UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): November 6, 2019

TerraForm Power, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**001-36542**	**46-4780940**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I. R. S. Employer Identification No.)

200 Liberty Street, 14th Floor, New York, New York 10281
(Address of principal executive offices, including zip code)

646-992-2400
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, Class A, par value $0.01	TERP	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On November 11, 2019, TerraForm Power, Inc. (the "Company") issued a press release announcing the reporting of its financial results for the quarter ended September 30, 2019. The press release also reported certain financial and operating metrics of the Company as of or for the quarters ended September 30, 2019 and 2018. A copy of the press release is furnished with this Current Report on Form 8-K as Exhibit 99.1.

Item 7.01. Regulation FD.

On November 11, 2019, the Company also posted presentation materials to the Investors section of its website at www.terraformpower.com, which were made available in connection with a previously announced November 12, 2019 investor conference call. A copy of the presentation is furnished herewith as Exhibit 99.2.

On November 11, 2019, the Company also posted a letter to shareholders to the Investors section of its website at www.terraformpower.com. A copy of the letter is furnished herewith as Exhibit 99.3.

The information in Exhibits 99.1, 99.2 and 99.3 shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information in Exhibits 99.1, 99.2 and 99.3 shall not be incorporated by reference into any filing or other document under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing or document.

Item 8.01. Other Events.

On November 6, 2019, the Company's Board of Directors declared a quarterly distribution with respect to the Company's Class A common stock of $0.2014 per share. The distribution is payable on December 16, 2019 to shareholders of record as of December 2, 2019.

Note Regarding Non-GAAP Financial Measures.

In the attached press release, presentation, and letter, the Company discloses items not prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), or non-GAAP financial measures (as defined in Regulation G promulgated by the U.S. Securities and Exchange Commission). A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures is contained in the attached press release and presentation.

Cautionary Note Regarding Forward-Looking Statements.

Except for historical information contained in this Form 8-K and the press release, presentation, and letter attached as exhibits hereto, this Form 8-K and the press release, presentation, and letter contain forward-looking statements which involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. Please refer to the cautionary note in the press release and presentation regarding these forward-looking statements.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits*

Exhibit No.	Description
99.1	Press release, dated November 11, 2019, titled "TerraForm Power Reports Third Quarter 2019 Results."
99.2	Presentation materials, dated November 11, 2019, titled "Q3 2019 Supplemental Information."
99.3	Letter to Shareholders, dated November 11, 2019.
104	Cover Page Interactive Data File (formatted as inline XBRL).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TERRAFORM POWER, INC.

Date: November 12, 2019	By:	/s/ William Fyfe
	Name:	William Fyfe
	Title:	General Counsel

Exhibit 99.1

TerraForm Power Reports Third Quarter 2019 Results

NEW YORK, NY, Nov 11, 2019 - TerraForm Power, Inc. (Nasdaq: TERP) ("TerraForm Power") today reported financial results for the quarter ended September 30, 2019.

Recent Highlights

- **Net Loss, Adjusted EBITDA and CAFD of $(62) million, $195 million and $48 million, respectively for the third quarter of 2019. This represents an increase in Net Loss of $(43) million, a decrease in Adjusted EBITDA of $2 million and an increase in CAFD of $2 million, compared to the same period in 2018**

- **We closed on the acquisition of an approximately 320 MW Distributed Generation portfolio in the United States for ~ $720 million**

- **We executed a 10-year outsourcing Framework Agreement with SMA Solar Technology ("SMA") to provide operations and maintenance for our North American solar fleet, which is expected to reduce costs by $5 million per annum and mitigate operational risk of the portfolio through performance guarantees**

- **We issued $300 million of equity, priced at $16.77 per share, which represents a 50% premium to the stock price as of the beginning of the year**

- **We upsized our corporate revolver by $200 million to $800 million and issued $700 million of 10-year senior notes at a coupon of 4.75%, locking in debt service savings of ~$6 million per year**

- **Declared a Q4 2019 distribution of $0.2014 per share, implying $0.8056 per share on an annual basis**

"We made important progress executing our business plan as we signed an innovative framework O&M agreement for our North American solar fleet and continued to advance our wind repowering initiatives," said John Stinebaugh, CEO of TerraForm Power. "Subsequent to quarter-end, we completed three corporate financing transactions and now have $1.2 billion of corporate liquidity to drive future growth."

Results

	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Generation (GWh)	2,063	2,006	6,912	5,875
Net Loss ($ in millions)	(62)	(19)	(115)	(123)
(Loss) Earnings per Share[1]	$ (0.26)	$ (0.16)	$ (0.32)	$ 0.16
Adjusted EBITDA[2] ($ in millions)	195	197	568	421
CAFD[2] ($ in millions)	48	46	138	100
CAFD per Share[1,2,3]	$ 0.23	$ 0.22	$ 0.66	$ 0.58

(1) (oss) Earnings per share is calculated using Net (loss) income attributable to Class A common stockholders divided by the weighted average anti-dilutive Class A common stock shares outstanding. For the three months ended September 30, 2019 and September 30, 2018, net (loss) income attributable to Class A common stockholders totaled ($55) million, and ($34) million, respectively. For the nine months ended September 30, 2019 and September 30, 2018, net (loss) income attributable to Class A common stock holders totaled ($67) million, and $28 million, respectively. For the three months ended September 30, 2019 and September 30, 2018, the weighted average anti-dilutive Class A common stock shares outstanding was 209 million and 209 million, respectively. For the nine months ended September 30, 2019 and September 30, 2018, weighted average anti-dilutive Class A common stock shares outstanding totaled 209 million, and 173 million, respectively.
(2) Non-GAAP measures. See "Reconciliation of Non-GAAP Measures" section.
(3) CAFD per share is calculated using CAFD divided by the weighted average diluted Class A common stock shares outstanding.

Operations

Earlier this month, we executed a 10-year Framework Agreement with SMA to provide O&M services, on a full-wrap basis, for our North American solar fleet. Over the next nine months, we expect to enter into project-level long term service agreements (“LTSA”), pending receipt of consents from lenders and tax equity partners, and transition operations to SMA. The 10-year agreement covers approximately 1 GW (excluding the AltaGas portfolio) of our existing solar capacity and locks in pricing that is approximately $5 million less than our 2018 cost base. In addition, it will reduce our operating risk with performance guarantees that are consistent with our LTA .The Framework Agreement provides incentives for SMA to identify opportunities to make accretive investments in our fleet such as repowerings and upgrades of inverters. The Framework Agreement also includes a volume discount, whereby we can add additional assets, such as the AltaGas DG portfolio, and benefit from discounts on pricing provided we meet or exceed certain volume thresholds.

During the third quarter, we also executed LTSAs with Vestas, GE and Siemens Gamesa to replace the legacy O&M operator of our European wind fleet. All of our European wind fleet is now being operated by original equipment manufacturers. The LTSAs have availability guarantees that will incentivize the operators to perform at levels at or above industry standards and will yield approximately $4 million in annual cost savings. With respect to implementation of the LTSAs for our North American wind fleet, we made good progress completing required capex in order to fully transition operations to General Electric (“GE”). We have completed nearly 100% of blade repairs, excluding Clipper turbines that we are repowering, identified in our 2018 inspection program, and we plan to complete the additional blades repairs identified during our 2019 blade inspection program by mid-2020. We have also completed all required repairs to gear boxes and pitch drives. Going forward, capex to maintain our fleet of this nature will be GE’s responsibility under the full-wrap LTSAs.

During the quarter, we made progress on our wind repowering program. We have received a special use permit to commence the repowering of our 125 MW Cohocton wind farm in New York and expect to receive a similar permit for the 35 MW Steel Winds repowering by the end of this year. We have also received the vast majority of all lease consents from landowners for Cohocton and are currently negotiating lease amendments with the two major landowners for Steel Winds. With regards to interconnection, we received a determination of non-materiality from the New York Independent System Operator (“NYISO”) for both Cohocton and Steel Winds. As a result, we are well underway towards achieving notice to proceed for both of these repowering projects. Over the next few months, we are focused on the following milestones: executing a Framework Agreement with GE that governs the key commercial terms of the turbine supply agreements and tax equity contribution agreements, entering into power purchase agreements or long-term financial hedges and closing construction loan agreements. We remain very excited about these projects, as we believe we will be able to earn returns that exceed our target range with the current regime for renewable energy credits in New York and a hedge or power contract based upon current wholesale market pricing, with no premium for renewable power. Finally, the repowerings will reduce risk going forward due to replacing obsolete Clipper equipment with GE equipment under the full-wrap LTSA.

Financial Results

In the third quarter of 2019, TerraForm Power delivered Net Loss, Adjusted EBITDA and CAFD of $(62) million, $195 million and $48 million, respectively. This represents an increase in Net Loss of $(43) million, a decrease in Adjusted EBITDA of $2 million and an increase in CAFD of $2 million, compared to the same period in 2018. On a per share basis, CAFD of $0.23 reflects an increase of 5% compared to the same period in 2018, and a net loss per share of ($0.26) compared to ($0.16) in the same period of 2018. Our results were primarily driven by higher SREC solar incentives, O&M cost saving initiatives and higher production at our regulated wind farms in Spain, partially offset by higher management fees, lower market prices in Spain and lower realized prices in Texas.

TerraForm Power’s generation this quarter was approximately 9% lower than our LTA, primarily due to lower availability in North America, in particular at our Central and Texas wind portfolios, and to a lesser extent, lower wind resource in Hawaii where we have higher priced contracts. Availability in our Central and Texas wind portfolios was negatively impacted due to downtime associated with blade repairs and other maintenance activities associated with transitioning operations to GE. In Texas our average realized price reflected our generation profile which was weighted towards off-peak hours. During periods of extreme heat, our generation was less than our hedge obligation which required us to cover our position at a loss, and in September we were impacted by negative basis caused by maintenance outages on Energy Transmission Texas’s (“ETT”) transmission system in the Panhandle. Over the coming two years, we expect market conditions in Texas to moderate as 15,000 MW of renewables, including 5,000 MW of solar, are expected to come on line, which should improve reserve margins to more normalized levels. Furthermore, the maintenance of the ETT transmission system should be completed by the end of 2021.

Liquidity Update

In October, we leveraged attractive market conditions to bolster our liquidity and position ourselves for additional growth. Below are the key corporate initiatives that we completed:

- **Equity offering**: We closed a $300 million equity offering ($250 million public offering and $50 million concurrent private placement to Brookfield). We priced the equity offering at $16.77 per share, which represents a 50% premium to the stock price as of the beginning of the year.

- **Senior notes issuance:** We closed a $700 million offering of 10-year senior notes. The notes priced at a coupon of 4.75%. Net proceeds were used to repay our $300 million notes due 2025 and our $344 million Term Loan B due 2022. The refinancing will lock in debt service savings of ~$6 million per year and extend our maturity profile, such that we have no corporate maturities until 2023.

- **Revolving credit facility**: We increased commitments under our corporate revolving credit facility from $600 million to $800 million by adding three additional lenders and extending the maturity date by one year to October 2024.

At the project level, we closed the final tranche of our permanent financing plan for the Saeta acquisition in August, comprised of three wind farms totaling 111 MW. The $131 million senior secured notes have a 13-year term and are priced at a spread of T+175 bps. Overall, the plan raised $390 million in non-recourse debt, $40 million in excess of our target.

Upon completion of these transactions, our corporate liquidity as of the end of October stands at $1.2 billion, including our $500 million sponsor line with Brookfield.

Growth Initiatives

In September, we closed the acquisition of approximately 320 MW of DG from AltaGas, drawing on a $475 million bridge facility; the facility is a senior secured term loan with a one-year term and an initial spread of L+100 bps. We plan to refinance this loan with a permanent project-level financing in the first half of 2020. In total, we now own approximately 750 MW of DG in North America. In light of the growing scale of this portfolio, we are in the process of making DG a stand-alone business within Terraform Power. We believe that this will ensure that we provide the level of focus on this business-line in order to execute our strategy of enhancing the value of our existing assets and, with the support of Brookfield, developing a pipeline of new development projects and driving growth through M&A.

Over the past months, we have been pursuing two investment themes. We believe that there is a consolidation play in the Spanish renewables market as the sector is fragmented with many assets owned by private, under-capitalized developers. In addition, we continue to focus on distributed generation where we see attractive risk-adjusted returns. In North America we are seeing returns on DG at premium levels to utility solar as a result of the scale of our existing platform and potential for operating synergies. As a result of our business development initiatives, we have a robust pipeline of opportunities, including solar acquisitions in Spain totaling nearly150 MW that would require over $150 million of equity investment in which we are in advanced stages of negotiations.

Legal and Regulatory Update

In Spain new elections were held on November 10th. The Spanish Socialist Workers' Party ("PSOE") won the largest number of seats in Congress, yet again they were unable to win a majority of seats to form a coalition government. The PSOE will now have to negotiate with the other parties with regards to next steps, and a resolution is not expected before early 2020. We are actively monitoring political developments in Spain, but we continue to believe that the political environment is positive for the regulated rate of return as renewables enjoy broad support across the political spectrum.

Announcement of Quarterly Distribution

On November 6, 2019, our Board of Directors declared a quarterly distribution with respect to our Class A common stock of $0.2014 per share. The distribution is payable on December 16, 2019, to stockholders of record as of December 2, 2019. This distribution represents our eighth consecutive quarterly distribution payment under Brookfield's sponsorship.

About TerraForm Power

TerraForm Power owns and operates a best-in-class renewable power portfolio of solar and wind assets located primarily in the U.S. and E.U., totaling more than 4,000 MW of installed capacity. TerraForm Power's goal is to acquire operating solar and wind assets in North America and Western Europe. TerraForm Power is listed on the Nasdaq Stock Market (Nasdaq: TERP). It is sponsored by Brookfield Asset Management, a leading global alternative asset manager with more than $500 billion of assets under management.

