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to any officer of the Corporation, and (ii) if prior action by the Board of Directors is required by law, the record date for such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(c) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

ARTICLE III
BOARD OF DIRECTORS

Section 3.01 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may adopt such rules and procedures, not inconsistent with the Certificate of Incorporation, these Bylaws or applicable law, as it may deem proper for the conduct of its meetings and the management of the Corporation.

Section 3.02 Authority to Issue Securities and Debt. Notwithstanding Section 3.01, the Board of Directors shall not cause the Corporation to issue any security or issue or incur any indebtedness, in either case without the approval of a majority of each class of directors voting separately. For purposes of this Section 3.02:

(a) The term “security” shall mean: (i) any capital stock, securities, or other equity interests, (ii) any securities or other instruments convertible into or exchangeable or exercisable for shares of capital stock, securities, or other equity interests, (iii) any warrants, calls, options or other rights to acquire from the issuer, or any other contingent or non-contingent obligation of the issuer to issue, deliver or sell, or cause to be issued, delivered or sold, any of the foregoing.

(b) The term “indebtedness” shall mean: (i) any indebtedness for borrowed money, (ii) any obligations evidenced by bonds, debentures, notes or other similar instruments, (iii) any obligations in the nature of accrued fees, interest, premiums or penalties in respect of any of the foregoing, (iv) any swap, collar, cap or other contracts the principal purpose of which is to benefit from or eliminate risk of fluctuations in interest rates or currencies, (v) any reimbursement obligations under acceptance credit, letters of credit or similar facilities (other than with respect to trade payables), (vi) any capital lease obligations, and (vii) any guaranty of any of the foregoing; *provided, however*, that "debt" shall not include trade debt or payables incurred in the ordinary course of business or any other permitted debt as determined by the Board of Directors through resolution.

Section 3.03 Number; Class; Term of Office.

(a) **Number and Classes of Directors.** The Board of Directors shall be and is divided into two classes designated as Class I, consisting solely of Internal Directors (each, a "**Class I Director**"), and Class II, consisting solely of Independent Directors (each, a "**Class II Director**"), and as a whole shall consist of not less than three (3) and no more than nine (9) directors, with a majority of such positions designated as Class II Directors. Within the limits above specified, the number of authorized directors that shall constitute the complete Board of Directors, and of Class I and Class II thereof, shall be determined from time to time by the stockholders; *provided*, that no decrease in the number of authorized directors shall shorten the term of any incumbent director. As used in these Bylaws:

(i) "**Independent Director**" means any director who at such time is not an officer or employee of the Corporation or of any of its Affiliates, and who has no relationship which, in the opinion of a majority of the other Directors, would reasonably be expected to interfere with the exercise of independent judgment in carrying out the responsibilities of a director. For purposes of the foregoing, "**Affiliate**" of the Corporation means any person or entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the Corporation, with "control" for such purposes meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Corporation, whether through ownership of voting securities, by contract or otherwise.

(ii) "**Internal Director**" means any director who at such time does not satisfy the requirements of an Independent Director.

(b) **Term of Office**. Except at provided in Section 3.04 of these Bylaws, each director shall hold office until his or her successor shall be elected or appointed and qualified or until his or her earlier death, resignation or removal. No provision of this Section 3.03(b) shall restrict the right of the stockholders or Board of Directors to fill vacancies or the right of the stockholders to remove directors as hereinafter provided.

Section 3.04 Newly Created Directorships and Vacancies. If at any time there exists any newly created directorship resulting from an increase in the authorized number of directors or any vacancy occurring in the Board of Directors due to the death, resignation or removal of any director, the President (or any other person or persons permitted by Section 2.03) shall promptly call a special meeting of the stockholders to elect a director to fill such position; *provided, however*, that if the stockholders fail to elect a director at or prior to such special meeting, the Board of Directors may elect the replacement director by the affirmative vote of a majority of each class of directors voting separately; *provided, further*, that if there are no remaining members of a directorship class, the Board of Directors may elect the replacement director by the affirmative vote of a majority of the remaining members of the Board of Directors, even if less than a quorum, or by a sole remaining director. A director so elected to fill a vacancy shall be elected to hold office until such time as the then-existing term of the director who he or she has replaced expires and a successor is duly elected and qualified, or the earlier of such director's death, resignation or removal.

Section 3.05 Resignation. Any director may resign at any time by notice given in writing or by electronic transmission to the Corporation. Such resignation shall take effect at the date of receipt of such notice by the Corporation or at such later time as is therein specified.

Section 3.06 Removal. Except as prohibited by applicable law or the Certificate of Incorporation, the stockholders entitled to vote in an election of directors may remove any director from office at any time, with or without cause, by the affirmative vote of a majority in voting power thereof.

Section 3.07 Fees and Expenses. Directors shall receive such fees and expenses as the stockholders shall from time to time prescribe in accordance with Section 2.10 or Section 2.11.

Section 3.08 Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such times and at such places as may be determined from time to time by the Board of Directors or its Chairperson.

Section 3.09 Special Meetings. Special meetings of the Board of Directors may be held at such times and at such places as may be determined by the Chairperson or the President on at least 24 hours' notice to each director given by one of the means specified in Section 3.12 hereof other than by mail or on at least three days' notice if given by mail. In addition, special meetings shall be called by the Chairperson or the President in like manner and on like notice on the written request of any two or more directors.

Section 3.10 Telephone Meetings. Meetings of the Board of Directors or of any committee thereof may be held by means of, and each director entitled to participate in any meeting of the Board of Directors or of any committee thereof must be entitled to participate in any such meeting by means of, telephone conference or other communications equipment by which all persons participating in the meeting can hear each other and be heard. Participation by a director in a meeting pursuant to this Section 3.10 shall constitute presence in person at such meeting.

Section 3.11 Adjourned Meetings. A majority of the directors present at any meeting of the Board of Directors, including an adjourned meeting, whether or not a quorum is present, may adjourn and reconvene such meeting to another time and place. At least 24 hours' notice of any adjourned meeting of the Board of Directors shall be given to each director whether or not present at the time of the adjournment, if such notice shall be given by one of the means specified in Section 3.12 hereof other than by mail, or at least three days' notice if by mail. Any business may be transacted at an adjourned meeting that might have been transacted at the meeting as originally called.

Section 3.12 Notices. Subject to Section 3.10, Section 3.11 and Section 3.13 hereof, whenever notice is required to be given to any director by applicable law, the Certificate of Incorporation or these Bylaws, such notice shall be deemed given effectively if given in person or by telephone, mail addressed to such director at such director's address as it appears on the records of the Corporation, facsimile, e-mail or by other means of electronic transmission.

Section 3.13 Waiver of Notice. Whenever notice to directors is required by applicable law, the Certificate of Incorporation or these Bylaws, a waiver thereof, in writing signed by, or by electronic transmission by, the director entitled to the notice, whether before or after such notice is required, shall be deemed equivalent to notice. Attendance by a director at a meeting shall constitute a waiver of notice of such meeting except when the director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting was not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special Board of Directors or committee meeting need be specified in any waiver of notice.

Section 3.14 Organization. At each meeting of the Board of Directors, the Chairperson or, in his or her absence, another director selected by the Board of Directors shall preside. The Secretary shall act as secretary at each meeting of the Board of Directors. If the Secretary is absent from any meeting of the Board of Directors, an assistant secretary shall perform the duties of secretary at such meeting; and in the absence from any such meeting of the Secretary and all assistant secretaries, the person presiding at the meeting may appoint any person to act as secretary of the meeting.

Section 3.15 Quorum of Directors. The presence of a majority of the Board of Directors which shall include the presence of at least one director of each directorship class shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 3.16 Action by Majority Vote. Except as otherwise expressly required by these Bylaws, the Certificate of Incorporation or by applicable law, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 3.17 Action of the Board Without a Meeting. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all directors or members of such committee, as the case may be, consent thereto in writing or by electronic transmission, and the writings or electronic transmissions are filed with the minutes of proceedings of the Board of Directors or committee in accordance with applicable law.

Section 3.18 Committees of the Board of Directors. The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the Corporation; provided, however, that unless otherwise approved unanimously by all directors, each such committee shall include at least one Class I Director and at least one Class II Director. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. If a member of a committee shall be absent from any meeting, or disqualified from voting thereat, the remaining member or members present at the meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent permitted by applicable law, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation. Unless the Board of Directors provides otherwise, at all meetings of such committee, a majority of the then authorized members of the committee shall constitute a quorum for the transaction of business, and the vote of a majority of the members of the committee present at any meeting at which there is a quorum shall be the act of the committee. Each committee shall keep regular minutes of its meetings. Unless the Board of Directors provides otherwise, each committee designated by the Board of Directors may make, alter and repeal rules and procedures for the conduct of its business. In the absence of such rules and procedures each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to this Article III.

ARTICLE IV
OFFICERS

Section 4.01 Positions and Election. The officers of the Corporation shall be elected annually by the Board of Directors and shall include a president, a secretary, and such other officers as may be required by applicable law. The Board of Directors, in its discretion, may also elect a Chairperson (who must be a director), one or more vice chairs (who must be directors), and may elect or delegate to any other officer the authority to appoint one or more vice presidents, assistant treasurers, assistant secretaries and other officers. Any two or more offices may be held by the same person.

Section 4.02 Term. Each officer of the Corporation shall hold office until such officer's successor is elected and qualified or until such officer's earlier death, resignation or removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors at any time with or without cause by the majority vote of the members of the Board of Directors then in office. The removal of an officer shall be without prejudice to his or her contract rights, if any. The election or appointment of an officer shall not of itself create contract rights. Any officer of the Corporation may resign at any time by giving written notice of his or her resignation to the President or the Secretary. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Should any vacancy occur among the officers, the position shall be filled for the unexpired portion of the term by appointment made by the Board of Directors or by the stockholders should the Board of Directors fail to make such appointment.

Section 4.03 The President. The President shall serve as the chief executive officer of the Corporation and shall have general supervision over the business of the Corporation and such other duties as are incident to the office of President, and any other duties, functions and authority as may be from time to time assigned to the President by the Board of Directors, subject to the control of the Board of Directors in each case.

Section 4.04 The Secretary. The Secretary shall attend the meetings of the Board of Directors and the meetings of the stockholders and record all votes and the minutes of all proceedings in a book to be kept for that purpose, and shall perform like duties for committees when required. He or she shall give, or cause to be given, notice of all meetings of the stockholders and meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President. If the Corporation has a seal, the Secretary shall keep in safe custody the seal and have authority to affix the seal to all documents requiring it and attest to the same.

Section 4.05 Other Officers. Each officer of the Corporation other than the President and the Secretary shall have such duties, functions and authority as may be from time to time assigned to such officer by the Board of Directors or the President.

Section 4.06 Duties of Officers May Be Delegated. In case any officer is absent, or for any other reason that the Board of Directors may deem sufficient, the President or the Board of Directors may delegate for the time being the powers or duties of such officer to any other officer or to any director.

ARTICLE V
INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 5.01 Indemnification.

(a) Except as provided in Section 5.01(b), the Corporation (i) shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, manager, officer or fiduciary of another corporation, limited liability company, partnership, joint venture, trust or other enterprise (each, an "**Other Enterprise**"), and (ii) in the discretion of the Board of Directors, may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was an employee or other agent of the Corporation or is or was serving at the request of the Corporation as an employee or other agent of any Other Enterprise, in any case against judgments, fines, reasonable amounts paid in settlement, and reasonable expenses (including attorneys' fees) actually incurred by him or her in connection with such action, suit or proceeding if he or she (A) is successful, on the merits or otherwise, in defense of any such action, suit, or proceeding, or (B) acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation or such Other Enterprise, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person (x) did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation or such Other Enterprise, or (y) with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(b) Notwithstanding Section 5.01(a), in the case of any action, suit or proceeding by or in the right of the Corporation or any wholly owned Affiliate of the Corporation to procure a judgment in its favor, the Corporation shall not be obligated to indemnify any person pursuant to Section 5.01(a) of these Bylaws in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation or to such wholly owned Affiliate of the Corporation; provided, however, that the Corporation shall indemnify such person against reasonable expenses (including attorneys' fees) actually incurred by him or her in connection therewith to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses.

Section 5.02 Determination as to Standard of Conduct. Except in the event that the present or former director, officer, employee or agent is successful, on the merits or otherwise, in defense of any such action, suit, or proceeding, any indemnification under Section 5.01(a) of these Bylaws (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the present or former director, officer, employee or agent is proper in the circumstances because he or she met the applicable standard of conduct set forth in Section 5.01(a) of these Bylaws. With respect to a person who is a director or officer at the time of determination, such determination shall be made (a) by the Board of Directors by vote of a majority of the directors who were not parties to such action, suit or proceeding, even if not constituting a quorum, or (b) by a committee comprised of such directors designated by majority vote of such directors, by vote of a majority of the members of such committee, or (c) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (d) by the stockholders.

Section 5.03 Advancement of Expenses. Expenses (including attorneys' fees) incurred by any person in defending any civil, criminal, administrative or investigative action, suit or proceeding for which such person may be mandatorily entitled to indemnification under Section 5.01(a) of these Bylaws shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation under this Article V. Expenses (including attorneys' fees) incurred by any other person in defending any civil, criminal, administrative or investigative action, suit or proceeding for which such person may, in the discretion of the Board of Directors, be indemnified by the Corporation under Section 5.01(a) of these Bylaws, shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding only to the extent authorized by the Board of Directors and subject to satisfaction of such terms and conditions thereto as may be specified by the Board of Directors. Notwithstanding the foregoing, if such action, suit or proceeding is by or on behalf of the Corporation or any wholly owned Affiliate of the Corporation to procure a judgment in its favor, the court in which such action or suit was brought shall first have approved such advance to such person.

Section 5.04 Rights Not Exclusive. The indemnification and advancement of expenses provided by this Article V shall not be deemed to be exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in any other capacity.

Section 5.05 Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, manager, officer, fiduciary, employee or agent of any Other Enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not such person would be entitled to indemnity against such liability under the provisions of this Article V.

Section 5.06 Constituent Corporations. For purposes of this Article V, references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee, agent or fiduciary of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, shall stand in the same position under this section with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued.

Section 5.07 Employee Benefits Plans. For purposes of this Article V, (a) references to "other enterprises" shall include employee benefit plans; (b) references to "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan; (c) references to "serving at the request of the Corporation" shall include any service at the request of the Corporation that imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants or its beneficiaries; and (d) a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner in or not opposed to the best interests of such employee benefit plan.

Section 5.08 Continuity. Neither the amendment nor repeal of this Article V, nor the adoption or amendment of any other provision of the Bylaws or Certificate of Incorporation inconsistent with this Article V, shall apply to or affect in any respect the applicability of the provisions of this Article V with respect to any actual or alleged act or failure to act which occurred prior to such amendment, repeal or adoption. All rights to indemnification and advancement of expenses provided by, or granted pursuant to, this Article V shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

ARTICLE VI
STOCK CERTIFICATES AND THEIR TRANSFER

Section 6.01 Certificates Representing Shares. The shares of stock of the Corporation shall be represented by certificates; *provided* that the Board of Directors may provide by resolution or resolutions that some or all of any class or series of stock shall be uncertificated shares that may be evidenced by a book-entry system maintained by the registrar of such stock. If shares are represented by certificates, such certificates shall be in the form, other than bearer form, approved by the Board of Directors. The certificates representing shares of stock of each class shall be signed by, or in the name of, the Corporation either (a) by (i) the President or any vice president and (ii) the Secretary or any assistant secretary or the treasurer or any assistant treasurer, or (b) by any two officers authorized by the Board of Directors. Any or all such signatures may be facsimiles. In the event that any officer, transfer agent or registrar whose manual or facsimile signature is affixed to such a certificate ceases to be such officer, transfer agent or registrar before such certificate has been issued, such certificate may nevertheless be issued by the Corporation with the same effect as if such officer, transfer agent or registrar were still such at the date of its issue.

