



3Q 2015 Results

November 9, 2015



TerraForm ^{POWER}
a SunEdison company

Safe Harbor

With the exception of historical information, the matters disclosed in this presentation are forward-looking statements. Such statements involve certain risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Potential risks and uncertainties are described in the Company's filings with the Securities and Exchange Commission (SEC), including our Forms 10-Q and our Annual Report on Form 10-K filed with the SEC on March 13, 2015, as well as other filings with the SEC, in addition to the risks and uncertainties described on page 3 of this presentation. These forward-looking statements represent the Company's judgment as of the date of this presentation. The Company disclaims, however, any intent or obligation to update these forward-looking statements, except as required by law.

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By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Factors that might cause such differences include, but are not limited to, our ability to integrate the projects we acquire from third parties or otherwise realize the anticipated benefits from such acquisitions; actions of third parties, including but not limited to the failure of SunEdison or other counterparties to fulfill their obligations; price fluctuations, termination provisions and buyout provisions in offtake agreements; delays or unexpected costs during the completion of projects under construction; our ability to successfully identify, evaluate, and consummate acquisitions from SunEdison or third parties or changes in expected terms and timing of any acquisitions; regulatory requirements and incentives for production of renewable power; operating and financial restrictions under agreements governing indebtedness; the condition of capital markets and our ability to borrow additional funds and access capital markets; the impact of foreign exchange rate fluctuations; our ability to compete against traditional and renewable energy companies; and hazards customary to the power production industry and power generation operations, such as unusual weather conditions and outages. Furthermore, any dividends are subject to available capital, market conditions, and compliance with associated laws and regulations. Many of these factors are beyond TerraForm Power’s control.

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Section 1: Executive Summary

3Q Executive Summary

- **3Q Performance On Track; Delivered CAFD of \$71M**
 - Up from 2Q 2015 CAFD of \$65M and 3Q 2014 CAFD of \$30M
 - 34 MW of drop downs from SUNE with \$6M of run rate CAFD
 - Diversified asset fleet of 1,918 MW delivering consistent results
- **Declaring 3Q Dividend of \$0.35/share (\$1.40 annualized)**
 - Increase of 4% vs. 2Q 2015 DPS and 55% vs. 3Q 2014 DPS
- **FY 2015E CAFD \$225M; YTD: \$175M CAFD Generated; \$42M for Reinvestment**
- **Liquidity of \$1.3B to Fund M&A Commitments and Drop Downs**
 - Executed \$300M 10-year bond in July related to Invenergy M&A financing
 - On track to close Invenergy in 4Q 2015 and Vivint Solar in 4Q 2015 or 1Q 2016
 - Aggregate TERP transaction value of \$3B
 - Executed refinancing of UK portfolio on November 6, resulting in net proceeds of \$160M
- **TERP Platform is Well-Positioned**
 - High-quality contracted portfolio average credit rating of A-
 - Established presence in growing market segments
 - Dedicated management team focused on delivering shareholder value

Note: Represents MW-ac for wind assets and MW-dc for solar assets.



