

\$BEPC: Brookfield Renewable Corporation

Financial Analysis



This report is intended solely for informational and educational purposes. The information presented is based on publicly available data, and while care has been taken to ensure accuracy, no guarantee or warranty regarding its completeness or accuracy is expressed or implied. **This report does not constitute financial, investment, or trading advice, nor should it be interpreted as a recommendation to buy, sell, or hold any investment or security.** Readers should consult with a qualified financial advisor or professional before making any investment decisions. **The author(s) of this report disclaim all liability arising from reliance upon any information or analysis presented herein.**

The purpose of this report is to do a full financial analysis of Brookfield Renewable Corporation as well as determine whether or not I would buy the BEPC stock at the current price of \$25.58 USD.

Company Overview

Name: Brookfield Renewable Corporation

Ticker Symbol: BEPC

Sector: Utilities

Industry: Renewable Electricity

Core Business Model and Recent Developments

Brookfield Renewable Corporation (BEPC) operates as one of the world's largest publicly traded platforms for renewable power and sustainable solutions. Its diversified portfolio includes hydroelectric, wind, utility-scale solar, and storage facilities across North America, South America, Europe, and Asia. Additionally, BEPC has investments in nuclear services, carbon capture and storage, agricultural renewable natural gas, materials recycling, and eFuels manufacturing.

The company generates revenue primarily through long-term power purchase agreements (PPAs), ensuring stable and predictable cash flows. BEPC was established to provide investors with an alternative corporate structure to access Brookfield Renewable Partners' globally diversified portfolio, offering the same economic benefits and distributions as the partnership units.

Recent Developments:

- **Reorganization:** In December 2024, BEPC completed a reorganization, resulting in shareholders receiving new class A exchangeable shares that maintain the same economic benefits and governance rights. These shares continue to trade under the "BEPC" symbol on both the Toronto Stock Exchange and the New York Stock Exchange. [Source](#)
- **Financial Performance:** For the fiscal year 2024, BEPC reported a 10% growth in Funds From Operations (FFO) per unit. The company commissioned approximately 7,000 megawatts of new renewable energy capacity and deployed and committed \$12.5 billion into leading renewable platforms. Notably, BEPC signed a landmark renewable energy framework agreement with Microsoft and generated \$2.8 billion from asset recycling. [Source](#)
- **Green Bonds Issuance:** In March 2025, BEPC agreed to issue C\$450 million in green bonds, reflecting its commitment to financing sustainable projects and expanding its renewable energy portfolio. [Source](#)

Management Overview and Strategic Direction

BEPC is managed by Brookfield Asset Management, a leading global alternative asset manager with over \$1 trillion in assets under management. The management team focuses on long-term value creation, operational efficiency, and disciplined capital allocation.

Key Executives:

- **Connor Teskey, CEO:** Under his leadership, BEPC has significantly expanded its renewable energy portfolio, including landmark initiatives such as the renewable energy framework agreement with Microsoft, substantial capacity additions, and strategic global acquisitions.
- **Jeffrey Blidner, Chairman:** Brings extensive leadership and governance expertise from his long standing career at Brookfield Asset Management. Blidner plays a pivotal role in guiding strategic decision-making, ensuring strong corporate governance, and supporting BEPC's growth objectives.
- **Richard Legault, Vice Chair, Renewable Group:** With deep expertise in renewable energy and significant industry experience, Legault continues to provide strategic oversight and guidance, contributing to BEPC's global expansion efforts and operational excellence.
- **Jennifer Mazin and Wyatt Hartley, Co-Presidents:** Recently appointed Co-Presidents, Mazin and Hartley oversee day-to-day operations, strategic initiatives, and growth opportunities, driving BEPC's ambitious renewable energy targets and operational performance improvements.

Strategic Direction:

BEPC aims to accelerate the global transition to renewable energy by developing and acquiring assets that align with net-zero objectives. The company focuses on expanding its presence in high-growth regions and sectors, including energy storage and distributed energy resources. Leveraging its substantial capital base and global operational expertise, BEPC seeks to deliver consistent, long-term returns to its investors.

