

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2024

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number: 333-203369

Clearway Energy LLC

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation or organization)

300 Carnegie Center, Suite 300

Princeton

New Jersey

(Address of principal executive offices)

32-0407370

(I.R.S. Employer
Identification No.)

08540

(Zip Code)

(609) 608-1525

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of October 28, 2024, there were 34,613,853 Class A units outstanding, 42,738,750 Class B units outstanding, 82,831,652 Class C units outstanding, and 41,961,750 Class D units outstanding. There is no public market for the registrant's outstanding units.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Quarterly Report on Form 10-Q of Clearway Energy LLC, together with its consolidated subsidiaries, or the Company, includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. The words “believes,” “projects,” “anticipates,” “plans,” “expects,” “intends,” “estimates” and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors, risks and uncertainties include the factors described under Item 1A — *Risk Factors* in Part I of the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, as well as the following:

- The Company’s ability to maintain and grow its quarterly distributions;
- Potential risks related to the Company’s relationships with CEG and its owners;
- The Company’s ability to successfully identify, evaluate and consummate acquisitions from, and dispositions to, third parties;
- The Company’s ability to acquire assets from CEG;
- The Company’s ability to borrow additional funds and access capital markets, as well as the Company’s substantial indebtedness and the possibility that the Company may incur additional indebtedness going forward;
- Changes in law, including judicial decisions;
- Hazards customary to the power production industry and power generation operations such as fuel and electricity price volatility, unusual weather conditions (including wind and solar conditions), catastrophic weather-related or other damage to facilities, unscheduled generation outages, maintenance or repairs, unanticipated changes to fuel supply costs or availability due to higher demand, shortages, transportation problems or other developments, environmental incidents, or electric transmission or gas pipeline system constraints and the possibility that the Company may not have adequate insurance to cover losses as a result of such hazards;
- The Company’s ability to operate its businesses efficiently, manage maintenance capital expenditures and costs effectively, and generate earnings and cash flows from its asset-based businesses in relation to its debt and other obligations;
- The willingness and ability of counterparties to the Company’s offtake agreements to fulfill their obligations under such agreements;
- The Company’s ability to enter into contracts to sell power and procure fuel on acceptable terms and prices;
- Government regulation, including compliance with regulatory requirements and changes in market rules, rates, tariffs and environmental laws;
- Operating and financial restrictions placed on the Company that are contained in the facility-level debt facilities and other agreements of certain subsidiaries and facility-level subsidiaries generally, in the Clearway Energy Operating LLC amended and restated revolving credit facility and in the indentures governing the Senior Notes; and
- Cyber terrorism and inadequate cybersecurity, or the occurrence of a catastrophic loss and the possibility that the Company may not have adequate insurance to cover losses resulting from such hazards or the inability of the Company’s insurers to provide coverage.

Forward-looking statements speak only as of the date they were made, and the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing review of factors that could cause the Company’s actual results to differ materially from those contemplated in any forward-looking statements included in this Quarterly Report on Form 10-Q should not be construed as exhaustive.

GLOSSARY OF TERMS

When the following terms and abbreviations appear in the text of this report, they have the meanings indicated below:

2028 Senior Notes	\$850 million aggregate principal amount of 4.75% unsecured senior notes due 2028, issued by Clearway Energy Operating LLC
2031 Senior Notes	\$925 million aggregate principal amount of 3.75% unsecured senior notes due 2031, issued by Clearway Energy Operating LLC
2032 Senior Notes	\$350 million aggregate principal amount of 3.75% unsecured senior notes due 2032, issued by Clearway Energy Operating LLC
Adjusted EBITDA	A non-GAAP measure, represents earnings before interest (including loss on debt extinguishment), tax, depreciation and amortization adjusted for mark-to-market gains or losses, asset write offs and impairments; and factors which the Company does not consider indicative of future operating performance
ASC	The FASB Accounting Standards Codification, which the FASB established as the source of authoritative GAAP
ATM Program	At-The-Market Equity Offering Program
BESS	Battery energy storage system
BlackRock	BlackRock, Inc.
CAFD	A non-GAAP measure, Cash Available for Distribution is defined as of September 30, 2024 as Adjusted EBITDA plus cash distributions/return of investment from unconsolidated affiliates, cash receipts from notes receivable, cash distributions from noncontrolling interests, adjustments to reflect sales-type lease cash payments and payments for lease expenses, 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
Capistrano Portfolio Holdco LLC	The holding company that owns four wind facilities representing 263 MW of capacity, which includes Broken Bow and Crofton Bluffs located in Nebraska and Mountain Wind 1 and Mountain Wind 2 located in Wyoming
CEG	Clearway Energy Group LLC (formerly Zephyr Renewables LLC)
CEG Master Services Agreement	Amended and Restated Master Services Agreement, dated as of April 30, 2024, among the Company, Clearway, Inc., Clearway Energy Operating LLC and CEG
Clearway, Inc.	Clearway Energy, Inc., the holder of the Company's Class A and Class C units
Clearway Energy Group LLC	The holder of all shares of Clearway, Inc.'s Class B and Class D common stock and the Company's Class B and Class D units and, from time to time, possibly shares of Clearway, Inc.'s Class A and/or Class C common stock
Clearway Energy Operating LLC	The holder of facilities that are owned by the Company
Clearway Renew Company	Clearway Renew LLC, a subsidiary of CEG, and its wholly-owned subsidiaries
CVSR	Clearway Energy LLC, together with its consolidated subsidiaries
CVSR Holdco	California Valley Solar Ranch
Distributed Solar	CVSR Holdco LLC, the indirect owner of CVSR
Drop Down Assets	Solar power facilities, typically less than 20 MW in size (on an alternating current, or AC, basis), that primarily sell power produced to customers for usage on site, or are interconnected to sell power into the local distribution grid
ERCOT	Assets under common control acquired by the Company from CEG
Exchange Act	Electric Reliability Council of Texas, the ISO and the regional reliability coordinator of the various electricity systems within Texas
FASB	The Securities Exchange Act of 1934, as amended
GAAP	Financial Accounting Standards Board
GenConn	Accounting principles generally accepted in the U.S.
GIM	GenConn Energy LLC
GIP	Global Infrastructure Management, LLC, the manager of GIP
HLBV	Global Infrastructure Partners
	Hypothetical Liquidation at Book Value

ISO	Independent System Operator, also referred to as an RTO
Mesquite Star	Mesquite Star Special LLC
MMBtu	Million British Thermal Units
Mt. Storm	NedPower Mount Storm LLC
MW	Megawatt
MWh	Saleable megawatt hours, net of internal/parasitic load megawatt-hours
Natural Gas Holdco	Natural Gas CA Holdco LLC
Net Exposure	Counterparty credit exposure to Clearway, Inc. net of collateral
OCI	Other comprehensive income
O&M	Operations and Maintenance
PG&E	Pacific Gas and Electric Company
PJM	PJM Interconnection, LLC
PPA	Power Purchase Agreement
RA	Resource adequacy
RENOM	Clearway Renewable Operation & Maintenance LLC, a wholly-owned subsidiary of CEG
Rosie Central BESS	Rosie BESS Devco LLC
RTO	Regional Transmission Organization
SCE	Southern California Edison
SEC	U.S. Securities and Exchange Commission
Senior Notes	Collectively, the 2028 Senior Notes, the 2031 Senior Notes and the 2032 Senior Notes
SOFR	Secured Overnight Financing Rate
SPP	Solar Power Partners
SREC	Solar Renewable Energy Credit
TotalEnergies	TotalEnergies SE
U.S.	United States of America
Utah Solar Portfolio	Seven utility-scale solar farms located in Utah, representing 530 MW of capacity
Utility Scale Solar	Solar power facilities, typically 20 MW or greater in size (on an alternating current, or AC, basis), that are interconnected into the transmission or distribution grid to sell power at a wholesale level
VIE	Variable Interest Entity

PART I — FINANCIAL INFORMATION
ITEM 1 — FINANCIAL STATEMENTS
CLEARWAY ENERGY LLC
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(In millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Operating Revenues				
Total operating revenues	\$ 486	\$ 371	\$ 1,115	\$ 1,065
Operating Costs and Expenses				
Cost of operations, exclusive of depreciation, amortization and accretion shown separately below	135	134	378	360
Depreciation, amortization and accretion	164	133	471	389
General and administrative	9	8	28	27
Transaction and integration costs	—	1	4	3
Total operating costs and expenses	308	276	881	779
Operating Income	178	95	234	286
Other Income (Expense)				
Equity in earnings of unconsolidated affiliates	13	11	33	11
Other income, net	8	15	36	32
Loss on debt extinguishment	—	—	(3)	—
Interest expense	(139)	(48)	(284)	(202)
Total other expense, net	(118)	(22)	(218)	(159)
Net Income	60	73	16	127
Less: Net loss attributable to noncontrolling interests and redeemable noncontrolling interests	(58)	(32)	(183)	(62)
Net Income Attributable to Clearway Energy LLC	<u>\$ 118</u>	<u>\$ 105</u>	<u>\$ 199</u>	<u>\$ 189</u>

See accompanying notes to consolidated financial statements.

CLEARWAY ENERGY LLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Net Income	\$ 60	\$ 73	\$ 16	\$ 127
Other Comprehensive (Loss) Income				
Unrealized (loss) gain on derivatives and changes in accumulated OCI	(15)	9	(15)	9
Other comprehensive (loss) income	(15)	9	(15)	9
Comprehensive Income	45	82	1	136
Less: Comprehensive loss attributable to noncontrolling interests and redeemable noncontrolling interests	(63)	(28)	(185)	(58)
Comprehensive Income Attributable to Clearway Energy LLC	\$ 108	\$ 110	\$ 186	\$ 194

See accompanying notes to consolidated financial statements.

CLEARWAY ENERGY LLC
CONSOLIDATED BALANCE SHEETS

(In millions)	ASSETS	September 30, 2024 (Unaudited)	December 31, 2023
Current Assets			
	Cash and cash equivalents	\$ 292	\$ 535
	Restricted cash	382	516
	Accounts receivable — trade	199	171
	Inventory	63	55
	Derivative instruments	34	41
	Note receivable — affiliate	—	174
	Prepayments and other current assets	73	55
	Total current assets	1,043	1,547
Property, plant and equipment, net			
		9,895	9,526
Other Assets			
	Equity investments in affiliates	322	360
	Intangible assets for power purchase agreements, net	2,170	2,303
	Other intangible assets, net	70	71
	Derivative instruments	70	82
	Right-of-use assets, net	548	597
	Other non-current assets	123	202
	Total other assets	3,303	3,615
	Total Assets	\$ 14,241	\$ 14,688
LIABILITIES AND MEMBERS' EQUITY			
Current Liabilities			
	Current portion of long-term debt — external	\$ 412	\$ 558
	Current portion of long-term debt — affiliate	—	1
	Accounts payable — trade	78	130
	Accounts payable — affiliates	17	35
	Derivative instruments	51	51
	Accrued interest expense	35	57
	Accrued expenses and other current liabilities	71	79
	Total current liabilities	664	911
Other Liabilities			
	Long-term debt — external	6,732	7,479
	Deferred income taxes	1	2
	Derivative instruments	279	281
	Long-term lease liabilities	570	627
	Other non-current liabilities	313	282
	Total other liabilities	7,895	8,671
	Total Liabilities	8,559	9,582
Redeemable noncontrolling interest in subsidiaries			
		9	1
Commitments and Contingencies			
Members' Equity			
	Contributed capital	949	1,299
	Retained earnings	975	1,027
	Accumulated other comprehensive income	2	15
	Noncontrolling interest	3,747	2,764
	Total Members' Equity	5,673	5,105
	Total Liabilities and Members' Equity	\$ 14,241	\$ 14,688

See accompanying notes to consolidated financial statements.

CLEARWAY ENERGY LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Nine months ended September 30,	
	2024	2023
Cash Flows from Operating Activities		
Net Income	\$ 16	\$ 127
Adjustments to reconcile net income to net cash provided by operating activities:		
Equity in earnings of unconsolidated affiliates	(33)	(11)
Distributions from unconsolidated affiliates	21	17
Depreciation, amortization and accretion	471	389
Amortization of financing costs and debt discounts	10	9
Amortization of intangibles	137	139
Loss on debt extinguishment	3	—
Reduction in carrying amount of right-of-use assets	11	11
Changes in derivative instruments and amortization of accumulated OCI	34	(64)
Cash provided by (used in) changes in other working capital:		
Changes in prepaid and accrued liabilities for tolling agreements	3	(23)
Changes in other working capital	(93)	(69)
Net Cash Provided by Operating Activities	580	525
Cash Flows from Investing Activities		
Acquisition of Drop Down Assets, net of cash acquired	(671)	100
Capital expenditures	(237)	(143)
Return of investment from unconsolidated affiliates	38	14
Decrease (increase) in note receivable — affiliate	184	(215)
Investments in unconsolidated affiliates	—	(28)
Other	12	1
Net Cash Used in Investing Activities	(674)	(271)
Cash Flows from Financing Activities		
Contributions from noncontrolling interests, net of distributions	1,183	219
Contributions from CEG, net of distributions	202	75
Payments of distributions	(249)	(231)
Tax-related distributions	(1)	(50)
Proceeds from the issuance of long-term debt — external	255	293
Payments of debt issuance costs	(7)	(14)
Payments for long-term debt — external	(1,664)	(384)
Payments for long-term debt — affiliate	(1)	—
Other	(1)	(2)
Net Cash Used in Financing Activities	(283)	(94)
Net (Decrease) Increase in Cash, Cash Equivalents and Restricted Cash	(377)	160
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	1,051	996
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 674	\$ 1,156

See accompanying notes to consolidated financial statements.

CLEARWAY ENERGY LLC
CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY
For the Nine Months Ended September 30, 2024
(Unaudited)

(In millions)	Contributed Capital	Retained Earnings	Accumulated Other Comprehensive Income	Noncontrolling Interest	Total Members' Equity
Balances at December 31, 2023	\$ 1,299	\$ 1,027	\$ 15	\$ 2,764	\$ 5,105
Net loss	—	(26)	—	(34)	(60)
Unrealized (loss) gain on derivatives and changes in accumulated OCI	—	—	(4)	3	(1)
Distributions to CEG, net of contributions, cash	(1)	—	—	—	(1)
Contributions from noncontrolling interests, net of distributions, cash	—	—	—	215	215
Transfers of assets under common control	(38)	—	—	(2)	(40)
Distributions paid to Clearway, Inc.	—	(47)	—	—	(47)
Distributions paid to CEG Class B and Class D unit holders	—	(34)	—	—	(34)
Other	—	—	—	1	1
Balances at March 31, 2024	1,260	920	11	2,947	5,138
Net income (loss)	—	107	—	(96)	11
Unrealized gain on derivatives and changes in accumulated OCI	—	—	1	—	1
Contributions from CEG, net of distributions, cash	222	—	—	—	222
Contributions from noncontrolling interests, net of distributions, cash	—	—	—	988	988
Distributions to noncontrolling interests, net of contributions, non-cash	—	—	—	(1)	(1)
Transfers of assets under common control	(539)	—	—	(5)	(544)
Tax-related distributions	—	(1)	—	—	(1)
Distributions paid to Clearway, Inc.	—	(48)	—	—	(48)
Distributions paid to CEG Class B and Class D unit holders	—	(35)	—	—	(35)
Other	—	(1)	—	—	(1)
Balances at June 30, 2024	943	942	12	3,833	5,730
Net income (loss)	—	118	—	(62)	56
Unrealized loss on derivatives	—	—	(10)	(5)	(15)
Contributions from CEG, cash	6	—	—	—	6
Distributions to noncontrolling interests, net of contributions, cash	—	—	—	(19)	(19)
Distributions paid to Clearway, Inc.	—	(49)	—	—	(49)
Distributions paid to CEG Class B and Class D unit holders	—	(36)	—	—	(36)
Balances at September 30, 2024	<u>\$ 949</u>	<u>\$ 975</u>	<u>\$ 2</u>	<u>\$ 3,747</u>	<u>\$ 5,673</u>

See accompanying notes to consolidated financial statements.

CLEARWAY ENERGY LLC
CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY
For the Nine Months Ended September 30, 2023
(Unaudited)

(In millions)	Contributed Capital	Retained Earnings	Accumulated Other Comprehensive Income	Noncontrolling Interest	Total Members' Equity
Balances at December 31, 2022	\$ 1,308	\$ 1,240	\$ 21	\$ 1,591	\$ 4,160
Net loss	—	(22)	—	(33)	(55)
Unrealized loss on derivatives and changes in accumulated OCI	—	—	(3)	(1)	(4)
Contributions from CEG, net of distributions, cash	30	—	—	—	30
Contributions from noncontrolling interests, net of distributions, cash	—	—	—	215	215
Transfers of assets under common control	(59)	—	—	53	(6)
Distributions paid to Clearway, Inc.	—	(32)	—	—	(32)
Distributions paid to CEG Class B and Class D unit holders	—	(44)	—	—	(44)
Balances at March 31, 2023	1,279	1,142	18	1,825	4,264
Net income (loss)	—	106	—	(6)	100
Unrealized gain on derivatives and changes in accumulated OCI	—	—	3	1	4
Distributions to CEG, cash	(4)	—	—	—	(4)
Distributions to noncontrolling interests, net of contributions, cash	—	—	—	(5)	(5)
Tax-related distributions	—	(45)	—	—	(45)
Distributions paid to Clearway, Inc.	—	(45)	—	—	(45)
Distributions paid to CEG Class B and Class D unit holders	—	(32)	—	—	(32)
Balances at June 30, 2023	1,275	1,126	21	1,815	4,237
Net income (loss)	—	105	—	(37)	68
Unrealized gain on derivatives and changes in accumulated OCI	—	—	5	4	9
Distributions to CEG, cash	(1)	—	—	—	(1)
Contributions from noncontrolling interests, net of distributions, cash	—	—	—	12	12
Distributions to noncontrolling interests, non-cash	—	—	—	(7)	(7)
Tax-related distributions	—	(5)	—	—	(5)
Transfer of assets under common control	(42)	—	—	213	171
Distributions paid to Clearway, Inc.	—	(45)	—	—	(45)
Distributions paid to CEG Class B and Class D unit holders	—	(33)	—	—	(33)
Other	1	(1)	—	—	—
Balances at September 30, 2023	<u>\$ 1,233</u>	<u>\$ 1,147</u>	<u>\$ 26</u>	<u>\$ 2,000</u>	<u>\$ 4,406</u>

See accompanying notes to consolidated financial statements.

CLEARWAY ENERGY LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 — Nature of Business

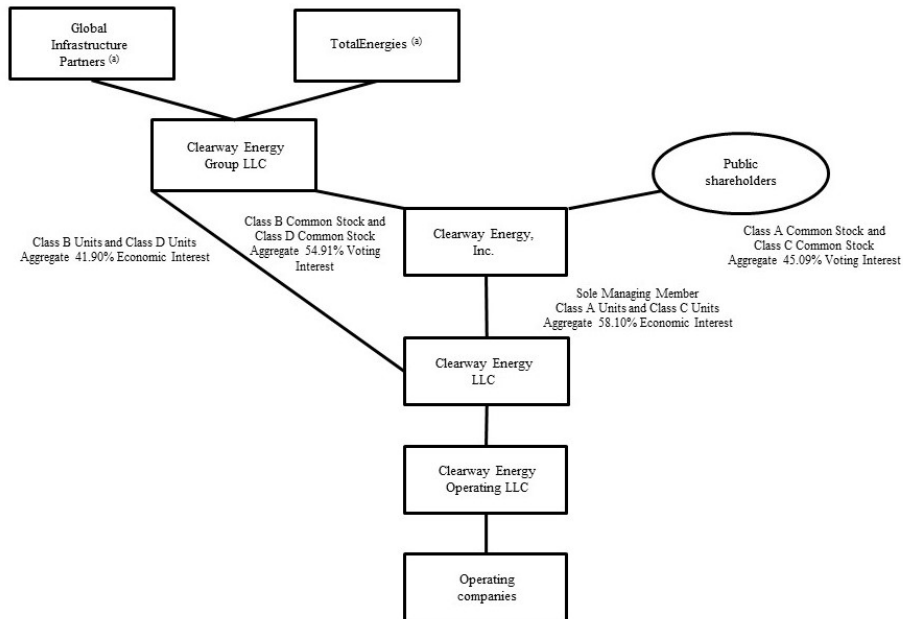
Clearway Energy LLC, together with its consolidated subsidiaries, or the Company, is an energy infrastructure investor with a focus on investments in clean energy and owner of modern, sustainable and long-term contracted assets across North America. The Company is sponsored by GIP and TotalEnergies through the portfolio company, Clearway Energy Group LLC, or CEG, which is equally owned by GIP and TotalEnergies. GIP is an independent infrastructure fund manager that makes equity and debt investments in infrastructure assets and businesses. TotalEnergies is a global multi-energy company. CEG is a leading developer of renewable energy infrastructure in the U.S. On October 1, 2024, BlackRock acquired 100% of the business and assets of GIM, which is the investment manager of the GIP funds that own an interest in CEG. BlackRock is a publicly-traded global investment management firm.