Track Record of Quarterly Dividend Increases

Quarterly
Dividend

\$0.226 ✓

\$0.270 ✓

\$0.325 ✓

\$0.335 ✓

\$0.350 ✓

\$0.90

\$1.08

\$1.30

\$1.34

\$1.40

At IPO

4Q 2014

1Q 2015

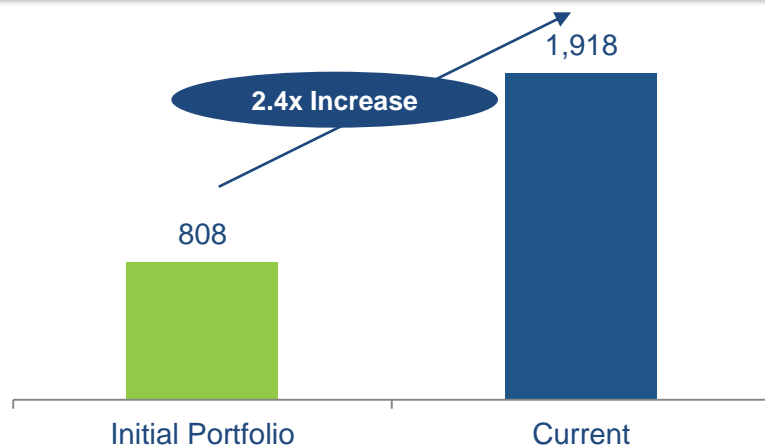
2Q 2015

3Q 2015

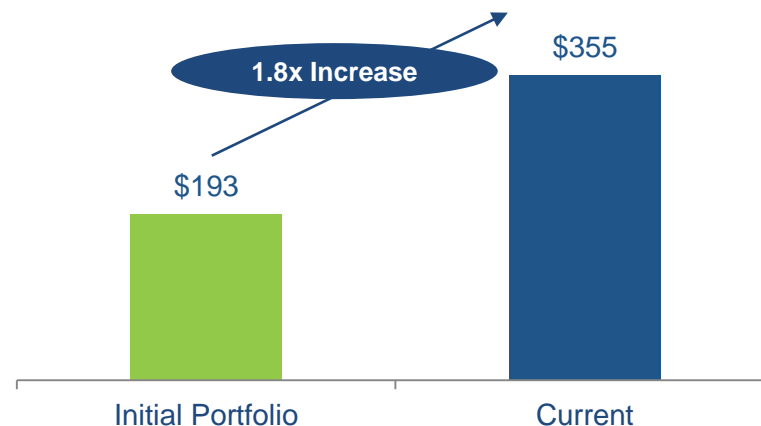
Annualized Dividend

Executing on the Investment Thesis

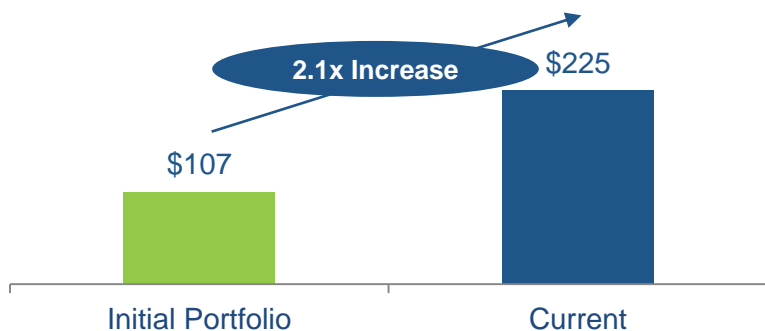
MW Owned



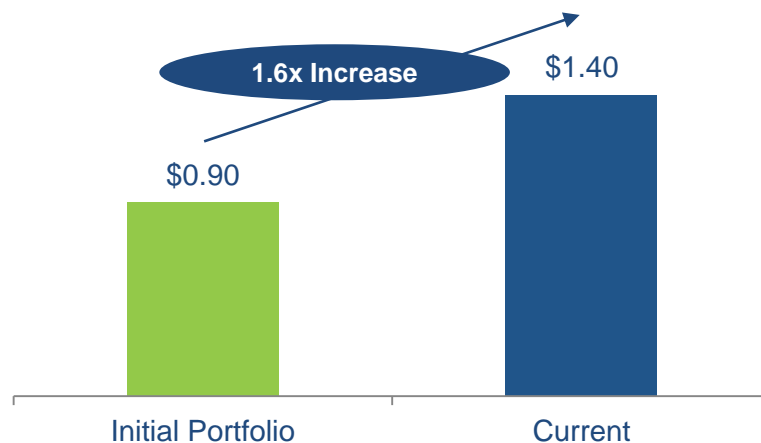
Annual Adjusted EBITDA (\$M)



Annual CAFD (\$M)



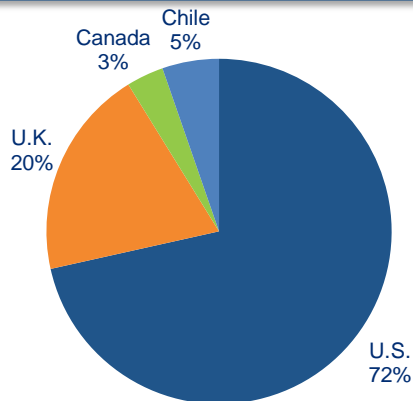
Annualized DPS (\$/share)



Note: Current MW owned represents owned portfolio as of September 30, 2015. Current Annual Adjusted EBITDA and Annual CAFD represent 2015 guidance. Current Annualized DPS represents 3Q 2015 \$0.35/share dividend payment annualized.

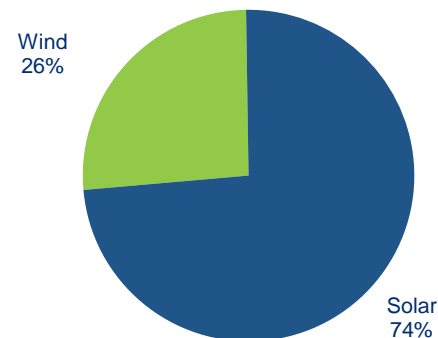
High Quality Portfolio of 1,918 MW

Location



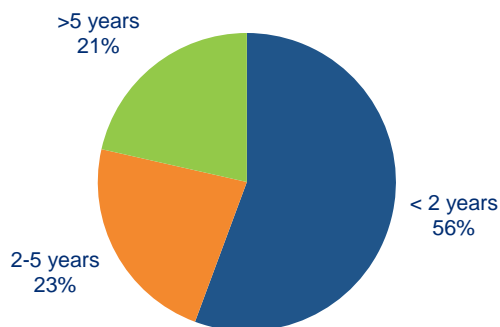
Assets located in attractive power markets

