

NRG Yield, Inc.

Full Year 2015 Results Presentation

February 29, 2016

Safe Harbor

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are subject to certain risks, uncertainties and assumptions and typically can be identified by the use of words such as “expect,” “estimate,” “should,” “anticipate,” “forecast,” “plan,” “guidance,” “believe” and similar terms. Such forward-looking statements include, but are not limited to, statements about the Company’s future revenues, income, indebtedness, capital structure, strategy, plans, expectations, objectives, projected financial performance and/or business results and other future events, and views of economic and market conditions. Although NRG Yield, Inc. believes that the expectations are reasonable, it can give no assurance that these expectations will prove to be correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated herein include, among others, general economic conditions, hazards customary in the power industry, weather conditions, competition in wholesale power markets, the volatility of energy and fuel prices, failure of customers to perform under contracts, changes in the wholesale power markets, changes in government regulations, the condition of capital markets generally, our ability to access capital markets, unanticipated outages at our generation facilities, adverse results in current and future litigation, failure to identify, execute or successfully implement acquisitions (including receipt of third party consents and regulatory approvals), our ability to enter into new contracts as existing contracts expire, our ability to acquire assets from NRG Energy, Inc. or third parties, our ability to close drop-down transactions, and our ability to maintain and grow our quarterly dividends.

NRG Yield, Inc. undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The adjusted EBITDA and cash available for distribution guidance are estimates as of February 29, 2016. These estimates are based on assumptions the Company believed to be reasonable as of that date. NRG Yield, Inc. disclaims any current intention to update such guidance, except as required by law. The foregoing review of factors that could cause NRG Yield, Inc.’s actual results to differ materially from those contemplated in the forward-looking statements included in this Presentation should be considered in connection with information regarding risks and uncertainties that may affect NRG Yield, Inc.’s future results included in NRG Yield, Inc.’s filings with the Securities and Exchange Commission at www.sec.gov.

Business Update

Mauricio Gutierrez

Interim President and Chief Executive Officer

Financial Summary

Kirk Andrews

Executive Vice President and Chief Financial Officer

Closing Remarks and Q&A

Mauricio Gutierrez

Interim President and Chief Executive Officer

Business Update

Financial and Operations Recap

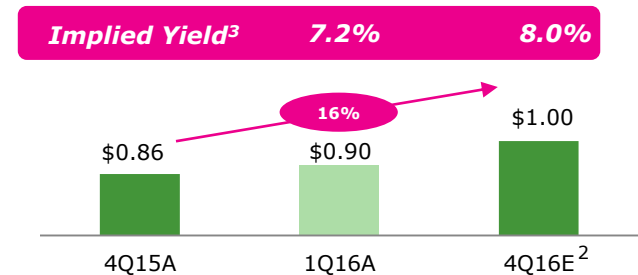
- ✓ Exceeded 2015 and reaffirming 2016 financial guidance
- ✓ Closed on ~1.6 GW of generation and ~\$80 MM annual CAFD in acquisitions during 2015
- ✓ In partnership with NRG, continuing to implement best practices for long term asset management and operations

(\$ millions)	2015		2016E
	Guidance ¹	Actuals	Guidance
Adjusted EBITDA	\$705	\$720	\$805
CAFD	\$165	\$179	\$265

Delivering on Dividend Commitment

- ✓ Grew dividend per share (DPS) 15% annualized in 2015
- ✓ Announced 1Q16 dividend of \$0.225/share (or \$0.90/share annualized) – a 4.65% increase over 4Q15
- ✓ Targeting 16% annualized DPS growth by end of 2016²; Low ~65%⁴ payout ratio affords flexibility during market dislocation

Target Annualized Common Stock Dividend



Growth Substantiated by Strategic Partnership with NRG Energy

- ✓ Over \$130 MM / year of CAFD available in ROFO pipeline⁵
- ✓ Continues to provide future growth through development platform including renewables
- ✓ Announcing a \$50 MM reallocation in existing capital commitments from the residential solar partnership to business renewables partnership to align more closely with NRG's objectives