The Company is one of the largest renewable energy owners in the U.S. with approximately 6,500 net MW of installed wind, solar and battery energy storage system, or BESS, facilities. The Company's approximately 9,000 net MW of assets also includes approximately 2,500 net MW of environmentally-sound, highly efficient natural gas-fired generation facilities. Through this environmentally-sound, diversified and primarily contracted portfolio, the Company endeavors to increase distributions to its unit holders. The majority of the Company's revenues are derived from long-term contractual arrangements for the output or capacity from these assets.

Clearway Energy, Inc., or Clearway, Inc., consolidates the results of the Company through its controlling interest, with CEG's interest shown as contributed capital in the Company's consolidated financial statements. The holders of Clearway, Inc.'s outstanding shares of Class A and Class C common stock are entitled to dividends as declared. CEG receives its distributions from the Company through its ownership of the Company's Class B and Class D units.

As of September 30, 2024, Clearway, Inc. owned 58.10% of the economic interests of the Company, with CEG owning 41.90% of the economic interests of the Company.

The following table represents a summarized structure of the Company as of September 30, 2024:



(G) GIP and TotalEnergies each own 50% of CEG through intermediate holding companies.

Basis of Presentation

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with the SEC’s regulations for interim financial information and with the instructions to Form 10-Q. Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements. The following notes should be read in conjunction with the accounting policies and other disclosures as set forth in the notes to the consolidated financial statements included in the Company’s 2023 Form 10-K. Interim results are not necessarily indicative of results for a full year.

In the opinion of management, the accompanying unaudited interim consolidated financial statements contain all material adjustments consisting of normal and recurring accruals necessary for a fair statement of the Company’s consolidated financial position as of September 30, 2024, and results of operations, comprehensive income and cash flows for the three and nine months ended September 30, 2024 and 2023.

Note 2 — Summary of Significant Accounting Policies

Use of Estimates

The preparation of consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions. These estimates and assumptions impact the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the consolidated financial statements. They also impact the reported amounts of net earnings during the reporting periods. Actual results could be different from these estimates.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less at the time of purchase. Cash and cash equivalents held at subsidiary facilities was \$202 million and \$125 million as of September 30, 2024 and December 31, 2023, respectively.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statements of cash flows:

	September 30, 2024	December 31, 2023
	(In millions)	
Cash and cash equivalents	\$ 292	\$ 535
Restricted cash	382	516
Cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows	<u>\$ 674</u>	<u>\$ 1,051</u>

Restricted cash consists primarily of funds held to satisfy the requirements of certain debt agreements and funds held within the Company's facilities that are restricted in their use. As of September 30, 2024, these restricted funds were comprised of \$183 million designated to fund operating expenses, \$71 million designated for current debt service payments and \$89 million restricted for reserves including debt service, performance obligations and other reserves as well as capital expenditures. The remaining \$39 million is held in distributions reserve accounts.

Supplemental Cash Flow Information

The following table provides a disaggregation of the amounts classified as Acquisition of Drop Down Assets, net of cash acquired, shown in the consolidated statements of cash flows:

	Nine months ended September 30,	
	2024	2023
	(In millions)	
Cash paid to acquire Drop Down Assets	\$ (673)	\$ (34)
Cash acquired from the acquisition of Drop Down Assets	2	134
Acquisition of Drop Down Assets, net of cash acquired	<u>\$ (671)</u>	<u>\$ 100</u>

Accumulated Depreciation and Accumulated Amortization

The following table presents the accumulated depreciation included in property, plant and equipment, net, and accumulated amortization included in intangible assets, net:

	September 30, 2024	December 31, 2023
	(In millions)	
Property, Plant and Equipment Accumulated Depreciation	\$ 3,938	\$ 3,485
Intangible Assets Accumulated Amortization	1,147	1,009

Distributions

The following table lists distributions paid on the Company's Class A, B, C and D units during the nine months ended September 30, 2024:

	Third Quarter 2024	Second Quarter 2024	First Quarter 2024
Distributions per Class A, B, C and D unit	\$ 0.4171	\$ 0.4102	\$ 0.4033

On October 29, 2024, the Company declared a distribution on its Class A, Class B, Class C and Class D units of \$0.4240 per unit payable on December 16, 2024 to unit holders of record as of December 2, 2024.

Revenue Recognition

Disaggregated Revenues

The following tables represent the Company's disaggregation of revenue from contracts with customers along with the reportable segment for each category:

(In millions)	Three months ended September 30, 2024		
	Conventional Generation	Renewables	Total
Energy revenue ^(a)	\$ 35	\$ 315	\$ 350
Capacity revenue ^(a)	65	22	87
Other revenues	3	20	23
Contract amortization	(5)	(41)	(46)
Mark-to-market for economic hedges	4	68	72
Total operating revenues	102	384	486
Less: Contract amortization	5	41	46
Less: Mark-to-market for economic hedges	(4)	(68)	(72)
Less: Lease revenue	(27)	(247)	(274)
Total revenue from contracts with customers	\$ 76	\$ 110	\$ 186

^(a) The following amounts of energy and capacity revenues relate to leases and are accounted for under ASC 842:

(In millions)	Conventional Generation	Renewables	Total
Energy revenue	\$ 1	\$ 234	\$ 235
Capacity revenue	26	13	39
Total	\$ 27	\$ 247	\$ 274

(In millions)	Three months ended September 30, 2023		
	Conventional Generation	Renewables	Total
Energy revenue ^(a)	\$ 57	\$ 280	\$ 337
Capacity revenue ^(a)	74	5	79
Other revenues	3	17	20
Contract amortization	(5)	(42)	(47)
Mark-to-market for economic hedges	3	(21)	(18)
Total operating revenues	132	239	371
Less: Contract amortization	5	42	47
Less: Mark-to-market for economic hedges	(3)	21	18
Less: Lease revenue	(41)	(233)	(274)
Total revenue from contracts with customers	\$ 93	\$ 69	\$ 162

^(a) The following amounts of energy and capacity revenues relate to leases and are accounted for under ASC 842:

(In millions)	Conventional Generation	Renewables	Total
Energy revenue	\$ 2	\$ 228	\$ 230
Capacity revenue	39	5	44
Total	\$ 41	\$ 233	\$ 274

(In millions)	Nine months ended September 30, 2024		
	Conventional Generation	Renewables	Total
Energy revenue ^(a)	\$ 67	\$ 870	\$ 937
Capacity revenue ^(a)	195	44	239
Other revenues	6	63	69
Contract amortization	(14)	(124)	(138)
Mark-to-market for economic hedges	12	(4)	8
Total operating revenue	266	849	1,115
Less: Contract amortization	14	124	138
Less: Mark-to-market for economic hedges	(12)	4	(8)
Less: Lease revenue	(84)	(691)	(775)
Total revenue from contracts with customers	\$ 184	\$ 286	\$ 470

^(a) The following amounts of energy and capacity revenues relate to leases and are accounted for under ASC 842:

(In millions)	Conventional Generation	Renewables	Total
Energy revenue	\$ 2	\$ 661	\$ 663
Capacity revenue	82	30	112
Total	\$ 84	\$ 691	\$ 775

(In millions)	Nine months ended September 30, 2023		
	Conventional Generation	Renewables	Total
Energy revenue ^(a)	\$ 61	\$ 753	\$ 814
Capacity revenue ^(a)	270	15	285
Other revenues ^(a)	24	56	80
Contract amortization	(16)	(125)	(141)
Mark-to-market for economic hedges	3	24	27
Total operating revenue	342	723	1,065
Less: Contract amortization	16	125	141
Less: Mark-to-market for economic hedges	(3)	(24)	(27)
Less: Lease revenue	(246)	(626)	(872)
Total revenue from contracts with customers	\$ 109	\$ 198	\$ 307

^(a) The following amounts of energy, capacity and other revenues relate to leases and are accounted for under ASC 842:

(In millions)	Conventional Generation	Renewables	Total
Energy revenue	\$ 4	\$ 613	\$ 617
Capacity revenue	221	13	234
Other revenues ^(b)	21	—	21
Total	\$ 246	\$ 626	\$ 872

^(b) Includes sales-type lease revenue recognized for the Marsh Landing Black Start addition that reached commercial operations on May 31, 2023.

Contract Balances

The following table reflects the contract assets and liabilities included on the Company's consolidated balance sheets:

	September 30, 2024	December 31, 2023
	(In millions)	
Accounts receivable, net - Contracts with customers	\$ 79	\$ 66
Accounts receivable, net - Leases	120	105
Total accounts receivable, net	<u>\$ 199</u>	<u>\$ 171</u>

Note 3 — Acquisitions

Cedar Creek Drop Down — On April 16, 2024, the Company, through its indirect subsidiary, Cedar Creek Wind Holdco LLC, acquired Cedar Creek Holdco LLC, the indirect owner of Cedar Creek, a 160 MW wind facility that is located in Bingham County, Idaho, from Clearway Renew for cash consideration of \$117 million. Cedar Creek Holdco LLC consolidates as primary beneficiary, Cedar Creek TE Holdco LLC, a tax equity fund that owns the Cedar Creek wind facility, as further described in Note 4, *Investments Accounted for by the Equity Method and Variable Interest Entities*. Cedar Creek has a 25-year PPA with an investment-grade utility that commenced in March 2024. The Cedar Creek operations are reflected in the Company's Renewables segment and the acquisition was funded with existing sources of liquidity. The acquisition was determined to be an asset acquisition and the Company consolidates Cedar Creek on a prospective basis in its financial statements. The assets and liabilities transferred to the Company relate to interests under common control and were recorded at historical cost in accordance with ASC 805-50, *Business Combinations - Related Issues*. The difference between the cash paid of \$117 million and the historical cost of the Company's net assets acquired of \$17 million was recorded as an adjustment to contributed capital. In addition, the Company reflected the entire \$117 million of the Company's purchase price, which was contributed back to the Company by CEG to pay down the acquired long-term debt, in the line item contributions from CEG, net of distributions in the consolidated statements of members' equity.

The following is a summary of assets and liabilities transferred in connection with the acquisition as of April 16, 2024:

(In millions)	Cedar Creek
Restricted cash	\$ 1
Property, plant and equipment	311
Right-of-use assets, net	6
Derivative assets	14
Other current and non-current assets	14
Total assets acquired	<u>346</u>
Long-term debt ^(a)	309
Long-term lease liabilities	7
Other current and non-current liabilities	13
Total liabilities assumed	<u>329</u>
Net assets acquired	<u>\$ 17</u>

^(a) Includes a \$112 million construction loan, a \$91 million cash equity bridge loan, and a \$109 million tax equity bridge loan, offset by \$3 million in unamortized debt issuance costs. See Note 7, *Long-term Debt*, for further discussion of the long-term debt assumed in the acquisition.

Texas Solar Nova 2 Drop Down — On March 15, 2024, the Company, through its indirect subsidiary, TSN1 TE Holdco LLC, acquired Texas Solar Nova 2, a 200 MW solar facility that is located in Kent County, Texas, from Clearway Renew for cash consideration of \$112 million, \$17 million of which was funded by the Company with the remaining \$95 million funded through a contribution from the cash equity investor in Lighthouse Renewable Holdco 2 LLC, which is a partnership. Lighthouse Renewable Holdco 2 LLC indirectly consolidates as primary beneficiary, TSN1 TE Holdco LLC, a tax equity fund that owns Texas Solar Nova 1 and Texas Solar Nova 2, as further described in Note 4, *Investments Accounted for by the Equity Method and Variable Interest Entities*. Texas Solar Nova 2 has an 18-year PPA with an investment-grade counterparty that commenced in February 2024. The Texas Solar Nova 2 operations are reflected in the Company's Renewables segment and the Company's portion of the purchase price was funded with existing sources of liquidity. The acquisition was determined to be an asset acquisition and the Company consolidates Texas Solar Nova 2 on a prospective basis in its financial statements. The assets and liabilities transferred to the Company relate to interests under common control and were recorded at historical cost in accordance with ASC 805-50, *Business Combinations - Related Issues*. The difference between the cash paid of \$112 million and the historical cost of the Company's net assets acquired of \$72 million was recorded as an adjustment to contributed capital. In addition, the Company reflected \$9 million of the Company's purchase price, which was contributed back to the Company by CEG to pay down the acquired long-term debt, in the line item distributions to CEG, net of contributions in the consolidated statements of members' equity.

The following is a summary of assets and liabilities transferred in connection with the acquisition as of March 15, 2024:

(In millions)	Texas Solar Nova 2	
Restricted cash	\$	1
Property, plant and equipment		280
Right-of-use assets, net		21
Derivative assets		6
Other current and non-current assets		4
Total assets acquired		312
Long-term debt ^(a)		194
Long-term lease liabilities		19
Other current and non-current liabilities		27
Total liabilities assumed		240
Net assets acquired	\$	72

^(a) Includes an \$80 million term loan and a \$115 million tax equity bridge loan, offset by \$1 million in unamortized debt issuance costs. See Note 7, *Long-term Debt*, for further discussion of the long-term debt assumed in the acquisition.

Note 4 — Investments Accounted for by the Equity Method and Variable Interest Entities

Entities that are not Consolidated

The Company has interests in entities that are considered VIEs under ASC 810, but for which it is not considered the primary beneficiary. The Company accounts for its interests in these entities and entities in which it has a significant investment under the equity method of accounting, as further described under Item 15 — Note 5, *Investments Accounted for by the Equity Method and Variable Interest Entities*, to the consolidated financial statements included in the Company's 2023 Form 10-K.

The following table reflects the Company's equity investments in unconsolidated affiliates as of September 30, 2024:

Name	Economic Interest	Investment Balance ^(a) (In millions)
Avenal	50%	\$ 8
Desert Sunlight	25%	227
Elkhorn Ridge	66.7%	9
GenConn ^(b)	50%	75
San Juan Mesa	75%	3
		\$ 322

^(a) The Company's maximum exposure to loss is limited to its investment balances.

^(b) GenConn is a VIE.

Rosie Central BESS

On June 13, 2024, when the Rosamond Central BESS facility reached substantial completion, Clearway Renew redeemed Rosie Class B LLC's entire investment of \$28 million in Rosie Central BESS that was accounted for as an equity method investment, as further discussed in Note 7, *Long-term Debt*. Rosie Class B LLC's equity investment in Rosie Central BESS was comprised of contributions from the Company and the cash equity investor in Rosie TargetCo LLC during the year ended December 31, 2023.

Entities that are Consolidated

As further described under Item 15 — Note 5, *Investments Accounted for by the Equity Method and Variable Interest Entities*, to the consolidated financial statements included in the Company's 2023 Form 10-K, the Company has a controlling financial interest in certain entities which have been identified as VIEs under ASC 810, *Consolidations*, or ASC 810. These arrangements are primarily related to tax equity arrangements entered into with third parties in order to monetize certain tax credits associated with wind, solar and BESS facilities. The Company also has a controlling financial interest in certain partnership arrangements with third-party investors, which also have been identified as VIEs. Under the Company's arrangements that have been identified as VIEs, the third-party investors are allocated earnings, tax attributes and distributable cash in accordance with the respective limited liability company agreements. Many of these arrangements also provide a mechanism to facilitate achievement of the investor's specified return by providing incremental cash distributions to the investor at a specified date if the specified return has not yet been achieved.

The following is a summary of significant activity during the nine months ended September 30, 2024 related to the Company's consolidated VIEs:

Cedar Creek TE Holdco LLC

As described in Note 3, *Acquisitions*, on April 16, 2024, the Company, through its indirect subsidiary, Cedar Creek Wind Holdco LLC, acquired Cedar Creek Holdco LLC. Cedar Creek Holdco LLC consolidates as primary beneficiary, Cedar Creek TE Holdco LLC, a tax equity fund that owns the Cedar Creek wind facility. The Class A membership interests in Cedar Creek TE Holdco LLC are held by a tax equity investor and are reflected as noncontrolling interest on the Company's consolidated balance sheet.

Lighthouse Renewable Holdco 2 LLC

As described in Note 3, *Acquisitions*, on March 15, 2024, TSN1 TE Holdco LLC, an indirect subsidiary of the Company, acquired Texas Solar Nova 2. The Company, through Lighthouse Renewable Holdco 2 LLC, a partnership, consolidates TSN1 TE Holdco LLC, a tax equity fund that owns Texas Solar Nova 1 and Texas Solar Nova 2. The Company recorded the noncontrolling interest of the cash equity investor in Lighthouse Renewable Holdco 2 LLC at historical carrying amount, with the offset to contributed capital. The Class A membership interests in TSN1 TE Holdco LLC are held by a tax equity investor and are reflected as noncontrolling interest on the Company's consolidated balance sheet.

Daggett Renewable Holdco LLC

Effective January 1, 2024, the Company and the cash equity investor in Daggett Renewable HoldCo LLC and Daggett 2 TargetCo LLC, the indirect owner of the Daggett 2 solar and BESS facility, agreed to transfer Daggett 2 TargetCo LLC to Daggett Renewable Holdco LLC. As the transfer was among entities under common control, the transaction was recognized at historical cost and no gain or loss was recognized.

Summarized financial information for the Company's consolidated VIEs consisted of the following as of September 30, 2024:

(In millions)	Buckthorn Holdings, LLC	Cedar Creek TE Holdco LLC	Daggett Renewable Holdco LLC ^(a)	DGPV Funds ^(b)	Lighthouse Renewable Holdco LLC ^(c)	Lighthouse Renewable Holdco 2 LLC ^(d)
Other current and non-current assets	\$ 5	\$ 35	\$ 220	\$ 59	\$ 61	\$ 139
Property, plant and equipment	179	308	1,353	366	398	1,311
Intangible assets	—	—	—	1	—	2
Total assets	184	343	1,573	426	459	1,452
Current and non-current liabilities	12	119	648	50	136	547
Total liabilities	12	119	648	50	136	547
Noncontrolling interest	8	102	927	12	244	682
Net assets less noncontrolling interest	\$ 164	\$ 122	\$ (2)	\$ 364	\$ 79	\$ 223

^(a) Daggett Renewable Holdco LLC consolidates Daggett TE Holdco LLC and Daggett 2 TE Holdco LLC, which are consolidated VIEs.

^(b) DGPV Funds is comprised of Clearway & EFS Distributed Solar LLC, Golden Puma Fund LLC, Renew Solar CS4 Fund LLC and Chestnut Fund LLC, which are all tax equity funds.

^(c) Lighthouse Renewable Holdco LLC consolidates Black Rock TE Holdco LLC and Mililani TE Holdco LLC, which are consolidated VIEs.

^(d) Lighthouse Renewable Holdco 2 LLC consolidates Mesquite Sky TE Holdco LLC, Mesquite Star Tax Equity Holdco LLC and TSN1 TE Holdco LLC, which are consolidated VIEs.

(In millions)	Oahu Solar LLC	Rattlesnake TE Holdco LLC	Rosie TargetCo LLC	VP-Arica TargetCo LLC ^(a)	Wildorado TE Holdco LLC	Other ^(b)
Other current and non-current assets	\$ 38	\$ 14	\$ 55	\$ 69	\$ 25	\$ 44
Property, plant and equipment	151	168	535	996	182	332
Intangible assets	—	—	—	2	—	14
Total assets	189	182	590	1,067	207	390
Current and non-current liabilities	22	16	222	40	20	149
Total liabilities	22	16	222	40	20	149
Noncontrolling interest	21	77	281	345	86	141
Net assets less noncontrolling interest	\$ 146	\$ 89	\$ 87	\$ 682	\$ 101	\$ 100

^(a) VP-Arica TargetCo LLC consolidates VP-Arica TE Holdco LLC, a consolidated VIE that owns the Victory Pass and Arica solar and BESS facilities.

^(b) Other is comprised of Elbow Creek TE Holdco LLC, Langford TE Partnership LLC, Pinnacle Repowering TE Holdco LLC and the Spring Canyon facilities.

Note 5 — Fair Value of Financial Instruments

Fair Value Accounting under ASC 820

ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1—quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.
- Level 2—inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.
- Level 3—unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date.

In accordance with ASC 820, the Company determines the level in the fair value hierarchy within which each fair value measurement in its entirety falls, based on the lowest level input that is significant to the fair value measurement.

For cash and cash equivalents, restricted cash, accounts receivable — trade, accounts receivable — affiliates, accounts payable — trade, accounts payable — affiliates and accrued expenses and other current liabilities, the carrying amounts approximate fair value because of the short-term maturity of those instruments and are classified as Level 1 within the fair value hierarchy.

The carrying amount and estimated fair value of the Company's recorded financial instrument not carried at fair market value or that does not approximate fair value is as follows:

	As of September 30, 2024		As of December 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(In millions)			
Long-term debt, including current portion — affiliate	\$ —	\$ —	1	\$ 1
Long-term debt, including current portion — external ^(a)	7,201	6,897	8,102	7,611

^(a) Excludes net debt issuance costs, which are recorded as a reduction to long-term debt on the Company's consolidated balance sheets.

