

**THE STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE
SITE EVALUATION COMMITTEE**

SEC DOCKET NO. 2021-__

**Joint Petition of BAIF U.S. Renewable Power Holdings LLC, Freshet Wind Energy LLC
and Tusk Wind Holdings III, LLC for Approval of the Transfer of BAIF U.S. Renewable
Power Holdings LLC's Membership Interests in BAIF Granite Holdings LLC
and the Transfer of Freshet Wind Energy LLC's Membership Interests in
Granite Reliable Power, LLC to Tusk Wind Holdings III, LLC**

**PREFILED TESTIMONY OF MATTHEW ROSKOT
ON BEHALF OF TUSK WIND HOLDINGS III, LLC**

May 3, 2021

1 **Qualifications of Matthew Roskot**

2 **Q. Please state your name and business address.**

3 A. My name is Matthew Roskot. My business address is 700 Universe Boulevard, Juno
4 Beach, Florida 33408.

5 **Q. Who is your current employer and what position do you hold?**

6 A. I am employed by NextEra Energy Resources, LLC ("NEER") and hold the position of
7 Vice President, NextEra Energy Partners, LP ("NEP") which became effective January 30, 2021.
8 NEER is a wholly owned subsidiary of NextEra Energy, Inc. ("NEE").

9 **Q. Please describe your responsibilities at NEP, including those that relate to its**
10 **subsidiary Tusk Wind Holdings III, LLC.**

11 A. In my current role, I am responsible for developing the strategic direction for NEP and
12 overseeing the partnership's key activities, including financial planning and analysis,
13 development and execution of the financing plan and managing the acquisition and divesture

1 process. My responsibilities additionally include maintaining effective working relationships
2 with the investment and banking communities, and communicating the results of our operations,
3 and overall financial profile and performance, to our investors and the credit rating agencies. As
4 explained below, Tusk Wind Holdings III, LLC (“Tusk”) is a subsidiary of NEP that is seeking
5 New Hampshire Site Evaluation Committee (the “Committee”) approval in this docket to acquire
6 the Granite Reliable Power wind energy facility (“GRP Facility” or the “Project”). As the result
7 of my responsibilities, I am very familiar with the financial aspects of the transaction relating to
8 that acquisition.

9 **Q. Please describe your educational background and work experience.**

10 A. As indicated in my resumé which is attached to this testimony as Attachment 1, I have a
11 Bachelor of Arts degree from Columbia University and hold a Master of Science degree from
12 Stony Brook University. Additionally, I am a Chartered Financial Analyst. I have been with NEE
13 for over seven years. For the prior four years, I was Director of Investor Relations for both NEE
14 and NEP, where I was responsible for managing the communication of the companies’ financial
15 and operational performance and business outlook with the investment community. Prior to that
16 role, I held several positions of increasing responsibility within the NEER distributed generation
17 organization. Prior to joining NEE, I was employed in several finance roles, including positions
18 with Bear Stearns and JP Morgan from 2004 through 2009 and NorthWinds Advisors from 2011
19 through 2014.

20 **Q. Have you previously testified before this Committee?**

21 A. I have not previously testified before this Committee.

22 **Purpose of Testimony**

1 **Q. What is the purpose of your testimony?**

2 A. The purpose of my testimony is to provide the Committee with financial information in
3 support of the Joint Petition that is the subject of this docket. My testimony includes a
4 description of the transaction in which a NextEra Energy subsidiary, Tusk, will acquire
5 ownership of the GRP Facility located in Coos County, New Hampshire that is certificated by
6 this Committee. My testimony also describes Tusk's relationship with NEP, and its financial
7 capability to complete the transaction and to assure the continued operation and
8 decommissioning of the GRP Facility in continuing compliance with the terms and conditions of
9 its Certificate of Site and Facility ("Certificate").

10 **Description of the Transaction**

11 **Q. Please briefly describe the transaction that is intended to result in Tusk's ownership**
12 **of the GRP Facility.**

13 A. BAIF U.S. Renewable Power Holdings LLC ("Brookfield Seller") and Freshet Wind
14 Energy LLC ("Freshet") have entered into a purchase and sale agreement with Tusk dated as of
15 April 17, 2021 to sell all of the membership interests in Granite Reliable Power, LLC ("GRP") to
16 Tusk. Brookfield Seller is the owner of all of the outstanding membership interests in BAIF
17 Granite Holdings, LLC ("Brookfield Holdings"), which in turn, owns 89.50% of the outstanding
18 membership interests in Granite Reliable Power, LLC ("GRP"). Freshet owns 10.5% of the
19 outstanding membership interests in GRP.

