News Releases

NextEra Energy Partners, LP announces transactions to achieve 2019 growth objectives and extend earliest date partnership would need to sell common equity by one year

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- Announces agreement to acquire approximately 611 megawatts of contracted renewables projects from NextEra Energy Resources, LLC
- Expects to recapitalize four existing NextEra Energy Partners' wind projects
- Enters into agreement for $900 million convertible equity portfolio financing
- Completes 2019 growth objectives while bridging cash distribution restrictions arising from the Pacific Gas and Electric Company bankruptcy
- Extends earliest date partnership is expected to need to sell common equity by one year to 2021, other than modest issuances under the at-the-market program

JUNO BEACH, Fla., March 4, 2019 /PRNewswire/ -- NextEra Energy Partners, LP (NYSE: NEP) today announced that it has entered into an agreement with a subsidiary of NextEra Energy Resources, LLC to acquire a geographically diverse portfolio of six wind and solar projects, collectively consisting of approximately 611 megawatts (MW). In conjunction with the acquisition, NextEra Energy Partners also has entered into a $900 million convertible equity portfolio financing with Kohlberg Kravis Roberts ("KKR").

"The transactions announced today demonstrate NextEra Energy Partners' continued ability to execute its long-term growth plan for the benefit of our unitholders," said Jim Robo, chairman and chief executive officer. "The acquisition of approximately 611 megawatts of high-quality, contracted renewable energy assets enhances the diversity of the partnership's existing portfolio. Combining this acquisition with the recapitalization of existing project debt on four existing NextEra Energy Partners' assets is expected to provide significant benefits for unitholders. The convertible equity portfolio financing is expected to be a very attractive, low-cost, equity-like product that further improves the partnership's financing flexibility. This combined transaction completes NextEra Energy Partners' 2019 growth objectives and is expected to enable the portfolio to bridge any cash distribution restrictions resulting from the ongoing PG&E bankruptcy. With this in mind, we are pleased to extend the earliest date that the partnership is expected to need to sell common equity by one year, until 2021

Acquisition details
The approximately 611-MW unlevered portfolio of wind and solar assets has a cash available for distribution (CAFD) weighted remaining contract life of approximately 15 years and average credit rating of A/A2. The assets included are:

- *A 100 percent interest in Ashtabula II Wind Energy Center, a 120-MW wind generation plant in Griggs and Steele counties, North Dakota;*
- *A 49.99 percent interest in Marshall Solar Energy Center, a 62.25-MW solar generation plant in Lyon County, Minnesota;*
- *A 49.99 percent interest in Roswell Solar Energy Center, a 70-MW solar generation plant in Chaves County, New Mexico;*
- *A 49.99 percent interest in Silver State South Solar Energy Center, a 250-MW solar generation plant in Clark County, Nevada;*
- *A 100 percent interest in Story County II Wind Energy Center, a 150-MW wind generation plant in Hardin and Story counties, Iowa; and*
- *A 100 percent interest in White Oak Wind Energy Center, a 150-MW wind generation plant in McLean County, Illinois.*

NextEra Energy Partners expects to acquire the unlevered portfolio for total consideration of approximately $1.02 billion, subject to working capital and other adjustments. The acquisition is expected to contribute adjusted EBITDA of approximately $100 million to $115 million and CAFD of approximately $97 million to $107 million, each on a five-year average annual run-rate basis, beginning Dec. 31, 2019.

NextEra Energy Partners expects to complete the acquisition in the second quarter of 2019, subject to customary closing conditions and the receipt of certain regulatory approvals

Recapitalization of existing NextEra Energy Partners assets
Immediately following the acquisition, NextEra Energy Partners will contribute the 611 megawatts of acquired projects and four existing wind assets to a new portfolio. The assets to be included by NextEra Energy Partners are:

- *Perrin Ranch Wind Energy Center, a 99-MW wind generation plant in Coconino County, Arizona;*
- *Tuscola Bay Wind Energy Center, a 120-MW wind generation plant in Bay, Saginaw and Tuscola counties, Michigan;*
- *Ashtabula III Wind Energy Center, a 62-MW wind generation plant in Barnes County, North Dakota; and*
- *Stateline Holdings Wind Energy Center, a 300-MW wind generation plant in Umatilla County, Oregon and Walla Walla County, Washington.*

As part of the transaction, NextEra Energy Partners expects to recapitalize the $220 million of existing non-recourse project debt that is currently outstanding on these four projects with a portion of the proceeds of the convertible equity portfolio financing described below. Following the recapitalization, the five-year average annual CAFD from these projects is expected to be $42 million to $48 million, an increase of approximately $25 million as a result of the reduction in debt service.

the credit facility are immediately expected to be partially repaid with the estimated $893 million of net proceeds prior to offering expenses from a new convertible equity portfolio financing with KKR.

