



# Clearway Energy, Inc.

## Second Quarter 2021 Results Presentation

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August 3, 2021

## Safe Harbor

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This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are subject to certain risks, uncertainties and assumptions and typically can be identified by the use of words such as “expect,” “estimate,” “should,” “anticipate,” “forecast,” “plan,” “guidance,” “outlook,” “believe” and similar terms. Such forward-looking statements include, but are not limited to, statements regarding the estimated impact of recent weather events on the Company, its operations, its facilities and its financial results, any potential disposition of the Company’s Thermal platform, impacts related to COVID-19 or any other pandemic, the benefits of the relationship with Global Infrastructure Partners III (GIP) and GIP’s expertise, the Company’s future relationship and arrangements with GIP and Clearway Energy Group, as well as the Company’s dividend expectations, Net Income, Adjusted EBITDA, Cash from Operating Activities, Cash Available for Distribution, the Company’s future revenues, income, indebtedness, capital structure, strategy, plans, expectations, objectives, projected financial performance and/or business results and other future events, and views of economic and market conditions.

Although the Company believes that the expectations are reasonable, the Company can give no assurance that these expectations will prove to be correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated above include, among others, impacts related to COVID-19 or any other pandemic, general economic conditions, hazards customary in the power industry, weather conditions, including wind and solar performance, competition in wholesale power markets, the volatility of energy and fuel prices, failure of customers to perform under contracts, changes in the wholesale power markets, changes in government regulations, the condition of capital markets generally, the Company’s ability to access capital markets, cyber terrorism and inadequate cybersecurity, the Company’s ability to engage in successful acquisitions activity, unanticipated outages at the Company’s generation facilities, adverse results in current and future litigation, failure to identify, execute or successfully implement acquisitions (including receipt of third party consents and regulatory approvals), the Company’s ability to enter into new contracts as existing contracts expire, risks relating to the Company’s relationships with GIP and Clearway Energy Group, the Company’s ability to acquire assets from GIP, Clearway Energy Group or third parties, the Company’s ability to close drop down transactions, and the Company’s ability to maintain and grow its quarterly dividends.

The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The adjusted EBITDA and cash available for distribution guidance are estimates as of August 3, 2021. These estimates are based on assumptions believed to be reasonable as of that date. The Company disclaims any current intention to update such guidance, except as required by law. Adjusted EBITDA and cash available for distribution are non-GAAP financial measures and are explained in greater detail in the Appendix. The foregoing review of factors that could cause the Company’s actual results to differ materially from those contemplated in the forward-looking statements included in this presentation should be considered in connection with information regarding risks and uncertainties that may affect the Company’s future results included in the Company’s filings with the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov).

# Agenda

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Business Update

Christopher Sotos, Chief Executive Officer

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Financial Summary

Chad Plotkin, Chief Financial Officer

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Closing Remarks and Q&A

Christopher Sotos, Chief Executive Officer

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## Business Update

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### ▪ **Financial Summary**

- CAFD Results: \$155 MM in 2Q21 and \$140 MM through 1H21. Results within seasonality expectations
- Maintaining full year CAFD guidance of \$325 MM. Includes impact from the Texas winter weather event in 1Q21
- Announcing dividend increase of 1.7% to \$0.3345/share in 3Q21; on track to achieve upper end of 5-8% growth target for 2021

### ▪ **Advancing Renewable Energy Growth in Partnership with Clearway Group (CEG)**

- Working with CEG on advancing a new ~1.1 GW partnership co-investment, while also gaining line of sight on 452 MW of new Texas solar projects and a 133 MW portfolio of distributed solar projects. These drop-down opportunities would target financial closing between 2H22-2024
- CEG has positioned itself to now drive over 2 GW per year in development with an increase in its pipeline to over 16 GW

### ▪ **Focusing on Commercialization and Value Optimization of the California Natural Gas Portfolio and Thermal Platform**

- In active discussions around new contracts for the California gas assets. Expect further progress during the 3<sup>rd</sup> quarter
- Evaluating the potential disposition of the Thermal platform

### ▪ **Maintaining Pro Forma CAFD per Share Outlook of ~\$1.85/share; Continues to Support DPS Growth Visibility Through 2023**

- Does not factor in uncommitted/new growth or the effects of potential capital recycling related to asset sales

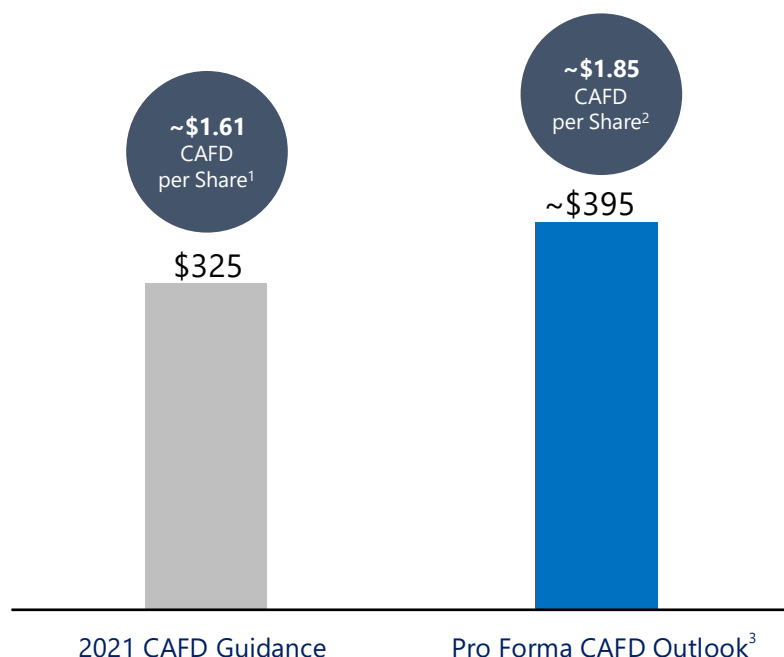
Clearway Continues to Execute on its Plan to Deliver Long Term Dividend Growth