20 GRP holds a Certificate granted by the Committee on July 15, 2009 in SEC Docket No.
21 2008-04. The Certificate was amended by the Committee in orders issued in SEC Docket Nos.
22 2010-03 and 2014-03 dated February 8, 2011 and February 3, 2015, respectively. The

1 Committee’s February 8, 2011 order requires that the Committee provide written assent prior to
2 the change in any ownership of GRP if the controlling interest in GRP is not maintained by
3 Brookfield Renewable Power, Inc. or one of its affiliates. In accordance with that order, the
4 Joint Petition seeks approval of the sale of 100% of the membership interests in GRP to Tusk.
5 Notwithstanding this proposed change in ownership, GRP will remain the Certificate holder if
6 the Joint Petition is approved.

7 **NEP’s Organizational Structure and Wind Energy Experience**

8 **Q. Please provide an overview of NEP and its relationship to Tusk.**

9 A. A chart showing the direct and indirect ownership of Tusk is included as Appendix D to
10 the Petition.

11 **Q. Please describe NEP’s experience in financing the construction, acquisition, and**
12 **operation of wind energy facilities.**

13 A. NEP was formed in 2014 as a growth-oriented, limited partnership to acquire and own
14 contracted clean energy projects with stable long-term cash flows. NEP, through its jointly-
15 owned subsidiary NextEra Energy Operating Partners, LP, owns interests in 4,855 megawatts
16 (“MW”) of wind, 975 MW of solar, and ownership interests in 4.3 billion cubic feet (Bcf) of
17 total natural gas pipeline capacity as of year-end 2020.

18 NEP’s current equity value is approximately \$12 billion and its total enterprise value is
19 approximately \$21 billion. NEP is currently rated Ba1/BB/BB+ by Moody’s, Standard & Poor’s,
20 and Fitch, respectively, and has demonstrated ready access to the capital markets.

1 NEP contracts with a subsidiary of NEER for operations and maintenance (O&M),
2 administrative and management services. Through various agreements, essentially all of NEP's
3 assets are operated under these agreements.

4 NEER is a clean energy leader, with approximately 26,000 MW of total generating
5 capacity in operation, including approximately 20,000 MW of total generating capacity from
6 wind and solar projects, in the U.S. and Canada as of year-end 2020.

7 **Tusk's Financial Capabilities**

8 **Q. How does Tusk intend to finance the acquisition of Brookfield Holdings' and**
9 **Freshet's membership interests in Granite Reliable Power, LLC?**

10 A. As discussed above, Tusk is a wholly-owned indirect subsidiary of NEP. It is anticipated
11 that the initial funding for the Project will be provided by NEP, which provides funding to its
12 operating subsidiaries. NEP plans to fund the transaction with a combination of undrawn funds
13 remaining from its 2020 convertible equity portfolio financing and existing debt capacity. As of
14 March 31, 2021, NEP's total liquidity position was \$1,584 MM, as reflected in its most recently
15 filed 10-Q with the Securities and Exchange Commission on April 23, 2021, which provides
16 NEP accessible funds to complete the transaction at closing.

17 **Q. Is the above-described financing plan consistent with NEP's past approach toward**
18 **financing the acquisition of other renewable energy projects?**

19 A. Yes, the above described financing plan is consistent with NEP's past approach toward
20 financing the acquisition of other renewable energy projects. Since its initial public offering in
21 2014, NEP has raised a total of approximately \$11 billion in capital to finance its growth and

1 operations through a combination of financing products similar to what is planned for this
2 acquisition.

3 **Q. Please describe Tusk's capability to finance the ongoing operation of the GRP**
4 **Facility.**

5 A. Before pursuing an investment opportunity, NEP carefully analyzes the cash flow
6 available from such opportunity. NEP has conducted such an analysis of GRP and has
7 determined that sales of electricity and related attributes will enable the Project to make ongoing
8 capital investments and cover the operating costs of the Project. NEP's conclusions in this
9 regard are based upon its internal projections of these electricity markets, and the operating
10 capability of NEP. Finally, as noted above, NEP currently has approximately \$1.6 billion in
11 available liquidity.

12 **Q. How will Tusk ensure that the financial obligation for decommissioning the GRP**
13 **Facility is met?**

14 A. At the closing of the acquisition, GRP will replace the current \$83,403.30 Financial
15 Assurance Mechanism (FAM) balance with an irrevocable standby letter of credit in the amount
16 of \$84,403.30, and GRP is prepared to periodically update this amount as the Committee deems
17 necessary and appropriate, such as every 10 years.

