Pattern Energy Group Inc.
Form 424B5
February 02, 2015
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-199217

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not offers to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED FEBRUARY 2, 2015

Prospectus Supplement

(To Prospectus dated October 8, 2014)

$350,000,000

Pattern Energy Group Inc.

Class A Common Stock

Pattern Energy Group Inc. is offering $200,000,000 of shares of its Class A common stock. Pattern Energy Group LP, the selling shareholder, is offering an additional $150,000,000 of shares of our Class A common stock. We will not receive any of the proceeds from the sale of the shares of our Class A common stock being sold by the selling shareholder.

Our Class A common stock is listed on the NASDAQ Global Market under the symbol PEGI and on the Toronto Stock Exchange under the symbol PEG. On January 30, 2015, the last reported sale price of our Class A common stock on the NASDAQ Global Market was $29.22 per share and on the Toronto Stock Exchange was C$38.49 per share.

Investing in our Class A common stock involves a high degree of risk. See Risk Factors beginning on page S-12 of this prospectus supplement. You should also consider the risk factors described in the documents

incorporated by reference in this prospectus supplement and the accompanying prospectus.

	Per Class A Share	Total
Public offering price	$	$
Underwriting discounts and commissions	$	$
Net proceeds to us, before expenses	$	$
Net proceeds to the selling shareholder, before expenses	$	$

The selling shareholder has granted the underwriters the right to purchase, within a period of 30 days beginning on the date of this prospectus supplement, up to an additional $52,500,000 of shares of our Class A common stock, solely to cover over-allotments, if any. We will not receive any proceeds from the exercise of the underwriters over-allotment option.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement and the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Delivery of the shares will be made on or about , 2015.

Morgan Stanley **BofA Merrill Lynch** **RBC Capital Markets**

The date of this prospectus supplement is , 2015

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We and the selling shareholder have not, and the underwriters have not, authorized anyone to provide any information other than that contained in this prospectus supplement and the accompanying prospectus or incorporated by reference in this prospectus supplement and the accompanying prospectus or in any free writing prospectus prepared by or on behalf of us to which we have referred you. We, the selling shareholder and the

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underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the selling shareholder are not, and the underwriters are not, making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus supplement and the accompanying prospectus or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date of such document. Our business, financial condition, results of operations and prospects may have changed since those dates.

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ABOUT THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS

This document consists of two parts. The first part is the prospectus supplement, which describes the specific terms of this offering of shares of Class A common stock and also adds to and updates the information contained or incorporated by reference in the accompanying prospectus. The second part is the accompanying prospectus, which describes more general information regarding our securities, some of which does not apply to this offering. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described under the heading Where You Can Find More Information and Incorporation of Information by Reference in this prospectus supplement and Where You Can Find More Information in the accompanying prospectus in their entirety before making an investment decision.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus or the information contained in any document incorporated by reference herein or therein, the information contained in the most recently dated document shall control. Unless the context provides otherwise, any reference herein to:

Class A shares or Class A common shares refers to shares of our Class A common stock, par value $0.01 per share;

Class B shares refers to shares of our Class B common stock, par value $0.01 per share, all of which automatically converted into shares of our Class A common stock on a share-for-share basis on December 31, 2014;

the Conversion Event refers to the later of (i) December 31, 2014 and (ii) the date on which our South Kent project achieved commercial operations. The South Kent project achieved commercial operations on March 28, 2014;

El Arrayán or the El Arrayán project refers to the wind power project assets held by Parque Eólico El Arrayán SpA, a share company formed under the laws of Chile, in which we have an owned capacity of 81 MW;

Grand project refers to the wind power project assets held by a 45/45/10 joint venture between us, Samsung and the Six Nations, in which we have a 45% ownership interest and an owned capacity of 67 MW;

Hatchet Ridge project refers to the wind power project assets held by Hatchet Ridge Wind LLC, a Delaware limited liability company, in which we have an owned capacity of 101 MW;

Logan s Gap or the Logan s Gap project refers to the wind power project assets held by Logan s Gap Wind LLC, a Delaware limited liability company in which we will, upon commencement of commercial operations, which we expect to occur in late 2015, have an owned capacity of approximately 164 MW;

MW refers to megawatts;

owned capacity of any particular project refers to the maximum, or rated, electricity generating capacity of the project in MW multiplied by our percentage ownership interest in the distributable cash flow of the project;