# Pro Forma CAFD Outlook Provides Visible Growth With Further Upside From Future Drop-Downs

(\$ millions)

## **Pro Forma CAFD Outlook:**

- Continues to Support 5-8% Annual DPS Growth Through 2023 Within Target Payout Ratio Objectives
- Excludes Future Drop-Down Offers and Effects of Capital Recycling from Potential Asset Sales



## **Next Cohort of Late-Stage CEG Development Provides Potential Growth and Diversification in Technology/Geography**

### **Future Drop-Down Opportunities from CEG Late-Stage Development**

Asset	Project Type	Gross MW <sup>4</sup>	Target Financial Close
Community Solar (CS) Funds 5-7	Distr. Solar	133	2H22
TX Fleet Expansion	Solar	452	2023
1.1 GW Portfolio	Wind/Solar/Storage	1,100	2023/2024

- Distributed Solar Expansion**
  - Evaluating option to purchase 50% of the CS Funds 5-7 portfolio
  - CODs ranging from 2020-2022
- Texas Fleet Enhancement and Expansion**
  - Focus on an initial 452 MW of solar projects, with 254 MW of 18-yr node-settled PPAs
  - Represents first of 1 GW of portfolio opportunities from CEG to augment and optimize the value of the Texas fleet
- 1.1 GW Diversified Renewables Partnership Co-Investment**
  - Includes two solar plus storage projects for 463 MW in Western states with diversified investment grade offtakers and load serving entities

**Existing Committed Growth Leads to the Sustainability of Dividend at Target Growth and Payout Ratio Objectives. Potential Upside to Pro Forma CAFD Per Share from Future Drop-Downs and Capital Recycling**

<sup>1</sup> Assumes 201.8 MM shares outstanding as of 6/30/21; <sup>2</sup> Assumes 201.8 MM shares outstanding as of 6/30/21 plus implied Class C shares issued to fund equity requirements for committed growth investments and to maintain target leverage metrics; assumes any new corp. debt required is raised at a 4.0x to 4.5x leverage ratio; <sup>3</sup> Pro Forma CAFD Outlook assumes P50 renewable production, asset CAFD across all segments is materially in-line with current profiles, and new projects achieve COD based on current timelines; Excludes uncommitted growth investments; <sup>4</sup> MW capacity is subject to change prior to COD

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## **Financial Summary**

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# Financial Update

(\$ millions)

Financial Results		
	2 <sup>nd</sup> Quarter	YTD
Adjusted EBITDA	\$365	\$563
CAFD <sup>1</sup>	\$155	\$140

Maintaining 2021 CAFD Guidance	
	Full Year
CAFD	\$325

- **2Q21 Financial Highlights:**

- ↑ Performance at Alta and utility scale solar
- ↑ Volumetric sales at Thermal
- ↓ Wind generation outside of California

- **Maintaining Strategic Flexibility to Fund Growth Investments Within Balance Sheet Objectives:**

- \$420 MM of revolver capacity as of the end of July
- \$126 MM available under the existing ATM Program
- Potential asset dispositions and capital recycling

- **2021 CAFD Guidance Continues to Factor In<sup>1</sup>...**

- P50 median renewable energy production for full year
- The expected timing of previously committed growth investments, including when projects achieve COD
- Other one-time drivers as previously disclosed including COVID-19 at the Thermal segment

- **...and Factors in the Following Impacts During the Year:**

- 1Q21 exposure from the Feb. Texas winter event
- Closing of the 35% interest of Agua Caliente in 1Q21
- Interest expense changes due to the issuance of the 2031 "Green Bonds" and refinancing of the 2025 Senior Notes

CWEN's Diversified Portfolio Performed Well During the 2<sup>nd</sup> Quarter with YTD Results In-Line With Seasonal Expectations. Continued Flexibility On Managing Capital Formation Requirements Within Balance Sheet Objectives

<sup>1</sup> For details on original 2021 CAFD guidance, refer to slide 9 of the 3Q20 earnings presentation from Nov. 5, 2020

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## **Closing Remarks and Q&A**

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## Progressing on 2021 Goals

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### ▪ **Meet 2021 Financial Commitments**

- ✓ On track to achieve DPS growth at upper end of 5-8% long term range through 2021
- ❑ Maintaining 2021 CAFD Guidance

### ▪ **Increase Pro Forma CAFD Per Share Outlook Through New Growth**

- ✓ Balance sheet optimization through the issuance of the 2031 “Green Bond” Senior Notes and resulting interest savings
- ✓ Executed on opportunistic 3<sup>rd</sup> Party M&A with the closing of the 256 MW Mt. Storm wind project
- ✓ Current Pro Forma CAFD Outlook supports 5-8% DPS growth through 2023 within target payout ratio
- ❑ Structure and commit to next renewable portfolio co-investment with Clearway Group
- ❑ Evaluate a potential sale of the Thermal Platform

### ▪ **Enhance Value of California Natural Gas Portfolio**

- ✓ Closed first agreement for the post contract period with the 100 MW RA transaction at Marsh Landing
- ❑ Continue to work on originating and/or extending contracts for California gas assets to improve fleet’s weighted average contract tenor