Under the terms of the financing, KKR's third Global Infrastructure Investors Fund will pay $900 million in exchange for an equity interest in the partnership that will own the approximately 611-MW portfolio being acquired by NextEra Energy Partners, along with the 581 MW of recapitalized wind assets. KKR is expected to earn an effective coupon of less than 1 percent over the initial six-year period, which represents KKR's initial 5 percent allocation of distributable cash flow from the portfolio. NextEra Energy Partners expects to periodically exercise its right to buy out KKR's equity interest for a fixed payment equal to $900 million, plus a fixed pre-tax annual return of approximately 8.3 percent (inclusive of all prior distributions) in partial interests between the three and a half and six-year anniversaries of the agreement. NextEra Energy Partners has the right to pay at least 70 percent of the buyout amount in NextEra Energy Partners' common units, issued at no discount to the then-current market price, with the balance paid in cash. Following the initial six-year period, if NextEra Energy Partners has not exercised its entire buyout right, or following year four and a half if certain minimum buyouts have not occurred, KKR's allocation of distributable cash flow from the portfolio for the portion of the partnership it still owns would increase to 99 percent.

Outlook

From a base of its fourth-quarter 2018 distribution per common unit at an annualized rate of $1.86, NextEra Energy Partners continues to expect 12 to 15 percent per year growth in limited partner distributions as being a reasonable range of expectations through at least 2023. The partnership expects to grow its 2019 distribution at 15 percent, resulting in the annualized rate of the fourth-quarter 2019 distribution, which is payable in February 2020, to be $2.14 per common unit, regardless of cash available from Pacific Gas and Electric Company (PG&E)-related projects.

NextEra Energy Partners' previously announced Dec. 31, 2019, run-rate expectations, reflecting calendar year 2019 expectations for the forecasted portfolio at year-end 2019, remain unchanged with adjusted EBITDA of $1.2 billion to $1.375 billion and CAFD of $410 million to $480 million. Adjusted EBITDA expectations include full contributions from projects related to PG&E as revenue is expected to continue to be recognized; CAFD expectations exclude all contributions from PG&E related projects due to the risk that cash distributions may remain restricted by certain financing provisions. If these PG&E related cash distributions were included, Dec. 31, 2019, run-rate CAFD expectations would be $485 million to $555 million.

NextEra Energy Partners, LP

NextEra Energy Partners, LP (NYSE: NEP) is a growth-oriented limited partnership formed by NextEra Energy, Inc. (NYSE: NEE). NextEra Energy Partners acquires, manages and owns contracted clean energy projects with stable, long-term cash flows. Headquartered in Juno Beach, Florida, NextEra Energy Partners owns interests in wind and solar projects in the U.S., as well as natural gas infrastructure assets in Texas. The renewable energy projects are contracted, use industry-leading technology and are located in regions that are favorable for generating energy from the wind and sun. The seven natural gas pipelines in the portfolio are all strategically located, serving power producers and municipalities in South Texas, processing plants and producers in the Eagle Ford Shale, and commercial and industrial customers in the Houston area. The NET Mexico Pipeline, the largest pipeline in the portfolio, provides a critical source of natural gas transportation for

Definitional information
NextEra Energy Partners, LP adjusted EBITDA and CAFD expectations for the acquisition of the six wind and solar projects

This news release refers to adjusted EBITDA and CAFD expectations for the acquisition of the portfolio of six wind and solar projects. NextEra Energy Partners' adjusted EBITDA expectations for this acquisition represent projected revenue less fuel expense, project operating expenses, plus other income and deductions. Projected revenue as used in the calculations of projected EBITDA represents the sum of projected operating revenue plus the earnings impact from the amortization of convertible investment tax credits.