Panhandle 2 or the Panhandle 2 project refers to the wind power project assets held by Pattern Panhandle Wind 2 LLC, a Delaware limited liability company, in which we have an owned capacity of 147 MW;

Pattern Development refers to Pattern Energy Group LP, a Delaware limited partnership, and, where the context so requires, its subsidiaries (excluding us);

South Kent or the South Kent project refers to the wind power project assets held by South Kent Wind LP, a limited partnership formed under the laws of the Province of Ontario, in which we have an owned capacity of 135 MW;

Spring Valley or the Spring Valley project refers to the wind power project assets held by Spring Valley Wind LLC, a limited liability company formed under the laws of the State of Nevada, in which we have an owned capacity of 152 MW; and

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we, our, us, our company or Pattern Energy refers to Pattern Energy Group Inc., a Delaware corporatio together with its consolidated subsidiaries.

NOTICE TO INVESTORS

We are a holding company with U.S. operating subsidiaries that are public utilities (as defined in the Federal Power Act, or FPA) and, therefore, subject to the jurisdiction of the U.S. Federal Energy Regulatory Commission, or FERC, under the FPA. As a result, the FPA places certain restrictions and requirements on the transfer of an amount of our voting securities sufficient to convey direct or indirect control over us. See Risk Factors Risks Related to this Offering and Ownership of our Class A Shares As a result of the FPA and FERC s regulations in respect of transfers of control, absent prior authorization by FERC, neither we nor Pattern Development can convey to an investor, nor will an investor in our company generally be permitted to obtain, a direct and/or indirect voting interest in 10% or more of our issued and outstanding voting securities, and a violation of this limitation could result in civil or criminal penalties under the FPA and possible further sanctions imposed by FERC under the FPA, included in our Annual Report on Form 10-K for the year ended December 31, 2013, as amended by the Form 10-K/A (the 2013 Annual Report), incorporated by reference herein.

MARKET AND INDUSTRY DATA

We obtained the industry, market and competitive position data used throughout the documents incorporated by reference in this prospectus supplement and the accompanying prospectus from our own internal estimates as well as from industry publications and research, surveys and studies conducted by third parties, including the Global Wind Energy Council, the World Meteorological Organization, North American Electric Reliability Corporation, National Energy Technology Laboratory, the U.S. Department of Energy, the U.S. Energy Information Administration, the Federal Energy Regulatory Commission, the Electric Reliability Council of Texas, the Public Utility Commission of Texas, the Centre for Energy, Natural Resources Canada, Ontario Power Generation, Ontario Power Authority, the Government of Manitoba, the Chilean Ministry of Energy and Puerto Rico Electric Power Authority. Industry publications, studies and surveys generally state that they have been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe our internal company research is reliable and the market definitions are appropriate, neither such research nor these definitions have been verified by any independent source. Estimates of historical growth rates in the markets where we operate are not necessarily indicative of future growth rates in such markets.

TRADEMARKS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus include trademarks, such as the Pattern name and the Pattern logo, which are protected under applicable intellectual property laws and are our property and/or the property of our subsidiaries. This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus also contain trademarks, service marks, copyrights and trade names of other companies, which are the property of their respective owners. We do not intend our use or display of other companies trademarks, service marks, copyrights or trade names to imply a relationship with, or endorsement or sponsorship of us by, any other companies. Solely for convenience, our trademarks and tradenames referred to in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus may appear without the ® or symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks and tradenames.

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CURRENCY AND EXCHANGE RATE INFORMATION

In this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein, references to C$ and Canadian dollars are to the lawful currency of Canada and references to $, US$ and U.S. dol are to the lawful currency of the United States. All dollar amounts herein are in U.S. dollars, unless otherwise stated.

Our historical consolidated financial statements that are incorporated by reference in this prospectus supplement are presented in U.S. dollars. The following chart sets forth for each of 2011, 2012, 2013 and 2014, as well as each completed month or relevant interim period in any uncompleted month to date during 2015, the high, low, period average and period end noon buying rates of Canadian dollars expressed as Canadian dollars per US$1.00.

	Canadian Dollars per US$ 1.00			
	High	**Low**	**Period Average(1)**	**Period End**
Year				
2011	C$ 1.0605	C$ 0.9448	C$ 0.9887	C$ 1.0168
2012	1.0417	0.9710	0.9995	0.9958
2013	1.0697	0.9839	1.0300	1.0637
2014	1.1643	1.0614	1.1045	1.1501
Month				
January 2015	1.2717	1.1728	1.2115	1.2717

(1) The average of the noon buying rates on the last business day of each month during the relevant one-year period and, in respect of monthly or interim period information, the average of the noon buying rates on each business day for the relevant period.

