

## **(1) FOURTH QUARTER & FULL-YEAR 2025 EARNINGS CONFERENCE CALL**

### **Kanghee Jeon:**

Thank you, Danielle.

Good morning everyone, and thank you for joining our fourth-quarter and full-year 2025 financial results conference call for XPLR Infrastructure.

With me this morning are Alan Liu, President and Chief Executive Officer of XPLR Infrastructure and Jessica Geoffroy, Chief Financial Officer of XPLR Infrastructure.

Alan will start with opening remarks and then Jessica will provide an overview of our results and near-term priorities. Our executive team will then be available to answer your questions.

## **(2) SAFE HARBOR STATEMENT AND NON-GAAP FINANCIAL INFORMATION**

On this call, we will be making forward-looking statements based on current expectations and assumptions which are subject to risks and uncertainties. Actual results could differ materially from our forward-looking statements if any of our key assumptions are incorrect or because of other factors discussed in today's earnings news release, in the comments made during this conference call, in the risk factors section of the accompanying presentation, or in our latest reports and filings with the Securities and

Exchange Commission, each of which can be found on our website [www.XPLRIInfrastructure.com](http://www.XPLRIInfrastructure.com). We do not undertake any duty to update any forward-looking statements.

Today's presentation also includes references to non-GAAP financial measures. You should refer to the information contained in the slides accompanying today's presentation for definitional information and reconciliations of historical non-GAAP measures to the closest GAAP financial measure.

With that, I will turn the call over to Alan.

**Alan Liu:**

**(3) 2025 BUSINESS HIGHLIGHTS**

Thank you, Kanghee. Good morning everyone.

2025 was a pivotal year for XPLR as we transitioned to a capital allocation business model. Our strategy in the near-term is focused on simplifying XPLR's capital structure and executing on selected investments enabled by our existing portfolio of energy infrastructure assets. We believe executing on this strategy will enhance XPLR's financial and strategic flexibility, position XPLR to benefit over time from demand growth in the U.S. power markets and ultimately, maximize the long-term value our of assets for unitholders.

To that end, a year ago we presented a plan that called for executing on selected asset sales, addressing near-term debt maturities, buying out certain convertible equity portfolio financings, or CEPFs, and investing in selected wind repowering projects with attractive returns.

Today, I am pleased to report the team has delivered on every major action item we laid out a year ago:

First, on operational and financial performance, XPLR delivered full year adjusted EBITDA of \$1.88 billion and free cash flow before growth of \$746 million. We believe these results reflect the strong underlying cash flow generating capabilities of our assets.

We also achieved capital structure simplification objectives by addressing two CEPFs, which resulted in a reduction of more than \$1.1 billion in third-party noncontrolling equity interests.

We completed the sale of our investments in the Meade pipeline and certain distributed generation assets, generating approximately \$160 million of net proceeds that were used to support a \$250 million reduction in corporate debt issuance previously contemplated for 2026.

We achieved planned financing objectives by raising approximately \$1.6 billion of project financing commitments to recapitalize certain assets and fund our wind repowering program. We also addressed near-term

corporate debt maturities, including pre-funding 2026 maturities with an early notes issuance in November. As a result, we have now completed the financing plan we laid out for 2025 and 2026 and extended the duration of our debt maturity profile.

We also made strong progress on our capital investment program. As of today, we have completed nearly 1.3 gigawatts of our previously announced repowering plan, with projects achieving commercial operations on-time and on-budget.

All in all, we are pleased with the team's execution thus far.

#### **(4) XPLR INFRASTRUCTURE KEY INVESTMENT HIGHLIGHTS**

Looking forward: We believe long-term fundamentals continue to improve for existing energy infrastructure assets, particularly those that provide efficient, clean energy. XPLR's large and diversified portfolio of power generation assets produce substantial cash flows under long-term contracts with a strong set of credit-worthy customers.

Our thesis remains the same: In the near-term, retaining the cash flows generated by our portfolio should allow XPLR to continue to advance its capital structure simplification strategy while also maintaining balance sheet strength and prudently managing liabilities. In using retained cash

flows to fund selected CEPF buyouts, we plan to continue to reduce third-party investor ownership in assets that are highly valuable and that we believe could provide XPLR with future upside.

Our cash flows are also supporting selected investments enabled by our existing assets, such as repowering projects that we expect will provide strong risk-adjusted return on capital and enhance the long-term value of our fleet.

We believe XPLR's relationship with NextEra Energy provides meaningful competitive advantages when it comes to executing on these investments. Through long-term service agreements with NextEra Energy, XPLR benefits from scale in operations, engineering and construction expertise, and supply chain access – these are advantages that are difficult for standalone platforms to replicate.

We believe that our strategy, commitment to capital discipline and strong execution will continue to enhance XPLR's financial and strategic flexibility and position it well to realize its upside potential over time.