Resilient Platform + Predictable Dividend + Long Term Growth Potential

¹ As updated on November 4, 2015

² Based on a target of \$0.25/share in 4Q 2016, or \$1.00/share annualized

³ Based on Class C stock price of \$12.44/share as of Feb. 26, 2016

⁴ Based on 2016 expected dividends and CAFD Guidance

⁵ Excludes additional residential solar and business renewable partnerships

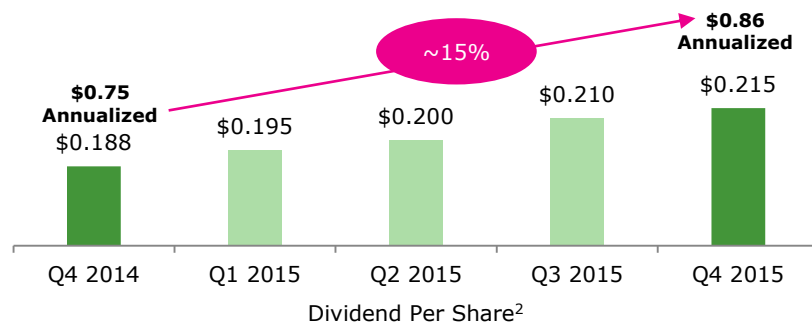
Financial Summary

2015 Performance

Financial Results and Dividend Growth

Actuals			Guidance
(\$ millions)	4 th Quarter	Full Year	Full Year
Adjusted EBITDA	\$ 183	\$ 720	\$ 705
CAFD	15	179	165

- ❖ Q4 outperformance driven by:
 - Favorable wind production at Alta in December
 - Receipt of insurance proceeds from Q1 2015 El Segundo forced outage
 - \$3 MM in project debt service payments scheduled for December 2015 that were paid in January 2016



4th Quarter 2015 Renewable Production Performance

	Indexed Production	Portfolio Availability	% of Adj. EBITDA ¹
Wind:			
California	123%	95%	15%
Other West	85%	96%	1%
Texas	94%	93%	3%
Midwest	98%	94%	10%
East	100%	97%	3%
Total Wind	102%	94%	32%
Utility Solar	100%	99%	14%

- Represents a measure of the actual production for the stated period relative to internal median expectations included in forecast

- See Appendix slide 11 for further details

- Additional 54% from non-renewable conventional and thermal assets

Finished the Year With a Strong 4th Quarter

¹ Represents percentage of total 4th quarter Adjusted EBITDA

² Recast for May 2015 recapitalization

2016 Financial Guidance Reaffirmed

2016 Full Year

(\$ millions)

	Full Year Guidance
Adjusted EBITDA	\$ 805
CAFD	265

Renewable Production Variability: Annual CAFD Sensitivity¹

(\$ millions)

	2016 Estimates
	Full Year
Wind Production	
+5% MWh	\$20
-5% MWh	(\$20)
Solar Production	
+5% MWh	\$6
-5% MWh	(\$6)

- + Sensitivities represent potential impact against internal expectations for production and may be impacted by time of year of production

Seasonality of Expected Financial Performance Based on Current Portfolio

- + Seasonality a result of renewable energy resource, timing of contracted payments on conventional assets, and project debt service

2016 Quarterly Estimates: % of Est. Annual Financial Results

	Q1	Q2	Q3	Q4
Adjusted EBITDA	21-22%	29-31%	25-27%	22-23%
CAFD	13-17%	21-28%	48-52%	8-13%

- + Percent ranges in table are primarily driven by potential variability in both wind and solar production; Renewable resources may experience deviation beyond +/-5%
- + Other items which may impact CAFD include non-recurring events such as forced outages or timing of maintenance capex

Reaffirming Guidance and Providing Quarterly Expectations

¹ Represents the potential variation in CAFD in the event of resource production that diverges by +/- 5% from internal median expectations during the referenced period. Internal median expectation is based on historical production for each asset normalized for weather or operations anomalies and/or results from recent independent wind resource reports

Investments and ROFO Pipeline

Existing Commitments in Partnership with NRG Energy				
Project	Technology	Net MW	COD	Off-Take
\$250 MM Commitment in Residential solar and Business Renewable Portfolios	PV	NA	2015-2016	20 year lease with Residential Customers and Long-term agreements with C&I Customers