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# Appendix

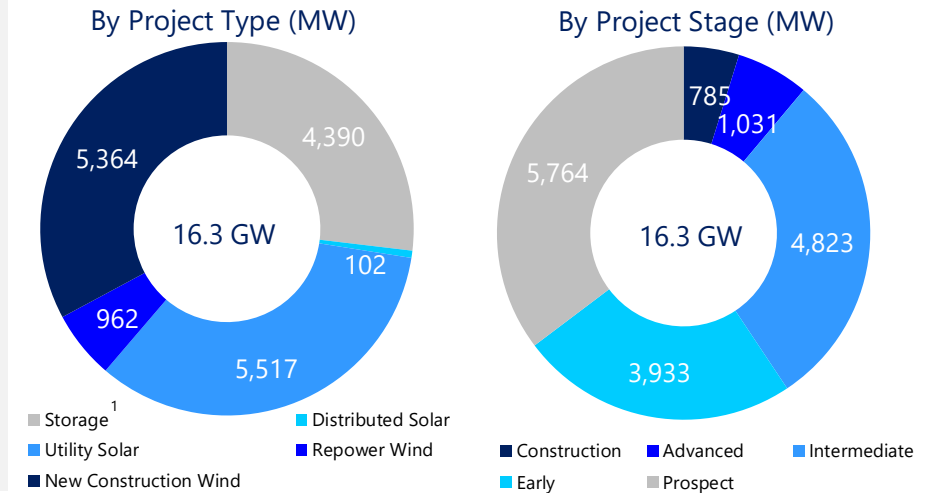
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# Appendix: Clearway Group Development Pipeline Update

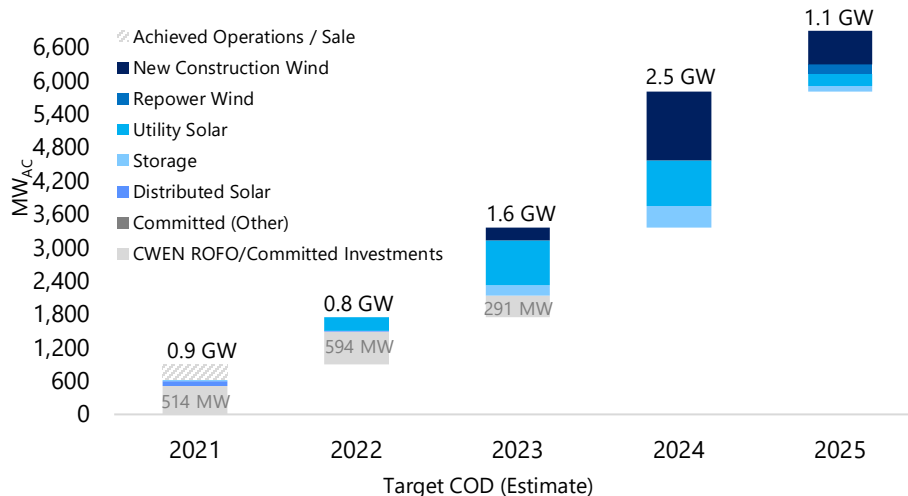
## Clearway Group Development Highlights

- Increased controlled pipeline to 16.3 GW with strategic acquisitions of near-term late-stage projects and investments to secure site control and interconnection queue positions in preferred markets, while also diversifying nationwide pipeline
- Expanded and restructured 6.9 GW late-stage pipeline; M&A opportunities and development progress resulted in 1+ GW increase in intermediate & advanced development projects in '22-'25
- Previewing next cohort of late-stage development projects totaling ~1.7 GW
- Added 5 GW of prospect projects from 1H 2021 efforts to build out post-2026 pipeline, including 2.2 GW of stand-alone and coupled storage
- 2021 YTD contract/awarded/shortlisted pipeline is 2 GW

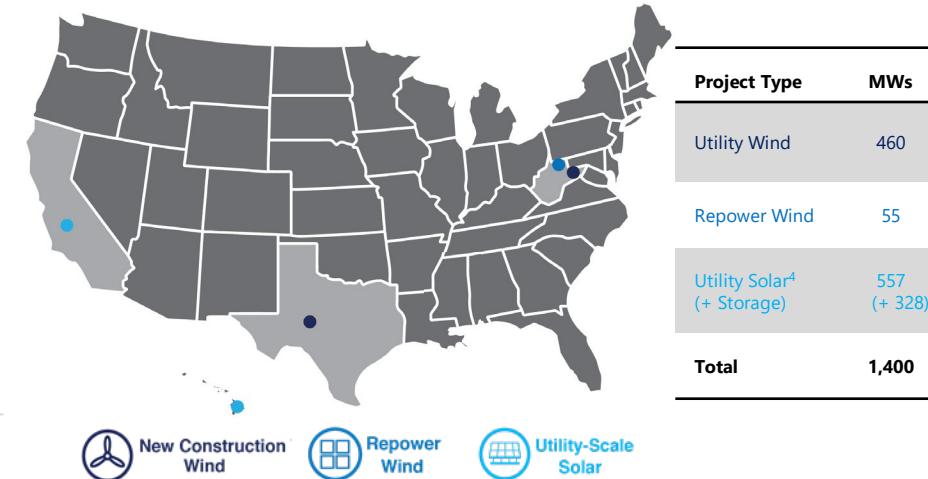
## 16.3 GW Pipeline Owned or Controlled by Clearway Group



## 6.9 GW of Late-Stage Projects<sup>2</sup>



## CWEN ROFO & Committed Investments<sup>3</sup>



<sup>1</sup> Reflects 2.4 GW / 14.86 GWh of paired storage and 2 GW / 11.1 GWh of standalone storage capacity under development; <sup>2</sup> Late-stage pipeline includes projects in construction and advanced and intermediate stage development (target COD 2021-2025), commercialized pipeline reflects projects that have achieved operations or successful sale in 2021; <sup>3</sup> Map is inclusive of ROFO and committed investment projects in development and construction stages; <sup>4</sup> Utility solar ROFO / committed investments category includes projects offering solar-coupled storage.