**(5) BATTERY STORAGE AGREEMENT WITH NEXTERA ENERGY RESOURCES —  
TRANSACTION SUMMARY**

One example of how XPLR is unlocking embedded value in its portfolio is through the interconnection sale and battery storage co-investment agreement with NextEra Energy Resources that we are announcing today.

Through this agreement, XPLR Infrastructure is monetizing surplus interconnection capacity and rights at certain of its existing project sites through sales to NextEra Energy Resources. XPLR will also have the ability to co-invest alongside NextEra Energy Resources in four of the new battery storage projects co-located with existing XPLR Infrastructure sites. These storage projects, which total 400 megawatts of capacity, have long-dated capacity agreements with investment grade off-takers and are expected to reach commercial operations by the end of 2027.

For XPLR, we believe this agreement creates a clear and capital-efficient way to add up to approximately 200 net megawatts of battery storage capacity to our portfolio while generating strong project-level equity returns. By using proceeds from the planned sales of interconnection assets and rights to fund its net equity investment in these projects, XPLR

can generate new cash flow streams with zero expected net corporate capital commitment.

**(6) BATTERY STORAGE AGREEMENT WITH NEXTERA ENERGY RESOURCES –  
TRANSACTION STRUCTURE**

Let me talk through in more detail how the agreement is structured. Each of the four projects co-located on existing XPLR sites is expected to be owned in a joint venture between XPLR and NextEra Energy Resources. XPLR has the right to invest up to a 49% ownership stake in each project. If XPLR elects to exercise its co-investment rights across all four projects, its expected net equity contribution is approximately \$80 million after receipt of asset-level financing proceeds.

To partially fund this investment, XPLR has agreed to sell certain interconnection assets and rights to the four co-located battery storage projects for approximately \$31 million. XPLR will also sell additional interconnection assets and rights to a subsidiary of NextEra Energy Resources to enable a 150 megawatt storage project co-located with XPLR's Palo Duro Wind site for approximately \$14 million. To fund the balance of its expected net equity contributions, XPLR intends to sell to NextEra Energy Resources interconnection assets and rights to enable up

to 500-megawatts of potential future battery storage projects on different XPLR sites. XPLR will not have co-investment rights in these additional projects or the storage project co-located at the Palo Duro Wind site.

As part of the agreement, NextEra Energy Resources will provide development, engineering and construction services, as well as equipment to the four joint venture projects and will fund the balance of total project costs not invested by XPLR.

This co-investment structure, which is subject to customary conditions, is expected to provide XPLR with the flexibility to bring high-quality projects to fruition on an accelerated timeline with significantly reduced execution risk is an efficient pathway to monetize non-cash flow generating surplus interconnection capacity embedded within existing assets.

#### **(7) XPLR REPOWERING HIGHLIGHTS**

Repowering is another way that XPLR enhances the value of its portfolio. Given our execution progress in 2025, today we are updating our previously announced 1.6-gigawatt repowering plan to approximately 2.1-gigawatt through 2030. The nearly 500 megawatts of repowerings added to our current program are expected to deliver strong equity returns and take

advantage of a window of opportunity to execute projects that enhance the value and longevity of our fleet.

We anticipate that the new wind repowerings will be funded through a combination of retained cash flows and additional project-level financings. While the total wind repowering opportunity set in XPLR's portfolio is larger than the announced additions, we plan to continue to cadence our investments in a manner that maintains our near-term balance sheet priorities while achieving attractive returns.

#### **(8) POTENTIAL RECONTRACTING OPPORTUNITY**

Over time, another way that XPLR's portfolio could realize upside from expected long-term power demand growth is recontracting at higher prices as our existing power purchase agreements expire.

Today, approximately 80% of the megawatt-hours that we sell are contracted at prices that are below where market prices are currently and where power prices are forecasted to be in the future when the contracts mature. Using third-party forecasted power prices to illustrate potential for further upside, the existing portfolio is estimated to be able to deliver more than \$200 million of incremental revenue by 2040, recognizing that actual

outcomes will depend on market conditions at the time of recontracting and our execution.

In summary, XPLR is a scaled, contracted clean energy infrastructure platform with durable cash flows and a long operating runway. XPLR's assets are located across a diverse set of U.S. power markets that are experiencing increasing demand and tight supply. As those dynamics continue to play out, we believe that our portfolio has significant embedded value and investment opportunities that can be harvested over time. We are taking actions to ensure XPLR is positioned to capture those opportunities as they may arise.

With that, let me turn it over to Jessica who will review the 2025 results in more detail and discuss near-term priorities for the business.

**Jessica Geoffroy:**

**(9) FOURTH QUARTER AND FULL-YEAR 2025 RESULTS**

Thank you, Alan, and good morning, everyone. Let's begin with XPLR Infrastructure's detailed results. For the full year 2025, XPLR's portfolio generated approximately \$1.88 billion in adjusted EBITDA and \$746 million in free cash flow before growth.

