

Pattern Energy Group Inc.
Form DEF 14A
April 23, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

PATTERN ENERGY GROUP INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- .. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:

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 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

 - (4) Proposed maximum aggregate value of transaction:

 - (5) Total fee paid:
- .. Fee paid previously with preliminary materials.
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 - (1) Amount Previously Paid:

 - (2) Form, Schedule or Registration Statement No.:

 - (3) Filing Party:

(4) Date Filed:

April 23, 2014

To the Stockholders of Pattern Energy Group Inc.:

It is my pleasure to invite you to attend Pattern Energy Group Inc.'s 2014 Annual Meeting of Stockholders, to be held on Thursday, June 5, 2014 at Pier 1, Bay 3, San Francisco, California. The Annual Meeting will begin promptly at 8:00 am, local time.

Details regarding the business to be conducted at the Annual Meeting are more fully described in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement.

Your vote is important. Whether or not you expect to attend, please date, sign, and return your proxy card in the enclosed envelope or vote by using the Internet according to the instructions in the Proxy Statement, as soon as possible, to assure that your shares will be represented and voted at the Annual Meeting. If you attend the Annual Meeting and follow the instructions in the Proxy Statement, you may vote your shares in person even though you have previously voted by proxy. On behalf of your Board of Directors, thank you for your continued support and interest.

Sincerely,

Name: Michael M. Garland

Title: President and Chief Executive Officer

Pier 1, Bay 3

San Francisco, CA 94111

T 415.283.4000

www.patternenergy.com

Pattern Energy Group Inc

Pier 1, Bay 3

San Francisco, CA 94111

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On June 5, 2014

To the Stockholders of Pattern Energy Group Inc.:

You are cordially invited to attend the Annual Meeting of Stockholders of Pattern Energy Group Inc., a Delaware corporation (the "Company"). The Annual Meeting will be held on Thursday, June 5, 2014 at 8:00 am local time at Pier 1, Bay 3, San Francisco, California, for the following purposes:

1. To elect seven directors to serve until the 2015 Annual Meeting of stockholders.
2. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014.

These items of business are more fully described in the Proxy Statement accompanying this Notice.

The record date for the Annual Meeting is April 11, 2014. Only stockholders of record at the close of business on that date may vote at the Annual Meeting or any adjournment thereof.

By Order of the Board of Directors

Dyann S. Blaine
Corporate Secretary

San Francisco, California

April 23, 2014

You are cordially invited to attend the Annual Meeting in person. Whether or not you expect to attend the Annual Meeting, please vote as soon as possible. We encourage you to vote via the Internet. For further details, see Questions and Answers about This Proxy Material and Voting.

Pattern Energy Group Inc.

Pier 1, Bay 3

San Francisco, CA 94111

PROXY STATEMENT

FOR THE 2014 ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON JUNE 5, 2014

AVAILABILITY OF PROXY MATERIALS

This proxy statement and proxy card are furnished in connection with the solicitation of proxies to be voted at the 2014 Annual Meeting of Stockholders (the Annual Meeting) of Pattern Energy Group Inc., referred to herein as the Company, we, or Pattern Energy, which will be held on Thursday, June 5, 2014, at 8:00 am local time at Pier 1, Bay 3, San Francisco, California.

On or about April 23, 2014, we will mail to our stockholders of record and beneficial owners a Notice of Internet Availability of Proxy Materials (the Notice) containing instructions on how to access this proxy statement and our Annual Report on Form 10-K via the Internet and vote online. As a result, you will not receive a printed copy of the proxy materials in the mail unless you request a copy. All stockholders will have the ability to access the proxy materials on a website referred to in the Notice and may request a printed set of the proxy materials by mail or electronically from such website. If you would like to receive a printed or electronic copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice.

EXPLANATORY NOTE

We are an emerging growth company under applicable U.S. federal securities laws and therefore permitted to take advantage of certain reduced public company reporting requirements. As an emerging growth company, we provide in this proxy statement the scaled disclosure permitted under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, including the compensation disclosures required of a smaller reporting company, as that term is defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934. In addition, as an emerging growth company, we are not required to conduct votes seeking approval, on an advisory basis, of the compensation of our named executive officers or the frequency with which such votes must be conducted. We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year in which we have total annual gross revenues of \$1 billion or more; (ii) October 2, 2018; (iii) the date on which we have issued more than \$1 billion in nonconvertible debt during the previous three years; or (iv) the date on which we are deemed to be a large accelerated filer under the rules of the Securities and Exchange Commission.