NRG ROFO Assets				
Project	Technology	Net MW	COD	Off-Take ¹
CVSR ²	PV	128	2013	25-year PPA with PG&E ¹
Agua Caliente ³	PV	148	2014	25-year PPA with PG&E ¹
Ivanpah ⁴	Solar Thermal	193	2013	20-25-year PPAs with PG&E and SCE ¹
Other Wind Assets	Wind	321	Various	Various long-term contracts
Carlsbad ⁵	Natural Gas	527	2018	20-year PPA with SDG&E ¹
Puente ⁵ (Formerly Mandalay)	Natural Gas	262	2020	20-year PPA with SCE ¹
Up to \$250 MM Equity Investment in Residential solar and Business Renewables	PV	TBD	2016+	Long Term Agreements with Residential and C&I Customers

> \$130 MM in Available CAFD, Excluding Additional Residential Solar and Business Renewable Investments

Robust Growth Through Sponsor Relationship

¹ SCE – Southern California Edison; PG&E – Pacific Gas & Electric; SDG&E – San Diego Gas & Electric ² CVSR net MW represents remaining NRG ownership of 51.1% ³ Capacity represents 51% NRG ownership; Remaining 49% of Agua Caliente is owned by MidAmerican Energy Holdings, Inc.; ⁴ Capacity represents 50.05% NRG ownership; Remaining 49.95% is owned by Google, Inc. and BrightSource Energy, Inc.; ⁵ Subject to applicable regulatory approvals and permits

Closing Remarks and Q&A

Goals and Objectives

Focus on Reinforcing NRG Yield as a Premier Investment Vehicle

- ❖ Deliver on our financial commitments including growing our dividend per share by over 15% in 2016
- ❖ Enhance growth pipeline through continued access to NRG's refocused development efforts
- ❖ Ensure market's confidence in governance, including management structure
- ❖ Evaluate alternative financing solutions to support growth during period of equity market dislocation while maintaining balance sheet integrity

Appendix

Renewable Portfolio Performance

Production Index							Availability ¹
	2015						2015
	MW	3 rd Quarter	4 th Quarter			QTR	4 th Quarter
		QTR	Oct	Nov	Dec		QTR
<u>Wind Portfolio</u>							
California	947	114%	84%	105%	199%	123%	95%
Other West	68	86%	88%	75%	92%	85%	96%
Texas	427	104%	75%	104%	103%	94%	93%
Midwest	451	101%	79%	112%	104%	98%	94%
East	106	86%	104%	110%	89%	100%	97%
Total ²	1,999	105%	81%	105%	121%	102%	94%
Utility Scale Solar Portfolio ²	482	98%	95%	108%	99%	100%	99%

- ✦ Represents a measure of the actual production for the stated period relative to internal median expectations
- ✦ Index includes assets beginning the first quarter after the acquisition date, MW capacity reflects the MW Ownership at Q4'15
- ✦ MW Capacity includes net capacity from equity method investments, index excludes equity method investments. Renewable equity method investments: Avenal, CVSR, Desert Sunlight, San Juan Mesa, and Elkhorn Ridge

¹ Wind Availability represents total Site Availability, or availability associated with the wind turbine, balance of plant, and events out of management control (weather, grid events, curtailments); Utility Solar availability represents energy produced as a percentage of available energy

² Weighted Average

Current Operating Assets

As of December 31, 2015:

Wind

Projects	Percentage Ownership	Net Capacity (MW)(a)	Offtake Counterparty	PPA Expiration
Alta I	100%	150	Southern California Edison	2035
Alta II	100%	150	Southern California Edison	2035
Alta III	100%	150	Southern California Edison	2035
Alta IV	100%	102	Southern California Edison	2035
Alta V	100%	168	Southern California Edison	2035
Alta X (c)(d)	100%	137	Southern California Edison	2038
Alta XI (c)(d)	100%	90	Southern California Edison	2038
South Trent	100%	101	AEP Energy Partners	2029
Laredo Ridge	100%	80	Nebraska Public Power District	2031
Taloga	100%	130	Oklahoma Gas & Electric	2031
Pinnacle	100%	55	Maryland Department of General Services and University System of Maryland	2031
Buffalo Bear	100%	19	Western Farmers Electric Co-operative	2033
Spring Canyon II (c)	90.1%	29	Platte River Power Authority	2039
Spring Canyon III (c)	90.1%	25	Platte River Power Authority	2039
NRG Wind TE Holdco (c)	75%	613	Various	Various
		1,999		