The full-year adjusted EBITDA results were primarily impacted by the absence of an approximately \$40 million one-time settlement payment that benefited the fourth quarter of 2024 and asset dispositions. As a reminder, XPLR sold its investments in the Meade pipeline and certain distributed generation assets in the third quarter of 2025.

These impacts were partially offset by improved pricing, including contract escalators and more favorable market conditions at certain projects, as well as lower net operating costs.

Our 2025 free cash flow before growth results further reflect the impact of higher interest expense on corporate debt, which was issued during the year as part of our refinancing and capital structure simplification efforts, and the timing of tax credit monetization.

Taken together, the 2025 results reflect a portfolio that continues to generate strong cash flows from long-duration, contracted assets. This performance provides a solid foundation as we continue to execute our capital allocation priorities and manage the business with a focus on cash flow and balance sheet discipline.

## **(10) XPLR'S FINANCIAL EXPECTATIONS**

For 2026, we continue to expect adjusted EBITDA of \$1.75 to \$1.95 billion and free cash flow before growth of \$600 to \$700 million. As always, our expectations assume our usual caveats, including normal weather and operating conditions.

## **(11) XPLR CAPITAL STRUCTURE SIMPLIFICATION**

Turning to our capital structure simplification efforts, we successfully addressed more than \$1.1 billion in CEPF in 2025. Specifically, we bought out the remaining third-party non-controlling equity interest in our CEPF 1 asset portfolio, and we used proceeds from the sale of our investment in the Meade pipeline to address CEPF 2. Before I talk through our plans for the remaining three CEPFs, I believe it is helpful to take a step back and explain how we think about these structures more broadly.

CEPF structures were designed to provide XPLR with flexibility over time. That flexibility includes the option to buy out the CEPF investor's equity interest in the assets under economic terms that were set at the time the CEPFs were formed. Our decisions on whether or not to exercise the call options are investment decisions that we continuously evaluate relative to all other capital allocation opportunities and balance sheet priorities. To

the extent XPLR chooses not to exercise the call option, it can pursue a sale of the underlying assets with the consent of the CEPF investor or, alternatively, let substantially all of the cash flows from the underlying assets transfer to the CEPF investor.

For CEPF 3, we continue to evaluate our options, including a potential sale of the underlying assets. However, we do not have to make a definitive decision until the fourth quarter of 2027.

At this time, given the expected equity returns on the buyouts and the potential upsides we see in the associated assets, we view the future buyouts on CEPF 4 and 5 as an attractive use of retained cash flows. We expect to exercise our call-option on the first partial buyout for CEPF 5 later this year. The first opportunity for XPLR to exercise a call option for increased equity in CEPF 4 is not until the end of 2028. We will continuously evaluate all of the CEPFs over time in the context of our capital allocation priorities and will remain open to all potential options to maximize value for unitholders.

Putting it all together, XPLR's current plan would result in a more than \$2 billion reduction in third-party non-controlling equity interests in our assets by 2030. Importantly, the plan is expected to deliver this outcome

without putting undue pressure on the balance sheet or relying on the issuance of new equity.

## **(12) XPLR'S NEAR-TERM CAPITAL ALLOCATION PLAN**

As we look ahead to the next couple of years, our focus is on executing against the updated capital investment plan we have outlined today. We plan to increase our equity ownership in CEPF 5 with partial buyout investments of approximately \$150 million in 2026 and \$470 million in 2027. We expect to complete approximately 350 megawatts of incremental repowerings and add approximately 200 net megawatts of battery storage capacity to our portfolio through our new agreement with NextEra Energy Resources. We are also focused on addressing upcoming maturities in a disciplined manner and continuing to optimize the portfolio where opportunities allow us to unlock embedded value.

Our capital plan through the end of the decade is expected to be largely funded by retained cash flows from the existing portfolio. Where appropriate, we expect to supplement that with project-level financing and selective use of corporate debt, all within our overall framework to enhance financial flexibility and maintain appropriate leverage.

Our current capital plan is also supported by a strong and flexible liquidity position including our fully undrawn revolving credit facility. We recently reduced the size of our corporate revolver from its previous level of \$2.5 billion to its current level of \$1.25 billion to further demonstrate discipline and align with our funding needs. Specifically, XPLR only has \$750 million or less in corporate debt maturities over any 12-month period through year-end 2030.

We believe that the combination of liquidity, robust cash flow generation, and a disciplined capital plan allows XPLR to appropriately allocate retained cash flows in a value-maximizing manner as we execute over time.

That discipline underpins our strategy and focus on long-term value creation as we take actions today that we believe strengthen XPLR's platform for the future.

That concludes our prepared remarks and we will now open the line for questions.