Industry and Market Analysis

Industry Trends and Economic Environment

The renewable energy sector had an amazing year in 2024 with continued growth in many of its sectors. One of the largest milestones achieved was that in 2024 for the **first time ever**, solar and wind combined generated more electricity than coal in from January to November of 2024 for the U.S.. Both solar and wind provided a record breaking **17%** of U.S. electricity compared to **15%** for coal. [Source](#)

The large increase in data centers over the past year is expected to substantially increase the U.S. power consumption which will have negative effects on some sectors, but should provide increased demand for more renewable energy. Predictions estimate that data center power demand will triple by 2028 putting the overall power demand of data centers contributing to **6.7%-12%(currently at ~4%)** of all U.S. power consumption. The artificial intelligence boom knows no bounds. [Source](#)

Also in 2024 we saw record breaking growth in the renewable power capacity at **15.1%(585 GW)** pushing global renewable power capacity to **4,448 GW** at the end of 2024. I should note that [IRENA](#) mentions that to reach their goal of tripling the renewable energy capacity by 2030 they will have to expand at a rate of **16.6% annually**, a number slightly higher than the record breaking increase in 2024. [Source](#)

Competitive Landscape and Market Positioning

Contract Expirations & Repricing Opportunities

Brookfield Renewable has been actively expanding its renewable energy portfolio, with a significant backlog of development projects. The company anticipates benefiting from the rising power prices and has been positioning itself for long-term growth in the renewable sector. Market power prices will most likely rise fast due to the massive surge in power demand from data center additions. **6000 GWh of capacity contracts are expiring for Brookfield in the next five years** which should be incredibly beneficial given the predictions for a large surge in power prices over the next few years. Additionally **4800 GWh of contracts will expire in the 2029-2034 period**, adding to the potential of increased profits from higher priced contracts. [Source](#)

M&A's & Expansion

M&A opportunities are also a large contributing factor of Brookfield Renewables potential growth, last year the company deployed **\$12.5 billion** into various deals. [Source](#)

In 2024, Brookfield Renewable, along with its institutional partners, agreed to acquire a **510 MW solar portfolio from SunEnergy1**. These projects, located in the [PJM power market](#)—a region experiencing accelerated corporate demand for clean energy due to data center growth—underscore Brookfield's commitment to expanding its footprint in high-demand areas. The acquisition includes long-term PPAs with corporate customers. Also, Brookfield entered exclusive negotiations to acquire a **majority stake in Neoen**, a leading global renewable energy developer. This move aligns with Brookfield's strategy to enhance its development pipeline and continue to establish its position as a global leader in renewable energy. [Source](#)

Recent Financial Performance

Brookfield Renewable reported a **record FFO of \$1.217 billion** for the year ending December 31, 2024, marking a **10% increase per unit**. This growth was driven by the addition of approximately **7,000 MW of new capacity** and the deployment of **\$12.5 billion into various renewable platforms**. Also, the company generated **\$2.8 billion from asset recycling**, achieving returns approximately double their corporate targets. [Source](#)

Market Positioning

Brookfield Renewable's focus on high growth markets, especially those which relate to the huge expansion of data centers and their honed focus on sustainable energy solutions for the future gives them an incredibly favourable position within the renewable energy sector. With their robust development pipeline and a track record of operational excellence, Brookfield Renewable definitely seems well-equipped to meet the increasing global demand for clean energy.

Regulatory or Technological Influences

Canada's Clean Electricity Regulations

The Canadian government introduced the **Clean Electricity Regulations**, mandating a transition to **net-zero emissions in the electricity sector by 2035**. These regulations provide strong incentives and clear market signals for investments in renewable energy sources, including **solar, wind, and hydroelectric power**. They also encourage advancements in smart grids, energy storage solutions, and other emerging technologies critical to the reliability and sustainability of Canada's energy infrastructure.