Conventional

Projects	Percentage Ownership	Net Capacity (MW)(a)	Offtake Counterparty	PPA Expiration
GenConn Middletown(b)	50%	95	Connecticut Light & Power	2041
GenConn Devon(b)	50%	95	Connecticut Light & Power	2040
Marsh Landing	100%	720	Pacific Gas and Electric	2023
El Segundo	100%	550	Southern California Edison	2023
Walnut Creek	100%	485	Southern California Edison	2023
		1,945		

Utility-Scale Solar

Projects	Percentage Ownership	Net Capacity (MW)(a)	Offtake Counterparty	PPA Expiration
Alpine	100%	66	Pacific Gas and Electric	2033
AvenaI(b)	50%	23	Pacific Gas and Electric	2031
Avra Valley	100%	26	Tucson Electric Power	2032
Blythe	100%	21	Southern California Edison	2029
Borrego	100%	26	San Diego Gas and Electric	2038
Roadrunner	100%	20	El Paso Electric	2031
CVSR	48.95%	122	Pacific Gas and Electric	2038
Kansas South	100%	20	Pacific Gas and Electric	2033
TA High Desert	100%	20	Southern California Edison	2033
Desert Sunlight 250	25%	63	Southern California Edison	2035
Desert Sunlight 300	25%	75	Pacific Gas and Electric	2040
		482		

Distributed Solar

Projects(f)	Percentage Ownership	Net Capacity (MW)(a)	Offtake Counterparty	PPA Expiration
AZ DG Solar Projects	100%	5	Various	2025 - 2033
PFMG DG Solar Projects	51%	4	Various	2032
		9		

Thermal

Projects	Percentage Ownership	Net Capacity (MWt)(e)	Offtake Counterparty	PPA Expiration
Thermal equivalent MWt(e)	100%	1,449	Various	Various
Thermal generation	100%	124	Various	Various

(a) Net capacity represents the maximum, or rated, generating capacity of the facility multiplied by the Company's percentage ownership in the facility as of December 31, 2015.
 (b) On September 30, 2015, the Company acquired NRG's remaining 0.05% for an immaterial amount.; (c) Projects are part of tax equity arrangements.; (d) PPA commenced on January 1, 2016.; (e) For thermal energy, net capacity represents MWT for steam or chilled water and excludes 134 MWT available under the right-to-use provisions contained in agreements.; between two of the Company's thermal facilities and certain of its customers.; (f) Total net capacity excludes capacity for RPV Holdco and DGPV Holdco, which are consolidated by NRG.

Non-Recourse Annual Project Debt Amortization



Principal payments¹ on debt as of December 31, 2015, are due in the following periods:

(\$ millions)	Fiscal Year						Total
	2016	2017	2018	2019	2020	Thereafter	
Conventional:							
Marsh Landing, due 2017 and 2023	\$ 48	\$ 52	\$ 55	\$ 57	\$ 60	\$ 146	\$ 418
Walnut Creek Energy & WCEP Holdings, due 2023	42	44	47	51	53	160	397
El Segundo Energy Center, due 2023	42	43	48	49	53	250	485
Total Conventional	132	139	150	157	166	556	1,300
Utility Scale Solar:							
Alpine, 2022	9	9	8	8	8	112	154
Avra Valley, due 2031	3	3	3	3	4	44	60
TA High Desert, due 2023 and 2033	3	3	3	3	3	37	52
Borrego, due 2025 and 2038	3	3	3	3	3	57	72
Roadrunner, due 2031	3	3	3	3	2	26	40
Kansas South, due 2031	2	2	2	2	2	23	33
Blythe, due 2028	2	2	1	2	1	13	21
Total Utility Solar	25	25	23	24	23	312	432
PFMG and related subsidiaries financing agreement, due 2030	2	1	1	2	1	22	29
Total Solar Assets	27	26	24	26	24	334	461
Wind:							
Alta - Consolidated	38	42	43	44	47	840	1,054
Tapestry, due 2021	9	10	11	11	11	129	181
Laredo Ridge, due 2028	5	5	5	5	6	78	104
South Trent, due 2020	5	4	4	4	45	-	62
Viento, due 2023 ²	11	13	16	18	16	115	189
Total Wind Assets	68	74	79	82	125	1,162	1,590
Thermal:							
Minneapolis, due 2017 and 2025	12	13	7	11	11	54	108
Other	2	-	-	-	-	-	2
Total Thermal Assets	14	13	7	11	11	54	110
Total NRG Yield	\$ 241	\$ 252	\$ 260	\$ 276	\$ 326	\$ 2,106	\$ 3,461

