

# Pattern Energy | Letter from the CEO

## To Our Shareholders

This week's remarkable finish to the election demonstrates once again that America is a representation of the people, for the people and by the people. We congratulate President-elect Donald Trump on his victory and his vision to make America great again. We believe wind power can help achieve this goal by making America stronger, safer and less reliant on foreign oil, while creating jobs in construction, operation and manufacturing.

As a part of the renewable sector, Pattern Energy is in a relatively unique and strong position. First, our current operations have long-term sales contracts and financing that will not be affected by federal actions, except that lower tax rates could improve Pattern's long-term economics. Second, our growth for the next several years will come from projects with contracted economic propositions that are locked in. We have a right of first offer to Pattern Development's long-term development pipeline of 5,900 MW of projects, some of which is outside of the United States. We see strong growth prospects in the U.S., as well as several other countries where Pattern Development is active, including Canada, Japan and Mexico.

We also see exciting opportunities in solar, where we are expanding our operations. Our identified ROFO list of 962 MW includes a total of 129 MW of solar power projects. The ROFO list provides us with clear visibility to 36% growth in total portfolio capacity.

Wind power will play a major role in North America's power generation, job creation and economic growth. It already provides 5% of America's power and is growing – not simply because it's clean but because wind (and increasingly solar) is already the cheapest form of electricity in the country on a levelized basis. But we're not stopping there – we are confident improvements in technology will continue to drive down prices and make wind power even more cost competitive.

Lower cost, pollution-free wind power is driving demand from multiple sources, including utilities and leading corporations. Half of Fortune 500 companies have sustainability requirements, with an increasing number setting a goal to be 100% renewable. In addition, state RPS targets will generate 31 GW of new demand for wind energy through 2025.

Americans love wind power, which now provides for 88,000 direct jobs in the United States. In Congress, support is strong on both sides of the aisle. A total of 86% of all wind farms are in Republican-held congressional districts, according to AWEA. And 84% of Republicans believe a transition to clean energy is important, according to a recent study by Pew Research Center.

***Looking ahead, we remain highly confident in our ability to expand the portfolio to our target of 5 GW of owned capacity by the end of 2019.***

Our management team has seen many cycles – both economic and political – and we are excited about our outlook.



Mike Garland, CEO  
Pattern Energy