CAFD is defined as cash available for distribution and represents adjusted EBITDA less (1) a pre-tax allocation of production tax credits, less (2) a pre-tax allocation of the earnings impact from convertible investment tax credits, less (3) debt service, less (4) maintenance capital, less (5) income tax payments, less (6) other non-cash items included in adjusted EBITDA if any. CAFD excludes changes in working capital.

Cautionary Statements and Risk Factors That May Affect Future Results

This news release contains "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements are not statements of historical facts, but instead represent the current expectations of NextEra Energy Partners, LP (together with its subsidiaries, NEP) regarding future operating results and other future events, many of which, by their nature, are inherently uncertain and outside of NEP's control. Forward-looking statements in this news release include, among others, statements concerning adjusted EBITDA, cash available for distributions (CAFD) and unit distribution expectations, as well as statements concerning NEP's future operating performance and financing needs. In some cases, you can identify the forward-looking statements by words or phrases such as "will," "may result," "expect," "anticipate," "believe," "intend," "plan," "seek," "aim," "potential," "projection," "forecast," "predict," "goals," "target," "outlook," "should," "would" or similar words or expressions. You should not place undue reliance on these forward-looking statements, which are not a guarantee of future performance. The future results of NEP and its business and financial condition are subject to risks and uncertainties that could cause NEP's actual results to differ materially from those expressed or implied in the forward-looking statements. These risks and uncertainties could require NEP to limit or eliminate certain operations. These risks and uncertainties include, but are not limited to, the following: NEP's portfolio includes renewable energy projects that have a limited operating history. Such projects may not perform as expected; NEP's ability to make cash distributions to its unitholders is affected by wind and solar conditions at its renewable energy projects; NEP's business, financial condition, results of operations and prospects can be materially adversely affected by weather conditions, including, but not limited to, the impact of severe weather; Operation and maintenance of renewable energy projects involve significant risks that could result in unplanned power outages, reduced output, personal injury or loss of life; Natural gas gathering and transmission activities involve numerous risks that may result in accidents or otherwise affect the Texas pipelines' operations; NEP depends on certain of the renewable energy projects and pipelines in its portfolio for a substantial portion of its anticipated cash flows; NEP is pursuing the expansion of natural gas pipelines in its portfolio that will require up-front capital expenditures and expose NEP to project development risks; NEP's ability to maximize the productivity of the Texas pipeline business and to complete potential pipeline expansion projects is dependent on the continued availability of natural gas production in the Texas pipelines' areas of operation; Terrorist acts, cyber-attacks or other similar events could impact NEP's projects, pipelines or surrounding areas and adversely affect its business; The ability of NEP to