For more information about TerraForm Power, please visit: www.terraformpower.com.

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Quarterly Earnings Call Details

Investors, analysts and other interested parties can access TerraForm Power's 2019 Third Quarter Results, as well as the Letter to Shareholders and Supplemental Information, on TerraForm Power's website at www.terraformpower.com.

The conference call can be accessed via webcast on November 12, 2019 at 9:00 a.m. Eastern Time at https://edge.media-server.com/mmc/p/nhx4v277. A replay of the webcast will be available for those unable to attend the live webcast. To participate via teleconference, please dial 1-844-464-3938 toll free in North America, or 1-765-507-2638 for overseas calls at approximately 8:50 a.m. Eastern Time; conference ID: 5899204.

Safe Harbor Disclosure

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. These statements involve estimates, expectations, projections, goals, assumptions, known and unknown risks, and uncertainties and typically include words or variations of words such as "expect," "anticipate," "believe," "intend," "plan," "seek," "estimate," "predict," "project," "opportunities," "goal," "guidance," "outlook," "initiatives," "objective," "forecast," "target," "potential," "continue," "would," "will," "should," "could," or "may" or other comparable terms and phrases. All statements that address operating performance, events, or developments that TerraForm Power expects or anticipates will occur in the future are forward-looking statements. They may include estimates of expected cash available for distribution ("CAFD"), distribution growth, CAFD accretion, earnings, revenues, income, loss, capital expenditures, liquidity, capital structure, margin enhancements, cost savings, future growth, financing arrangements and other financial performance items (including future distributions per share), descriptions of management's plans or objectives for future operations, products, or services, or descriptions of assumptions underlying any of the above. Forward-looking statements provide TerraForm Power's current expectations or predictions of future conditions, events, or results and speak only as of the date they are made. Although TerraForm Power believes its expectations and assumptions are reasonable, it can give no assurance that these expectations and assumptions will prove to have been correct and actual results may vary materially.

Important factors that could cause actual results to differ materially from TerraForm Power's expectations, or cautionary statements, include but are not limited to, risks related to weather conditions at our wind and solar assets; our ability to enter into contracts to sell power on acceptable prices and terms, including as our offtake agreements expire; government regulation, including compliance with regulatory and permit requirements and changes in tax laws, market rules, rates, tariffs, environmental laws and policies affecting renewable energy; our ability to compete against traditional utilities and renewable energy companies; pending and future litigation; our ability to successfully close the acquisitions of, and integrate the projects that we expect to acquire from, third parties, including our ability to successfully integrate our recently acquired portfolio of solar distributed generation assets; our ability to successfully achieve expected synergies and to successfully execute on the funding plan for our recently acquired portfolio of solar distributed generation assets, including our ability to successfully close any contemplated capital recycling initiatives; our ability to realize the anticipated benefits from acquisitions; our ability to close, implement and realize the benefit of our cost and performance enhancement initiatives, including long-term service agreements and our ability to realize the anticipated benefits from such initiatives; the willingness and ability of counterparties to fulfill their obligations under offtake agreements; price fluctuations, termination provisions and buyout provisions in offtake agreements; risks related to the ability of our hedging activities to adequately manage our exposure to commodity and financial risk; risks related to our operations being located internationally, including our exposure to foreign currency exchange rate fluctuations and political and economic uncertainties; the regulated rate of return of renewable energy facilities in our Regulated Wind and Solar segment, a reduction of which could have a material negative impact on our results of operations; the condition of the debt and equity capital markets and our ability to borrow additional funds and access capital markets, as well as our substantial indebtedness and the possibility that we may incur additional indebtedness in the future; operating and financial restrictions placed on us and our subsidiaries related to agreements governing indebtedness; our ability to identify or consummate any future acquisitions, including those identified by Brookfield Asset Management Inc.; our ability to grow and make acquisitions with cash on hand, which may be limited by our cash dividend policy; risks related to the effectiveness of our internal control over financial reporting; and risks related to our relationship with Brookfield, including our ability to realize the expected benefits of sponsorship.

TerraForm Power disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions, factors, or expectations, new information, data, or methods, future events, or other changes, except as required by law. The foregoing list of factors that might cause results to differ materially from those contemplated in the forward-looking statements should be considered in connection with information regarding risks and uncertainties which are described in TerraForm Power's Annual Report on Form 10-K for the fiscal year ended December 31, 2018 and in subsequent Quarterly Reports on Form 10-Q, as well as additional factors it may describe from time to time in other filings with the Securities and Exchange Commission. TerraForm Power operates in a competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and you should understand that it is not possible to predict or identify all such factors and, consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

TERRAFORM POWER, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	**2018**	**2019**	**2018**
Operating revenues, net	$ 253,808	$ 246,042	$ 734,506	$ 553,477
Operating costs and expenses:				
Cost of operations	75,037	59,027	207,363	146,155
General and administrative expenses	15,397	21,334	60,616	65,483
General and administrative expenses - affiliate	7,764	3,432	19,087	10,929
Acquisition costs	963	1,655	1,438	7,612
Acquisition costs - affiliate	—	335	—	6,965
Impairment of renewable energy facilities	—	—	—	15,240
Depreciation, accretion and amortization expense	114,282	103,593	321,605	239,177
Total operating costs and expenses	213,443	189,376	610,109	491,561
Operating income	40,365	56,666	124,397	61,916
Other expenses (income):				
Interest expense, net	89,393	72,416	246,721	176,862
Loss (gain) on extinguishment of debt, net	1,355	—	(4,188)	1,480
Loss (gain) on foreign currency exchange, net	10,975	(3,070)	(4,217)	(4,257)
Other (income) expenses, net	(557)	358	(1,752)	1,390
Total other expenses, net	101,166	69,704	236,564	175,475
Loss before income tax expense	(60,801)	(13,038)	(112,167)	(113,559)
Income tax expense	1,512	6,013	3,030	9,417
Net loss	(62,313)	(19,051)	(115,197)	(122,976)
Less: Net (loss) income attributable to redeemable non-controlling interests	(7,341)	12,443	(14,241)	15,101
Less: Net (loss) income attributable to non-controlling interests	(135)	2,096	(33,897)	(165,946)
Net (loss) income attributable to Class A common stockholders	$ (54,837)	$ (33,590)	$ (67,059)	$ 27,869
Weighted average number of shares:				
Class A common stock - Basic	209,155	209,142	209,149	173,173
Class A common stock - Diluted	209,155	209,142	209,149	173,186
(Loss) earnings per share:				
Class A common stock - Basic and diluted	$ (0.26)	$ (0.16)	$ (0.32)	$ 0.16
Distributions declared per share:				
Class A common stock	$ 0.2014	$ 0.19	$ 0.6042	$ 0.57

TERRAFORM POWER, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	September 30, 2019	December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	$ 239,297	$ 248,524
Restricted cash, current	31,140	27,784
Accounts receivable, net	176,883	145,161
Derivative assets, current	28,908	14,371
Prepaid expenses and other current assets	61,642	65,149
Due from affiliates	265	196
Deposit on acquisitions	114,195	—
Total current assets	652,330	501,185
Renewable energy facilities, net, including consolidated variable interest entities of $3,238,298 and $3,064,675 in 2019 and 2018, respectively	6,967,149	6,470,026
Intangible assets, net, including consolidated variable interest entities of $697,744 and $751,377 in 2019 and 2018, respectively	1,957,146	1,996,404
Goodwill	145,616	120,553
Restricted cash	73,794	116,501
Derivative assets	97,096	90,984
Other assets	36,060	34,701
Total assets	$ 9,929,191	$ 9,330,354
Liabilities, Redeemable Non-controlling Interests and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt, including consolidated variable interest entities of $266,423 and $64,251 in 2019 and 2018, respectively	$ 635,929	$ 464,332
Accounts payable, accrued expenses and other current liabilities	186,170	181,400
Due to affiliates	8,878	6,991
Derivative liabilities, current portion	38,729	35,559
Total current liabilities	869,706	688,282
Long-term debt, less current portion, including consolidated variable interest entities of $640,050 and $885,760 in 2019 and 2018, respectively	5,624,514	5,297,513
Operating lease obligations, less current portion, including consolidated variable interest entities of $141,683 in 2019	255,507	—
Asset retirement obligations, including consolidated variable interest entities of $118,406 and $86,456 in 2019 and 2018, respectively	286,282	212,657
Derivative liabilities	141,155	93,848
Deferred income taxes	152,948	178,849
Other liabilities	110,651	90,788
Total liabilities	7,440,763	6,561,937
Redeemable non-controlling interests	20,994	33,495
Stockholders' equity:		
Class A common stock, $0.01 par value per share, 1,200,000,000 shares authorized, 209,663,018 and 209,642,140 shares issued in 2019 and 2018, respectively	2,097	2,096
Additional paid-in capital	2,259,812	2,391,435
Accumulated deficit	(426,662)	(359,603)
Accumulated other comprehensive income	8,744	40,238
Treasury stock, 508,033 and 500,420 shares in 2019 and 2018, respectively	(6,815)	(6,712)
Total TerraForm Power, Inc. stockholders' equity	1,837,176	2,067,454
Non-controlling interests	630,258	667,468
Total stockholders' equity	2,467,434	2,734,922
Total liabilities, redeemable non-controlling interests and stockholders' equity	$ 9,929,191	$ 9,330,354

TERRAFORM POWER, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Nine Months Ended September 30, 2019	2018
Cash flows from operating activities:		
Net loss	$ (115,197)	$ (122,976)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation, accretion and amortization expense	321,605	239,177
Amortization of favorable and unfavorable rate revenue contracts, net	28,645	29,478
(Reductions) charges to allowance for doubtful accounts, net	(3,299)	846
Impairment of renewable energy facilities	—	15,240
Amortization of deferred financing costs, debt premiums and discounts, net	7,720	7,969
Unrealized loss (gain) on interest rate swaps	23,094	(11,688)
Unrealized gain on commodity contract derivatives, net	(3,840)	(3,845)
Recognition of deferred revenue	(1,987)	(1,344)
Stock-based compensation expense	468	161
(Gain) loss on extinguishment of debt, net	(4,188)	1,480
Loss on disposal of renewable energy facilities	13,293	6,764
Gain on foreign currency exchange, net	(4,649)	(9,643)
Deferred taxes	139	4,888
Other, net	(308)	(393)
Changes in assets and liabilities, excluding the effect of acquisitions:		
Accounts receivable	(32,198)	(18,758)
Prepaid expenses and other current assets	9,278	9,154
Accounts payable, accrued expenses and other current liabilities	5,238	(13,002)
Due to affiliates, net	1,818	4,158
Other, net	22,571	13,361
Net cash provided by operating activities	268,203	151,027
Cash flows from investing activities:		
Capital expenditures	(16,508)	(15,320)
Proceeds from energy rebate and reimbursable interconnection costs	5,123	8,224
Proceeds from the settlement of foreign currency contracts, net	28,063	22,429
Payments to acquire businesses, net of cash and restricted cash acquired	(617,587)	(886,104)
Payments to acquire renewable energy facilities from third parties, net of cash and restricted cash acquired	(18,255)	(4,105)
Payment of deposit on acquisitions	(114,195)	—
Other investing activities	2,476	—
Net cash used in by investing activities	(730,883)	(874,876)
Cash flows from financing activities:		
Proceeds from issuance of Class A common stock to affiliates	—	650,000
Proceeds from the Sponsor Line - affiliate	—	86,000
Repayment of the Sponsor Line - affiliate	—	(86,000)
Proceeds from Bridge Facility	475,000	—
Revolver draws	409,500	619,000
Revolver repayments	(430,500)	(200,466)
Term Loan principal payments	(2,625)	(2,625)
Borrowings of non-recourse long-term debt	312,053	236,381
Principal payments and prepayments on non-recourse long-term debt	(186,329)	(180,124)
Debt financing fees paid	(15,972)	(7,424)
Sale of membership interests and contributions from non-controlling interests in renewable energy facilities	5,562	7,685
Purchase of membership interests and distributions to non-controlling interests in renewable energy facilities	(17,204)	(21,792)
Proceeds from affiliates	—	4,803
Cash distributions to Class A common stockholders	(125,969)	(95,625)
Recovery of related party short swing profit	—	2,994
Net cash provided by financing activities	423,516	1,012,807
Net (decrease) increase in cash, cash equivalents and restricted cash	(39,164)	288,958
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(9,414)	(3,750)
Cash, cash equivalents and restricted cash at beginning of period	392,809	224,787
Cash, cash equivalents and restricted cash at end of period	$ 344,231	$ 509,995

Reconciliation of Non-GAAP Measures

This communication contains references to Adjusted Revenue, Adjusted EBITDA, and cash available for distribution ("CAFD"), which are supplemental Non-GAAP measures that should not be viewed as alternatives to GAAP measures of performance, including revenue, net income (loss), operating income or net cash provided by operating activities. Our definitions and calculation of these Non-GAAP measures may differ from definitions of Adjusted Revenue, Adjusted EBITDA and CAFD or other similarly titled measures used by other companies. We believe that Adjusted Revenue, Adjusted EBITDA and CAFD are useful supplemental measures that may assist investors in assessing the financial performance of TerraForm Power. None of these Non-GAAP measures should be considered as the sole measure of our performance, nor should they be considered in isolation from, or as a substitute for, analysis of our financial statements prepared in accordance with GAAP, which are available on our website at www.terraform.com, as well as at www.sec.gov. We encourage you to review, and evaluate the basis for, each of the adjustments made to arrive at Adjusted Revenue, Adjusted EBITDA and CAFD.

Calculation of Non-GAAP Measures

We define Adjusted Revenue as operating revenues, net, adjusted for non-cash items, including (i) unrealized gain/loss on derivatives, net, (ii) amortization of favorable and unfavorable rate revenue contracts, net, (iii) an adjustment for wholesale market revenues to the extent above or below the regulated price bands, and (iv) other items that we believe are representative of our core business or future operating performance.

