Clearway Energy

Clearway Energy, Inc.

Business Update

February 14, 2019

Safe Harbor

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 Company’s future relationship and arrangements with GIP and Clearway Energy Group, as well as 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 the PG&E bankruptcy, general economic conditions, hazards customary in the power industry, weather conditions, including wind and solar performance, climate change, 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 ability to engage in successful acquisitions activity, potential risks to the Company as a result of GIP’s acquisition of its ownership interest in the Company, 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, the Company’s ability to acquire assets from GIP III Zephyr Acquisition Partners, L.P., 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 February 14, 2019. 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.

Clearway Energy

Today's Discussion

Indicating Preliminary 2018 Financial Results	▪ Performance in-line with expectations ▪ Will provide year-end business update on Feb. 28th earnings call
Providing Exposure to and Perspective on Pacific Gas & Electric (PG&E) Bankruptcy	▪ ~$90MM (~24% of total) of average estimated annual project level CAFD[1] ▪ Support by government and key stakeholders, implications to California's clean energy goals, and impact to bankruptcy estate substantiates integrity and value of long term contracts ▪ Uncertain timing of resolution impacts available corporate cash due to project level distribution restrictions given terms of non-recourse financing agreements
Reducing Dividend to Support Capital Allocation Flexibility	▪ Announcing 1Q19 dividend of $0.20/share vs. $0.331/share in 4Q18 ▪ Provides capital cushion for balance sheet management if project cash flows are compromised or restricted for prolonged timeframe ▪ Will review dividend regularly based on PG&E developments
Managing the Balance Sheet and Adjusting Growth Plans for 2019 to Reduce Capital Market Needs	▪ Only $45 MM in remaining corporate maturities through 2023 ▪ Carlsbad acquisition deferred; will exercise GIP backstop ▪ Not currently pursuing 35% interest in Agua Caliente ▪ Other committed growth to continue: Hawaii Solar Phase I, DG investments, and Mylan
Ensuring Future Growth through GIP Sponsorship and Investment	▪ Will hold Carlsbad for future acquisition by CWEN; $387 MM commitment[2] ▪ Continued progress at Clearway Group with over 9 GW development pipeline ▪ Addition of Hawaii Solar Phase II to ROFO Agreement in 1Q19 ▪ Advancing Repowering Partnership for 283 MW in wind assets

Due to Uncertain Timing Around the PG&E Situation, Taking Immediate Steps to Maintain Capital Allocation Flexibility While Ensuring Growth Opportunities Continue to Expand Under GIP Sponsorship

[1] Based on 2019 financial expectations and includes contribution from equity interest in Desert Sunlight 250 (contracted with Southern California Edison). Percent based on project cash flows before corporate debt service and overhead costs; [2] Based on estimated purchase price including final price adjustments. Expected to close by end of February

Project Exposure Overview

- **Summary**
  - PG&E bankruptcy is a default under PPAs, which triggers a cross default under non-recourse project financing agreements
  - PG&E has neither assumed or rejected any PPAs. We expect performance of the contracts to continue in normal course
  - While forbearance agreements with project lenders are in process, CWEN cannot guarantee project distributions until a formal resolution is met on the assumption of contracts

Projects or Investments Impacted by PG&E Bankruptcy[1]

						Est. Unaudited Balance Sheet (12/31/18)		
Asset	Customer	CWEN Ownership	Net MW	COD	PPA Expiration	Non-Recourse Debt Balance[2]	Net PPE or Equity Investment	2019E Asset CAFD[3] (Rounded)
Marsh Landing	PG&E	100%	720	2013	2023	$263	$532	$30
CVSR	PG&E	100%	250	2013	2038	$908	$750	$22
Desert Sunlight 300	PG&E	25%	75	2014	2039	n/a	$144	$13
Alpine	PG&E	100%	66	2013	2033	$127	$137	$6
Agua Caliente	PG&E	16%	46	2014	2039	$39	$90	$6
Kansas South	PG&E	100%	20	2013	2033	$26	$39	$1
Avenal	PG&E	50%	23	2011	2031	n/a	NM	$1
Direct PG&E Exposure			**1,200**			**$1,363**	**$1,692**	**$79**
Desert Sunlight 250[4]	SCE	25%	63	2014	2034	n/a	$120	$11
Total Potential Exposure			**1,263**			**$1,363**	**$1,812**	**$90**