Generation Type



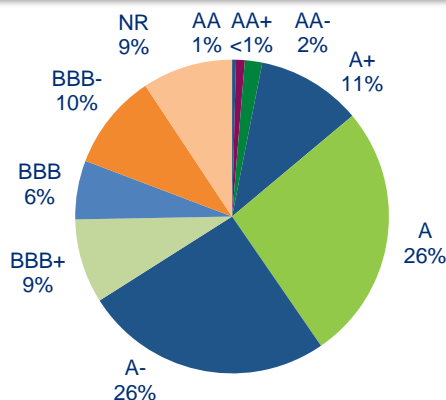
Fleet diversity

Asset Age



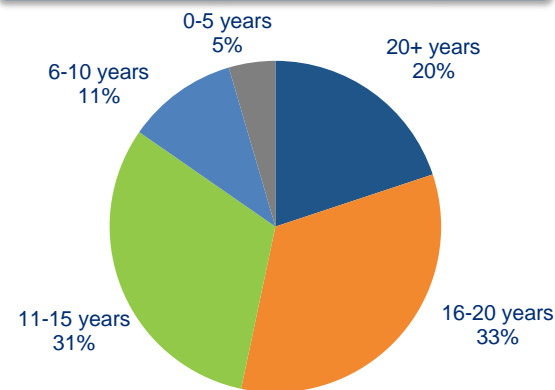
Most projects are <2 years old, with average 30-year expected asset life

S&P Counterparty Rating



Average high quality credit rating of A-

Remaining Contract Length



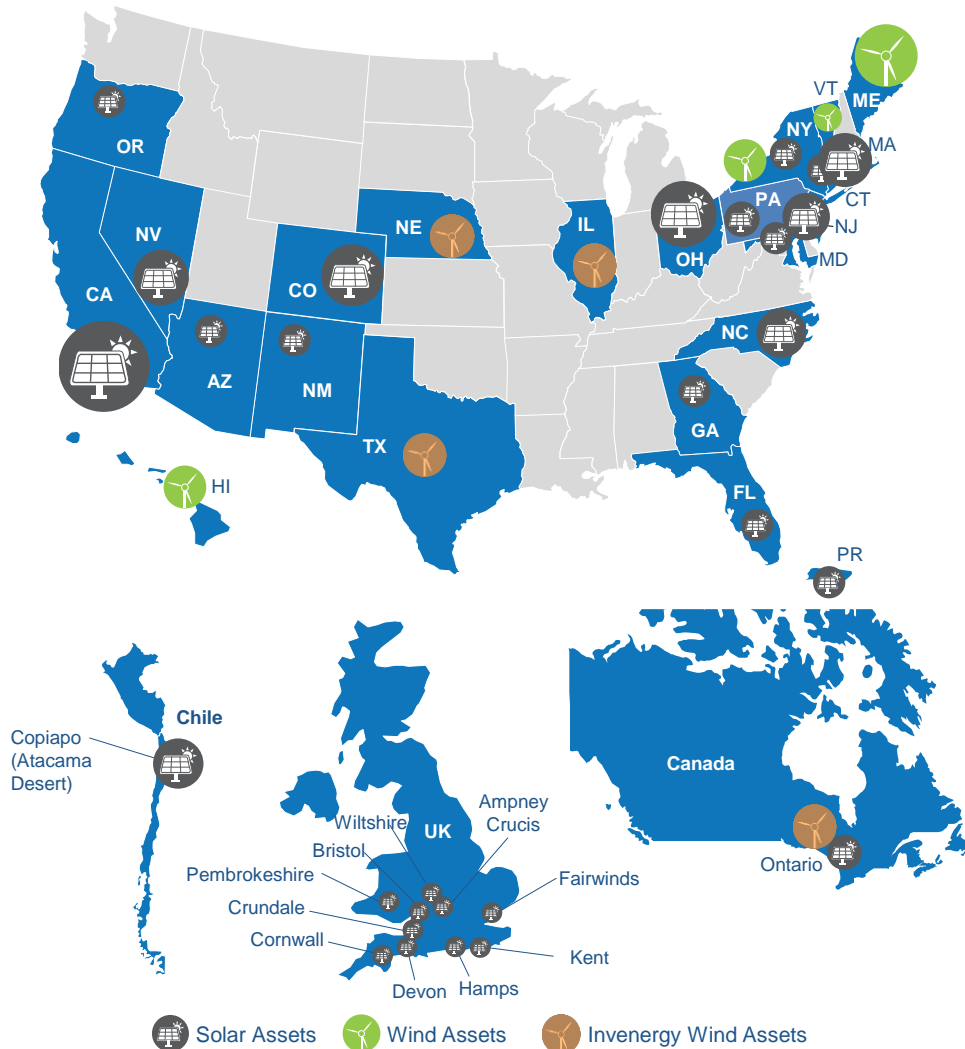
Average remaining PPA life of 16 years

Note: All information as of September 30, 2015. Weighted by MW. Excludes pending Invenergy and Vivint Solar acquisitions.