¹ Excludes all corporate debt facilities and all outstanding draws on the corporate revolving credit facility

² Fully consolidated and represents 100% balance. Pursuant to the November 3rd acquisition, NRG Yield owns only 75% of the portfolio

Non-Recourse 2016 Quarterly Project Debt Amortization

Principal payments¹ on debt as of December 31, 2015, are due in the following periods:

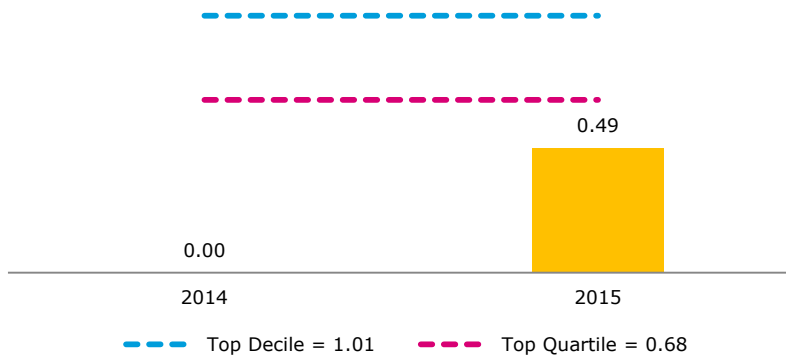
(\$ millions)	2016				Total
	Q1	Q2	Q3	Q4	
Conventional:					
Marsh Landing, due 2017 and 2023	\$ 8	\$ 2	\$ 23	\$ 15	\$ 48
Walnut Creek Energy & WCEP Holdings, due 2023	7	4	19	12	42
El Segundo Energy Center, due 2023	28	-	14	-	42
Total Conventional	43	6	56	27	132
Utility Scale Solar:					
Alpine, 2022	1	2	4	2	9
Avra Valley, due 2031	-	1	1	1	3
TA High Desert, due 2023 and 2033	-	1	-	2	3
Borrego, due 2025 and 2038	-	1	1	1	3
Roadrunner, due 2031	1	1	1	-	3
Kansas South, due 2031	-	1	-	1	2
Blythe, due 2028	-	-	1	1	2
Total Utility Solar	2	7	8	8	25
PFMG and related subsidiaries financing agreement, due 2030	-	-	1	1	2
Total Solar Assets	2	7	9	9	27
Wind:					
Alta - Consolidated	1	24	-	13	38
Tapestry, due 2021	3	2	1	3	9
Laredo Ridge, due 2028	2	1	1	1	5
South Trent, due 2020	1	2	1	1	5
Viento, due 2023 ²	-	7	-	5	11
Total Wind Assets	7	36	3	23	68
Thermal:					
Minneapolis, due 2017 and 2025	2	7	2	2	12
Other	-	-	-	-	2
Total Thermal Assets	2	7	2	2	14
Total NRG Yield	\$ 54	\$ 56	\$ 70	\$ 61	\$ 241

¹ Excludes all corporate debt facilities and all outstanding draws on the corporate revolving credit facility

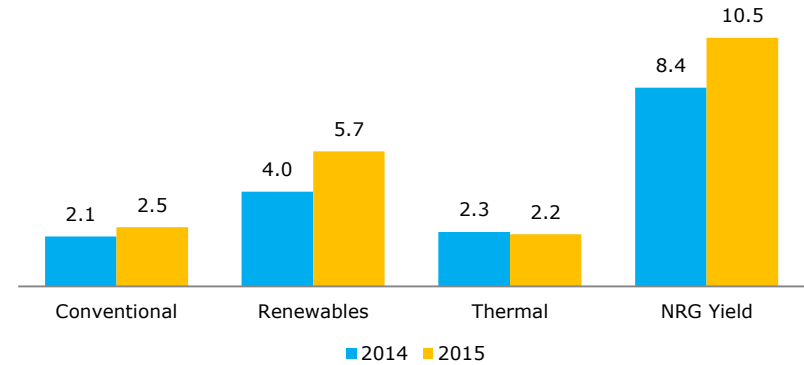
² Fully consolidated and represents 100% balance. Pursuant to the November 3rd acquisition, NRG Yield owns only 75% of the portfolio

