



# Macquarie Power & Infrastructure Income Fund

## Investor eNewsletter

October 2009

Macquarie Power & Infrastructure Income Fund's bi-monthly investor newsletter brings you updates about MPT's assets and activities as well as our views on news and market developments. To subscribe, email us at [mpt@macquarie.com](mailto:mpt@macquarie.com).

### Quick Facts

**Ticker Symbols**

MPT.UN and MPT.DB

**Trust Units Outstanding\***

46,665,537

**Recent Trading Price**

\$6.57 (as of 10/20/09)

**52-week High/Low**

\$6.95 - \$3.95

**Average Monthly Volume**

~2 million units

**Number of Unitholders**

~19,500

\* Excluding exchangeable units

### Feedback

We encourage readers to share their feedback and ideas for future eNewsletters or our investor relations website. Let us know what you think by emailing us at [mpt@macquarie.com](mailto:mpt@macquarie.com).

### Website

Visit MPT's website at <http://www.macquarie.com/mpt> to read more about our portfolio of assets and to access investor relations information.

### Disclaimer

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## The future of wind power

At the 26th annual Canadian Wind Energy Association (CANWEA) Conference in September 2009, Macquarie Senior Vice President Rob Roberti chaired a panel on financing wind projects in the current economic climate.

Panellists agreed that wind will continue to play an important role in Ontario's electricity supply mix and that it represents an attractive investment.

"Wind power has strong growth potential, especially here in Canada where there are excellent and largely untapped wind resources," said Mr. Roberti. "In addition, with long-term power purchase agreements, such as we have at our Erie Shores Wind Farm, wind power facilities are not subject to economic swings or commodity price movements."

Panellists highlighted the "portfolio effect" of wind power, agreeing that the addition of wind power --- which relies on a zero-cost resource --- to a portfolio can help to reduce the overall cost and risk of the portfolio. Wind power also presents attractive economics relative to investments in other forms of power generation, particularly when the environmental impacts of other energy sources are considered.

Panellists also agreed that while the current market climate can make it more challenging for developers to secure financing, quality wind power projects remain of interest to lenders given the long-life nature of the asset, low operating costs and underlying contractual nature of the cash flow.

Mr. Roberti added, "There have been significant improvements in modelling techniques over the past few years, so estimates of the quality of the wind resource and capacity are increasingly accurate. At the same time, turbine technology is continuing to evolve, which makes wind power facilities more and more efficient."

### Did you know?

According to CanWEA, Canada currently has installed wind capacity of approximately 2,845 MW. In 2009, there is expected to be 790 MW of new installed capacity. Erie Shores Wind Farm currently represents about 3.5% of Canada's wind power capacity.



## Managing natural resources responsibly

Canada's hydro power facilities are not only a leading source of electricity. They can also provide a number of environmental benefits. Hydro power facilities do not produce air pollutants or generate any toxic by-products. According to the Canadian Hydropower Association, greenhouse gas emissions from hydro power facilities are at least 60 times less than those from coal-fired plants.

Hydro power facilities can also help to restore and sustain local plant and fish species --- including MPT's Wawatay hydro facility on the Black River in Northern Ontario, built in 1992. The Wawatay facility features an engineered nursery channel and tailrace to support the river's local fish populations.

Over the past 17 years, extensive fish and fish habitat monitoring studies have taken place at Wawatay, reflecting the facility's commitment to effectively manage and maintain a healthy habitat for fish and other aquatic life. These efforts have paid off: studies showed that a large number of fish species used the nursery channel as spawning grounds and as a shelter for young fish.

But over time, flood events occurred and sediment naturally built up in the channel. In 2008, the Wawatay facility sought and was granted approvals from the Department of Fisheries and Oceans and the Ministry of Natural Resources to dredge and improve the nursery channel, with the work completed in 2009.

As a result of this initiative, the nursery pool is nearly twice as deep as it was before the dredging. In 2008, nine species of fish were recorded to be using the nursery pool and channel. Since the enhancements to the pool and channel in 2009, at least 18 fish species have been observed.

Success stories such as Wawatay showcase the important environmental benefits of hydroelectric generating plants. All of MPT's hydro power facilities --- including Wawatay --- bear the federal government's EcoLogo™ certification, which reflects that they meet stringent environmental standards.

### Did you know?

According to Industry Canada, nearly two-thirds of Canada's electricity is generated by approximately 475 hydro power facilities.



## MPT announces new distribution policy

On September 29, 2009, MPT announced a new distribution profile, effective January 2010, of \$0.66 per unit on an annualized basis. MPT also announced its plan to convert into a high dividend-paying corporation prior to January 1, 2011, which we have determined is the most sensible approach for our investors.

“Together, these initiatives will accomplish three things,” said Michael Bernstein, MPT’s President and Chief Executive Officer. “First, we will continue to provide our investors with an attractive income stream through 2011 and beyond. Second, we’ll have the flexibility to redeploy cash, which will help to strengthen our financial position as well as our ability to pursue growth initiatives. And third, the Fund will have better access to capital while investors benefit from increased liquidity.”

Both as a trust and upon our conversion into a corporation, MPT’s goal is unchanged: to deliver steady income and a superior return to our investors.

MPT offers access to the unique and growing infrastructure investment class, which typically exhibits low volatility relative to the broader equity market. We have a strong platform of existing infrastructure assets that provide steady cash flow to investors. And we have significant opportunities to add more long-life, low-risk assets to our portfolio. The [news release](#) and [event transcript](#) are available on our website.

### Did you know?

Based on the Fund’s new distribution level of \$0.66 per unit annually, which will go into effect in January 2010, MPT’s units are currently trading at a pro forma yield of approximately 10%.