# Appendix: Clearway Energy ROFO and Committed Renewable Investments

## Clearway Energy Committed Investments and ROFO Assets<sup>1</sup>

Asset	Technology	Gross Capacity (MW) <sup>2</sup>	State	Estimated COD	Status	Highlights
Pinnacle	Wind Repowering	55	WV	2H21	Committed	<ul style="list-style-type: none"> <li>Plant life extension and O&amp;M cost reduction with new turbines</li> </ul>
Mesquite Sky	Utility Wind	345	TX	2H21	Committed	<ul style="list-style-type: none"> <li>Majority of output backed by contracts with IG corporate entities</li> </ul>
Black Rock	Utility Wind	115	WV	2H21	Committed	<ul style="list-style-type: none"> <li>15-year PPAs with AEP Energy Partners and Toyota Motor NA</li> </ul>
Mililani I	Utility Solar + Storage	39	HI	2H22	Committed	<ul style="list-style-type: none"> <li>20-year PPAs with Hawaiian Electric</li> </ul>
Waiawa	Utility Solar + Storage	36	HI	2H22	Committed	<ul style="list-style-type: none"> <li>20-year PPAs with Hawaiian Electric</li> </ul>
Daggett Solar	Utility Solar + Storage	482	CA	2H22/1H23	Committed	<ul style="list-style-type: none"> <li>Executed PPAs with CCAs, an IG LSE, and an IOU</li> <li>Definitive agreements for project are subject to certain conditions and the review and approval by CWEN's Independent Directors</li> </ul>

<sup>1</sup> On August 2, 2021, the Clearway Group (CEG) ROFO Agreement was amended to remove the 100 MW Wildflower utility scale solar project from the ROFO pipeline; <sup>2</sup> MW capacity is subject to change prior to COD; excludes 328 MW/1,312 MWh of co-located storage assets at Daggett, Waiawa, and Mililani

# Appendix: Committed Corporate Capital Investments (as of June 30, 2021)

(\$ millions)

## CWEN Committed Investments

Asset	Est. Corp. Capital Commitment <sup>1</sup>	Corp. Capital Deployed as of 6/30/21	Target Financial Close
Pinnacle Repowering	\$67	\$0	2H21
1.6 GW Renewables Co-Investment <sup>2</sup>	\$238	\$19	2H21-1H23
<b>Total</b>	<b>\$305</b>	<b>\$19</b>	

Asset	Ownership %	Target Close
Mesquite Star	50%	Operating
Rosamond Central	50%	Operating
Mesquite Sky	50%	2H21
Black Rock	50%	2H21
Waiawa	50%	2H22
Mililani	50%	2H22
Daggett Solar	25%	2H22/1H23

<sup>1</sup> Corporate capital commitments are subject to closing adjustments; <sup>2</sup> Includes \$5 MM purchase price adjustment received in 4Q20 concurrent with a partnership agreement amendment for Mesquite Star

# Appendix: Renewable Portfolio Performance in 2021

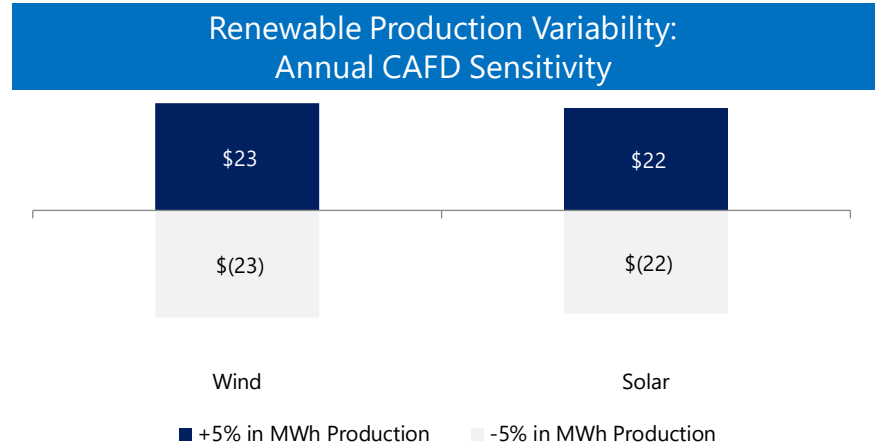
		Production Index						Availability
		2021						2021
<i>Wind Portfolio</i>	MW	Q1	2nd Quarter			Q2	YTD	YTD
			Apr	May	Jun			
California	947	134%	125%	107%	79%	102%	112%	97%
Other West	73	85%	94%	83%	80%	86%	85%	94%
Texas	534	85%	89%	87%	101%	92%	89%	94%
Midwest	380	89%	97%	86%	71%	86%	87%	93%
East	67	90%	108%	82%	73%	91%	90%	97%
<b>Total</b>	<b>2,001</b>	<b>100%</b>	<b>106%</b>	<b>96%</b>	<b>83%</b>	<b>95%</b>	<b>98%</b>	<b>96%</b>
<i>Utility Scale Solar Portfolio</i>								
<b>Total</b>	<b>834</b>	<b>100%</b>	<b>100%</b>	<b>102%</b>	<b>100%</b>	<b>101%</b>	<b>101%</b>	<b>99%</b>