The noon buying rate in Canadian dollars on January 30, 2015 was US$1.00 = C$1.2717.

The above rates differ from the actual rates used in our consolidated historical financial statements and the calculation of cash available for distribution and dividends we declared and paid described elsewhere in this prospectus supplement and the documents incorporated by reference in this prospectus supplement. Our inclusion of these exchange rates is not meant to suggest that the U.S. dollar amounts actually represent such Canadian dollar amounts or that such amounts could have been converted into Canadian dollars at any particular rate or at all.

For information on the impact of fluctuations in exchange rates on our operations, see Risk Factors Risks Related to Our Projects Currency exchange rate fluctuations may have an impact on our financial results and condition and Management s Discussion and Analysis of Financial Condition and Results of Operations Quantitative and Qualitative Disclosure About Market Risk Foreign Currency Risk included in our 2013 Annual Report incorporated by reference herein.

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CAUTIONARY STATEMENT REGARDING THE USE OF NON-GAAP MEASURES

This prospectus supplement, including documents incorporated by reference, contains references to Adjusted EBITDA, cash available for distribution before principal payments and cash available for distribution, which are not measures under generally accepted accounting principles in the United States, or U.S. GAAP, and, therefore, may differ from definitions of these measures used by other companies in our industry. We disclose Adjusted EBITDA, cash available for distribution before principal payments and cash available for distribution because we believe that these measures may assist investors in assessing our financial performance and the anticipated cash flow from our projects. None of these measures should be considered the sole measure of our performance and they should not be considered in isolation from, or as a substitute for, the financial statements incorporated by reference in this prospectus supplement prepared in accordance with U.S. GAAP. For further discussion of the limitations of these non-U.S. GAAP measures and the reconciliations of net income to Adjusted EBITDA and net cash provided by (used in) operating activities to each of cash available for distribution before principal payments and cash available for distribution, see footnotes 1 and 2 to the table under the heading Summary Historical Consolidated Financial and Operating Data elsewhere in this prospectus supplement.

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SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement and the accompanying prospectus, or incorporated by reference in this prospectus supplement and the accompanying prospectus. As a result, this summary does not contain all of the information that may be important to you or that you should consider before investing in shares of our Class A common stock. You should read carefully this entire prospectus supplement, the accompanying prospectus and any related free writing prospectus, together with all documents incorporated by reference herein and therein, which are described under Where You Can Find More Information and Incorporation of Information by Reference in this prospectus supplement and under Where You Can Find More Information in the accompanying prospectus.

Overview

We are an independent power company focused on owning and operating power projects with stable long-term cash flows in attractive markets with potential for continued growth of our business. We hold interests in 12 wind power projects located in the United States, Canada and Chile that use proven, best-in-class technology and have a total owned capacity of 1,636 MW. These projects consist of 11 operating projects and one project under construction, the Logan s Gap project, which we acquired from Pattern Development on December 19, 2014 and is scheduled to commence commercial operations prior to the end of 2015. Each of our projects has contracted to sell all or a majority of its output pursuant to a long-term, fixed-price power sale agreement with a creditworthy counterparty. One of our counterparties, PREPA, has been downgraded. See Risk Factors Our projects rely on a limited number of key power purchasers. The power purchaser for our Santa Isabel project has been downgraded in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 incorporated by reference herein. Eighty-nine percent of the electricity to be generated by our projects will be sold under these power sale agreements, which have a weighted average remaining contract life of approximately 16 years.

We intend to maximize long-term value for our stockholders in an environmentally responsible manner and with respect for the communities in which we operate. Our business is built around the core values of creating a safe, high-integrity and exciting work environment; applying rigorous analysis to all aspects of our business; and proactively working with our stakeholders in addressing environmental and community concerns. Our financial objectives, which we believe will maximize long-term value for our stockholders, are to produce stable and sustainable cash available for distribution, selectively grow our project portfolio and our dividend and maintain a strong balance sheet and flexible capital structure. We target a 10% to 12% annual growth rate in our cash available for distribution over three years from 2014.