Specifically, these regulations require utilities and independent power producers to **progressively phase out fossil fuel generation or integrate carbon capture technologies**, stimulating innovation and substantial capital allocation toward cleaner alternatives. This regulatory environment enhances the competitiveness of renewable energy companies like **Brookfield Renewable**, creating extensive opportunities to secure long-term, profitable contracts and participate in government-backed initiatives aimed at energy transition. [Source](#)

Advancements in Geothermal Energy

Recent technological breakthroughs in **geothermal energy** have positioned it as an **increasingly viable clean energy alternative**. By adapting and refining drilling and hydraulic fracturing techniques traditionally used in the **oil and gas industry**, energy companies are now able to tap into deeper and previously inaccessible geothermal resources. These advancements are significantly **reducing costs and expanding geothermal's geographic viability**, enabling more widespread deployment and commercialization.

The expansion of geothermal technology aligns closely with **global sustainability goals**, particularly in regions seeking reliable baseload power that complements renewables like wind and solar. As these geothermal innovations mature and achieve greater economic feasibility, renewable energy firms could increasingly include geothermal projects in their

portfolios, diversifying risk, enhancing stability, and providing a competitive edge in markets transitioning away from fossil fuels. [Source](#)

Financial Performance

Revenue and earnings trends (YoY and QoQ)

For the fiscal year ending December 31, 2024, **Brookfield Renewable Corporation (BEPC)** reported **Total Revenues** of **\$4.57 billion**, a slight increase from **\$4.53 billion** in 2023. This steady growth trajectory, up from **\$3.19 billion** in 2020, reflects the company's consistent expansion through increased generation capacity and strategic acquisitions.

Net Income for 2024 was **\$236 million**, marking a significant turnaround from the net loss of **\$181 million** reported in 2023. This improvement shows enhanced operational efficiency and effective cost management.

Key ratios

Price-to-Earnings (P/E) Ratio: As of April 4, 2025, BEPC's **trailing P/E ratio** stands at **19.53**. This valuation suggests moderate investor expectations regarding the company's future earnings growth. [Yahoo Finance](#)

Return on Equity (ROE): BEPC's **ROE** is approximately **1.81%**, indicating modest profitability relative to shareholder equity. [Yahoo Finance](#)

Return on Assets (ROA): The company's **ROA** is around **2.23%**, reflecting efficient utilization of assets to generate earnings. [Yahoo Finance](#)

EBITDA Margin: With an **EBITDA** of **\$2.7 billion** in 2024, BEPC's **EBITDA margin** is approximately **59%**, indicating strong operational profitability.