Section 6.02 Transfers of Stock. Stock of the Corporation shall be transferable in the manner prescribed by law and in these Bylaws. Transfers of stock shall be made on the books of the Corporation only by the holder of record thereof, by such person's attorney lawfully constituted in writing and, in the case of certificated shares, upon the surrender of the certificate thereof, which shall be cancelled before a new certificate or uncertificated shares shall be issued. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing from and to whom transferred.

Section 6.03 Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents and one or more registrars.

Section 6.04 Lost, Stolen or Destroyed Certificates. The Board of Directors may direct a new certificate to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed upon the making of an affidavit of that fact by the owner of the allegedly lost, stolen or destroyed certificate. When authorizing such issue of a new certificate, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of the lost, stolen or destroyed certificate, or the owner's legal representative to give the Corporation a bond sufficient to indemnify it against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed or the issuance of such new certificate.

ARTICLE VII
GENERAL PROVISIONS

Section 7.01 Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 7.02 Checks, Notes, Drafts, Etc. All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or persons as from time to time may be designated by the Board of Directors or by an officer or officers authorized by the Board of Directors or President to make such designation.

Section 7.03 Dividends. Subject to applicable law and the Certificate of Incorporation, dividends upon the shares of capital stock of the Corporation may be declared by the Board of Directors at any regular or special meeting of the Board of Directors. Dividends may be paid in cash or in shares of the Corporation's capital stock. Dividends may be paid in other forms of property only if approved by the stockholders in accordance with Section 2.10 or Section 2.11.

Section 7.04 Conflict with Applicable Law or Certificate of Incorporation. These Bylaws are adopted subject to any applicable law and the Certificate of Incorporation. Whenever these Bylaws may conflict with any applicable law or the Certificate of Incorporation, such conflict shall be resolved in favor of such law or the Certificate of Incorporation.

Section 7.05 Amendments. These Bylaws may be amended, altered, changed, adopted and repealed, or new bylaws adopted, only by the stockholders and not by the Board of Directors or otherwise.

BY-LAW NO. 4
(as amended on March 7, 2008)
A by-law relating generally to the transaction of the business and affairs of HYDROGENICS CORPORATION – CORPORATION HYDROGÉNIQUE

(the "Corporation")

ARTICLE 1
INTERPRETATION

1.01 **Definitions.** In this by-law and all other by-laws and resolutions of the Corporation, unless the context otherwise requires:

(a) The following terms shall have the meanings specified:

(i) "Act" means the *Canada Business Corporations Act* or any statute which may be substituted therefor, as amended from time to time;

(ii) "articles" means the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of continuance, articles of arrangement, articles of dissolution, articles of reorganization or articles of revival of the Corporation and any amendments thereto;

(iii) "board" means the board of directors of the Corporation;

(iv) "director" means a member of the board;

(v) "electronic" means by facsimile, electronic mail, transmission of data or information through computer networks, any similar means or any other prescribed means; and

(vi) "meeting of shareholders" means an annual meeting of shareholders of the Corporation, or a special meeting of shareholders of the Corporation, or both, and includes a meeting of any class or series of any class of shareholders of the Corporation;

(b) Terms used herein that are defined in the Act shall have the meanings given to those terms in the Act; and

(c) Words importing the masculine gender shall include the feminine and neuter genders, and words importing the singular number shall include the plural number, and vice versa.

ARTICLE 2
DIRECTORS

2.01 **Number of Directors and Quorum.** Until changed in accordance with the Act, the board shall consist of such number of directors as set out in the articles of the Corporation or as the board may from time to time determine. A majority of the directors shall constitute a quorum for the transaction of business. Notwithstanding vacancies, a quorum of directors may exercise all the powers of the board.

2.02 **Election and Term.** Directors shall be elected by the shareholders at each annual meeting of shareholders to hold office until the next annual meeting of shareholders or until their respective successors are elected or appointed. The number of directors to be elected at any such meeting shall be that number most recently determined by the board. At any annual meeting of shareholders every retiring director shall, if qualified, be eligible for re-election.

2.03 **Qualification.** At least that number of directors as required by the Act shall be resident Canadian and at least that number of directors as required by the Act shall not be officers or employees of the Corporation or its affiliates.

2.04 **Places of Meetings**. Meetings of the board may be held at any place within or outside Canada.

2.05 **Calling of Meetings.** Meetings of the board shall be held from time to time at such place, on such day and at such time as the board, the chairman of the board, the president or any two directors may determine.

2.06 **Notice.** Notice of the time and place of each meeting of the board shall be given to each director at least forty-eight (48) hours before the meeting by any means including telephone, facsimile or electronic means. A notice of meeting of the board need not specify the business to be transacted at the meeting except as may be required by the Act. The accidental failure to give notice of a meeting of the board to a director or any error in such notice not affecting the substance thereof shall not invalidate any action taken at the meeting. A meeting of the board may be held without notice immediately following any annual meeting of shareholders. An individual need not be given notice of the meeting at which that individual is appointed by the other directors to fill a vacancy on the board if that individual is present at that meeting.

2.07 **Votes to Govern.** At all meetings of the board any question shall be decided by a majority of the votes cast on the question and, in the case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote.

2.08 **Chairman and Secretary.** The chairman of the board shall be chairman of any meeting of the board. If the chairman of the board is not present, the directors present shall choose one of their number to be chairman. The secretary of the Corporation shall act as secretary at any meeting of the board and, if the secretary of the Corporation be absent, the chairman of the meeting shall appoint a person who need not be a director to act as secretary of the meeting.

2.09 **Meetings by Telephone or Electronic Means.** Wherever permitted by the Act, meetings of directors may be held by telephone or electronic means or by means of such other communications facilities as shall permit all persons participating in the meeting to communicate adequately, and a director participating in a meeting of directors by such means shall be deemed to be present at the meeting.

ARTICLE 3
COMMITTEES

3.01 **Audit Committee**. The directors shall appoint from among their number an audit committee to be composed of not fewer than three directors, of whom a majority shall not be officers or employees of the Corporation or any affiliate of the Corporation. The audit committee shall have the functions prescribed by the board of directors.

3.02 **Other Committees.** The board may elect or appoint additional committees composed of directors or such other persons which may exercise such powers as, subject to any limitations prescribed by the Act, the board may delegate to them and shall have such other functions as the board may determine.

3.03 **Committee Procedure.** Subject to the Act and any restrictions imposed by the board, each committee shall have the power to fix its quorum to elect its chairman and to regulate its procedure.

ARTICLE 4
OFFICERS

4.01 **Appointment of Officers.** The board may from time to time appoint a chairman of the board, a president, one or more vice-presidents, a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed.

4.02 **Term of Office.** Every officer shall hold office during the pleasure of the board.

ARTICLE 5
MEETINGS OF SHAREHOLDERS

5.01 **Annual and Special Meetings.** The board shall call an annual meeting of shareholders not later than 15 months after the holding of the last preceding annual meeting. The board may at any time call a special meeting of shareholders. Meetings of shareholders shall be held at such place within or outside Canada as the board may determine.

5.02 **Notice of Meetings.** Notice in writing of the time and place of each meeting of shareholders shall be given not less than twenty-one (21) days nor more than fifty (50) days before the meeting to each shareholder entitled to vote at the meeting, to each director and to the auditor of the Corporation. The accidental failure to give notice of a meeting of shareholders to any person entitled thereto or any error in such notice not affecting the substance thereof shall not invalidate any action taken at the meeting.

5.03 **Persons Entitled to be Present.** The only persons entitled to attend a meeting of shareholders shall be those persons entitled to vote thereat, the directors, the auditor of the Corporation and any other persons who, although not entitled to vote at the meeting, are entitled or required under any provision of the Act, the articles or any by-law of the Corporation to attend the meeting. Any other persons may be admitted in the meeting only on the invitation of the chairman of the meeting or with the consent of the meeting.

5.04 **Quorum.** A quorum for the transaction of business at any meeting of shareholders shall be two persons present in person or represented by proxy holding in the aggregate not less than 25% of the outstanding shares of the Corporation entitled to vote at the meeting.

5.05 **Chairman, Secretary and Scrutineers.** The chairman of the board or, in the absence of the chairman, a director designated by the board shall act as chairman at each meeting of shareholders. The secretary of the Corporation, or in the absence of the secretary, such other person as the chairman of the meeting may appoint, shall act as secretary of the meeting. At any meeting of shareholders, the chairman of the meeting may appoint one or more persons, who may but need not be shareholders, to serve as scrutineers with such duties as the chairman may prescribe.

5.06 **Voting**. Any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote thereon shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be *prima facie* evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

5.07 **Ballots.** On any question proposed for consideration at a meeting of shareholders, regardless of the manner of voting, the chairman may require, or any shareholder or proxyholder entitled to vote at the meeting may demand, a ballot. A ballot so required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken, each person present shall be entitled, in respect of the shares which each person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

ARTICLE 6
PAYMENTS

6.01 **Cheques.** Any amount payable in cash to shareholders (including dividends payable in cash) shall be paid by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which such amount is to be paid and mailed by prepaid ordinary mail to such registered holder at such holder's address recorded in the Corporation's securities register, unless in each case such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their address recorded in the securities register of the Corporation. In the case of the payment of a dividend, the mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

6.02 **Non-receipt of Cheques.** In the event of non-receipt of any cheque by the person to whom it is sent, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

6.03 **Unclaimed Dividends.** Any dividend unclaimed after a period of six (6) years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

6.04 **Currency of Dividends.** Dividends or other distributions payable in cash may be paid to shareholders in any denomination. The board may declare dividends or other distributions in any currency and make such provisions as it deems advisable for the payment of such dividends or other distributions.

ARTICLE 7
EXECUTION OF INSTRUMENTS

7.01 **General.** Contracts, documents or other instruments requiring execution by the Corporation may be signed by any one director or officer. The board may appoint any other person or persons to sign instruments generally or specific instruments. Where appropriate, such instruments may be executed under the corporate seal.

7.02 **Execution in Counterpart or by Electronic Means.** Any notice, resolution, by-law, requisition, statement or other documents may be executed by facsimile or other electronic means and in several documents of like form, each of which is executed by one or more persons, and such documents when duly executed by all persons required or permitted, as the case may be, to do so, shall be deemed to constitute one documents for the purposes of the Act.

7.03 **Authority to Act for the Corporation.** By way of supplement to Article 7.01, any director or officer is authorized, for and on behalf of the Corporation, to make, enter into, execute and deliver powers of attorney appointing agents to act on behalf of the Corporation, on such terms and conditions as they see fit, in connection with the incorporation and other matters relating to subsidiaries of the Corporation located outside of Canada.

ARTICLE 8
BORROWING

8.01 **Borrowing.** Without limit to the powers of the board as provided in the Act, the board may from time to time on behalf of the Corporation:

(a) borrow money upon credit of the Corporation;

(b) issue, reissue, sell or pledge debt obligations of the Corporation;

(c) to the extent permitted by the Act, give, directly or indirectly, financial assistance to any person by means of a loan, a guarantee to secure the performance of an obligation or otherwise;

(d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation; and

(e) delegate to one or more directors or officers all or any of the powers conferred by the foregoing provisions to such extent and in such manner as the board shall determine at the time of such delegation.

ARTICLE 9
PROTECTION OF DIRECTORS AND OFFICERS

9.01 **Transactions with the Corporation.** Except as provided by the Act and subject to Article 9.02, no director or officer shall be disqualified, by virtue of being a director or officer of the Corporation, from entering into, or from being concerned or interested in any manner in, any contract, transaction or arrangement made or proposed to be made with the Corporation or any body corporate in which the Corporation is interested and no such contract, transaction or arrangement shall be void or voidable for any such reason. No director or officer shall be liable to account to the Corporation for any profit arising from any such office or realized in respect of any such contract, transaction or arrangement.

9.02 **Conflict of Interest.** Subject to and in accordance with the provisions of this Act, a director or officer of the Corporation is a party to a material contract or transaction or proposed material contract or transaction with the Corporation, or is a director or an officer of or has a material interest in any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation, shall disclose in writing to the Corporation or request to have entered in the minutes of meetings of directors the nature and extent of such director or officer's interest, and any such director shall refrain from voting in respect thereof unless otherwise permitted by the Act.

9.03 **Limitation of Liability.** All directors and officers of the Corporation in exercising their powers and discharging their duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or officer shall be liable for the acts, omissions, failures, neglects or defaults of any other director, officer or employee, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on the part of such director or officer, or for any other loss, damage or misfortune which shall happen in the execution of the duties of office or in relation thereto; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

9.04 **Indemnity of Directors and Officers.** Subject to the limitations contained in the Act but without limit to the right of the Corporation to indemnify any person under the Act or otherwise, to the full extent permitted by the Act, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of the Corporation or at the Corporation's request on behalf of any such body corporate), and such director or officer's heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such director or officer in respect of any civil, criminal or administrative action or proceeding to which such director or officer is made a party by reason of being or having been a director or officer of such Corporation or body corporate (or by reason of having undertaken such liability); and the Corporation shall with the approval of a court indemnify a person in respect of an action by or on behalf of the Corporation or body corporate to produce a judgment in its favour, to which such person is made a party by reason of being or having been a director or an officer of the Corporation or body corporate, against all costs, charges and expenses reasonably incurred by such director or officer in connection with such action if in each case such director or officer:

(a) acted honestly and in good faith with a view to the best interests of the Corporation; and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that his or her conduct was lawful.

Notwithstanding the foregoing, the Corporation shall, without requiring the approval of a court, indemnify any person referred to above, in respect of an action by or on behalf of the Corporation or body corporate to procure a judgment in its favour who has been substantially successful on the merits in the defence of any civil, criminal or administrative action or proceeding to which such person is made a party by reason of being or having been a director or officer of the Corporation or body corporate, against all costs, charges and expenses reasonably incurred by such person in respect of such action or proceeding, provided that such person has satisfied the appropriate conditions referred to in (a) and (b) above.

9.05 **Insurance.** Subject to the limitations contained in the Act, the Corporation may purchase and maintain insurance for the benefit of any person referred to in Article 9.03 as the board may from time to time determine.

9.06 **Indemnities Not Limiting.** The provisions of this Article 9 shall be in addition to and not in substitution for any rights, immunities and protections to which any person referred to in Article 9.03 is otherwise entitled.

ARTICLE 10
GENERAL

10.01 **Corporate Seal.** The Corporation may have one or more different corporate seals, which seals may be adopted or changed from time to time by the board, on which the name of the Corporation may appear in one or more language forms as set out in its articles.

10.02 **Financial Year.** Until changed by the board, the financial year of the Corporation shall end on December 31 of each year.

ARTICLE 11
REPEAL

11.01 **Repeal.** Upon this by-law coming into force, each of By-Law No. 1, 2 and 3 of the Corporation are repealed. However, such repeal shall not affect the previous operation of such by-laws or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under the validity of any contract or agreement made pursuant to such by-laws prior to their repeal. All officers and persons acting under such repealed by-laws shall continue to act as if appointed under the provisions of this by-law and all resolutions of the shareholders or board with continuing effect passed under such repealed by-laws shall continue good and valid, until amended or repealed, except to the extent inconsistent with this by-law.

ALGONQUIN POWER & UTILITIES CORP.

MANDATE OF THE BOARD OF DIRECTORS

1. PURPOSE

1.1 The board of directors (the "**Board**") of Algonquin Power & Utilities Corp. (the "**Corporation**") has the power and authority to supervise the activities and manage the investments and affairs of the Corporation. The Board, directly and through its committees, shall manage, or supervise the management of, the business and affairs of the Corporation.