- Represents a measure of the actual production and reimbursable curtailment for the stated period relative to internal median expectations
- MW capacity and Production Index :
  - includes assets beginning the first quarter after the acquisition date
  - excludes assets with less than one year of operating history
  - excludes equity method investments (Avenal, Desert Sunlight, Four Brothers, Iron Springs, Granite Mountain, San Juan Mesa, and Elkhorn Ridge)
- Wind availability represents equivalent availability factor, or availability associated with the wind turbine and balance of plant. Utility solar availability represents energy produced as a percentage of available energy

# Appendix: 2021 Portfolio CAFD Sensitivity and Seasonality

## Variability of Expected Financial Performance: Based on Portfolio as of February 28, 2021

- Production variability based on +/- 5% for both wind and solar for full year
  - Approximates ~P75 for wind and ~P90 for solar
  - Variance can exceed +/- 5% in any given period
- Seasonality as a result of renewable energy resource, timing of contracted payments on conventional assets, tax equity proceeds, and project debt service
- Percent ranges in table are primarily driven by potential variability in both wind and solar production of +/- 5%
- Other items which may impact CAFD include non-recurring events such as forced outages or timing of O&M expense and maintenance capex
- Excludes estimated financial exposure from the February 2021 weather event in ERCOT
- Excludes impacts from consolidation related to acquisitions closed in 2021
- Estimated seasonality expectations factor in the timing change in interest payments primarily related to the issuance of the 2031 Senior Notes and Refinancing of the 2025 Senior Notes



### 2021 Quarterly Estimated Seasonality: % of Est. Annual Financial Results

	1Q	2Q	3Q	4Q
CAFD Expectations	(4)-1%	38-46%	51-58%	2-8%

# Appendix:

## Cash Flow Profile for Growth Investments

To increase visibility and assist in forecasting, the following table summarizes the expected changes in CAFD associated with growth investments relative to 5-year average estimates:

- Schedule is based on the following closed or committed growth investments:
  - Rattlesnake, Pinnacle Repowering, Marsh Landing Black Start, Mesquite Star, Langford, and the Residual Interest in the Distributed Generation Partnerships (including the Related SREC Contract), 1.6 GW Portfolio of Renewable Assets, and Mt. Storm
  - Based on current expected COD of under construction growth investments
- Represents YoY changes starting from 2021E
  - Excludes other potential variances in the portfolio such as, but not limited to, maintenance capex, operating costs, and timing of distributions
  - Excludes normalization of results from February TX weather incident
- Estimated net increases to/from non-controlling interests from tax equity financing

(\$ millions)	Est Changes YoY	
	2022	2023
Estimated net increase (to)/from non-controlling interest <sup>1</sup>	2	2
Full Year Contributions from expected 2021 COD dates and Timing of SREC Revenue	21	13
<b>Total</b>	<b>23</b>	<b>15</b>

<sup>1</sup> Estimated NCI primarily relates to tax equity financing, distributions (to)/from based on P50 internal median production expectations



# Appendix: Non-Recourse Project Debt Amortization

Forecasted principal payments<sup>1</sup> on non-recourse project debt as of December 31, 2020:

(\$ millions)	Fiscal Year						Total
	2021	2022	2023	2024	2025	Thereafter	
<b>Conventional:</b>							
Carlsbad Energy Holdings & Carlsbad Holdco, due 2027 and 2038	26	28	24	25	28	642	773
El Segundo Energy Center, due 2023	57	63	130	-	-	-	250
Marsh Landing, due 2023	62	65	19	-	-	-	146
Walnut Creek Energy & WCEP Holdings, due 2023	57	59	45	-	-	-	161
<b>Total Conventional</b>	<b>202</b>	<b>215</b>	<b>218</b>	<b>25</b>	<b>28</b>	<b>642</b>	<b>1,330</b>
<b>Solar:</b>							
Avra Valley, due 2031	4	4	3	3	4	27	45
Borrego, due 2025 and 2038	3	3	3	3	3	42	57
Buckthorn Solar, due 2025	3	3	4	4	112	-	126
CVSR & CVSR Holdco Notes, due 2037	30	34	35	37	39	676	851
DG-DS Master Borrower LLC, due 2040	26	28	28	29	30	326	467
Kansas South, due 2030	2	2	2	2	2	12	22
Kawailoa Solar, due 2026	2	2	2	2	2	69	79
NIMH Solar, due 2024	14	14	14	148	-	-	190
Oahu Solar, due 2026	3	3	3	3	3	75	90
Rosamond Solar, due 2027	2	2	3	3	3	68	81
SPP and Sol Orchard, due 2032 and 2038	1	1	1	1	1	16	21
TA High Desert, due 2023 and 2033	2	2	1	5	3	28	41
Utah Solar Holdings, due 2036	17	16	15	14	14	213	289
<b>Total Solar Assets</b>	<b>109</b>	<b>114</b>	<b>114</b>	<b>254</b>	<b>216</b>	<b>1,552</b>	<b>2,359</b>
<b>Wind:</b>							
Alta – Consolidated, due 2031-2035	48	50	52	54	57	577	838
Laredo Ridge, due 2038	6	7	7	9	11	38	78
South Trent, due 2028	4	5	5	5	5	15	39
Tapestry, due 2031	10	11	11	12	13	86	143
Viento, due 2023	5	5	24	-	-	-	34
<b>Total Wind Assets</b>	<b>73</b>	<b>78</b>	<b>99</b>	<b>80</b>	<b>86</b>	<b>716</b>	<b>1,132</b>
<b>Thermal:</b>							
Duquesne, due 2059	-	-	-	-	-	95	95
Energy Center Minneapolis, due 2031-2037	-	-	-	-	4	323	327
<b>Total Thermal Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>418</b>	<b>422</b>
<b>Total Clearway Energy</b>	<b>\$ 384</b>	<b>\$ 407</b>	<b>\$ 431</b>	<b>\$ 359</b>	<b>\$ 334</b>	<b>\$ 3,328</b>	<b>\$ 5,243</b>
<b>Unconsolidated Affiliates' Debt</b>	<b>\$ 26</b>	<b>\$ 26</b>	<b>\$ 27</b>	<b>\$ 28</b>	<b>\$ 29</b>	<b>\$ 345</b>	<b>\$ 481</b>
<b>Total Non-Recourse Debt</b>	<b>\$ 410</b>	<b>\$ 433</b>	<b>\$ 458</b>	<b>\$ 387</b>	<b>\$ 363</b>	<b>\$ 3,673</b>	<b>\$ 5,724</b>