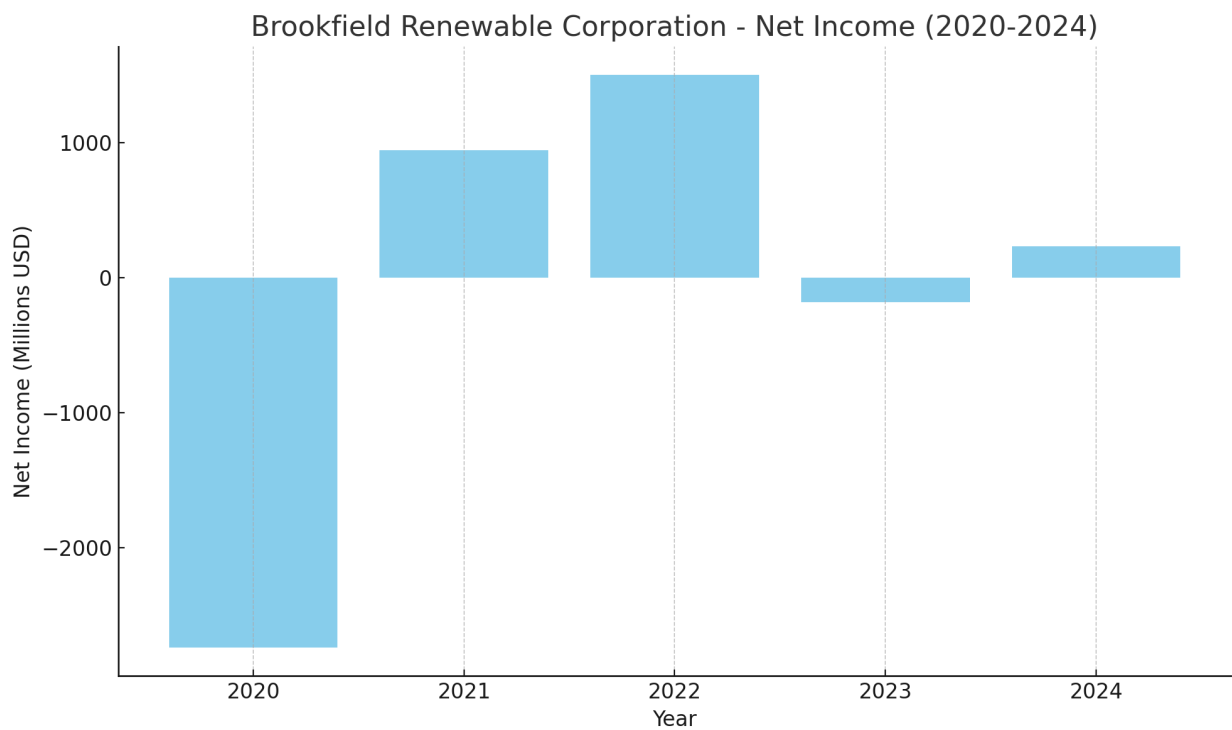
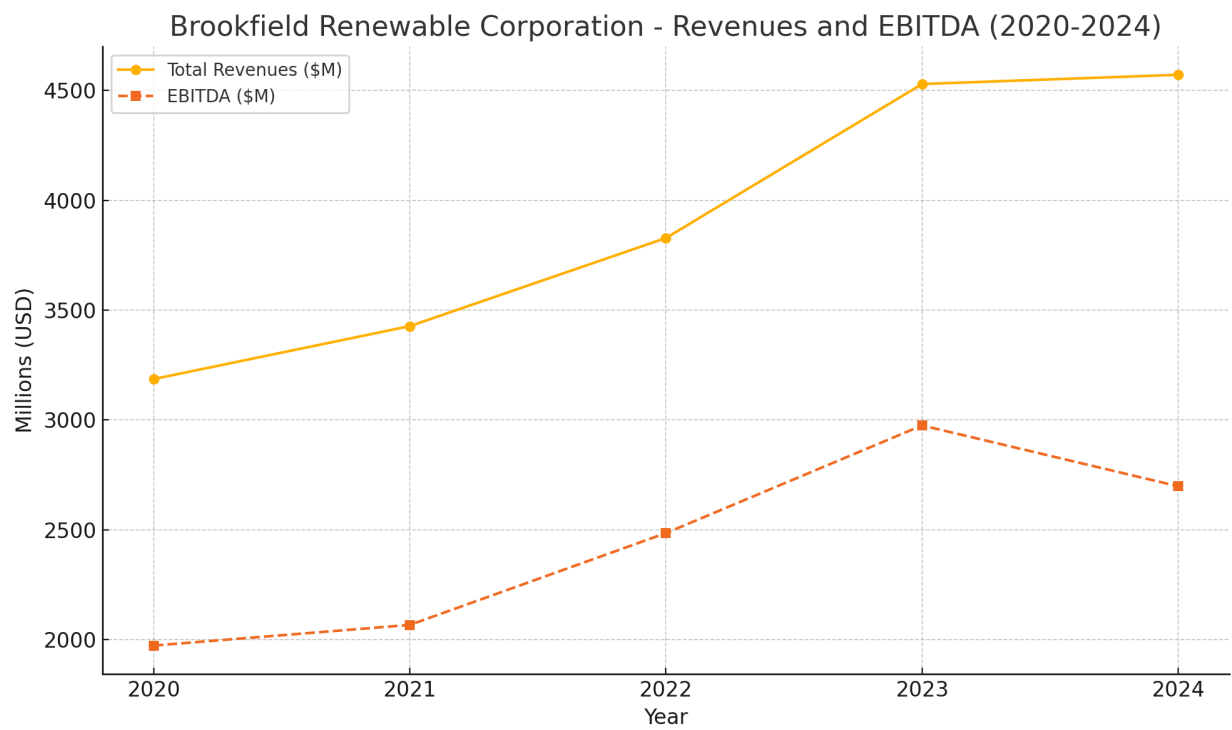
Profitability, liquidity, and solvency metrics

Profitability: The **Gross Profit** decreased from **\$3.06 billion** in 2023 to **\$2.80 billion** in 2024, primarily due to increased cost of revenues.