We define Adjusted EBITDA as net income (loss) plus (i) depreciation, accretion and amortization, (ii) interest expense, (iii) non-operating general and administrative costs, (iv) impairment charges, (v) (gain) loss on extinguishment of debt, (vi) acquisition and related costs, (vii) income tax (benefit) expense, (viii) adjustment for wholesale market revenues to the extent above or below the regulated price bands, (ix) management fees to Brookfield, and (x) certain other non-cash charges, unusual or non-recurring items and other items that we believe are not representative of our core business or future operating performance.

We define "cash available for distribution" or "CAFD" as Adjusted EBITDA (i) minus management fees to Brookfield, (ii) minus annualized scheduled interest and project level payments of principal in accordance with the related borrowing arrangements, (iii) minus cash distributions paid to non-controlling interests in our renewable energy facilities, if any, (iv) minus average annual sustaining capital expenditures (based on the long-sustaining capital expenditure plans) which are recurring in nature and used to maintain the reliability and efficiency of our power generating assets over our long-term investment horizon, and (v) plus or minus operating items as necessary to present the cash flows we deem representative of our core business operations.

Use of Non-GAAP Measures

We disclose Adjusted Revenue because it presents the component of operating revenue that relates to energy production from our plants, and is, therefore, useful to investors and other stakeholders in evaluating performance of our renewable energy assets and comparing that performance across periods in each case without regard to non-cash revenue items.

We disclose Adjusted EBITDA because we believe it is useful to investors and other stakeholders as a measure of our financial and operating performance and debt service capabilities. We believe Adjusted EBITDA provides an additional tool to investors and securities analysts to compare our performance across periods without regard to interest expense, taxes and depreciation and amortization. Adjusted EBITDA has certain limitations, including that it: (i) does not reflect cash expenditures or future requirements for capital expenditures or contractual liabilities or future working capital needs, (ii) does not reflect the significant interest expenses that we expect to incur or any income tax payments that we may incur, and (iii) does not reflect depreciation and amortization and, although these charges are non-cash, the assets to which they relate may need to be replaced in the future, and (iv) does not take into account any cash expenditures required to replace those assets. Adjusted EBITDA also includes adjustments for impairment charges, gains and losses on derivatives and foreign currency swaps, acquisition related costs and items we believe are infrequent, unusual or non-recurring, including adjustments for general and administrative expenses we have incurred as a result of the SunEdison bankruptcy.

We disclose CAFD because we believe cash available for distribution is useful to investors and other stakeholders in evaluating our operating performance and as a measure of our ability to pay distributions. CAFD is not a measure of liquidity or profitability, nor is it indicative of the funds needed by us to operate our business. CAFD has certain limitations, such as the fact that CAFD includes all of the adjustments and exclusions made to Adjusted EBITDA described above.

The adjustments made to Adjusted EBITDA and CAFD for infrequent, unusual or non-recurring items and items that we do not believe are representative of our core business involve the application of management's judgment, and the presentation of Adjusted EBITDA and CAFD should not be construed to infer that our future results will be unaffected by infrequent, non-operating, unusual or non-recurring items.

In addition, these measures are used by our management for internal planning purposes, including for certain aspects of our consolidated operating budget, as well as evaluating the attractiveness of investments and acquisitions. We believe these Non-GAAP measures are useful as a planning tool because they allow our management to compare performance across periods on a consistent basis in order to more easily view and evaluate operating and performance trends and as a means of forecasting operating and financial performance and comparing actual performance to forecasted expectations. For these reasons, we also believe these Non-GAAP measures are also useful for communicating with investors and other stakeholders.

The following tables present a reconciliation of operating revenues to Adjusted Revenue and net loss to Adjusted EBITDA and to CAFD:

(in millions)	Three Months Ended September 30 2019	Three Months Ended September 30 2018	Nine Months Ended September 30 2019	Nine Months Ended September 30 2018
Reconciliation of Net Loss to Adjusted EBITDA				
Net loss	**$ (62)**	**$ (19)**	**$ (115)**	**$ (123)**
Depreciation, accretion and amortization expense (a)	127	113	364	274
Interest expense, net	89	72	247	177
Non-operating general and administrative expenses (b)	6	6	26	38
Impairment charges	—	—	—	15
Loss (gain) on extinguishment of debt	1	(1)	(4)	(1)
Acquisition and related costs	1	2	1	15
Income tax expense	2	6	3	9
Regulated Solar and Wind price band adjustment (c)	2	10	10	10
Management Fee (d)	7	4	18	11
Other non-cash or non-operating items (e)	22	4	18	(4)
Adjusted EBITDA	**$ 195**	**$ 197**	**$ 568**	**$ 421**

(in millions)	Three Months Ended September 30 2019	Three Months Ended September 30 2018	Nine Months Ended September 30 2019	Nine Months Ended September 30 2018
Reconciliation of Operating Revenues, net to Adjusted Revenue				
Operating revenues, net	$ 254	$ 246	$ 735	$ 553
Unrealized (gain) loss on commodity contract derivatives, net (f)	(1)	2	(4)	(3)
Amortization of favorable and unfavorable rate revenue contracts, net (g)	10	10	28	30
Regulated Solar and Wind price band adjustment (c)	2	10	10	10
Other items (h)	(5)	—	1	—
Adjusted Revenue	**$ 260**	**$ 268**	**$ 770**	**$ 590**

(in millions)	Three Months Ended September 30 2019	Three Months Ended September 30 2018	Nine Months Ended September 30 2019	Nine Months Ended September 30 2018
Reconciliation of Adjusted Revenue to Adjusted EBITDA and Adjusted EBITDA to CAFD				
Adjusted Revenue	$ 260	$ 268	$ 770	$ 590
Direct Operating costs	(67)	(71)	(207)	(169)
Settled FX gain (loss)	2	—	5	—
Adjusted EBITDA	**$ 195**	**$ 197**	**$ 568**	**$ 421**
Fixed management fee (d)	(3)	(3)	(9)	(8)
Variable management fee (d)	(4)	(1)	(9)	(3)
Adjusted interest expense (i)	(72)	(78)	(217)	(184)
Levelized principal payments (j)	(65)	(57)	(187)	(111)
Cash distributions to non-controlling interests (k)	(3)	(7)	(13)	(19)
Sustaining capital expenditures (l)	(2)	(2)	(6)	(6)
Other (m)	2	(3)	11	10
Cash available for distribution (CAFD)	**$ 48**	**$ 46**	**$ 138**	**$ 100**

a) Includes reductions/(increases) within operating revenues due to net amortization of favorable and unfavorable rate revenue contracts as detailed in the reconciliation of Adjusted Revenue, and losses on disposal of property, plant and equipment.

b) Non-operating items and other items incurred directly by TerraForm Power that we do not consider indicative of our core business operations are treated as an addback in the reconciliation of net loss to Adjusted EBITDA. These items include, but are not limited to, extraordinary costs and expenses related primarily to IT system arrangements, relocation of the headquarters to New York, legal, advisory and contractor fees associated with the bankruptcy of SunEdison and certain of its affiliates (the "SunEdison bankruptcy") and investment banking, and legal, third party diligence and advisory fees associated with acquisitions, dispositions and financings. The Company's normal general and administrative expenses in Corporate, paid by TerraForm Power, are the amounts shown below and were not added back in the reconciliation of net loss to Adjusted EBITDA:

$ in millions	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Operating general and administrative expenses in Corporate	$ 8	$ 6	$ 26	$ 20

c) Represents Regulated Solar and Wind Price Band Adjustment to Return on Investment Revenue as dictated by market conditions. To the extent that the wholesale market price is greater or less than a price band centered around the market price forecasted by the Spanish regulator during the preceding three years, the difference in revenues assuming average generation accumulates in a tracking account. The Return on Investment is either increased or decreased in order to amortize the balance of the tracking account over the remaining regulatory life of the assets.

d) Represents management fee that is not included in Direct operating costs.

e) Represents other non-cash items as detailed in the reconciliation of Adjusted Revenue and associated footnote and certain other items that we believe are not representative of our core business or future operating performance, including but not limited to: loss (gain) on foreign exchange ("FX"), unrealized loss on commodity contracts, loss on investments and receivables with affiliate, sale of transmission line access in Regulated Solar and Wind, and one-time blade repairs related to the preparation for GE transition.

f) Represents unrealized (gain) loss on commodity contracts associated with energy derivative contracts that are accounted for at fair value with the changes recorded in operating revenues, net. The amounts added back represent changes in the value of the energy derivative related to future operating periods and are expected to have little or no net economic impact since the change in value is expected to be largely offset by changes in value of the underlying energy sale in the spot or day-ahead market.

g) Represents net amortization of purchase accounting related to intangibles arising from past business combinations related to favorable and unfavorable rate revenue contracts.

h) Primarily represents insurance compensation for revenue losses, transmission capacity revenue, and adjustments for solar renewable energy certificate ("SREC") recognition and other revenue due to timing.

i) Represents project-level and other interest expense and interest income attributed to normal operations. The reconciliation from Interest expense, net as shown on the Consolidated Statements of Operations to adjusted interest expense applicable to CAFD is as follows:

$ in millions	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Interest expense, net	**$ (89)**	**$ (72)**	**$ (247)**	**$ (177)**
Amortization of deferred financing costs and debt discounts	4	3	8	8
Other, primarily fair value changes in interest rate swaps and purchase accounting adjustments due to acquisition	13	(9)	22	(15)
Adjusted interest expense	**$ (72)**	**$ (78)**	**$ (217)**	**$ (184)**

j) Represents levelized project-level and other principal debt payments to the extent paid from operating cash.

k) Represents cash distributions paid to non-controlling interests in our renewable energy facilities. The reconciliation from Distributions to non-controlling interests as shown on the Consolidated Statement of Cash Flows to Cash distributions to non-controlling interests, net for the three months September 30, 2019 and 2018 is as follows:

$ in millions	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Purchase of membership interests	**$ (6)**	**$ (9)**	**$ (17)**	**$ (22)**
Buyout of non-controlling interests and Additional Paid in Capital	3	**2**	4	**2**
Adjustment for non-operating cash distributions	—	—	—	**1**
Purchase of membership interests and distributions to non-controlling interests	**$ (3)**	**$ (7)**	**$ (13)**	**$ (19)**

l) Represents long-term average sustaining capital expenditure to maintain reliability and efficiency of the assets.

m) Represents other cash flows as determined by management to be representative of normal operations including, but not limited to, wind plant "pay as you go" contributions received from tax equity partners, interconnection upgrade reimbursements, major maintenance reserve releases or (additions), releases or (postings) of collateral held by counterparties of energy market hedges for certain wind plants, and recognized SREC gains that are covered by loan agreements.

Exhibit 99.2


TerraForm POWER
Q3 2019
Supplemental Information
Three Months Ended September 30, 2019

Cautionary Statement Regarding Forward-Looking Statements

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. These statements involve estimates, expectations, projections, goals, assumptions, known and unknown risks, and uncertainties and typically include words or variations of words such as "expect," "anticipate," "believe," "intend," "plan," "seek," "estimate," "predict," "project," "opportunities," "goal," "guidance," "outlook," "initiatives," "objective," "forecast," "target," "potential," "continue," "would," "will," "should," "could," or "may" or other comparable terms and phrases. All statements that address operating performance, events, or developments that the Company expects or anticipates will occur in the future are forward-looking statements. They may include estimates of expected cash available for distribution, distribution growth, CAFD accretion, earnings, revenues, income, loss, capital expenditures, liquidity, capital structure, margin enhancements, cost savings, future growth, financing arrangements and other financial performance items (including future dividends per share), descriptions of management's plans or objectives for future operations, products, or services, or descriptions of assumptions underlying any of the above. Forward-looking statements provide the Company's current expectations or predictions of future conditions, events, or results and speak only as of the date they are made. Although the Company believes its expectations and assumptions are reasonable, it can give no assurance that these expectations and assumptions will prove to have been correct and actual results may vary materially.

Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are listed below and further disclosed under the section entitled Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2018 and in our subsequent Quarterly Reports on Form 10-Q: risks related to weather conditions at our wind and solar assets; our ability to enter into contracts to sell power on acceptable prices and terms, including as our offtake agreements expire; government regulation, including compliance with regulatory and permit requirements and changes in tax laws, market rules, rates, tariffs, environmental laws and policies affecting renewable energy; our ability to compete against traditional utilities and renewable energy companies; pending and future litigation; our ability to successfully close the acquisitions of, and integrate the projects that we expect to acquire from, third parties, including our ability to successfully integrate our recently acquired portfolio of solar distributed generation assets; our ability to successfully achieve expected synergies and to successfully execute on the funding plan for our recently acquired portfolio of solar distributed generation assets, including our ability to successfully close any contemplated capital recycling initiatives; our ability to realize the anticipated benefits from acquisitions; our ability to close, implement and realize the benefit of our cost and performance enhancement initiatives, including long-term service agreements and our ability to realize the anticipated benefits from such initiatives; the willingness and ability of counterparties to fulfill their obligations under offtake agreements; price fluctuations, termination provisions and buyout provisions in offtake agreements; risks related to the ability of our hedging activities to adequately manage our exposure to commodity and financial risk; risks related to our operations being located internationally, including our exposure to foreign currency exchange rate fluctuations and political and economic uncertainties; the regulated rate of return of renewable energy facilities in our Regulated Wind and Solar segment, a reduction of which could have a material negative impact on our results of operations; the condition of the debt and equity capital markets and our ability to borrow additional funds and access capital markets, as well as our substantial indebtedness and the possibility that we may incur additional indebtedness in the future; operating and financial restrictions placed on us and our subsidiaries related to agreements governing indebtedness; our ability to identify or consummate any future acquisitions, including those identified by Brookfield Asset Management Inc.; our ability to grow and make acquisitions with cash on hand, which may be limited by our cash dividend policy; risks related to the effectiveness of our internal control over financial reporting; and risks related to our relationship with Brookfield, including our ability to realize the expected benefits of sponsorship.

The Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions, factors, or expectations, new information, data, or methods, future events, or other changes, except as required by law. The foregoing list of factors that might cause results to differ materially from those contemplated in the forward-looking statements should be considered in connection with information regarding risks and uncertainties, which are described in our Annual Report on Form 10-K for the year ended December 31, 2018 and in subsequent Quarterly Reports on Form 10-Q, as well as additional factors we may describe from time to time in our other filings with the Securities and Exchange Commission (the "SEC"). We operate in a competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and you should understand that it is not possible to predict or identify all such factors and, consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

This Supplemental Information contains references to Adjusted Revenue, Adjusted EBITDA, and cash available for distribution ("CAFD"), which are Non-GAAP measures that should not be viewed as alternatives to GAAP measures of performance, including revenue, net income (loss), operating income or net cash provided by operating activities. Our definitions and calculation of these Non-GAAP measures may differ from definitions of Adjusted Revenue, Adjusted EBITDA and CAFD or other similarly titled measures used by other companies. We believe that Adjusted Revenue, Adjusted EBITDA and CAFD are useful supplemental measures that may assist investors in assessing the financial performance of the Company. None of these Non-GAAP measures should be considered as the sole measure of our performance, nor should they be considered in isolation from, or as a substitute for, analysis of our financial statements prepared in accordance with GAAP, which are available on our website at www.terraform.com, as well as at www.sec.gov.

Q3 2019 and Recent Highlights

- Terraform Power generated cash available for distribution ("CAFD") of $48 million compared to $46 million in the same period of the prior year, primarily due to higher generation in Spain, cost saving initiatives, contributions from recently completed acquisitions offset by higher management fees, lower market prices in Spain and increased cost of covering our hedge obligations during the summer in Texas
- Closed on the acquisition of approximately 320 MW[1] Distributed Generation ("DG") portfolio in the United States from AltaGas for ~$720 million
- In October, we completed the following transactions, providing approximately $1.2 billion of corporate liquidity:
  - Issued $300 million of new equity by way of a $250 million public offering and concurrent $50 million private placement with Brookfield
  - Closed a $700 million offering of 10-year senior notes. The notes priced at a coupon of 4.75%. Net proceeds were used to repay the $300 million notes due 2025 and the $344 million Term Loan B due 2022. The refinancing will lock in debt service savings of ~$6 million per year and extend our maturity profile, such that we have no corporate maturities until 2023
  - Upsized Corporate Revolving Credit Facility by $200 million to $800 million with 1-year extension to 2024
- Executed a 10-year outsourcing Framework Agreement with SMA Solar Technology to provide operations and maintenance for our North American solar fleet, which is expected to reduce costs by $5 million per year and mitigate operational risk of the portfolio through performance guarantees
- Declared a Q4 2019 dividend of $0.2014 per share, implying $0.8056 per share on an annual basis

1. Includes certain Delayed Projects for which AltaGas have not yet received the required third party consents or have not completed construction, and will be transferred to TERP once such third party consents are received or construction is completed, subject to certain terms and conditions. As of October 2019, the Delayed Projects represent approximately 17 MW of the combined nameplate capacity of the acquired renewable energy facilities.

Q3 2019 Highlights (continued)

2,063
GWh Generation

$48 million
CAFD

Key Performance Metrics

($ IN MILLIONS, EXCEPT PER SHARE AMOUNTS)	Three months ended Sep 30 2019	Three months ended Sep 30 2018	Nine months ended Sep 30 2019	Nine months ended Sep 30 2018
LTA generation (GWh)[1]	2,260	2,250	7,598	7,569
Total generation (GWh)[1]	2,063	2,006	6,912	5,875
Adjusted Revenue[2]	$ 260	$ 268	$ 770	$ 590
Adjusted EBITDA[2]	195	197	568	421
Net loss	(62)	(19)	(115)	(123)
CAFD[1][2]	48	46	138	100
(Loss) earnings per share[3]	$ (0.26)	$ (0.16)	$ (0.32)	$ 0.16
CAFD per share[3][4]	$ 0.23	$ 0.22	$ 0.66	$ 0.58

(1) Generation and performance exclude AltaGas DG portfolio, which was acquired at the end of Q3 2019.
(2) Non-GAAP measures. See Appendix 1and "Reconciliation of Non-GAAP Measures."
(3) Earnings (loss) per share is calculated using net (loss) income attributable to Class A common stockholders divided by a weighted average diluted Class A common stock shares outstanding. For the three months ended September 30, 2019 and September 30, 2018, net (loss) income attributable to Class A common stockholders totaled ($55) million and ($34) million, respectively. For the nine months ended September 30, 2019 and September 30, 2018, net (loss) income attributable to Class A common stockholders totaled ($67) million and $28 million, respectively. For the three months ended September 30, 2019 and September 30, 2018, weighted average diluted Class A common stock shares outstanding totaled 209 million and 209 million, respectively. For the nine months ended September 30, 2019 and September 30, 2018, weighted average diluted Class A common stock shares outstanding totaled 209 million and 173 million, respectively.
(4) CAFD per share is calculated using a weighted average diluted Class A common stock shares outstanding.

(IN $ MILLIONS)	Sep 30 2019	Dec 31 2018
Total long-term debt	5,820	5,797
Total stockholders' equity and redeemable non-controlling interest	2,488	2,768
Total capitalization[1]	8,308	8,565

(1) Total capitalization is comprised of total stockholders' equity, redeemable non-controlling interests, and Total long-term debt.

Performance Highlights

- Our portfolio delivered in Q3 net loss, Adjusted EBITDA and CAFD of $(62) million, $195 million and $48 million, respectively, versus $(19) million, $197 million and $46 million, respectively, in the prior year
  - Adjusted EBITDA decreased by $2 million due to lower market prices in Spain and increased cost of covering our hedge obligations during the summer in Texas. These are partially offset by higher SREC prices, benefits from our O&M cost saving initiatives, and higher production in our regulated wind plants in Spain
  - CAFD increased $2 million due to lower distributions to non-controlling interests (NCI) from timing and buyouts, offset by increased management fees
  - Net loss increased $43 million due in part to higher interest expense as part of the Saeta acquisition funding plan and unrealized foreign currency losses
  - Quarterly CAFD per share of $0.23, 5% higher than the same period of 2018

Overview of TerraForm Power

TERP's mandate is to acquire, own and operate wind and solar assets in North America and Western Europe

~$3.8 Billion[1]
Market Capitalization

TERP
NASDAQ

~4.8% Yield[2]
$0.8056 Target 2019 per Share Dividend

~61.5%
Ownership by Brookfield and Institutional Partners[3]

Significant NOLs[4]
Tax advantaged structure (C Corp)

$9 billion
Total power assets[5]

4,066 MW
of capacity[6]

59% / 41%
wind / solar capacity[7]

45% / 55%
wind / solar projected revenue[8]

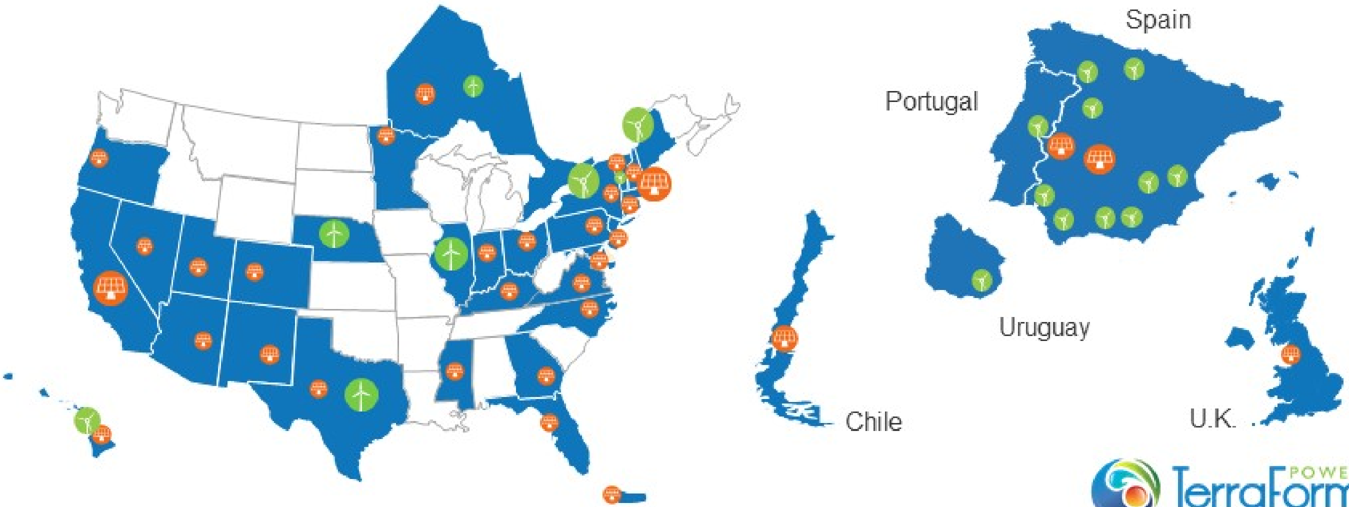
1. Based on the closing price of TERP's Class A common stock of $16.89 per share October 8, 2019
2. Based on 2019 annualized target dividend of $0.8056 per share and the closing price of TERP's Class A common stock of $16.89 per share on October 8, 2019
3. As of October 8, 2019. As of September 30, 2019, Brookfield and institutional partners was 65% of TERP's outstanding Class A common stock
4. Net Operating Losses ("NOLs")
5. Includes power assets from AltaGas DG portfolio acquisition
6. In this presentation, all information regarding megawatt ("MW") capacity represents the maximum generating capacity of a facility as expressed in (1) direct current ("DC"), for all facilities within our Solar reportable segment, and (2) alternating current ("AC") for all facilities within our Wind and Regulated Solar and Wind reportable segments. Includes the Delayed Projects as described in the footnote on slide 3 of this presentation
7. Expressed as a percentage of total MW owned
8. Based on projected revenue for 2019, including AltaGas DG Portfolio annualized revenue

TerraForm POWER

Renewables Portfolio with Scale in North America and Western Europe

Owner and operator of an over 4,000 MW diversified portfolio of high-quality wind and solar assets, underpinned by long-term contracts

	Wind	Solar	Total
US	1,536 MW	1,239 MW	**2,775 MW**
International	856 MW	435 MW	**1,291 MW**
Total	**2,392 MW**	**1,674 MW**	**4,066 MW**



Generation and Revenue

	(GWh)			($ IN MILLIONS)			
	Actual Generation		LTA Generation[1]	Operating Revenue, Net		Adjusted Revenue[2]	
	Q3 2019	Q3 2018	Q3 2019	Q3 2019	Q3 2018	Q3 2019	Q3 2018
Wind							
Central Wind	367	360	445	$ 13	$ 12	$ 22	$ 21
Texas Wind	316	320	349	$ 5	$ 10	$ 3	$ 7
Hawaii Wind	63	71	87	$ 12	$ 13	$ 12	$ 13
Northeast Wind	143	152	175	$ 9	$ 8	$ 9	$ 12
International Wind	159	148	163	$ 15	$ 14	$ 15	$ 14
	1,048	**1,051**	**1,219**	**$ 54**	**$ 57**	**$ 61**	**$ 67**
Solar							
North America Utility Solar	296	302	319	$ 55	$ 48	$ 53	$ 53
International Utility Solar	58	58	52	$ 7	$ 7	$ 7	$ 7
North America Distributed Generation	178	168	182	$ 40	$ 40	$ 44	$ 37
	532	**528**	**553**	**$ 102**	**$ 95**	**$ 104**	**$ 97**
Regulated Solar and Wind	**483**	**427**	**488**	**$ 98**	**$ 94**	**$ 95**	**$ 104**
Total	**2,063**	**2,006**	**2,260**	**$ 254**	**$ 246**	**$ 260**	**$ 268**

- Long-term average annual generation ("LTA") is expected generation at the point of delivery, net of all recurring losses and constraints
- We compare actual generation levels against the long-term average to highlight the impact of operational factors that affect the variability of our business results. In the short-term, we recognize that wind conditions and irradiance conditions will vary from one period to the next; however, we expect our facilities will produce electricity in-line with their LTA over time

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1. Generation excludes AltaGas DG portfolio, which was acquired at the end of Q3 2019
2. Non-GAAP measures. See Appendix 1 and "Reconciliation of Non-GAAP Measures." Adjusted for unrealized (gain) loss on commodity contract derivatives, amortization of favorable and unfavorable rate revenue contracts, and other non-cash items

Selected Income Statement and Balance Sheet Information by Segment

Income Statement

($ IN MILLIONS)	Three months ended Sep 30, 2019	Sep 30, 2018
Net (loss) Income		
Wind	**$ (49)**	$ (30)
Solar	**41**	38
Regulated Solar and Wind	**9**	24
Corporate	**(63)**	(51)
Total	**$ (62)**	$ (19)
Adjusted EBITDA		
Wind	**$ 37**	$ 36
Solar	**90**	84
Regulated Solar and Wind	**74**	83
Corporate	**(6)**	(6)
Total	**$ 195**	$ 197
CAFD		
Wind	**$ (4)**	$ (1)
Solar	**59**	54
Regulated Solar and Wind	**33**	33
Corporate	**(40)**	(40)
Total	**$ 48**	$ 46

Balance Sheet

($ IN MILLIONS)	Sep 30, 2019	Dec 31, 2018
Total Assets		
Wind	**$ 3,763**	$ 3,733
Solar	**3,589**	2,763
Regulated Solar and Wind	**2,496**	2,748
Corporate	**83**	86
Total	**$ 9,931**	$ 9,330
Total Liabilities		
Wind	**$ 1,508**	$ 1,188
Solar	**1,882**	1,225
Regulated Solar and Wind	**1,813**	1,891
Corporate	**2,240**	2,258
Total	**$ 7,443**	$ 6,562
Total Equity and Non-controlling Interests		
Wind	**$ 2,255**	$ 2,545
Solar	**1,707**	1,538
Regulated Solar and Wind	**683**	857
Corporate	**(2,157)**	(2,172)
Total	**$ 2,488**	$ 2,768