The fair value of the Company's publicly-traded long-term debt is based on quoted market prices and is classified as Level 2 within the fair value hierarchy. The fair value of debt securities, non-publicly traded long-term debt and certain notes receivable of the Company are based on expected future cash flows discounted at market interest rates, or current interest rates for similar instruments with equivalent credit quality and are classified as Level 3 within the fair value hierarchy. The following table presents the level within the fair value hierarchy for long-term debt, including current portion:

	As of September 30, 2024		As of December 31, 2023	
	Level 2	Level 3	Level 2	Level 3
	(In millions)			
Long-term debt, including current portion	\$ 2,002	\$ 4,895	\$ 1,940	\$ 5,672

Recurring Fair Value Measurements

The Company records its derivative assets and liabilities at fair market value on its consolidated balance sheets. The following table presents assets and liabilities measured and recorded at fair value on the Company's consolidated balance sheets on a recurring basis and their level within the fair value hierarchy:

(In millions)	As of September 30, 2024		As of December 31, 2023	
	Fair Value ^(a)		Fair Value ^(a)	
	Level 2 ^(b)	Level 3	Level 2 ^(b)	Level 3
Derivative assets:				
Energy-related commodity contracts ^(c)	\$ —	\$ 7	\$ 2	\$ —
Interest rate contracts	97	—	121	—
Other financial instruments ^(d)	—	10	—	13
Total assets	\$ 97	\$ 17	\$ 123	\$ 13
Derivative liabilities:				
Energy-related commodity contracts ^(c)	\$ 1	\$ 326	\$ —	\$ 330
Interest rate contracts	3	—	2	—
Total liabilities	\$ 4	\$ 326	\$ 2	\$ 330

^(a) There were no derivative assets or liabilities classified as Level 1 as of September 30, 2024 and December 31, 2023.

^(b) The Company's interest rate swaps are measured at fair value using an income approach, which uses readily observable inputs, such as forward interest rates (e.g., SOFR) and contractual terms to estimate fair value.

^(c) Includes long-term backbone transportation service contracts classified as Level 2 and short-term heat rate call option contracts classified as Level 3.

^(d) Includes SREC contract.

^(e) Includes long-term backbone transportation contracts classified as Level 2 and long-term power commodity contracts and short-term heat rate call option contracts classified as Level 3. As of September 30, 2024 and December 31, 2023, Level 3 amounts include \$326 million and \$325 million related to long-term power commodity contracts and zero and \$5 million related to short-term heat rate call option contracts, respectively.

The following table reconciles the beginning and ending balances for instruments that are recognized at fair value in the consolidated financial statements using significant unobservable inputs:

(In millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	Fair Value Measurement Using Significant Unobservable Inputs (Level 3)		Fair Value Measurement Using Significant Unobservable Inputs (Level 3)	
Beginning balance	\$ (381)	\$ (291)	\$ (317)	\$ (336)
Settlements	6	21	—	30
Total gains (losses) for the period included in earnings	66	(39)	8	(3)
Ending balance	\$ (309)	\$ (309)	\$ (309)	\$ (309)
Change in unrealized gains included in earnings for derivatives and other financial instruments held as of September 30, 2024	\$ 66		\$ 8	

Derivative and Financial Instruments Fair Value Measurements

The Company's contracts are non-exchange-traded and valued using prices provided by external sources. The Company uses quoted observable forward prices to value its energy-related commodity contracts, which includes long-term power commodity contracts and heat rate call option contracts. To the extent that observable forward prices are not available, the quoted prices reflect the average of the forward prices from the prior year, adjusted for inflation. As of September 30, 2024, contracts valued with prices provided by models and other valuation techniques make up 7% of derivative assets and 99% of derivative liabilities and other financial instruments.

The Company's significant positions classified as Level 3 include physical and financial energy-related commodity contracts executed in illiquid markets. The significant unobservable inputs used in developing fair value include illiquid power

tenors and location pricing, which is derived by extrapolating pricing as a basis to liquid locations. The tenor pricing and basis spread are based on observable market data when available or derived from historic prices and forward market prices from similar observable markets when not available.

The following table quantifies the significant unobservable inputs used in developing the fair value of the Company's Level 3 positions:

September 30, 2024							
Fair Value			Input/Range				
Assets	Liabilities	Valuation Technique	Significant Unobservable Input	Low	High	Weighted Average	
(In millions)							
Long-term Power Commodity Contracts \$	— \$	326	Discounted Cash Flow	Forward Market Price (per MWh) \$	19.67 \$	69.48 \$	41.94
Heat Rate Call Option Commodity Contracts	7	—	Option Model	Forward Market Price (per MWh) \$	(33.90) \$	1,083.78 \$	56.23
			Option Model	Forward Market Price (per MMBtu) \$	2.31 \$	12.52 \$	5.73
Other Financial Instruments	10	—	Discounted Cash Flow	Forecast annual generation levels of certain DG solar facilities	59,425 MWh	118,850 MWh	111,091 MWh

The following table provides the impact on the fair value measurements to increases/(decreases) in significant unobservable inputs as of September 30, 2024:

Type	Significant Unobservable Input	Position	Change In Input	Impact on Fair Value Measurement
Energy-Related Commodity Contracts	Forward Market Price Power	Sell	Increase/(Decrease)	Lower/(Higher)
Energy-Related Commodity Contracts	Forward Market Price Gas	Sell	Increase/(Decrease)	Higher/(Lower)
Other Financial Instruments	Forecast Generation Levels	Sell	Increase/(Decrease)	Higher/(Lower)

The fair value of each contract is discounted using a risk-free interest rate. In addition, a credit reserve is applied to reflect credit risk, which is, for interest rate swaps, calculated based on credit default swaps using the bilateral method. For commodities, to the extent that the Net Exposure under a specific master agreement is an asset, the Company uses the counterparty's default swap rate. If the Net Exposure under a specific master agreement is a liability, the Company uses a proxy of its own default swap rate. For interest rate swaps and commodities, the credit reserve is added to the discounted fair value to reflect the exit price that a market participant would be willing to receive to assume the liabilities or that a market participant would be willing to pay for the assets. As of September 30, 2024, the non-performance reserve was a \$17 million gain recorded primarily to total operating revenues in the consolidated statements of income. It is possible that future market prices could vary from those used in recording assets and liabilities and such variations could be material.

Concentration of Credit Risk

In addition to the credit risk discussion as disclosed under Item 15 — Note 2, *Summary of Significant Accounting Policies*, to the consolidated financial statements included in the Company's 2023 Form 10-K, the following item is a discussion of the concentration of credit risk for the Company's financial instruments. Credit risk relates to the risk of loss resulting from non-performance or non-payment by counterparties pursuant to the terms of their contractual obligations. The Company monitors and manages credit risk through credit policies that include: (i) an established credit approval process; (ii) monitoring of counterparties' credit limits on an as needed basis; (iii) as applicable, the use of credit mitigation measures such as margin, collateral, prepayment arrangements, or volumetric limits; (iv) the use of payment netting agreements; and (v) the use of master netting agreements that allow for the netting of positive and negative exposures of various contracts associated with a single counterparty. Risks surrounding counterparty performance and credit could ultimately impact the amount and timing of expected cash flows. The Company seeks to mitigate counterparty risk by having a diversified portfolio of counterparties.

Counterparty credit exposure includes credit risk exposure under certain long-term agreements, including solar and other PPAs. As external sources or observable market quotes are not available to estimate such exposure, the Company estimates the exposure related to these contracts based on various techniques including, but not limited to, internal models based on a fundamental analysis of the market and extrapolation of observable market data with similar characteristics. A significant portion of these energy-related commodity contracts are with utilities with strong credit quality and public utility commission or other regulatory support. However, such regulated utility counterparties can be impacted by changes in government regulations or adverse financial conditions, which the Company is unable to predict. Certain subsidiaries of the Company sell the output of their facilities to PG&E, a significant counterparty of the Company, under long-term PPAs, and PG&E's credit rating is below investment-grade.

Note 6 — Derivative Instruments and Hedging Activities

This footnote should be read in conjunction with the complete description under Item 15 — Note 7, *Accounting for Derivative Instruments and Hedging Activities*, to the consolidated financial statements included in the Company's 2023 Form 10-K.

Interest Rate Swaps

The Company enters into interest rate swap agreements in order to hedge the variability of expected future cash interest payments. As of September 30, 2024, the Company had interest rate derivative instruments on non-recourse debt extending through 2040, a portion of which were designated as cash flow hedges. Under the interest rate swap agreements, the Company pays a fixed rate and the counterparties to the agreements pay a variable interest rate.

Energy-Related Commodity Contracts

As of September 30, 2024, the Company had energy-related derivative instruments extending through 2033. At September 30, 2024, these contracts were not designated as cash flow or fair value hedges.

Volumetric Underlying Derivative Transactions

The following table summarizes the net notional volume buy/(sell) of the Company's open derivative transactions broken out by commodity:

Commodity	Units	Total Volume	
		September 30, 2024	December 31, 2023
		(In millions)	
Power	MWh	(18)	(23)
Natural Gas	MMBtu	13	17
Interest	Dollars	\$ 1,711	\$ 2,467

Fair Value of Derivative Instruments

The following table summarizes the fair value within the derivative instrument valuation on the consolidated balance sheets:

	Fair Value			
	Derivative Assets		Derivative Liabilities	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
	(In millions)			
Derivatives Designated as Cash Flow Hedges:				
Interest rate contracts current	\$ 4	\$ 7	\$ —	\$ —
Interest rate contracts long-term	10	12	2	2
Total Derivatives Designated as Cash Flow Hedges	\$ 14	\$ 19	\$ 2	\$ 2
Derivatives Not Designated as Cash Flow Hedges:				
Interest rate contracts current	\$ 23	\$ 33	\$ —	\$ —
Interest rate contracts long-term	60	69	1	—
Energy-related commodity contracts current	7	1	51	51
Energy-related commodity contracts long-term	—	1	276	279
Total Derivatives Not Designated as Cash Flow Hedges	\$ 90	\$ 104	\$ 328	\$ 330
Total Derivatives	\$ 104	\$ 123	\$ 330	\$ 332

The Company has elected to present derivative assets and liabilities on the balance sheet on a trade-by-trade basis and does not offset amounts at the counterparty level. As of September 30, 2024 and December 31, 2023, the amount of outstanding collateral paid or received was immaterial. The following tables summarize the offsetting of derivatives by counterparty:

	Gross Amounts Not Offset in the Statement of Financial Position		
	Gross Amounts of Recognized Assets/Liabilities	Derivative Instruments	Net Amount
As of September 30, 2024	(In millions)		
Energy-related commodity contracts			
Derivative assets	\$ 7	\$ —	\$ 7
Derivative liabilities	(327)	—	(327)
Total energy-related commodity contracts	\$ (320)	\$ —	\$ (320)
Interest rate contracts			
Derivative assets	\$ 97	\$ (2)	\$ 95
Derivative liabilities	(3)	2	(1)
Total interest rate contracts	\$ 94	\$ —	\$ 94
Total derivative instruments	\$ (226)	\$ —	\$ (226)

	Gross Amounts Not Offset in the Statement of Financial Position		
	Gross Amounts of Recognized Assets/Liabilities	Derivative Instruments	Net Amount
As of December 31, 2023	(In millions)		
Energy-related commodity contracts			
Derivative assets	\$ 2	\$ —	\$ 2
Derivative liabilities	(330)	—	(330)
Total energy-related commodity contracts	\$ (328)	\$ —	\$ (328)
Interest rate contracts			
Derivative assets	\$ 121	\$ (2)	\$ 119
Derivative liabilities	(2)	2	—
Total interest rate contracts	\$ 119	\$ —	\$ 119
Total derivative instruments	\$ (209)	\$ —	\$ (209)

Accumulated Other Comprehensive Income

The following table summarizes the effects on the Company's accumulated OCI balance attributable to interest rate swaps designated as cash flow hedge derivatives:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	(In millions)			
Accumulated OCI beginning balance	\$ 20	\$ 27	\$ 20	\$ 27
Reclassified from accumulated OCI to income due to realization of previously deferred amounts	(2)	(2)	(4)	(3)
Mark-to-market of cash flow hedge accounting contracts	(13)	11	(11)	12
Accumulated OCI ending balance	5	36	5	36
Accumulated OCI attributable to noncontrolling interests	3	10	3	10
Accumulated OCI attributable to Clearway Energy LLC	\$ 2	\$ 26	\$ 2	\$ 26
Gains expected to be realized from OCI during the next 12 months	\$ 3		\$ 3	

Amounts reclassified from accumulated OCI into income are recorded to interest expense.

Impact of Derivative Instruments on the Consolidated Statements of Income

Mark-to-market gains/(losses) related to the Company's derivatives are recorded in the consolidated statements of income as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	(In millions)			
Interest Rate Contracts (Interest expense)	\$ (57)	\$ 33	\$ (33)	\$ 34
Energy-Related Commodity Contracts (Mark-to-market for economic hedging activities included in Total operating revenues) ^(a)	72	(22)	11	28
Energy-Related Commodity Contracts (Mark-to-market for economic hedging activities included in Cost of operations) ^(b)	—	3	(3)	3

^(a) Relates to long-term energy related commodity contracts at Elbow Creek, Mesquite Star, Mt. Storm, Langford and Mesquite Sky and short-term heat rate call option energy-related commodity contracts at El Segundo, Marsh Landing and Walnut Creek.

^(b) Relates to long-term backbone transportation service energy-related commodity contracts at El Segundo and Walnut Creek.

See Note 5, *Fair Value of Financial Instruments*, for a discussion regarding concentration of credit risk.

Note 7 — Long-term Debt

This note should be read in conjunction with the complete description under Item 15 — Note 10, *Long-term Debt*, to the consolidated financial statements included in the Company's 2023 Form 10-K. The Company's borrowings, including short-term and long-term portions, consisted of the following:

(In millions, except rates)	September 30, 2024	December 31, 2023	September 30, 2024 interest rate % ^(a)	Letters of Credit Outstanding at September 30, 2024
Intercompany Note with Clearway, Inc.	\$ —	\$ 1		
2028 Senior Notes	850	850	4.750	
2031 Senior Notes	925	925	3.750	
2032 Senior Notes	350	350	3.750	
Clearway Energy LLC and Clearway Energy Operating LLC Revolving Credit Facility, due 2028 ^(b)	—	—	S+1.500	\$ 108
Non-recourse facility-level debt:				
Agua Caliente Solar LLC, due 2037	591	612	2.395-3.633	14
Alta Wind Asset Management LLC, due 2031	10	11	S+2.775	—
Alta Wind I-V lease financing arrangements, due 2034 and 2035	629	660	5.696-7.015	67
Alta Wind Realty Investments LLC, due 2031	18	20	7.000	—
Borrego, due 2024 and 2038	46	48	Various	4
Broken Bow, due 2031	38	41	S+2.350	6
Buckthorn Solar, due 2025	113	116	S+2.100	21
Carlsbad Energy Holdings LLC, due 2027	76	93	S+1.900	68
Carlsbad Energy Holdings LLC, due 2038	407	407	4.120	—
Carlsbad Holdco, LLC, due 2038	195	195	4.210	6
Cedar Creek, due 2029	109	—	S+1.625	19
Cedro Hill, due 2024 and 2029	186	165	S+1.250-1.375	—
Crofton Bluffs, due 2031	25	27	S+2.350	3
CVSR, due 2037	573	601	2.339-3.775	12
CVSR Holdco Notes, due 2037	143	152	4.680	—
Daggett 2, due 2028	155	156	S+1.762	32
Daggett 3, due 2028	217	217	S+1.762	44
DG-CS Master Borrower LLC, due 2040	356	385	3.510	30
Mililani Class B Member Holdco LLC, due 2028	90	92	S+1.600	18
Natural Gas Holdco LC Facility, due 2027	—	—	S+1.750	107
NIMH Solar, due 2031 and 2033	130	148	S+2.000-2.125	17
Oahu Solar Holdings LLC, due 2026	79	81	S+1.525	10
Rosie Class B LLC, due 2029	192	347	S+1.750	31
Texas Solar Nova 1, due 2028 ^(c)	—	102		—
TSN1 Class B Member LLC, due 2029 ^(c)	179	—	S+1.750	54
Utah Solar Holdings, due 2036	238	242	3.590	161
Viento Funding II, LLC, due 2029	164	175	S+1.475	29
Victory Pass and Arica, due 2024	—	757		—
Other	115	124	Various	76
Subtotal non-recourse facility-level debt	5,074	5,974		
Total debt	7,199	8,100		
Less current maturities	(412)	(559)		
Less net debt issuance costs	(57)	(65)		
Add premiums ^(d)	2	3		
Total long-term debt	\$ 6,732	\$ 7,479		

^(a) As of September 30, 2024, S+ equals SOFR plus x%.

^(b) Applicable rate is determined by the borrower leverage ratio, as defined in the credit agreement, and only applies to outstanding borrowings.

^(c) On March 15, 2024, Texas Solar Nova 1's financing agreement was amended to merge the facility-level debt of Texas Solar Nova 1 and Texas Solar Nova 2 as a combined term loan under TSN1 Class B Member LLC.

^(d) Premiums relate to the 2028 Senior Notes.

The financing arrangements listed above contain certain covenants, including financial covenants that the Company is required to be in compliance with during the term of the respective arrangement. As of September 30, 2024, the Company was in compliance with all of the required covenants.

The discussion below describes material changes to or additions of long-term debt for the nine months ended September 30, 2024.

Facility-level Debt

Capistrano Portfolio Holdco LLC

On October 23, 2024, the Company, through its indirect subsidiary, Capistrano Portfolio Holdco LLC, entered into a financing agreement which included the issuance of a \$121 million term loan, as well as \$42 million in letters of credit in support of debt service and facility obligations, supported by the Company's interests in the Broken Bow, Crofton Bluffs, Mountain Wind 1 and Mountain Wind 2 wind facilities. The term loan bears interest at a rate of SOFR plus 1.625% per annum and matures on September 28, 2033. The Company utilized the proceeds from the term loan to pay off the existing debt in the amount of \$63 million related to Broken Bow and Crofton Bluffs and to pay related financing costs.

Natural Gas Holdco LC Facility

On July 25, 2024, the Company, through its indirect subsidiary, Natural Gas Holdco, entered into a financing agreement that provides for a \$200 million letter of credit facility, which is being utilized to support the collateral needs of the Company's merchant conventional facilities. The letter of credit facility has an initial term of three years and the option for two additional one-year extensions.

Rosamond Central (Rosie Class B LLC)

On June 13, 2024, when the Rosamond Central BESS facility reached substantial completion, the Company paid \$279 million to Clearway Renew as additional purchase price to complete its acquisition of the facility, which occurred on December 1, 2023. The Company's entire additional purchase price was recorded as an adjustment to CEG's noncontrolling interest balance. The additional purchase price consisted of \$64 million that was funded by the Company from existing sources of liquidity and \$215 million funded through contributions from the cash equity investor in Rosie TargetCo LLC and the tax equity investor in Rosie TE Holdco LLC. Clearway Renew utilized the proceeds to repay the balance of \$184 million on the loan previously issued to its consolidated subsidiary by Rosie Class B LLC and to redeem Rosie Class B LLC's entire equity investment in Rosie Central BESS of \$28 million, as further discussed in Note 4, *Investments Accounted for by the Equity Method and Variable Interest Entities*. The Company utilized proceeds from Clearway Renew, along with \$39 million held previously in escrow and \$56 million of the Company's additional purchase price that was contributed back by CEG, to repay the \$186 million tax equity bridge loan, to distribute \$44 million to the cash equity investor, to fund \$21 million in construction completion reserves, which is included in restricted cash on the Company's consolidated balance sheet, and to pay \$11 million in associated fees.

Additionally, on June 13, 2024, the outstanding construction loans were converted to a term loan in the amount of \$115 million.

NIMH Solar

On June 11, 2024, the Company, through its indirect subsidiary, NIMH Solar LLC, refinanced its amended and restated credit agreement, which was scheduled to mature in September 2024, resulting in the issuance of a \$137 million term loan facility, as well as \$17 million in letters of credit in support of debt service and facility obligations. The obligations under the new financing arrangement are supported by the Company's interests in the Alpine, Blythe and Roadrunner solar facilities. The Company utilized the proceeds from the term loan and existing sources of liquidity to pay off the existing debt in the amount of \$146 million.

Victory Pass and Arica

On May 1, 2024, when the Victory Pass and Arica solar and BESS facilities reached substantial completion, the Company paid \$165 million to Clearway Renew as additional purchase price, in connection with the Company's acquisition of the Class A membership interests in VP-Arica TargetCo LLC on October 31, 2023, which was funded with existing sources of liquidity. The Company's entire additional purchase price was recorded as an adjustment to CEG's noncontrolling interest balance. Also on May 1, 2024, the cash equity investor contributed an additional \$347 million, the tax equity investor contributed an additional \$410 million and CEG contributed \$52 million, which were utilized, along with \$103 million held previously in escrow, to repay the \$351 million cash equity bridge loan, to repay the \$468 million tax equity bridge loan, to fund \$75 million in construction completion reserves, which is included in restricted cash on the Company's consolidated balance sheet, and to pay \$18 million in associated fees. Prior to the repayment of the tax equity bridge loan, the Company borrowed an additional \$62 million in 2024.

