Brookfield Renewable
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Corporate Speakers:

- Connor Teskey; Brookfield Renewable; Chief Executive Officer
- Patrick Taylor; Brookfield Renewable; Chief Financial Officer

Participants:

- Nelson Ng; RBC Capital Markets; Analyst
- Sean Steuart; TD Cowen; Analyst
- Baltej Sidhu; National Bank of Canada; Analyst
- Benjamin Pham; BMO; Analyst
- Anthony Crowdell; Mizuho; Analyst

PRESENTATION

Operator: Hello. And welcome to the Brookfield Renewable Third Quarter 2026 Results Conference Call and Webcast. (Operator Instructions)

It is now my pleasure to introduce CEO, Connor Teskey.

Connor Teskey: Thank you, Operator. Good morning everyone. And thank you for joining us for our third quarter 2026 conference call.

Before we begin, we would like to remind you that a copy of our news release and investor supplement can be found on our website.

We also want to remind you that we may make forward-looking statements on this call. These statements are subject to known and unknown risks, and our future results may differ materially.

For more information, you are encouraged to review our regulatory filings available on SEDAR+, EDGAR and on our website.

On today's call we will review our third quarter results, discuss what we are seeing in the energy markets today, highlight the continued execution of our growth initiatives and outline how we continue to position the business for long-term value creation.

Patrick will then review our financial results, our balance sheet and our funding activities including our growing capital recycling program, and he will also provide an update on our proposed simplification.

Following our comments, we look forward to taking your questions.

Turning first to the quarter, we delivered record financial results and are accelerating our growth activities.

We continue to scale our recurring capital recycling program alongside our steadily growing development platform.

Lastly, we are also strengthening our financial position, ending the quarter with $5.1 billion of liquidity, positioning the business to capitalize on opportunities in the current environment.

In the third quarter, we delivered FFO of $346 million or $0.51 per unit, up 15% year-over-year or 11% on a per unit basis.

In the last 12 months, we delivered FFO of $1.488 billion or $2.18 per unit, up 15% and 12%, respectively, compared to the prior-year period.

We invested or committed $3 billion into growth or $700 million net to BEP during the quarter including closing our acquisition of Boralex, a leading global renewable platform.

Subsequent to quarter end, we closed the acquisition of Aypa, the largest stand-alone battery storage platform in North America, strengthening our battery storage capabilities.

We continue to scale our development through the addition of new platforms and the acceleration of organic growth activities across our existing businesses, commissioning 2.5 gigawatts of new capacity in the quarter.

We also further derisked our advanced pipeline by signing power purchase agreements for 1.6 gigawatts of additional projects. And today we remain on track to ramp up to a run rate of 10 gigawatts of commissioned capacity by 2027.

Alongside our growing development, we continue to scale our capital recycling program, agreeing to or closing sales since the end of the second quarter that are expected to generate approximately $2.8 billion in proceeds or $850 million net to BEP at strong returns.

As demonstrated in recent years, this is a new and consistent earnings driver to our business and the natural result of the increasing amount of new capacity we bring online each quarter from organic growth.

As our business grows, we have an increasingly large and diverse pool of assets available for sale and our flexibility to sell individual assets, portfolios, entire platforms, or minority stakes allows us to consistently crystallize value and generate a growing amount of recurring and accretive capital to fund our growth.

Before discussing the broader energy market and providing an update on our growth initiatives, we thought it would be worth highlighting the resilience of our business in an environment of higher interest rates and inflation.

We have an incredibly durable platform that has delivered strong results through periods of both lower and higher rates.

For new developments, we underwrite projects based on prevailing interest rates, passing financing costs through into contract prices while preserving our target returns. And with substantially all of our existing proportionate debt at fixed rates, our business is well insulated from rising rates.

We also benefit from inflation linkage across approximately 70% of our revenues which when combined with our high margins, provides a positive earnings tailwind during inflationary periods and positions our platform to deliver durable and growing cash flows over time.

Turning to the energy markets, the environment for our business remains highly constructive. Global demand for power continues to grow, outpacing new supply, driven by the long-standing trends of electrification, reindustrialization and digitalization.

At the same time governments are increasingly focused on securing reliable and affordable power to support economic growth and energy independence.