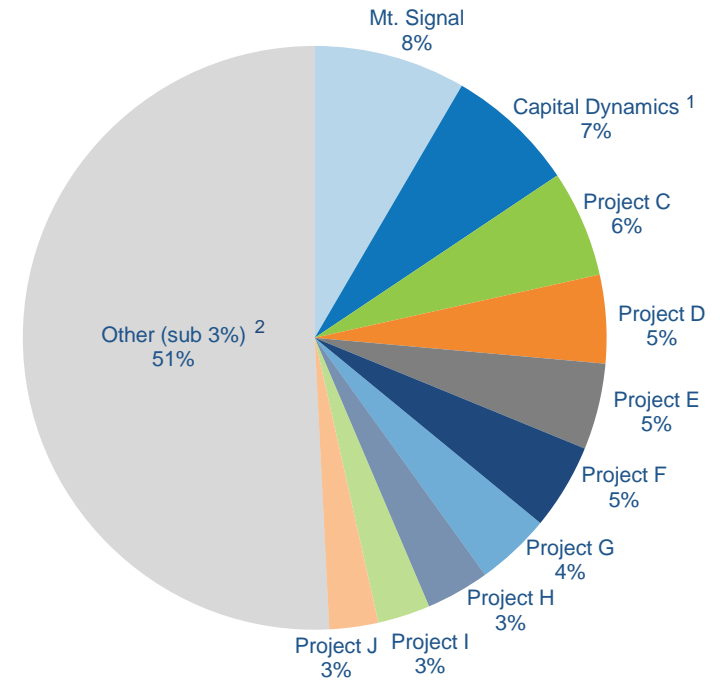


TerraForm Power Has a Highly Diversified Portfolio

TerraForm Power Asset Map



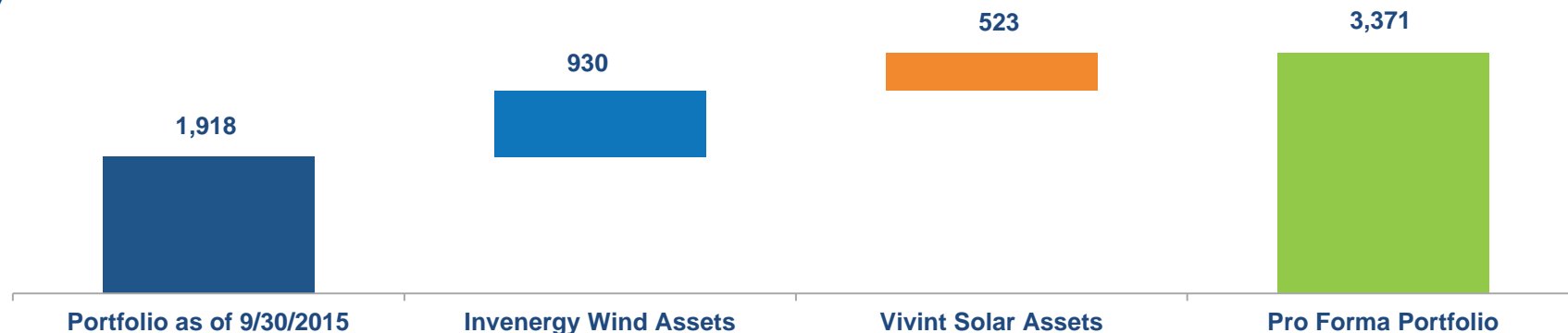
CAFD By Project (as of Sept. 30, 2015)



- Portfolio consists of 39 projects in 4 distinct funds.
- Represents 40 projects / portfolios with CAFD contribution of 3% or less.

TERP M&A Update and Pro Forma Portfolio

MW



Invenergy

- Acquisition for \$1.9B (\$1.1B cash and \$818M project-level debt) announced on July 6, 2015
- Power plants are located in the U.S. and Canada
 - PPAs with a weighted average remaining contract life of 19 years and an average credit rating of AA
- To be funded using a combination of cash on hand, assumption of debt, revolver draws and structured financing arrangements with third party investors¹
- All lender/third party consents and regulatory approvals are expected to be received by the end of November
- Invenergy will retain a 9.9% stake in the U.S. assets and provide certain O&M services
- Transaction is expected to close in 4Q 2015

Vivint Solar

- \$1.6B acquisition by SunEdison announced on July 20, 2015
- TERP to acquire up to 523 MW of operating U.S. residential solar power plants for up to \$922M
- Interim Agreement with SunEdison contemplates:
 - Acquisition by TERP of SunEdison cash equity interests in future projects at fair market value
 - MWs could be securitized or sold to third parties based on future growth objectives and market conditions
 - Comprehensive O&M services by SunEdison for acquired portfolio at attractive prices
- Transaction is expected to close in 4Q 2015 or 1Q 2016

1. Expected to be structured similar to warehouse transactions previously consummated by SunEdison and would involve debt and/or preferred security investments by third parties. SunEdison is no longer expected to participate in the structured financing arrangements.



