

North American Power & Utilities Deals*—Q4 2014

Quarter in review

“In 2014, deal activity ended on a high note in the power and utilities industry, building on the increase in both deal volume and deal value that was seen throughout the year. During the year, we saw deal activity driven by large corporate deals, renewable transactions and merchant power deals. With investors’ continued desire for yielding investments, we continued to see YieldCo activity driving renewable deal volumes, to support drop downs and growth for these investment vehicles.”

Jeremy Fago, US Power & Utilities Deals Leader

Key trends in Q4 2014

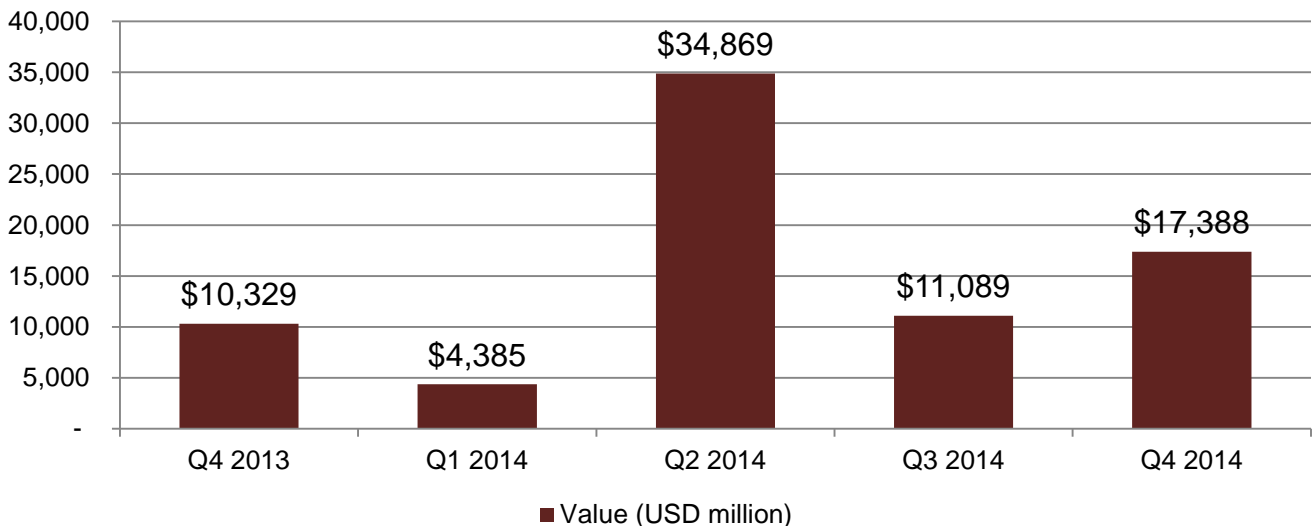
- This quarter, we saw a large increase in the volume and value of deals greater than \$50 million. We had 22 deals this quarter, compared to 12 the quarter before and 14 during the fourth quarter of 2013.
- Total deal value increased by 57% from the previous quarter from \$11.1 billion to \$17.4 billion. However, the average deal size decreased 14% from the previous quarter from \$924 million to \$790 million.
- The key drivers to the growth this quarter were 3 deals > \$2 billion (Cleco, HEI, and First Wind deals). Financial deals accounted for 35% of deals by value, up from 24% during the previous quarter.
- In terms of deal type (corp vs. asset), corporate deals were 72% of deals by value, up significantly from last quarter (19%) and back closer to the proportions seen in Q1 and Q2 2014.
- At 8%, foreign deals rose slightly from last quarter (5%).
- Alternative deals represented 28% of deals by value, close to the same proportion as last quarter (26%).

Q4 2014 vs. Q4 2013 comparison

- The number of deals valued at more than \$50 million came in at 22, up from the 14 deals from a year ago. The total value of the deals grew by 68%, and the average value grew by 7%.

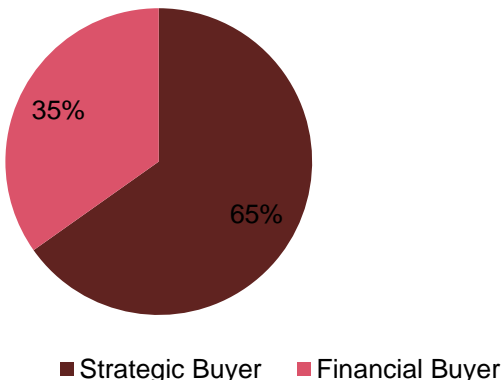
Period	All deals	Deals >USD 50 million		
	Number	Number	Value (USD million)	Average value (USD million)
Q4 2013	44	14	10,329	738
Q1 2014	34	7	4,385	626
Q2 2014	43	13	34,869	2,682
Q3 2014	43	12	11,089	924
Q4 2014	43	22	17,388	790

By transaction value (USD million)

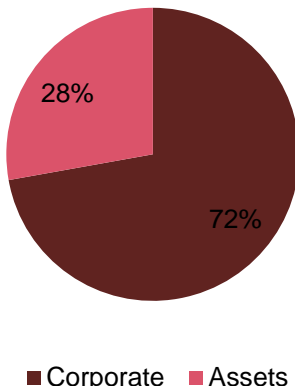


Deals > USD 50 Million

By Investor Group



By Transaction Type



Source: Thomson Reuters, S&P Capital IQ, PwC analysis

* North American power deals provides a summary of the most recent non-regulated power generation and regulated utility (electric, gas and water) transaction activity.