This widening supply-demand imbalance is driving strong demand for new renewable generation, alongside investment in battery storage and nuclear power to provide the scale and reliability needed to support expanding electricity grids.

Against this backdrop, we continue to see significant opportunities to invest in these technologies and deliver differentiated integrated solutions.

Importantly, we remain disciplined in how we pursue growth, continuing to develop projects backed by long-term contracts with some of the largest and most creditworthy buyers of power in the world.

During the quarter, we made meaningful progress advancing strategic priorities within our nuclear business, Westinghouse, where we see among the most significant long-term growth opportunities.

In September, we achieved another significant milestone, signing a strategic framework agreement with the U.S. federal government and the Republic of Korea. Building on our previously announced partnership with the U.S. government, the agreement contemplates up to $120 billion of Korean investment to support the construction of eight large-scale reactors on federal sites including six Westinghouse AP1000s and two Korean APR1400s, bringing us another step closer to the large-scale deployment of several new utility scale reactors in the United States.

Westinghouse will provide design, engineering and procurement services during construction, followed by long-term fuel and maintenance services for the constructed AP1000 reactors, generating recurring long-term cash flows.

Westinghouse will also benefit from upfront licensing payments and a significant scope of work on the two Korean reactors.

While the framework remains subject to final negotiations, it is expected to drive meaningful growth at Westinghouse while supporting investment in the nuclear supply chain, enabling further reactor deployment globally.

More broadly, growing demand for nuclear power, combined with our expertise across the sector and access to scale capital, is creating additional opportunities for us to invest in nuclear which we are actively evaluating.

In addition, we continue to expand our capabilities and deliver on our growth targets through the acquisition of leading energy platforms.

Since our last update, we closed the acquisition of both Boralex and Aypa. These acquisitions strengthen our position in attractive markets and battery storage, enhancing our ability to deliver integrated energy solutions to customers.

Since closing these acquisitions, we have already begun executing on our business plans to accelerate growth and create value.

At Boralex, we announced the tuck-in acquisition of a renewable developer in the U.K., expanding Boralex's development capabilities in an attractive market.

We are also evaluating potential monetizations across the platform to crystallize value and fund future growth, consistent with what we have done recently at Neoen and many of our other renewable platforms.

At Aypa, we have also hit the ground running, signing three new power purchase agreements totaling approximately 900 megawatts at or above our underwriting expectations while advancing development in line with plan.

More broadly, we continue to see growing demand for battery storage, both through stand-alone projects and increasingly through hybrid solutions combining renewable generation and storage. Year-to-date, we've delivered almost 600 megawatts of battery capacity across our platforms including contracted hybrid projects in Australia and Europe as well as stand-alone batteries in the U.S. and Canada.

These opportunities are further reinforcing the value of our battery storage capabilities and our ability to deliver comprehensive power solutions to our customers in a way that few others can.

Stepping back, despite recent market volatilities, the fundamentals of our business remain as strong as ever.

We are delivering robust results and growth from our global portfolio of critical infrastructure assets.

We are executing on our growth plans through disciplined acquisitions and the delivery of contracted projects, and we are increasingly generating strong returns through our recurring capital recycling activities.

As a result, we expect to finish 2026 with earnings growth in line with or ahead of our long-term targets. Underpinning all of this is our best-in-class balance sheet and leading access to capital which provides us with the flexibility to pursue opportunities at scale.

Taken together, with a favorable long-term outlook for power demand, our sector-leading capabilities and our strong balance sheet, we believe we are better positioned than ever to compound value over the long term for our investors.

With that, we will turn the call over to Patrick.

Patrick Taylor: Thank you, Connor. And good morning to everyone on the call.

We delivered another record quarter, generating FFO of $346 million or $0.51 per unit, up 15% or 11% per unit year-over-year.

Our results this quarter benefited from our long-term contracted cash flows, inflation-linked revenues and our diverse global business.

We also realized the benefits from assets commissioned over the last 12 months and execution of our scaling asset recycling program.

Turning to our segment results.

Our hydroelectric business generated $214 million of FFO, benefiting from realized gains on the sale of our remaining 25% interest in our Maine hydro portfolio and the sale of some small hydros from our Isagen business in Colombia. These gains, together with the diversification of our fleet, helped offset weaker hydrology in Ontario and Colombia.