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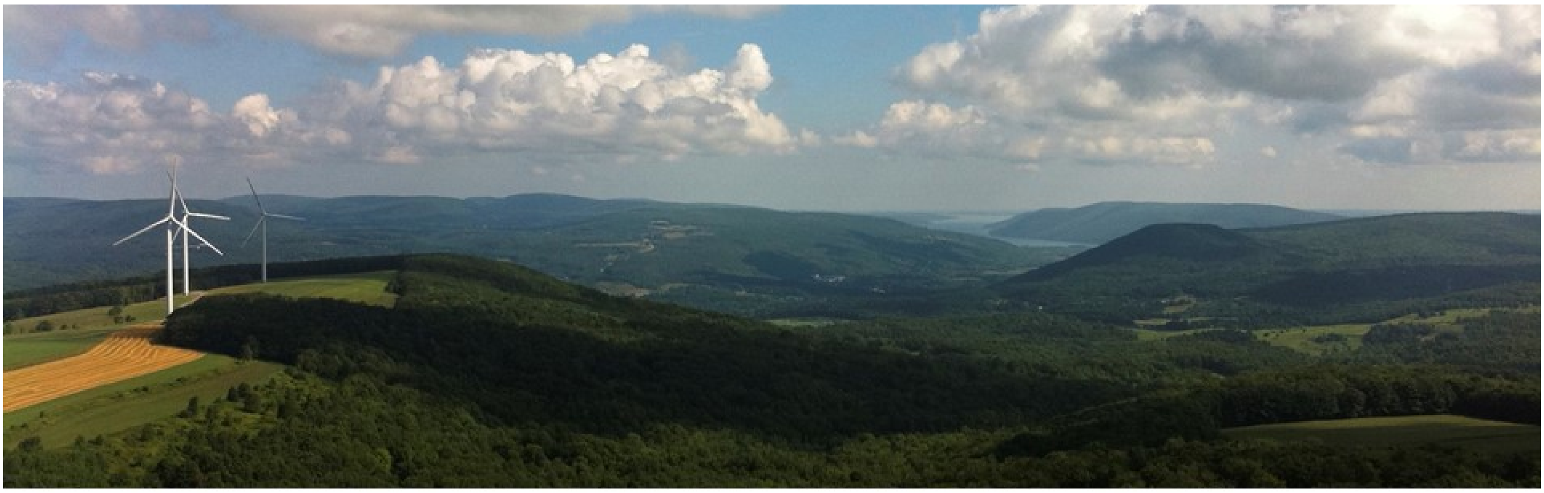

Operating Segments

1,854 MW
CAPACITY

($4)M
CAFD

($ IN MILLIONS, UNLESS NOTED)	Three months ended Sep 30 2019	2018
Capacity (MW)	**1,854**	1,854
LTA Generation (GWhs)	**1,219**	1,219
Actual Generation (GWhs)	**1,048**	1,051
Adjusted Revenue	**$ 61**	$ 67
Direct operating costs	**(24)**	(31)
Adjusted EBITDA	**$ 37**	$ 36
Adjusted interest expense	**(14)**	(15)
Levelized principal repayments	**(20)**	(17)
Distributions to non-controlling interests	**(2)**	(4)
Sustaining capital expenditures	**(2)**	(2)
Other	**(3)**	1
CAFD	**$ (4)**	$ (1)
Adjusted EBITDA	**37**	36
Interest expense	**(16)**	(14)
Income taxes	**-**	(1)
Depreciation and amortization	**(60)**	(49)
Other	**(10)**	(2)
Net (loss)	**$ (49)**	(30)

	Actual Generation (GWh)		Average Adj. Revenue per MWh	
	Q3 2019	Q3 2018	Q3 2019	Q3 2018
Central Wind	367	360	$ 59	$ 56
Texas Wind	316	320	9	22
Hawaii Wind	63	71	186	182
Northeast Wind	143	152	64	79
International Wind	159	148	96	93
Total	**1,048**	**1,051**	**$ 58**	**$ 64**

Performance Highlights

- Adjusted EBITDA and CAFD were $37 million and ($4) million, respectively, versus $36 million and ($1) million, respectively, in the prior year
  - Wind generation this quarter was approximately 14% lower than our LTA, primarily due to lower availability in North America, mainly in our Central and Texas wind portfolios, and to a lesser extent, lower wind resource, mainly in our Hawaii and Central wind portfolios
  - Adjusted EBITDA was $1 million higher than prior year, primarily due to the implementation of cost savings initiatives and a higher contribution from the international plants in Portugal and Uruguay due to higher generation and price, offset by increased cost of covering our hedge obligations during the summer in Texas. The transition to LTSAs with GE resulted in cost savings of $4 million in the quarter, after operations of an additional 4 sites were transferred to GE maintenance in Q3 2019
  - CAFD was $3 million below the prior year, primarily due to debt service from the International Wind segment, related to up-financing in Uruguay
  - Net loss was ($49) million, $19 million below the prior year, primarily due to higher interest expense related to higher depreciation, up-financing, and one-time blade repairs costs related to the transition to the GE LTSAs

1,420 MW
CAPACITY (1)

$59M
CAFD

($ IN MILLIONS, UNLESS NOTED)	Three months ended Sep 30 2019	2018
Capacity (MW)(1)	1,420	1,081
LTA Generation (GWhs)(2)	553	548
Actual Generation (GWhs)(2)	532	527
Adjusted Revenue	$ 104	$ 97
Direct operating costs	(14)	(13)
Adjusted EBITDA	$ 90	$ 84
Adjusted interest expense	(17)	(16)
Levelized principal repayments	(17)	(13)
Distributions to non-controlling interests	(1)	(3)
Other	4	2
CAFD	$ 59	$ 54
Adjusted EBITDA	90	84
Interest expense	(17)	(16)
Depreciation and amortization	(31)	(30)
Income taxes	(4)	-
Other	3	-
Net income	$ 41	$ 38

	Actual Generation (GWh)		Average Adj. Revenue per MWh	
	Q3 2019	Q3 2018	Q3 2019	Q3 2018
North America Utility Solar	296	302	$ 178	$ 172
International Utility Solar (3)	58	58	108	109
North America Distributed Generation	178	168	250	227
Total	532	528	$ 195	$ 184

(1) Capacity includes AltaGas DG portfolios, which was acquired at the end of Q3 2019.
(2) LTA generation and actual generation exclude AltaGas DG portfolio.
(3) Average Adjusted Revenue per MWh excludes capacity payments, receipts from prior periods, and pass-through transmission costs.

Performance Highlights

- Adjusted EBITDA and CAFD were $90 million and $59 million, respectively, versus $84 million and $54 million, respectively, in the prior year
  - Adjusted EBITDA increased by $7 million compared to the prior year, primarily due to higher SREC prices and contribution from the Integrys acquisition completed in Q2 2019
  - CAFD increased by $5 million compared to the prior year due to higher Adjusted EBITDA, partially offset by debt service related to new project financings, executed as part of the Saeta acquisition funding plan
  - Net income of $41 million was $3 million higher than prior year, primarily due to higher revenue offset by higher income tax expense

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Regulated Solar and Wind

792 MW
CAPACITY

$33M
CAFD

($ IN MILLIONS, UNLESS NOTED)	Three months ended Sep 30 2019	2018
Capacity (MW)	792	788
LTA Generation (GWh)	488	482
Actual Generation (GWhs)	483	427
Adjusted Revenue	$ 95	$ 104
Direct operating costs	(21)	(21)
Adjusted EBITDA	$ 74	$ 83
Adjusted interest expense	(14)	(17)
Levelized principal repayments	(28)	(27)
Other	1	(6)
CAFD	$ 33	$ 33
Adjusted EBITDA	74	83
Interest expense	(27)	(10)
Depreciation and amortization	(35)	(34)
Regulated Solar and Wind price band adjustment	(2)	(10)
Other	(1)	(5)
Net income	$ 9	$ 24

Performance Highlights

- Adjusted EBITDA and CAFD were $74 million and $33 million, respectively, versus $83 million and $33 million, respectively, in the prior year
  - Adjusted EBITDA decreased by $9 million compared to the prior year, primarily due to lower market prices in Spain, partially offset by increased generation from our regulated wind plants and the contribution of the assets acquired in the last 12 months
  - CAFD was in line with the prior year, due to lower cash taxes in Spain offset by lower Adjusted EBITDA
  - Net income of $9 million was $15 million lower than the prior year, primarily due to lower revenue and higher non cash financial expenses

	Regulated Solar				Regulated Wind			
	Actual Results (GWh)		Average Adj. Revenue $ per MWh		Actual Results (GWh)		Average Adj. Revenue $ per MWh	
($ IN MILLIONS, UNLESS NOTED)	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018	Q3 2019	Q3 2018
Generation (GWh)	271	263			212	165		
Return on Investment Revenue (1)	$ 40	$ 40	$ 53 per KW / month		$ 18	$ 18	$ 12 per KW / month	
Return on Operation Revenue (2)	$ 14	$ 14	$ 52	$ 53	$ -	$ -	$ -	$ -
Market Revenue	$ 13	$ 20	$ 48	$ 76	$ 9	$ 12	$ 42	$ 73
Adjusted Re	$ 67	$ 74	$ 247	$ 282	$ 27	$ 30	$ 127	$ 182

(1) Return on Investment Revenue is a monthly capacity payment, which is stable during three years of semi-regulated period between 2017 and 2019, inclusive.

(2) Return on Operation Revenue (specific return for regulated solar plants) per MWh is calculated using actual generation.

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Corporate

The following table presents our Corporate segment's financial results:

($ IN MILLIONS, UNLESS NOTED)	Three months ended Sep 30 2019	2018
Direct operating costs	$ (8)	$ (6)
Settled FX gain	2	-
Adjusted EBITDA	$ (6)	$ (6)
Management fee	(7)	(4)
Adjusted interest expense	(27)	(30)
CAFD	$ (40)	$ (40)
Adjusted EBITDA	(6)	(6)
Interest expense	(29)	(32)
Income tax (expense)	-	(2)
Acquisition and related costs	(1)	(2)
Non-operating general and administrative expenses	(6)	(6)
Other	(21)	(3)
Net loss	$ (63)	$ (51)

Performance Highlights

- Corporate direct operating costs were $2 million higher in Q3 2019, primarily driven by support for growth initiatives and professional fees
- Adjusted interest expense was $3 million lower in Q3 2019 than the prior year, primarily driven by lower draws on our Revolver, following the completion of the Saeta acquisition funding plan
- Net loss of $63 million was $12 million higher than the prior year, primarily due to unrealized foreign currency exchange losses in the current period

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Liquidity

We operate with sufficient liquidity to enable us to fund expected growth initiatives, capital expenditures, and distributions, and to provide protection against any sudden adverse changes in economic circumstances or short-term fluctuations in generation

Corporate liquidity was $682 million as of September 30, 2019; following our $300 million equity issuance and upsizing of our revolving credit facility, our Pro Forma corporate liquidity as of October 8, 2019 increased to $1.2 billion, including our $500 million sponsor line with Brookfield

($ IN MILLIONS, UNLESS NOTED)	Pro Forma[1]	Sep 30, 2019	Dec 31, 2018
Unrestricted corporate cash	19	19	53
Project-level distributable cash	32	32	18
Cash available to corporate	$ 51	$ 51	$ 71
Credit facilities:			
Revolving credit facility commitments[2]	800	600	600
Drawn portion of revolving credit facilities[3]	(56)	(356)	(377)
Revolving line of credit commitments	(113)	(113)	(99)
Undrawn portion of Sponsor Line	500	500	500
Available portion of credit facilities	$ 1,131	$ 631	$ 624
Corporate liquidity	$ 1,182	$ 682	$ 695
Other project-level unrestricted cash	189	189	178
Project-level restricted cash	105	105	144
Available capital	**$ 1,476**	**$ 976**	**$ 1,017**

1. Pro Forma as of October 8, 2019 to include (i) the concurrent public and private offerings of $300 million of the Company's common stock and (ii) the upsize of the Company's senior secured revolving credit facility (the "Revolver") by $200 million to $800 million, each of which occurred on October 8, 2019.
2. The Pro Forma column reflects the upsize of the Revolver by $200 million to $800 million that occurred on October 8, 2019.
3. The Pro Forma column reflects the application of the proceeds received from the Company's concurrent public and private offerings of $300 million of the Company's common stock that occurred on October 8, 2019

TerraForm POWER

Maturity Profile

We finance our assets primarily with project level debt that generally has long-term maturities that amortize over the contract life, few restrictive covenants and no recourse to either TerraForm Power or other projects

The following table summarizes our scheduled principal repayments, overall maturity profile and average interest rates associated with our borrowings over the next five years as of September 30, 2019 and a Pro Forma as of October 8th, 2019, to include corporate financing activities[1,2,3] executed after the quarter end