Materiality of Project CAFD that May Be Restricted From Distributions Requires Action To Maintain Long Term Financial Flexibility and Stability for the Company

[1] Figures are preliminary and subject to rounding; [2] Excludes proportionate interest in non-consolidated projects; [3] Consistent with the Company's reporting, all projects listed with less than 100% ownership are equity method investments. As such, expected and reported CAFD is based on expected and actual distributions received versus CAFD accrued for consolidated projects; [4] Due to provisions in the financings, an event of default under Desert Sunlight 300 financing can prevent distributions from Desert Sunlight 250

Capital Allocation Update: Maintain Flexibility During Period of Uncertainty

Clearway Energy

Adjusting Dividend Given PG&E Project Cash Flow Exposure

- **Announcing 1Q19 dividend of $0.20/share[1] versus the 4Q18 dividend of $0.331/share**
- **Reduction based on:**
  - Risk of project cash distributions being held at project level
  - ~80% payout ratio relative to average of 2019E and Pro Forma Outlook CAFD, excluding PG&E projects
  - Avoids need to borrow at corporate to fund dividend
- **Key factors regarding future dividend decisions:**
  - Clearance by project lenders to allow for project distributions in normal course
  - Duration of and restrictions on project distributions
  - Assumption of contracts with PG&E
  - Maintenance of long term corporate leverage targets

Managing Balance Sheet and Reducing Near Term Capital Needs by >85%

- **Liability Management:** 2019 converts settled on Feb. 1st with cash on hand; $45 MM balance of 2020 converts due in June '20
- **Adjusting growth commitments to reduce capital market needs:**

($ Millions)	Previous	Current	Comment
Carlsbad[2]	$387	--	GIP acquires for future drop
Hawaii Solar Phase I	$28	$28	
DG Partnerships[3]	$45	$47	Net of expansion and funded investments in 4Q18
Repowering Partnership:			
Tax Equity Buyout	$19	--	Funded in Jan '19
Future Investment	--	TBD	CEG advancing development
Agua Caliente	~$118	--	Not currently pursuing
Mylan	$11	$11	
Total Growth	**~$608**	**$86**	

- **No external CWEN capital formation required**
- **Current commitments at favorable economics with a weighted average Asset CAFD yield of approx. 10%[4]**
- **Provides future growth and improves corporate credit metrics**

Overall Goal and Objective:
Maintain Balance Sheet Discipline and Reinstate Dividend in Accordance with Available / Unrestricted Project CAFD

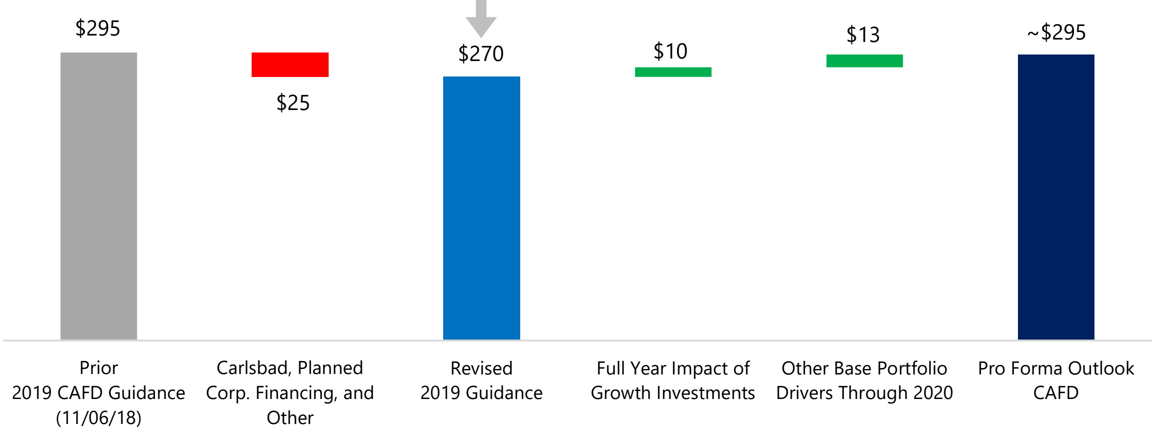
[1] Dividend payable on March 15, 2019 for shareholders of record on March 1, 2019; [2] Based on estimated purchase price including final price adjustments. Expected to close by end of February; [3] In December 2018, the Company agreed to an expansion of the existing partnership agreement by $20 MM. During 4Q18, the Company funded $18 MM in the DG Partnerships; [4] Based on 5-year CAFD average