Cedar Creek

On April 16, 2024, as part of the acquisition of Cedar Creek, as further described in Note 3, *Acquisitions*, the Company assumed the facility's financing agreement, which included a \$112 million construction loan, a \$91 million cash equity bridge loan and a \$109 million tax equity bridge loan, offset by \$3 million in unamortized debt issuance costs. At acquisition date, the tax equity investor contributed \$108 million, which was utilized, along with the Company's entire purchase price that was contributed back by CEG, to repay the tax equity bridge loan, to repay the cash equity bridge loan, to partially repay \$2 million in construction loans, to fund \$16 million in construction completion reserves, which is included in restricted cash on the Company's consolidated balance sheet, and to pay \$6 million in associated fees. Also at acquisition date, the outstanding construction loans were converted to a term loan in the amount of \$110 million.

Texas Solar Nova 1 and Texas Solar Nova 2

On March 15, 2024, as part of the acquisition of Texas Solar Nova 2, as further described in Note 3, *Acquisitions*, the Company assumed the facility's financing agreement, which included an \$80 million term loan and a \$115 million tax equity bridge loan, offset by \$1 million in unamortized debt issuance costs. At acquisition date, the tax equity investor contributed \$130 million, which was utilized, along with \$9 million of the Company's purchase price that was contributed back by CEG, to repay the \$115 million tax equity bridge loan, to fund \$19 million in construction completion reserves, which is included in restricted cash on the Company's consolidated balance sheet, and to pay \$4 million in associated fees.

Additionally, on March 15, 2024, Texas Solar Nova 1's financing agreement was amended to merge the Texas Solar Nova 1 and Texas Solar Nova 2 term loans as a combined term loan under TSN1 Class B Member LLC.

Note 8 — Segment Reporting

The Company's segment structure reflects how management currently operates and allocates resources. The Company's businesses are segregated based on conventional power generation and renewable businesses, which consist of solar, wind and battery energy storage system, or BESS, facilities. The Corporate segment reflects the Company's corporate costs and includes eliminating entries. The Company's chief operating decision maker, its Chief Executive Officer, evaluates the performance of its segments based on net income (loss).

(In millions)	Three months ended September 30, 2024			
	Conventional Generation	Renewables	Corporate ^(a)	Total
Operating revenues	\$ 102	\$ 384	\$ —	\$ 486
Cost of operations, exclusive of depreciation, amortization and accretion shown separately below	41	95	(1)	135
Depreciation, amortization and accretion	29	135	—	164
General and administrative	—	—	9	9
Operating income (loss)	32	154	(8)	178
Equity in earnings of unconsolidated affiliates	1	12	—	13
Other income, net	1	6	1	8
Interest expense	(9)	(106)	(24)	(139)
Net Income (Loss)	\$ 25	\$ 66	\$ (31)	\$ 60
Total Assets	\$ 1,976	\$ 12,164	\$ 101	\$ 14,241

^(a) Includes eliminations.

(In millions)	Three months ended September 30, 2023			
	Conventional Generation	Renewables	Corporate ^(a)	Total
Operating revenues	\$ 132	\$ 239	\$ —	\$ 371
Cost of operations, exclusive of depreciation, amortization and accretion shown separately below	54	80	—	134
Depreciation, amortization and accretion	33	100	—	133
General and administrative	—	—	8	8
Transaction and integration costs	—	—	1	1
Operating income (loss)	45	59	(9)	95
Equity in earnings of unconsolidated affiliates	—	11	—	11
Other income, net	1	8	6	15
Interest expense	(8)	(16)	(24)	(48)
Net Income (Loss)	\$ 38	\$ 62	\$ (27)	\$ 73

^(a) Includes eliminations.

(In millions)	Nine months ended September 30, 2024			
	Conventional Generation	Renewables	Corporate ^(a)	Total
Operating revenues	\$ 266	\$ 849	\$ —	\$ 1,115
Cost of operations, exclusive of depreciation, amortization and accretion shown separately below	109	271	(2)	378
Depreciation, amortization and accretion	88	383	—	471
General and administrative	—	—	28	28
Transaction and integration costs	—	—	4	4
Operating income (loss)	69	195	(30)	234
Equity in earnings of unconsolidated affiliates	2	31	—	33
Other income, net	4	23	9	36
Loss on debt extinguishment	—	(3)	—	(3)
Interest expense	(25)	(186)	(73)	(284)
Net Income (Loss)	\$ 50	\$ 60	\$ (94)	\$ 16

^(a) Includes eliminations.

(In millions)	Nine months ended September 30, 2023			
	Conventional Generation	Renewables	Corporate ^(a)	Total
Operating revenues	\$ 342	\$ 723	\$ —	\$ 1,065
Cost of operations, exclusive of depreciation, amortization and accretion shown separately below	123	238	(1)	360
Depreciation, amortization and accretion	98	291	—	389
General and administrative	—	—	27	27
Transaction and integration costs	—	—	3	3
Operating income (loss)	121	194	(29)	286
Equity in earnings of unconsolidated affiliates	2	9	—	11
Other income, net	3	12	17	32
Interest expense	(27)	(103)	(72)	(202)
Net Income (Loss)	\$ 99	\$ 112	\$ (84)	\$ 127

^(a) Includes eliminations.

Note 9 — Related Party Transactions

In addition to the transactions and relationships described elsewhere in the notes to the consolidated financial statements, certain subsidiaries of CEG provide services to the Company and its subsidiaries. Amounts due to CEG subsidiaries are recorded as accounts payable — affiliates and amounts due to the Company from CEG subsidiaries are recorded as accounts receivable — affiliates in the Company's consolidated balance sheets. The disclosures below summarize the Company's material related party transactions with CEG and its subsidiaries that are included in the Company's operating costs.

O&M Services Agreements by and between the Company and Clearway Renewable Operation & Maintenance LLC

Various subsidiaries of the Company in the Renewables segment are party to services agreements with Clearway Renewable Operation & Maintenance LLC, or RENOM, a wholly-owned subsidiary of CEG, which provides operation and maintenance, or O&M, services to these subsidiaries. The Company incurred total expenses for these services of \$22 million and \$18 million for the three months ended September 30, 2024 and 2023, respectively. The Company incurred total expenses for these services of \$59 million and \$54 million for the nine months ended September 30, 2024 and 2023, respectively. There was a balance of \$10 million and \$13 million due to RENOM as of September 30, 2024 and December 31, 2023, respectively.

Administrative Services Agreements by and between the Company and CEG

Various subsidiaries of the Company are parties to services agreements with Clearway Asset Services LLC and Solar Asset Management LLC, two wholly-owned subsidiaries of CEG, which provide various administrative services to the Company's subsidiaries. The Company incurred expenses under these agreements of \$5 million for each of the three months ended September 30, 2024 and 2023. The Company incurred expenses under these agreements of \$17 million and \$15 million for the nine months ended September 30, 2024 and 2023, respectively. There was a balance of \$3 million and \$2 million due to CEG as of September 30, 2024 and December 31, 2023, respectively.

CEG Master Services Agreement

The Company is a party to the CEG Master Services Agreement, pursuant to which CEG and certain of its affiliates or third-party service providers provide certain services to the Company, including operational and administrative services, which include human resources, information systems, cybersecurity, external affairs, accounting, procurement and risk management services, and the Company provides certain services to CEG, including accounting, internal audit, tax and treasury services, in exchange for the payment of fees in respect of such services. The Company incurred net expenses under these agreements of \$1 million for each of the three months ended September 30, 2024 and 2023. The Company incurred net expenses under these agreements of \$4 million for each of the nine months ended September 30, 2024 and 2023.

On April 30, 2024, the CEG Master Services Agreement was amended and restated as a result of a reorganization effected by the Company pursuant to which all of the employees and operations of the Company will transfer to CEG as of January 1, 2025. Under the amended and restated agreement, CEG and certain of its affiliates or third-party service providers will continue to provide the operational and administrative services outlined above, and, effective January 1, 2025, CEG will also provide accounting, internal audit, tax, legal and treasury services, in exchange for payment of fees in respect of such services. Certain independent functions will be directed by the Company's Governance, Conflicts and Nominating Committee and paid for by the Company, while being administered by CEG.

ITEM 2 — Management’s Discussion and Analysis of Financial Condition and the Results of Operations

The following discussion analyzes the Company’s historical financial condition and results of operations.

As you read this discussion and analysis, refer to the Company’s consolidated financial statements to this Form 10-Q, which present the results of operations for the three and nine months ended September 30, 2024 and 2023. Also refer to the Company’s 2023 Form 10-K, which includes detailed discussions of various items impacting the Company’s business, results of operations and financial condition.

The discussion and analysis below has been organized as follows:

- Executive Summary, including a description of the business and significant events that are important to understanding the results of operations and financial condition;
- Results of operations, including an explanation of significant differences between the periods in the specific line items of the consolidated statements of income;
- Financial condition addressing liquidity position, sources and uses of cash, capital resources and requirements, commitments and off-balance sheet arrangements;
- Known trends that may affect the Company’s results of operations and financial condition in the future; and
- Critical accounting policies which are most important to both the portrayal of the Company’s financial condition and results of operations, and which require management’s most difficult, subjective or complex judgment.

Executive Summary

Introduction and Overview

Clearway Energy LLC, together with its consolidated subsidiaries, or the Company, is an energy infrastructure investor with a focus on investments in clean energy and owner of modern, sustainable and long-term contracted assets across North America. The Company is sponsored by GIP and TotalEnergies through the portfolio company, Clearway Energy Group LLC, or CEG, which is equally owned by GIP and TotalEnergies. GIP is an independent infrastructure fund manager that makes equity and debt investments in infrastructure assets and businesses. TotalEnergies is a global multi-energy company. CEG is a leading developer of renewable energy infrastructure in the U.S. On October 1, 2024, BlackRock acquired 100% of the business and assets of GIM, which is the investment manager of the GIP funds that own an interest in CEG. BlackRock is a publicly-traded global investment management firm.

The Company is one of the largest renewable energy owners in the U.S. with approximately 6,500 net MW of installed wind, solar and battery energy storage system, or BESS, facilities. The Company's approximately 9,000 net MW of assets also includes approximately 2,500 net MW of environmentally-sound, highly efficient natural gas-fired generation facilities. Through this environmentally-sound, diversified and primarily contracted portfolio, the Company endeavors to increase distributions to its unit holders. The majority of the Company's revenues are derived from long-term contractual arrangements for the output or capacity from these assets. The weighted average remaining contract duration of these offtake agreements was approximately 10 years as of September 30, 2024 based on CAFD.

As of September 30, 2024, the Company's operating assets are comprised of the following facilities:

Facilities	Percentage Ownership	Net Capacity (MW)	Counterparty	Contract Expiration
Conventional				
Carlsbad	100 %	527	San Diego Gas & Electric	2038
El Segundo	100 %	550	SCE	2026 - 2027
GenConn Devon	50 %	95	Connecticut Light & Power	2040
GenConn Middletown	50 %	95	Connecticut Light & Power	2041
Marsh Landing	100 %	720	Various	2026 - 2030
Walnut Creek	100 %	501	Various	2026 - 2027
Total Conventional		2,488		
Utility Scale Solar				
Agua Caliente	51 %	148	PG&E	2039
Alpine	100 %	66	PG&E	2033
Arica ^(b)	40 %	105	Various	2039
Avenal	50 %	23	PG&E	2031
Avra Valley	100 %	27	Tucson Electric Power	2032
Blythe	100 %	21	SCE	2029
Borrego	100 %	26	San Diego Gas and Electric	2038
Buckthorn Solar ^(b)	100 %	150	City of Georgetown, TX	2043
CVSR	100 %	250	PG&E	2038
Daggett 2 ^(b)	25 %	46	Various	2038
Daggett 3 ^(b)	25 %	75	Various	2033 - 2038
Desert Sunlight 250	25 %	63	SCE	2034
Desert Sunlight 300	25 %	75	PG&E	2039
Kansas South	100 %	20	PG&E	2033
Mililani 1 ^(b)	50 %	20	Hawaiian Electric Company	2042
Oahu Solar ^(b)	100 %	61	Hawaiian Electric Company	2041
Roadrunner	100 %	20	El Paso Electric	2031
Rosamond Central ^(b)	50 %	96	Various	2035 - 2047
TA High Desert	100 %	20	SCE	2033
Texas Solar Nova 1 ^(b)	50 %	126	Verizon	2042

Facilities	Percentage Ownership	Net Capacity (MW)	Counterparty	Contract Expiration
Texas Solar Nova 2 ^(b)	50 %	100	Verizon	2042
Utah Solar Portfolio	100 %	530	PacifiCorp	2036
Victory Pass ^(b)	40 %	80	Various	2039
Waiawa ^(b)	50 %	18	Hawaiian Electric Company	2043
Total Utility Scale Solar		2,166		
BESS				
Arica ^(b)	40 %	54	Various	2039
Daggett 2 ^(b)	25 %	33	Various	2038
Daggett 3 ^(b)	25 %	37	Various	2033 - 2038
Mililani I ^(b)	50 %	20	Hawaiian Electric Company	2042
Rosamond Central ^(b)	50 %	74	SCE	2039
Victory Pass ^(b)	40 %	20	Various	2039
Waiawa ^(b)	50 %	18	Hawaiian Electric Company	2043
Total BESS		256		
Distributed Solar				
DGPV Funds ^(b)	100 %	286	Various	2030 - 2044
Solar Power Partners (SPP)	100 %	24	Various	2026 - 2037
Other DG Facilities	100 %	20	Various	2025 - 2039
Total Distributed Solar		330		
Wind				
Alta I	100 %	150	SCE	2035
Alta II	100 %	150	SCE	2035
Alta III	100 %	150	SCE	2035
Alta IV	100 %	102	SCE	2035
Alta V	100 %	168	SCE	2035
Alta X	100 %	137	SCE	2038
Alta XI	100 %	90	SCE	2038
Black Rock ^(b)	50 %	58	Toyota and AEP	2036
Broken Bow	100 %	80	Nebraska Public Power District	2032
Buffalo Bear	100 %	19	Western Farmers Electric Co-operative	2033
Cedar Creek ^(b)	100 %	160	PacifiCorp	2049
Cedro Hill	100 %	150	CPS Energy	2030
Crofton Bluffs	100 %	42	Nebraska Public Power District	2032
Elbow Creek ^(b)	100 %	122	Various	2029
Elkhorn Ridge	66.7 %	54	Nebraska Public Power District	2029
Forward	100 %	29	Constellation NewEnergy, Inc.	2025
Goat Wind	100 %	150	Dow Pipeline Company	2025
Langford ^(b)	100 %	160	Goldman Sachs	2033
Laredo Ridge	100 %	81	Nebraska Public Power District	2031
Lookout	100 %	38	Southern Maryland Electric Cooperative	2030
Mesquite Sky ^(b)	50 %	170	Various	2033 - 2036
Mesquite Star ^(b)	50 %	210	Various	2032 - 2035
Mountain Wind 1	100 %	61	PacifiCorp	2033
Mountain Wind 2	100 %	80	PacifiCorp	2033
Mt. Storm	100 %	264	Citigroup	2031
Ocotillo	100 %	55	N/A	
Pinnacle ^(b)	100 %	54	Maryland Department of General Services and University System of Maryland	2031

Facilities	Percentage Ownership	Net Capacity (MW)	Counterparty	Contract Expiration
Rattlesnake ^{(b)(c)}	100 %	160	Avista Corporation	2040
San Juan Mesa	75 %	90	Southwestern Public Service Company	2025
Sleeping Bear	100 %	95	Public Service Company of Oklahoma	2032
South Trent	100 %	101	AEP Energy Partners	2029
Spanish Fork	100 %	19	PacifiCorp	2028
Spring Canyon II ^(b)	90.1 %	31	Platte River Power Authority	2039
Spring Canyon III ^(b)	90.1 %	26	Platte River Power Authority	2039
Taloga	100 %	130	Oklahoma Gas & Electric	2031
Wildorado ^(b)	100 %	161	Southwestern Public Service Company	2027
Total Wind		<u>3,797</u>		
Total net generation capacity		<u>9,037</u>		

^(a) Net capacity represents the maximum, or rated, generating or storage capacity of the facility multiplied by the Company's percentage ownership in the facility as of September 30, 2024.

^(b) Facilities are part of tax equity arrangements, as further described in Note 4, *Investments Accounted for by the Equity Method and Variable Interest Entities*.

^(c) Rattlesnake has a deliverable capacity of 144 MW.

Significant Events

Drop Down Transactions

- On October 28, 2024, the Company, through an indirect subsidiary, entered into an agreement with Clearway Renew to acquire 50% of the Class B membership interests in Pine Forest TE Holdco LLC, a tax equity fund that upon mechanical completion will own Pine Forest, a 300 MW solar facility that will be paired with a 200 MW BESS facility currently under construction in Hopkins County, Texas, for \$90 million in cash consideration, subject to closing adjustments. The consummation of the transaction is subject to customary closing conditions and certain third-party approvals and is expected in the second half of 2025.
- On June 27, 2024, the Company, through an indirect subsidiary, entered into an agreement with Clearway Renew to acquire the Class A membership interests in Luna Valley, a 200 MW solar facility currently under construction in Fresno County, California, and Daggett 1, a 114 MW BESS facility currently under construction in San Bernardino, California, for \$143 million in cash consideration, subject to closing adjustments. The consummation of the transaction is subject to customary closing conditions and certain third-party approvals and is expected in the first half of 2025.
- On May 7, 2024, the Company, through an indirect subsidiary, entered into an agreement with Clearway Renew to acquire the Class A membership interests in Rosamond South I, a 140 MW solar facility that will be paired with a 117 MW BESS facility currently under construction in Rosamond, California, for \$21 million in cash consideration, subject to closing adjustments. The consummation of the transaction is subject to customary closing conditions and certain third-party approvals and is expected in the first half of 2025.
- On May 3, 2024, the Company, through an indirect subsidiary, entered into an agreement with Clearway Renew to acquire the Class A membership interests in Dan's Mountain, a 55 MW wind facility currently under construction in Allegany County, Maryland, for \$44 million in cash consideration, subject to closing adjustments. The consummation of the transaction is subject to customary closing conditions and certain third-party approvals and is expected in the fourth quarter of 2024.
- On April 16, 2024, the Company, through its indirect subsidiary, Cedar Creek Wind Holdco LLC, acquired Cedar Creek Holdco LLC, the indirect owner of Cedar Creek, a 160 MW wind facility that is located in Bingham County, Idaho, from Clearway Renew for cash consideration of \$117 million. Cedar Creek Holdco LLC consolidates as primary beneficiary, Cedar Creek TE Holdco LLC, a tax equity fund that owns the Cedar Creek wind facility. See Note 3, *Acquisitions*, for further discussion of the transaction.
- On March 15, 2024, the Company, through its indirect subsidiary, TSN1 TE Holdco LLC, acquired Texas Solar Nova 2, a 200 MW solar facility that is located in Kent County, Texas, from Clearway Renew for cash consideration of \$112 million, \$17 million of which was funded by the Company with the remaining \$95 million funded through a contribution from the cash equity investor in Lighthouse Renewable Holdco 2 LLC, which is a partnership. Lighthouse Renewable Holdco 2 LLC indirectly consolidates as primary beneficiary, TSN1 TE Holdco LLC, a tax equity fund that owns Texas Solar Nova 1 and Texas Solar Nova 2. See Note 3, *Acquisitions*, for further discussion of the transaction.

RA Agreements

- On May 6, 2024, the Company contracted with a load serving entity to sell approximately 97 MW of Walnut Creek's RA commencing in January 2027 and ending in December 2027. Walnut Creek is contracted for 100% of its capacity through 2026 and is now contracted for approximately 20% of its capacity through 2027.
- On March 28, 2024, the Company contracted with a load serving entity to sell approximately 90 MW of Marsh Landing's RA commencing in September 2026 and ending in December 2030. On July 31, 2024, the Company contracted with an additional load serving entity to sell approximately 195 MW of Marsh Landing's RA commencing in October 2026 and ending in December 2028. Marsh Landing is now contracted for approximately 99% of its capacity through 2027 and approximately 49% of its capacity through 2028.

Facility-level Financing Activities

- In connection with the 2024 Drop Downs of Texas Solar Nova 2 and Cedar Creek, the Company assumed non-recourse facility-level debt. See Note 7, *Long-term Debt*, for further discussion of the non-recourse facility-level debt associated with each facility.