Our growth strategy is focused on the acquisition of operational and construction-ready power projects from Pattern Development and other third parties that we believe will contribute to the growth of our business and enable us to increase our dividend per share over time. We expect our continuing relationship with Pattern Development, a leading developer of renewable energy and transmission projects, will be an important source of growth for our business. In addition, opportunities in new geographic markets, such as Japan and Mexico, could form part of our growth strategy. Currently, Pattern Development has a 3,500 MW pipeline of development projects, all of which are subject to our right of first offer.

Recent Developments

On January 28, 2015, we announced that Pattern Development acquired a majority stake in Green Power Investment Corporation (GPI), based in Tokyo, Japan. GPI has 1,000 MW in various stages of development, spread across a number of existing near and longer term development projects. Pattern Development s expected indirect interest in the

GPI projects is included in its 3,500 MW pipeline of development projects, all of which are subject to our right of first offer.

On December 31, 2014, our shares of Class B common stock automatically converted into shares of our Class A common stock on a share-for-share basis as a result of the occurrence of the Conversion Event.

On December 19, 2014, we completed our acquisition of Pattern Development s interest in the approximately 200 MW Logan s Gap project located in Comanche County, Texas for a total cash funding commitment of approximately $113 million, a portion of which, together with cash funding to be provided by certain tax equity investors, will be used to pay down construction debt upon the completion of construction. The completion of the project, which consists of 87 2.3 MW Siemens turbines, is expected to occur in late 2015. Upon completion of construction, we expect to have an owned capacity of 164 MW.

On December 17, 2014, certain of our subsidiaries entered into an Amended and Restated Credit and Guaranty Agreement which increased our available limit under our existing revolving corporate credit facility from $145 million to $350 million. The facility has a four-year term and is comprised of a revolving loan facility, a letter of credit facility and a swing-line facility. As of the date of this prospectus supplement, letters of credit in an amount of $48.4 million have been issued under the facility and we have an outstanding drawn loan balance of $50.0 million under the facility. The facility is secured by pledges of the capital stock and ownership interests in certain of our holding company subsidiaries.

On December 9, 2014, the Grand project completed construction and reached commercial operations.

On November 10, 2014, we completed our previously-announced acquisition of Pattern Development s interest in the Panhandle 2 project for consideration of $123.8 million, as it reached commercial operations. As part of the acquisition, we assumed a loan of $195.4 million that we have since repaid.

We have added two new Right of First Offer Projects (ROFO Projects) to our list of identified projects that we expect to acquire from Pattern Development in connection with our project purchase rights:

On November 5, 2014, we announced the addition of 150 MW of the 300 MW Henvey Inlet wind power project to our ROFO list. The project has a 20-year power purchase agreement with Ontario Power Authority, and is expected to begin construction in 2016.

On January 20, 2015, Pattern Development announced that it had entered into a 13-year power purchase agreement with a subsidiary of Amazon.com in connection with a 150 MW wind power project proposed to be built in Indiana. Pattern Development expects to retain an owned capacity in the project of approximately 116 MW. The project is expected to begin commercial operation in late 2015 or early 2016.

Below is a summary of the ROFO Projects that we expect to acquire from Pattern Development in connection with our project purchase rights in the coming three to twenty-one months.

Asset	**Location**	**Owned MW**	**Status**
Gulf Wind	Texas	76	Operational
K2	Ontario	90	In construction
Armow	Ontario	90	In construction
Meikle	British Columbia	185	Ready for financing

Conejo	Chile	73	Ready for financing
Belle River	Ontario	50	Securing final permits
Henvey Inlet	Ontario	150	Signed PPA; late stage development
Amazon	Indiana	116	Ready for financing
Wind Farm (Fowler Ridge)			
Total		**830**	

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For additional discussion on the ROFO Projects, see the sections entitled Management s Discussion and Analysis of Financial Condition and Results of Operations Recent Transactions in our 2013 Annual Report and Management s Discussion and Analysis of Financial Condition and Results of Operations Recent Developments in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, which are incorporated by reference in this prospectus supplement and the accompanying prospectus.

In August 2014, NV Energy delivered notice that it was exercising its option to acquire up to 50% of the equity membership interests in our Spring Valley project held by our project-level operating subsidiary. Following a 120-day period under the option to negotiate terms and conditions that are acceptable to us, the option lapsed. NV Energy no longer holds an option to acquire an interest in our Spring Valley project.