<sup>1</sup> Excludes all corporate debt facilities and outstanding draws on the corporate revolving credit facility; assumes no refinancing of any outstanding principal at maturity, if applicable. Also excludes \$716MM of project level debt at Agua Caliente which was consolidated on the Company's balance sheet on February 3, 2021.

# Appendix: Current Operating Assets<sup>1</sup> (As of Jun 30, 2021)

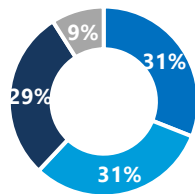
Solar				
Projects	Percentage Ownership	Net Capacity (MW)	Offtake Counterparty	PPA Expiration
Agua Caliente	51%	148	Pacific Gas and Electric	2039
Alpine	100%	66	Pacific Gas and Electric	2033
Avenal	50%	23	Pacific Gas and Electric	2031
Avra Valley	100%	27	Tucson Electric Power	2032
Blythe	100%	21	Southern California Edison	2029
Borrego	100%	26	San Diego Gas and Electric	2038
Buckthorn <sup>2</sup>	100%	154	City of Geogotown, TX	2043
CVSR	100%	250	Pacific Gas and Electric	2038
Desert Sunlight 250	25%	63	Southern California Edison	2034
Desert Sunlight 300	25%	75	Pacific Gas and Electric	2039
Kansas South	100%	20	Pacific Gas and Electric	2033
Kawailoa <sup>2</sup>	48%	24	Hawaiian Electric Company, Inc	2041
Oahu Solar Projects <sup>2</sup>	95%	58	Hawaiian Electric Company, Inc	2041
Roadrunner	100%	20	El Paso Electric	2031
Rosamond Central <sup>2</sup>	50%	96	Various	2035
TA High Desert	100%	20	Southern California Edison	2033
Utah Solar Portfolio <sup>2</sup>	50%	265	PacifiCorp	2036
DG Projects <sup>2</sup>	100%	332	Various	2023-2044
		<b>1,688</b>		

Wind				
Projects	Percentage Ownership	Net Capacity (MW)	Offtake Counterparty	PPA Expiration
Alta I-V	100%	720	Southern California Edison	2035
Alta X-XI <sup>2</sup>	100%	227	Southern California Edison	2038
Buffalo Bear	100%	19	Western Farmers Electric Co-operative	2033
Langford <sup>2</sup>	100%	160	Goldman Sachs	2033
Laredo Ridge	100%	80	Nebraska Public Power District	2031
Mesquite Star <sup>2</sup>	50%	210	Various	2032 – 2035
Mt Storm	100%	264	Citigroup	2031
Ocotillo	100%	59	-	-
Pinnacle <sup>2</sup>	100%	55	Maryland Department of General Services and University System of Maryland	2031
Rattlesnake <sup>2,3</sup>	100%	160	Avista Corporation	2040
Repowering Partnership <sup>2</sup>	100%	283	NRG Power Marketing/Southwestern Public Service Company	2022/2027
South Trent	100%	101	AEP Energy Partners	2029
Spring Canyon II-III <sup>2</sup>	90.1%	57	Platte River Power Authority	2039
Taloga	100%	130	Oklahoma Gas & Electric	2031
Wind TE Holdco	100%	531	Various	Various
		<b>3,056</b>		

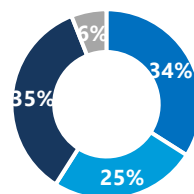
Conventional				
Projects	Percentage Ownership	Net Capacity (MW)	Offtake Counterparty	PPA Expiration
El Segundo	100%	550	Southern California Edison	2023
GenConn Devon	50%	95	Connecticut Light & Power	2040
GenConn Middletown	50%	95	Connecticut Light & Power	2041
Marsh Landing	100%	720	Pacific Gas and Electric	2023
Walnut Creek	100%	485	Southern California Edison	2023
Carlsbad	100%	527	San Diego Gas and Electric	2038
		<b>2,472</b>		

Thermal				
Projects	Percentage Ownership	Net Capacity (MW)	Offtake Counterparty	PPA Expiration
Thermal generation	100%	39	Various	Various
Thermal equivalent Mwt <sup>4</sup>	100%	1,443	Various	Various
		<b>1,482</b>		

2020 CAFD by Asset Class<sup>5</sup>  
(62% From Renewables)



2020 Adj. EBITDA by Asset Class<sup>5</sup>  
(59% From Renewables)



■ Solar ■ Wind ■ Conventional ■ Thermal

<sup>1</sup> Net capacity, shown in MWac, represents the maximum, or rated, generating capacity of the facility multiplied by the Company's percentage ownership in the facility; <sup>2</sup> Projects are part of tax equity arrangements; <sup>3</sup> 144 MW of capacity is deliverable due to interconnection restrictions; <sup>4</sup> For thermal energy, net capacity represents Mwt for steam or chilled water and includes 43 Mwt available under the right-to-use provisions contained in agreements between two of the Company's thermal facilities and certain of its customers; <sup>5</sup> CAFD and Adj. EBITDA ratios based on 2020 actuals; excludes corporate costs