2. MEMBERSHIP, ORGANIZATION AND MEETINGS

2.1 **General** - The composition and organization of the Board, including: the number, qualifications and remuneration of directors; residency requirements; quorum requirements; meeting procedures and notices of meetings are as established by the Corporation's articles of incorporation (the "**Articles**") and by-laws (the "**By-Laws**"), as amended and restated from time to time and by the *Canada Business Corporations Act*, subject to any exemptions or relief that may be granted from such requirements.

2.2 **Independence -** The Board shall periodically determine the independence of each director. For this purpose, a director shall be considered independent if such director:

a. is not an officer or employee of the Corporation or any of the Corporation's subsidiary entities or affiliates; and

b. is independent as determined in accordance with the meaning of the provisions of National Policy 58-201 – Corporate Governance Guidelines and other applicable laws and regulations, or in the event such independence requirements are not met, is deemed to be independent by the Board.

2.3 **Independence of Chair of the Board / Lead Director** – The Chair of the Board shall be an independent director, unless the Board determines that it is inappropriate to require the Chair of the Board to be independent, in which case the independent directors shall select from their number a director who will act as "Lead Director" and who will assume responsibility for providing leadership to enhance the effectiveness and independence of the Board. The Lead Director shall be chosen at a meeting of independent directors that is not attended by non-independent Board members or management of the Corporation. The Chair of the Board, if independent, or the Lead Director if the Chair of the Board is not independent, shall act as the effective leader of the Board and set the Board's agenda with a view to assisting the Board in successfully carrying out its duties. The Chair of the Board shall not be the chief executive officer of the Corporation.

2.4 **Access to Management and Outside Advisors** - The Board shall have unrestricted access to the management and employees of the Corporation and its subsidiary entities. The Board shall have the authority to retain external legal counsel, consultants or other advisors to assist them in fulfilling their responsibilities and to set and pay the respective compensation of these advisors without consulting or obtaining the approval of any Corporation officer. The Corporation shall provide appropriate funding, as determined by the Board, for the services of these advisors.

2.5 **Secretary and Minutes** - The Board shall request that an officer of the Corporation, external legal counsel or any other person act as secretary of each meeting of the Board. Minutes of meetings of the Board shall be recorded and maintained and subsequently presented to the Board for approval.

2.6 **Meetings Without Management** - At each regular meeting of the Board, the independent directors shall, under the oversight of the Chair of the Board, if the Chair is independent, or the Lead Director, as applicable, meet without management and non-independent directors being present.

3. ELECTION OF DIRECTORS

3.1 **Majority Voting Policy –** The Board has adopted a majority voting policy for the annual election of directors.

3.2 **Annual Elections** – All directors stand for election by the Corporation's shareholders annually.

4. FUNCTIONS AND RESPONSIBILITIES

The Board shall have the functions and responsibilities set out below. In addition to these functions and responsibilities, the Board shall perform such duties as may be required by the Articles, the By-Laws and all applicable laws, regulations and listing requirements.

4.1 Strategic Planning

a. Strategic Plans - The Board shall periodically review and, as appropriate, approve the Corporation's strategic planning process and short- and long-term strategic plans prepared by management of the Corporation. In discharging this responsibility, the Board shall review the plans in light of management's assessment of emerging trends, opportunities, the competitive environment, risk issues and significant business practices.

b. Business Plans - The Board shall review and, if advisable, approve the Corporation's annual business plans.

c. Monitoring - The Board shall periodically review management's implementation of the Corporation's strategic and business plans. The Board shall review and, as appropriate, approve any material amendments to, or variances from, these plans.

4.2 Risk Management

a. General - The Board, with the assistance of the Risk Committee (with respect to risks related to business and operations) and the Audit Committee (with respect to matters relating to financial and accounting controls and risks), shall periodically review reports provided by management of the Corporation of material risks associated with the businesses and operations of the Corporation's subsidiary entities, review the implementation by management of systems to manage these risks and review reports by management relating to the operation of and any material deficiencies in these systems.

b. Verification of Controls - The Board shall, with the assistance of the Audit Committee, verify that internal, financial, non-financial and business control and information systems have been established by management and that the Corporation is applying appropriate standards of corporate conduct for these controls.

4.3 **Human Resource Management**

a. General - The Board, with the assistance of the Human Resources and Compensation Committee, shall periodically review the Corporation’s approach to human resource management and executive compensation.

b. Succession Review - The Board, with the assistance of the Human Resources and Compensation Committee or such other committee of the Board that the Board may determine from time to time, as applicable, shall periodically review the succession plans of the Corporation for the Chair of the Board, the Chief Executive Officer and senior management, including the appointment, training and monitoring of such persons.

c. Integrity of Senior Management - The Board shall, to the extent feasible, satisfy itself as to the integrity of senior management of the Corporation and that the senior management of the Corporation strive to create a culture of integrity throughout the Corporation.

4.4 **Corporate Governance**

a. General - The Board shall, in conjunction with the Corporate Governance Committee, periodically review the Corporation’s approach to corporate governance and this mandate, and make changes to the mandate as appropriate.

b. Board Independence - The Board shall, in conjunction with the Corporate Governance Committee, periodically evaluate the independence standards established by the Board and the Board's ability to act independently from management in fulfilling its duties.

c. Ethics Reporting - The Board or an appropriate committee of the Board shall periodically review reports provided by management relating to compliance with, or material deficiencies of, the Corporation’s Code of Business Conduct and Ethics.

4.5 **Financial Information**

a. General - At least annually, the Board shall, in conjunction with the Audit Committee, review the Corporation’s internal controls relating to financial information and reports provided by management on material deficiencies in, or material changes to, these controls.

b. Integrity of Financial Information - The Board shall, in conjunction with the Audit Committee, review the integrity of the Corporation’s financial information and systems, the effectiveness of internal controls and management's assertions on internal control and disclosure control procedures.

c. Financial Statements – The Board shall review the recommendation of the Audit Committee with respect to the interim and annual financial statements and Management's Discussion & Analysis ("**MD&A**") of such financial statements to be delivered to shareholders, as well as any associated earnings release. If appropriate, the Board shall approve such financial statements, MD&A and earnings releases.

4.6 **Communications** and Disclosure

a. General - The Board in conjunction with management shall periodically review the Corporation's overall communications strategy, including measures for receiving feedback from the Corporation's shareholders.

b. Disclosure Policies and Procedures – The Board shall periodically review management's compliance with the Corporation's disclosure policies and procedures. The Board shall, if advisable, approve material changes to the Corporation's disclosure policies and procedures.

c. Disclosure - The Board shall review and, if appropriate, approve any prospectus, annual information form (including Form 40-F), management information circular or news release containing earnings guidance prior to its public release or filing.

4.7 **Committees of the Board**

a. Board's Committees - The Board has established the following committees of the Board: the Audit Committee, the Corporate Governance Committee, the Risk Committee and the Human Resources and Compensation Committee. Subject to applicable law and the Articles and By-Laws of the Corporation, the Board may establish other committees, dispose of any committee or merge any committee of the Board with any other committee of the Board.

b. Committee Charters - The Board has approved charters for each committee and shall approve charters for each new standing committee of the Board. The Board shall periodically review and, taking into account recommendations of the Corporate Governance Committee and the Chair of the Board, as applicable, approve each charter.

c. Delegation to Committees - The Board has delegated for approval or review the matters set out in each committee's charter to that committee.

d. Consideration of Committee Recommendations - As required, the Board shall consider for approval the specific matters delegated for review to committees of the Board.

e. Board/Committee Communication - To facilitate communication between the Board and each committee of the Board, each committee chair shall provide a report to the Board on material matters considered by the committee at the first Board meeting after each meeting of the committee.

5. RESPONSIBILITIES OF INDIVIDUAL DIRECTORS

5.1 **Responsibilities Set out in the Mandate** – A director shall review and participate in the work of the Board necessary in order for the Board to discharge the duties and responsibilities set out in accordance with this mandate.

5.2 **Meeting Preparation and Attendance** – In connection with each meeting of the Board and each meeting of a committee of the Board of which the director is a member, a director shall:

a. review thoroughly the material provided to the director in connection with the meeting, provided that such review is practicable in the view of the time at which such material was delivered to the director;

b. attend all scheduled meetings (absent extenuating circumstances) of the Board and meetings of committees on which a director serves; and

c. attend each meeting in person to the extent practicable (unless the meeting is scheduled to be held by phone or video-conference).

5.3 **Assessment** – A director shall participate in such processes as may be established by the Board for assessing the Board, its committees and individual directors.

5.4 **Service on Other Boards** - Directors may serve on the boards of other for-profit organizations so long as these commitments do not materially interfere with and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Chair of the Corporate Governance Committee in advance of accepting an invitation to serve on the board of another for-profit organization.

5.5 **Other Responsibilities** – A director shall perform such other functions as may be delegated to that director by the Board or any committee of the Board from time to time.

6. OWNERSHIP GUIDELINES

6.1 **Director Equity Ownership Guidelines** – All directors are expected to maintain a meaningful equity ownership interest in the Corporation in order to align their interests with those of the shareholders. The Corporation has adopted a Non-Employee Director Share Ownership Guideline, which applies to directors who are not employees of the Corporation, and an Executive Share Ownership Guideline, which applies to directors who are employees of the Corporation, which together require each director or covered executive to maintain a specified level of equity ownership.

7. ORIENTATION, SELF-ASSESSMENT AND EVALUATION

7.1 Each director shall participate in orientation and continuing education programs developed for the Board. Directors are encouraged to participate in external education sessions to assist them in performing their duties as directors.

7.2 The Board, along with the Corporate Governance Committee, shall conduct regular assessments of the overall effectiveness of the Board, its committees, the Chair of the Board and the Chairs of the committees of the board taking into consideration the relevant mandates and terms of reference. The Board shall also conduct an assessment of the contributions of individual directors. The assessments of individual directors will take into account, among other things, self-assessments, confidential peer-review surveys completed by each director and the consideration of the competencies and skills that each director is expected to bring to the Board.

8. CURRENCY OF MANDATE

The mandate was last revised and approved by the Board of Directors of Algonquin Power & Utilities Corp. as of August 12, 2021.

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_101 Identify and discuss in detail all measures Liberty and Algonquin will have in place to insure the independence of KPCo's board of directors.

RESPONSE

The bylaw that is intended to be adopted by Kentucky Power and the Corporate Governance Guidelines for Certain Regional Subsidiaries of Liberty Utilities Co. (see response to AG 1-100) contain various provisions to promote the independence of Kentucky Power's Board, including the following:

- The Board will be required to consist of a majority of independent directors.
- Any committee created by the Board will be required to have at least one independent member.
- Directors are required to disclose any actual or potential conflict of interest and refrain from participating in any vote on the matter.
- Independent directors are asked to join the Board only at the conclusion of a robust recruiting process that includes assessments of candidates' experience, integrity, competence, diversity, skills, and dedication.
- Term limits of six years apply to independent directors.
- Directors have the ability to request topics to be included on Board meeting agendas.
- Directors have unrestricted access to the management and employees and have the authority to retain independent advisors at the corporation's expense.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_102 Explain whether a KPCo board member will sit on the Liberty board of directors, and/or on the Algonquin board of directors.

RESPONSE

A member of the Kentucky Power Board will not sit on the Board of Liberty Utilities Co. Arun Banskota, who will be a management member of the Kentucky Power Board, is also a member of the Board of Algonquin Power & Utilities Corp.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_103 Explain whether a member of the Liberty board of directors will sit on the KPCo board of directors, and/or whether a member of the Algonquin board will sit on KPCo's board.

RESPONSE

No member of the Liberty Utilities Co. Board will sit on the Board of Kentucky Power Company. It is intended that Arun Banskota, President and CEO of APUC and a member of its Board, will sit on the Board of Kentucky Power Company.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_104 Identify all committees of the board of directors for KPCo's new parent entity, their composition, functions, and charges. Identify also the limits of each committee's authority, if any.

RESPONSE

Liberty Utilities Co. will be the direct parent of Kentucky Power Company, while Algonquin Power & Utilities Corp. will be the ultimate parent entity. APUC's Board has the following four standing committees: (1) Audit Committee; (2) Corporate Governance Committee; (3) Human Resources and Compensation Committee; and (4) Risk Committee. Each of those committees is comprised entirely of independent directors. Their compositions are as follows:

Audit: Chris Ball (Chair); Melissa Stapleton Barnes; Chris Huskilson; Dilek Samil

Corporate Governance: Randy Laney (Chair); Melissa Stapleton Barnes; Masheed Saidi

Human Resources and Compensation: Dilek Samil (Chair); Chris Ball; Chris Huskilson; Randy Laney

Risk: Masheed Saidi (Chair); Melissa Stapleton Barnes; Chris Huskilson

The powers, functions, and responsibilities of those committees are as delegated to them by Algonquin's Board, which are set out in their respective mandates (see attached documents JA_R_AG_104_Attachment_Mandate - Corp Gov Committee – 2020.pdf, JA_R_AG_104_Attachment_Mandate - Risk Committee – 2020.pdf, JA_R_AG_104_Attachment_MANDATE Audit Committee - 2021.pdf, JA_R_AG_104_Attachment_MANDATE - Human Resources Compensation Committee – 2021.pdf).

Witness: Peter Eichler

ALGONQUIN POWER & UTILITIES CORP.

MANDATE OF THE CORPORATE GOVERNANCE COMMITTEE

By appropriate resolution of the board of directors (the "**Board**") of Algonquin Power & Utilities Corp. (the "**Corporation**"), the Corporate Governance Committee (the "**Committee**") has been established as a standing committee of the Board with the terms of reference set forth below.

1. PURPOSE

1.1 The Committee's primary purpose is to assist in the Board's oversight of the Corporation's corporate governance practices. The independent members of the Committee will also serve as the Board's nominating and evaluation committee.

2. COMMITTEE MEMBERSHIP

2.1 Number of Members – The Committee shall consist of not fewer than three members.

2.2 Members – Each member of the Committee shall be a director of the Corporation.

2.3 Independence of Majority of Members – A majority of the members of the Committee shall:

(a) not be an officer or employee of the Corporation or any of the Corporation's subsidiary entities or affiliates; and

(b) be independent as determined in accordance with the meaning of the provisions of National Policy 58-201 – Corporate Governance Guidelines and other applicable laws and regulations, or in the event such independence requirements are not met, be approved by the Board.

2.4 Chair – The Chair of the Committee shall be selected from the members of the Committee.

2.5 Annual Appointment of Members – The Committee and its Chair shall be appointed annually by the Board and each member of the Committee shall serve at the pleasure of the Board until he or she resigns, is removed or ceases to be a director.

2.6 Role as Nominating Committee – When the Committee is engaged in matters relating to its role as the nominating Committee of the Board, any member of the Committee that is not independent as contemplated in Section 2.3 above shall recuse himself or herself from participating or voting on matters to the extent they relate to the Committee acting as the nominating Committee of the Board. The independent members of the Committee serve as the Nominating Sub-Committee.

3. COMMITTEE MEETINGS

3.1 Time and Place of Meetings – The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee; a majority of the members of the Committee shall constitute a quorum and the Committee shall maintain minutes or other records of its meetings and activities.

3.2 Access to Management – The Committee shall have unrestricted access to management and all other employees of the Corporation and its subsidiary entities.

3.3 Meetings Without Management – The Committee may hold unscheduled and regularly scheduled meetings, and each meeting will provide the opportunity for a portion of the meeting to occur without management of the Corporation or its subsidiary entities ("**Management**") present.

4. COMMITTEE AUTHORITY

4.1 Advisors – The Committee, or any member of the Committee with the approval of the Committee, may retain, at the expense of the Corporation, such outside legal or other professional advice on such terms as the Committee may deem appropriate and shall not be required to obtain any other approval in order to retain or compensate any such advisors.

