



PRESS RELEASE

REGULATORY DECISION ON DUNVEGAN ISSUED TO CANADIAN HYDRO

Calgary, Canada – March 26, 2003 (TSX: KHD): Canadian Hydro Developers, Inc. today announced the Alberta Energy and Utilities Board and the Natural Resources Conservation Board (collectively, the “Board”) has issued its decision regarding the Company’s proposed 80 MW Dunvegan Hydroelectric Project on the Peace River. The Board found that although Canadian Hydro made “substantial efforts” to quantify the risks associated with the project, there was remaining uncertainty and the Board denied approval of the project.

In its decision, the Board noted that uncertainty remained particularly with respect to the risk of flooding in the Town of Peace River and the movement of fish in the river. Canadian Hydro is currently evaluating its options in light of the Board’s decision. Options might include seeking judicial review of the decision or reapplying and addressing the uncertainties through additional work. The Company will conclude the evaluation of its options as soon as reasonably possible.

Canadian Hydro is a developer, owner and operator of nine “run of river” hydroelectric plants, three wind plants and one natural gas-fired plant, totalling 88.9 MW net to the Company’s interest. In addition, the 30 MW Pingston Hydroelectric Plant is currently being commissioned and is expected to be operational by the end of March 2003 and other projects in excess of 250 MW are in various stages of permitting for construction in the next five years.

All of the Company’s plants and projects are located in British Columbia, Alberta, and Ontario. Canadian Hydro’s wind and water plants are certified under the EcoLogo® program. All of the Company’s future projects, including the Grande Prairie EcoPower™ Centre, are slated for certification as low-impact renewable energy facilities.

Canadian Hydro Developers, Inc. is committed to the concept of low-impact power generation. Through its wind and run-of-river hydro facilities, Canadian Hydro is demonstrating that commitment to the benefit of the environment and its shareholders.

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