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## **Reg. G Schedules**

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## Reg. G: Actuals

(\$ millions)

	Three Months Ended		Six Months Ended	
	6/30/2021	6/30/2020	6/30/2021	6/30/2020
Net Income/(Loss)	\$32	\$76	\$(44)	\$(31)
Income Tax Expense / (Benefit)	7	26	(13)	4
Interest Expense, net	103	93	148	260
Depreciation, Amortization, and ARO	128	99	256	201
Contract Amortization	37	22	69	44
Loss on Debt Extinguishment	—	—	42	3
Mark to Market (MtM) Losses on economic hedges	31	3	55	8
Acquisition-related transaction and integration costs	1	—	3	1
Other non recurring charges	1	(48)	1	(46)
Adjustments to reflect Clearway Energy's pro-rata share of Adjusted EBITDA from Unconsolidated Affiliates	24	44	45	96
Non-Cash Equity Compensation	1	1	1	1
Adjusted EBITDA	365	316	563	541
Cash interest paid	(72)	(83)	(165)	(147)
Changes in prepaid and accrued liabilities for tolling agreements	(32)	(32)	(76)	(77)
Pro-rata Adjusted EBITDA from unconsolidated affiliates	(32)	(61)	(57)	(100)
Distributions from unconsolidated affiliates	3	5	16	10
Changes in working capital and other	(38)	(45)	(40)	(43)
Cash from Operating Activities	194	100	241	184
Changes in working capital and other	38	45	40	43
Development Expenses <sup>1</sup>	1	1	2	2
Return of investment from unconsolidated affiliates	12	11	20	23
Net contributions (to)/from non-controlling interest <sup>2</sup>	(12)	(3)	15	(3)
Maintenance Capital expenditures	(6)	(6)	(12)	(14)
Principal amortization of indebtedness <sup>3</sup>	(72)	(66)	(166)	(153)
Adjustments to reflect CAFD generated by unconsolidated investments that are unable to distribute project dividends due to the PG&E bankruptcy	—	4	—	12
Cash Available for Distribution Before Adjustments	\$155	\$86	\$140	\$94

<sup>1</sup> Primarily relates to Thermal Development Expense; <sup>2</sup> 2021 excludes \$107 MM of contributions related to funding of Rattlesnake; 2020 excludes \$152 MM of contributions relating to funding of Repowering 1.0 Partnership; <sup>3</sup> 2021 excludes \$868 MM total consideration for the redemption of Corporate Notes and revolver payments, \$52 MM in connection with Pinnacle repowering; 2020 excludes \$260 MM for the repayment of construction financing in connection with the Repowering 1.0 Partnership and \$135 MM total consideration for the redemption of Corporate Notes

# Reg. G: 2021 CAFD Guidance

(\$ millions)

	2021 Full Year CAFD Guidance
Net Income <sup>1</sup>	\$120
Income Tax Expense	20
Interest Expense, net	365
Depreciation, Amortization, Contract Amortization, and ARO Expense	600
Adjustments to reflect Clearway Energy's pro-rata share of Adjusted EBITDA from Unconsolidated Affiliates	75
Non-Cash Equity Compensation	5
<b>Adjusted EBITDA</b>	<b>1,185</b>
Cash interest paid	(347)
Changes in prepaid and accrued capacity payments	5
Adjustment to reflect sale-type lease <sup>2</sup>	(7)
Pro-rata Adjusted EBITDA from unconsolidated affiliates	(119)
Distributions from unconsolidated affiliates <sup>3</sup>	81
Income Tax Payments	(1)
<b>Cash from Operating Activities</b>	<b>797</b>
Development Expense <sup>4</sup>	5
Net distributions to non-controlling interest <sup>5</sup>	(33)
Maintenance Capital expenditures	(28)
Principal amortization of indebtedness	(416)
<b>Cash Available for Distribution</b>	<b>\$325</b>
Add Back: Principal amortization of indebtedness	416
<b>Adjusted Cash from Operations</b>	<b>741</b>

<sup>1</sup> Net Income guidance assumes \$0 impact for mark-to-market accounting for derivatives and Hypothetical Liquidation at Book Value (HLBV) adjustments for equity method investments; <sup>2</sup> Adjustment to reverse non-cash gain at COD for Marsh Landing Black Start; <sup>3</sup> Distribution from unconsolidated affiliates can be classified as Return of Investment from Unconsolidated Affiliates when actuals are reported. This is below cash from operating activities; <sup>4</sup> Primarily Thermal Development Expenses; <sup>5</sup> Includes tax equity proceeds and distributions to tax equity investors

# Reg. G: Pro Forma CAFD Outlook

(\$ millions)

	Pro Forma CAFD Outlook
Net Income <sup>1</sup>	\$265
Income Tax Expense	45
Interest Expense, net	345
Depreciation, Amortization, Contract Amortization, and ARO Expense	600
Adjustments to reflect Clearway Energy's pro-rata share of Adjusted EBITDA from Unconsolidated Affiliates	75
Non-Cash Equity Compensation	5
<b>Adjusted EBITDA</b>	<b>1,335</b>
Cash interest paid	(338)
Changes in prepaid and accrued capacity payments	10
Adjustment to reflect sale-type lease <sup>2</sup>	6
Pro-rata Adjusted EBITDA from unconsolidated affiliates	(116)
Distributions from unconsolidated affiliates <sup>3</sup>	81
<b>Cash from Operating Activities</b>	<b>978</b>
Development Expense <sup>4</sup>	5
Net distributions to non-controlling interest <sup>5</sup>	(99)
Maintenance Capital expenditures	(33)
Principal amortization of indebtedness	(456)
<b>Cash Available for Distribution</b>	<b>\$395</b>
Add Back: Principal amortization of indebtedness	456
<b>Adjusted Cash from Operations</b>	<b>851</b>