higher insurance premiums; Warranties provided by the suppliers of equipment for NEP's projects may be limited by the ability of a supplier to satisfy its warranty obligations, or by the terms of the warranty, so the warranties may be insufficient to compensate NEP for its losses; Supplier concentration at certain of NEP's projects may expose it to significant credit or performance risks; NEP relies on interconnection, transmission and other pipeline facilities of third parties to deliver energy from its renewable energy projects and to transport natural gas to and from the Texas pipelines. If these facilities become unavailable, NEP's projects and pipelines may not be able to operate, deliver energy or become partially or fully available to transport natural gas; NEP's business is subject to liabilities and operating restrictions arising from environmental, health and safety laws and regulations, compliance with which may require significant capital expenditures, increase NEP's cost of operations and affect or limit its business plans; NEP's renewable energy projects may be adversely affected by legislative changes or a failure to comply with applicable energy regulations; A change in the jurisdictional characterization of some of the Texas pipeline entities' assets, or a change in law or regulatory policy, could result in increased regulation of these assets, which could have a material adverse effect on NEP's business, financial condition, results of operations and ability to make cash distributions to its unitholders; NEP may incur significant costs and liabilities as a result of pipeline integrity management program testing and any necessary pipeline repair or preventative or remedial measures; The Texas pipelines' operations could incur significant costs if the Pipeline and Hazardous Materials Safety Administration or the Railroad Commission of Texas adopts more stringent regulations; Petroleos Mexicanos (Pemex) may claim certain immunities under the Foreign Sovereign Immunities Act and Mexican law, and the Texas pipeline entities' ability to sue or recover from Pemex for breach of contract may be limited and may be exacerbated if there is a deterioration in the economic relationship between the U.S. and Mexico; NEP does not own all of the land on which the projects in its portfolio are located and its use and enjoyment of the property may be adversely affected to the extent that there are any lienholders or land rights holders that have rights that are superior to NEP's rights or the U.S. Bureau of Land Management suspends its federal rights-of-way grants; NEP is subject to risks associated with litigation or administrative proceedings that could materially impact its operations, including, but not limited to, proceedings related to projects it acquires in the future; NEP's cross-border operations require NEP to comply with anti-corruption laws and regulations of the U.S. government and non-U.S. jurisdictions; NEP is subject to risks associated with its ownership or acquisition of projects or pipelines that remain under construction, which could result in its inability to complete construction projects on time or at all, and make projects too expensive to complete or cause the return on an investment to be less than expected; NEP relies on a limited number of customers and is exposed to the risk that they may be unwilling or unable to fulfill their contractual obligations to NEP or that they otherwise terminate their agreements with NEP; PG&E, which contributes a significant portion of NEP's revenues, has filed a voluntary petition for reorganization under Chapter 11 of the U.S. Bankruptcy Code. Any rejection by PG&E of a material portion of NEP's PPAs with it or any material reduction in the prices we charge PG&E under those PPAs that occurs in connection with PG&E's Chapter 11 proceedings, or any events of default under the financing agreements of NEP's solar facilities that provide power and renewable energy credits to PG&E under these PPAs as a result of PG&E's reorganization activities, could have a material adverse effect on NEP's results of operations, financial condition or business; NEP may not be able to extend, renew or replace expiring or terminated power purchase agreements (PPA) and natural gas transportation agreements at favorable rates or on a long-term basis; If the energy production by or availability of NEP's renewable energy projects is less than expected, they may not be able to satisfy minimum production or availability obligations under their PPAs; NEP's growth strategy depends on locating and acquiring interests in additional projects consistent with its business strategy at favorable prices; NextEra Energy Operating Partners' (NEP OpCo) partnership agreement requires that it distribute its available cash, which could limit NEP's ability to grow and make acquisitions; Lower prices for other fuel sources may reduce the demand for wind and solar energy; Reductions in demand for natural gas in

negatively impact NEP's growth strategy; NEP's growth strategy depends on the acquisition of projects developed by NextEra Energy, Inc. (NEE) and third parties, which face risks related to project siting, financing, construction, permitting, the environment, governmental approvals and the negotiation of project development agreements; Acquisitions of existing clean energy projects involve numerous risks; Renewable energy procurement is subject to U.S. state regulations, with relatively irregular, infrequent and often competitive procurement windows; NEP may continue to acquire other sources of clean energy and may expand to include other types of assets. Any further acquisition of non-renewable energy projects may present unforeseen challenges and result in a competitive disadvantage relative to NEP's more-established competitors; NEP faces substantial competition primarily from regulated utilities, developers, independent power producers, pension funds and private equity funds for opportunities in North America; The natural gas pipeline industry is highly competitive, and increased competitive pressure could adversely affect NEP's business; NEP may not be able to access sources of capital on commercially reasonable terms, which would have a material adverse effect on its ability to consummate future acquisitions; Restrictions in NEP and its subsidiaries' financing agreements could adversely affect NEP's business, financial condition, results of operations and ability to make cash distributions to its unitholders; NEP's cash distributions to its unitholders may be reduced as a result of restrictions on NEP's subsidiaries' cash distributions to NEP under the terms of their indebtedness; NEP's subsidiaries' substantial amount of indebtedness may adversely affect NEP's ability to operate its business, and its failure to comply with the terms of its subsidiaries' indebtedness could have a material adverse effect on NEP's financial condition; NEP is exposed to risks inherent in its use of interest rate swaps; Under the cash sweep and credit support agreement, NEP receives credit support from NEE and its affiliates. NEP's subsidiaries may default under contracts or become subject to cash sweeps if credit support is terminated, if NEE or its affiliates fail to honor their obligations under credit support arrangements, or if NEE or another credit support provider ceases to satisfy creditworthiness requirements, and NEP will be required in certain circumstances to reimburse NEE for draws that are made on credit support; NextEra Energy Resources, LLC (NEER) or one of its affiliates is permitted to borrow funds received by NEP's subsidiaries and is obligated to return these funds only as needed to cover project costs and distributions or as demanded by NEP OpCo. NEP's financial condition and ability to make distributions to its unitholders, as well as its ability to grow distributions in the future, is highly dependent on NEER's performance of its obligations to return all or a portion of these funds; NEP may not be able to consummate future acquisitions; NEER's right of first refusal may adversely affect NEP's ability to consummate future sales or to obtain favorable sale terms; NextEra Energy Partners GP, Inc. (NEP GP) and its affiliates may have conflicts of interest with NEP and have limited duties to NEP and its unitholders; NEP GP and its affiliates and the directors and officers of NEP are not restricted in their ability to compete with NEP, whose business is subject to certain restrictions; NEP may only terminate the Management Services Agreement among, NEP, NextEra Energy Management Partners, LP (NEE Management), NEP OpCo and NextEra Energy Operating Partners GP, LLC (NEP OpCo GP) under certain specified conditions; If the agreements with NEE Management or NEER are terminated, NEP may be unable to contract with a substitute service provider on similar terms; NEP's arrangements with NEE limit NEE's potential liability, and NEP has agreed to indemnify NEE against claims that it may face in connection with such arrangements, which may lead NEE to assume greater risks when making decisions relating to NEP than it otherwise would if acting solely for its own account; NEP's ability to make distributions to its unitholders depends on the ability of NEP OpCo to make cash distributions to its limited partners; If NEP incurs material tax liabilities, NEP's distributions to its unitholders may be reduced, without any corresponding reduction in the amount of the IDR fee; Holders of NEP's units may be subject to voting restrictions; NEP's partnership agreement replaces the fiduciary duties that NEP GP and NEP's directors and officers might have to holders of its common units with contractual standards governing their duties; NEP's partnership agreement restricts the remedies available to holders of NEP's common units for actions taken by NEP's directors or NEP GP that