18 **Conclusion**

19 **Q. In your opinion, do you believe that Tusk will have the requisite financial capability**
20 **to acquire the membership interests of Brookfield Holdings and Freshet, and to assure the**

1 **operation and decommissioning of the GRP Facility in continuing compliance with the**
2 **terms and conditions of GRP's Certificate?**

3 A. Yes. In my opinion, based on the testimony provided above and based on the
4 information provided in the Joint Petition, it is my opinion that Tusk satisfies the criteria of RSA
5 162-H:16, IV(a) and N.H. Admin. Site 301.13(a), and therefore has the requisite financial
6 capability to acquire, operate and decommission the GRP Facility in continuing compliance with
7 the terms and conditions of the Facility's Certificate. In addition, I would note that an SEC
8 Subcommittee recently determined that another NextEra subsidiary, Chinook Solar, LLC, met
9 the financial capability requirements of RSA 162-H:16, IV(a). *See Application of Chinook*
10 *Solar, LLC for a Certificate of Site and Facility*, SEC Docket No. 2019-02, Order and Certificate
11 of Site and Facility with Conditions (Dec. 17, 2021), p. 2.

12 **Q. Does this conclude your testimony?**

13 A. Yes.

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PROFESSIONAL EXPERIENCE

NEXTERA ENERGY RESOURCES, Juno Beach, FL

Vice President, NextEra Energy Partners, LP

January 2021-Present

- Develop strategic direction for NextEra Energy Partners
- Oversee the partnership's key activities including financial planning and analysis, development and execution of the financing plan and managing the acquisition and divestiture process.

NEXTERA ENERGY, INC., Juno Beach, FL

Director, Investor Relations – NextEra Energy, Inc. and NextEra Energy Partners, LP **Jan. 2017-Jan. 2021**

- Communicate financial position and business strategies of NextEra Energy, Inc. (NEE) and NextEra Energy Partners, LP (NEP) to investment community.
- Serve as primary contact for security analysts and equity investors of both companies. Support new analysts and investors in initiating coverage and understanding of companies.
- Produce quarterly earnings release.
- Message complex topics to investors and analysts.
- Lead Environmental, Social and Governance (ESG) messaging and outreach.
- Recognized by Institutional Investor All-America Executive Team for Utilities Overall Rankings: #1 IR Professional (2021), #2 IR Professional (2020), #1 IR Program (2018 – 2021), #1 IR Team (2020, 2021)

NEXTERA ENERGY RESOURCES, White Plains, NY

Executive Director, Distributed Generation (DG)

March 2014-January 2017

- Lead DG group. Responsible for delivering annual capital deployed target of ~\$300 MM.
- Oversight of development portfolio of 50+ projects representing 125+ MW. Lead negotiation of key commercial contracts. Guide developers on significant commercial terms and risk mitigation measures.
- Lead financial due diligence and valuation of all DG investment opportunities.
- Guide DG origination in opportunity prioritization, producing pipeline growth of ~100% year over year.
- Prepare long term DG Strategy. Complete in-depth business review to identify opportunities.
- Day to day oversight of DG budget and 26 employees. Manage forecasting and budget process.
- Represent DG to management of other internal organizations.

NORTHWINDS RENEWABLES, Harrison, NY

July 2011-March 2014

Vice President, Investment Banking

- Advise renewable energy developers on M&A transactions and project debt and equity financings for over 200 MW of solar, 2,500 MW of wind, and 20 MW of small hydro assets.
- Lead investor due diligence to assist understanding of financial, market and technical project details.
- Participate in deal negotiation and transaction execution process.
- Negotiate commercial agreements with equipment manufacturers, EPC firms, and O&M providers.
- Conduct market analysis to support strategy definition and portfolio positioning.

NEW YORK ENERGY POLICY INSTITUTE, Stony Brook, NY

June 2010-June 2011

Policy Analyst

- Collaborate with government agencies to analyze and develop effective energy policies.
- Conduct economic screening of energy programs. Present policy proposals to guide investments.

BEAR STEARNS/J.P. MORGAN, Manhattan, NY

December 2004-September 2009

Analyst/Associate, Institutional Fixed Income Sales

- Model and evaluate trade ideas across multiple asset classes.
- Structure hedges to reduce risks in client portfolios.
- Execute billions (notional) of fixed income trades on a monthly basis.
- Work with Credit and Legal Departments to negotiate transaction agreements.

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EDUCATION

STONY BROOK UNIVERSITY, COLLEGE OF ENGINEERING AND APPLIED SCIENCE, Stony Brook, NY <i>Master of Science, Energy and Environmental Management</i>	September 2009-May 2010
COLUMBIA UNIVERSITY, COLUMBIA COLLEGE, New York, NY <i>Bachelor of Arts, Economics-Philosophy Major</i>	September 2000-May 2004
UNIVERSITY OF NEW SOUTH WALES, Sydney, Australia	February 2003-July 2003