($ IN MILLIONS)	Weighted Average Life (Years)	2019	2020	2021	2022	2023	Thereafter	Total	Weighted Average Interest Rate (%)
Principal Repayments									
Corporate borrowings									
Notes[1]	6	-	-	-	-	500	1,000	1,500	5.1%
Term Loan[2]	3	1	4	4	335	-	-	344	4.5%
Revolver[3]	5	-	-	-	-	356	-	356	4.7%
Total corporate	5	$ 1	$ 4	$ 4	$ 335	$ 856	$ 1,000	$ 2,200	4.9%
Non-recourse debt									
Utility scale	16	19	46	51	56	58	699	$ 929	5.9%
Distributed generation[4]	2	4	491	16	20	122	23	$ 676	5.0%
Solar	11	23	537	67	76	180	722	$ 1,605	5.7%
Wind	10	28	85	87	242	60	614	$ 1,116	4.9%
Regulated energy	11	45	106	112	118	124	869	$ 1,374	4.1%
Total non-recourse	11	$ 96	$ 728	$ 266	$ 436	$ 364	$ 2,205	$ 4,095	4.8%
Total borrowings as of Sep 30, 2019	**9**	**$ 97**	**$ 732**	**$ 270**	**$ 771**	**$ 1,220**	**$ 3,205**	**$ 6,295**	**4.9%**
Total borrowings Pro Forma	**10**	**$ 96**	**$ 729**	**$ 266**	**$ 435**	**$ 920**	**$ 3,606**	**$ 6,051**	**4.6%**

1. Subsequent to quarter close, the senior notes due 2025 have been repaid with the proceeds of the $700 million offering issued on October 16. The Pro forma line in the table above reflects the updated maturity profile after this repayment
2. Subsequent to quarter close, the secured term loan due 2022 has been repaid with the proceeds of the $700 million offering issued on October 16. The Pro forma line in the table above reflects the updated maturity profile after this repayment
3. Subsequent to quarter close, the revolving credit facilty has been upsized by $200 million up to $800 million, and maturity extended by one year to 2024. The Pro forma line in the table above reflects the updated maturity profile and the partial repayment
4. Includes the $475.0 million Bridge Facility we entered into on September 26, 2019, which matures on September 25, 2020 with an optional one-year extension. We intend to refinance the balance on a long-term basis prior to maturity

Contract Profile

The following table sets out our contracted generation over the next five years as a percentage of expected generation. We currently have a contracted profile of approximately 96% of future generation and our goal is to maintain this profile going forward

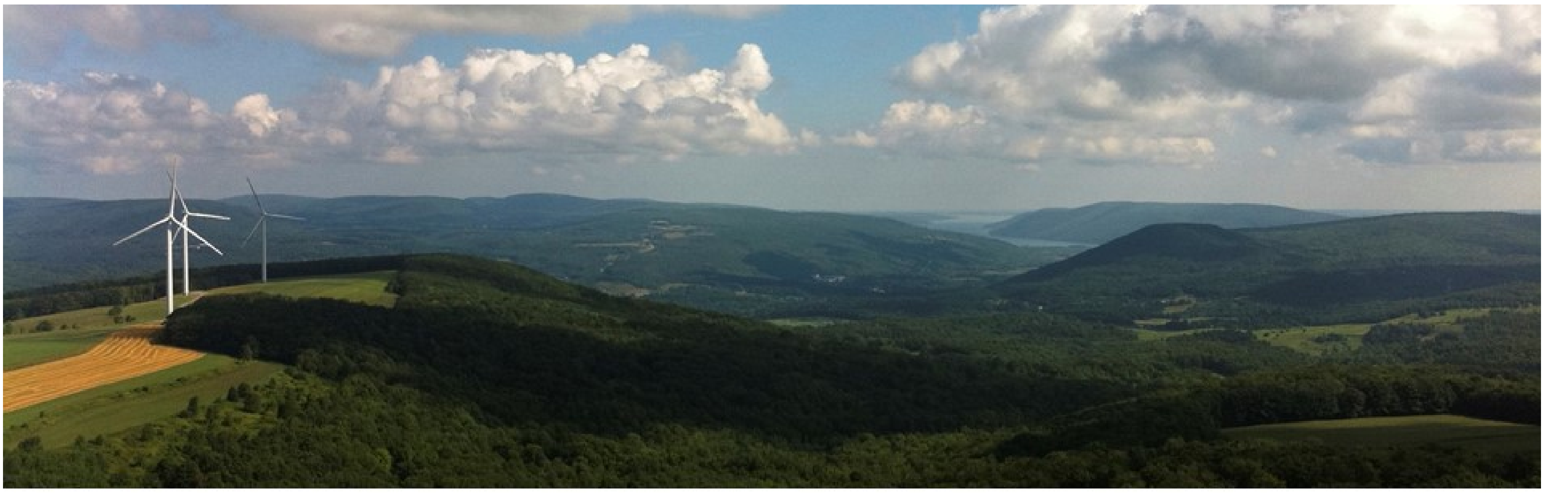
For the Year ending December 31,	2019[1]	2020	2021	2022	2023
Contracted					
Solar	100%	100%	100%	100%	100%
Wind	93%	89%	85%	84%	84%
Regulated Solar and Wind	100%	100%	100%	100%	100%
Total Portfolio Contracted	96%	93%	91%	90%	90%
Uncontracted					
Wind	7%	11%	15%	16%	16%
Total Portfolio Uncontracted	4%	7%	9%	10%	10%

Our portfolio has a weighted-average remaining contract duration of ~13 years. Over the next five years, contracts accounting for approximately 10% of our expected generation expire. We are focused on securing new long-term contracts through recontracting as these contracts expire

The majority of our long-term contracted power is with investment-grade counterparties. The composition of our counterparties under power purchase agreements is as follows:

› Public utilities: 53%
› Government institutions: 27%
› Financial institutions: 11%
› Commercial and industrial customers: 9%

1. Includes the expected Q4 2019 generation for AltaGas DG Portfolio, which was acquired at the end of Q3 2019.



Appendix 1 – Reconciliation of Non-GAAP Measures

Calculation and Use of Non-GAAP Measures

This communication contains references to Adjusted Revenue, Adjusted EBITDA, and cash available for distribution ("CAFD"), which are supplemental Non-GAAP measures that should not be viewed as alternatives to GAAP measures of performance, including revenue, net income (loss), operating income or net cash provided by operating activities. Our definitions and calculation of these Non-GAAP measures may differ from definitions of Adjusted Revenue, Adjusted EBITDA and CAFD or other similarly titled measures used by other companies. We believe that Adjusted Revenue, Adjusted EBITDA and CAFD are useful supplemental measures that may assist investors in assessing the financial performance of TerraForm Power. None of these Non-GAAP measures should be considered as the sole measure of our performance, nor should they be considered in isolation from, or as a substitute for, analysis of our financial statements prepared in accordance with GAAP, which are available on our website at www.terraform.com, as well as at www.sec.gov. We encourage you to review, and evaluate the basis for, each of the adjustments made to arrive at Adjusted Revenue, Adjusted EBITDA and CAFD.

Calculation of Non-GAAP Measures

We define Adjusted Revenue as operating revenues, net, adjusted for non-cash items, including (i) unrealized gain/loss on derivatives, net (ii) amortization of favorable and unfavorable rate revenue contracts, net, (iii) an adjustment for wholesale market revenues to the extent above or below the regulated price bands, and (iv) other items that we believe are representative of our core business or future operating performance.

We define Adjusted EBITDA as net income (loss) plus (i) depreciation, accretion and amortization, (ii) interest expense, (iii) non-operating general and administrative costs, (iv) impairment charges, (v) (gain) loss on extinguishment of debt, (vi) acquisition and related costs, (vii) income tax (benefit) expense, (viii) adjustment for wholesale market revenues to the extent above or below the regulated price bands, (ix) management fees to Brookfield, an (x) certain other non-cash charges, unusual or non-recurring items and other items that we believe are not representative of our core business or future operating performance.

We define "cash available for distribution" or "CAFD" as Adjusted EBITDA (i) minus management fees to Brookfield, (ii) minus annualized scheduled interest and project level payments of principal in accordance with the related borrowing arrangements, (iii) minus cash distributions paid to non-controlling interests in our renewable energy facilities, if any, (iv) minus average annual sustaining capital expenditures (based on the long-sustaining capital expenditure plans) which are recurring in nature and used to maintain the reliability and efficiency of our power generating assets over our long-term investment horizon, and (v) plus or minus operating items as necessary to present the cash flows we deem representative of our core business operations.

Use of Non-GAAP Measures

We disclose Adjusted Revenue because it presents the component of operating revenue that relates to energy production from our plants, and is, therefore, useful to investors and other stakeholders in evaluating performance of our renewable energy assets and comparing that performance across periods in each case without regard to non-cash revenue items.

We disclose Adjusted EBITDA because we believe it is useful to investors and other stakeholders as a measure of our financial and operating performance and debt service capabilities. We believe Adjusted EBITDA provides an additional tool to investors and securities analysts to compare our performance across periods without regard to interest expense, taxes and depreciation and amortization. Adjusted EBITDA has certain limitations, including that it: (i) does not reflect cash expenditures or future requirements for capital expenditures or contractual liabilities or future working capital needs, (ii) does not reflect the significant interest expenses that we expect to incur or any income tax payments that we may incur, and (iii) does not reflect depreciation and amortization and, although these charges are non-cash, the assets to which they relate may need to be replaced in the future, and (iv) does not take into account any cash expenditures required to replace those assets. Adjusted EBITDA also includes adjustments for impairment charges, gains and losses on derivatives and foreign currency swaps, acquisition related costs and items we believe are infrequent, unusual or non-recurring, including adjustments for general and administrative expenses we have incurred as a result of the SunEdison bankruptcy.

We disclose CAFD because we believe cash available for distribution is useful to investors and other stakeholders in evaluating our operating performance and as a measure of our ability to pay distributions. CAFD is not a measure of liquidity or profitability, nor is it indicative of the funds needed by us to operate our business. CAFD has certain limitations, such as the fact that CAFD includes all of the adjustments and exclusions made to Adjusted EBITDA described above.

The adjustments made to Adjusted EBITDA and CAFD for infrequent, unusual or non-recurring items and items that we do not believe are representative of our core business involve the application of management's judgment, and the presentation of Adjusted EBITDA and CAFD should not be construed to infer that our future results will be unaffected by infrequent, non-operating, unusual or non-recurring items.

In addition, these measures are used by our management for internal planning purposes, including for certain aspects of our consolidated operating budget, as well as evaluating the attractiveness of investments and acquisitions. We believe these Non-GAAP measures are useful as a planning tool because they allow our management to compare performance across periods on a consistent basis in order to more easily view and evaluate operating and performance trends and as a means of forecasting operating and financial performance and comparing actual performance to forecasted expectations. For these reasons, we also believe these Non-GAAP measures are also useful for communicating with investors and other stakeholders.

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Reconciliation of Non-GAAP Measures for the Three Months Ended September 30, 2019 and 2018

	Three Months Ended September 30, 2019					Three Months Ended September 30, 2018				
(MILLIONS, EXCEPT AS NOTED)	Wind	Solar	Regulated Solar and Wind	Corporate	Total	Wind	Solar	Regulated Solar and Wind	Corporate	Total
Net (loss) income	$ (49)	$ 41	$ 9	$ (63)	$ (62)	$ (30)	$ 38	$ 24	$ (51)	$ (19)
Depreciation, accretion and amortization expense (a)	60	31	35	1	127	49	30	34	-	113
Interest expense, net	16	17	27	29	89	14	16	10	32	72
Non-operating general and administrative expenses (b)	-	-	-	6	6	-	-	-	6	6
(Gain) loss on extinguishment of debt	-	1	-	-	1	-	-	-	(1)	(1)
Acquisition and related costs, including affiliate	-	-	-	1	1	-	-	-	2	2
Income tax benefit (expense)	-	4	(2)	-	2	1	1	2	2	6
Regulated Solar and Wind price band adjustment (c)	-	-	2	-	2	-	-	10	-	10
Management Fee (d)	-	-	-	7	7	-	-	-	4	4
Other non-cash or non-operating items (e)	10	(4)	3	13	22	2	(1)	3	-	4
Adjusted EBITDA	$ 37	$ 90	$ 74	$ (6)	$ 195	$ 36	$ 84	$ 83	$ (6)	$ 197

	Three Months Ended September 30, 2019					Three Months Ended September 30, 2018				
(MILLIONS, EXCEPT AS NOTED)	Wind	Solar	Regulated Solar and Wind	Corporate	Total	Wind	Solar	Regulated Solar and Wind	Corporate	Total
Operating revenues, net	$ 54	$ 102	$ 98	$ -	$ 254	$ 57	$ 95	$ 94	$ -	$ 246
Unrealized (gain) loss on commodity contract derivatives, net (f)	(1)	-	-	-	(1)	2	-	-	-	2
Amortization of favorable and unfavorable rate revenue contracts, net (g)	8	2	-	-	10	8	2	-	-	10
Regulated Solar and Wind price band adjustment (c)	-	-	2	-	2	-	-	10	-	10
Other items (h)	-	-	(5)	-	(5)	-	-	-	-	-
Adjusted Revenue	$ 61	$ 104	$ 95	$ -	$ 260	$ 67	$ 97	$ 104	$ -	$ 268
Direct operating costs	(24)	(14)	(21)	(8)	(67)	(31)	(13)	(21)	(6)	(71)
Settled FX gain	-	-	-	2	2	-	-	-	-	-
Adjusted EBITDA	$ 37	$ 90	$ 74	$ (6)	$ 195	$ 36	$ 84	$ 83	$ (6)	$ 197
Fixed management fee (d)	-	-	-	(3)	(3)	-	-	-	(3)	(3)
Variable management fee (d)	-	-	-	(4)	(4)	-	-	-	(1)	(1)
Adjusted interest expense (i)	(14)	(17)	(14)	(27)	(72)	(15)	(16)	(17)	(30)	(78)
Levelized principal payments (j)	(20)	(17)	(28)	-	(65)	(17)	(13)	(27)	-	(57)
Cash distributions to non-controlling interests (k)	(2)	(1)	-	-	(3)	(4)	(3)	-	-	(7)
Sustaining capital expenditures (l)	(2)	-	-	-	(2)	(2)	-	-	-	(2)
Other (m)	(3)	4	1	-	2	1	2	(6)	-	(3)
Cash available for distribution (CAFD)	$ (4)	$ 59	$ 33	$ (40)	$ 48	$ (1)	$ 54	$ 33	$ (40)	$ 46