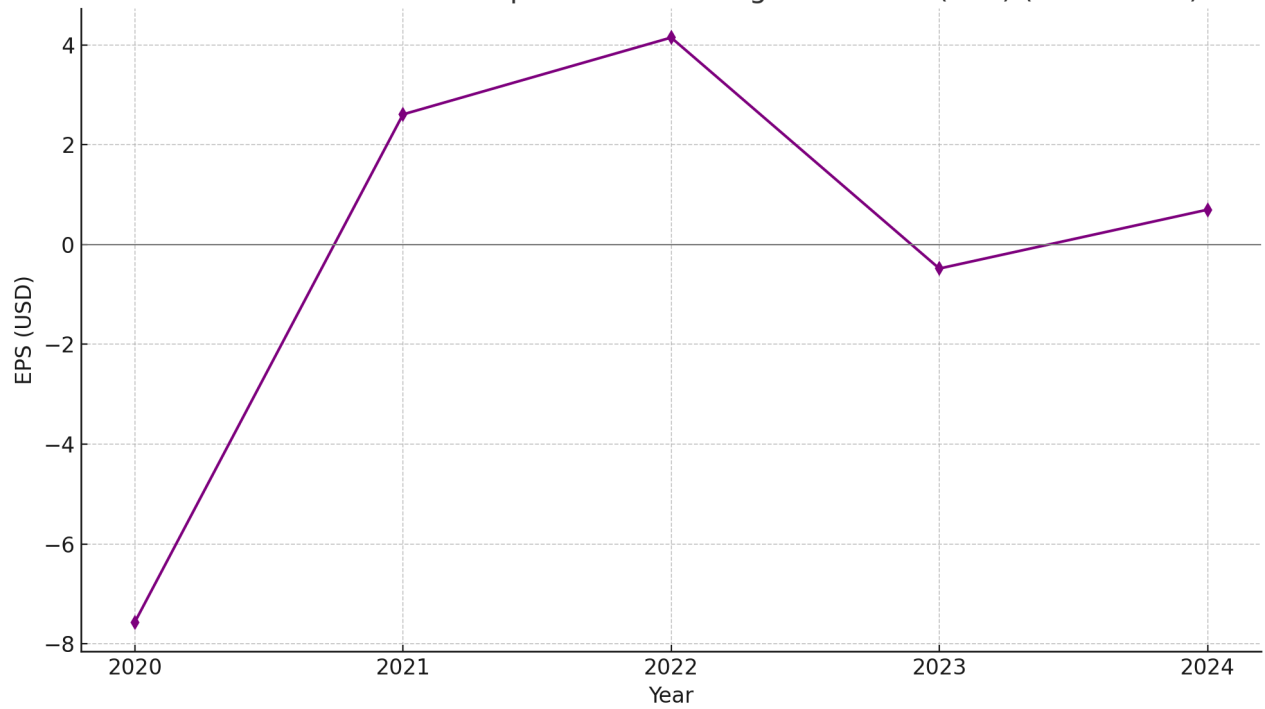
Liquidity: BEPC's **Current Ratio** is **0.28**, and the **Quick Ratio** is **0.24**, suggesting potential liquidity constraints in covering short-term obligations. [StockAnalysis](#)

Solvency: The **Total Debt to Equity Ratio** stands at **116.39%**, indicating a high reliance on debt financing. However, the **Interest Coverage Ratio** is **0.86**, pointing to challenges in covering interest expenses with operating income.