- On October 23, 2024, the Company, through its indirect subsidiary, Capistrano Portfolio Holdco LLC, entered into a financing agreement which included the issuance of a \$121 million term loan, as well as \$42 million in letters of credit in support of debt service and facility obligations. The Company utilized the proceeds from the term loan to pay off the existing debt related to Broken Bow and Crofton Bluffs and to pay related financing costs.
- On July 25, 2024, the Company, through its indirect subsidiary, Natural Gas Holdco, entered into a financing agreement that provides for a \$200 million letter of credit facility, which is being utilized to support the collateral needs of the Company's merchant conventional facilities and freed up capacity on the Company's corporate revolving credit facility. See Note 7, *Long-term Debt*, for further discussion of the letter of credit facility.
- On June 13, 2024, when the Rosamond Central BESS facility reached substantial completion, the Company paid \$279 million to Clearway Renew as additional purchase price to complete its acquisition of the facility, which occurred on December 1, 2023. The additional purchase price consisted of \$64 million that was funded by the Company from existing sources of liquidity and \$215 million funded through contributions from third-party investors. Clearway Renew utilized the proceeds to repay the loan that was previously issued to its consolidated subsidiary by Rosie Class B LLC and to redeem Rosie Class B LLC's entire equity investment in Rosie Central BESS. The Company utilized proceeds from Clearway Renew, along with \$39 million held previously in escrow and \$56 million of the Company's additional purchase price contributed back by CEG, to repay the tax equity bridge loan, to make a distribution to the cash equity investor, to fund construction completion reserves and to pay associated fees. See Note 4, *Investments Accounted for by the Equity Method and Variable Interest Entities*, and Note 7, *Long-term Debt*, for further discussion of the transactions.
- On June 11, 2024, the Company, through its indirect subsidiary, NIMH Solar LLC, refinanced its amended and restated credit agreement, which was scheduled to mature in September 2024, resulting in the issuance of a \$137 million term loan facility, as well as \$17 million in letters of credit in support of debt service and facility obligations. The Company utilized the proceeds from the term loan and existing sources of liquidity to pay off the existing debt. See Note 7, *Long-term Debt*, for further discussion of the refinanced credit agreement.
- On May 1, 2024, when the Victory Pass and Arica solar and BESS facilities reached substantial completion, the Company paid \$165 million to Clearway Renew as additional purchase price, in connection with the Company's acquisition of the Class A membership interests in VP-Arica TargetCo LLC on October 31, 2023. Also on May 1, 2024, the cash equity investor contributed an additional \$347 million, the tax equity investor contributed an additional \$410 million and CEG contributed \$52 million, which were utilized, along with \$103 million held previously in escrow, to repay the cash equity bridge loan, to repay the tax equity bridge loan, to fund construction completion reserves and to pay associated fees. See Note 7, *Long-term Debt*, for further discussion of the transactions.

Environmental Matters

The Company is subject to a wide range of environmental laws during the development, construction, ownership and operation of facilities. These existing and future laws generally require that governmental permits and approvals be obtained before construction and maintained during operation of facilities. The Company is obligated to comply with all environmental laws and regulations applicable within each jurisdiction and required to implement environmental programs and procedures to monitor and control risks associated with the construction, operation and decommissioning of regulated or permitted energy assets. Federal and state environmental laws have historically become more stringent over time, although this trend could change in the future.

The Company's environmental matters are further described in the Company's 2023 Form 10-K in Item 1, *Business — Environmental Matters* and Item 1A, *Risk Factors*.

Regulatory Matters

The following disclosures about the Company's regulatory matters provide an update to, and should be read in conjunction with, Item 1, *Business — Regulatory Matters* and Item 1A, *Risk Factors*, of the Company's 2023 Form 10-K.

On March 6, 2024, the SEC adopted a new set of rules that require a wide range of climate-related disclosures, including material climate-related risks, information on any climate-related targets or goals that are material to the registrant's business, results of operations or financial condition, Scope 1 and Scope 2 GHG emissions on a phased-in basis by certain larger registrants when those emissions are material and the filing of an attestation report covering the same, and disclosure of the financial statement effects of severe weather events and other natural conditions including costs and losses. Compliance dates under the final rule are phased in by registrant category. Multiple lawsuits have been filed challenging the SEC's new climate rules, which have been consolidated and will be heard in the U.S. Court of Appeals for the Eighth Circuit. On April 4, 2024, the SEC issued an order staying the final rules until judicial review is complete.

Consolidated Results of Operations

The following table provides selected financial information:

(In millions)	Three months ended September 30,			Nine months ended September 30,		
	2024	2023	Change	2024	2023	Change
Operating Revenues						
Energy and capacity revenues	\$ 437	\$ 416	\$ 21	\$ 1,176	\$ 1,099	\$ 77
Other revenues	23	20	3	69	80	(11)
Contract amortization	(46)	(47)	1	(138)	(141)	3
Mark-to-market for economic hedges	72	(18)	90	8	27	(19)
Total operating revenues	486	371	115	1,115	1,065	50
Operating Costs and Expenses						
Cost of fuels	19	32	(13)	35	48	(13)
Operations and maintenance	87	78	9	256	237	19
Mark-to-market for economic hedges	—	—	—	3	—	3
Other costs of operations	29	24	5	84	75	9
Depreciation, amortization and accretion	164	133	31	471	389	82
General and administrative	9	8	1	28	27	1
Transaction and integration costs	—	1	(1)	4	3	1
Total operating costs and expenses	308	276	32	881	779	102
Operating Income	178	95	83	234	286	(52)
Other Income (Expense)						
Equity in earnings of unconsolidated affiliates	13	11	2	33	11	22
Other income, net	8	15	(7)	36	32	4
Loss on debt extinguishment	—	—	—	(3)	—	(3)
Derivative interest (expense) income	(57)	33	(90)	(33)	34	(67)
Other interest expense	(82)	(81)	(1)	(251)	(236)	(15)
Total other expense, net	(118)	(22)	(96)	(218)	(159)	(59)
Net Income	60	73	(13)	16	127	(111)
Less: Net loss attributable to noncontrolling interests and redeemable noncontrolling interests	(58)	(32)	(26)	(183)	(62)	(121)
Net Income Attributable to Clearway Energy LLC	\$ 118	\$ 105	\$ 13	\$ 199	\$ 189	\$ 10

Business metrics:	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Solar MWh generated/sold (in thousands) ^(a)	2,943	1,822	6,999	4,232
Wind MWh generated/sold (in thousands) ^(a)	2,012	2,085	7,478	7,262
Renewables MWh generated/sold (in thousands) ^(a)	4,955	3,907	14,477	11,494
Solar weighted-average capacity factor ^(b)	38.9 %	34.2 %	32.5 %	31.7 %
Wind weighted-average capacity factor ^(c)	22.4 %	24.0 %	29.4 %	28.9 %
Conventional MWh generated (in thousands)	445	551	695	778
Conventional equivalent availability factor	87.5 %	97.9 %	90.3 %	87.5 %

^(a) Volumes do not include the MWh generated/sold by the Company's equity method investments.

^(b) Typical average capacity factors for solar facilities is 25%. The weighted-average capacity factors can vary based on seasonality and weather.

^(c) Typical average capacity factors for wind facilities is 25-45%. The weighted-average capacity factors can vary based on seasonality and weather.

Management's Discussion of the Results of Operations for the Three Months Ended September 30, 2024 and 2023

Operating Revenues

Operating revenues increased by \$115 million during the three months ended September 30, 2024, compared to the same period in 2023, due to a combination of the drivers summarized in the table below:

		(In millions)
Conventional Segment	Decrease in energy revenue primarily driven by lower prices from merchant operations at the Walnut Creek and Marsh Landing facilities, offset in part by lower cost of fuels as noted below.	\$ (22)
	Decrease primarily driven by lower prices for capacity revenue due to the PPA expiration and commencement of RA capacity revenue at the El Segundo facility during the third quarter of 2023.	(9)
Renewables Segment	Increase driven by the Daggett 2, Daggett 3, Victory Pass and Arica solar and BESS acquisitions, which reached commercial operations in December 2023, July 2023, March 2024 and April 2024, respectively, the acquisitions of Texas Solar Nova 1 and Texas Solar Nova 2 in December 2023 and March 2024, respectively, and the Rosamond Central BESS acquisition, which reached commercial operations in June 2024.	51
	Increase driven by the acquisition of the Cedar Creek wind facility in April 2024.	4
Contract amortization	Increase driven by PPA amortization for various facilities.	1
Mark-to-market economic hedging activities	Increase primarily driven by decreases in forward power prices in the ERCOT and PJM markets.	90
		<u>\$ 115</u>

Cost of Fuels

Cost of fuels decreased by \$13 million during the three months ended September 30, 2024, compared to the same period in 2023, primarily driven by lower prices on fuel purchases at the Walnut Creek and Marsh Landing facilities.

Interest Expense

Interest expense increased by \$91 million during the three months ended September 30, 2024, compared to the same period in 2023, primarily due to the following:

		(In millions)
Change in fair value of interest rate swaps due to changes in interest rates		\$ 90
Increase in interest expense due to an increase in principal balances for the Renewables segment primarily due to solar and BESS acquisitions		2
Other		(1)
		<u>\$ 91</u>

Net Loss Attributable to Noncontrolling Interests and Redeemable Noncontrolling Interests

For the three months ended September 30, 2024, the Company had a net loss of \$58 million attributable to noncontrolling interests and redeemable noncontrolling interests comprised of the following:

		(In millions)
Losses attributable to tax equity financing arrangements and the application of the HLBV method (primarily due to VP-Arica TE Holdco LLC and Rosie TE HoldCo LLC HLBV losses)		\$ (112)
Income attributable to third-party partnerships (primarily due to VP-Arica TE Holdco LLC and Rosie TE Holdco LLC HLBV losses)		54
		<u>\$ (58)</u>

For the three months ended September 30, 2023, the Company had a net loss of \$32 million attributable to noncontrolling interests and redeemable noncontrolling interests comprised of the following:

	(In millions)
Losses attributable to tax equity financing arrangements and the application of the HLBV method (primarily due to Daggett TE Holdco LLC HLBV losses)	\$ (161)
Income attributable to third-party partnerships (primarily due to Daggett TE Holdco LLC HLBV losses)	129
	<u>\$ (32)</u>

Management's Discussion of the Results of Operations for the Nine Months Ended September 30, 2024 and 2023

Operating Revenues

Operating revenues increased by \$50 million during the nine months ended September 30, 2024, compared to the same period in 2023, due to a combination of the drivers summarized in the table below:

		(In millions)
Conventional Segment	Decrease primarily driven by lower prices for capacity revenue due to the expiration of PPAs and commencement of RA capacity revenue at the Walnut Creek and Marsh Landing facilities during the second quarter of 2023 and the El Segundo facility during the third quarter of 2023.	\$ (75)
	Decrease driven by the sales-type lease revenue recognition of the Marsh Landing Black Start addition during the second quarter of 2023.	(21)
Renewables Segment	Increase primarily driven by higher energy revenue due to the commencement of merchant operations following the expiration of PPAs at the Walnut Creek, Marsh Landing and El Segundo facilities during 2023.	9
	Increase driven by the Daggett 2, Daggett 3, Victory Pass and Arica solar and BESS acquisitions, which reached commercial operations in December 2023, July 2023, March 2024 and April 2024, respectively, the acquisition of Texas Solar Nova 1 and Texas Solar Nova 2 in December 2023 and March 2024, respectively, and the Rosamond Central BESS acquisition, which reached commercial operations in June 2024.	105
	Increase primarily driven by higher wind production at the Alta wind facilities.	39
	Increase driven by the acquisition of the Cedar Creek wind facility in April 2024.	9
Contract amortization	Increase primarily driven by the Walnut Creek PPA, which was fully amortized during the second quarter of 2023.	3
Mark-to-market economic hedging activities	Decrease primarily driven by an increase in forward power prices in the PJM market.	(28)
	Increase due to heat rate call option contracts entered into by El Segundo, Marsh Landing and Walnut Creek during the third quarter of 2023.	9
		\$ 50

Cost of Fuels

Cost of fuels decreased by \$13 million during the nine months ended September 30, 2024, compared to the same period in 2023, primarily due to the associated costs of the sales-type lease recognition of the Marsh Landing Black Start addition during the second quarter of 2023.

Operations and Maintenance

Operations and maintenance expense increased by \$19 million during the nine months ended September 30, 2024, compared to the same period in 2023, primarily due to solar and BESS acquisitions.

Depreciation, Amortization and Accretion

Depreciation, amortization and accretion increased \$82 million during the nine months ended September 30, 2024, compared to the same period in 2023, primarily due to the acquisitions of the Daggett 2, Daggett 3, Victory Pass and Arica solar and BESS facilities, Texas Solar Nova 1 and Texas Solar Nova 2.

Equity in Earnings of Unconsolidated Affiliates

Equity in earnings of unconsolidated affiliates increased by \$22 million during nine months ended September 30, 2024, compared to the same period in 2023, due to changes in the fair value of interest rate swaps, lower depreciation expense and higher wind production.

Interest Expense

Interest expense increased by \$82 million during the nine months ended September 30, 2024, compared to the same period in 2023, primarily due to the following:

	(In millions)
Change in fair value of interest rate swaps due to changes in interest rates	\$ 67
Increase in interest expense due to an increase in principal balances for the Renewables segment primarily due to solar and BESS acquisitions	18
Other	(3)
	<u>\$ 82</u>

Net Loss Attributable to Noncontrolling Interests and Redeemable Noncontrolling Interests

For the nine months ended September 30, 2024, the Company had a net loss of \$183 million attributable to noncontrolling interests and redeemable noncontrolling interests comprised of the following:

	(In millions)
Losses attributable to tax equity financing arrangements and the application of the HLBV method (primarily due to VP-Arica TE Holdco LLC, Rosie TE HoldCo LLC, Daggett TE Holdco LLC and Daggett 2 TE Holdco LLC HLBV losses)	\$ (307)
Income attributable to third-party partnerships (primarily due to VP-Arica TE Holdco LLC, Rosie TE Holdco LLC, Daggett TE Holdco LLC and Daggett 2 TE Holdco LLC HLBV losses)	124
	<u>\$ (183)</u>

For the nine months ended September 30, 2023, the Company had a net loss of \$62 million attributable to noncontrolling interests and redeemable noncontrolling interests comprised of the following:

	(In millions)
Losses attributable to tax equity financing arrangements and the application of the HLBV method (primarily due to Daggett TE Holdco LLC HLBV losses during the third quarter of 2023)	\$ (205)
Income attributable to third-party partnerships (primarily due to Daggett TE Holdco LLC HLBV losses during the third quarter of 2023)	143
	<u>\$ (62)</u>

Liquidity and Capital Resources

The Company's principal liquidity requirements are to meet its financial commitments, finance current operations, fund capital expenditures, including acquisitions from time to time, service debt and pay distributions. As a normal part of the Company's business, depending on market conditions, the Company will from time to time consider opportunities to repay, redeem, repurchase or refinance its indebtedness. Changes in the Company's operating plans, lower than anticipated sales, increased expenses, acquisitions or other events may cause the Company to seek additional debt or equity financing in future periods. There can be no guarantee that financing will be available on acceptable terms or at all. Debt financing, if available, could impose additional cash payment obligations and additional covenants and operating restrictions.

Current Liquidity Position

As of September 30, 2024 and December 31, 2023, the Company's liquidity was approximately \$1.27 billion and \$1.51 billion, respectively, comprised of cash, restricted cash and availability under the Company's revolving credit facility.

(In millions)	September 30, 2024	December 31, 2023
Cash and cash equivalents:		
Clearway Energy LLC, excluding subsidiaries	\$ 90	\$ 410
Subsidiaries	202	125
Restricted cash:		
Operating accounts	183	176
Reserves, including debt service, distributions, performance obligations and other reserves	199	340
Total cash, cash equivalents and restricted cash	674	1,051
Revolving credit facility availability	592	454
Total liquidity	\$ 1,266	\$ 1,505

The Company's liquidity includes \$382 million and \$516 million of restricted cash balances as of September 30, 2024 and December 31, 2023, respectively. Restricted cash consists primarily of funds to satisfy the requirements of certain debt arrangements and funds held within the Company's facilities that are restricted in their use. As of September 30, 2024, these restricted funds were comprised of \$183 million designated to fund operating expenses, approximately \$71 million designated for current debt service payments and \$89 million restricted for reserves including debt service, performance obligations and other reserves, as well as capital expenditures. The remaining \$39 million is held in distribution reserve accounts.

Clearway Energy LLC and Clearway Energy Operating LLC Revolving Credit Facility

As of September 30, 2024, the Company had no outstanding borrowings under the revolving credit facility and \$108 million in letters of credit outstanding. The facility will continue to be used for general corporate purposes including financing of future acquisitions and posting letters of credit.

Management believes that the Company's liquidity position, cash flows from operations and availability under its revolving credit facility will be adequate to meet the Company's financial commitments; debt service obligations; growth, operating and maintenance capital expenditures; and to fund distributions to Clearway, Inc. and CEG. Management continues to regularly monitor the Company's ability to finance the needs of its operating, financing and investing activity within the dictates of prudent balance sheet management.

Credit Ratings

Credit rating agencies rate a firm's public debt securities. These ratings are utilized by the debt markets in evaluating a firm's credit risk. Ratings influence the price paid to issue new debt securities by indicating to the market the Company's ability to pay principal, interest and preferred dividends. Rating agencies evaluate a firm's industry, cash flow, leverage, liquidity and hedge profile, among other factors, in their credit analysis of a firm's credit risk. As of September 30, 2024, the Company's 2028 Senior Notes, 2031 Senior Notes and 2032 Senior Notes were rated BB by S&P and Ba2 by Moody's.

Sources of Liquidity

The Company's principal sources of liquidity include cash on hand, cash generated from operations, proceeds from sales of assets, borrowings under new and existing financing arrangements and the issuance of additional equity and debt securities by Clearway, Inc. or the Company as appropriate given market conditions. As described in Note 7, *Long-term Debt*, to this Form 10-Q and Item 15 — Note 10, *Long-term Debt*, to the consolidated financial statements included in the Company's 2023 Form 10-K, the Company's financing arrangements consist of corporate level debt, which includes Senior Notes, intercompany borrowings with Clearway, Inc. and the revolving credit facility; the ATM Program; and facility-level financings for its various assets.

Capistrano Portfolio Holdco LLC Financing

On October 23, 2024, the Company, through its indirect subsidiary, Capistrano Portfolio Holdco LLC, entered into a financing agreement which included the issuance of a \$121 million term loan, as well as \$42 million in letters of credit in support of debt service and facility obligations. The term loan bears interest at a rate of SOFR plus 1.625% per annum and matures on September 28, 2033. The Company utilized the proceeds from the term loan to pay off the existing debt in the amount of \$63 million related to Broken Bow and Crofton Bluffs and to pay related financing costs.

Natural Gas Holdco LC Facility

On July 25, 2024, the Company, through its indirect subsidiary, Natural Gas Holdco, entered into a financing agreement that provides for a \$200 million letter of credit facility, which is being utilized to support the collateral needs of the Company's merchant conventional facilities and freed up capacity on the Company's corporate revolving credit facility. The letter of credit facility has an initial term of three years and the option for two additional one-year extensions. As of September 30, 2024, \$107 million was outstanding under the letter of credit facility.

Uses of Liquidity

The Company's requirements for liquidity and capital resources, other than for operating its facilities, are categorized as: (i) debt service obligations, as described more fully in Note 7, *Long-term Debt*; (ii) capital expenditures; (iii) off-balance sheet arrangements; (iv) acquisitions and investments, as described more fully in Note 3, *Acquisitions* and Note 4, *Investments Accounted for by the Equity Method and Variable Interest Entities*; and (v) distributions.

Capital Expenditures

The Company's capital spending program is mainly focused on maintenance capital expenditures, consisting of costs to maintain the assets currently operating, such as costs to replace or refurbish assets during routine maintenance, and growth capital expenditures consisting of costs to construct new assets and costs to complete the construction of assets where construction is in process.

For the nine months ended September 30, 2024, the Company used approximately \$237 million to fund capital expenditures, including growth expenditures of \$229 million, primarily in the Renewables segment, funded through construction-related financing. Growth capital expenditures included \$106 million incurred in connection with the Victory Pass and Arica solar and BESS facilities, \$41 million incurred in connection with the Rosamond Central BESS facility, \$28 million incurred in connection with the repowering of the Cedro Hill wind facility, \$18 million incurred in connection with the Texas Solar Nova 1 and Texas Solar Nova 2 facilities, \$14 million incurred in connection with the Daggett 2 solar and BESS facility, \$9 million incurred in connection with the Daggett 3 solar and BESS facility, \$8 million incurred in connection with the Cedar Creek wind facility and \$5 million incurred by other facilities. In addition, the Company incurred \$8 million in maintenance capital expenditures.

Off-Balance Sheet Arrangements

Obligations under Certain Guarantee Contracts

The Company may enter into guarantee arrangements in the normal course of business to facilitate commercial transactions with third parties.

Retained or Contingent Interests

The Company does not have any material retained or contingent interests in assets transferred to an unconsolidated entity.

Obligations Arising Out of a Variable Interest in an Unconsolidated Entity

Variable interest in equity investments — As of September 30, 2024, the Company has several investments with an ownership interest percentage of 50% or less. GenConn is a VIE for which the Company is not the primary beneficiary. The Company's pro-rata share of non-recourse debt held by unconsolidated affiliates was approximately \$290 million as of September 30, 2024. This indebtedness may restrict the ability of these subsidiaries to issue dividends or distributions to the Company.