North American Power & Utilities Deals—Q4 2014

Rank	Deal Value of Transaction (USD million)	Acquirer Name	Target Name	Corp or Asset?	Strategic or Financial?	Announced Date	Deal Summary
1	4,692	Investor Group	Cleco Corporation	Corp	Financial	10/20/14	US - On October 20, 2014 an investor group, comprised of Macquarie Infrastructure & Real Assets of Australia, unit of Macquarie Group Ltd, British Columbia Investment Management Corp of Canada, John Hancock Financial Services Inc, a unit of Manulife Financial Corp, and other undisclosed investors, definitively agreed to acquire the entire share capital of Cleco Corp (Cleco), a Pineville-based utility holding company, for USD 55.37 in cash per share or a total estimated value of USD 4.643 bil, including USD 1.3 bil in liabilities.
2	4,375	NextEra Energy, Inc.	Hawaiian Electric Industries Inc.	Corp	Strategic	12/3/14	US - NextEra Energy Inc (NextEra) definitively agreed to merge with Hawaiian Electric Industries Inc (Hawaiian), a Honolulu-based provider of electric utility and banking services for USD 4.301 bil. The consideration was to consist of 0.2413 NextEra common shares per Hawaiian share and the assumption of USD 1.7 bil in liabilities. Based on NextEra's closing stock price of USD 105.11 on 02 December 2014, the last full trading day prior to the announcement, each Hawaiian share was valued at USD 25.363. Concurrently, Hawaiian planned to spin off its ASB Hawaii Inc unit to its shareholders.
3	2,372	SunEdison, Inc. and TerraForm Power, LLC	First Wind Holdings, Inc.	Corp	Strategic	11/17/14	US - On November 17, 2014 SunEdison Inc. definitively agreed to acquire First Wind Holdings LLC (First Wind), a Boston-based renewable energy electric utility company, for an estimated USD 1.51 bil. The consideration was to consist of USD 299 mil, USD 340 mil in seller notes, the assumption of USD 361 mil in liabilities, and up to a further USD 510 mil in profit-related payments. Concurrently, TerraForm Power LLC definitively agreed to acquire a portfolio of operating wind and solar assets of First Wind, for an estimated USD 862 mil, including the assumption of an undisclosed amount in liabilities.
4	1,217	NRG Yield Operating LLC	Walnut Creek natural gas fired power facility, Laredo Ridge wind power facility, Buffalo Bear wind power facility, Taloga wind power facility, and Pinnacle wind power facility	Asset	Strategic	11/4/14	US - On November 4, 2014 NRG Yield entered into a definitive agreement with NRG Energy, Inc., to acquire the following facilities: -Walnut Creek – 500 MW natural gas facility located in City of Industry, CA; -Tapestry – three wind facilities totaling 204 MW; including Buffalo Bear 19 MW in Oklahoma, Taloga 130 MW in Oklahoma, and Pinnacle 55 MW in West Virginia; -Laredo Ridge – 81 MW wind facility located in Petersburg, NE.
5	948	Entergy Corporation subsidiaries	Union Power Station	Asset	Strategic	12/9/14	US - On December 9, 2014 Entergy Corp, through its subsidiaries, agreed to acquire the Union Power Station of Union Power Partners LP, an El Dorado-based owner and operator of a power generation facility, and a unit of Entegra TC LLC, ultimately owned by Entegra Power Group LLC, for an estimated USD 948 mil.
6	650	Enbridge Inc.	80% stake in two E.ON SE wind power facilities (Magic Valley Wind Farm I and Wildcat 1 (US))	Asset	Strategic	11/28/14	US - On November 28, 2014 Enbridge Inc. of Canada planned to acquire an 80% interest in a portfolio of two wind farms of E.ON SE, a Düsseldorf-based provider of electric utility services.
7	593	Caisse de dépôt et placement du Québec	AES US Investments Inc. (15%) and IPALCO Enterprises Inc. (17.65%)	Corp	Financial	12/15/14	US - On December 15, 2014 Caisse de depot et placement du Quebec (CDPQ) of Canada agreed to acquire a 17.65% stake in IPALCO Enterprises Inc, an Indianapolis-based electric utility company, from AES US Investments Inc. (AES US), a unit of AES Corp, for an estimated USD 349 mil, in a privately negotiated transaction. Concurrently, CDPQ agreed to acquire a 15% stake in AES US, for USD 244 mil, in a privately negotiated transaction.
8	475	ArcLight Capital Partners LLC	Interests in Keystone and Conemaugh coal-fired power facilities	Asset	Financial	10/29/14	US - Exelon Generation Company entered into a sale agreement to sell its proportional ownership interests in Keystone and Conemaugh generating facilities in Pennsylvania to ArcLight Capital for approximately \$480 million on October 24, 2014. As of December 31, 2013, Exelon owned 41.98% and 31.28% stakes in Keystone and Conemaugh generating facilities, respectively.
9	292	Investor Group	Primary Energy Recycling Corp.	Corp	Financial	10/20/14	US - On October 20, 2014 an investor group, led by Fortistar LLC (Fortistar), acquired the entire share capital of Primary Energy Recycling Corp (PERC), an Oak Brook-based provider of waste energy recycling services, for USD 5.4 in cash per share, or a total value of USD 247.063 mil, via a scheme of arrangement. On completion, PERC common shares were delisted from the Toronto Stock Exchange.
10	250	TerraForm Power, Inc.	Capital Dynamics U.S. Solar Energy Fund LP distributed generation solar power plants	Asset	Strategic	10/29/14	US - On October 29, 2014 TerraForm Power Inc. acquired a portfolio of 39 distributed generation solar power plants located in California, Massachusetts, New Jersey, New York, and Pennsylvania, from Capital Dynamics US Solar Energy Fund LP, a New York-based closed-end private equity fund, and a unit of Capital Dynamics AG.