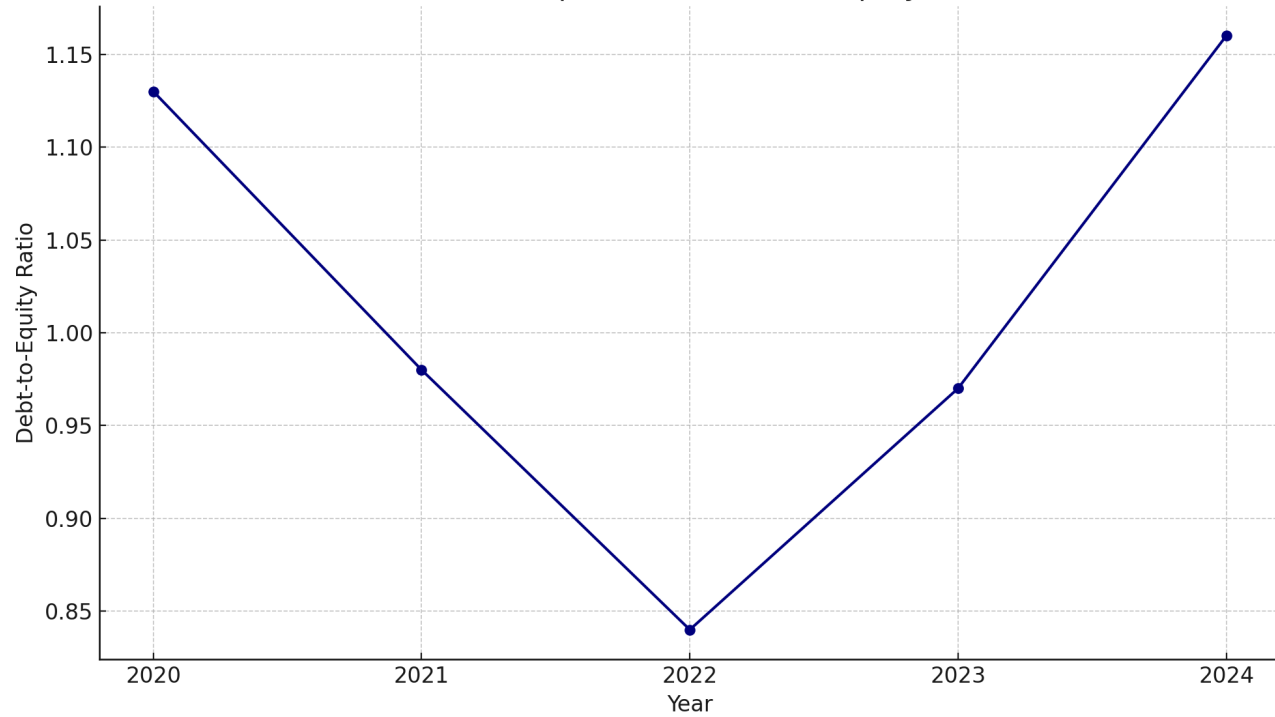
Visualizations

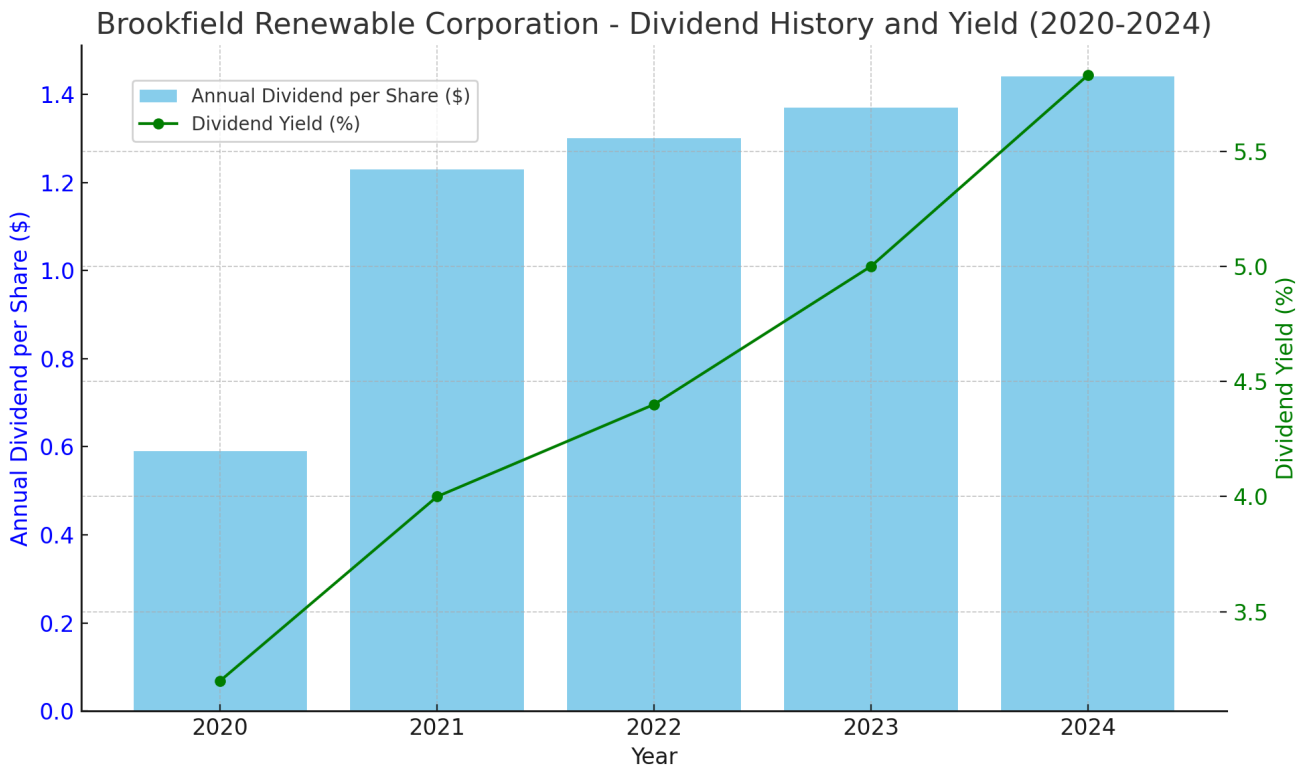


Brookfield Renewable Corporation - Earnings Per Share (EPS) (2020-2024)



Brookfield Renewable Corporation - Debt-to-Equity Ratio (2020-2024)





Valuation

Current valuation vs historical averages

As of April 4, 2025, BEPC's stock price is **\$25.58**. The company's **Price-to-Earnings (P/E) ratio** is approximately **19.47**.

Historically, BEPC's P/E ratios have varied significantly:

- **2022:** 3.16
- **2021:** 6.70
- **2020:** -3.64

[Source](#)

The current P/E ratio of 19.47 indicates a higher valuation compared to previous years, suggesting increased investor confidence or expectations of future earnings growth.

Comparable company analysis (comps)

When comparing BEPC to its industry peers:

- **Hawaiian Electric Industries (HE):** P/E ratio of 4.77
- **Idacorp (IDA):** P/E ratio of 20.8
- **Evergy (EVRG):** P/E ratio of 17.46

BEPC's P/E ratio aligns closely with Idacorp and Evergy, indicating a valuation in line with comparable companies in the renewable energy sector.

Discounted Cash Flow (DCF), if applicable

A DCF valuation estimates BEPC's intrinsic value at **\$60.76** per share, suggesting a potential upside of approximately **137.5%** from the current stock price. [Source](#)

However, another DCF analysis estimates the intrinsic value at **\$22.16** per share, indicating the stock may be overvalued by about **13%**. [Source](#)

The disparity between these valuations underscores the sensitivity of DCF models to input assumptions and highlights the importance of considering multiple valuation methods.

Risks and Catalysts

Major risk factors (macroeconomic, competitive, etc.)

Macroeconomic Risks:

- **Interest Rate Fluctuations:** As a capital-intensive business, BEPC's operations are sensitive to changes in interest rates. Rising rates can increase borrowing costs and potentially impact project financing and profitability.
- **Currency Exchange Rates:** With operations spanning multiple countries, BEPC is exposed to currency exchange rate fluctuations, which can affect financial performance and asset valuations.

Competitive Risks:

- **Market Competition:** The renewable energy sector is highly competitive, with numerous players vying for market share. BEPC must continually innovate and optimize operations to maintain its competitive position.
- **Technological Advancements:** Rapid technological changes in renewable energy could render existing technologies obsolete or less efficient, posing a risk to BEPC's current asset portfolio.