Contractual Obligations and Commercial Commitments

The Company has a variety of contractual obligations and other commercial commitments that represent prospective cash requirements in addition to the Company's capital expenditure programs, as disclosed in the Company's 2023 Form 10-K.

Acquisitions and Investments

The Company intends to acquire generation assets developed and constructed by CEG, as well as generation assets from third parties where the Company believes its knowledge of the market and operating expertise provides a competitive advantage, and to utilize such acquisitions as a means to grow its business.

Rosamond Central BESS Drop Down and Financing Activities — On June 13, 2024, when the Rosamond Central BESS facility reached substantial completion, the Company paid \$279 million to Clearway Renew as additional purchase price to complete its acquisition of the facility, which occurred on December 1, 2023. The additional purchase price consisted of \$64 million that was funded by the Company from existing sources of liquidity and \$215 million funded through contributions from third-party investors. Including the additional purchase price, the Company's total purchase price was \$349 million, \$80 million of which was funded by the Company with the remaining \$269 million funded through contributions from third-party investors. Clearway Renew utilized the additional proceeds to repay the balance of \$184 million on the loan previously issued to its consolidated subsidiary by Rosie Class B LLC and to redeem Rosie Class B LLC's entire equity investment in Rosie Central BESS of \$28 million. The Company utilized proceeds from Clearway Renew, along with \$39 million held previously in escrow and \$56 million of the Company's additional purchase price that was contributed back by CEG, to repay the tax equity bridge loan, to make a distribution to the cash equity investor, to fund construction completion reserves and to pay associated fees. Additionally, on June 13, 2024, the outstanding construction loans were converted to a term loan.

Victory Pass and Arica Drop Down — On May 1, 2024, when the Victory Pass and Arica solar and BESS facilities reached substantial completion, the Company paid \$165 million to Clearway Renew as additional purchase price, in connection with the Company's acquisition of the Class A membership interests in VP-Arica TargetCo LLC on October 31, 2023, which was funded with existing sources of liquidity. Also on May 1, 2024, the cash equity investor contributed an additional \$347 million, the tax equity investor contributed an additional \$410 million and CEG contributed \$52 million, which were utilized, along with \$103 million held previously in escrow, to repay the cash equity bridge loan, to repay the tax equity bridge loan, to fund construction completion reserves and to pay associated fees. Prior to the repayment of the tax equity bridge loan, the Company borrowed an additional \$62 million during 2024.

Cedar Creek Drop Down — On April 16, 2024, the Company, through its indirect subsidiary, Cedar Creek Wind Holdco LLC, acquired Cedar Creek Holdco LLC, the indirect owner of Cedar Creek, a 160 MW wind facility that is located in Bingham County, Idaho, from Clearway Renew for cash consideration of \$117 million. Cedar Creek Holdco LLC consolidates as primary beneficiary, Cedar Creek TE Holdco LLC, a tax equity fund that owns the Cedar Creek wind facility. Cedar Creek has a 25-year PPA with an investment-grade utility that commenced in March 2024. The acquisition was funded with existing sources of liquidity. Additionally, the Company assumed the facility's financing agreement, which included a construction loan that converted to a term loan at acquisition date along with a cash equity bridge loan and tax equity bridge loan that were both repaid at acquisition date.

Texas Solar Nova 2 Drop Down — On March 15, 2024, the Company, through its indirect subsidiary, TSN1 TE Holdco LLC, acquired Texas Solar Nova 2, a 200 MW solar facility that is located in Kent County, Texas, from Clearway Renew for cash consideration of \$112 million, \$17 million of which was funded by the Company with the remaining \$95 million funded through a contribution from the cash equity investor in Lighthouse Renewable Holdco 2 LLC, which is a partnership. Lighthouse Renewable Holdco 2 LLC indirectly consolidates as primary beneficiary, TSN1 TE Holdco LLC, a tax equity fund that owns Texas Solar Nova 1 and Texas Solar Nova 2. Texas Solar Nova 2 has an 18-year PPA with an investment-grade counterparty that commenced in February 2024. The Company's portion of the purchase price was funded with existing sources of liquidity. Additionally, the Company assumed the facility's financing agreement, which included a tax equity bridge loan that was repaid at acquisition date and a term loan.

Cash Distributions to Clearway, Inc. and CEG

The Company intends to distribute to its unit holders in the form of a quarterly distribution all of the CAFD it generates each quarter less reserves for the prudent conduct of the business, including among others, maintenance capital expenditures to maintain the operating capacity of the Company's assets. Distributions on the Company's units are subject to available capital, market conditions and compliance with associated laws, regulations and other contractual obligations. The Company expects that, based on current circumstances, comparable cash distributions will continue to be paid in the foreseeable future.

The following table lists the distributions paid on the Company's Class A, B, C and D units during the nine months ended September 30, 2024:

	<u>Third Quarter 2024</u>	<u>Second Quarter 2024</u>	<u>First Quarter 2024</u>
Distributions per Class A, B, C and D unit	\$ 0.4171	\$ 0.4102	\$ 0.4033

On October 29, 2024, the Company declared a distribution on its Class A, Class B, Class C and Class D units of \$0.4240 per unit payable on December 16, 2024 to unit holders of record as of December 2, 2024.

Cash Flow Discussion

The following tables reflect the changes in cash flows for the comparative periods:

	Nine months ended September 30,		Change
	2024	2023	
	(In millions)		
Net cash provided by operating activities	\$ 580	\$ 525	\$ 55
Net cash used in investing activities	(674)	(271)	(403)
Net cash used in financing activities	(283)	(94)	(189)

Net Cash Provided by Operating Activities

Changes to net cash provided by operating activities were driven by:	(In millions)
Increase in operating income after adjusting for non-cash items	\$ 49
Increase in distributions from unconsolidated affiliates	4
Increase from changes in working capital primarily driven by the timing of accounts receivable collections and payments of accounts payable	2
	<u>\$ 55</u>

Net Cash Used in Investing Activities

Changes to net cash used in investing activities were driven by:	(In millions)
Increase in cash paid for Drop Down Assets, net of cash acquired	\$ (771)
Increase in capital expenditures	(94)
Decrease in note receivable – affiliate	399
Decrease in investments in unconsolidated affiliates	28
Increase in the return of investment from unconsolidated affiliates	24
Other	11
	<u>\$ (403)</u>

Net Cash Used in Financing Activities

Changes in net cash used in financing activities were driven by:	(In millions)
Increase in contributions from noncontrolling interests and CEG, net of distributions	\$ 1,091
Decrease in tax-related distributions	49
Decrease in payments of debt issuance costs	7
Increase in payments for long-term debt and a decrease in proceeds from issuance of long-term debt	(1,318)
Increase in distributions paid to unit holders	(18)
	<u>\$ (189)</u>

Fair Value of Derivative Instruments

The Company may enter into energy-related commodity contracts to mitigate variability in earnings due to fluctuations in spot market prices. In addition, in order to mitigate interest rate risk associated with the issuance of variable rate debt, the Company enters into interest rate swap agreements.

The tables below disclose the activities of non-exchange traded contracts accounted for at fair value in accordance with ASC 820. Specifically, these tables disaggregate realized and unrealized changes in fair value; disaggregate estimated fair values at September 30, 2024, based on their level within the fair value hierarchy defined in ASC 820; and indicate the maturities of contracts at September 30, 2024. For a full discussion of the Company's valuation methodology of its contracts, see *Derivative Fair Value Measurements* in Note 5, *Fair Value of Financial Instruments*.

<u>Derivative Activity (Losses) Gains</u>	<u>(In millions)</u>
Fair value of contracts as of December 31, 2023	\$ (209)
Contracts realized or otherwise settled during the period	(9)
Changes in fair value	(8)
Fair value of contracts as of September 30, 2024	\$ (226)

<u>Fair Value Hierarchy (Losses) Gains</u>	<u>Fair value of contracts as of September 30, 2024</u>					<u>Total Fair Value</u>
	<u>Maturity</u>					
	<u>1 Year or Less</u>	<u>Greater Than 1 Year to 3 Years</u>	<u>Greater Than 3 Years to 5 Years</u>	<u>Greater Than 5 Years</u>		
	<u>(In millions)</u>					
Level 2	\$ 26	\$ 12	\$ 51	\$ 4	\$	93
Level 3	(43)	(104)	(89)	(83)	\$	(319)
Total	<u>\$ (17)</u>	<u>\$ (92)</u>	<u>\$ (38)</u>	<u>\$ (79)</u>	<u>\$</u>	<u>(226)</u>

The Company has elected to disclose derivative assets and liabilities on a trade-by-trade basis and does not offset amounts at the counterparty master agreement level.

Critical Accounting Policies and Estimates

The Company's discussion and analysis of the financial condition and results of operations are based upon the consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements and related disclosures in compliance with GAAP requires the application of appropriate technical accounting rules and guidance, as well as the use of estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. The application of these policies necessarily involves judgments regarding future events, including the likelihood of success of particular facilities, legal and regulatory challenges and the fair value of certain assets and liabilities. These judgments, in and of themselves, could materially affect the financial statements and disclosures based on varying assumptions, which may be appropriate to use. In addition, the financial and operating environment may also have a significant effect, not only on the operation of the business, but on the results reported through the application of accounting measures used in preparing the financial statements and related disclosures, even if the nature of the accounting policies has not changed.

On an ongoing basis, the Company evaluates these estimates, utilizing historic experience, consultation with experts and other methods the Company considers reasonable. Actual results may differ substantially from the Company's estimates. Any effects on the Company's business, financial position or results of operations resulting from revisions to these estimates are recorded in the period in which the information that gives rise to the revision becomes known.

The Company identifies its most critical accounting policies as those that are the most pervasive and important to the portrayal of the Company's financial position and results of operations, and that require the most difficult, subjective and/or complex judgments by management regarding estimates about matters that are inherently uncertain. The Company's critical accounting policies include income taxes and valuation allowance for deferred tax assets, accounting utilizing HLBV, acquisition accounting and determining the fair value of financial instruments.

Recent Accounting Developments

See Note 2, *Summary of Significant Accounting Policies*, for a discussion of recent accounting developments.

ITEM 3 — Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to several market risks in its normal business activities. Market risk is the potential loss that may result from market changes associated with the Company's power generation or with an existing or forecasted financial or commodity transaction. The types of market risks the Company is exposed to are commodity price risk, interest rate risk, liquidity risk and credit risk. The following disclosures about market risk provide an update to, and should be read in conjunction with, Item 7A — *Quantitative and Qualitative Disclosures About Market Risk*, of the Company's 2023 Form 10-K.

Commodity Price Risk

Commodity price risks result from exposures to changes in spot prices, forward prices, volatilities and correlations between various commodities, such as electricity, natural gas and emissions credits. The Company manages the commodity price risk of certain of its merchant generation operations by entering into derivative or non-derivative instruments to hedge the variability in future cash flows from forecasted power sales. The portion of forecasted transactions hedged may vary based upon management's assessment of market, weather, operation and other factors.

Based on a sensitivity analysis using simplified assumptions, the impact of a \$0.50 per MWh increase or decrease in power prices across the term of the long-term power commodity contracts would cause a change of approximately \$6 million to the net value of the related derivatives as of September 30, 2024.

Interest Rate Risk

The Company is exposed to fluctuations in interest rates through its issuance of variable rate debt. Exposures to interest rate fluctuations may be mitigated by entering into derivative instruments known as interest rate swaps, caps, collars and put or call options. These contracts reduce exposure to interest rate volatility and result in primarily fixed rate debt obligations when taking into account the combination of the variable rate debt and the interest rate derivative instrument. See Note 6, *Derivative Instruments and Hedging Activities*, for more information.

Most of the Company's subsidiaries enter into interest rate swaps intended to hedge the risks associated with interest rates on non-recourse facility-level debt. See Item 15 — Note 10, *Long-term Debt*, to the Company's audited consolidated financial statements for the year ended December 31, 2023 included in the 2023 Form 10-K for more information about interest rate swaps of the Company's subsidiaries.

If all of the interest rate swaps had been discontinued on September 30, 2024, the counterparties would have owed the Company \$100 million. Based on the credit ratings of the counterparties, the Company believes its exposure to credit risk due to nonperformance by counterparties to its hedge contracts to be insignificant.

The Company has long-term debt instruments that subject it to the risk of loss associated with movements in market interest rates. As of September 30, 2024, a change of 1%, or 100 basis points, in interest rates would result in an approximately \$1 million change in market interest expense on a rolling twelve-month basis.

As of September 30, 2024, the fair value of the Company's debt was \$6.90 billion and the carrying value was \$7.20 billion. The Company estimates that a decrease of 1%, or 100 basis points, in market interest rates would have increased the fair value of its long-term debt by approximately \$328 million.

Liquidity Risk

Liquidity risk arises from the general funding needs of the Company's activities and in the management of the Company's assets and liabilities.

Counterparty Credit Risk

Credit risk relates to the risk of loss resulting from non-performance or non-payment by counterparties pursuant to the terms of their contractual obligations. The Company monitors and manages credit risk through credit policies that include: (i) an established credit approval process; and (ii) the use of credit mitigation measures such as prepayment arrangements or volumetric limits. Risks surrounding counterparty performance and credit could ultimately impact the amount and timing of expected cash flows. The Company seeks to mitigate counterparty risk by having a diversified portfolio of counterparties. See Note 5, *Fair Value of Financial Instruments*, to the consolidated financial statements for more information about concentration of credit risk.

ITEM 4 — Controls and Procedures

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of the Company's management, including its principal executive officer, principal financial officer and principal accounting officer, the Company conducted an evaluation of the effectiveness of the design and operation of its disclosure controls and procedures, as such term is defined in Rules 13a-15(e) or 15d-15(e) of the Exchange Act. Based on this evaluation, the Company's principal executive officer, principal financial officer and principal accounting officer concluded that the disclosure controls and procedures were effective as of the end of the period covered by this Quarterly Report on Form 10-Q.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) during the quarter ended September 30, 2024 that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1 — LEGAL PROCEEDINGS

None.

ITEM 1A — RISK FACTORS

Information regarding risk factors appears in Part I, Item 1A, *Risk Factors*, in the Company's 2023 Form 10-K. There have been no material changes in the Company's risk factors since those reported in its 2023 Form 10-K.

ITEM 2 — UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3 — DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4 — MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5 — OTHER INFORMATION

Disclosure Pursuant to Item 1.01 of Form 8-K – Entry Into a Material Definitive Agreement

In connection with the Company entering into a definitive agreement to acquire 50% of the Class B membership interests in Pine Forest TE HoldCo LLC, as described in Part I, Item 2, *Management's Discussion and Analysis of Financial Condition and the Results of Operations – Significant Events – Drop Down Transactions*, on October 28, 2024, the Company, Clearway, Inc. and CEG amended and restated the Amended and Restated Exchange Agreement, dated as of May 14, 2015, or the First Amended Exchange Agreement, by entering into a Second Amended and Restated Exchange Agreement, or the Second Amended Exchange Agreement, pursuant to which CEG (and certain permitted assignees and permitted transferees who acquire Class B units or Class D units of the Company, or collectively with CEG, the CEG Unitholders) may from time to time cause the Company to exchange their Class B units for shares of Clearway, Inc.'s Class A common stock, or exchange their Class D units for shares of Clearway, Inc.'s Class C common stock, on a one-for-one basis, subject to equitable adjustments for stock splits, stock dividends and reclassifications.

The Second Amended Exchange Agreement amends and restates the First Amended Exchange Agreement to, among other things, provide for an equitable cash settlement, to be paid by the exchanging CEG Unitholder to Clearway, Inc. on the applicable exchange date, for the value of certain assets of Clearway, Inc. that are not held by the Company, including the membership interests of Pine Forest TE HoldCo LLC held by Clearway, Inc. The amount of any such payment will be calculated based on the net present value of the projected discounted cash flow of such assets, using a discount rate equal to the weighted average cost of capital for such assets, and the daily volume-weighted average closing price of Clearway, Inc.'s Class A common stock or Class C common stock, as applicable, for the trailing 30 trading days ending on the second trading day prior to the applicable exchange date. The intent of this amendment is to maintain parity in the value of the shares of Class A or Class C common stock received in return for the Class B or Class D units exchanged, to accommodate investments that may be held directly or indirectly by Clearway, Inc. but that are not held through the Company.

The foregoing description of the Second Amended Exchange Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Second Amended Exchange Agreement, which is filed herewith as Exhibit 10.2 and is incorporated herein by reference.

Insider Trading Plans

During the three months ended September 30, 2024, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6 — EXHIBITS

Number	Description	Method of Filing
10.1	Consulting Agreement, dated as of June 20, 2024, by and between Clearway Energy, Inc. and Christopher Sotos.	Incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on July 30, 2024.
10.2	Second Amended and Restated Exchange Agreement, dated as of October 28, 2024, by and among Clearway Energy, Inc., Clearway Energy LLC and Clearway Energy Group LLC.	Filed herewith.
31.1	Rule 13a-14(a)/15d-14(a) certification of Craig Cornelius.	Filed herewith.
31.2	Rule 13a-14(a)/15d-14(a) certification of Sarah Rubenstein.	Filed herewith.
32	Section 1350 Certification.	Furnished herewith.
101 INS	Inline XBRL Instance Document.	Filed herewith.
101 SCH	Inline XBRL Taxonomy Extension Schema.	Filed herewith.
101 CAL	Inline XBRL Taxonomy Extension Calculation Linkbase.	Filed herewith.
101 DEF	Inline XBRL Taxonomy Extension Definition Linkbase.	Filed herewith.
101 LAB	Inline XBRL Taxonomy Extension Label Linkbase.	Filed herewith.
101 PRE	Inline XBRL Taxonomy Extension Presentation Linkbase.	Filed herewith.
104	Cover Page Interactive Data File (the cover page interactive data file does not appear in Exhibit 104 because its Inline XBRL tags are embedded within the Inline XBRL document).	Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CLEARWAY ENERGY LLC
(Registrant)

/s/ CRAIG CORNELIUS

Craig Cornelius
President and Chief Executive Officer
(Principal Executive Officer)

/s/ SARAH RUBENSTEIN

Sarah Rubenstein
Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Date: October 30, 2024

SECOND AMENDED AND RESTATED EXCHANGE AGREEMENT

This SECOND AMENDED AND RESTATED EXCHANGE AGREEMENT (this "Agreement"), dated as of October 28, 2024, is made by and among Clearway Energy, Inc. (formerly known as NRG Yield, Inc.), a Delaware corporation (the "Corporation"), Clearway Energy LLC (formerly known as NRG Yield LLC), a Delaware limited liability company ("Clearway LLC"), Clearway Energy Group LLC (formerly known as Zephyr Renewables LLC), a Delaware limited liability company ("CEG") and the other Persons from time to time party hereto in accordance with Section 5.1 hereof (collectively with CEG, the "Clearway LLC Unitholders").

WHEREAS, on July 22, 2013, the Corporation, Clearway LLC and NRG Energy, Inc., a predecessor in interest to CEG ("NRG"), entered into the Exchange Agreement (the "Original Exchange Agreement") to provide for the exchange of certain Clearway LLC Units (as defined below) for shares of Class A Common Stock (as defined below), on the terms and subject to the conditions set forth herein.

WHEREAS, in connection with a split as of May 14, 2015 of the Class A Common Stock of the Corporation into a share of Class A Common Stock and a share of Class C Common Stock (as defined below), and a split of the Class B Common Stock (as defined below) into a share of Class B Common Stock and a share of Class D Common Stock (as defined below); and of the recapitalization of each Class A Unit (as defined below) of Clearway LLC into a Class A Unit and a Class C Unit (as defined below), and the recapitalization of each Class B Unit (as defined below) of Clearway LLC into a Class B Unit and a Class D Unit (as defined below), the Corporation, Clearway LLC and NRG entered into the Amended and Restated Exchange Agreement, dated as of May 14, 2015 (the "First Amended Exchange Agreement"), to amend and restate the Original Exchange Agreement in its entirety;

WHEREAS, the parties desire to enter into this Agreement to amend and restate the First Amended Exchange Agreement in its entirety; and

WHEREAS, each of the Corporation and CEG are the existing holders of all the outstanding units of Clearway LLC, and pursuant to Section 5.7 of the First Amended Exchange Agreement desire to provide, and hereby provide, written consent to the amendments made to the First Amended Exchange Agreement by this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

SECTION 1.1 Effective Time.

This Agreement shall be effective as of the date above written (the "Effective Time").

SECTION 1.2 Definitions.

Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Clearway LLC Operating Agreement (as defined below), and the following definitions

shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

“AAA” has the meaning set forth in Section 5.9(a) of this Agreement.

“Class A Common Stock” means the Class A common stock, par value \$0.01 per share, of the Corporation.

“Class A Common Stock Sale” has the meaning set forth in Section 3.1(a) of this Agreement.

“Class B Common Stock” means the Class B common stock, par value \$0.01 per share, of the Corporation.

“Class C Common Stock” means the Class C common stock, par value \$0.01 per share, of the Corporation.