Section 2: 3Q Results & Financial Update

3Q 2015 Results Overview

Metric	3Q 2015 Result
MW Owned (Quarter End)	1,918
GWh	846
Capacity Factor	21%
Revenue / MWh	\$181
Revenue ¹	\$153M
Adjusted EBITDA	\$126M
CAFD	\$71M
DPS	\$0.350

Highlights

- **Grew fleet from 1,883 MW in 2Q to 1,918 in 3Q**
 - 34 MW of drop downs completed
 - Results do not include pending Invenergy wind and Vivint Solar M&A transactions
- **Balanced portfolio drove strong 3Q performance**
 - Solar fleet performed in line and maintained balanced generation mix
 - Wind resource weaker than expected, impacted capacity factors
 - Disciplined cost management helped offset low wind resource
- **Delivered \$71M of CAFD, TERP's highest quarterly CAFD to date**

Note: Average MW in operation for 3Q was 1,842 MW.

1. Revenue adjusted for PPA amortization, changes in fair value of commodity hedges and ITC revenue amortization.



Comparison vs. 3Q 2014

Metric	3Q 2015 Result	3Q 2014 Result	Change
MW Owned (Quarter End)	1,918	808	137%
GWh	846	327	159%
Capacity Factor	21%	23%	(2)%
Revenue / MWh	\$181	\$171	6%
Revenue ¹	\$153M	\$56M	173%
Adjusted EBITDA	\$126M	\$47M	168%
CAFD	\$71M	\$30M	137%
DPS	\$0.350	\$0.226	55%

Highlights

- Continued growth has resulted in >130% YOY increase of Revenue, Adjusted EBITDA and CAFD
- Increased fleet size 137% from 808 MW to 1,918 MW YoY while increasing DPS 55%
 - Closed M&A transactions including First Wind, Capital Dynamics, Hudson Solar Energy, Moose Power, Integrys and Invenergy solar assets
- YTD CAFD of \$175M; YTD CAFD for reinvestment of \$42M**

Note: Average MW in operation for 3Q was 1,842 MW.

1. Revenue adjusted for PPA amortization, changes in fair value of commodity hedges and ITC revenue amortization.



Organic Execution and Portfolio Optimization

3Q 2015 Drop Downs

Overview	Metrics
3Q15 Drop Downs	34 MW
10-Year Average Unlevered CAFD	\$6M
HoldCo Capital	\$61M ¹
10-Year Yield (Levered)	10.7%

- Weighted average contract rating of A- and contract life of 20.8 years

Replacing Future Drops with Higher Yielding Assets

Metric	Oakfield ²	DG Drops ³	Variance
Size	148 MW	124 MW	(23) MW
HoldCo Capital	\$232M	\$222M	\$(11)M
Unlevered CAFD	\$18.8M	\$21.0M	\$2.2M
10-Year Levered Yield ³	8.8%	10.3%	1.5%

- JPM Infra in partnership with SunEdison agreed to buy Oakfield asset, subject to customary closing conditions
 - TERP expects to retain call right option
- Replacing Oakfield asset with DG drop downs enables TERP to invest in higher yielding assets requiring less HoldCo capital
- Additionally, capital required for DG drop downs will be spent across 3Q 2015, 4Q 2015 and 1H 2016
- Oakfield full capital investment would have been required by 4Q 2015

1. Excludes tax equity minority interest of \$38M.

2. Represents original underwriting assumptions and HoldCo leverage at 3.0x.

3. Represents actual and anticipated 3Q 2015-1H 2016 Residential and Distributed Generation drops and HoldCo leverage at 3.0x.

U.K. Portfolio Financing

\$M, unless otherwise noted

- **Successfully executed \$475M portfolio financing on November 6**
- Approximately 4% all-in interest cost
- Refinanced construction debt from drop downs to long-term debt with 7-year tenor
 - Tranche A: \$132M, fully amortizing
 - Tranche B: \$343M, bullet repayment
- **Net incremental proceeds to TERP of \$160M**
- Refinancing will result in an expected reduction in 2016 CAFD of approximately \$20M as a result of increased debt service
 - Continues to build portfolio equity value while generating net proceeds
 - Allows for reduction of HoldCo capital requirements to fund M&A
 - Reinvestment of proceeds to grow CAFD

Portfolio Overview

- 24 assets with 365 MW total capacity
- 3 investment-grade offtakers (EDF, Statkraft and Total)
- Weighted-average PPA life of 14 years

Sources and Uses

New U.K. Project Financing	\$475
Refinancing of Indebtedness	(271)
Funding of Reserve Accounts	(32)
Transaction Costs	(12)
Net Proceeds	\$160