Results at Isagen specifically were impacted by drier conditions associated with El Niño, which we expect to be temporary, with generation returning toward long-term averages in the near term.

Our wind and solar businesses generated a combined $243 million of FFO, benefiting from contributions from record capacity commissioned over the last 12 months and realized gains from the sale of assets to Northview Energy.

Lastly, our distributed energy, storage and sustainable solutions businesses contributed $54 million of FFO, supported by development activities and continued strong performance at Westinghouse. Year-to-date, adjusted EBITDA from Westinghouse's operating plants business, its core business today, increased over 20%, reflecting strong underlying demand for nuclear fuel and services, while the business continues to advance new AP1000 reactor development opportunities.

Turning to our balance sheet.

We continue to maintain a strong financial position with over $5 billion of available liquidity today and remain focused on optimizing our balance sheet, completing approximately $10 billion of financings in the quarter alone.

Our access to diverse sources of scale, long-duration capital remains a significant competitive advantage, providing flexibility to fund our growing development pipeline and pursue attractive investment opportunities.

Our financing activities this quarter were highlighted by raising CAD 750 million of green bonds across 5- and 10-year tranches.

Strong investor demand enabled us to upsize the offering and price at the tight end of our expected range at rates below our existing notes of comparable maturity, further demonstrating the depth of demand for our credit and our ability to access scale capital at attractive terms.

In addition, we continue to advance the recontracting of an 800-megawatt portfolio of hydro assets in Ontario under 20-year inflation-linked power purchase agreements with the provincial system operator.

We expect to sign these contracts before year-end, securing long-term cash flows and supporting meaningful up financings which we are progressing in parallel to generate even more capital to fund growth.

Turning to capital recycling, we continue to execute on our strategy, agreeing to or closing sales since the end of the second quarter that are expected to generate $2.8 billion of proceeds or $850 million net to BEP, all at strong returns.

We completed the sale of our remaining 25% interest in a noncore hydro portfolio in Maine.

We closed the remaining one-third of the approximately 2.1 gigawatt portfolio of renewable assets sold to Northview Energy and completed two transactions involving small noncore hydro assets and solar assets from our Isagen business in Colombia.

Together, these sales crystallized the value created through development and operational improvements over many years, generating highly accretive capital to fund further growth.

In addition, we monetized our investment in Avaada, one of our Indian renewable platforms, for approximately $570 million or $125 million net to BEP.

We initially invested in the business in 2023 through a structured investment to support its growth.

Since then, the platform has grown its operating renewable capacity from 4 to over 7 gigawatts and added 3 gigawatts of annual solar module manufacturing capacity.

With the sale, we have successfully exited at the maximum of our structured return range and above our target return expectations, representing another successful investment realization in India, where we continue to see significant opportunities to deploy capital into growth.

Looking ahead, we have a robust pipeline of further monetization opportunities across our global business.

As our development activities continue to scale, we are increasingly establishing recurring asset recycling programs within all of our platforms, allowing us to monetize newly developed assets and redeploy capital into higher returning opportunities.

We also continue to evaluate larger portfolio and full platform sales where we believe we can crystallize significant value, providing additional flexibility to fund our growth while delivering strong returns.

Now before we turn to questions, we wanted to provide a brief update on our proposed corporate simplification, combining BEP and BEPC into a single listed corporate entity.

While substantially all votes cast by BEP unitholders today support the simplification, participation remains below the required approval threshold of two-thirds of eligible units. Accordingly, we have extended the voting deadline to November 25, 2026 to provide unitholders with additional time to review the transaction and cast their votes.

We continue to believe the simplification is in the best interest of all security holders and expect the transaction to be tax-deferred for Canadian and U.S. investors. There will be no changes to our distributions or dividends, Brookfield's ownership or management fees or BEP's preferred units or public debt, all of which will remain outstanding.

Lastly, there is no meaningful cost to the business as a result.

If you are a BEP unitholder as of August 21, 2026, we encourage you to review the materials associated with the proposed simplification and to vote your units.

With respect to BEPC, shareholders have voted to approve the transaction on October 14.