Operational Metrics

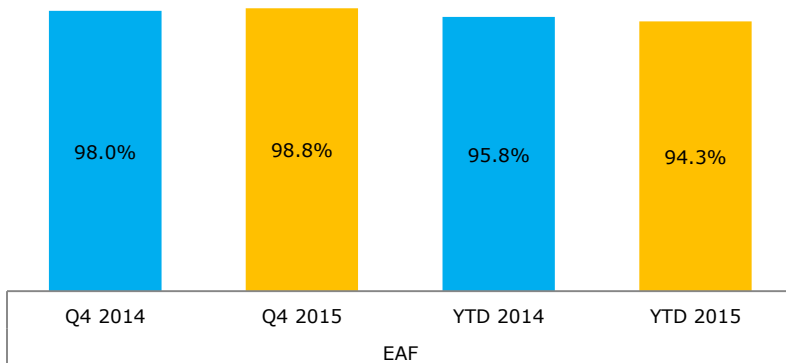
Safety: Top Decile OSHA Recordable Rate¹



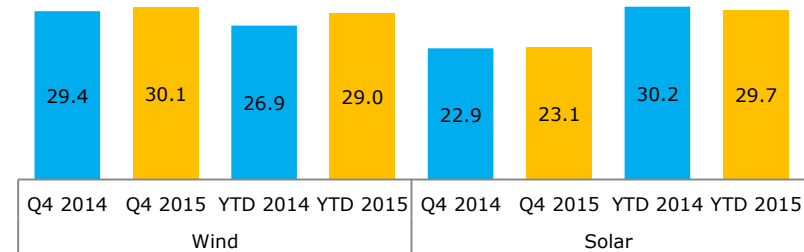
Net Production (TWh)²



Conventional Performance (EAF)³



Renewable Performance (Net Capacity Factor)⁴



¹ Top decile and top quartile based on Edison Electric Institute (EEI) 2013 Total Company Survey results

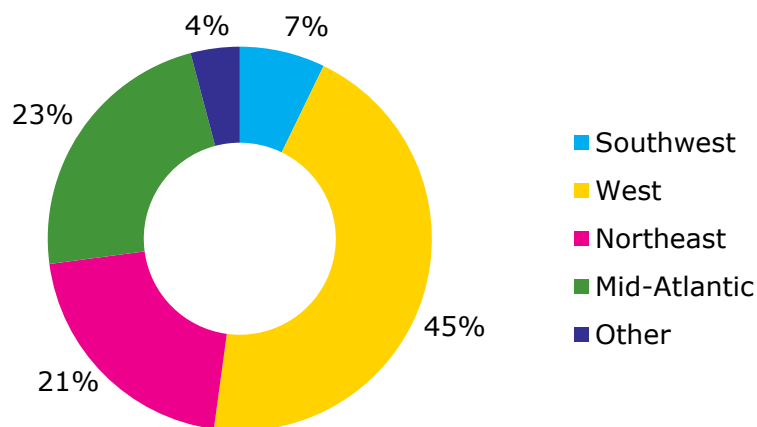
² Thermal generation is TWh thermal equivalent - includes, electricity, chilled water and steam; Generation data presented above consistent with US GAAP accounting. Previous reports were pro-forma for acquisitions in prior periods.

³ Equivalent Availability Factor (EAF) - percentage of time a unit was available for service during a period

⁴ Net Capacity Factor - the percentage of actual generation to its potential output at capacity rating

Residential Solar and Business Renewables Investment Profile (as of end of February)¹

