

# Press Releases 2014

## Brookfield Renewable Reports Third Quarter Results

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NOV 4, 2014

November 4, 2014 – Brookfield Renewable Energy Partners L.P. (TSX: BEP.UN; NYSE: BEP) (“Brookfield Renewable”) today announced financial results for the three and nine months ended September 30, 2014.

“Our full-year results continue to track annual plans and are supported by a strong first half in which results exceeded expectations,” said Richard Legault, President and Chief Executive Officer of Brookfield Renewable. “We are executing on our growth strategy and remain very well positioned to capture market volatility and price increases as the winter months approach in North America. We also continue to make great strides in advancing our development pipeline and recently began construction of a 25 MW hydro facility in Brazil, where our prospects for continued growth remain very strong.”

### Financial Results

Unaudited, US\$ millions (except per unit or otherwise noted)	Three months ended September 30		Nine months ended September 30	
	2014	2013	2014	2013
Generation (GWh)				
- Total	4,383	5,154	16,709	16,954
- Brookfield Renewable's share	3,418	4,415	13,474	14,452
Revenues	\$ 342	\$ 392	\$ 1,296	\$ 1,313
Adjusted EBITDA <sup>(1)</sup>	\$ 223	\$ 260	\$ 943	\$ 936
Funds from operations (FFO) <sup>(1)</sup>	\$ 61	\$ 108	\$ 444	\$ 457
FFO per unit <sup>(1)(2)</sup>	\$ 0.22	\$ 0.41	\$ 1.65	\$ 1.72

(1) Non-IFRS measure. Refer to “Cautionary Statement Regarding Use of Non-IFRS Measures” and “Financial Review for the three and nine months ended September 30, 2014”.

(2) For the three and nine months ended September 30, 2014 weighted average LP units, Redeemable/Exchangeable units and General partnership units totaled 275.6 million and 269.5 million, respectively (2013: 265.3 million and 265.2 million, respectively).

### Review of Operations

For the third quarter, adjusted EBITDA was \$223 million as compared to \$260 million in Q3 2013. Funds from operations (FFO) decreased to \$61 million or \$0.22 per unit as compared with \$108 million or \$0.41 per unit in the prior year which benefited from generation above the long-term average (LTA). The contribution from growth in the portfolio was offset by

lower generation from existing facilities. Average realized price of \$78/MWh was slightly higher than the \$76/MWh realized in Q3 of the prior year and consistent with the largely contracted nature of the portfolio.

Total generation for the three months ended September 30, 2014 was 4,383 GWh, lower than LTA of 5,065 GWh and a decrease of 771 GWh as compared to Q3 2013 in which generation exceeded LTA.

The hydroelectric portfolio generated 3,803 GWh, lower than LTA of 4,280 GWh and a decrease of 736 GWh from the prior year. Recently acquired and commissioned facilities contributed 126 GWh. The year-over-year variance from existing facilities reflects the return to more normal generation levels in the United States following very strong hydrological conditions in the prior year, as well as generation levels that were below LTA in Canada in the current quarter. In Brazil, year-to-date generation is largely consistent with assured levels, however the in-quarter variance reflects our strategy of shifting generation into the first quarter of 2014 from the third quarter to take advantage of more favorable pricing.

Generation from the wind portfolio of 566 GWh was 125 GWh higher compared to the prior year. Our recent acquisition of the wind portfolio in Ireland contributed 174 GWh, partly offsetting the lower than average wind conditions across the rest of the wind portfolio.

For the first nine months of 2014, total generation was 16,709 GWh or 245 GWh lower than the same period in 2013 in which generation was above LTA. Adjusted EBITDA of \$943 million exceeded the prior year by \$7 million while funds from operations was \$444 million (\$1.65 per unit) versus \$457 million (\$1.72 per unit) for the same period in 2013.

The table below summarizes generation by segment and region:

For the three months ended Sep. 30	Generation (GWh) <sup>(1)</sup>			Variance of Results	
	Actual 2014	Actual 2013	LTA 2014	Actual vs. LTA	Actual vs. Prior Year
Hydroelectric generation					
United States	2,183	2,353	2,160	23	(170)
Canada	987	1,292	1,233	(246)	(305)
Brazil	633	894	887	(254)	(261)
	3,803	4,539	4,280	(477)	(736)
Wind Energy					
United States	240	295	341	(101)	(55)
Canada	152	146	238	(86)	6
Europe	174	-	160	14	174
	566	441	739	(173)	125
Other	14	174	46	(32)	(160)
Total generation <sup>(2)</sup>	4,383	5,154	5,065	(682)	(771)

(1) For assets acquired or reaching commercial operation during the year, this figure is calculated from the acquisition or commercial operation date.

(2) Includes 100% of generation from equity-accounted investments.

#### Recent Highlights

In Ireland, three wind projects totalling 137 MW are under construction and proceeding on scope, schedule and budget. The 88 MW Knockacummer project is nearing completion with all 35 turbines in operation and generating revenue. Completion of the 37 MW Killhills and 12 MW Glentane 2 projects are expected by year-end and July 2015, respectively.

Brookfield Renewable has begun construction of the 25 MW Serra dos Cavalinhos I hydro project in Rio Grande do Sul, Brazil. The project represents an estimated capital investment of R\$210 million and is expected to be completed by the end of 2016.

During the quarter, Brookfield Renewable raised its distribution growth target to 5% - 9% annually (previously 3% - 5%), reflecting cash flow growth potential from rising energy prices, development projects with premium return potential, and inflation-linked pricing for contracted assets.