Revising 2019 Guidance

($ millions)

- **Lowering 2019 CAFD guidance to $270 MM due to Carlsbad purchase by GIP, net of planned corporate financing**
  - Preserving option to acquire Carlsbad from GIP in the future
- **Pro Forma CAFD of $295 MM continues to benefit from the full year impact of committed growth and expected base portfolio cash flow drivers[1]**
  - Incorporates ongoing growth: Hawaii Solar Phase I, Mylan, DG Partnerships, and impact of TE HoldCo tax equity partnership buyout

PG&E Project Contribution[2]	
Consolidated Projects	$59
Unconsolidated Projects	$31
Total	**$90**



2019 and Pro Forma Outlook Assumptions

- Includes full year expectations for PG&E projects
- Excludes Carlsbad pending timeframe of future acquisition
- Continues to be based on P50 median renewable energy production expectations

2019 Guidance and Pro Forma Outlook Impacted by the Timing of Carlsbad and Includes Contribution from PG&E Projects

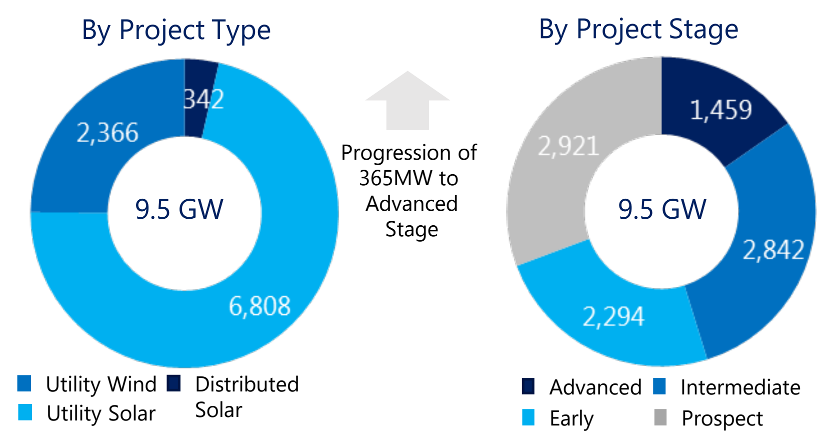
[1] Refer to appendix slide 10 for Other Base Portfolio Drivers; [2] Consistent with the Company's reporting, CAFD for unconsolidated projects is based on distributions received versus CAFD accrued for consolidated projects