Geographic Distribution²



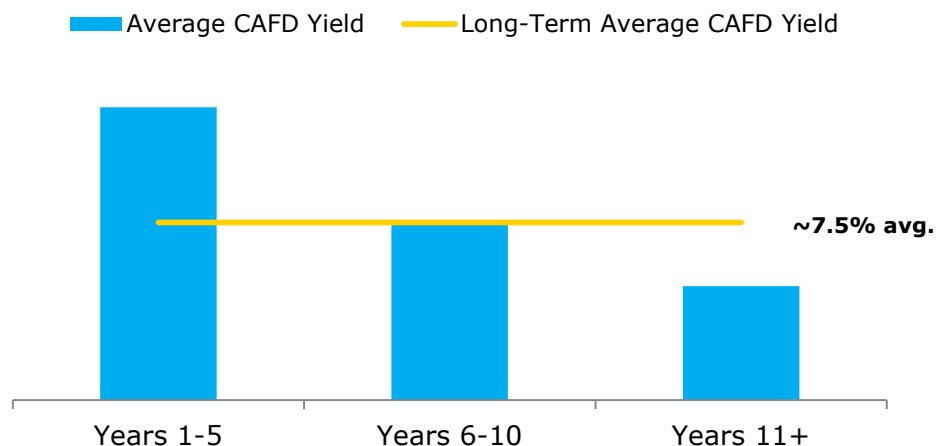
Portfolio Credit Quality³

- + 68% of residential customers > 750
- + 98% of residential customers > 700
- + >99% of commercial customers > BBB-

Weighted Avg. FICO > 750

Targeted LT Min. W-Avg. FICO - 700

Asset Class Characteristics



- + Strong credit and geographic diversification
- + Growing asset class
- + Incremental growth opportunities from NRG Energy

¹ All averages used herein are weighted by relative fund size (measured in system size). Data on slide associated with applicable investments made through end of February.

² May not be representative of geographic distribution on prospective investments

³ Based on available reported FICO scores and credit ratings. May not be representative of FICO scores and credit ratings on prospective investments

Appendix Reg. G Schedules

Reg. G: Actuals

(\$ millions)	<u>Three Months Ended</u>		<u>Twelve Months Ended</u>	
	<u>12/31/2015</u>	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Net Income / (Loss)	13	4	55	99
Plus:				
Income tax	4	(11)	12	4
Interest expense, net	56	77	238	189
Depreciation, amortization, and ARO expense	67	65	267	204
Amortization of contracts	14	8	54	29
Loss on Debt Extinguishment	-	-	9	-
Asset Write Offs and Impairments	2	-	3	-
Transaction Costs	1	2	3	4
Mark to Market (MtM) Losses/(Gains) on economic hedges	3	(2)	2	(2)
Adjustment to reflect NRG share of Adjusted EBITDA in unconsolidated affiliates	23	16	77	55
Adjusted EBITDA	183	159	720	582
Pro-rata Adjusted EBITDA from unconsolidated affiliates	(30)	(16)	(112)	(80)
Cash distributions from unconsolidated affiliates	14	4	91	47
Cash distributions to non-controlling interest prior to Drop Down (NRG)	(4)	2	(26)	(41)
Cash interest paid	(70)	(68)	(251)	(175)
Maintenance Capital expenditures	(11)	(3)	(20)	(8)
Change in other assets	(12)	(12)	(12)	-
Principal amortization of indebtedness	(55)	(54)	(211)	(170)
Cash Available for Distribution	15	12	179	155

Reg. G: Guidance¹

<i>(\$ millions)</i>	2015 Full Year Guidance	2016 Full Year Guidance
Income Before Income Taxes	140	275
Interest Expense, net	260	270
Depreciation, Amortization, Contract Amortization, and ARO Expense	305	260
Adjusted EBITDA	705	805
Pro-rata Adjusted EBITDA from unconsolidated affiliates	(115)	(122)
Cash distributions from unconsolidated affiliates, net of tax equity proceeds	86	101
Cash distributions to non-controlling interest ²	-	(13)
Cash distribution to non-controlling interest prior to Drop Down (NRG)	(15)	-
Cash interest paid	(254)	(235)
Maintenance Capital expenditures	(17)	(25)
Change in other assets	(12)	(8)
Principal amortization of indebtedness	(213)	(238)
Cash Available for Distribution	165	265

¹ Guidance excludes the impact of interest on revolver draw as of February 29, 2016 which equates to \$9 MM on an annualized basis, subject to change

² Include distributions for 25% of the NRG Wind TE Holdco and distributions to tax equity investors