Brookfield Renewable, with its institutional partners, completed the purchase of the remaining 67% interest in the 417 MW Safe Harbor hydroelectric facility on the Susquehanna River in Pennsylvania, following the acquisition of the initial 33% stake in the first quarter of 2014. The facility generates an average of 1,100 GWh annually, possesses storage capabilities supporting daily peaking and is one of the largest conventional hydroelectric facilities in the PJM market.

Recently completed financings include the extension of a \$1.3 billion revolving credit facility to June 2019, a \$480 million financing of the Safe Harbor hydro acquisition, and a €160 million term financing of the Irish wind portfolio. Liquidity at the date of this news release is approximately \$1.1 billion, providing the financial resources and flexibility to fund ongoing growth initiatives.

#### Distribution Declaration

The Board of Directors has declared a quarterly distribution in the amount of \$0.3875 per limited partnership unit, payable on December 31, 2014 to unitholders of record as at the close of business on November 28, 2014. This distribution is consistent with Brookfield Renewable's policy of targeting a long-term, sustainable distribution in the range of 60% to 70% of FFO and which increases on average by 5% to 9% annually.

The regular quarterly dividends on the Brookfield Renewable Power Preferred Equity Inc. preferred shares have also been declared.

#### Distribution Currency Option

The quarterly distributions payable on limited partnership units of Brookfield Renewable Energy Partners are declared in U.S. dollars. Registered and beneficial shareholders who are resident in Canada or the United States may opt to receive their distributions in either U.S. dollars or the Canadian dollar equivalent. Unless they request the Canadian dollar equivalent, shareholders will continue to receive distributions in U.S. dollars (which may be converted for them by the broker or other intermediary, as may currently be the case). The Canadian dollar equivalent of the quarterly distribution will be based on the Bank of Canada noon exchange rate on the record date or, if the record date falls on a weekend or holiday, on the Bank of Canada noon exchange rate of the preceding business day.

Registered shareholders wishing to receive the Canadian dollar distribution equivalent should contact Brookfield Renewable's transfer agent, Computershare Trust Company of Canada, in writing at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 or by phone at 1-800-564-6253. Beneficial unitholders (i.e., those holding their units in street name with their brokerage) should contact the broker with whom their units are held.

#### Distribution Reinvestment Plan

Brookfield Renewable maintains a Distribution Reinvestment Plan ("DRIP") which allows holders of its limited partnership units who are resident in Canada to acquire additional units by reinvesting all or a portion of their cash distributions without paying commissions. Information on the DRIP, including details on how to enroll, is available on Brookfield Renewable's website at [www.brookfieldrenewable.com/DRIP](http://www.brookfieldrenewable.com/DRIP).

Additional information on Brookfield Renewable's distributions and preferred share dividends can be found on its website at

[www.brookfieldrenewable.com](http://www.brookfieldrenewable.com) under Investor Relations.

## Additional Information

The Letter to Shareholders and the Supplemental Results for the period ended September 30, 2014 contain further information on Brookfield Renewable's strategy, operations and financial results. Shareholders are encouraged to read these documents, which are available at [www.brookfieldrenewable.com](http://www.brookfieldrenewable.com).

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Brookfield Renewable Energy Partners (TSX: BEP.UN; NYSE: BEP) operates one of the largest publicly-traded, pure-play renewable power platforms globally. Its portfolio is primarily hydroelectric and totals approximately 6,700 megawatts of installed capacity. Diversified across 72 river systems and 13 power markets in the United States, Canada, Brazil, the Republic of Ireland and Northern Ireland, the portfolio's output is sold predominantly under long-term contracts and generates enough electricity from renewable resources to power more than three million homes on average each year. With a portfolio of high-quality assets and strong growth prospects, the business is positioned to generate stable, long-term cash flows supporting regular and growing cash distributions to shareholders. For more information, please visit [www.brookfieldrenewable.com](http://www.brookfieldrenewable.com).

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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

*This news release contains forward-looking statements and information, within the meaning of Canadian securities laws and "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, "safe harbor" of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations, concerning the business and operations of Brookfield Renewable. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Forward-looking statements in this news release include statements regarding the quality of Brookfield Renewable's assets and the resiliency of the cash flow they will generate, Brookfield Renewable's anticipated financial performance, future commissioning of assets, contracted portfolio, technology diversification, acquisition opportunities, expected completion of acquisitions, future energy prices and demand for electricity, economic recovery, achievement of long term average generation, project development and capital expenditure costs, diversification of shareholder base, energy policies, economic growth, growth potential of the renewable asset class, the future growth prospects and distribution profile of Brookfield Renewable and Brookfield Renewable's access to capital. Forward-looking statements can be identified by the use of words such as "plans", "expects", "scheduled", "estimates", "intends", "anticipates", "believes", "potentially", "tends", "continue", "attempts", "likely", "primarily", "approximately", "endeavours", "pursues", "strives", "seeks", or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information in this news release are based upon reasonable assumptions and expectations, we cannot assure you that such expectations will prove to have been correct. You should not place undue reliance on forward-looking statements and information as such statements and information involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.*

*Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: our limited operating history; the risk that we may be deemed an "investment*

company” under the Investment Company Act; the fact that we are not subject to the same disclosure requirements as a U.S. domestic issuer; the risk that the effectiveness of our internal controls over financial reporting could have a material effect on our business; changes to hydrology at our hydroelectric stations or in wind conditions at our wind energy facilities; the risk that counterparties to our contracts do not fulfill their obligations, and as our contracts expire, we may not be able to replace them with agreements on similar te

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