Outlook

We have not yet completed our year-end procedures or finalized our results of operations for the year ended December 31, 2014. However, we estimate that our cash available for distribution for the year ended December 31, 2014 will be in the range of approximately $61.2 million to $62.4 million[1]. This estimate, and the estimates of the underlying components thereof, were prepared by, and are the responsibility of, management. While these estimates are presented with numerical specificity and considered reasonable by management, actual results may differ. You should not place undue reliance on these estimates, and they should not be regarded as a representation that estimated results will be achieved.

1. Cash available for distribution is a non-U.S. GAAP measure. See Cautionary Statement Regarding the Use of Non-GAAP Measures and footnote 2 to the table under the heading Summary Historical Consolidated Financial and Operating Data for a definition and further discussion of the limitations of this non-U.S. GAAP measure. The following table provides a reconciliation of the range of our estimated net cash provided by operating activities to the range of our estimated cash available for distribution for the year ended December 31, 2014:

	Year ended December 31, 2014 (U.S. dollars in thousands)	
Estimated net cash provided by operating activities	$ 105,100	115,100
Estimated changes in current operating assets and liabilities	(4,600)	(13,400)
Estimated network upgrade reimbursement		2,500
Estimated use of operating cash to fund maintenance and debt reserves		
Estimated release of restricted cash to fund general and administrative costs		200

Estimated operations and maintenance capital expenditures		(300)	
Estimated transaction costs for acquisitions		1,700	
Estimated distributions from unconsolidated investments		7,900	
Less:			
Estimated distributions to noncontrolling interests		(2,100)	
Estimated principal payments paid from operating cash flows		(49,200)	
Estimated cash available for distribution	$	61,200	62,400

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Industry Update

Renewable energy sources in the United States have benefited from various federal and state governmental incentives, such as production tax credits and investment tax credits. Production tax credits and investment tax credits for wind energy expired on December 31, 2013, although in December 2014 were renewed by Congress for projects that satisfied certain requirements before January 1, 2015 and are under reconsideration for renewal in 2015. Whether the credits will be extended in the future, and the form of any such extension, is uncertain.

Following the nuclear meltdown at the Fukushima Daiichi plant in 2011, the Japanese government has placed a greater emphasis on the development of renewable resources in order to reduce its reliance on nuclear power, having released its Innovative Strategy for Energy and the Environment in September 2012. By 2030, the plan calls for renewable power generation to triple compared to 2010, reaching about 30% of total generation. In 2012, Japan also introduced a feed-in-tariff program that offers fixed-term, fixed-price contracts (up to 20 years) to renewable power projects.

Corporate Information

Our principal executive offices are located at Pier 1, Bay 3, San Francisco, California 94111, and our telephone number is (415) 283-4000. Our website is www.patternenergy.com. We make our periodic reports and other information filed or furnished to the SEC or Canadian Securities Administrators available, free of charge, through our website, as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC or Canadian Securities Administrators. Except as specifically noted, information on our website is not incorporated by reference into this prospectus supplement and the accompanying prospectus and does not constitute a part of this prospectus supplement and the accompanying prospectus.

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THE OFFERING

Class A common stock offered by us	Class A shares.
Class A common stock offered by the selling shareholder	Class A shares.
Class A common stock to be outstanding after this offering	Class A shares.
Over-allotment option	Pattern Development, or the selling shareholder, has granted the underwriters an option, exercisable within 30 days following the date of this prospectus supplement, to purchase up to an additional $52,500,000 of shares of our Class A common stock at the public offering price to cover over-allotments, if any. We will not receive any proceeds from the exercise of the underwriters over-allotment option.
Use of proceeds	We estimate the net proceeds to us from our issuance and sale of $200,000,000 of shares of our Class A common stock in this offering will be approximately $ million after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds from this offering for working capital and general corporate purposes, including investment in one or more acquisition opportunities from Pattern Development or third parties, which we are considering, and the potential repayment of outstanding indebtedness. We will not receive any of the proceeds from the sale of shares of our Class A common stock by the selling shareholder. See Use of Proceeds for additional information.
Risk factors	You should read the Risk Factors section of this prospectus supplement and in our 2013 Annual Report and our Quarterly Reports on Form 10-Q, for the quarters ended March 31, 2014, June 30, 2014 and September 30, 2014, which are incorporated by reference in this prospectus supplement and the accompanying prospectus, for a discussion of certain of the factors to consider carefully before deciding to purchase any shares of our Class A common stock.
Pattern Development retained interest	Upon completion of this offering, Pattern Development will hold approximately % of our outstanding Class A shares (or % if the underwriters exercise their over-allotment option in full).

