Pattern Energy | Letter from the CEO

To Our Shareholders

With the expected bankruptcy of PG&E moving closer, we wanted to address how this may affect the Company.

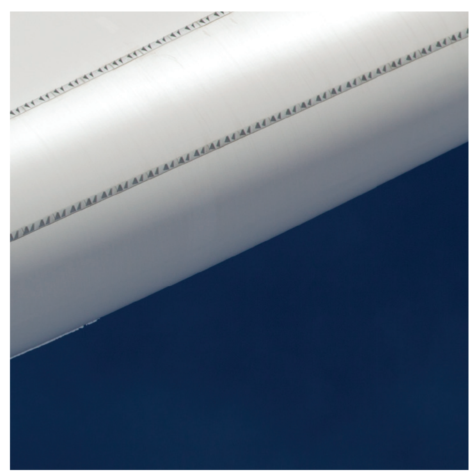
Overall, if PG&E files for bankruptcy we believe it would have a minimal impact on our business. The primary reason we believe that it will have minimal impact is that we only have one power contract with PG&E, for our 101 megawatt Hatchet Ridge Wind facility, which represents approximately 3.5% of our owned capacity and approximately 3% of our project cash flows.

We actively manage our business to deal with temporary interruptions in project operations, short-term disruptions, such as the aftermath of Hurricane Maria in Puerto Rico, or longer-term impacts such as changing market conditions in ERCOT. With a portfolio of our scale, 24 clean power facilities totaling 3.8 GW of operating capacity and growing, we're confident in our ability to protect our expected financial performance in most such instances. The wide diversity of our asset base, which is spread across North America, Puerto Rico and Japan, underpins our strong and steady performance.

A bankruptcy of PG&E is expected to be a long process, as the last bankruptcy proceeding in 2001 lasted three years. Though it's too early to speculate on the final outcome, we do take confidence that to the best of our knowledge, all existing commitments under power purchase agreements were honored as a result of the 2001 bankruptcy proceeding.

California Governor Gavin Newsom communicated his understanding that it is vital to protect the integrity of existing power contracts, as he confirmed the need to "continue to honor promises made to energy suppliers" in his public statements and press briefings.

I firmly believe that renewables are the future – and California is a leader that is deeply committed to clean energy. The state has a policy target of 100% renewable production by 2045 and we believe wind will play an important role in meeting this target given utility-scale wind is



recognized as the lowest cost source of new generation on the planet. Renegotiating existing renewable contracts would be fundamentally counterproductive to attracting the investment needed to achieve this long-term objective.

The turbines at Hatchet Ridge Wind, near Mt. Shasta in Northern California, remain spinning as they harness the strong winds blowing off the Pacific Ocean. We expect to continue to produce power and are confident that we will be compensated at the contract price during the proceeding. A bankruptcy event does not constitute a default under our loan documents and we also expect to service our project debt in a timely manner. For us, it's business as usual.

At Pattern Energy, we have consistently communicated our commitment to maintaining our dividend level – and we remain fully committed to our dividend and our growth targets. We expect to grow our cash available for distribution without the need to issue common equity and we expect to continue to lower our payout ratio as we anticipate distributions from our investment in the development business and from our growth in Japan.

The PG&E bankruptcy may be a long process, with some bumps along the way, but we are confident it will have minimal impact on our business and that California will continue to march toward becoming fossil-fuel independent. Companies like Pattern Energy will help the Golden State achieve this important goal.

Sincerely,

Mike Garland
President & Chief Executive Officer
Pattern Energy Group Inc.