4.2 Funding – The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation of any advisor retained by the Committee under Section 4.1 of this mandate.

5. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

5.1 Oversight of Corporate Governance Practices – The Committee shall:

(a) develop and recommend to the Board for approval, as warranted, and/or periodically review, the Corporation's corporate governance policies, including any risk associated with the effectiveness of such policies, and recommend to the Board any changes as appropriate;

(b) conduct a periodic review of the mandates of the Board and its committees and recommend to the Board such amendments to those mandates as the Committee believes are necessary or desirable;

(c) consider the development of, and if appropriate, develop and recommend to the Board the adoption of codes of conduct and other mandates and charters applicable to the Board, Management and employees of the Corporation and its subsidiary entities;

(d) review and make recommendations to the Board regarding sustainability matters (including environmental, social and governance matters) and their integration into the Corporation's business and long-term value creation for the Corporation and its shareholders;

(e) annually approve a Statement of Corporate Governance Practices to be included in the Corporation's annual report or information circular;

(f) recommend procedures to permit the Board to function independently of Management, including procedures to permit the Board to meet on a regular basis without Management present;

(g) monitor and report to the Board the status of director share and DSU ownership and compliance with the Corporation's Non-Employee Director Share Ownership Guideline, which applies to directors who are not employees of the Corporation, and Executive Share Ownership Guideline, which applies to directors who are employees of the Corporation;

(h) determine periodically which members of the Board the Committee considers to be independent directors, and recommend such determination to the Board, along with the analysis by the Committee of the principles supporting that determination; and

(i) review directorships at other for-profit organizations offered to directors and senior officers of the Corporation.

5.2 Evaluation of Effectiveness of Directors – The Committee shall:

(a) periodically assess the effectiveness and contribution of the Board, Board Committees, committee chairs and individual directors;

(b) periodically evaluate the composition and size of the Board to assess the skills and experience that are currently represented on the Board as a whole, and in individual directors, as well as the skills and experience that the Board may find valuable in the future, and to further the Board's commitment to achieving diversity on the Board;

(c) when a new director is appointed or elected, assess the orientation needs of such new director and oversee the development of an orientation program for such director;

(d) periodically perform an assessment of the Board and its Committees as a whole; and

(e) assess director development needs, establish director development programs, and periodically review the programs and approve changes it considers appropriate.

5.3 Nomination of Directors

(a) Identifying and Recommending Nominees – The independent members of the Committee shall identify the individuals qualified to become new directors and endeavor to maintain, on an ongoing basis, a database of potential candidates and recommend to the Board new nominees for election by shareholders or for appointment by the Board. In making its recommendations of nominees to the Board, the Committee shall consider:

(i) any selection criteria approved by the Board from time to time, including such knowledge, experience, skills, expertise and diversity that the Board considers to be necessary for the Board, as a whole, to possess;

(ii) the independence of each candidate in accordance with all statutory, regulatory and stock exchange requirements and guidelines as in effect from time to time and any additional independence criteria established by the Board from time to time;

(iii) whether or not each candidate can devote sufficient time and resources to his or her duties as a Board member;

(iv) the competencies and skills each new candidate would bring to the Board; and

(v) the strategic direction of the Corporation.

(b) Exception – If the Corporation is legally required by contract or otherwise to provide third parties with the right to nominate one or more directors, the Committee shall have no responsibility for the selection and nomination of such directors.

5.4 Code of Business Conduct and Ethics – The Committee shall establish procedures for:

(a) the receipt and treatment of reports of violations of the Code of Business Conduct and Ethics; and

(b) the confidential and anonymous investigations of such complaints, as applicable.

6. REPORTING TO THE BOARD

6.1 Regular Reporting – The Committee shall report to the Board following each meeting of the Committee and at such other times as the Committee may determine to be appropriate.

7. EVALUATION OF COMMITTEE PERFORMANCE

7.1 Performance Review - The Committee shall periodically assess its performance and provide a written report to the Board.

7.2 Amendments to Mandate

(a) Review by Committee - The Committee shall periodically review and discuss the adequacy of this mandate and, if applicable, recommend any proposed changes to the Board.

(b) Review by Board – The Board will periodically review and reassess the adequacy of the mandate, as it considers appropriate.

8. CURRENCY OF MANDATE

8.1 Currency of Mandate – This mandate was approved by the Board of Directors of Algonquin Power & Utilities Corp. as of February 27, 2020.

ALGONQUIN POWER & UTILITIES CORP.

MANDATE OF THE HUMAN RESOURCES AND COMPENSATION COMMITTEE

By appropriate resolution of the board of directors (the "**Board**") of Algonquin Power & Utilities Corp. (the "**Corporation**"), the Human Resources and Compensation Committee (the "**Committee**") has been established as a standing committee of the Board with the terms of reference set forth below.

1. PURPOSE

1.1 Responsibilities - The Committee shall exercise the responsibilities and duties set forth below, including but not limited to:

(i) recruiting appropriate candidates for consideration by the board for the position of the Chief Executive Officer of the Corporation ("**CEO**");

(ii) approving the appointment of officers reporting directly to the CEO and such other employees of the Corporation as may be identified by the Committee ("**Designated Employees**");

(iii) approving executive compensation plans (including philosophy and guidelines);

(iv) recommending to the Board compensation arrangements for the CEO and reviewing compensation arrangements for Designated Employees and Directors;

(v) reviewing and approving management succession plans;

(vi) supervising management of compensation and benefit programs;

(vii) approving the grant of stock options;

(viii) approving the grant of PSUs, RSUs and DSUs;

(ix) reviewing key HR policies and programs, including diversity and inclusion, as well as strategies for talent recruitment, engagement and development;

(x) seeking Board approval of compensation philosophy and strategies; and

(xi) seeking input and feedback from other members of the Board regarding executive performance (including with respect to the CEO, CFO and other Executive Team members).

2. COMMITTEE MEMBERSHIP

2.1 Number of Members – The Committee shall consist of not fewer than two members.

2.2 Independence of Members – Each member of the Committee shall:

(i) be a director of the Corporation;

(ii) not be an officer or employee of the Corporation or any of the Corporation's subsidiary entities or affiliates;

(iii) be independent as determined in accordance with the meaning of the provisions of National Policy 58-201 – *Corporate Governance Guidelines* and other applicable laws and regulations, or in the event such independence requirements are not met, be approved by the board.

2.3 Chair – The Chair of the Committee shall be selected from the members of the Committee.

2.4 Annual Appointment of Members and Chair - The Committee and its Chair shall be appointed annually by the Board and each member of the Committee shall serve at the pleasure of the Board until he or she resigns, is removed or ceases to be a director.

3. COMMITTEE MEETINGS

3.1 Procedure of Meetings - The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee; provided, however, that:

(i) the Committee shall meet as many times as required to carry out its duties and responsibilities, but at least two times annually;

(ii) a quorum for the Committee shall be a majority of its members; provided that if the Committee is comprised of two members, a quorum shall be both members;

(iii) no business may be transacted by the Committee at a meeting unless a quorum of the members of the Committee is present;

(iv) the Committee shall maintain minutes or other records of its meetings and activities, and such minutes shall be circulated to the members of the Board; and

(v) the Committee shall hold *in camera* meetings at each regular Committee meeting.

3.2 Access to Management - The Committee shall have unrestricted access to management and all other employees of the Corporation and its subsidiary entities.

3.3 Attendance at Meetings – The Committee may invite to a meeting any officers or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

4. COMMITTEE AUTHORITY

4.1 Advisors – The Committee, or any member of the Committee with the approval of the Committee, may retain, at the expense of the Corporation, such outside legal or other professional advice on such terms as the Committee may deem appropriate and shall not be required to obtain any other approval in order to retain or compensate any such advisors.

4.2 Funding – The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation of any advisor retained by the Committee under Section 4.1 of this mandate.

5. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

5.1 Recruit and Recommend the CEO

(a) CEO Selection - The Committee shall recruit and recommend to the Board for Board approval the appointment of a CEO who, in the Committee's opinion, shall execute the goals and objectives of the Corporation and satisfy the requirements set out in the Corporation's position description for the CEO ("**CEO Position Description**").

(b) Employment Agreements - The Committee shall review and if advisable approve and recommend for Board approval employment agreements between the Corporation and the CEO and any amendments to the terms of such agreements.

5.2 Designated Employees of the Corporation

(a) Appointment of Designated Employees - The Committee shall review and approve the appointment, compensation and other terms of employment of Designated Employees. The Committee shall take into account recommendations of the CEO regarding the appointment of Designated Employees.

(b) Employment Agreements - The Committee shall, upon the recommendation of the CEO, review and if advisable approve employment agreements between the Corporation and Designated Employees and amendments to the terms of such agreements.

5.3 Develop and Review Broad Incentive Plans for the Corporation

(a) Compensation Strategies - The Committee shall from time to time as appropriate review and approve compensation strategies for the retention and motivation of the Corporation's CEO, Designated Employees and other employees (the "**employees**").

(b) Guidelines - The Committee shall from time to time as appropriate review the CEO's recommendations with respect to the compensation guidelines applicable to employees and approve such compensation guidelines.

(c) Review – The Committee shall review on a periodic basis the terms of and experience with the Corporation's executive compensation programs for the purpose of determining if they are properly coordinated and achieving the purpose for which they were designated and administered. In addition, the Committee shall annually assess the results of the Corporation's most recent advisory resolution on executive compensation. The Committee requires that senior management at least annually review the performance of their team members and develop plans for personal growth and career advancement.

(d) Broad Incentive Plans - The Committee shall:

(i) oversee and administer incentive compensation and equity compensation plans, and any supplementary pension plans of the Corporation and its subsidiaries, unless otherwise specified by the Board; and

(ii) review and recommend to the Board for its approval new incentive and equity compensation plans, and supplementary pension plans, as well as amendments to such plans.

(e) Consultant – On a periodic basis, the Committee shall retain the services of a compensation consultant to provide perspective and expertise on the Corporation's compensation practices and to assist in determining the appropriateness of the compensation of its senior executives. The Committee shall approve in advance any other work the consultant may perform at the request of management.

5.4 Evaluate and Recommend Compensation Arrangements for the CEO - On an annual basis, the Committee shall:

(i) review and approve in consultation with the Board corporate goals and objectives specific to the CEO in connection with CEO compensation; and

(ii) determine and assess the CEO's compensation level (including salary, bonus, incentive and pension plans) based on the Committee's evaluation of the CEO's performance in light of the corporate goals and objectives, the performance of the Corporation, an analysis of the compensation paid to the CEO relative to a peer group of companies, and such other factors as the Committee deems appropriate and recommend the CEO compensation to the non-executive directors on the Board for approval.

5.5 Review and Assess Compensation Arrangements for all Designated Employees - On an annual basis, the Committee shall review and assess the competitiveness and appropriateness of the CEO's recommendations with respect to the compensation packages (including salary, bonus, incentive and pension plans) to be provided to the Designated Employees based on the evaluation of the performance of such officers, the performance of the Corporation, an analysis of the compensation paid to such executive officers relative to a peer group of companies, and such other factors as the Committee deems appropriate.

5.6 Director Compensation

(a) Compensation - The Committee shall recommend to the Board for approval terms for the compensation of directors, the Chair of the Board (if applicable) and those acting as committee chairs and committee members.

(b) Shareholdings - The Committee shall from time to time consider the desirability of, and review, the Corporation's policy on director shareholdings and monitor its implementation.

5.7 Succession Planning – The Committee shall make recommendations to the Board with respect to management succession including:

(i) policies and principles for the selection and performance review of the CEO, potential successors to the CEO, Designated Employees and potential successors to the Designated Employees;

(ii) policies and plans regarding succession in the event of an emergency or the retirement of the CEO or the Designated Employees; and

(iii) reviewing, training and monitoring potential successors to the CEO, the Designated Employees, and, as applicable, potential successors to such executive officers.

5.8 Grants of Stock Options

(a) Delegation – The Board hereby delegates to the Committee the authority to grant stock options.

(b) Stock Option Grants – The Committee shall grant stock options to employees, officers, directors and consultants of the Corporation and its affiliates from time to time as the Committee determines is appropriate, including as to number, price, vesting and expiry and the terms of the stock option agreements relating thereto.

5.9 Grants of PSUs, RSUs and DSUs

(a) Delegation – The Board hereby delegates to the Committee the authority to grant performance share units ("**PSUs**"), restricted share units ("RSUs" and deferred stock units ("**DSUs**").

(b) PSU, RSU and DSU Grants – The Committee shall grant PSUs, RSUs and DSUs to employees, officers, directors and consultants of the Corporation and its affiliates from time to time as the Committee determines is appropriate, including as to the terms thereof and the agreements relating thereto.

5.10 Other Matters

(a) Talent Other Workforce Initiatives – Review and discuss with management key aspects of the Corporation's HR policies and programs, including diversity and inclusion initiatives, and strategies for employee recruitment, engagement and development.

(b) Compensation Risk – Oversee the assessment of the risks related to the Corporation's compensation policies and programs applicable to officers and employees, and review the results of this assessment.

6. REPORTING TO THE BOARD

6.1 Regular Reporting – If applicable, the Committee shall report to the Board following each meeting of the Committee and at such other times as the Committee may determine to be appropriate.

7. REPORTING TO SHAREHOLDERS

7.1 Compensation Disclosure – Management of the Corporation shall provide the Committee with drafts of all disclosure relating to executive compensation and the Committee shall review and recommend to the Board for approval all such disclosure in accordance with applicable rules and regulations and as required to be disclosed in the management proxy circular prepared in connection with the Corporation's annual meeting of shareholders or other publicly available documents prior to their dissemination to the public.

8. EVALUATION OF COMMITTEE PERFORMANCE

8.1 Performance Review - The Committee shall periodically assess its performance.

8.2 Amendments to Mandate

(a) Review by Committee - The Committee shall periodically review and discuss the adequacy of this mandate and, if applicable, recommend any proposed changes to the Board.

(b) Review by Board – The Board will review and reassess the adequacy of this mandate periodically, as it considers appropriate.

9. CURRENCY OF MANDATE

9.1 Currency of Mandate – This Mandate was approved by the Board of Directors of Algonquin Power & Utilities Corp. as of March 4, 2021.

ALGONQUIN POWER & UTILITIES CORP.

MANDATE OF THE RISK COMMITTEE OF THE BOARD OF DIRECTORS

By appropriate resolution of the board of directors (the "**Board**") of Algonquin Power & Utilities Corp. (the "**Corporation**"), the Risk Committee (the "**Committee**") has been established as a standing committee of the Board with the terms of reference set forth below.

1. PURPOSE

1.1 The Committee's primary purpose is to assist the Board in its oversight of the Corporation's enterprise risk management practices. The Board has delegated to the Committee responsibility for overseeing the appropriateness and effectiveness of risk management policies and processes put in place by management to identify and address risks faced by the Corporation in the development and execution of its business strategy that are not directly related to financial and accounting matters. The oversight of financial and accounting risks has been delegated by the Board to the Audit Committee.

2. COMMITTEE MEMBERSHIP

2.1 Number of Members – The Committee shall consist of not fewer than three members.

2.2 Annual Appointment of Members - The Committee and its Chair shall be appointed annually by the Board and each member of the Committee shall serve at the pleasure of the Board until he or she resigns, is removed or ceases to be a director.

2.3 Secretary – The Committee will appoint a Secretary. The Secretary to the Committee need not be a director.

3. COMMITTEE MEETINGS

3.1 Time and Place of Meetings - The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee; a majority of the members of the Committee shall constitute a quorum and the Committee shall maintain minutes or other records of its meetings and activities. If the Committee has fewer than three members as a result of a vacancy, then two members shall constitute a quorum.

3.2 Access to Management. The Committee shall have unrestricted access to management and all other employees of the Corporation and its subsidiary entities.