<sup>1</sup> Net Income guidance assumes \$0 impact for mark-to-market accounting for derivatives and Hypothetical Liquidation at Book Value (HLBV) adjustments for equity method investments; <sup>2</sup> Adjustment to reflect cash generated from sales-type lease projects primarily Marsh Landing Black Start; <sup>3</sup> Distribution from unconsolidated affiliates can be classified as Return of Investment from Unconsolidated Affiliates when actuals are reported. This is below cash from operating activities; <sup>4</sup> Primarily Thermal Development Expenses; <sup>5</sup> Includes tax equity proceeds and distributions to tax equity investors

# Reg. G

## Non-GAAP Financial Information

**EBITDA and Adjusted EBITDA:** EBITDA and Adjusted EBITDA are non-GAAP financial measures. These measurements are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. The presentation of Adjusted EBITDA should not be construed as an inference that Clearway Energy's future results will be unaffected by unusual or non-recurring items.

- EBITDA represents net income before interest (including loss on debt extinguishment), taxes, depreciation and amortization. EBITDA is presented because Clearway Energy considers it an important supplemental measure of its performance and believes debt and equity holders frequently use EBITDA to analyze operating performance and debt service capacity. EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are:
- EBITDA does not reflect cash expenditures, or future requirements for capital expenditures, or contractual commitments;
- EBITDA does not reflect changes in, or cash requirements for, working capital needs;
- EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt or cash income tax payments;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and
- Other companies in this industry may calculate EBITDA differently than Clearway Energy does, limiting its usefulness as a comparative measure.

Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to use to invest in the growth of Clearway Energy's business. Clearway Energy compensates for these limitations by relying primarily on our GAAP results and using EBITDA and Adjusted EBITDA only supplementally.

Adjusted EBITDA is presented as a further supplemental measure of operating performance. Adjusted EBITDA represents EBITDA adjusted for mark-to-market gains or losses, non cash equity compensation expense, asset write offs and impairments; and factors which we do not consider indicative of future operating performance such as transition and integration related costs. The reader is encouraged to evaluate each adjustment and the reasons Clearway Energy considers it appropriate for supplemental analysis. As an analytical tool, Adjusted EBITDA is subject to all of the limitations applicable to EBITDA. In addition, in evaluating Adjusted EBITDA, the reader should be aware that in the future Clearway Energy may incur expenses similar to the adjustments in this news release.

Management believes Adjusted EBITDA is useful to investors and other users of our financial statements in evaluating our operating performance because it provides them with an additional tool to compare business performance across companies and across periods. This measure is widely used by investors to measure a company's operating performance without regard to items such as interest expense, taxes, depreciation and amortization, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired.

Additionally, management believes that investors commonly adjust EBITDA information to eliminate the effect of restructuring and other expenses, which vary widely from company to company and impair comparability. As we define it, Adjusted EBITDA represents EBITDA adjusted for the effects of impairment losses, gains or losses on sales, non cash equity compensation expense, dispositions or retirements of assets, any mark-to-market gains or losses from accounting for derivatives, adjustments to exclude gains or losses on the repurchase, modification or extinguishment of debt, and any extraordinary, unusual or non-recurring items plus adjustments to reflect the Adjusted EBITDA from our unconsolidated investments. We adjust for these items in our Adjusted EBITDA as our management believes that these items would distort their ability to efficiently view and assess our core operating trends.

In summary, our management uses Adjusted EBITDA as a measure of operating performance to assist in comparing performance from period to period on a consistent basis and to readily view operating trends, as a measure for planning and forecasting overall expectations and for evaluating actual results against such expectations, and in communications with our Board of Directors, shareholders, creditors, analysts and investors concerning our financial performance.

**Cash Available for Distribution:** A non-GAAP measure, Cash Available for Distribution is defined as of March 31, 2021 as Adjusted EBITDA plus cash distributions/return of investment from unconsolidated affiliates, adjustments to reflect CAFD generated by unconsolidated investments that were not able to distribute project dividends prior to PG&E's emergence from bankruptcy on July 1, 2020 and subsequent release post-bankruptcy, cash receipts from notes receivable, cash distributions from noncontrolling interests, adjustments to reflect sales-type lease cash payments, less cash distributions to noncontrolling interests, maintenance capital expenditures, pro-rata Adjusted EBITDA from unconsolidated affiliates, cash interest paid, income taxes paid, principal amortization of indebtedness, changes in prepaid and accrued capacity payments, and adjusted for development expenses. Management believes CAFD is a relevant supplemental measure of the Company's ability to earn and distribute cash returns to investors. We believe CAFD is useful to investors in evaluating our operating performance because securities analysts and other interested parties use such calculations as a measure of our ability to make quarterly distributions. In addition, CAFD is used by our management team for determining future acquisitions and managing our growth. The GAAP measure most directly comparable to CAFD is cash provided by operating activities.

However, CAFD has limitations as an analytical tool because it does not include changes in operating assets and liabilities and excludes the effect of certain other cash flow items, all of which could have a material effect on our financial condition and results from operations. CAFD is a non-GAAP measure and should not be considered an alternative to cash provided by operating activities or any other performance or liquidity measure determined in accordance with GAAP, nor is it indicative of funds available to fund our cash needs. In addition, our calculations of CAFD are not necessarily comparable to CAFD as calculated by other companies. Investors should not rely on these measures as a substitute for any GAAP measure, including cash provided by operating activities.