“Class C Common Stock Sale” has the meaning set forth in Section 3.1(a) of this Agreement.

“Class D Common Stock” means the Class B common stock, par value \$0.01 per share, of the Corporation.

“Class A Units” means the Class A Units of Clearway LLC, with such rights and privileges as set forth in the Clearway LLC Operating Agreement.

“Class B Units” means the Class B Units of Clearway LLC, with such rights and privileges as set forth in the Clearway LLC Operating Agreement.

“Class C Units” means the Class C Units of Clearway LLC, with such rights and privileges as set forth in the Clearway LLC Operating Agreement.

“Class D Units” means the Class D Units of Clearway LLC, with such rights and privileges as set forth in the Clearway LLC Operating Agreement.

“Clearway Finance” means Clearway Energy Finance Inc., a Delaware corporation, or its successor, together with its subsidiaries.

“Clearway LLC Operating Agreement” means the Fourth Amended and Restated Limited Liability Company Agreement of Clearway LLC, dated as of August 31, 2018, as such agreement may be amended from time to time in accordance with the terms thereof.

“Clearway LLC Unit” means (i) each of the Class B Units or Class D Units of Clearway LLC now or hereafter held by any Clearway LLC Unitholder and (ii) any other interest in Clearway LLC that may be issued by Clearway LLC in the future that is designated by the Corporation as a “Clearway LLC Unit” for purposes of this Agreement.

“Clearway LLC Unitholder” has the meaning set forth in the preamble of this Agreement.

“Clearway LLC Unit Redemption” has the meaning set forth in Section 3.1(a) of this Agreement.

“Code” means the Internal Revenue Code of 1986, as amended.

“CWEN VWAP” means the daily volume-weighted average closing trading price of Class A Common Stock (in the case of an Exchange of Class B Units) or Class C Common Stock (in the case of an Exchange of Class D Units), as applicable, on the national securities exchange on which such shares of common stock are listed or admitted to trading for the trailing 30 Trading Days ending on the second Trading Day prior to the Exchange Date.

“DTC” has the meaning set forth in Section 2.1(b) of this Agreement.

“Effective Time” has the meaning set forth in Section 1.1 of this Agreement.

“Election of Exchange” has the meaning set forth in Section 2.1(b) of this Agreement.

“Exchange” has the meaning set forth in Section 2.1(a) of this Agreement.

“Exchange Date” has the meaning set forth in Section 2.1(b) of this Agreement.

“Exchange Rate” means the number of shares of Class A Common Stock for which a Class B Unit is entitled to be Exchanged, or the number of shares of Class C Common Stock for which a Class D Unit is entitled to be Exchanged. As of the Effective Time, the Exchange Rate shall be 1.0, subject to adjustment pursuant to Section 2.2 of this Agreement.

“External Asset Value” means the net present value of the projected discounted cash flow of Clearway Finance, applying the Uniform Standards of Professional Appraisal Practice and using a discount rate equal to the weighted average cost of capital for Clearway Finance.

“First Amended Exchange Agreement” has the meaning set forth in the recitals of this Agreement.

“Original Exchange Agreement” has the meaning set forth in the recitals of this Agreement.

“Permitted Transferee” has the meaning set forth in Section 5.1 of this Agreement.

“Person” means any individual, partnership, corporation, limited liability company, trust or other entity, including any governmental entity.

“Requisite Holders” means, as of the applicable determination date, each Clearway LLC Unitholder, if any, who, together with its Affiliates and Permitted Transferees, beneficially owns at least a majority of the then outstanding Clearway LLC Units (excluding any Clearway LLC Units held by the Corporation or any of its subsidiaries).

“Takeover Laws” has the meaning set forth in Section 4.1 of this Agreement.

“Trading Day” means a day on which the principal national securities exchange on which shares of the Class A Common Stock and Class C Common Stock are listed or admitted to trading is open for the transaction of business.

ARTICLE II

SECTION 2.1 Exchange of Clearway LLC Units for Class A and Class C Common Stock.

(a) Each holder of Class B Units shall be entitled at any time, and from time to time, upon the terms and subject to the conditions hereof and the Clearway LLC Operating Agreement, to surrender Class B Units to Clearway LLC in exchange for the delivery to the exchanging Clearway LLC Unitholder of a number of shares of Class A Common Stock that is equal to the product of the number of the Class B Units surrendered multiplied by the Exchange Rate (each such exchange, and each exchange of Class D Units for shares of Class C Common Stock described in the following sentence, an “Exchange”); provided that, (i) each Exchange shall be for a minimum of the lesser of 1,000 Class B Units or all of the Class B Units held by such Clearway LLC Unitholder and (ii) such exchanging Clearway LLC Unitholder must be the record holder of the number of shares of Class B Common Stock that is equal to the number of Clearway LLC Units surrendered. In addition, each holder of Class D Units shall be entitled at any time, and from time to time, upon the terms and subject to the conditions hereof and the Clearway LLC Operating Agreement, to surrender Class D Units to Clearway LLC in exchange for the delivery to the exchanging Clearway LLC Unitholder of a number of shares of Class C Common Stock that is equal to the product of the number of the Class D Units surrendered multiplied by the Exchange Rate; provided that, (i) each Exchange shall be for a minimum of the lesser of 1,000 Class D Units or all of the Class D Units held by such Clearway LLC Unitholder and (ii) such exchanging Clearway LLC Unitholder must be the record holder of the number of shares of Class D Common Stock that is equal to the number of Clearway LLC Units surrendered.

(b) A Clearway LLC Unitholder shall exercise its right to Exchange Clearway LLC Units as set forth in Section 2.1(a) above by delivering to the Corporation and to Clearway LLC a written election of exchange in respect of the Clearway LLC Units to be exchanged substantially in the form of Exhibit A hereto (an “Election of Exchange”), duly executed by such holder or such holder’s duly authorized representative, in each case delivered during normal business hours at the principal executive offices of the Corporation and of Clearway LLC. An Election of Exchange may specify that the Exchange is to be contingent (including as to timing) upon the occurrence of any transaction or event, including the consummation of a purchase by another Person (whether in a tender or exchange offer, an underwritten offering or otherwise) of shares of Class A Common Stock or Class C Common Stock, or any merger, consolidation or other business combination. Subject to (i) Section 2.4(b) of this Agreement, (ii) the determination of any External Asset Value or any amount required to be paid under Section 2.5 of this Agreement, (iii) the payment by the applicable Clearway LLC Unitholder of any amount required to be paid under Section 2.1(c) or Section 2.5 and (iv) the surrender to Clearway LLC of the unit certificates, if any, and duly executed unit powers associated with the Clearway LLC Units subject to the Exchange, the Exchange shall be deemed to have been effected on (A) the Business Day immediately following receipt of the applicable Election of Exchange or (B) such later date specified in or pursuant to the applicable Election of Exchange (such date specified in clause (A) or (B), as applicable, the “Exchange Date”), and as promptly as practicable following the applicable Exchange Date, the Corporation shall deliver or cause to be delivered at the offices of the then-acting registrar and transfer agent of the Class A Common Stock or Class C Common Stock, as applicable, or, if there is no then-acting registrar and transfer agent of the Class A Common Stock or the Class C Common Stock, at the principal executive offices of Clearway LLC, the number of shares of Class A Common Stock or Class C Common Stock, as applicable, deliverable upon such Exchange, registered in the name of the relevant exchanging Clearway LLC Unitholder (or its designee). To the extent the Class A Common Stock or Class C Common Stock is settled through the facilities of The Depository Trust Company (the “DTC”), the Corporation will, subject to Section 2.1(c) below, upon the written instruction of an exchanging Clearway LLC Unitholder, use its commercially reasonable efforts to deliver the shares of Class A Common Stock or Class C Common Stock deliverable to such

exchanging Clearway LLC Unitholder, through the facilities of the DTC, to the account of the participant of the DTC designated by such exchanging Clearway LLC Unitholder. Notwithstanding anything herein to the contrary, any exchanging Clearway LLC Unitholder may withdraw or amend an Election of Exchange, in whole or in part, prior to the effectiveness of the Exchange, at any time prior to 5:00 p.m., New York City time, on the second Business Day immediately preceding the Exchange Date (or any such later time as may be required by applicable law) by delivery of a written notice of withdrawal to the Corporation and to Clearway LLC, specifying (1) the number of Clearway LLC Units being withdrawn, (2) the number of Clearway LLC Units, if any, as to which the Election of Exchange remains in effect and (3) if such exchanging Clearway LLC Unitholder so determines, a new Exchange Date or any other new or revised information permitted in an Election of Exchange. On the Exchange Date, all rights of the exchanging Clearway LLC Unitholder as a holder of such Clearway LLC Units shall cease and such Clearway LLC Units shall automatically be reclassified pursuant to Section 3.2(c)(i) of the Clearway LLC Operating Agreement and delivered to the Corporation by Clearway LLC pursuant to Section 3.2(c)(ii) of the Clearway LLC Operating Agreement. Such exchanging Clearway LLC Unitholder shall be treated for all purposes as having become the record holder of such shares of Class A Common Stock or Class C Common Stock, as applicable, on the Exchange Date. In connection with such Exchange, the Corporation shall automatically cancel shares of Class B Common Stock held by an exchanging holder of Class B Units in an amount equal to the number of Class B Units being exchanged in accordance with this Section 2.1, without any payment for such shares of Class B Common Stock; and the Corporation shall automatically cancel shares of Class D Common Stock held by an exchanging holder of Class D Units in an amount equal to the number of Class D Units being exchanged in accordance with this Section 2.1, without any payment for such shares of Class D Common Stock. The Corporation shall take such actions as may be required to ensure the performance by Clearway LLC of its obligations under this Section 2.1(b) and the foregoing Section 2.1(a).

(c) Clearway LLC, the Corporation and the exchanging Clearway LLC Unitholder shall bear their own expenses in connection with the consummation of any Exchange, whether or not any such Exchange is ultimately consummated, except that Clearway LLC shall bear any transfer taxes, stamp taxes or duties, or other similar taxes in connection with, or arising by reason of, any Exchange; provided, however, that if any shares of Class A Common Stock or Class C Common Stock are to be delivered in a name other than that of the Clearway LLC Unitholder that requested the Exchange, then such Clearway LLC Unitholder and/or the Person in whose name such shares are to be delivered shall pay to Clearway LLC the amount of any transfer taxes, stamp taxes or duties, or other similar taxes in connection with, or arising by reason of, such Exchange or shall establish to the reasonable satisfaction of Clearway LLC that such tax has been paid or is not payable.

(d) Each of the Corporation and Clearway LLC covenants and agrees that it will not take any action that would pose a material risk that Clearway LLC could be treated as a “publicly traded partnership” within the meaning of Section 7704 of the Code. Notwithstanding anything to the contrary herein, no Exchange shall be permitted (and, if attempted, shall be void ab initio) if, in the good faith determination of the Corporation or of Clearway LLC, such an Exchange would pose a material risk that Clearway LLC would be a “publicly traded partnership” within the meaning of Section 7704 of the Code.

(e) For the avoidance of doubt, and notwithstanding anything to the contrary herein, a Clearway LLC Unitholder shall not be entitled to Exchange Clearway LLC Units to the extent the Corporation or Clearway LLC reasonably determines in good faith that such Exchange (i) would be prohibited by applicable law or regulation or (ii) would not be permitted under any other agreement

with the Corporation or its subsidiaries to which such Clearway LLC Unitholder is then subject (including, without limitation, the Clearway LLC Operating Agreement) or any written policies of the Corporation or Clearway LLC relating to insider trading then applicable to such Clearway LLC Unitholder. For the avoidance of doubt, no Exchange shall be deemed to be prohibited by any law or regulation pertaining to the registration of securities if such securities have been so registered or if any exemption from such registration requirements is reasonably available.

SECTION 2.2 Adjustment.

(a) The Exchange Rate shall be adjusted accordingly if there is: (i) any subdivision (by any unit split, unit distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse unit split, reclassification, reorganization, recapitalization or otherwise) of the Class A Units, Class B Units, Class C Units or Class D Units that is not accompanied by an identical subdivision or combination of the Class A Common Stock, Class B Common Stock, Class C Common Stock or Class D Common Stock; (ii) any subdivision (by any stock split, stock dividend or distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse stock split, reclassification, reorganization, recapitalization or otherwise) of the Class A Common Stock or Class C Common Stock that is not accompanied by an identical subdivision or combination of the Class A Units or Class B Units, or the Class C Units or Class D Units; (iii) other than in connection with a Class A Common Stock Sale or a Class C Common Stock Sale, (A) any issuance of shares of (x) Class A Common Stock or Class C Common Stock by the Corporation or (y) Class A Units or Class C Units to the Corporation that is not accompanied by (B) the issuance of an identical number of (x) Class A Units or Class C Units to the Corporation (in the case of clause (iii)(A)(x)) or (y) shares of Class A Common Stock or Class C Common Stock (in the case of clause (iii)(A)(y)), as applicable; or (iv) (A) any issuance of (x) shares of Class B Common Stock or Class D Common Stock by the Corporation or (y) Class B Units or Class D Units to CEG or its Permitted Transferees that is not accompanied by (B) the issuance of an identical number of (x) Class B Units or Class D Units, as applicable to CEG or to its Permitted Transferees (in the case of clause (iv)(A)(x)) or (y) shares of Class B Common Stock or Class D Common Stock to CEG or its Permitted Transferees (in the case of clause (iv)(A)(y)).

(b) If there is (i) any reclassification, reorganization, recapitalization or other similar transaction in which the Class A Common Stock or the Class C Common Stock is converted or changed into another security, securities or other property or (ii) any subdivision (by any split, distribution or dividend, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse split, reclassification, recapitalization or otherwise) of such security, securities or other property that occurs after the effective time of such reclassification, reorganization, recapitalization or other similar transaction, then upon any subsequent Exchange, an exchanging Clearway LLC Unitholder shall be entitled to receive the amount of such security, securities or other property that such exchanging Clearway LLC Unitholder would have received if such Exchange had occurred immediately prior to the effective date of such reclassification, reorganization, recapitalization or other similar transaction, taking into account any adjustment as a result of any such subdivision (by any split, distribution or dividend, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse split, reclassification, recapitalization or otherwise) of such security, securities or other property that occurs after the effective time of such reclassification, reorganization, recapitalization or other similar transaction. For the avoidance of doubt, if there is any reclassification, reorganization, recapitalization or other similar transaction in which the Class A Common Stock or Class C Common Stock is converted or changed into another security, securities or other property, this Section 2.2 shall continue to be applicable, mutatis mutandis, with respect to such security or other property.

(c) This Agreement shall apply to the Class A Units, Class B Units, Class C Units and Class D Units held by the Corporation, CEG and CEG's Permitted Transferees as of the Effective Time, as well as any Class A Units, Class B Units, Class C Units and Class D Units hereafter acquired by the Corporation, CEG or any of CEG's Permitted Transferees. This Agreement shall apply to, mutatis mutandis, and all references to "Class A Units" and "Class B Units" shall be deemed to include, any security, securities or other property of Clearway LLC which may be issued in respect of, in exchange for or in substitution of Class A Units, Class B Units, Class C Units or Class D Units, as applicable, by reason of any distribution or dividend, split, reverse split, combination, reclassification, reorganization, recapitalization, merger, exchange (other than an Exchange) or other transaction.

SECTION 2.3 Class A Common Stock and Class C Common Stock to be Issued.

(a) The Corporation covenants and agrees to deliver shares of Class A Common Stock and Class C Common Stock, as applicable, that have been registered under the Securities Act with respect to any Exchange to the extent that a registration statement is effective and available for such shares. In the event that any Exchange in accordance with this Agreement is to be effected at a time when any required registration has not become effective or otherwise is unavailable, upon the request and with the reasonable cooperation of the Clearway LLC Unitholder requesting the Exchange, the Corporation shall use its commercially reasonable efforts to promptly facilitate such Exchange pursuant to any reasonably available exemption from such registration requirements. The Corporation shall use its commercially reasonable efforts to list the Class A Common Stock or the Class C Common Stock, as applicable, required to be delivered upon Exchange prior to such delivery upon each national securities exchange or inter-dealer quotation system upon which the outstanding Class A Common Stock or Class C Common Stock, as applicable may be listed or traded at the time of such delivery.

(b) The Corporation shall at all times reserve and keep available out of its authorized but unissued Class A Common Stock and Class C Common Stock, solely for the purpose of issuance upon an Exchange, such number of shares of Class A Common Stock or Class C Common Stock, as shall be deliverable upon any such Exchange; provided that nothing contained herein shall be construed to preclude Clearway LLC from satisfying its obligations in respect of the Exchange of Clearway LLC Units by delivery of Class A Common Stock or Class C Common Stock which is held in the treasury of the Corporation or Clearway LLC or any of their subsidiaries or by delivery of purchased shares of Class A Common Stock or Class C Common Stock (which may or may not be held in the treasury of the Corporation or any subsidiary thereof).

(c) Prior to the Effective Time, the Corporation and Clearway LLC will take all such steps as may be required to cause to qualify for exemption under Rule 16b-3 (d) or (e), as applicable, under the Exchange Act, and be exempt for purposes of Section 16(b) under the Exchange Act, any acquisitions or dispositions of Equity Securities of the Corporation (including derivative securities with respect thereto) and any securities which may be deemed to be Equity Securities or derivative securities of the Corporation for such purposes that result from the transactions contemplated by this Agreement, by each director or officer of the Corporation who may reasonably be expected to be subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to the Corporation upon the registration of any class of Equity Security of the Corporation pursuant to Section 12 of the Exchange Act (with the authorizing resolutions specifying the name of each such officer or director whose acquisition or disposition of securities is to be exempted and the number of securities that may be acquired and disposed of by each such person pursuant to this Agreement).

(d) If any Takeover Law (as defined below) or other similar law or regulation becomes or is deemed to become applicable to this Agreement or any of the transactions contemplated hereby, the Corporation or Clearway LLC shall use its commercially reasonable efforts to render such law or regulation inapplicable to all of the foregoing.

(e) Each of the Corporation and Clearway LLC covenants that all Class A Common Stock and Class C Common Stock issued upon an Exchange will, upon issuance, be validly issued, fully paid and non-assessable, will pass to the applicable exchanging Clearway LLC Unitholder free and clear of any liens, security interests and other encumbrances other than any such liens, security interests or other encumbrances imposed by such exchanging Clearway LLC Unitholder and will not be subject to any preemptive right of stockholders of the Corporation or to any right of first refusal or other right in favor of any Person.

(f) No Exchange shall impair the right of the exchanging Clearway LLC Unitholder to receive any distributions payable on the Clearway LLC Units so exchanged in respect of a record date that occurs prior to the Exchange Date for such Exchange. For the avoidance of doubt, no exchanging Clearway LLC Unitholder shall be entitled to receive, in respect of a single record date, distributions or dividends both on Clearway LLC Units exchanged by such holder and on Class A Common Stock received by such holder in such Exchange.

SECTION 2.4 Withholding; Certification of Non-Foreign Status.

(a) If the Corporation or Clearway LLC shall be required to withhold any amounts by reason of any federal, state, local or foreign tax rules or regulations in respect of any Exchange, the Corporation or Clearway LLC, as the case may be, shall be entitled to take such action as it deems appropriate in order to ensure compliance with such withholding requirements, including, without limitation, at its option withholding shares of Class A Common Stock or Class C Common Stock with a fair market value equal to the minimum amount of any taxes which the Corporation or Clearway LLC, as the case may be, may be required to withhold with respect to such Exchange. To the extent that amounts (or property) are so withheld and paid over to the appropriate taxing authority, such withheld amounts (or property) shall be treated for all purposes of this Agreement as having been paid (or delivered) to the appropriate Clearway LLC Unitholder.

(b) Notwithstanding anything to the contrary herein, each of Clearway LLC and the Corporation may, at its own discretion, require as a condition to the effectiveness of an Exchange that an exchanging Clearway LLC Unitholder deliver to Clearway LLC or the Corporation, as the case may be, a certification of non-foreign status in accordance with Treasury Regulation Section 1.1445-2(b). In the event Clearway LLC or the Corporation has required delivery of such certification but an exchanging Clearway LLC Unitholder is unable to do so, Clearway LLC shall nevertheless deliver or cause to be delivered to the exchanging Clearway LLC Unitholder the Class A Common Stock in accordance with Section 2.1 of this Agreement, but subject to potential withholding as provided in Section 2.4(a).

SECTION 2.5 Settlement of External Asset Value. If, at the time a Clearway LLC Unitholder delivers an Election of Exchange, the Corporation owns any interest in Clearway Finance, the provisions of this Section 2.5 shall apply. The Clearway LLC Unitholder shall specify in the Election of Exchange an Exchange Date that is no less than 32 Trading Days following the delivery of the Election of Exchange. On the applicable Exchange Date, such exchanging Clearway LLC Unitholder shall pay to the Corporation, by wire transfer of immediately available funds, an amount in cash equal

to (i) the External Asset Value multiplied by (ii) a fraction, (A) the numerator of which is the sum of (x) the number of shares of Class A Common Stock that would be deliverable to such exchanging Clearway LLC Unitholder upon the applicable Exchange, multiplied by the CWEN VWAP of the Class A Common Stock, plus (y) the number of shares of Class C Common Stock that would be deliverable to such exchanging Clearway LLC Unitholder upon the applicable Exchange, multiplied by the CWEN VWAP of the Class C Common Stock, and (B) the denominator of which is the sum of (x) the total number of shares of Class A Common Stock outstanding as of immediately prior to such Exchange, multiplied by the CWEN VWAP of the Class A Common Stock, plus (y) the total number of shares of Class C Common Stock outstanding as of immediately prior to such Exchange, multiplied by the CWEN VWAP of the Class C Common Stock.

