

# Boralex acquires 447 MW of wind power in Texas and New Mexico, USA.

December 29, 2022

# BORALEX



## THE TRANSACTION

Boralex is pleased to announce the agreement with EDF Renewables to acquire all its interests in a portfolio of five operating wind power facilities with a total capacity of 894 MW. EDF's interests represent 447 MW of installed capacity, bringing Boralex's worldwide installed capacity to 2,956 MW. Boralex becomes the managing member of the partnership.

## RATIONALE

- This acquisition fits with our strategic plan and Boralex's desire to make the United States one of our priority markets and to accelerate our growth through acquisitions.
- This acquisition will increase Boralex's presence in the US and our entry into the ERCOT (Electric Reliability Council of Texas) and SPP (Southwest Power Pool) energy markets.

## SYNERGIES

- Boralex is already a market leader in French and Canadian onshore wind power, Boralex's team will bring its leadership and decades of experience to this acquisition.
- Boralex has a history of optimizing the life cycle of its sites, as such these wind farms will benefit from years of experience in operation, maintenance, and repowering.
- The acquisition will balance Boralex's current United States mix of solar and hydro power generation capacity.

## FINANCIAL HIGHLIGHTS

- Purchase Price, net of cash, and certain production tax credits receivable: CA\$[339.7] M (US\$[249.8]M), subject to customary post-Closing adjustments.
- Boralex will fund the Purchase Price from available cash resources.
- The portfolio includes two projects with 13-year busbar power purchase agreements ("PPAs") and one project with a 3-year hubsettled PPA; for a remaining weighted PPA average life of [10] years. Additionally, the portfolio includes two fully merchant projects.
- No existing project debt. The existing tax equity investors will continue to monetize the remaining production tax credits.
- Expected 2023 contribution to Boralex combined EBITDA (US GAAP) of approximately CA\$[39]M (US\$[28]M). The acquisition will be accounted for as an investment in a joint venture in consolidated financial statements.
- Immediately accretive to discretionary cash flow (AFFO), with a 2023 contribution of approximately CA\$[25]M (US\$[18]M) or CA\$[0.24] per share, a [19]% increase over the consolidated amount generated by Boralex in 2021.