However as a reminder, the completion of the transaction remains conditional upon the approval of BEP's investors.

In closing, our large, diversified operating business, strong financial position and disciplined approach to growth and capital recycling position us well to deliver on our target 10-plus percent FFO per unit growth and 5% to 9% distribution growth targets for the business.

On behalf of the Board and management team, thank you for your continued support and investment in Brookfield Renewable.

That concludes our prepared remarks. And with that, Operator, please open the line for questions.

QUESTIONS AND ANSWERS

Operator: (Operator Instructions) And our first question comes from the line of Nelson Ng with RBC Capital Markets.

Nelson Ng: First question just relates to -- it's more kind of short term, and I know that investors are more long-term focused.

But like what have been the early signs, if any, of an impact from a potential like super El Niño?

I know Patrick, you mentioned that there were some impact seen in Q3. And I know some of the other -- there's a few kind of renewable companies who've kind of baked in some weak wind resources in their guidance for the two quarters.

But I know Brookfield is unique in terms of you do own a lot of hydro in North and South America.

But can you just comment on your kind of initial thoughts?

Patrick Taylor: Absolutely, Nelson, it's Patrick.

I would say it's still relatively early days in our own monitoring of El Niño and the impact to our results in the quarter from our vantage point has been relatively modest.

Overall, we're very focused on the diversification of a platform that we have across all the technologies and the regions that we have which we think are going to provide us a fair bit of insulation from the broader impacts that maybe certain other players may see in the sector.

But it's still relatively early days, Nelson.

We haven't seen a significant impact to us in our global business, but we are monitoring particularly the results from our Colombia business, which we have seen continue to deliver very strong results in spite of some of the impacts of El Niño that are pretty early today.

Nelson Ng: Great, Patrick. And then the next question.

I know it's still pretty early, but like with the Democrats kind of gaining the majority in the House and Senate in the midterm elections, I'm not sure whether you have any initial thoughts.

I presume Democrats are generally viewed as being more favorable for renewables but not too sure about their view on data center development.

But it would be great to get your initial thoughts.

Connor Teskey: Nelson, Connor here.

We went into, I guess yesterday incredibly well positioned regardless of outcome.

Our business, as Patrick mentioned, is incredibly diverse.

But more importantly, it's driven by these multi-decade demand trends, not by any single government policy or administration.

Perhaps most importantly, our position at the forefront of the fastest, most important technologies, whether it be nuclear, whether it be batteries, whether it be low-cost renewables; remains unchanged regardless of who is in office and what policies they put in place.

So we were fairly relaxed going into the votes yesterday.

We do want to be more constructive in answering your question.

As you say it is very early, but the results overnight could potentially open the door for either permitting or credit reform.

It's in the United States.

It's too early to tell and we're not reliant on either of those things but we'll position the business to capitalize regardless of how things could change in the future.

Operator: Our next question comes from the line of Sean Steuart with TD Cowen.

Sean Steuart: Good morning, everyone. A couple of questions.

I want to start with the asset recycling platform. And the question is as it becomes a larger percentage of overall EBITDA and FFO.

Can you give us some perspective on what the crystallized returns on recent initiatives look like and thoughts on your ability to sustain those types of returns over the midterm?

Connor Teskey: Perhaps I'll start, and Patrick, you can jump in. Maybe to take a step back, our decisions and approach to asset recycling has and always will be an emotionless decision based on value.

If we can sell assets at a greater value than we believe we will earn from holding those within our portfolio, and we have the ability to reinvest those proceeds into better risk-adjusted returns elsewhere in the business, then we absolutely will sell those assets and recycle the capital accretively into new growth opportunities.

What has changed in our business over the last 2, 3, 4 years is due to the growth of our organic development business, we now produce more stabilized cash-generative operating assets every year at the exact same time that we've come into a market that has a tremendous amount of demand and investment opportunity.

And those two things together has created an opportunity for us to continuously grow our capital recycling program. And as a result, it's created what we think is a recurring and growing earnings driver that almost certainly will continue to scale on a very predictable basis into the future.

In terms of the capital recycling we've done over the last 12, 18 months, Patrick may have a specific number, but it is above our -- on average, across billions of dollars, it is above the high end of our 12% to 15% total return targets.