3.3 Meetings Without Management. The Committee may hold unscheduled and regularly scheduled meetings, and a portion of each meeting will be scheduled for the Committee to meet "in camera" without the participation of management of the Corporation or its subsidiary entities.

4. COMMITTEE AUTHORITY

4.1 Advisors – The Committee, or any member of the Committee with the approval of the Committee, may retain, at the expense of the Corporation, such outside legal or other professional advice on such terms as the Committee may deem appropriate and shall not be required to obtain any other approval in order to retain or compensate any such advisors.

4.2 Funding – The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation of any advisor retained by the Committee under Section 4.1 of this mandate.

5. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

5.1 Oversight of Enterprise Risk – The Committee shall:

(a) Oversee the Corporation's establishment of effective policies, processes and systems to identify, monitor and assess risks, including without limitation environmental, social and governance risks;

(b) Work with executive management to develop, for approval of the Board of Directors, an appropriate risk governance framework including establishing appropriate risk appetite and risk tolerance approaches for the Corporation;

(c) Assess the Corporation's risk profile, including the types of risks that the Corporation faces, the methodology to identify emerging risks and the approaches taken to address risks;

(d) Periodically review management's assessment of the material risks of the Corporation's strategy and business plans and the mitigating actions undertaken by the Corporation to address those risks;

(e) Review with executive management the design, implementation and effectiveness of risk policies, processes, procedures and controls;

(f) Review with executive management the Corporation's approach to safety, its safety policies and programs and key metrics and safety performance of the Corporation;

(g) Review with executive management the Corporation's compliance and regulatory framework including policies and procedures and receive reports and updates on an ongoing basis;

(h) Review the Corporation's information and cybersecurity program and related risks; and

(i) Report quarterly to the Board of Directors, its activities, recommendations and assessments regarding the Corporation's approach to enterprise risk management.

6. REPORTING TO THE BOARD

6.1 Regular Reporting – If applicable, the Committee shall report to the Board following each meeting of the Committee and at such other times as the Committee may determine to be appropriate.

7. EVALUATION OF COMMITTEE PERFORMANCE

7.1 Performance Review – The Committee shall periodically assess its performance and provide a written report to the Board.

7.2 Amendments to Mandate

(a) Review by Committee - The Committee shall periodically review and discuss the adequacy of this mandate and, if applicable, recommend any proposed changes to the Board.

(b) Review by Board – The Board will review and reassess the adequacy of the mandate of the Committee periodically, as it considers appropriate.

8. CURRENCY OF CHARTER

8.1 Currency of Mandate – This mandate was approved by the Board of Directors of Algonquin Power & Utilities Corp. as of February 27, 2020.

ALGONQUIN POWER & UTILITIES CORP.

MANDATE OF THE AUDIT COMMITTEE

By appropriate resolution of the board of directors (the "**Board**") of Algonquin Power & Utilities Corp., the Audit Committee (the "**Committee**") has been established as a standing committee of the Board with the terms of reference set forth below. Unless the context requires otherwise, the term "**Corporation**" refers to Algonquin Power & Utilities Corp. and its subsidiaries.

1. **PURPOSE**

1.1 The Committee's purpose is to:

a. assist the Board's oversight of:

(i) the integrity of the Corporation's financial statements, Management's Discussion and Analysis ("**MD&A**"), earnings releases or news releases containing earnings guidance and other financial reporting;

(ii) the Corporation's compliance with legal and regulatory requirements;

(iii) the external auditor's qualifications, independence and performance;

(iv) the performance of the Corporation's internal audit function and internal auditor;

(v) the communication among management of the Corporation and its subsidiary entities and the Corporation's Chief Executive Officer and its Chief Financial Officer (collectively, "**Management**"), the external auditor, the internal auditor and the Board;

(vi) management's strategies for matters relating to treasury, liquidity, capital and debt markets and plans, financial structures, and tax planning; and

(vii) any other matters as defined by the Board;

b. prepare and/or approve any report that is required by law or regulation to be included in any of the Corporation's public disclosure documents relating to the Committee.

2. **COMMITTEE MEMBERSHIP**

2.1 Number of Members – The Committee shall consist of not fewer than three members.

2.2 Independence of Members – Each member of the Committee shall:

a. be a director of the Corporation;

b. not be an officer or employee of the Corporation or any of the Corporation's subsidiary entities or affiliates; and

c. satisfy the independence requirements applicable to members of audit committees under each of the rules of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators ("**NI 52-110**") and other applicable laws and regulations.

2.3 Financial Literacy – Each member of the Committee shall satisfy the financial literacy requirements applicable to members of audit committees under NI 52-110 and other applicable laws and regulations. At least one member of the Committee shall be a "financial expert" within the meaning of item 407(d) of Regulation S-K under the U.S. Securities Act of 1933.

2.4 Chair – The Chair of the Committee shall be selected from among the members of the Committee.

2.5 Annual Appointment of Members – The Committee and its Chair shall be appointed annually by the Board and each member of the Committee shall serve at the pleasure of the Board until he or she resigns, is removed or ceases to be a director.

3. COMMITTEE MEETINGS

3.1 Time and Place of Meetings – The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee; provided, however, that the Committee shall meet at least quarterly and meetings of the Committee shall be convened whenever requested by the external auditors or any member of the Committee in accordance with the *Canada Business Corporations Act*. No business may be transacted by the Committee at a meeting unless a quorum of a majority of the members of the Committee is present. The Committee shall maintain minutes or other records of its meetings and activities.

3.2 In Camera Meetings – As part of each meeting of the Committee at which it approves, or if applicable, recommends that the Board approve, the annual audited financial statements of the Corporation or at which the Committee reviews the interim financial statements of the Corporation, and at such other times as the Committee deems appropriate, the Committee shall hold *in camera* meetings, and shall also meet separately with each of the persons set forth below to discuss and review specific issues as appropriate:

a. representatives of Management;

b. the external auditor; and

c. the internal audit personnel.

3.3 Attendance at Meetings – The external auditors are entitled to receive notice of every Committee meeting and to be heard and attend thereat at the Corporation's expense. In addition, the Committee may invite to a meeting any officers or employees of the Corporation, legal counsel, advisor and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

4. COMMITTEE AUTHORITY AND RESOURCES

4.1 Direct Channels of Communication – The Committee shall have direct channels of communication with the Corporation's internal and external auditors to discuss and review specific issues as appropriate.

4.2 Retaining and Compensating Advisors – The Committee, or any member of the Committee with the approval of the Committee, may retain at the expense of the Corporation such outside legal, accounting (other than the external auditor) or other advisors on such terms as the Committee may consider appropriate and shall not be required to obtain any other approval in order to retain or compensate any such advisors.

4.3 Funding – The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation of the external auditor and any advisor retained by the Committee under Section 4.2 of this mandate.

4.4 Investigations – The Committee shall have unrestricted access to the personnel and documents of the Corporation and the Corporation's subsidiary entities and shall be provided with the resources necessary to carry out its responsibilities.

5. REMUNERATION OF COMMITTEE MEMBERS

5.1 Director Fees Only – No member of the Committee may accept, directly or indirectly, fees from the Corporation or any of its subsidiary entities other than remuneration for acting as a director or member of the Committee or any other committee of the Board.

5.2 Other Payments – For greater certainty, no member of the Committee shall accept any consulting, advisory or other compensatory fee from the Corporation. For purposes of Section 5.1, the indirect acceptance by a member of the Committee of any fee includes acceptance of a fee by an immediate family member or a partner, member or executive officer of, or a person who occupies a similar position with, an entity that provides accounting, consulting, legal, investment banking or financial advisory services to the Corporation or any of its subsidiaries, other than limited partners, non–managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity.

6. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

6.1 Overview – The Committee's principal responsibility is one of oversight. Management is responsible for preparing the Corporation's financial statements and the external auditor is responsible for auditing those financial statements.

The Committee's specific duties and responsibilities are as follows:

a. Financial and Related Information –

(i) Annual Financial Statements – The Committee shall review and discuss with Management and the external auditor the Corporation's annual financial statements and related MD&A and earnings release and, if applicable, report thereon to the Board as a whole before the Board approves such statements, MD&A and earnings release.

(ii) Interim Financial Statements – The Committee shall review and discuss with Management and the external auditor the Corporation's interim financial statements and related MD&A and earnings release and, if applicable, report thereon to the Board as a whole before the Board approves such statements, MD&A and earnings release.

(iii) Prospectuses and Other Documents – The Committee shall review and discuss with Management and the external auditor the financial information, financial statements and related MD&A appearing in any prospectus, annual report, annual information form (including Form 40-F), management information circular, news releases containing earnings guidance or any other public disclosure document prior to its public release or filing and, if applicable, report thereon to the Board as a whole.

(iv) Accounting Treatment – Prior to the completion of the annual external audit, and at any other time deemed advisable by the Committee, the Committee shall review and discuss with Management and the external auditor (and shall arrange for the documentation of such discussions in a manner it deems appropriate) the quality and not just the acceptability of the Corporation's accounting principles and financial statement presentation, including, without limitation, the following:

(A) all critical accounting policies and practices to be used, including, without limitation, the reasons why certain estimates or policies are or are not considered critical and how current and anticipated future events impact those determinations and an assessment of Management's disclosures along with any significant proposed modifications by the auditors that were not included;

(B) all alternative treatments within generally accepted accounting principles for policies and practices related to material items that have been discussed with Management, including, without limitation, ramification of the use of such alternative disclosure and treatments, and the treatment preferred by the external auditor, which discussion should address recognition, measurement and disclosure consideration related to the accounting for specific transactions as well as general accounting policies. Communications regarding specific transactions should identify the underlying facts, financial statement accounts impacted and applicability of existing corporate accounting policies to the transaction. Communications regarding general accounting policies should focus on the initial selection of, and changes in, significant accounting policies, the impact of the Management's judgments and accounting estimates and the external auditor's judgments about the quality of the Corporation's accounting principles. Communications regarding specific transactions and general accounting policies should include the range of alternatives available under generally accepted accounting principles discussed by Management and the auditors and the reasons for selecting the chosen treatment or policy. If the external auditor's preferred accounting treatment or accounting policy is not selected, the reasons therefor should also be reported to the Committee;

(C) other material written communications between the external auditor and Management, such as any management letter, schedule of unadjusted differences, listing of adjustments and reclassifications not recorded, management representation letter, report on observations and recommendations on internal controls, engagement letter and independence letter;

(D) major issues regarding financial statement presentations;

(E) any significant changes in the Corporation's selection or application of accounting principles;

(F) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Corporation; and

(G) the adequacy of the Corporation's internal controls and any special audit steps adopted in light of control deficiencies.

(v) <u>Disclosure of Other Financial Information</u> – The Committee shall:

(A) review and discuss generally with Management the type and presentation of information to be included in all public disclosure by the Corporation containing audited, unaudited or forward-looking financial information in advance of its public release by the Corporation, including, without limitation, earnings guidance and financial information based on unreleased financial statements;

(B) discuss generally with Management the type and presentation of information to be included in earnings and any other financial information given to analysts and rating agencies, if any; and

(C) satisfy itself that adequate procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements, other than the Corporation's financial statements, MD&A and earnings press releases, and shall periodically assess the adequacy of those procedures.

b. <u>External Auditor</u> –

(i) <u>Authority with Respect to External Auditor</u> – As a representative of the Corporation's shareholders and as a committee of the Board, the Committee shall be directly responsible for the appointment, compensation, retention, termination and oversight of the work of the external auditor (including, without limitation, resolution of disagreements between Management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation. In this capacity, the Committee shall have sole authority for recommending the person to be proposed to the Corporation's shareholders for appointment as external auditor, for determining whether at any time the incumbent external auditor should be removed from office, and for determining the compensation of the external auditor. The Committee shall require the external auditor to confirm in an engagement letter to the Committee each year that the external auditor is accountable to the Board and the Committee as representatives of shareholders and that it will report directly to the Committee.

(ii) Approval of Audit Plan – The Committee shall approve, prior to the external auditor's audit, the external auditor's audit plan (including, without limitation, staffing), the scope of the external auditor's review and all related fees.

(iii) Independence – The Committee shall satisfy itself as to the independence of the external auditor. As part of this process:

(A) The Committee shall require the external auditor to submit on a periodic basis to the Committee a formal written statement confirming its independence under applicable laws and regulations and delineating all relationships between the auditor and the Corporation and the Committee shall actively engage in a dialogue with the external auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the external auditor and take, or, if applicable, recommend that the Board take, any action the Committee considers appropriate in response to such report to satisfy itself of the external auditor's independence.

(B) In accordance with applicable laws and regulations, the Committee shall pre–approve any non–audit services (including, without limitation, fees therefor) provided to the Corporation or its subsidiaries by the external auditor or any auditor of any such subsidiary and shall consider whether these services are compatible with the external auditor's independence, including, without limitation, the nature and scope of the specific non–audit services to be performed and whether the audit process would require the external auditor to review any advice rendered by the external auditor in connection with the provision of non-audit services. The Committee may delegate to one or more designated members of the Committee, such designated members not being members of management, the authority to approve additional non-audit services that arise between Committee meetings, provided that such designated members report any such approvals to the Committee at the next scheduled meeting.

(C) The Committee shall establish a policy setting out the restrictions on the Corporation's subsidiary entities hiring partners, employees, former partners and former employees of the Corporation's external auditor or former external auditor.

(iv) Rotating of Auditor Partner – The Committee shall evaluate the performance of the external auditor and whether it is appropriate to adopt a policy of rotating lead or responsible partners of the external auditors.

(v) Review of Audit Problems and Internal Audit – The Committee shall review with the external auditor:

(A) any problems or difficulties the external auditor may have encountered, including, without limitation, any restrictions on the scope of activities or access to required information, and any disagreements with Management and any management letter provided by the auditor and the Corporation's response to that letter;

(B) any changes required in the planned scope of the internal audit; and

(C) the internal audit department's responsibilities, budget and staffing.

(vi) Review of Proposed Audit and Accounting Changes – The Committee shall review major changes to the Corporation's auditing and accounting principles and practices suggested by the external auditor.

(vii) Regulatory Matters – The Committee shall discuss with the external auditor the matters required to be discussed by Section 5741 of the CICA Handbook – Assurance relating to the conduct of the audit.

c. Internal Audit Function – Controls –

(i) Regular Reporting – Internal audit personnel shall report regularly to the Committee.

(ii) Oversight of Internal Controls – The Committee shall oversee Management's design and implementation of and reporting on the Corporation's internal controls and review the adequacy and effectiveness of Management's financial information systems and internal controls. The Committee shall periodically review and approve the mandate, plan, budget and staffing of internal audit personnel. The Committee shall direct Management to make any changes it deems advisable in respect of the internal audit function.

(iii) Review of Audit Problems – The Committee shall review with the internal audit personnel: any problem or difficulties the internal audit personnel may have encountered, including, without limitation, any restrictions on the scope of activities or access to required information, and any significant reports to Management prepared by the internal audit personnel and Management's responses thereto.

(iv) Review of Internal Audit Personnel – The Committee shall review the appointment, performance and replacement of the senior internal auditing personnel and the activities, organization structure and qualifications of the persons responsible for the internal audit function.

d. Risk Assessment and Risk Management –

(i) Risk Exposure – The Committee shall discuss with the external auditor, internal audit personnel and Management periodically the Corporation's major financial risk exposures and the steps Management has taken to monitor and control such exposures.

(ii) Investment Practices – The Committee shall review Management's plans and strategies around investment practices, banking performance and treasury risk management.

(iii) Compliance with Covenants – The Committee shall review Management's procedures to assess compliance by the Corporation with its loan covenants and restrictions, if any.

e. Finance Matters –

(i) Capital Plans - the Committee will review on a periodic basis, management's capital funding plans, including timing, liquidity considerations, cost of capital, ongoing and projected capital requirements types of instruments and financing models to be utilized and balance sheet management activities.