Clearway Group Development Pipeline Update

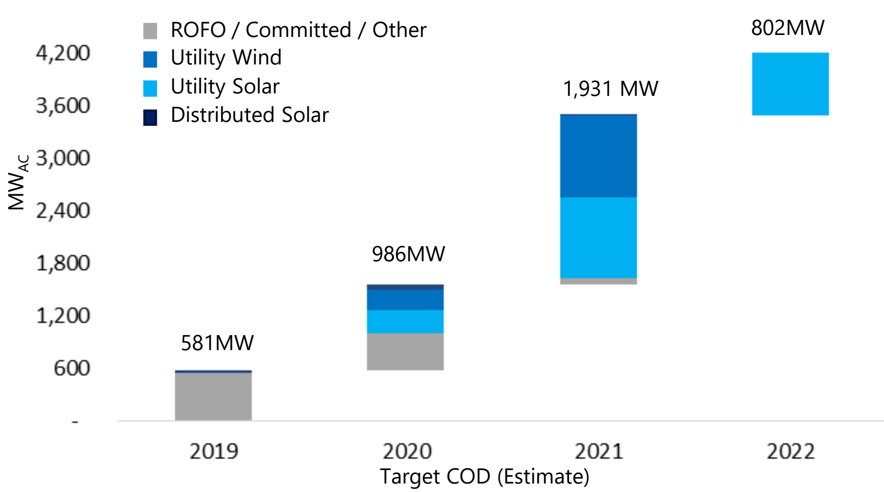
Clearway Group highlights since Investor Call

- Progressing 365MW to advanced stage
- Increased ROFO pipeline by 75MW with two awarded Hawaii projects (inclusive of 300MWh of storage)
- Awarded or executed PPAs for 1,028MW of new utility wind, solar, and community solar and 300MWh of storage across WV, MS, WA, CA, TX, RI and HI
- Securing eligible equipment commitments for up to 2.9GW of new projects eligible for federal tax incentives through 2022
- Significant increase in Clearway 2019 planned development budget over 2018 actuals

Pipeline (MW) Owned or Controlled by Clearway Group



4.3GW of Advanced / Intermediate Pipeline by Target COD[1]



CWEN Committed & ROFO Projects

Assets	Status	Project Type	Net Capacity (MW)	State	COD
HI Solar Phase I	Committed	Utility Solar	80	HI	2019
Wildorado & Elbow Creek Repowering	Committed	Utility Wind	283	TX	2020
Mesquite Star	ROFO	Utility Wind	419	TX	2020
DG Partnership	ROFO	Dist. Solar	50	MA, MN, IL, NY	2018-20
Mililani I (156MWh storage)	ROFO	Utility Solar	39	HI	2021
Waiawa (144MWh storage)	ROFO	Utility Solar	36	HI	2021
Total CEG Committed & ROFO Projects			**907 MW**		

[1] ROFO / Committed / Other includes 625MW CWEN ROFO & Committed assets and external ownership of 422MW. Wildorado & Elbow Creek Repowering 283MW not included as projects are operational.

Conclusion

- **CWEN is Confident in the Integrity and Value of its Contracts with PG&E, but the Timing of a Resolution and the Resumption of Project Distributions Remains Uncertain**
  - Strong stakeholder and government support
  - PG&E bankruptcy process in early stages
  - Negotiations on forbearance agreements with project lenders in process
  - Represents ~24% of project level CAFD

- **Materiality of PG&E Project Cash Flow Leads to Prudent Measures Until Clarity on Process is Achieved**
  - Reduction in dividend and modification of growth plans allows CWEN to adhere to its balance sheet principles while maximizing flexibility to maintain a long-term competitive cost of capital
  - Positions CWEN to execute on growth plans when corporate dividends are normalized
  - Insulates CWEN in a downside scenario if value of contracts are impaired by bankruptcy

- **GIP Sponsorship Supports Long Term Value Creation**
  - Exercise of GIP Backstop for Carlsbad; will hold for future CWEN acquisition opportunity
  - Continued investment in Clearway Group development business to provide visible growth to CWEN
  - Addition of Hawaii Solar Phase II to the ROFO Agreement in 1Q19
  - Advancement in Repowering Partnership

Appendix

Appendix:
Other Est. Cash Flow Drivers Based on Existing Portfolio

To increase visibility and assist in forecasting, the following table summarizes notable but lesser known CAFD drivers associated with projects and financing activities:

- Schedule is based on portfolio as of 12/31/2018
- 2020E-2021E represent YoY changes beginning with 2019E CAFD guidance
  - Excludes other potential variances in the portfolio such as, but not limited to, maintenance capex, operating costs, project finance cash flows and timing of distributions from unconsolidated affiliates
- Estimated increases in non-controlling interests from tax equity financing: proceeds will decrease over time based on terms in associated agreements
- Existing portfolio has realizable increases over time given shape of revenue payments under project PPAs or tolling agreements, as well as declines in overall cash interest expense and debt amortization

