

**News release**  
**For immediate distribution**

## **PSP INVESTMENTS TO ACQUIRE 1.4GW HYDROELECTRIC ASSETS IN NEW ENGLAND**

**Montréal, Canada (February 25, 2016)** —The Public Sector Pension Investment Board (“PSP Investments”), one of Canada's largest pension investment managers, announced today that it has entered into a definitive agreement to acquire from ENGIE Group (EPA: ENGI) a New England portfolio of hydroelectric assets totaling 1.4GW for an enterprise value of US\$1.2 billion. PSP Investments intends to maximize the potential benefits of combining its ownership in these premier assets with the operational expertise of its existing hydroelectric power platform, H2O Power LP (“H2O Power”).

“PSP Investments is extremely pleased with the acquisition of these significant hydroelectric facilities which form an important component of the Eastern U.S. energy market,” said Guthrie Stewart, Senior Vice President, Global Head of Private Investments at PSP Investments. “The purchased assets are an excellent fit with PSP Investments’ long-term investment horizon and its strategy to leverage industry-specialized platforms, such as H2O Power,” Mr. Stewart added.

The assets to be acquired are core operational merchant hydroelectric facilities located primarily on the Connecticut River in Massachusetts and the Housatonic River in Connecticut. They constitute the 2<sup>nd</sup> largest privately-owned hydroelectric portfolio within the well-developed and functional ISO New-England (ISO-NE) power market. They include the 1,168MW Northfield Mountain pumped-storage facility as well as 12 conventional hydroelectric facilities, the three largest of which represent an aggregate generation capacity of 134MW. The portfolio generates Renewable Energy Credits.

Majority-owned by PSP Investments, H2O Power currently owns and operates 10 hydroelectric generating stations located in Canada and the United States, representing 170MW of power generation capacity.

The closing of the transaction is subject to customary closing conditions, including regulatory approvals.

### **About PSP Investments**

The Public Sector Pension Investment Board (“PSP Investments”) is one of Canada's largest pension investment managers with CAD\$112.0 billion of net assets under management as of September 30, 2015. Its team of approximately 600 professionals manages a diversified global portfolio, including public equities, private equity, bonds and other fixed-income securities, real estate, infrastructure, natural resources and private debt investments. PSP Investments is a Crown Corporation established to manage employer and employee net

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contributions since April 1, 2000, to the pension funds of the federal Public Service, the Canadian Forces and the Royal Canadian Mounted Police, and since March 1, 2007, the Reserve Force. PSP Investments' head office is located in Ottawa, Ontario, and its principal place of business is in Montréal, Québec. In November 2015, it opened its first international office in New York City, USA. For more information about PSP Investments, please visit [www.investpsp.ca](http://www.investpsp.ca).

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