(ii) Tax Planning – the Committee will review on a periodic basis management's tax planning strategies, tax planning structures and associated matters.

(iii) Finance Structures and Plans – the Committee will review on a periodic basis the financing and holding company structures and asset financing plans used by management to acquire, hold or operate assets and/or utilized in partnerships and joint ventures with third parties.

f. Legal Compliance –

(i) On at least a quarterly basis, the Committee shall review with the Corporation's legal counsel, external auditor and Management any legal matters (including, without limitation, litigation, regulatory investigations and inquiries, changes to applicable laws and regulations, complaints or published reports) that could have a significant impact on the Corporation's financial position, operating results or financial statements and the Corporation's compliance with applicable laws and regulations.

(ii) The Committee shall review and, if applicable, advise the Board with respect to the Corporation's policies and procedures regarding compliance with applicable laws and regulations and shall notify Management and, if applicable, the Board, promptly after becoming aware of any material non–compliance by the Corporation with applicable laws and regulations.

g. Whistle Blowing – The Committee shall establish procedures for:

(i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and

(ii) the confidential, anonymous submission by employees of the Corporation's subsidiary entities of concerns regarding questionable accounting or auditing matters.

h. Review of the Management's Certifications and Reports – The Committee shall review and discuss with Management all certifications of financial information, management reports on internal controls and all other management certifications and reports relating to the Corporation's financial position or operations required to be filed or released under applicable laws and regulations prior to the filing or release of such certifications or reports.

i. Liaison – The Committee shall assess whether appropriate liaison and co–operation exist between the external auditor and internal audit personnel and provide a direct channel of communication between external and internal auditors and the Committee.

j. Public Reports – The Committee shall prepare and/or approve any report that is required by law or regulation to be included in any of the Corporation's public disclosure documents relating to the Committee.

k. Other Matters – The Committee may, in addition to the foregoing, perform such other functions as may be necessary or appropriate for the performance of its oversight function.

7. REPORTING TO THE BOARD

7.1 Regular Reporting – If applicable, the Committee shall report to the Board following each meeting of the Committee and at such other times as the Committee may determine to be appropriate.

8. EVALUATION OF COMMITTEE PERFORMANCE

8.1 Performance Review – The Committee shall periodically assess its performance.

8.2 Amendments to Mandate

a. Review by Committee – The Committee shall periodically review and discuss the adequacy of this mandate and if applicable, recommend any proposed changes to the Board.

b. Review by Board – The Board will review and reassess the adequacy of the mandate periodically, as it considers appropriate.

9. LEGISLATIVE AND REGULATORY CHANGES

9.1 Compliance – It is the Board's intention that this mandate shall reflect at all times all legislative and regulatory requirements applicable to the Committee. Accordingly, this mandate shall be deemed to have been updated to reflect any amendments to such legislative and regulatory requirements and shall be formally amended at least every fourteen months to reflect such amendments.

10. CURRENCY OF MANDATE

10.1 Currency of Mandate – This mandate was approved by the Board of Directors of Algonquin Power & Utilities Corp. effective March 31, 2010. Last updated on August 12, 2021.

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_105 State whether individual members of KPCo's board of directors will have limits on their terms, and identify where such limits can be found in the bylaws or other corporate documents.

RESPONSE

Kentucky Power Company's independent directors would serve on the Board for a maximum of six years, subject to any extension that may be granted by Kentucky Power's stockholders. This term limit can be found in Section 6 of the Corporate Governance Guidelines for Certain Regional Subsidiaries of Liberty Utilities Co. (a copy of which confidential document is provided in response to AG 1-100..

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_106 Provide the identity of any and all independent directors for both KPCo and Liberty. If none, explain in detail why there will be none, and how each company intends to comply with the Sarbanes-Oxley Act.

RESPONSE

Liberty plans to appoint Paula Baker, Alan Marble, and John Thompson, as the three independent directors to the Kentucky Power board of directors. Each currently serves on the boards of Liberty's Central Region utilities, which include The Empire District Electric Company, The Empire District Gas Company, Empire District Industries, Inc., Liberty Utilities (Midstates Natural Gas) Corp., Liberty Utilities (Missouri Water) LLC, Liberty Utilities (Pine Bluff Water) Inc., and Liberty Utilities (Arkansas Water) Corp. Additionally, a business or community leader from Kentucky Power's service territory will serve on the board along with Arun Banskota and Johnny Johnston, the two management directors. There are no independent directors of Liberty. Compliance with the Sarbanes-Oxley Act will be facilitated on an enterprise-wide basis through policies, procedures, controls, and resources established or provided by APUC.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_107 Provide copies of all due diligence reports the Joint Applicants may have conducted regarding governance by KPCo's Board, and / or its independence, regardless of whether the Joint Applicants decided to follow any recommendations set forth therein.

RESPONSE

None of the Joint Applicants prepared any due diligence reports that are responsive to this request.

Witness: Stephan T. Haynes

Witness: Peter Eichler

DATA REQUEST

AG 1_108 Do the Joint Applicants recognize that KPCo has a legal responsibility to pursue its ratepayers' best interests?

RESPONSE

Liberty recognizes that Kentucky Power Company has a duty to provide safe, adequate, efficient, reasonable, and reliable service to its customers, consistent with its franchise and all applicable statutes and regulations.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_109 Explain whether any workforce reductions will occur as a result of the proposed transaction. Will any such reductions occur among employees tasked to repair / restoration, or maintenance functions? If so, provide complete details.

RESPONSE

No.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_110 Explain whether KPCo will be filing an application for a CPCN to deploy smart metering infrastructure. If so, and in the event the Commission grants KPCo a CPCN for advanced metering infrastructure, explain whether KPCo would support a Peak Time Rebate program for its residential customers.

RESPONSE

Kentucky Power is still evaluating whether it will be filing a CPCN to deploy smart metering infrastructure. To the extent it files a CPCN, a Peak Time Rebate program could be evaluated in that proceeding.

Witness: Brian K. West

DATA REQUEST

AG 1_111 If the application is approved by the Kentucky Commission, will the Joint Applicants agree to a condition for a most favored nation's clause wherein it will agree to provide any benefits that other jurisdictional regulatory bodies impose, by way of an evidentiary hearing or settlement? If not, why not?

RESPONSE

No. The Joint Applicants are unsure of what other jurisdictions could apply to a most favored nation's clause

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_112 Provide the JD Power customer satisfaction ratings for each of Liberty's electric utilities for each of the past five (5) years.

RESPONSE

The Empire District Electric Company is the only Liberty-owned electric utility that takes part in the syndicated JD Power customer satisfaction rating, largely due to the comparatively smaller size of the other entities. The ratings for the last 5 years are 683 (2017), 693 (2018), 681 (2019), 684 (2020) and 694 (2021).

Witness: David Swain

DATA REQUEST

AG 1_113 Reference Application ¶ 12, wherein Joint Applicants state that they intend to finance over $100 million of the cash purchase price in 2022. Provide details of all financing arrangements, including a breakdown of the types of debt Liberty will incur.

RESPONSE

Please see response to Staff 1-23.

Witness: Michael Mosindy

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
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Dated January 13, 2022

DATA REQUEST

AG 1_114 Reference Application ¶ 17, wherein Joint Applicants state, ". . . many of the centralized services that are now provided by AEP to Kentucky Power will be provided directly by Kentucky Power employees; as a result, Liberty is expecting to add a significant number of new jobs at Kentucky Power."

a. Provide an explanation of the impact on rates that adding a "significant number of jobs" at KPCo will have, and explain whether Liberty's Servco and or its holding company could perform some such duties.

RESPONSE

a. Liberty expects that the functions will be performed by a combination of additional employees at Kentucky Power and by Liberty employees. Given that the number of employees is expected to be equivalent to the number of employees performing the functions today, additional costs are not expected to be incurred.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_115 Provide all studies and analyses any or all of the Joint Applicants may have conducted regarding the impact Liberty's proposal to move KPCo to a 100% renewable power portfolio will have on KPCo's reliability ratings.

a. In your response, include all studies regarding increased costs for additional transmission capacity and dispatchable back-up power resources. If one or more Joint Applicants assert that dispatchable power resources are not necessary, provide all data and resources supporting that assertion.
b. In your response, include a complete explanation regarding the increased risk of PJM capacity performance penalties KPCo would face by moving to a 100% renewable power portfolio.

RESPONSE

a.-b. The Joint Applicants have not undertaken such a study.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_116 For each example of a Liberty electric utility renewable energy project cited in the Eichler testimony, describe that utility's dispatchable generation resource(s), and whether such resources are based in part or in whole on market-based power from an RTO.

RESPONSE

Empire Electric's transmission in the SPP is under the functional control of the SPP, and subject to the SPP Open Access Transmission Tariff ("OATT"). Empire Electric currently is authorized to sell power and capacity at market-based rates.

Empire Electric owns the following generating facilities located within the SPP Balancing Authority Area ("BAA") that it uses to provide service to its load (with excess energy being sold into the SPP market at wholesale): (1) Empire Energy Center, a 254 MW (seasonal) facility located in Missouri; (2) Iatan, an approximately 1,597.5 MW (seasonal) facility located in Missouri of which 191.7 MW is owned by Empire Electric (Empire Electric owns a 12% interest in this facility); (3) Ozark Beach, a 16 MW (seasonal) facility located in Missouri; (4) Riverton, a 294 MW (seasonal) facility located in Kansas; (5) State Line 1, a 94 MW (seasonal) facility located in Missouri; and (6) State Line Combined Cycle, an approximately 495 MW (seasonal) facility located in Missouri of which 297 MW is owned by Empire Electric (Empire Electric owns a 60% interest in this facility).

Empire Electric purchases 150 MW of power under a long-term power purchase agreement from Elk River Wind Farm LLC, located in the SPP BAA. Empire Electric also purchases 105 MW of power from Cloud County Windfarm, LLC, also located in the SPP BAA. Empire Electric has a 7.5% undivided interest (51 MW) in the approximately 680 MW Plum Point Energy Station, a coalfired facility located in the Midcontinent Independent System Operator, Inc. ("MISO") BAA, from which it also receives 50 MW of capacity that is reflected in a long-term power purchase agreement.

Witness: Drew Landoll

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_117 For each of Liberty's other electric utilities, provide the percentage of the total annual operating budget that vegetation management expense comprises, for each of calendar years 2019, 2020 and 2021 (note: this should include both transmission and distribution vegetation management expense).

a. Provide the percentage of KPCo's total annual operating budget that vegetation management expense comprises, for each of calendar years 2019, 2020 and 2021 (note: this should include both transmission and distribution vegetation management expense).

RESPONSE

Please see the table below.

	2019	**2020**	**2021**
Empire Electric	35%	38%	29%
Granite State	12%	14%	11%
CalPeco	24%	46%	35%
BELCO	< 0.5%	<0.5%	<0.5%

Liberty notes that fuel costs are excluded from the total O&M numbers used in the calculations for Empire Electric and BELCO (the two vertically integrated utilities in the Liberty family). The ratios produced for Liberty's subsidiaries reflect each utility's specific cost structures, accounting policies and operating circumstances. For example, the comparatively low percentage of the BELCO O&M spend dedicated to vegetation management is a function of heavy system undergrounding, and the specifics of local vegetation.

a. For 2019, 2020 and 2021, the percentage of Kentucky Power's total annual O&M budget that vegetation management expense represents is: 45.7% in 2019; 49.4% in 2020; and 50.2% in 2021. Figures for distribution do not include the capital portion of the 5-year cycle as well as capital widening to address trees outside the rights-of-way.

Joint Applicants have not analyzed whether or to what extent the bases or methodologies for their respective analyses above differ from one another.

Witness: Brian K. West

Witness: Drew Landoll

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_118 Assuming approval of the proposed transaction, explain whether KPCo will continue utilizing its existing customer information system ("CIS"), or whether it will transition to a CIS currently utilized by other Liberty utilities.

RESPONSE

During the TSA period, the existing CIS will be used. Upon the conclusion of the TSA period Liberty will transition Kentucky Power to its enterprise CIS system, which is SAP CR&B. This is because the current system utilized by Kentucky Power is an AEP enterprise solution that cannot be carved out at separation. Liberty further understands that the current customer service system utilized by Kentucky Power is beyond its useful life, no longer sold and supported by its vendor and therefore was scheduled to be replaced as part of AEP's technology roadmap.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_119 Provide all studies of elasticities of demand Joint Applicants have conducted regarding KPCo’s all-in rates.

RESPONSE

Please refer to the Company's most recently filed Integrated Resource Plan (Case No. 2019-00443), section 2.8 for a discussion of the price elasticity analysis performed for the Kentucky Power service territory.

Witness: Chad M. Burnett

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_120 Provide all studies and research Joint Applicants have conducted regarding rate affordability in KPCo’s service territory.

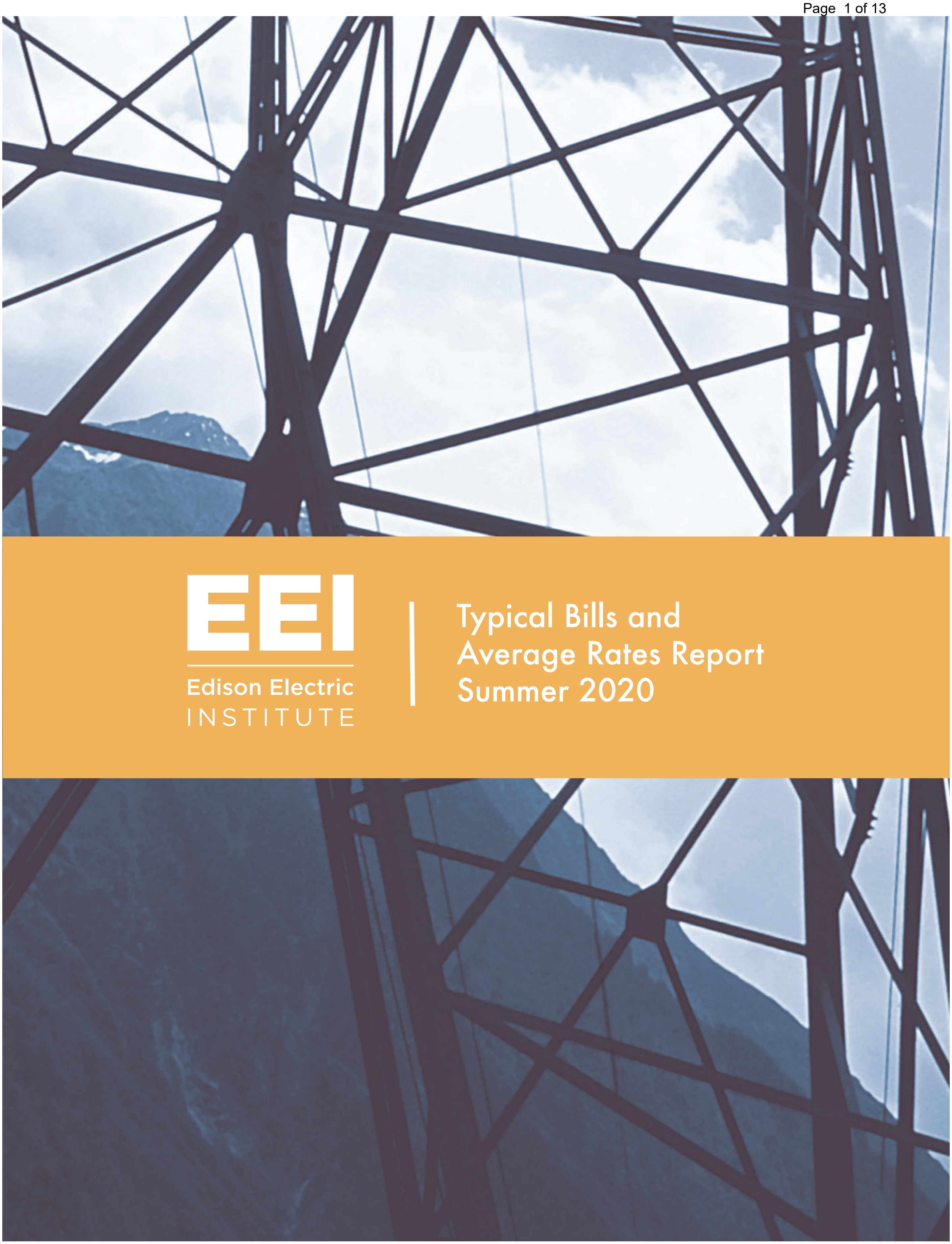
RESPONSE

AEP has not completed any rate affordability studies specific to the Kentucky Power service territory.