Reg. G: ROFO Pipeline Run Rate¹

<i>(\$ millions)</i>	In Operation	In Development/ Under Construction	Total
Income before Income Taxes	60	115	170
Interest Expense, net	35	-	35
Depreciation, Amortization, Contract Amortization, and ARO Expense	80	10	95
Adjusted EBITDA	175	125	300
Pro-rata Adjusted EBITDA from unconsolidated affiliates	(7)	-	(7)
Cash distributions from unconsolidated affiliates	5	-	5
Cash interest paid	(41)	(33)	(74)
Maintenance Capital expenditures	(3)	-	(3)
Principal amortization of indebtedness	(54)	(32)	(86)
Estimated Cash Available for Distribution	75	60	135

¹ Adjusted EBITDA and CAFD represent Pro Rata share of ROFO Assets: Remaining NRG 25% ownership in the 814 net MW wind portfolio, CVSR remaining NRG ownership of 51.05%, Agua Caliente NRG Ownership of 51%, and Ivanpah NRG ownership of 50.05%. Excludes additional residential solar and business renewable investments beyond existing commitment and any future corporate financing.

Reg. G: Run Rates

(\$ millions)

	January 2 nd 2015 Drop Down	Spring Canyon/ Fuel Cell	Desert Sunlight Run-Rate	75% interest of EME Wind Drop Down Run-Rate ¹	Total
Income/(loss) before Income Taxes	3	(1)	13	(9)	6
Interest Expense, net	36	-	-	10	46
Depreciation, Amortization, Contract Amortization, and ARO Expense	81	4	-	45	130
Adjustment to reflect NRG share of Adjusted EBITDA in unconsolidated affiliates	-	-	32	1	33
Adjusted EBITDA	120	3	45	47	215
Pro-rata Adjusted EBITDA from unconsolidated affiliates	-	-	(45)	(10)	(55)
Cash distributions from unconsolidated affiliates, net of tax equity proceeds	-	-	22	19	41
Distributions to non-controlling interests	-	-	-	(7)	(7)
Cash interest paid	(33)	-	-	(11)	(44)
Maintenance Capital expenditures	-	-	-	(1)	(1)
Change in other assets	1	-	-	-	1
Principal amortization of indebtedness	(53)	-	-	(17)	(70)
Estimated Cash Available for Distribution	35	3	22	20	80

¹ 75% interest in 814 net MW of wind assets primarily acquired by NRG in the EME transaction, Adjusted EBITDA will be consolidated on NRG Yield, 75% pro-rata Adjusted EBITDA is approximately \$35MM

Reg. G

EBITDA and Adjusted EBITDA are non-GAAP financial measures. These measurements are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. The presentation of Adjusted EBITDA should not be construed as an inference that NRG's future results will be unaffected by unusual or non-recurring items.

EBITDA represents net income before interest (including loss on debt extinguishment), taxes, depreciation and amortization. EBITDA is presented because NRG Yield considers it an important supplemental measure of its performance and believes debt-holders frequently use EBITDA to analyze operating performance and debt service capacity. EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are:

EBITDA does not reflect cash expenditures, or future requirements for capital expenditures, or contractual commitments;

EBITDA does not reflect changes in, or cash requirements for, working capital needs;

EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt or cash income tax payments;

Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and

Other companies in this industry may calculate EBITDA differently than NRG Yield does, limiting its usefulness as a comparative measure.

Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to use to invest in the growth of NRG Yield's business. NRG Yield compensates for these limitations by relying primarily on our GAAP results and using EBITDA and Adjusted EBITDA only as supplements. See the statements of cash flow included in the financial statements that are a part of this news release.

Adjusted EBITDA is presented as a further supplemental measure of operating performance. Adjusted EBITDA represents EBITDA adjusted for mark-to-market gains or losses, asset write offs and impairments; and factors which we do not consider indicative of future operating performance. The reader is encouraged to evaluate each adjustment and the reasons NRG Yield considers it appropriate for supplemental analysis. As an analytical tool, Adjusted EBITDA is subject to all of the limitations applicable to EBITDA. In addition, in evaluating Adjusted EBITDA, the reader should be aware that in the future NRG Yield may incur expenses similar to the adjustments in this news release.

Cash available for distribution is adjusted EBITDA plus cash dividends from unconsolidated affiliates, less cash distributions to noncontrolling interests, maintenance capital expenditures, pro-rata adjusted EBITDA from unconsolidated affiliates, cash interest paid, income taxes paid, principal amortization of indebtedness and changes in others assets. Management believes cash available for distribution is a relevant supplemental measure of the Company's ability to earn and distribute cash returns to investors.