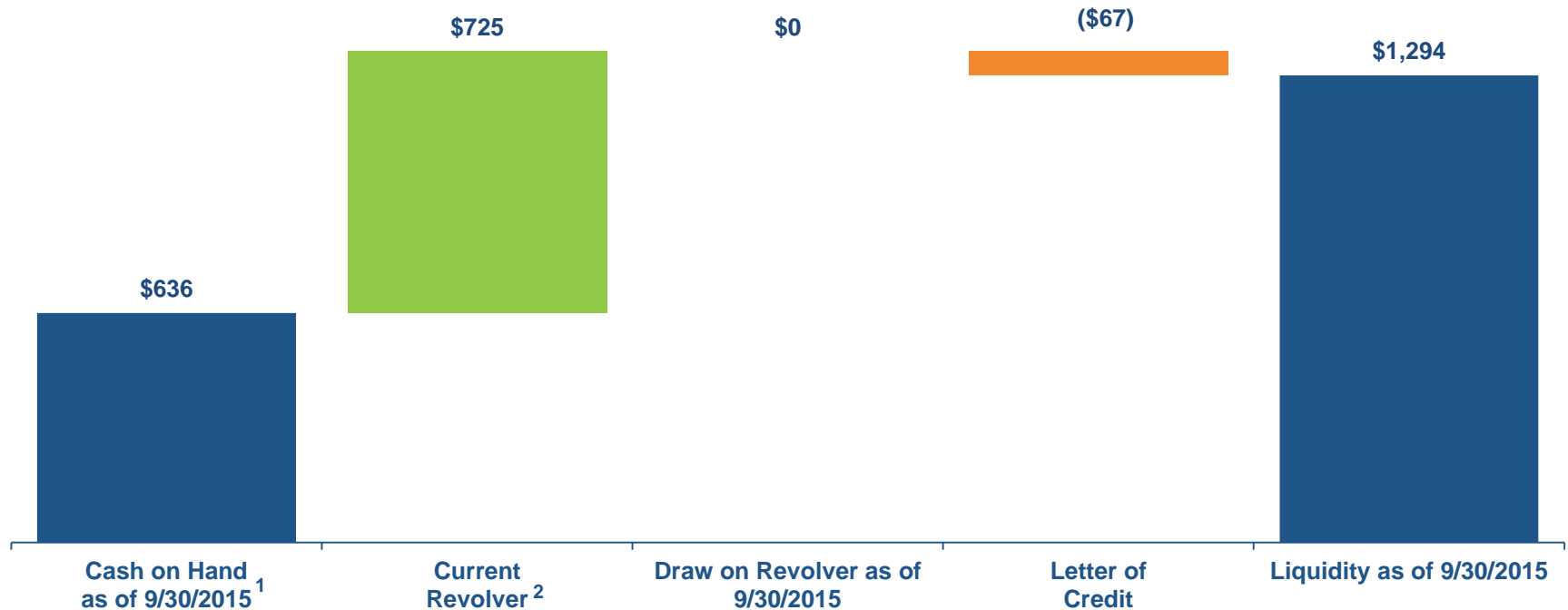
Optimizing Portfolio to Create \$160M of Incremental Liquidity

Note: Debt sized in GBP and converted to USD at 1.516 USD per GBP.



Liquidity of \$1.3B as of September 30, 2015

\$M, unless otherwise noted



■ Ending 3Q liquidity of \$1.3B

- Pro forma for UK refinancing: \$796M cash on hand and \$1.45B of liquidity
- Cash and liquidity earmarked to fund M&A obligations

■ Executed amendment on August 11, 2015 to allow revolver upsize of up to \$1.0B

1. Excludes short-term restricted cash of ~\$90M.
2. Revolver draws subject to leverage tests and other conditions.

TERP Pro Forma Capital Structure

\$M, unless otherwise noted

	Standalone 9/30/15	Pro Forma Adjustments	Pro Forma 9/30/15
Unrestricted Cash	636 ¹	160	796
Undrawn Revolver Capacity	658 ²	-	658
Liquidity Available (Cash & Revolver)	\$1,294	\$160	\$1,454
Short-Term UK Project Debt	271	(271)	-
Senior Notes due 2023 & 2025	1,250	-	1,250
Permanent Project Debt	830	475	1,305
Gross Permanent Debt, Consolidated (Adjusted)	\$2,080	\$475	\$2,555
Net Debt, Consolidated (Adjusted)	1,444	315	1,759
Net HoldCo Debt, (Adjusted)	614	(160)	454
EBITDA (2016 Run-rate 9/30/15 Portfolio)	\$397	-	\$397
CFADS (HoldCo, 2016 Run-rate 9/30/15 Portfolio)	295	(19) ³	276
Credit Metrics			
Net Debt (Adjusted) / EBITDA	3.6x		4.4x
Net Holdco Debt (Adjusted) / CFADS	2.1x		1.6x

Definitions and Calculations:

CFADS: CAFD before HoldCo debt service payments.

Short-Term UK Project Debt: Represents construction financing and financing lease obligations. Excluded from adjusted debt calculations for credit metric purposes.