Reconciliation of Non-GAAP Measures for the Nine Months Ended September 30, 2019 and 2018

(MILLIONS, EXCEPT AS NOTED)	Nine Months Ended September 30, 2019					Nine Months Ended September 30, 2018				
	Wind	Solar	Regulated Solar and Wind	Corporate	Total	Wind	Solar	Regulated Solar and Wind	Corporate	Total
Net (loss) Income	**$ (68)**	**$ 74**	**$ 33**	**$ (154)**	**$ (115)**	**$ (42)**	**$ 55**	**$ 36**	**$ (172)**	**$ (123)**
Depreciation, accretion and amortization expense (a)	170	90	103	1	364	143	89	41	1	274
Interest expense, net	45	47	66	89	247	36	46	6	89	177
Non-operating general and administrative expenses (b)	2	1	-	23	26	-	-	-	38	38
Impairment charges	-	-	-	-	-	-	15	-	-	15
(Gain) loss on extinguishment of debt	-	(4)	-	-	(4)	-	-	-	(1)	(1)
Acquisition and related costs, including affiliate	-	-	-	1	1	-	-	-	15	15
Income tax benefit (expense)	1	2	-	-	3	1	1	4	3	9
Regulated Solar and Wind price band adjustment (c)	-	-	10	-	10	-	-	10	-	10
Management Fee (d)	-	-	-	18	18	-	-	-	11	11
Other non-cash or non-operating items (e)	17	-	-	1	18	(2)	(1)	3	(4)	(4)
Adjusted EBITDA	**$ 167**	**$ 210**	**$ 212**	**$ (21)**	**568**	**$ 136**	**$ 205**	**$ 100**	**$ (20)**	**$ 421**

(MILLIONS, EXCEPT AS NOTED)	Nine Months Ended September 30, 2019					Nine Months Ended September 30, 2018				
	Wind	Solar	Regulated Solar and Wind	Corporate	Total	Wind	Solar	Regulated Solar and Wind	Corporate	Total
Operating revenues, net	**$ 224**	**$ 242**	**$ 269**	**$ -**	**$ 735**	**200**	**238**	**115**	**-**	**553**
Unrealized (gain) loss on commodity contract derivatives, net (f)	(4)	-	-	-	(4)	(3)	-	-	-	(3)
Amortization of favorable and unfavorable rate revenue contracts, net (g)	23	5	-	-	28	24	6	-	-	30
Regulated Solar and Wind price band adjustment (c)	-	-	10	-	10	-	-	10	-	10
Other items (h)	-	1	-	-	1	-	-	-	-	-
Adjusted Revenue	**$ 243**	**$ 248**	**$ 279**	**$ -**	**$ 770**	**221**	**244**	**125**	**-**	**590**
Direct operating costs	(76)	(38)	(67)	(26)	(207)	(85)	(39)	(25)	(20)	(169)
Settled FX gain	-	-	-	5	5	-	-	-	-	-
Adjusted EBITDA	**$ 167**	**$ 210**	**$ 212**	**$ (21)**	**$ 568**	**136**	**205**	**100**	**(20)**	**421**
Fixed management fee (d)	-	-	-	(9)	(9)	-	-	-	(8)	(8)
Variable management fee (d)	-	-	-	(9)	(9)	-	-	-	(3)	(3)
Adjusted interest expense (i)	(41)	(47)	(45)	(84)	(217)	(36)	(45)	(21)	(82)	(184)
Levelized principal payments (j)	(57)	(45)	(85)	-	(187)	(43)	(36)	(32)	-	(111)
Cash distributions to non-controlling interests (k)	(8)	(5)	-	-	(13)	(11)	(8)	-	-	(19)
Sustaining capital expenditures (l)	(5)	-	(1)	-	(6)	(6)	-	-	-	(6)
Other (m)	5	4	2	-	11	10	5	(5)	-	10
Cash available for distribution (CAFD)	**$ 61**	**$ 117**	**$ 83**	**$ (123)**	**138**	**50**	**121**	**42**	**(113)**	**100**

Reconciliation of Non-GAAP Measures

a) Includes reductions/(increases) within operating revenues due to net amortization of favorable and unfavorable rate revenue contracts as detailed in the reconciliation of Adjusted Revenue, and losses on disposal of property, plant and equipment.

b) Non-operating items and other items incurred directly by TerraForm Power that we do not consider indicative of our core business operations are treated as an addback in the reconciliation of net loss to Adjusted EBITDA. These items include, but are not limited to, extraordinary costs and expenses related primarily to IT system arrangements, relocation of the headquarters to New York, legal, advisory and contractor fees associated with the bankruptcy of SunEdison and certain of its affiliates and investment banking, and legal, third party diligence and advisory fees associated with acquisitions, dispositions and financings. TerraForm Power's normal, recurring general and administrative expenses in Corporate, paid by TerraForm Power, are the amounts shown below and were not added back in the reconciliation of net loss to Adjusted EBITDA:

$ in millions	Q3 2019	Q3 2018	YTD2019	YTD2018
Operating general and administrative expenses in Corporate	$ 8	$ 6	$ 26	$ 20

c) Represents the Regulated Solar and Wind segment's Price Band Adjustment to Return on Investment Revenue as dictated by market conditions. To the extent that the wholesale market price is greater or less than a price band centered around the market price forecasted by the Spanish regulator during the preceding three years, the difference in revenues assuming average generation accumulates in a tracking account. The Return on Investment is either increased or decreased in order to amortize the balance of the tracking account over the remaining regulatory life of the assets.

d) Represents management fee that is not included in Direct operating costs.

e) Represents other non-cash or non-operating items as detailed in the reconciliation of Adjusted Revenue and associated footnote and certain other items that we believe are not representative of our core business or future operating performance, including but not limited to: loss/(gain) on foreign exchange ("FX"), unrealized loss on commodity contracts, loss on investments and receivables with affiliate, sale of transmission line access in Regulated Solar and Wind, and one-time blade repairs related to the preparation for GE transition.

f) Represents unrealized (gain)/loss on commodity contracts associated with energy derivative contracts that are accounted for at fair value with the changes recorded in operating revenues, net. The amounts added back represent changes in the value of the energy derivative related to future operating periods, and are expected to have little or no net economic impact since the change in value is expected to be largely offset by changes in value of the underlying energy sale in the spot or day-ahead market.

g) Represents net amortization of purchase accounting related to intangibles arising from past business combinations related to favorable and unfavorable rate revenue contracts.

h) Primarily represents insurance compensation for revenue losses, transmission capacity revenue, and adjustments for solar renewable energy certificate ("SREC") recognition due to timing.

i) Represents project-level and other interest expense and interest income attributed to normal operations. The reconciliation from Interest expense, net as shown on the Consolidated Statements of Operations to adjusted interest expense applicable to CAFD is as follows:

$ in millions	Q3 2019	Q3 2018	YTD2019	YTD2018
Interest expense, net	$ (89)	$ (72)	$ (247)	(177)
Amortization of deferred financing costs and debt discounts	4	3	8	8
Other, primarily fair value changes in interest rate swaps and purchase accounting adjustments due to acquisition	13	(9)	22	(15)
Adjusted interest expense	$ (72)	$ (78)	$ (217)	(184)

Reconciliation of Non-GAAP Measures

j) Represents levelized project-level and other principal debt payments to the extent paid from operating cash.

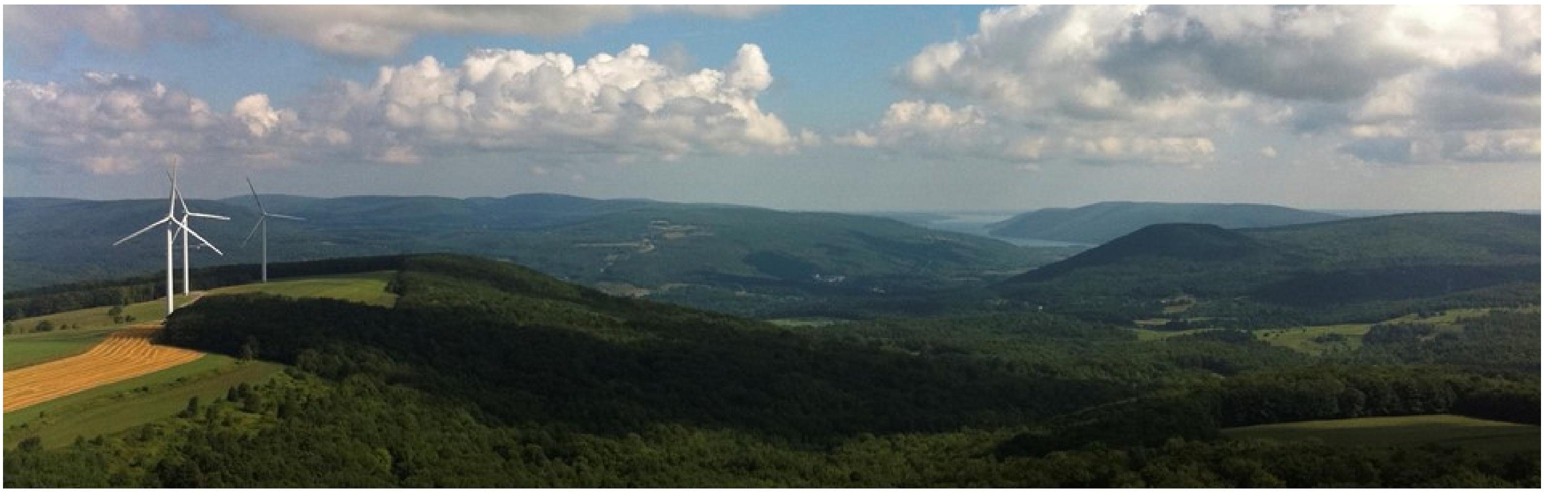
k) Represents cash distributions paid to non-controlling interests in our renewable energy facilities. The reconciliation from Distributions to non-controlling interests as shown on the Consolidated Statement of Cash Flows to Cash distributions to non-controlling interests, net for the three months September 30, 2019 and 2018 is as follows:

$ in millions	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Purchase of membership interests and distributions to non-controlling interests	$ (6)	$ (9)	$ (17)	$ (22)
Buyout of non-controlling interests and Additional Paid in Capital	3	2	4	2
Adjustment for non-operating cash distributions	-	-	-	1
Cash distributions to non-controlling interests	$ (3)	$ (7)	$ (13)	$ (19)

l) Represents long-term average sustaining capital expenditures to maintain reliability and efficiency of the assets.

m) Represents other cash flows as determined by management to be representative of normal operations including, but not limited to, wind plant "pay as you go" contributions received from tax equity partners, interconnection upgrade reimbursements, major maintenance reserve releases or (additions), and releases or (postings) of collateral held by counterparties of energy market hedges for certain wind plants, and recognized SREC gains that are covered by loan agreements.

POWER TerraForm



Appendix 2 – Additional Information

2019 Annualized Long-Term Average Generation (LTA)

GENERATION (GWh) [1][2]	Q1	Q2	Q3	Q4	Total
Wind [3]					
Central Wind	779	664	445	762	2,650
Texas Wind	454	472	349	438	1,713
Northeast Wind	324	227	175	297	1,023
International Wind	186	160	163	184	693
Hawaii Wind	66	80	87	74	307
	1,809	**1,603**	**1,219**	**1,755**	**6,386**
Solar [4][5]					
North America Utility Solar	219	343	319	193	1,074
International Utility Solar	66	49	52	73	240
North America Distributed Generation	208	329	324	205	1,066
	493	**721**	**695**	**471**	**2,380**
Regulated Solar and Wind					
Spain Wind	362	243	190	251	1,046
Spain Solar	85	252	298	60	695
	447	**495**	**488**	**311**	**1,741**
Total	**2,749**	**2,819**	**2,402**	**2,537**	**10,507**

(1) LTA is calculated on an annualized basis from the beginning of the year, regardless of the acquisition or commercial operation date.

(2) LTA does not include Q4 acquisitions for Tinkham Hill Expansion assets. The Tinkham Hill Expansion asset is expected to achieve its commercial operation date during Q4 2019.

(3) Wind LTA is the expected average generation resulting from simulations using historical wind speed data normally from 1997 to 2016 (20 years), adjusted to the specific location and performance of the different wind farms.

(4) Solar LTA is the expected average generation resulting from simulations using historical solar irradiance level data normally from 1998 to 2016 (19 years), adjusted to the specific location and performance of the different sites.

(5) Distributed Generation includes AltaGas DG portfolio, which was acquired at the end of Q3 2019. The LTA for AltaGas DG portfolio is based on the budget of the Company.

Spanish Regulated Revenue Framework

Under the Spanish regulatory framework, revenues have three components

1. **Return on Investment:**
   All renewable power plants receive a monthly capacity payment. This capacity payment, when combined with margin from the market revenues forecasted by the regulator, is sized to allow the generator to earn the regulated rate of return (currently 7.4%) on its deemed capital investment. The Return on Investment is recalculated every three years. Since the capacity payment is a fixed payment, it is very stable, with no volume or price risk. Historically, this revenue stream has comprised in the range of 65% of our regulated revenue.

2. **Return on Operation:**
   Applicable only to our concentrated solar power plants (CSP), this revenue stream consists of an additional payment for each MWh produced to recover deemed operating costs that are in excess of market revenue forecasted by the regulator, such that the margin on forecasted market revenues is equal to zero. The Return on Operations is recalculated every three years. Aside from the volumetric risk associated with production, this revenue stream has no market price risk and has historically comprised less than 10% of our regulated revenue.

3. **Market Revenue:**
   Renewable power plants sell power into the wholesale market and receive the market-clearing price for all MWhs they produce. Although this revenue stream is subject to both volume and market price risk, its impact on overall revenues is mitigated by the reset of the Return on Investment every three years. Market revenues historically comprise in the range of 25% of our regulated revenue yet only 8% of TerraForm Power's consolidated revenues.