unitholder consent; The IDR fee may be assigned to a third party without unitholder consent; NEP may issue additional units without unitholder approval, which would dilute unitholder interests; Reimbursements and fees owed to NEP GP and its affiliates for services provided to NEP or on NEP's behalf will reduce cash distributions from NEP OpCo and from NEP to NEP's unitholders, and there are no limits on the amount that NEP OpCo may be required to pay; Discretion in establishing cash reserves by NEP OpCo GP may reduce the amount of cash distributions to unitholders; NEP OpCo can borrow money to pay distributions, which would reduce the amount of credit available to operate NEP's business; Increases in interest rates could adversely impact the price of NEP's common units, NEP's ability to issue equity or incur debt for acquisitions or other purposes and NEP's ability to make cash distributions to its unitholders; The price of NEP's common units may fluctuate significantly and unitholders could lose all or part of their investment; The liability of holders of NEP's units, which represent limited partnership interests in NEP, may not be limited if a court finds that unitholder action constitutes control of NEP's business; Unitholders may have liability to repay distributions that were wrongfully distributed to them; Provisions in NEP's partnership agreement may discourage or delay an acquisition of NEP that NEP unitholders may consider favorable, which could decrease the value of NEP's common units, and could make it more difficult for NEP unitholders to change the board of directors; The board of directors, a majority of which may be affiliated with NEE, decides whether to retain separate counsel, accountants or others to perform services for NEP; The New York Stock Exchange does not require a publicly traded limited partnership like NEP to comply with certain of its corporate governance requirements; The issuance of preferred units or other securities convertible into common units may affect the market price for NEP's common units, will dilute common unitholders' ownership in NEP and may decrease the amount of cash available for distribution for each common unit; The preferred units have rights, preferences and privileges that are not held by, and will be preferential to the rights of, holders of the common units; NEP's future tax liability may be greater than expected if NEP does not generate net operating losses (NOLs) sufficient to offset taxable income or if tax authorities challenge certain of NEP's tax positions; NEP's ability to use NOLs to offset future income may be limited; NEP will not have complete control over NEP's tax decisions; A valuation allowance may be required for NEP's deferred tax assets; Distributions to unitholders may be taxable as dividends; NEP discusses these and other risks and uncertainties in its annual report on Form 10-K for the year ended December 31, 2018 and other SEC filings, and this news release should be read in conjunction with such SEC filings made through the date of this news release. The forward-looking statements made in this news release are made only as of the date of this news release and NEP undertakes no obligation to update any forward-looking statements.

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