		Est Changes YoY[1]	
($ millions)	2019E	2020	2021
Annual change in prepaid and accrued liability vs 2018E[2]	4	4	4
Estimated increase to non-controlling interest from Tax Equity Proceeds[3]	3	–	–
Change in cash interest expense and debt amortization vs 2019E[4]	n/a	7	2
Walnut Creek Investment in Project[5]	(3)	2	–
Total		13	6

[1]Based on current portfolio; [2] Relates to levelization of capacity payments over PPA term primarily for conventional assets; [3] Estimated tax equity proceeds primarily relates to Alta X and XI. YoY. Proceeds based on P50 internal median production expectations; [4] Based on estimated changes in scheduled project level debt service vs. 2019E debt service, assumes refinancing of outstanding debt maturities if applicable; Reflects $4 MM in 2020 and $0 MM in 2021 related to PG&E projects; [5] Estimated impact due to investment payments and related O&M expenses

Clearway Energy

Reg. G Schedules

Reg. G: Guidance and Pro Forma CAFD

($ millions)	Original 2019 Full Year Guidance[1]	Revised 2019 Full Year Guidance[1]	Pro Forma CAFD
Net Income[2]	160	165	155
Income Tax Expense	30	30	30
Interest Expense, net	355	315	325
Depreciation, Amortization, Contract Amortization, and ARO Expense	455	395	435
Acquisition related transaction and integration expense	5	5	-
Adjustments to reflect Clearway Energy's pro-rata share of Adjusted EBITDA from Unconsolidated Affiliates	85	85	85
Adjusted EBITDA	1,090	995	1,030
Cash interest paid	(340)	(300)	(295)
Changes in prepaid and accrued capacity payments	(3)	4	8
Adjustment to reflect Walnut Creek investment payments	(1)	(1)	-
Pro-rata Adjusted EBITDA from unconsolidated affiliates	(215)	(215)	(215)
Distributions from unconsolidated affiliates	130	130	132
Cash from Operating Activities	661	613	660
Development Expense[3]	4	4	4
Net contributions from non-controlling interest[4]	(4)	(4)	(13)
Maintenance Capital expenditures	(33)	(30)	(30)
Principal amortization of indebtedness	(333)	(313)	(326)
Cash Available for Distribution	295	270	295
Add Back: Principal amortization of indebtedness	333	313	326
Adjusted Cash from Operations	628	583	621

[1] 2019 Guidance assumes committed DG investments occur by 12/31/2018, CAFD excludes transition services and integration costs; [2] 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; [3] Thermal Development Expenses; [4] Includes tax equity proceeds and distributions to tax equity investors

Clearway Energy

Reg. G: PG&E Related CAFD

($ millions)	2019E CAFD Total Potential Exposure
Net Income	105
Interest Expense, net	55
Depreciation, Amortization, and ARO Expense	70
Adjustments to reflect Clearway Energy's pro-rata share of Adjusted EBITDA from Unconsolidated Affiliates	50
Adjusted EBITDA	280
Cash interest paid	(53)
Pro-rata Adjusted EBITDA from unconsolidated affiliates	(73)
Cash Distributions from unconsolidated affiliates	35
Cash from Operating Activities	189
Principal amortization of indebtedness	(99)
Estimated Cash Available for Distribution	90

Reg. G

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. 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 (CAFD), a non-GAAP financial measure, is Adjusted EBITDA plus cash distributions/return of investment from unconsolidated affiliates, cash receipts from notes receivable, cash distributions from non-controlling interests, less cash distributions to non-controlling interests, maintenance capital expenditures, pro-rata Adjusted EBITDA from unconsolidated affiliates, cash interest paid, income taxes paid, principal amortization of indebtedness, Walnut Creek investment payments, 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.