Every three years, the regulated components of revenue (i.e., the Return on Investment and Return on Operations) are reset in order to mitigate the overall variability of revenues. Based on market conditions, the regulator updates its market price forecast. Since the combination of margin from market revenues forecasted by the regulator and the regulated components of revenue are sized to equal the regulated return, the Return on Investment and Return on Operations are reset accordingly. Furthermore, to the extent that the wholesale market price is greater or less than a price band centered around the market price forecasted by the regulator during the preceding three years, the difference in revenues assuming average generation accumulates in a tracking account. The Return on Investment is either increased or decreased in order to amortize the balance of the tracking account over the remaining regulatory life of the assets. Over time, this adjustment dampens the impact of wholesale price variability.

Every six years, the regulated rate of return may be reset to a level that allows generators to earn a fair rate of return in light of market conditions. The regulator may take factors such as interest rates, the equity market premium, etc. into account when making its recommendation, and any change to the regulated rate of return must be proposed by the Spanish government and approved by a decree of parliament. To the extent there is no decree of parliament, the regulated rate of return will remain unchanged. In November 2018, after receiving input from stakeholders, the regulator made a final non-binding recommendation to reset the regulated rate of return to 7.09% from the current 7.40%. Based on this recommendation and other considerations, parliament may decide to change the regulated rate.

In Spain new elections were held on November 10, 2019. The Spanish Socialist Workers' Party ("PSOE") won the largest number of seats in Congress, yet again they were unable to win a majority of seats to form a coalition government. The PSOE will now have to negotiate with the other parties with regards to next steps, and a resolution is not expected before early 2020. We are actively monitoring political developments in Spain, but we continue to believe that the political environment is positive for the regulated rate of return as renewables enjoy broad support across the political spectrum.

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Letter to Shareholders

During and subsequent to the third quarter of 2019, we continued to execute our business plan, and we closed several financings that significantly bolstered our liquidity, paving the way for our next phase of growth. The following are select highlights:

- We generated $0.23 per share of CAFD, a 5% increase over the same period in 2018;
- We closed on the acquisition of an approximately 320 MW Distributed Generation portfolio in the United States for ~ $720 million;
- We executed a 10-year outsourcing Framework Agreement with SMA Solar Technology ("SMA") to provide operations and maintenance for our North American solar fleet, which is expected to reduce costs by $5 million per annum and mitigate operational risk of the portfolio through performance guarantees;
- We issued $300 million of equity, priced at $16.77 per share, which represents a 50% premium to the stock price as of the beginning of the year; and
- We upsized our corporate revolver by $200 million to $800 million and issued $700 million of 10-year senior notes at a coupon of 4.75%, locking in debt service savings of ~$6 million per year.

As a result of these financing initiatives, we currently have $1.2 billion of corporate liquidity. Combined with expected proceeds from our previously announced capital recycling initiative, we believe that we are well-positioned to capitalize on the robust pipeline of acquisition opportunities in North America and Europe that we are actively pursuing.

Operations

Earlier this month, we executed a 10-year Framework Agreement with SMA to provide O&M services, on a full-wrap basis, for our North American solar fleet. Over the next nine months, we expect to enter into project-level long term service agreements ("LTSA"), pending receipt of consents from lenders and tax equity partners, and transition operations to SMA. The 10-year agreement covers approximately 1 GW (excluding the AltaGas portfolio) of our existing solar capacity and locks in pricing that is approximately $5 million less than our 2018 cost base. In addition, it will reduce our operating risk with performance guarantees that are consistent with our Long-Term Average Generation ("LTA"). The Framework Agreement provides incentives for SMA to identify opportunities to make accretive investments in our fleet such as repowerings and upgrades of inverters. The Framework Agreement also includes a volume discount, whereby we can add additional assets, such as the AltaGas DG portfolio, and benefit from discounts on pricing provided we meet or exceed certain volume thresholds.

During the third quarter, we also executed LTSAs with Vestas, GE and Siemens Gamesa to replace the legacy O&M operator of our European wind fleet. All of our European wind fleet is now being operated by original equipment manufacturers. The LTSAs have availability guarantees that will incentivize the operators to perform at levels at or above industry standards and will yield approximately $4 million in annual cost savings. With respect to implementation of the LTSAs for our North American wind fleet, we made good progress completing required capex in order to fully transition operations to General Electric ("GE"). We have completed nearly 100% of blade repairs, excluding Clipper turbines that we are repowering, identified in our 2018 inspection program, and we plan to complete the additional blades repairs identified during our 2019 blade inspection program by mid-2020. We have also completed all required repairs to gear boxes and pitch drives. Going forward, capex to maintain our fleet of this nature will be GE's responsibility under the full-wrap LTSAs.

During the quarter, we made progress on our wind repowering program. We have received a special use permit to commence the repowering of our 125 MW Cohocton wind farm in New York and expect to receive a similar permit for the 35 MW Steel Winds repowering by the end of this year. We have also received the vast majority of all lease consents from landowners for Cohocton and are currently negotiating lease amendments with the two major landowners for Steel Winds. With regards to interconnection, we received a determination of non-materiality from the New York Independent System Operator ("NYISO") for both Cohocton and Steel Winds. As a result, we are well underway towards achieving notice to proceed for both of these repowering projects. Over the next few months, we are focused on the following milestones: executing a Framework Agreement with GE that governs the key commercial terms of the turbine supply agreements and tax equity contribution agreements, entering into power purchase agreements or long-term financial hedges and closing construction loan agreements. We remain very excited about these projects, as we believe we will be able to earn returns that exceed our target range with the current regime for renewable energy credits in New York and a hedge or power contract based upon current wholesale market pricing, with no premium for renewable power. Finally, the repowerings will reduce risk going forward due to replacing obsolete Clipper equipment with GE equipment under the full-wrap LTSA.

Financial Results

In the third quarter of 2019, TerraForm Power delivered Net Loss, Adjusted EBITDA and CAFD of $(62) million, $195 million and $48 million, respectively. This represents an increase in Net Loss of $(43) million, a decrease in Adjusted EBITDA of $2 million and an increase in CAFD of $2 million, compared to the same period in 2018. On a per share basis, CAFD of $0.23 reflects an increase of 5% compared to the same period in 2018, and a net loss per share of ($0.26) compared to ($0.16) in the same period of 2018. Our results were primarily driven by higher SREC solar incentives, O&M cost saving initiatives and higher production at our regulated wind farms in Spain, partially offset by higher management fees, lower market prices in Spain and lower realized prices in Texas.

TerraForm Power's generation this quarter was approximately 9% lower than our LTA, primarily due to lower availability in North America, in particular at our Central and Texas wind portfolios, and to a lesser extent, lower wind resource in Hawaii where we have higher priced contracts. Availability in our Central and Texas wind portfolios was negatively impacted due to downtime associated with blade repairs and other maintenance activities associated with transitioning operations to GE. In Texas our average realized price reflected our generation profile which was weighted towards off-peak hours. During periods of extreme heat, our generation was less than our hedge obligation which required us to cover our position at a loss, and in September we were impacted by negative basis caused by maintenance outages on Energy Transmission Texas' ("ETT") transmission system in the Panhandle. Over the coming two years, we expect market conditions in Texas to moderate as 15,000 MW of renewables, including 5,000 MW of solar, are expected to come online, which should improve reserve margins to more normalized levels. Furthermore, the maintenance of the ETT transmission system should be completed by the end of 2021.

Liquidity Update

In October, we leveraged attractive market conditions to bolster our liquidity and position ourselves for additional growth. Below are the key corporate initiatives that we completed:

- **Equity offering:** We closed a $300 million equity offering ($250 million public offering and $50 million concurrent private placement to Brookfield). We priced the equity offering at $16.77 per share, which represents a 50% premium to the stock price as of the beginning of the year.

- **Senior notes issuance**: We closed a $700 million offering of 10-year senior notes. The notes priced at a coupon of 4.75%. Net proceeds were used to repay our $300 million notes due 2025 and our $344 million Term Loan B due 2022. The refinancing will lock in debt service savings of ~$6 million per year and extend our maturity profile, such that we have no corporate maturities until 2023.

- **Revolving credit facility:** We increased commitments under our corporate revolving credit facility from $600 million to $800 million by adding three additional lenders and extending the maturity date by one year to October 2024.

At the project level, we closed the final tranche of our permanent financing plan for the Saeta acquisition in August, comprised of three wind farms totaling 111 MW. The $131 million senior secured notes have a 13-year term and are priced at a spread of T+175 bps. Overall, the plan raised $390 million in non-recourse debt, $40 million in excess of our target.

Upon completion of these transactions, our corporate liquidity as of the end of October stands at $1.2 billion, including our $500 million sponsor line with Brookfield.

Growth Initiatives

In September, we closed the acquisition of approximately 320 MW of DG from AltaGas, drawing on a $475 million bridge facility; the facility is a senior secured term loan with a one-year term and an initial spread of L+100 bps. We plan to refinance this loan with a permanent project-level financing in the first half of 2020. In total, we now own approximately 750 MW of DG in North America. In light of the growing scale of this portfolio, we are in the process of making DG a stand-alone business within Terraform Power. We believe that this will ensure that we provide the level of focus on this business-line in order to execute our strategy of enhancing the value of our existing assets, and with the support of Brookfield, developing a pipeline of new development projects and driving growth through M&A.

Over the past months, we have been pursuing two investment themes. We believe that there is a consolidation play in the Spanish renewables market as the sector is fragmented with many assets owned by private, under-capitalized developers. In addition, we continue to focus on distributed generation where we see attractive risk-adjusted returns. In North America we are seeing returns on DG at premium levels to utility solar as a result of the scale of our existing platform and potential for operating synergies. As a result of our business development initiatives, we have a robust pipeline of opportunities, including solar acquisitions in Spain totaling nearly 150 MW that would require over $150 million of equity investment in which we are in advanced stages of negotiations.

Legal and Regulatory Update

In Spain new elections were held on November 10th. The Spanish Socialist Workers' Party ("PSOE") won the largest number of seats in Congress, yet again they were unable to win a majority of seats to form a coalition government. The PSOE will now have to negotiate with the other parties with regards to next steps, and a resolution is not expected before early 2020. We are actively monitoring political developments in Spain, but we continue to believe that the political environment is positive for the regulated rate of return as renewables enjoy broad support across the political spectrum.

Outlook

One factor that has negatively impacted our business in past quarters, including the third quarter of this year, has been below average generation of our North American wind fleet. The main driver of this generation shortfall has been the performance of our fleet, principally due to underinvestment by our previous sponsor, rather than wind resource.

Historically in the wind industry, there has been greater margin of error in resource reports commissioned pre-commercial operation. However, the LTAs for our North American wind fleet are more reliable as they are based upon resource reports which were commissioned by Brookfield during due diligence prior to its investment in October of 2017. These resource reports factored in two to four years of historical operational data for the wind portfolio and reflect a 3% haircut from pre-commercial operations resource reports.

2019 North American Wind Resource[1]

North America Wind	MW (Installed Capacity)	2019			
		Q1	Q2	Q3	YTD
Central	706.6	100%	96%	99%	98%
Texas	407.2	103%	96%	108%	102%
Hawaii	81	96%	69%	85%	83%
Northeast	418.7	108%	100%	91%	100%
Total	**1,613.5**	**102%**	**96%**	**99%**	**99%**

[1] This table represents a measure of the actual wind resource available for energy production for the period of record relative to LTA for installed megawatts for our North American Wind fleet. Our LTA is based on simulations using historical wind data normally from 1997 to 2016 (20 years) and site operational data. This table does not include any adjustments for operating factors, including, but not limited to, downtime for repairs and curtailment.

Year-to-date, wind resource has been 99% of LTA for our North American wind fleet. As can be seen in the table, the most significant underperformance has been Hawaii, which was 83% of LTA during this time period. Excluding Hawaii, year-to-date wind resource for our fleet was 100% of LTA. Wind resource in Hawaii is more variable than in North America and is impacted by an El Niño-like pattern called the Pacific Decadal Oscillation. This pattern has historically resulted in weather cycles of approximately 20 years in Hawaii. We estimate that we are currently around 3-4 years after the low wind extreme portion of the cycle, and resource should begin increasing to levels at or above LTA.

Rather than resource, we believe the underperformance of our North American wind fleet is predominately due to a shortfall in production, mainly driven by the under investment by TerraForm's previous sponsor. Over the past two years we have invested significant capital to address this issue. Furthermore, per our Framework Agreement with GE, we are required to remediate certain pre-existing conditions prior to effectiveness of the performance guarantee under the LTSAs. Over the past two quarters, we have accelerated our blade repair and maintenance program in order to take advantage of warm temperatures conducive for maintenance activities as well as seasonally lower wind conditions. As of October 1, performance guarantees are in effect for all 15 wind farms that have been transferred to GE. Thus, for these assets, GE has assumed performance risk under the LTSAs with performance guarantees that will be consistent with our LTAs on a wind adjusted basis. Over the past 9 months we have commissioned independent engineering reports to support financings and planned capital recycling that comprise 56% of our North American wind fleet, including two of our Hawaii projects. We are pleased to report that our LTAs and the benefit of our performance guarantees have been validated by these reports.

Going forward, our portfolio will continue to benefit from its unique diversity by geography, by technology and by revenue framework with a significant amount of regulated revenues with a high percentage of demand charges that do not vary with production. In general, our wind and North American solar fleets are now largely insulated from performance risk as a result of the recently negotiated LTSAs, and we have aligned incentives with our outsource providers to find opportunities to invest in our assets that are accretive to value. Finally, upon completion of our financing program in October, we now have substantial dry powder to invest in organic growth opportunities such as our repowerings and our robust pipeline of acquisition opportunities to further drive growth.

As always, we look forward to updating you on our progress in executing our business plan over the coming quarters.

Sincerely,

John Stinebaugh

Chief Executive Officer

November 11, 2019