Liberty reviewed Edison Electric Institute’s (EEI) Summer 2020 Typical Bills and Average Rates Report. The Report is attached to this response as JA_R_AG_1_120_Attachment_Pages from 2020 EEI Typical Bills and Average Rates Report.pdf.

Witness: Chad M. Burnett

Witness: Peter Eichler



EEI
Edison Electric
INSTITUTE

Typical Bills and Average Rates Report Summer 2020

Typical Electric Bills

(in $/month)

Residential Rates in effect July 1, 2020

General Service

Fuel Clause Adjustment (FCA) in cents:

		500 kWh	750 kWh	1000 kWh		
Average For West Virginia						
	total rate	$64.93	$91.70	$118.45		
Average For South Atlantic						
	generation	$29.03	$43.55	$58.60		
	transmission	$7.08	$10.63	$14.18		
	delivery	$30.18	$41.45	$52.45		
	total rate	$63.81	$90.43	$117.53		
East South Central						
Alabama						
Alabama Power Company					FCA:	2.392
	total rate	$78.25	$109.91	$141.58		
Average For Alabama						
	total rate	$78.25	$109.91	$141.58		
Kentucky						
AEP (Kentucky Power Rate Area)					FCA:	-0.01226
	total rate	$63.53	$87.33	$111.12		
Duke Energy Kentucky					FCA:	-0.002343
	total rate	$51.56	$70.58	$89.60		
Kentucky Utilities Company					FCA:	-0.351
	total rate	$62.45	$85.19	$107.93		

Typical Electric Bills

(in $/month)

Residential Rates in effect July 1, 2020

		General Service 500 kWh	750 kWh	1000 kWh	Fuel Clause Adjustment (FCA) in cents:	
Louisville Gas & Electric Company					FCA:	-0.115
	total rate	$64.14	$88.86	$113.58		
Average For Kentucky						
	total rate	$60.42	$82.99	$105.56		
Mississippi						
Entergy Mississippi, Inc.					FCA:	-0.027942
	total rate	$60.39	$78.62	$96.82		
Mississippi Power Company					FCA:	2.4409
	total rate	$77.57	$105.10	$135.53		
Average For Mississippi						
	total rate	$68.98	$91.86	$116.18		
Tennessee						
AEP (Kingsport Power Rate Area)					FCA:	0.08044
	total rate	$56.64	$77.19	$97.76		
Average For Tennessee						
	total rate	$56.64	$77.19	$97.76		

Typical Electric Bills

(in $/month)

Commercial Rates in effect July 1, 2020

General Service

Fuel Clause Adjustment (FCA) in cents:

Demand:			40 kW	40 kW	500 kW	500 kW		
Consumption:	**375 kWh**	**1500 kWh**	**10,000 kWh**	**14,000 kWh**	**150,000 kWh**	**180,000 kWh**		
Average For South Atlantic								
generation	$23	$87	$583	$775	$8,580	$9,816		
transmission	$4	$16	$124	$146	$1,841	$1,937		
delivery	$32	$86	$412	$529	$5,279	$5,894		
total rate	$59	$180	$1,055	$1,339	$14,488	$16,050		
East South Central								
Alabama								
Alabama Power Company							FCA:	2.392
total rate	$94	$297	$1,510	$1,937	$20,952	$24,149		
Average For Alabama								
total rate	$94	$297	$1,510	$1,937	$20,952	$24,149		
Kentucky								
AEP (Kentucky Power Rate Area)							FCA:	-0.01226
total rate	$65	$177	$1,234	$1,630	$16,060	$18,332		
Duke Energy Kentucky							FCA:	-0.002343
total rate	$50	$152	$1,019	$1,239	$13,099	$14,498		
Kentucky Utilities Company							FCA:	-0.351
total rate	$76	$206	$1,187	$1,649	$14,863	$15,584		
Louisville Gas & Electric Company							FCA:	-0.115
total rate	$76	$203	$1,159	$1,609	$17,093	$17,923		

Typical Electric Bills

(in $/month)

Commercial Rates in effect July 1, 2020

General Service

Demand:			40 kW	40 kW	500 kW	500 kW	Fuel Clause Adjustment (FCA) in cents:	
Consumption:	**375 kWh**	**1500 kWh**	**10,000 kWh**	**14,000 kWh**	**150,000 kWh**	**180,000 kWh**		
Average For Kentucky								
total rate	$67	$184	$1,150	$1,532	$15,279	$16,584		
Mississippi								
Entergy Mississippi, Inc.							FCA:	-0.027942
total rate	$60	$177	$1,051	$1,342	$11,378	$13,019		
Mississippi Power Company							FCA:	
total rate	$83	$195	$1,114	$1,371	$14,750	$16,499		
Average For Mississippi								
total rate	$71	$186	$1,082	$1,357	$13,064	$14,759		
Tennessee								
AEP (Kingsport Power Rate Area)							FCA:	
total rate	$54	$151	$1,172	$1,448	$16,541	$18,247		
Average For Tennessee								
total rate	$54	$151	$1,172	$1,448	$16,541	$18,247		

Typical Electric Bills

(in $/month)

Industrial Rates in effect July 1, 2020

General Service

Fuel Clause Adjustment (FCA) in cents:

Demand in kW:	**75**	**75**	**75**	**1000**	**1000**	**1000**	**50,000**	**50,000**	**50,000**
Consumption in kWh:	**15,000**	**30,000**	**50,000**	**200,000**	**400,000**	**650,000**	**15,000,000**	**25,000,000**	**32,500,000**
Average For West Virginia									
total rate	$1,908	$2,556	$3,296	$23,525	$31,686	$40,386	$1,229,584	$1,523,184	$1,743,384
Average For South Atlantic									
generation	$876	$1,618	$2,453	$12,208	$21,239	$32,085	$854,802	$1,280,988	$1,601,171
transmission	$247	$293	$369	$3,144	$4,024	$4,842	$191,094	$218,345	$238,784
delivery	$619	$881	$1,269	$6,841	$10,268	$14,351	$347,694	$481,989	$582,651
total rate	$1,697	$2,601	$3,615	$21,409	$31,796	$43,752	$1,229,167	$1,677,177	$2,010,501

East South Central

Alabama

Alabama Power Company								FCA:	2.2562
total rate	$2,250	$3,903	$6,007	$19,180	$31,590	$45,591	$1,251,302	$1,805,388	$2,220,954
Average For Alabama									
total rate	$2,250	$3,903	$6,007	$19,180	$31,590	$45,591	$1,251,302	$1,805,388	$2,220,954

Kentucky

AEP (Kentucky Power Rate Area)								FCA:	-0.01226
total rate	$1,976	$3,462	$5,443	$29,318	$32,658	$36,834	$1,091,911	$1,248,513	$1,365,965
Duke Energy Kentucky								FCA:	-0.002343
total rate	$1,628	$2,436	$3,327	$24,094	$32,290	$42,536	$1,118,310	$1,561,454	$1,893,811

Typical Electric Bills

(in $/month)

Industrial Rates in effect July 1, 2020

General Service

Fuel Clause Adjustment (FCA) in cents:

Demand in kW:	**75**	**75**	**75**	**1000**	**1000**	**1000**	**50,000**	**50,000**	**50,000**
Consumption in kWh:	**15,000**	**30,000**	**50,000**	**200,000**	**400,000**	**650,000**	**15,000,000**	**25,000,000**	**32,500,000**
Kentucky Utilities Company								FCA:	-0.351
total rate	$2,525	$2,971	$3,565	$26,791	$31,417	$37,200	$1,365,214	$1,590,137	$1,758,829
Louisville Gas & Electric Company								FCA:	-0.115
total rate	$2,524	$3,058	$3,772	$29,898	$35,277	$42,001	$1,508,567	$1,773,279	$1,971,813

Average For Kentucky

total rate	$2,163	$2,982	$4,027	$27,525	$32,910	$39,643	$1,271,000	$1,543,346	$1,747,605

Mississippi

Entergy Mississippi, Inc.								FCA:	-0.027942
total rate	$1,601	$2,640	$4,026	$15,261	$25,604	$33,833	$1,059,670	$1,187,318	$1,283,054
Mississippi Power Company								FCA:	
total rate	$1,974	$2,944	$3,881	$22,453	$34,252	$46,396	$1,306,270	$1,862,049	$2,195,912

Average For Mississippi

total rate	$1,788	$2,792	$3,953	$18,857	$29,928	$40,115	$1,182,970	$1,524,683	$1,739,483

Tennessee

AEP (Kingsport Power Rate Area)								FCA:	
total rate	$1,904	$2,938	$4,316	$24,967	$35,370	$48,373	$1,293,525	$1,684,275	$1,977,337

Typical Electric Bills

(in $/month)

Annualized Rates in effect July 1, 2020

The data below is presented in this format for each company:

Class of Service:	res	res	res	com	com	com	ind	ind	ind
Demand (kW):					40	500	75	1,000	50,000
low load factor(kWh):	500	750	1,000	375	10,000	150,000	15,000	200,000	15,000,000
mid load factor:				1,500	14,000	180,000	30,000	400,000	25,000,000
high load factor:							50,000	650,000	32,500,000

East South Central

Alabama

Alabama Power Company

$77.30	$108.48	$137.63	$92	$1,491	$20,665	$2,223	$18,818	$1,224,885
			$290	$1,910	$23,804	$3,849	$30,866	$1,761,360
						$5,916	$44,416	$2,163,716

Average for:
Alabama

$77.30	$108.48	$137.63	$92	$1,491	$20,665	$2,223	$18,818	$1,224,885
			$290	$1,910	$23,804	$3,849	$30,866	$1,761,360
						$5,916	$44,416	$2,163,716

Kentucky

AEP (Kentucky Power Rate Area)

$63.53	$87.33	$111.12	$65	$1,234	$16,060	$1,976	$29,318	$1,091,911
			$177	$1,630	$18,332	$3,462	$32,658	$1,248,513
						$5,443	$36,834	$1,365,965

Duke Energy Kentucky

$51.56	$70.58	$89.60	$50	$1,019	$13,099	$1,628	$24,094	$1,118,310
			$152	$1,239	$14,498	$2,436	$32,290	$1,561,454
						$3,327	$42,536	$1,893,811

Kentucky Utilities Company

						$2,416		
						$2,861		
						$3,456		

Louisville Gas & Electric Company

						$2,393		
						$2,928		
						$3,641		

Typical Electric Bills

(in $/month)

Annualized Rates in effect July 1, 2020

The data below is presented in this format for each company:

Class of Service:	res	res	res	com	com	com	ind	ind	ind
Demand (kW):					40	500	75	1,000	50,000
low load factor(kWh):	500	750	1,000	375	10,000	150,000	15,000	200,000	15,000,000
mid load factor:				1,500	14,000	180,000	30,000	400,000	25,000,000
high load factor:							50,000	650,000	32,500,000

Average for:
Kentucky

$57.55	$78.96	$100.36	$58	$1,127	$14,580	$2,103	$26,706	$1,105,111
			$165	$1,435	$16,415	$2,922	$32,474	$1,404,984
						$3,967	$39,685	$1,629,888

Mississippi

Entergy Mississippi, Inc.

$60.39	$78.62	$96.82	$60	$1,051	$11,378	$1,601	$15,261	$1,059,670
			$177	$1,342	$13,019	$2,640	$25,604	$1,187,318
						$4,026	$33,833	$1,283,054

Mississippi Power Company

$77.57	$103.00	$128.19	$80	$1,058	$14,750	$1,974	$22,453	$1,306,270
			$187	$1,306	$16,499	$2,944	$34,252	$1,862,049
						$3,881	$46,396	$2,195,912

Average for:
Mississippi

$68.98	$90.81	$112.51	$70	$1,054	$13,064	$1,788	$18,857	$1,182,970
			$182	$1,324	$14,759	$2,792	$29,928	$1,524,683
						$3,953	$40,115	$1,739,483

Tennessee

AEP (Kingsport Power Rate Area)

$56.64	$77.19	$97.76	$54	$1,172	$16,541	$1,904	$24,967	$1,293,525
			$151	$1,448	$18,247	$2,938	$35,370	$1,684,275
						$4,316	$48,373	$1,977,337

Average Rates

(in cents/kilowatthour)

Total Retail Average Rates

		12 Months Ending 6/30	
		2019	2020
Average For South Atlantic			
	generation	6.38	5.92
	transmission	1.16	1.21
	delivery	3.70	3.83
	total rate	9.57	9.57
	total for all utilities (IOUs, munis, coops, etc.)	9.93	

East South Central

Alabama

		2019	2020
Alabama Power Company	total rate	9.75	10.20
Average For Alabama	total rate	9.75	10.20
	total for all utilities (IOUs, munis, coops, etc.)	9.73	

Kentucky

		2019	2020
AEP (Kentucky Power Rate Area)	total rate	9.73	9.64
Duke Energy Kentucky	total rate	8.81	8.58
Kentucky Utilities Company	total rate	8.40	9.07
Louisville Gas & Electric Company	total rate	9.31	9.81
Average For Kentucky	total rate	8.91	9.33
	total for all utilities (IOUs, munis, coops, etc.)	8.49	

Average Rates

(in cents/kilowatthour)

Residential Average Rates

		12 Months Ending 6/30	
		2019	2020
Average For South Atlantic			
	generation	6.72	6.20
	transmission	1.23	1.30
	delivery	4.51	4.69
	total rate	11.60	11.63
total for all utilities (IOUs, munis, coops, etc.)		11.80	

East South Central

Alabama

		2019	2020
Alabama Power Company			
	total rate	12.79	13.46
Average For Alabama			
	total rate	12.79	13.46
total for all utilities (IOUs, munis, coops, etc.)		12.39	

Kentucky

		2019	2020
AEP (Kentucky Power Rate Area)			
	total rate	11.96	11.80
Duke Energy Kentucky			
	total rate	9.50	8.95
Kentucky Utilities Company			
	total rate	9.84	10.53
Louisville Gas & Electric Company			
	total rate	10.61	11.14
Average For Kentucky			
	total rate	10.35	10.73
total for all utilities (IOUs, munis, coops, etc.)		10.66	

Average Rates

(in cents/kilowatthour)

Commercial Average Rates

		12 Months Ending 6/30 2019	2020
Kentucky			
AEP (Kentucky Power Rate Area)	total rate	12.13	11.91
Duke Energy Kentucky	total rate	8.80	8.73
Kentucky Utilities Company	total rate	9.90	10.82
Louisville Gas & Electric Company	total rate	9.71	10.24
Average For Kentucky	total rate	9.94	10.45
	total for all utilities (IOUs, munis, coops, etc.)	9.86	
Mississippi			
Entergy Mississippi, Inc.	total rate	9.12	9.51
Mississippi Power Company	total rate	10.70	10.36
Average For Mississippi	total rate	9.69	9.82
	total for all utilities (IOUs, munis, coops, etc.)	10.40	
Tennessee			
AEP (Kingsport Power Rate Area)	total rate	9.49	9.89
Average For Tennessee	total rate	9.49	9.89
	total for all utilities (IOUs, munis, coops, etc.)	10.57	

Average Rates

(in cents/kilowatthour)

Industrial Average Rates

		12 Months Ending 6/30	
		2019	**2020**
Kentucky			
AEP (Kentucky Power Rate Area)	total rate	6.50	6.31
Duke Energy Kentucky	total rate	7.53	7.62
Kentucky Utilities Company	total rate	5.96	6.30
Louisville Gas & Electric Company	total rate	6.69	7.01
Average For Kentucky	total rate	6.33	6.55
	total for all utilities (IOUs, munis, coops, etc.)	5.53	
Mississippi			
Entergy Mississippi, Inc.	total rate	6.55	6.66
Mississippi Power Company	total rate	6.82	6.40
Average For Mississippi	total rate	6.73	6.49
	total for all utilities (IOUs, munis, coops, etc.)	6.00	
Tennessee			
AEP (Kingsport Power Rate Area)	total rate	6.12	6.57
Average For Tennessee	total rate	6.12	6.57
	total for all utilities (IOUs, munis, coops, etc.)	5.75	

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_121 Provide all studies and research Joint Applicants have conducted regarding poverty in KPCo's service territory.