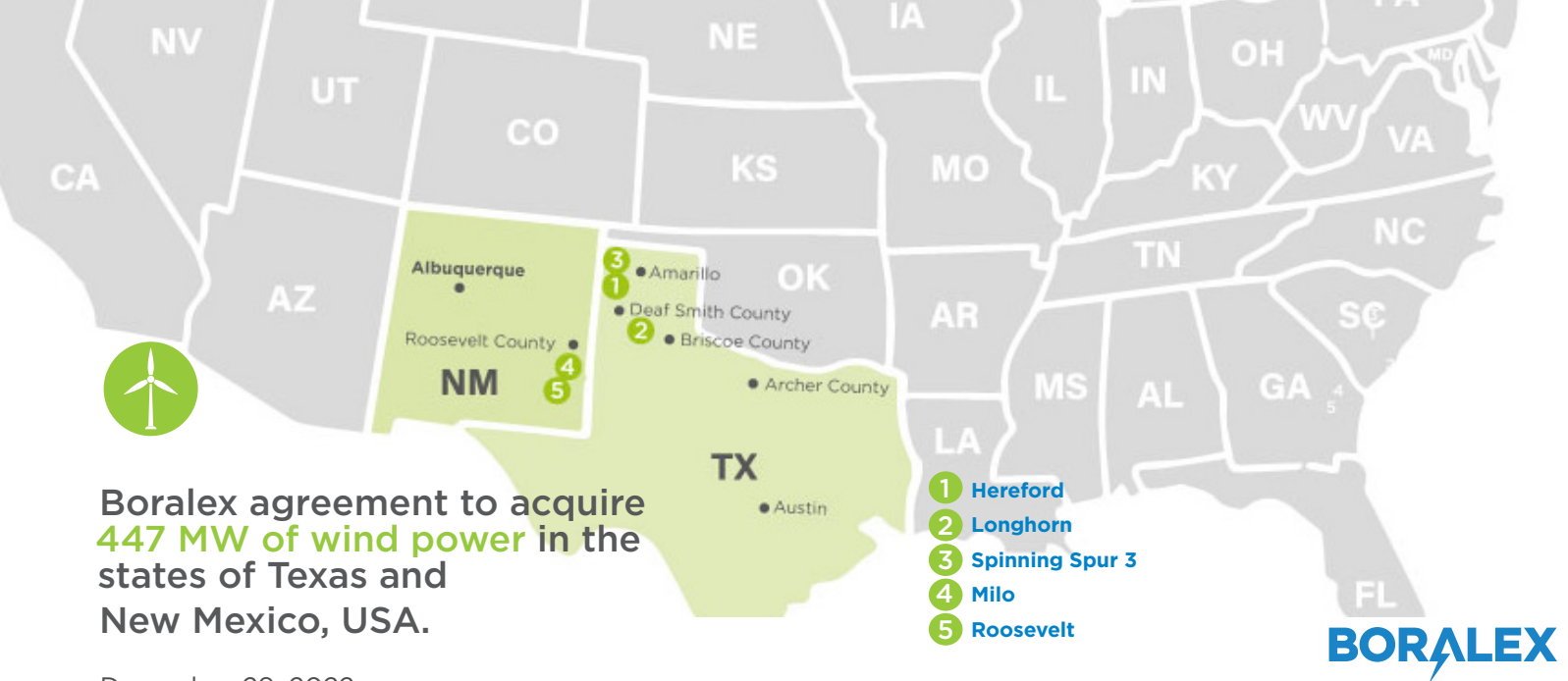
## SITES HIGHLIGHTS



| Site/<br>project<br>name | Location                             | MW     | % / MW<br>to acquire | PPA<br>remaining | Turbines  | COD       |
|--------------------------|--------------------------------------|--------|----------------------|------------------|-----------|-----------|
| Hereford                 | Deaf Smith<br>County, TX             | 200 MW | 50% /<br>100 MW      | N/A              | Vestas/GE | Dec 2014  |
| Longhorn                 | Floyd/<br>Briscoe<br>Counties,<br>TX | 200 MW | 50% /<br>100 MW      | 3 years          | Vestas    | May 2015  |
| Spinning<br>Spur 3       | Oldham<br>County, TX                 | 194 MW | 50% /<br>97 MW       | 13 years         | Vestas    | Sept 2015 |
| Milo                     | Roosevelt<br>County, NM              | 50 MW  | 50% /<br>24.9 MW     | N/A              | Vestas    | Jan 2016  |
| Roosevelt                | Roosevelt<br>County, NM              | 250 MW | 50% /<br>125 MW      | 13 years         | Vestas    | Dec 2015  |

## TRANSACTION HIGHLIGHTS

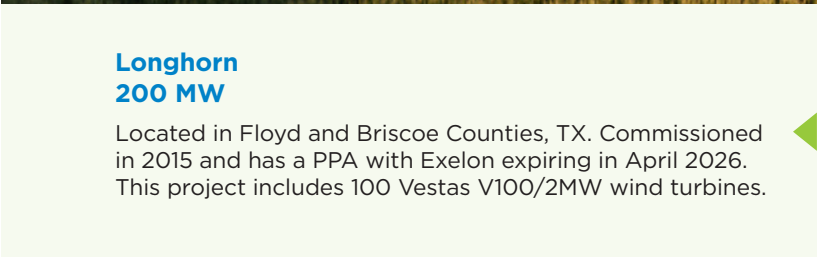
- Boralex becomes the managing member of the partnership of the 5 wind farms.
- By acquiring EDF Renewable's 447 MW interest, Boralex has taken a significant step forward in achieving its Strategic Plan 2025.
- Texas (ERCOT) is one of the largest renewable markets in the US and one of the deepest and most liquid merchant markets. It is also the fastest growing electricity market with the highest projected peak load growth.
- SPP covers 14 states; Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas and Wyoming and serves 19 million customers.
- Contracted Purchase Power Agreements (PPAs) are structured to mitigate basis and economic curtailment risks; there are no fixed shape hedges in this portfolio that have caused market difficulties.
- With an average wind speed of 8.2 m/s, these sites are located in one of the most robust wind resource areas in the US.



1

**Hereford  
200 MW**

Located in Deaf Smith County, TX. Commissioned in 2014, and power sold merchant in ERCOT. This project includes 50 Vestas V100/2MW and 54 GE 82.5 wind turbines of 1.85 MW.



2

**Longhorn  
200 MW**

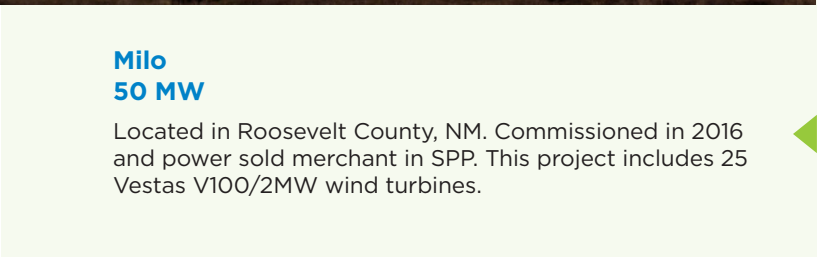
Located in Floyd and Briscoe Counties, TX. Commissioned in 2015 and has a PPA with Exelon expiring in April 2026. This project includes 100 Vestas V100/2MW wind turbines.



3

**Spinning Spur 3  
194 MW**

Located in Oldham County, TX. Commissioned in 2015 and has a PPA with City of Georgetown / City of Garland expiring in September 2035. This project includes 97 Vestas V100/2MW wind turbines.



4

**Milo  
50 MW**

Located in Roosevelt County, NM. Commissioned in 2016 and power sold merchant in SPP. This project includes 25 Vestas V100/2MW wind turbines.



5

**Roosevelt  
250 MW**

Located in Roosevelt County, NM. Commissioned in 2015 and has a PPA with Southwest Public Service Co. expiring in December 2035. This project includes 125 Vestas V100/2MW wind turbines.