

ATLANTIC POWER CORPORATION

***CHARTER OF THE
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE***

Pursuant to Section 18.2 of the Articles of Arrangement of Atlantic Power Corporation (the “**Company**”), the board of directors (the “**Board**”) of the Company has passed a resolution as of January 29, 2010 approving the establishment of a Nominating and Corporate Governance Committee (the “**Committee**”), a standing committee of the Board, and has approved this charter (as amended from time to time, the “**Charter**”) to be the charter of the Committee.

A. Purpose of the Committee

The primary purposes of the Committee are to:

- screen and identify individuals who are qualified to become members of the Board;
- recommend to the Board director nominees to be presented for shareholder approval at the annual meetings of the shareholders of the Company;
- recommend to the Board nominees to fill vacancies on the Board or as otherwise required outside of the annual meetings of shareholders of the Company;
- select, or recommend to the Board, the directors to comprise the committees of the Board;
- implement a process for examining the size of the Board and to undertake, where appropriate, a program to establish a Board size which facilitates effective decision-making;
- establish procedures for the nomination of directors and executive officers of the Company generally;
- establish and administer an annual assessment process relating to the performance of the Board as a whole, the committees of the Board and individual directors;
- review with the Board from time to time the appropriate skills and characteristics required of directors in the context of the current make-up of the Board, including issues of diversity, age, skills relating to the Company’s businesses and professional background;
- recommend to the Board procedures for the conduct of Board meetings and the proper discharge of the Board’s mandate as set out in the mandate of the Board;
- monitor the relationship between the Company’s officers and the Board with a view to ensuring that the Board is able to function independently of the Company’s officers;
- develop the Company’s approach to governance, including the development of a set of governance principles and guidelines that are specifically applicable to the Company;
- perform a leadership role in shaping the Company’s corporate governance practices and provide oversight with respect to its corporate governance conduct; and
- perform such other functions as the Board may from time to time request.

B. Membership and Organization

- Number; Qualification. The Committee shall consist of at least three directors. Each member of the Committee, in the judgment of the Board, shall be independent in accordance with applicable securities laws and the listing standards of the New York Stock Exchange (and such other standards as the Board or the Committee may adopt from time to time). In addition to possessing the qualities required of a Director, each member of the Committee shall have, or commit to develop in a timely manner, an understanding of corporate governance principles and practices.
- Chairman. Unless a chairman is appointed by the Board, the members of the Committee shall elect a chairman (the “**Chairman**”) by majority vote of the full Committee. The Chairman shall be responsible for leadership of the Committee, including scheduling and presiding over meetings, preparing agendas and making regular reports to the Board.
- Compensation. The compensation of the Committee shall be as determined by the Board or a committee of the Board.
- Selection and Removal. Members of the Committee shall be appointed by the Board and may be removed and replaced by the Board, with or without cause, at any time.

C. Procedures and Administration

- Meetings. The Committee shall meet at least two times per year and more frequently as it believes is necessary or appropriate to fulfill its duties and responsibilities (including via teleconference or other electronic means of communication). The Committee may also act by unanimous written consent in lieu of a meeting. A majority of the entire Committee shall constitute a quorum for the taking of any action at any meeting of the Committee and a majority of those members present at a meeting, a quorum being present, shall be required to approve any action taken by the Committee. The Chairman may call a meeting upon due notice to each other member not less than 24 hours prior to such meeting and any member may call a meeting upon due notice to each other member not less than 48 hours prior to such meeting. The Committee shall meet at least once every six months with the Chairman of the Board and those members of management as it deems appropriate.
- Access to Information. In discharging its duties, the Committee shall have full access to all Company books, records, facilities, personnel and outside professionals.
- Subcommittees. The Committee may form and delegate authority to subcommittees consisting of one or more members of the Committee when appropriate.
- Independent Advisors; Funding. The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent consultants and independent legal, accounting or other advisors, who may be regular advisors to the Company. The Company shall provide such funding as the Committee determines is appropriate in connection with the retention of such advisors.
- Investigations. The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate. The Committee may request that any officer or other employee of the Company, the Company’s outside legal counsel or any other professional retained by the Company to render advice to the Company meet with any members of, or consultants to, the Committee.
- Administrative Expenses. The Committee is empowered, without further action by the Board, to cause the Company to provide appropriate funding for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out the Committee’s duties.

- Reports to Board. The Committee shall keep such records of its meetings as it shall deem appropriate and make regular reports to the Board.