It's in the mid- to high teens. And therefore we view it as a very attractive not only new earnings driver to our business, but one that allows us to drive returns at or above the top end of our target range.

Sean Steuart: And I guess the question is this is a programmatic piece of the process going forward. Your ability to sustain that 15% plus return and appreciating it will be opportunistic and you'll only move ahead on these opportunities if the returns make sense.

But based on the pipeline of recycling opportunities you have, clear line of sight on, that type of return is still in reach of the near term for you guys?

Patrick Taylor: It's Patrick here. And the short answer is yes.

We have a high level of conviction in our ability to continue to deliver at those returns. And that conviction comes from how we are actually approaching our capital recycling program and the flexibility that we have.

We are able to pursue recycling -- no different than our operating fleet in a very diverse way across technologies, across countries. And then we also have flexibility in how we're going about recycling single assets, parts of platforms, full platforms, the markets in which we sell them private, public, et cetera.

And so no different than what you've seen from us over our history in terms of being flexible on the M&A side.

I would now say our capital recycling capabilities are catching up to that. And our conviction in our ability to deliver those returns stems from that global base and the flexibility.

So the short answer is yes, but it does stem from that diversity and the flexibility that we have as a business.

Operator: And our next question comes from the line of Baltej Sidhu with National Bank of Canada.

Baltej Sidhu: Just on the Democrats winning last evening and appreciating your comments earlier that this is relatively new and fresh.

I just wanted to ask the question another way what are you seeing for the spread for renewable assets today in the public and private markets? And where do you think that could ultimately evolve towards, just given the potential for more positive investor sentiment on the space? And if any impact on development opportunities and/or on your growth targets?

Connor Teskey: Thanks for the question. Generally, we would say that the private markets continue to show incredibly robust demand for renewable assets. And for a very significant number of years now the private markets have been far more constructive on renewable assets and renewable investment exposure than the public markets. And we've certainly been capitalizing on that, whether it be the privatization of Neoen or the privatization of Boralex that we closed this quarter.

Candidly, I think some of that distortion between the private markets and the public markets is perhaps driven by three things, not simply government policy perception. The first would be, in general, we think the public markets significantly overestimate the impact of interest rates on the fundamental performance and value of these businesses.

Demand is overwhelming. And therefore we're able to pass higher funding costs into contracts, preserving our returns.

We've got inflation linkage in almost all of our contracts.

We've got 95% fixed rate.

So the first thing I would say that's distorting public versus private is the perception of the sensitivity to interest rates.

The second one would be the sensitivity to AI demand or AI volatility in the market. And there, it's important to recognize that the demand for energy and clean energy from AI is simply amplifying what was already a multi-decade trend of reindustrialization and electrification that was creating a supply-demand imbalance that the market is very simply unable to meet.

And therefore our growth and the market growth is not being set by AI demand, but rather it's being set by the number of projects and the ability to pull them out of the ground. And therefore sentiment on AI changes, it really doesn't change the demand profile for our business.

And then we get to the third one which is the perception of government support. And here, it's important to recognize that our business and the majority of the industry is driven by corporate demand, not government policy.

We had a line, I was going to say 2, 3, 4 years ago, where our business was driven now by corporate pull, no longer government push. And therefore a new government that maybe is a little bit more constructive on permitting or tax credits, that would absolutely be incrementally beneficial.

But candidly, we don't think it changes the incredible demand backdrop for our business.

But it's those three things, not just government perception, that we think is driving the different perspective between public support for green energy and private support for green energy.

So a bit of a long-winded answer, but I think it helps outline what we're seeing in the market.

Baltej Sidhu: Very good. Thanks for that context, Connor. And then turning over to my next question here.

Now you have (inaudible) behind you and batteries are becoming a larger growth driver, how are you seeing supply chain conditions evolve as the broader industry also concurrently scales development? Are you seeing constraints around equipment availability, delivery timelines or cost that could affect execution and returns?

And if you are, how are you looking to mitigate some of those risks?

Connor Teskey: We -- obviously the sector is scaling up very dramatically and no different than what we've seen in solar, let's say over the last decade. You do hit kind of short-term pockets where things get a little bit tighter from a supply chain perspective or a little bit looser.