RESPONSE

AEP has not completed any poverty analysis specific to the Kentucky Power service territory.

Liberty's research regarding poverty involved comparing the median household incomes in municipalities within Kentucky Power's service territory to those in some of municipalities served by Liberty's other subsidiaries. The comparison is reproduced in Witness Eichler's direct testimony at page 22. Poverty issues are also discussed in the Due Diligence report confidentially provided in the response to AG 1-63.

Witness: Chad M. Burnett

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_122 Provide all studies and research Joint Applicants have conducted regarding population trends in KPCo's service territory.

a. Identify all Liberty utilities, whether electric, gas, water or wastewater, experiencing population decline, and expected to experience population decline for the foreseeable future.

RESPONSE

Please see JA_R_AG_1_122_Attachment1.

a. Liberty does not track or forecast the population data in the manner suggested by the question.

Witness: Chad M. Burnett

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_123 With regard to other electric generation utility subsidiaries in the Liberty family, provide a complete list of all utility-owned renewable generation investments which resulted in a reduction in the all-in rates paid by each utility's ratepayers.

RESPONSE

Please see the requested information in the table below.

Project	**Fuel & Nameplate Capacity**	**Utility**
North Fork Ridge	149.4 MW (Wind)	Empire Electric
Kings Point	149.4 MW (Wind)	Empire Electric
Neosho Ridge	301 MW (Wind)	Empire Electric
Luning	50 MW (Solar)	CalPeco
Turquoise	10 MW (Solar)	CalPeco

Renewable generation investments are long-term investments that are expected to last at least 25 years. Therefore, evaluating the benefit of utility-owned renewable generation investments to customers is considered on a long-term basis. We support building our renewables on a long-term Levelized cost of energy compared to alternative energy sources over the long-term.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_124 Provide a list of any and all ratepayer-funded demand-side management, demand response, and energy efficiency programs in Liberty's existing electric utilities. Please include at a minimum, the state and utility name in which each such program is currently deployed, together with results of any applicable California tests.

RESPONSE

Liberty operates portfolios of electric energy efficiency programs that serve both residential and commercial customers in three states. Table 1 below identifies the programs in these portfolios and the associated benefit cost ratios. In New Hampshire, the Granite State Test (GST) is used in addition to the California tests. In California, only the Energy Savings Program underwent benefit cost testing.

Table 1: Liberty Electric Energy Efficiency Programs

State	**Legacy Company Name**	**Program Name**	**TRC**	**UTC**	**RIM**	**GST**
MO	Empire Electric	Residential Efficient Products	1.28			
MO	Empire Electric	Low Income Multi-Family	1.38			
MO	Empire Electric	Residential HVAC Rebates	1.01			
MO	Empire Electric	Whole Home Energy, PAYS	1.28			
MO	Empire Electric	Small Business Direct Install	1.18			
MO	Empire Electric	C&I Program	1.31			
NH	Granite State Electric	Home Energy Assistance (Low Income)	2.6	0.4		2.43
NH	Granite State Electric	ENERGY STAR Homes	7.05	0.5		6.19
NH	Granite State Electric	Home Performance with ENERGY STAR	1.96	0.31		1.8
NH	Granite State Electric	ENERGY STAR Products	2.42	1.41		1.53
NH	Granite State Electric	Home Energy Reports	1.2	0.72		0.72
NH	Granite State	Large Business Energy	2.5	3.35		3.35

	Electric	Solutions				
NH	Granite State Electric	Small Business Energy Solutions	3.49	4.15		4.15
NH	Granite State Electric	Municipal Energy Solutions	2.94	2.67		2.67
CA	California Pacific Electric	Energy Savings Assistance (Low Income)	0.31	0.31	0.22	
CA	California Pacific Electric	Residential Energy Audit				
CA	California Pacific Electric	Residential HVAC Rebates				
CA	California Pacific Electric	Small Business Energy Audit				
CA	California Pacific Electric	Commercial Incentives				
CA	California Pacific Electric	Public School Incentives				
CA	California Pacific Electric	ENERGY STAR Lighting				

Witness: Drew Landoll

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_125 Provide a list of any and all economic development programs currently underway in Liberty's existing electric utilities. Provide also a list of any proposed economic development program in those utilities.

RESPONSE

Please see below the list of most significant examples of economic development projects that Liberty helped facilitate in The Empire District Electric Company's service territory. The Company's personnel worked with proponents and local government agencies to facilitate timely approvals and support a variety of logistical matters. Across these projects, the company has also accelerated the planning, design, and construction work required to accommodate the new and/or expanding facilities' electrical infrastructure needs.

Company Name	Location	New or Expansion	Date of Completion	Load Added	Number of Jobs Added
Ajinomoto - Windsor	Joplin, MO	New	5/15/2018	2 MW	250
Praxair / Linde	Neosho, MO	Expansion	9/1/2019	5 MW	10
BD Health Ventures	Humansville, MO	New	2/1/2020	9 MW	150
Owens Corning	Joplin, MO	New	1/3/2017	5 MW	100
Casey's Distribution Center	Joplin, MO	New	12/1/2020	1 MW	100
Schaeffler Group	Joplin, MO	Expansion	10/1/2021	2 MW	40

Liberty has also recently developed an economic development website (https://libertyenergyandwater-ed.com/) which provides businesses with key information regarding potential opportunities within its utilities' service areas. This includes free access to Location One Information Solutions as a source of property listings and available sites in our service territories. There are currently no proposed economic development programs.

Witness: David Swain

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_126 Describe the role that Liberty's Project Management Office has played, and/or will play during the transition.

a. Provide copies of any and all slide handouts, reports, presentations, plans, or templates developed for each team involved in the transition.

RESPONSE

Liberty's Integration Management Office (IMO) administers the governance of the integration process, coordinates, supports and tracks the activities of the functional teams, and liaises with the AEP Separation Management Office (SMO) to align activities and ensure readiness to close the transaction.

a. Liberty objects to this request on the basis that it seeks information that is outside the scope of this proceeding and that is neither relevant to this proceeding nor calculated to lead to the discovery of admissible evidence. Liberty further objects on the basis that the request is overly broad and unduly burdensome in that it is unbound in scope or duration and seeks voluminous, preliminary, and draft documents and information regarding activities that are currently underway.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_127 Would Liberty be willing to commit to utilizing least cost generation resources for its Kentucky utility business? If not, why not?

RESPONSE

The Joint Applicants would note that aside from the breadth of the term, "generation resources," which has potential applicability in many different contexts (capacity, energy, near term, asset lifecycle, carbon/social cost), cost is just one consideration in determining customer value. Liberty will engage in supply side planning consistent with least cost integrated resource planning requirements as set forth in 807 KAR 5:058.

Witness: Peter Eichler

DATA REQUEST

AG 1_128 Would Liberty agree that if it is not providing high quality service to customers at a reasonable price, that it is not meeting its own customer service goals?

RESPONSE

Kentucky Power Company has a duty to provide safe, adequate, efficient, reasonable, and reliable service to its customers, consistent with its franchise and all applicable statutes and regulations, which is consistent with Liberty's customer service goals.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_129 For each of the past three years, provide the total sum that KPCo has paid to AEPSC to perform services on behalf of KPCo.

a. Reference the Swain testimony at p. 8. Provide the budgetary impact of hiring 100 employees to perform the services that AEPSC performed on KPCo's behalf.

RESPONSE

Kentucky Power paid the following to AEPSC for the past three years:
2019 - $71,191,271
2020 - $70,441,890
2021 - $75,198,283

Liberty expects to hire employees at prevailing wages in Kentucky which it expects to be consistent with costs currently incurred by AEPSC. Liberty anticipates using space in existing facilities and will leverage the existing fleet for field-based roles. Liberty anticipates a standard suite of end user technology.

These costs are expected to displace costs currently incurred by Kentucky Power through AEPSC.

Refer to the Confidential Attachment JA_R_STAFF_1_19_ConfidentialAttachment_Liberty KY new jobs 3.xls provided in response to KPSC 1_19 to for details regarding the replacement labor cost.

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_130 If the proposed transaction is approved in all jurisdictions, explain all changes in benefits KPCo employees would experience.

RESPONSE

If the proposed transaction is approved in all jurisdictions, the following changes would be implemented regarding the benefits for Kentucky Power Company employees:

- Transition to the Liberty HSA or PPO medical plan; to the Liberty Dental and Vision Plan
- Transition to the Liberty Sick & Short Term Disability, Long Term Disability program
- Transition to Consumer Medical Program
- Transition to Liberty Employee Assistance Program
- Transition to Liberty AD&D and Life Program
- Participate in the Liberty 401(k) plan
- Participate in the Liberty Cash Balance Pension Plan
- Transition to Liberty Service Awards
- Transition Liberty Educational Assistance Program
- Transition to Liberty Vacation Program
- Patriciate in Liberty days – “give back to the Community” program
- Access to Benefits HUB – access to providers and retail discounts

Witness: David Swain

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
Attorney General's First Set of Data Requests
Dated January 13, 2022

DATA REQUEST

AG 1_131 Describe the Joint Applicants' legislative agenda for Kentucky, if any, in complete detail, including any contemplated items addressing the issue of regulatory lag.

a. Explain whether Joint Applicants would support any legislative initiatives implementing securitization financing. If not, why not?

RESPONSE

Upon announcing the purchase of Kentucky Power, Liberty retained Civic Point, a Frankfort-based consultant/lobbyist, to assist during the transition/closing phase. The intent was not to actively advocate on any issue or lobby since Liberty is not the owner of Kentucky Power, and thus does not have a legislative agenda. The purpose of retaining Civic Point was to get to know legislators and to have meetings with key governmental stakeholders that are introductory in nature. At this time, Liberty does not have a specific legislative agenda in Kentucky, including the issue of regulatory lag. However, and subject to the transaction's approval, Liberty expects that its interests will align with legislative projects seeking to support economic development in the state and Eastern Kentucky in particular.

a. Securitization is very complex and fact specific. As such, Liberty would support the discussion of securitization in principle for targeted extraordinary purposes that benefits both the Company and customers.

Witness: David Swain

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
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DATA REQUEST

AG 1_132 Explain whether Joint Applicants anticipate any credit downgrade of KPCo's parent entities as a result of the proposed transaction.

RESPONSE

The Joint Applicants do not anticipate any credit downgrades as a result of the proposed transaction.

Witness: Stephan T. Haynes

Witness: Michael Mosindy

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
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Dated January 13, 2022

DATA REQUEST

AG 1_133 For each of Liberty's other regulated electric utilities, describe the utility regulatory framework of the state in which the utility operates and is domiciled. For example, is it restructured, fully regulated, etc. Include also a description of whether each utility is vertically integrated.

RESPONSE

The requested information is provided in the table below.

Utility Name	Jurisdiction(s)	Regulatory Framework	Vertically Integrated?
Empire Electric	MO/KS/AR/OK	Fully Regulated	Yes
Granite State Electric	NH	Restructured	No
CalPeco Electric	CA	Fully Regulated	No
Bermuda Electric	Bermuda	Fully Regulated	Yes

Witness: Peter Eichler

American Electric Power Company, Inc.
Kentucky Power Company
Liberty Utilities Co.
KPSC Case No. 2021-00481
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Dated January 13, 2022

DATA REQUEST

AG 1_134 Explain whether Joint Applicants will agree to the following conditions, or to conditions substantially similar. If not, explain fully why not:

a. In the event the corporate credit rating of KPCo, and/or the entities upon which it relies for financing, declines below BBB-, then KPCo and Liberty will agree to make such filings to the Commission as the Commission Staff deems appropriate;
b. KPCo shall not seek an increase to the cost of capital as a result of this transaction or its ongoing affiliation with Liberty, Algonquin and their affiliated entities after the Transaction;
c. KPCo and Liberty will fully comply with the Commission's affiliate transaction rules as set forth in KRS Ch. 278 et seq.;
d. KPCo will provide Commission Staff with access to information reasonablyrequired to verify compliance with KPCo's / Liberty's cost allocation manual;
e. KPCo will record on its books all deferred taxes related to income tax deductions or credits created by KPCo's operations;
f. KPCo and Liberty agree to not make available, sell or transfer information about or belonging to KPCo's customers to affiliated or unaffiliated entities without prior informed consent of the KPCo customer, other than as necessary to provide services to and in support of their regulated operations;
g. KPCo will not assume liability for debts issued by Liberty Utilities, or any of its subsidiaries or affiliates;
h. Kentucky will be provided protections and benefits at a level at least as beneficial as any other jurisdiction in which Liberty operates. This provision will not, under any circumstance, cause the benefits or conditions committed to be provided in the state of Kentucky to be reduced or diminished;
i. Joint Applicants agree to refrain from filing a Kentucky rate case until at least one full year of financial and

operational information is available following the close of the proposed transaction;

j. The Joint Applicants shall ensure that merger accounting is rate-neutral for KPCo customers. This includes but is not limited to the Joint Applicants establishing on the books of KPCo no new regulatory assets related to merger accounting;
k. The billing and customer information system platform at KPCo will be in use for their expected useful life, which will be at least as long as their scheduled depreciation period. If, for any reason, the use of these system platforms is terminated before the end of their scheduled depreciation period, ratepayers shall not be responsible for any un-depreciated costs or lease payment obligations remaining after the date upon which use is terminated;
l. Transaction Costs are not to be recovered in rates;
m. For any rate cases wherein KPCo seeks recovery of merger transition costs, KPCo must provide documentation that demonstrates whether, and the extent to which, these transition costs resulted in cost savings for KPCo customers. KPCo commits to seek no recovery of merger transition costs except for those which are fully documented, justified, and supported by quantifiable cost savings.\
n. Joint Applicants acknowledge that in the event the Commission approves the proposed transaction, they will adhere to the 50 commitments (or substantially similar commitments) set forth in the Commission's Final Order dated Oct. 28, 2011, Appendix B, in Case No. 2011-00124, accessible at the link in the footnote below. [1]

RESPONSE

Please refer to Liberty's response to Staff 1-02. The Joint Applicants are willing to agree to reasonable regulatory commitments, including those identified in response to Staff 1-02. However, the reasonableness of any commitment is highly fact specific and may be impacted by other factors, including obligations and the testimony of the parties in this case. Accordingly, additional commitments are best considered in totality, such as in discussions of a global settlement or through a final order of the Commission. The Joint Applicants believe that it would be premature to make commitments in addition to those set forth in Staff 1-02 at this time.

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[1] http://psc.ky.gov/pscscf/2011%20cases/2011-00124/20111028_PSC_ORDER.pdf

Witness: Peter Eichler