ARTICLE III

SECTION 3.1 Class A Common Stock and Class C Common Stock Sale.

(a) In connection with any sale by the Corporation of one or more shares of Class A Common Stock or Class C Common Stock for cash (a “Class A Common Stock Sale” or a “Class C Common Stock Sale”, respectively), the Corporation shall transfer the net cash proceeds from such sale (after deducting any underwriters’ discount and commissions and offering expenses payable by the Corporation) to Clearway LLC, and Clearway LLC shall either (i) issue Class A Units (in the case of a Class A Common Stock Sale) or Class C Units (in the case of a Class C Common Stock Sale), in an amount equal to the number of shares of Class A Common Stock or Class C Common Stock related to such sale, to the Corporation, as the managing member of Clearway LLC, in exchange for such net cash proceeds, or (ii) use such net cash proceeds to purchase Clearway LLC Units from one or more Clearway LLC Unitholders (which Clearway LLC Units shall be automatically reclassified into Class A Units or Class C Units, as applicable, in accordance with Section 3.2(b) of the Clearway LLC Operating Agreement) in exchange for the delivery to the Corporation of a number of shares of Class B Common Stock or Class D Common Stock, as applicable, that is equal to the product of the number of Clearway LLC Units purchased multiplied by the Exchange Rate (a “Clearway LLC Unit Redemption”). Alternatively, the Corporation may purchase Class B Units with the cash proceeds of the sale of Class A Common Stock, or Class D Units with the cash proceeds of the sale of Class C Common Stock, directly from CEG (in which case the corresponding Class B Common Stock or Class D Common Stock held by CEG would be surrendered and cancelled), and such Class B Units or the Class D Units purchased by the Corporation would then immediately convert to Class A Units or Class C Units, as applicable. Upon the receipt of the shares of Class B Common Stock or Class D Common Stock specified in clause (ii) of this Section 3.1(a), the Corporation shall cause such shares to be cancelled. To the extent the Class B Common Stock or Class D Common Stock is settled through the facilities of the DTC, the subject Clearway LLC Unitholder(s) will use their commercially reasonable efforts to deliver the shares of Class B Common Stock or Class D Common Stock deliverable to the Corporation in a Clearway LLC Redemption, through the facilities of the DTC, to the account of the participant of the DTC designated by the Corporation. The purchase price to be paid to a Clearway LLC Unitholder for Clearway LLC Units purchased from such Clearway LLC Unitholder pursuant to this Section 3.1(a) shall be determined by applying an adjustment that takes into account External Asset Value in a manner consistent with Section 2.5.

(b) Clearway LLC, the Corporation and the participating Clearway LLC Unitholder(s) shall bear their own expenses in connection with the consummation of any Class A Common Stock Sale, except that Clearway LLC shall bear any transfer taxes, stamp taxes or duties, or

other similar taxes in connection with, or arising by reason of, any Class A Common Stock Sale or Class C Common Stock Sale.

SECTION 3.2 Authorization and Issuance of Additional Units. If the Corporation issues another class or series of Equity Securities (other than the Class A Common Stock, the Class B Common Stock, the Class C Common Stock or the Class D Common Stock), Clearway LLC shall authorize and issue in accordance with Section 3.2(d) of the Clearway LLC Operating Agreement, and the Corporation will use the net proceeds therefrom to purchase, an equal number of membership interests with designations, preferences and other rights and terms that are substantially the same as those of the Corporation's newly-issued Equity Securities. In the event the Corporation elects to redeem any shares of its Class A Common Stock, Class B Common Stock, Class C Common Stock, Class D Common Stock or any other class or series of its Equity Securities for cash, Clearway LLC will, immediately prior to such redemption, redeem an equal number of Class A Units, Class B Units, Class C Units, Class D Units, as applicable, or any other units of the corresponding classes or series, upon the same terms and for the same price as the shares of Class A Common Stock, Class B Common Stock, Class C Common Stock, Class D Common Stock or other Equity Securities of the Corporation so redeemed.

ARTICLE IV

SECTION 4.1 Representations and Warranties of the Corporation and of Clearway LLC. Each of the Corporation and Clearway LLC represents and warrants that (i) it is a corporation or limited liability company duly incorporated or formed and is existing in good standing under the laws of the State of Delaware, (ii) it has all requisite corporate or limited liability company power and authority to enter into and perform this Agreement and to consummate the transactions contemplated hereby and, in the case of the Corporation, to issue the Class A Common Stock, Class B Common Stock, Class C Common Stock and Class D Common Stock in accordance with the terms hereof, (iii) the execution and delivery of this Agreement by it and the consummation by it of the transactions contemplated hereby (including without limitation, in the case of the Corporation, the issuance of the Class A Common Stock, Class B Common Stock, Class C Common Stock and Class D Common Stock) have been duly authorized by all necessary corporate or limited liability company action on its part to the fullest extent of the Corporation's Board of Directors or Clearway LLC's power and authority and to the extent permitted by law, shall not be subject to any "moratorium," "control share acquisition," "business combination," "fair price" or other form of "anti-takeover laws and regulations" of any jurisdiction that may purport to be applicable to this Agreement or the transactions contemplated hereby (collectively, "Takeover Laws"), (iv) this Agreement constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally and (v) the execution, delivery and performance of this Agreement by it and the consummation by it of the transactions contemplated hereby will not (A) result in a violation of its Certificate of Incorporation or Bylaws or other organizational documents or (B) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which it is a party or (C) result in a violation of any law, rule, regulation, order, judgment or decree applicable to the it or by which any property or asset of it is bound or affected, except with respect to clauses (B) or (C) for any conflicts, defaults, accelerations, terminations, cancellations or violations that would not reasonably be expected to have a material adverse effect on it or its business, financial condition or results of operations.

SECTION 4.2 Representations and Warranties of the Clearway LLC Unitholders. Each Clearway LLC Unitholder, severally and jointly, represents and warrants that (i) it is duly incorporated or formed and, to the extent such concept exists in its jurisdiction of organization or formation, is in good standing under the laws of such jurisdiction, (ii) it has all requisite legal capacity and authority to enter into and perform this Agreement and to consummate the transactions contemplated hereby, (iii) the execution and delivery of this Agreement by it of the transactions contemplated hereby have been duly authorized by all necessary corporate or other entity action on the part of such Clearway LLC Unitholder, (iv) this Agreement constitutes a legal, valid and binding obligation of such Clearway LLC Unitholder enforceable against it in accordance with its terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally and (v) the execution, delivery and performance of this Agreement by such Clearway LLC Unitholder and the consummation by such Clearway LLC Unitholder of the transactions contemplated hereby will not (A) result in a violation of the Certificate of Incorporation or Bylaws or other organizational documents of such Clearway LLC Unitholder or (B) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which such Clearway LLC Unitholder is a party or (C) result in a violation of any law, rule, regulation, order, judgment or decree applicable to such Clearway LLC Unitholder, except with respect to clauses (B) or (C) for any conflicts, defaults, accelerations, terminations, cancellations or violations that would not in any material respect result in the unenforceability against such Clearway LLC Unitholder of this Agreement.

ARTICLE V

SECTION 5.1 Additional Clearway LLC Unitholders. To the extent a Clearway LLC Unitholder (including CEG) validly transfers any or all of its Clearway LLC Units to another Person in a transaction in accordance with, and not in contravention of, the Clearway LLC Operating Agreement, then such transferee (each, a "Permitted Transferee") shall have the right to execute and deliver a joinder to this Agreement, in the form of Exhibit B hereto, whereupon such Permitted Transferee shall become a Clearway LLC Unitholder hereunder; provided, however, that such Permitted Transferee shall be subject to any restrictions on Exchange that would have applied to the transferor. To the extent Clearway LLC issues Clearway LLC Units in the future, then the holder of such Clearway LLC Units shall have the right to execute and deliver a joinder to this Agreement, substantially in the form of Exhibit B hereto, whereupon such holder shall become a Clearway LLC Unitholder hereunder.

SECTION 5.2 Addresses and Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by e-mail or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be as specified in a notice given in accordance with this Section 5.2):

- (a) If to the Corporation or to Clearway LLC, to:

300 Carnegie Center, Suite 300
Princeton, New Jersey 08540
Attention: General Counsel
E-mail: OGC@Clearwayenergy.com

(b) If to CEG, as a Clearway LLC Unitholder to:

100 California Street, Suite 650
San Francisco, California 94111
Attention: General Counsel
E-mail: legal@Clearwayenergy.com

(c) If to any other Clearway LLC Unitholder, to the address and other contact information set forth in the records of Clearway LLC from time to time.

SECTION 5.3 Further Action. The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

SECTION 5.4 Binding Effect; No Third Party Beneficiaries. This Agreement shall, from and after the Effective Time, be binding upon and inure to the benefit of all of the parties and their successors, executors, administrators, heirs, legal representatives and permitted assigns, including, without limitation and without the need for an express assignment, any Permitted Transferee, provided that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Clearway LLC Units in violation of the terms of the Clearway LLC Operating Agreement or applicable law. This Agreement shall not be assignable by the Corporation or Clearway LLC without the prior written consent of CEG and the Requisite Holders. In the event the Corporation or Clearway LLC or any of its successors or assigns (i) consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then and in either case, as a condition to such consolidation, merger or transfer, proper provisions shall be made such that the successors and assigns of the Corporation or Clearway LLC, as the case may be, will assume its obligations set forth in this Agreement, and this Agreement shall be enforceable against such successors and assigns. Nothing in this Agreement, express or implied, is intended to or shall confer upon anyone other than the parties and their respective successors and permitted assigns any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

SECTION 5.5 Severability. If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

SECTION 5.6 Integration. This Agreement, together with the Clearway LLC Operating Agreement, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

SECTION 5.7 Amendment. The provisions of this Agreement may be amended, supplemented, waived or modified only by the affirmative vote or written consent of each of the Corporation, Clearway LLC, CEG and the Requisite Holders; provided, however, that no such

amendment, supplement, waiver or modification shall (i) materially alter or change any rights or obligations of any Clearway LLC Unitholders in a manner that is different or prejudicial relative to any other Clearway LLC Unitholders, without the prior written consent of at least two-thirds (2/3) in interest of the Clearway LLC Unitholders (based on the number of Clearway LLC Units held by such holders) affected in such a different or prejudicial manner or (ii) alter, supplement or amend the Exchange Rate as adjusted from time to time pursuant to Section 2.2 hereof (or the adjustments provided therein) without the prior written consent of each affected Clearway LLC Unitholder. Notwithstanding the foregoing, the Corporation, Clearway LLC and CEG, without the consent of any Requisite Holders, may amend, supplement, waive or modify any term of this Agreement to cure any ambiguity, mistake, defect or inconsistency contained herein.

SECTION 5.8 Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition.

SECTION 5.9 Arbitration; Submission to Jurisdiction; Waiver of Jury Trial.

(a) Any dispute, controversy or claim arising out of, relating to or in connection with this Agreement or the transactions contemplated hereby (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration. The arbitration shall take place in Wilmington, Delaware and be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the "AAA") then in effect (except as they may be modified by mutual agreement of the Corporation, Clearway LLC, CEG and the Requisite Holders). The arbitration shall be conducted by three neutral, impartial and independent arbitrators, who shall be appointed by the AAA, at least one of whom shall be a retired judge or a senior partner at one of the nationally recognized Delaware-based law firms. The arbitration award shall be final and binding on the parties. Judgment upon the award may be entered by any court having jurisdiction thereof or having jurisdiction over the relevant party or its assets. The costs of the arbitration shall be borne by the Corporation. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the parties hereto may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each party hereto (i) expressly consents to the application of paragraph (c) of this Section 5.9 to any such action or proceeding and (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate.

(c) EACH PARTY HERETO IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE OR ANY DELAWARE STATE COURT, IN EACH CASE, SITTING IN THE CITY OF WILMINGTON, DELAWARE FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 5.9, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to

obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the forum designated by this paragraph (c) has a reasonable relation to this Agreement, and to the parties' relationship with one another.

(d) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 5.9 and such parties agree not to plead or claim the same, and agree that service of process upon such party in any such action, suit, demand or proceeding shall be effective if notice is given in accordance with Section 5.2.

SECTION 5.10 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission or by e-mail delivery of a “.pdf” format data file) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy, by e-mail delivery of a “.pdf” format data file or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 5.10.

SECTION 5.11 Tax Treatment. This Agreement shall be treated as part of the partnership agreement of Clearway LLC as described in Section 761(c) of the Code and Sections 1.704-1(b)(2)(ii)(h) and 1.761-1(c) of the Treasury Regulations promulgated thereunder. Each party hereto agrees to report each Exchange as a taxable sale of Class B Units or Class D Units by the applicable Clearway LLC Unitholder to the Corporation in exchange for Class A Common Stock (in conjunction with the cancellation of Class B Common Stock) or for Class C Common Stock (in conjunction with the cancellation of Class D Common Stock), and no party shall take a contrary position on any income tax return.

SECTION 5.12 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to specific performance of the terms and provisions hereof, in addition to any other remedy to which they are entitled at law or in equity.

SECTION 5.13 Independent Nature of Clearway LLC Unitholders' Rights and Obligations. The obligations of each Clearway LLC Unitholder hereunder are several and not joint with the obligations of any other Clearway LLC Unitholder, and no Clearway LLC Unitholder shall be responsible in any way for the performance of the obligations of any other Clearway LLC Unitholder hereunder. The decision of each Clearway LLC Unitholder to enter into to this Agreement has been made by such Clearway LLC Unitholder independently of any other Clearway LLC Unitholder. Nothing contained herein, and no action taken by any Clearway LLC Unitholder pursuant hereto, shall be deemed to constitute an action of the Clearway LLC Unitholders as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Clearway LLC Unitholders are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated hereby and the Corporation acknowledges that the Clearway LLC Unitholders are not acting in concert or as a group, and the Corporation will not assert any such claim, with respect to such obligations or the transactions contemplated hereby.

SECTION 5.14 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered, all as of the date first set forth above.

CLEARWAY ENERGY, INC.

By: /s/ Kevin P. Malcarney
Name: Kevin P. Malcarney
Title: Executive Vice President

CLEARWAY ENERGY LLC

By: /s/ Kevin P. Malcarney
Name: Kevin P. Malcarney
Title: Executive Vice President

CLEARWAY ENERGY GROUP LLC

By: /s/ Craig Cornelius
Name: Craig Cornelius
Title: President & Chief Executive Officer

EXHIBIT A
FORM OF
ELECTION OF EXCHANGE

Clearway Energy, Inc.
300 Carnegie Center, Suite 300
Princeton, New Jersey 08540
Attention: General Counsel

Clearway Energy LLC
300 Carnegie Center, Suite 300
Princeton, New Jersey 08540
Attention: General Counsel

Reference is hereby made to the Second Amended and Restated Exchange Agreement, dated as of October 28, 2024, as amended (the "Exchange Agreement"), by and among Clearway Energy, Inc., a Delaware corporation, Clearway Energy LLC, a Delaware limited liability company, Clearway Energy Group LLC, a Delaware limited liability company, and the other Persons from time to time party thereto (as Clearway LLC Unitholders). Capitalized terms used but not defined herein shall have the meanings given to them in the Exchange Agreement.

The undersigned Clearway LLC Unitholder hereby transfers to the Corporation, for the account of Clearway LLC, the number of Clearway LLC Units set forth below in Exchange for shares of Class A Common Stock or Class C Common Stock to be issued in its name as set forth below, as set forth in the Exchange Agreement. [The foregoing transfers shall be [effective as of _____][and] [conditioned upon satisfaction of the following conditions: _____].¹

Legal Name of Clearway LLC Unitholder: _____

Address: _____

Number of Clearway LLC Class B Units to be Exchanged: _____

Number of Clearway LLC Class D Units to be Exchanged: _____

The undersigned hereby represents and warrants that (i) the undersigned has full legal capacity to execute and deliver this Election of Exchange and to perform the undersigned's obligations hereunder; (ii) this Election of Exchange has been duly executed and delivered by the undersigned and is the legal, valid and binding obligation of the undersigned enforceable against it in accordance with the terms thereof or hereof, as the case may be, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and the availability of equitable remedies; (iii) the Clearway LLC Units subject to this Election of Exchange are being transferred free and clear of any pledge, lien, security interest, encumbrance, equities or claim; (iv) no consent, approval, authorization, order, registration or qualification of any third party or with any court or governmental agency or body having

¹ Insert Exchange Date and/or contingency, if applicable.

jurisdiction over the undersigned or the Clearway LLC Units subject to this Election of Exchange is required to be obtained by the undersigned for the transfer of such Clearway LLC Units; and (v) the undersigned is the record holder of shares of Class B Common Stock or Class D Common Stock in an amount equal to at least the number of Clearway LLC Units subject to this Election of Exchange and will retain ownership of such minimum number of shares of Class B Common Stock or Class D Common Stock, as applicable, through the Exchange Date.

The undersigned hereby irrevocably constitutes and appoints any officer of the Corporation or Clearway LLC as the attorney of the undersigned, with full power of substitution and resubstitution in the premises, to do any and all things and to take any and all actions that may be necessary to (i) transfer to the Corporation (A) for the account of Clearway LLC, the Clearway LLC Units subject to this Election of Exchange and (B) the number of shares of Class B Common Stock or Class D Common Stock, as applicable, equal to the number of Clearway LLC Units subject to this Election and Exchange (for redemption and cancellation) and (ii) deliver to the undersigned the shares of Class A Common Stock or Class C Common Stock to be delivered in Exchange for such Clearway LLC Units.

IN WITNESS WHEREOF, the undersigned, by authority duly given, has caused this Election of Exchange to be executed and delivered by the undersigned or by its duly authorized attorney.

Name: _____

Dated: _____

EXHIBIT B
FORM OF
JOINDER AGREEMENT

This Joinder Agreement ("Joinder Agreement") is a joinder to the Second Amended and Restated Exchange Agreement, dated as of October 28, 2024 (as amended, the "Exchange Agreement"), by and among Clearway Energy, Inc., a Delaware corporation, Clearway Energy LLC, a Delaware limited liability company, Clearway Energy Group LLC, a Delaware limited liability company, and the other Persons from time to time party thereto (as Clearway LLC Unitholders). Capitalized terms used but not defined in this Joinder Agreement shall have their meanings given to them in the Exchange Agreement. This Joinder Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware. In the event of any conflict between this Joinder Agreement and the Exchange Agreement, the terms of this Joinder Agreement shall control.

The undersigned hereby joins and enters into the Exchange Agreement having acquired Clearway LLC Units. By signing and returning this Joinder Agreement to the Corporation and to Clearway LLC, the undersigned (i) accepts and agrees to be bound by and subject to all of the terms and conditions of and agreements of a holder of Clearway LLC Units contained in the Exchange Agreement, with all attendant rights, duties and obligations of a Clearway LLC Unitholder thereunder and (ii) makes each of the representations and warranties of a Clearway LLC Unitholder set forth in Section 4.2 of the Exchange Agreement as fully as if such representations and warranties were set forth herein. The parties to the Exchange Agreement shall treat the execution and delivery hereof by the undersigned as the execution and delivery of the Exchange Agreement by the undersigned and, upon receipt of this Joinder Agreement by the Corporation and by Clearway LLC, the signature of the undersigned set forth below shall constitute a counterpart signature to the signature page of the Exchange Agreement.

Name: _____

Address for Notices

With copies to:

Attention: _____

CERTIFICATION

I, Craig Cornelius, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Clearway Energy LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ CRAIG CORNELIUS
Craig Cornelius
President and Chief Executive Officer
(Principal Executive Officer)

Date: October 30, 2024

CERTIFICATION

I, Sarah Rubenstein, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Clearway Energy LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ SARAH RUBENSTEIN

Sarah Rubenstein
*Executive Vice President and Chief Financial
Officer
(Principal Financial Officer and Principal
Accounting Officer)*

Date: October 30, 2024

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Clearway Energy LLC on Form 10-Q for the quarter ended September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

- (1) The Form 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Form 10-Q.

Date: October 30, 2024

/s/ CRAIG CORNELIUS

Craig Cornelius

*President and Chief Executive Officer
(Principal Executive Officer)*

/s/ SARAH RUBENSTEIN

Sarah Rubenstein

*Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)*

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of this Form 10-Q or as a separate disclosure document.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Clearway Energy LLC and will be retained by Clearway Energy LLC and furnished to the Securities and Exchange Commission or its staff upon request.