Dividends	On November 26, 2013, we announced the initiation of a quarterly dividend on our Class A common stock. On October 31, 2014, we increased our quarterly dividend to $0.335 per Class A share, or $1.34 per Class A share on an annualized basis, commencing with respect to the dividends paid on January 30, 2015 to shareholders of record as of December 31, 2014. Shares of Class B common stock subject to the Conversion Event on December 31, 2014 did not participate in the dividend paid on January 30, 2015.

Conflicts of interest	Certain of the underwriters and their affiliates hold membership interests in certain of our wind power projects. In addition, affiliates of Morgan Stanley & Co. LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBC Dominion Securities Inc. are lenders under our revolving credit facility, and, if we repay outstanding indebtedness under our revolving credit facility using the net proceeds of this offering, may receive 5% or more of the net proceeds of this offering. Therefore, this offering will be conducted in accordance with Rule 5121 of the Financial Industry Regulatory Authority, Inc. (FINRA). See Underwriters (Conflicts of Interest) Conflicts of Interest and Other Relationships.
Exchange listing	Our Class A shares are listed on the NASDAQ Global Market under the symbol PEGI and the Toronto Stock Exchange, or TSX, under the symbol PEG .

Unless otherwise stated, all applicable share, per share and related information in this prospectus supplement is as of December 31, 2014 and (i) reflects the automatic conversion of all of our outstanding shares of Class B common stock into shares of our Class A common stock on a share-for-share basis on December 31, 2014 pursuant to our amended and restated certificate of incorporation and (ii) excludes 2,270,794 Class A shares available for future issuance under our 2013 Equity Incentive Award Plan.

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SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING DATA

The following table presents summary historical consolidated financial and operating data as of the dates and for the periods indicated. The summary historical consolidated financial data as of December 31, 2011, 2012 and 2013 and for the years ended December 31, 2011, 2012 and 2013 have been derived from the audited historical consolidated financial statements incorporated by reference in this prospectus supplement. The summary historical consolidated financial data as of September 30, 2014 and for the nine months ended September 30, 2014 and 2013 have been derived from our unaudited interim historical financial statements incorporated by reference in this prospectus supplement.

Our historical consolidated financial statements are presented in U.S. dollars and have been prepared in accordance with U.S. GAAP, which differ in certain material respects from International Financial Reporting Standards, or IFRS. For recent and historical exchange rates between Canadian dollars and U.S. dollars, see Currency and Exchange Rate Information.

You should read the following table in conjunction with Use of Proceeds and Capitalization included in this prospectus supplement as well as the section entitled Management s Discussion and Analysis of Financial Condition and Results of Operations included in each of our 2013 Annual Report and our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2014 and the historical consolidated financial statements and the notes thereto incorporated by reference in this prospectus supplement.

	Nine Months ended September 30,		Year ended December 31,		
	2014	2013	2013	2012	2011
	(U.S. dollars in thousands, except per share data, share data and operating data)				
Statement of Operations Data:					
Revenue					
Electricity sales	$ 184,175	$ 130,533	$ 173,270	$ 101,835	$ 108,770
Energy derivative settlements	9,309	12,873	16,798	19,644	9,512
Unrealized (loss) gain on energy derivative	(11,143)	(5,222)	(11,272)	(6,951)	17,577
Related party revenue	2,330	465	911		
Other revenue	1,404	21,157	21,866		
Total revenue	186,075	159,806	201,573	114,528	135,859
Cost of revenue					
Project expenses	56,609	42,061	57,677	34,843	31,343
Depreciation and accretion	72,476	61,758	83,180	49,027	39,424
Total cost of revenue	129,085	103,819	140,857	83,870	70,767
Gross profit	56,990	55,987	60,716	30,658	65,092
Total operating expenses	20,118	9,531	12,988	11,636	9,668
Operating income	36,872	46,456	47,728	19,022	55,424

Total other expense	(62,390)	(23,808)	(33,110)	(36,002)	(28,829)
Net (loss) income before income tax	(25,518)	22,648	14,618	(16,980)	26,595
Tax (benefit) provision	(1,505)	(6,799)	4,546	(3,604)	689
Net (loss) income	(24,013)	29,447	10,072	(13,376)	25,906
Net (loss) income attributable to noncontrolling interest	(13,115)				