Gross Permanent Debt, Consolidated (Adjusted): Sum of *Senior Notes* and *Permanent Project Debt* (excludes *Short-Term UK Project Debt*).

Net Debt, Consolidated (Adjusted): *Gross Permanent Debt, Consolidated (Adjusted)* less *Unrestricted Cash*

Net HoldCo Debt (Adjusted): *Net Debt, Consolidated (Adjusted)*, less *Permanent Project Debt*

1. Excludes restricted cash.
2. \$725M of total capacity less \$67M of Letter of Credit (counted against availability but excluded from debt calculations).
3. Represents incremental 2016 debt service on UK project debt.



M&A Financing Plan

✓ Completed (\$1.7B) ← In Progress (\$1.3B)

\$M, unless otherwise noted

A TERP Acquires 523 MW of Vivint Solar Assets and 265 MW of Invenergy Assets

Sources of Funds

Cash on Hand	\$661	✓
Assumed Project Debt:		
Vivint Aggregation Facility ¹	200	✓
Raleigh & Rattlesnake ¹	158	✓
Incremental Debt:		
Vivint Term Loan or HoldCo Bond ²	250	←
UK Refinancing Net Proceeds	160	✓
Total Sources of Funds	\$1,429	

Uses of Funds

Invenergy Assets (Raleigh & Rattlesnake)	\$467
Vivint Solar Assets ³	962
Total Uses of Funds	\$1,429

B Structured Warehouse Financing for Remaining 665 MW of Invenergy Assets⁴

Sources of Funds

Assumed Project Debt (CA Ridge)	\$174	✓
New Project Debt	726	←
3 rd Party Infrastructure Capital	300	←
TERP HoldCo Capital	388	✓
Total Sources of Funds	\$1,588	

Uses of Funds

Remaining Invenergy Portfolio	\$1,588
Total Uses of Funds	\$1,588

1. Project debt subject to lender consent.

2. Anticipate terming out current aggregation facility draw with full term loan draw of \$450M.

3. Includes up to \$40M of transaction costs.

4. Expected to be structured similar to warehouse transactions previously consummated by SunEdison and would involve debt and/or preferred security investments by third parties. SunEdison is no longer expected to participate in the structured financing arrangements.

Track Record of Quarterly Dividend Increases

Quarterly
Dividend

\$0.226



\$0.270



\$0.325



\$0.335



\$0.350



\$0.90

\$1.08

\$1.30

\$1.34

\$1.40

At IPO

4Q 2014

1Q 2015

2Q 2015

3Q 2015

Annualized Dividend



Appendix

Reg. G: 2015 Reconciliation of Net Income to Adjusted EBITDA

Unaudited

(in thousands)	Quarter to Date September 30, 2015	Year to Date September 30, 2015	Year Ended December 31, 2015
Adjusted Operating revenues	\$ 152,936	\$ 359,690	\$ 458,900
Operating costs and expenses:			
Costs of operations	22,041	65,087	99,100
Depreciation, amortization and accretion	43,667	113,695	157,500
General and administration (1)	5,500	20,700	25,700
Acquisition expense	11,294	32,720	32,720
Other non-recurring or non-cash expenses	16,654	39,798	43,100
Total operating costs and expenses	99,156	272,000	358,120
Operating income	53,780	87,690	100,780
Interest Expense	37,486	98,960	136,500
Other Non Cash/Non Recurring Interest Expense	11,300	22,642	33,100
Interest expense, net	48,786	121,602	169,600
Other Expense/Income Non-Cash (2)	903	15,354	14,500
Income before income tax expense	4,091	(49,266)	(83,320)
Income tax expense	1,673	2,842	2,840
Net income	\$ 2,418	\$ (52,108)	\$ (86,160)
Add:			
Depreciation, amortization and accretion	\$ 43,667	\$ 113,695	\$ 157,500
Interest expense, net	48,786	121,602	169,600
Income tax expense	1,673	2,842	2,840
Other non-recurring, non-cash and acquisition	29,160	89,590	98,320
Stock-based compensation	2,556	10,030	12,500
Adjusted EBITDA (3)	\$ 125,842	\$ 285,651	\$ 354,600

1. Reflects all costs of doing business associated with the forecast operating portfolio, including expenses paid by SunEdison in excess of the payments received under the Management Services Agreement, and stock compensation expense. Excludes expenses associated with acquisition and financing activities
2. Includes non-recurring and other non-cash items including loss on extinguishment of debt, loss on foreign change associated with the revaluation of intercompany loans.
3. Adjusted EBITDA and cash available for distribution are non-GAAP measures. You should not consider these measures as alternatives to net income (loss), determined in accordance with GAAP, or net cash provided by operating activities, determined in accordance with GAAP