But what I would say is, in general, the capacity additions that are being added on a global basis are doing an incredible job keeping up with supply.

And it's important to recognize that a lot of the capacity that is driving supply for utility scale energy storage was actually on the back of incredible capacity additions to drive energy storage for transportation.

So this is not a discrete subsegment of a supply chain.

We're part of a much broader supply chain that is very well supplying the broader market.

In terms of when we do get those short-term periods of tightness, this is where, as Brookfield Renewable, we continue to be incredibly differentiated by our scale and our global procurement.

We are one of, if not the single, largest battery storage developer around the world.

We are one of the largest buyers of this type of equipment.

We have favorable framework agreements with the largest suppliers such that when there is tightness in the market, we generally are largely insulated by having a preferential position with the large equipment providers.

So it's something we monitor, but it's not something that is stressing us out too much at this point.

Operator: Our next question comes from the line of Benjamin Pham with BMO.

Benjamin Pham: I want to stay with battery storage.

Now you closed Aypa acquisition, you've unpacked the battery storage outlook quite a bit in your recent Investor Day.

Could you remind us the return you're expecting with underwriting stand-alone storage? And could you also update us on how quickly you expect to build up the 20 gigawatt plus pipeline?

Connor Teskey: So in terms of the returns we expect, they would be at or above, call it, the high end of our target range which I don't think should be a surprise. Any time we're doing development, we would expect that to be at or above the high end of the range and

to be offset by things like our long-term contracted hydros that are going to be at the lower end of the range.

Batteries are no different. The thing that we're most excited about and what's driving a lot of our enthusiasm about batteries is -- and while this may not last forever certainly, in the short to medium term, we are seeing outsized returns from the development of batteries, while at the same time they're now increasingly being contracted under very similar long-term offtakes that we see in wind and solar.

So we're signing 15-, 20-year take-or-pay tolling agreements or capacity agreements for batteries that have very similar risk profiles to what we see in wind and solar, but we're able to do that at a premium return.

The other benefit we're seeing from a return perspective when it comes to batteries is the ability to either retroactively install batteries on existing wind and solar sites to optimize or enhance the load profile of those projects.

And those can be installed at incredibly high returns because you can leverage the existing infrastructure that's already on those sites or the ability to combine new build batteries with new build wind and solar generation to provide more round-the-clock solutions that tend to generate very, very lucrative offtake contracts that also generate higher returns.

So all these things contributing to batteries certainly being on the upper end of where we're seeing risk-adjusted returns in the market.

In terms of battery deployment and the pace at which we expect to build things out, as we look forward to next year, let's say 2027, where we expect to be at about a 10 gigawatt run rate for commissioning of new capacity; I would expect our energy storage component of that to be somewhere between a third and 50%.

Patrick Taylor: Ben, it's Patrick here. And if I could just add, the other area above and beyond what Connor has mentioned on battery storage that I would just highlight as well is just on the financing side.

We have a long history of innovating in terms of how we finance all of the other technologies that we've invested in for years.

We're spending a tremendous amount of time continuing to evolve and innovate in that space as well. And we think that this will provide another opportunity for us to demonstrate how our access to scale capital can be very differentiated and drive very efficient investments and support strong returns as well.

So there's a lot of economic benefits and a lot of strategic benefits to the Aypa transaction and us accelerating our battery storage strategy. And we think that access to capital is just

another -- this is another area we can just apply that advantage to, to continue to benefit from the strategic move that we're making.

Benjamin Pham: Okay. Got it.

It seems like pretty big lever going forward, especially next year. Maybe I'd switch over to the payout ratio trend.

Looking at your slides, you've made incredible progress with going towards that 70% target over the medium term.

It looks like given your last 12 months results, you're probably getting close there, not too far in our future.

How should we think about your dividend growth now in that 5% to 9% range as you get towards that 70%? Is it going to track more towards the FFO growth rate that you've been guiding for?

Patrick Taylor: Ben, it's Patrick.

I would say a couple of things to that.

First, we are making progress with respect to our payout ratio.

It's something that for the last couple of years, we've been very focused on in terms of getting towards our medium- to long-term target. And we continue to focus in that respect.