Regulatory Risks:

- **Policy Changes:** Renewable energy projects often benefit from government incentives and favorable policies. Any changes or reductions in these policies could adversely affect BEPC's operations and financial performance.
- **Environmental Regulations:** Stricter environmental laws and regulations could lead to increased compliance costs or operational constraints.

Operational Risks:

- **Resource Variability:** The efficiency of renewable energy assets depends on natural resources like water flow for hydroelectric plants and sunlight for solar panels. Variability in these resources can impact energy production levels.
- **Project Execution:** Delays or cost overruns in developing new projects can affect timelines and profitability.

Climate and Weather Risks:

- **Extreme Weather Events:** As a run-of-river hydro power facility in British Columbia, BEPC is exposed to climate and weather risks, which could impact energy production and infrastructure integrity.

Upcoming catalysts (earnings, product launches, M&A)

Earnings Releases:

- **Q1 2025 Results:** BEPC is scheduled to release its first-quarter 2025 financial results on **May 2, 2025**, providing insights into the company's financial health and operational performance.

[Brookfield](#)

M&A's:

- **Acquisition of National Grid's U.S. Onshore Renewable Energy Platform:** BEPC is acquiring National Grid's U.S. onshore renewable energy assets, which will enhance its scale and development capabilities in the U.S. market.
- **Evaluation of M&A Opportunities:** The company is currently assessing approximately **\$100 billion** worth of potential mergers and acquisitions, aiming to further expand its renewable energy portfolio.

[The Motley Fool](#)

Distribution Increases:

- **Dividend Growth:** BEPC announced a **5% increase** in its distribution for 2025, reflecting confidence in its cash flow generation and commitment to returning value to shareholders.

[Brookfield](#)

Strategic Partnerships:

- **Collaboration with Microsoft:** In 2024, BEPC entered into an agreement with Microsoft to develop around **10.5 gigawatts** of new renewable energy capacity, positioning the company to benefit from the growing demand for clean energy solutions.

Conclusion and Recommendation

Summary of analysis

Brookfield Renewable Corporation (BEPC) is a globally diversified renewable energy platform with a strong focus on hydroelectric, wind, solar, and storage assets. The company has demonstrated steady revenue growth, a consistent dividend track record, and strategic expansion through acquisitions. Financial performance has shown signs of recovery in 2024, with net income rebounding and EBITDA remaining strong, despite elevated interest expenses and moderate liquidity pressure.

Valuation analysis suggests BEPC is fairly valued relative to peers, with its current P/E ratio aligning with the industry average. Discounted Cash Flow models yield a wide range of intrinsic values, underscoring valuation sensitivity to assumptions but supporting a long-term upside case. The company's potential for contract repricing amid rising electricity demand, particularly due to data center expansion, is a compelling earnings catalyst.

However, risks remain—particularly macroeconomic headwinds such as rising interest rates, regulatory shifts, and climate-related operational variability. These must be weighed against the company's strategic M&A activity, increasing dividend, and long-term power agreements.

Final investment recommendation

Rating: Long-Term Buy

Brookfield Renewable offers an attractive opportunity for long-term investors seeking both income and exposure to the accelerating global shift toward clean energy. The company's **highly diversified portfolio** across hydro, wind, solar, and energy storage provides resilience and scalability, while its track record of **disciplined capital deployment** and **consistent dividend growth** reinforces its appeal as a core renewable energy holding.

With growing demand for clean power—particularly from large-scale energy users like data centers—BEPC is well-positioned to **benefit from favorable market dynamics and contract repricing opportunities**. Coupled with a robust development pipeline and continued M&A momentum, Brookfield Renewable stands out as a stable, strategically-managed business ready to deliver **sustainable returns and long-term value creation**.

Confidence level/Outlook

Confidence Level:  **Moderate to High**

The outlook is positive, particularly for patient investors with a 3–5+ year horizon. While current short-term macroeconomic conditions may create volatility, the structural shift toward renewables and BEPC’s project pipeline provide long-term visibility and upside potential. Conservative financial management and a proven ability to grow distributions add to overall confidence in the investment thesis.