Reg. G: 2015 Reconciliation of Net Income to CAFD

Unaudited

(in thousands)	Quarter To Date September 30, 2015	Year to Date September 30, 2015	Year Ended December 31, 2015
Adjustments to reconcile net income to net cash provided by operating activities:			
Net income	\$ 2,418	\$ (52,108)	\$ (86,160)
Depreciation, amortization and accretion	43,667	113,695	157,500
Non-cash items	19,007	53,320	63,200
Changes in assets and liabilities	4,864	(9,698)	8,500
Net Cash from Operations (GAAP)	\$ 69,956	\$ 105,209	\$ 143,040
Other Non Operating - Non-Recurring (1)	24,930	69,607	77,600
Net cash provided by operating activities	\$ 94,886	\$ 174,816	\$ 220,640
Adjustments to reconcile net cash provided by operating activities to cash available for distribution:			
Net cash provided by operating activities	\$ 94,886	\$ 174,816	\$ 220,640
Changes in assets and liabilities	(4,864)	9,698	(8,500)
Deposits into/withdrawals from restricted cash accounts	(20,648)	(10,345)	25,000
Cash distributions to non-controlling interests	(5,367)	(17,686)	(23,300)
Scheduled project-level and other debt service and repayments	(6,505)	(18,404)	(35,800)
Non-expansionary capital expenditures	(4,468)	(9,764)	(10,700)
Contributions received pursuant to agreements with SunEdison (2)	5,677	15,143	16,500
Economic Interest	-	13,590	19,600
Other	12,150	17,899	21,560
Estimated cash available for distribution (CAFD)	\$ 70,861	\$ 174,947	\$ 225,000

1. Includes non-recurring and other non-cash expenses including expense for acquisitions and other non-operating expenses
2. Primarily represents contributions received from SunEdison pursuant to the Interest Payment Agreement, which we expect will be satisfied upon the scheduled interest payment on the Senior Notes in August, 2017



Reg. G: Full Year 2016 Pro Forma Reconciliation of Run-Rate Net Income to Adjusted EBITDA

Unaudited

Note: Excludes results from Invenergy and Vivint Solar assets; includes impact of UK refinancing, July bond issuance and 3Q 2015 drop downs and other activity

(in thousands)	Year Ended December 31, 2016
Operating revenues	\$ 525,000
Operating costs and expenses:	
Costs of operations	121,000
Depreciation, amortization and accretion	160,000
General and administration (1)	25,000
Other non-recurring or non-cash expenses (2)	-
Total operating costs and expenses	306,000
Operating income	219,000
Interest expense, net	162,000
Other income	-
Income before income tax expense	57,000
Income tax expense	1,000
Net income	\$ 56,000
Add:	
Depreciation, amortization and accretion	\$ 160,000
Interest expense, net	162,000
Income tax expense	1,000
Other non-recurring or non-cash expenses	15,000
Stock-based compensation	3,000
Adjusted EBITDA (3)	\$ 397,000

1. Reflects all costs of doing business associated with the forecast operating portfolio, including expenses paid by SunEdison in excess of the payments received under the Management Services Agreement, and stock compensation expense. Excludes expenses associated with acquisition and financing activities
2. Includes non-recurring and other non-cash expenses including loss on extinguishment of debt, acquisition and other non-operating expenses, and loss on foreign exchange associated with the revaluation of intercompany loans
3. Adjusted EBITDA and cash available for distribution are non-GAAP measures. You should not consider these measures as alternatives to net income (loss), determined in accordance with GAAP, or net cash provided by operating activities, determined in accordance with GAAP



Reg. G: Full Year 2016 Pro Forma Reconciliation of Run-Rate Net Income to CAFD

Unaudited

Note: Excludes results from Invenergy and Vivint Solar assets; includes impact of UK refinancing, July bond issuance and 3Q 2015 drop downs and other activity

(in thousands)	Year Ended December 31, 2016
Adjustments to reconcile net income to net cash provided by operating activities:	
Net income	\$ 56,000
Depreciation, amortization and accretion	160,000
Non-cash items	19,000
Changes in assets and liabilities	9,000
Other non-recurring or non-cash expenses	-
Net cash provided by operating activities	\$ 244,000
Adjustments to reconcile net cash provided by operating activities to cash available for distribution:	
Net cash provided by operating activities	\$ 244,000
Changes in assets and liabilities	(9,000)
Deposits into/withdrawals from restricted cash accounts	7,000
Cash distributions to non-controlling interests	(20,000)
Scheduled project-level and other debt service and repayments	(41,000)
Non-expansory capital expenditures	(11,000)
Contributions received pursuant to agreements with SunEdison (a)	27,000
Other	11,000
Estimated cash available for distribution (CAFD)	\$ 208,000
Corporate Interest Expense, Net of Interest Payment Agreement	67,500
Estimated cash available for debt servicing (CFADS)	\$ 275,500

1. Primarily represents contributions received from SunEdison pursuant to the Interest Payment Agreement, which we expect will be satisfied upon the scheduled interest payment on the Senior Notes in August, 2017





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