D. General Responsibilities and Authority

Although the Board may consider other duties from time to time, the Committee, to the extent it deems necessary or appropriate, will have the following specific responsibilities in light of the Committee's purposes as set out in Section "A" of this Charter:

Nominating Responsibilities

- To review annually the competencies, skills and personal qualities required of Board members in light of relevant factors, including: the objective of adding value to the Company in light of the opportunities and risks facing the Company and the Company's proposed strategies; the need to ensure that a majority of the Board is comprised of individuals who meet the independence requirements of the applicable securities legislation and stock exchanges or other guidelines, including the Company's categorical standards for director independence; and the policies of the Board with respect to board member tenure, retirement and succession and Board member commitments.
- In co-operation with the Company's officers, to establish and oversee an appropriate orientation and education program for new Board members in order to familiarize them with the Company and the nature and operation of the Company's business (including the Company's reporting structure, strategic plans, significant financial, accounting and risk issues, compliance programs and policies, management and the external auditors), the role of the Board and its committees, as well as the contribution individual directors are expected to make.
- To actively seek individuals qualified (in context of the Company's needs and any formal criteria established by the Board) to become members of the Board.
- To review the membership and allocation of Board members to the various committees of the Board.
- To establish procedures for the receipt of comments from all Board members to be included in an annual assessment of the Board's performance, including individual contributions.
- To appoint and, if appropriate, terminate, in each case in its sole authority, any search firm or outside consultant to be used to identify Board candidates and to approve any fees and any other terms of engagement of such search firm or outside consultant in its sole authority.
- To make recommendations to the full Board concerning all nominees for Board membership, including the re-election of existing Board members.
- To review background and qualifications of Director nominees submitted by shareholders of the Company in light of any formal criteria for selection of new Directors established by the Board and take appropriate action in compliance with the Company's Articles of Continuance, and all rules and regulations of the applicable securities regulatory authorities. The Committee uses the same criteria for screening candidates proposed by shareholders, members of the Board, and members of senior management. The Committee shall consider the extent to which the membership of a candidate on the Board would promote diversity among the Directors, taking into account various factors and perspectives, including differences of viewpoint, professional experience, education, skill and other individual qualities and attributes as well as race, gender and national origin.
- To determine whether or not to accept a Director's resignation in the event an incumbent Director fails to receive the required votes for re-election in any uncontested election as provided in the Company's Majority Voting Policy, based on such factors as it deems appropriate and relevant, and to submit its recommendation for consideration by the Board of Directors.

- The Committee shall develop the succession plan with respect to the Chief Executive Officer and other officers for consideration by the Board. The Committee shall also make recommendations to the Board of Directors with respect to the process for selection, and the evaluation, of individuals to occupy these positions.

Governance Responsibilities

- To assess the effectiveness of the Board and the boards of directors/managers of the Company's subsidiaries and their committees and the contribution of each Director and manager.
- To monitor the quality of the relationship between the Board and applicable boards of directors/managers of the Company's subsidiaries and to recommend improvements, as required.
- To review and make recommendations to the full Board concerning the composition of the various committees of the Board, committee assignments and committee membership rotation practices and concerning the boards of directors/managers of the Company's subsidiaries.
- To assess the independence and qualifications of the various members of the Board and the boards of directors/managers of the Company's subsidiaries and their various committees.
- To determine, and periodically review, the Company's and its subsidiaries' categorical standards for director and manager independence.
- In co-operation with the Company's officers, develop for the approval of the Board and thereafter review, as requested by the Board, the adequacy of position descriptions for the Company's Chief Executive Officer, chairman of the Board and chairpersons of the committees of the Board.
- At least annually, to review the adequacy of, and monitor compliance with, the Company's internal governance guidelines and policies, including recommending to the Board any additional guidelines or policies, as required, and reviewing and making recommendations in respect of:
 - management's monitoring of compliance with the Company's Code of Business Conduct and Ethics (the "**Code**");
 - the Company's Insider Trading Policy, Confidential Information Policy and Disclosure Policy, and any other guidelines or policies in place from time to time (collectively, the "**Policies**"); and
 - the practices of the Board (including separate meetings of independent directors) with reference to the requirements set out in the mandate of the Board.
- If delegated this function by the Board, to be responsible for periodically granting any waivers from the application of the Code or any of the Policies.
- At least annually, to review the governance practices of the Company and its subsidiaries, and their respective boards and committees, to determine compliance with applicable rules and policies of regulatory authorities governing the Company.
- To review and respond to requests by individual directors or officers to engage outside advisors.
- To assess the need, and to coordinate a program, for continuing education for members of the Board.
- To ensure that programs relating to succession planning and performance evaluation are effectively integrated with the Company's strategy.

- To annually review organizational structure and succession planning matters.
- To report on governance matters as required by public disclosure requirements.
- To regularly review issues and developments relating to corporate governance issues, including shareholder proposals for inclusion in the Company's proxy statement, and make recommendations to the full Board.
- To oversee management's establishment and implementation of standards, guidelines, and policies relating to the identification, assessment and management of significant corporate governance and related potential risks, reporting to the full Board as appropriate.
- To undertake such other initiatives as are needed to help the Board and the boards of directors/managers of the Company's subsidiaries deliver exemplary governance.

E. Annual Evaluation

At least annually, the Committee shall, in a manner it determines to be appropriate:

- Perform a review and evaluation of the performance of the Committee and its members, including the compliance of the Committee with this Charter, and report the results of such evaluations to the Board.
- Review and assess the adequacy of this Charter and the position description for the Chairman and recommend to the Board any improvements that the Committee believes to be appropriate.