In terms of dividend growth, what I would suggest is just given the significant amount of opportunities that we see ahead for the business, realistically, we would expect to be probably on the lower end of our 5% to 9% as we have been for the last couple of years.

But that's really two things.

First, we just see a lot of good growth opportunities at or above the high end of our long-term return expectations for investments. And then secondarily, it's us also continuing to show discipline and working to lower our payout ratio over time.

So competing interest there, but at the same time we just see significant investment opportunities above our target range. And in those environments, it moves us to be probably on the lower end of our dividend growth target.

Operator: (Operator Instructions) Our next question comes from the line of Anthony Crowdell with Mizuho.

Anthony Crowdell: Two quick questions. Just on the simplification strategy, just talk about how do you guys think you get to two-thirds vote by later this month. Anything doing differently that will encourage that vote? And then I have one follow-up.

Patrick Taylor: Anthony, it's Patrick here. The key on the simplification, it is truly about getting the vote out.

Of those that have voted to date, 99.7% have been for.

We also have the recommendation from two independent proxy advisory firms recommending for.

So just to reiterate, it is truly about getting the vote out.

And the way in which we are continuing to focus on that is continuing significant outreach on the retail side of the business.

We obviously have a very significant and large retail following as a business, having been listed for the number of years that we have in Canada and in the U.S. in particular. And so the efforts on the retail side have been very significant over the last several weeks, and we'll continue to do so as we get towards our deadline at the end of the month.

So it's focused on retail as well as institutional over the next couple of weeks, and we just simply encourage that unitholders to vote. And we remain committed to executing the simplification because we do see the significant benefits that we would expect to accrue to all of our investors by doing so.

So we have our heads down focusing on getting the vote out and we'll continue to do so over the next several weeks.

Anthony Crowdell: Great. And then just a follow-up.

I don't want to be left out and not ask a battery storage question. Company-owned assets in ERCOT. ERCOT pricing has been very weak this year, expect it maybe to be weak for the near future.

The -- everyone is really pointing to the amount of battery storage that has come on the market and really suppressed prices.

Just if you could talk about maybe it doesn't seem like an attractive market that you'd want to deploy more battery storage or maybe it is. Just any color on also when you think maybe the market goes back to showing the amount of demand that's going on in ERCOT.

Connor Teskey: And let me frame it this way. There's probably -- and I'm sure I'm going to leave a geography out, but there's probably four major markets around the world where we have seen the same dynamic play out around the build-out of battery storage. And those would be California, ERCOT, the U.K. and Australia.

And in those markets, when battery storage tended to be built under a merchant revenue stream, you tended to go through these oscillations where when more intermittent renewables were on the grid than relative to battery storage.

Battery storage was incredibly attractive to own and develop.

But when battery storage got a little bit ahead of the penetration of intermittent renewables, you get the dynamic of what you're seeing in ERCOT, where spreads compress and the revenue construct looks far less attractive.

All of this to say what's changing about battery storage is, in general, we're not building batteries against merchant revenue constructs anymore.

We're building them against 15, 20, 20-plus year take-or-pay tolling or capacity arrangements that are completely insulated from those oscillations -- short-term oscillations of the attractiveness or unattractiveness of the markets when grid stabilizing assets get ahead of or behind the market penetration of intermittent renewables.

So ERCOT would be no different for us.

We'll continue to build there as long as we're seeing demand for those long-term contracts. And if we do, we think we'll continue to generate great returns.

Anthony Crowdell: Just one follow-up. Any timing on when you think the market -- I don't know if the right word is, maybe exhaust all the merchant battery storage there, do we get back to normal '27, '28 or not really sure?

Connor Teskey: It would be tough to tell. The only thing I would say is, in general, these things correct faster than people think.

Operator: I'll now hand the call back over to CEO, Connor Teskey, for any closing remarks.

Connor Teskey: Thank you very much everyone, for joining this quarter's earnings call and for your continued support and interest in Brookfield Renewable.

We look forward to updating you and connecting with you again with our Q4 and full year results early next year. Thank you.

And have a great day.

Operator: Ladies and gentlemen, thank you for participating. This does conclude today's program. And you may now disconnect.