For Canadian securities law purposes, we are an SEC foreign issuer. As such, we will satisfy applicable Canadian securities laws relating to information circulars, proxies and proxy solicitation if we comply with the requirements of applicable U.S. federal securities laws, file our proxy materials with the Canadian securities regulatory authorities and send our proxy materials to Canadian stockholders in the manner and at the time required by U.S. federal securities laws and any requirements of the NASDAQ Global Market (NASDAQ). This proxy statement is prepared in accordance with such requirements of U.S. federal securities laws.

All monetary amounts shown in this proxy statement are expressed in United States dollars unless otherwise expressly noted.

QUESTIONS AND ANSWERS ABOUT THIS PROXY MATERIAL AND VOTING

Why is the Company soliciting my proxy?

You have received these proxy materials because the board of directors of the Company is soliciting your proxy to vote at the 2014 Annual Meeting of Stockholders (the Annual Meeting). The Proxy Statement and the accompanying Notice of Annual Meeting of Stockholders summarizes the purposes of the meeting and the information you need to know to vote at the Annual Meeting.

Who can vote at the Annual Meeting?

Only stockholders of record who owned our Class A or Class B common stock at the close of business on April 11, 2014 will be entitled to vote at the Annual Meeting. On this record date, there were 51,258,134 shares of Company Class A and Class B common stock (Common Stock) outstanding. The holders of Common Stock have the right to one vote for each share they held as of the record date.

In accordance with Delaware law, a list of stockholders of record entitled to vote at the Annual Meeting will be available at the place of the Annual Meeting on June 5, 2014 and will be accessible for ten days prior to the Annual Meeting at our principal place of business, Pier 1, Bay 3, San Francisco, CA 94111, between the hours of 9:00 a.m. and 5:00 p.m. local time.

How many votes do I have?

Each share of Common Stock that you own entitles you to one vote.

What am I voting on?

There are two matters scheduled for a vote:

Election of directors; and

Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014.

How do I vote?

If on April 11, 2014, your shares were registered directly in your name with our stock transfer agent, Computershare, then you are a stockholder of record. Stockholders of record may vote by using the Internet or by mail as described below. Stockholders also may attend the Annual Meeting and vote in person. If you hold shares through a bank or broker, please refer to your proxy card, Notice or other information forwarded by your bank or broker to see which voting options are available to you.

Whether you plan to attend the Annual Meeting or not, we urge you to vote by proxy. All shares represented by valid proxies that we receive through this solicitation, and that are not revoked, will be voted in accordance with your instructions on the proxy card or as instructed via Internet.

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You may vote by using the Internet at www.investorvote.com/PEGI and following the instructions for Internet voting on the proxy card mailed to you. Internet voting is available 24 hours a day and will be accessible until 1:00 a.m. Eastern Time on June 5, 2014. Easy-to-follow instructions allow you to vote your shares and confirm that your instructions have been properly recorded.

You may vote by telephone by calling 1-800-652-VOTE (8683) within the USA, US territories & Canada any time on a touch tone telephone. There is NO CHARGE to you for the call. Telephone voting is available 24 hours a day and will be accessible until 1:00 a.m. Eastern Time on June 5, 2014. Easy-to-follow instructions allow you to vote your shares and confirm that your instructions have been properly recorded.

You may vote by mail by completing and mailing in a paper proxy card as outlined in this proxy statement.

You may vote in person at the meeting, by delivering a completed proxy card or by completing a ballot, which will be available at the meeting.

If your shares are held by your broker as your nominee (that is, in street name), you must obtain a proxy, executed in your favor, from the holder of record to be able to vote in person at the Annual Meeting.

Who is paying for this proxy solicitation?

The Company will pay for the entire cost of soliciting proxies. In addition to these mailed proxy materials, our directors and employees may also solicit proxies in person, by telephone, or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies. The Company may reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, your shares are registered in more than one name or are registered in different accounts. Please complete, sign and return each proxy card to ensure that all of your shares are voted.

What is householding and how does it affect me?

The Securities and Exchange Commission (the SEC) has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as householding, potentially means extra convenience for stockholders and cost savings for companies.

This year, a number of brokers with account holders who are Pattern Energy stockholders may be householding our proxy materials. A single proxy statement may be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that it will be householding communications to your address, householding will continue until you are notified otherwise or until you notify your broker or us that you no longer wish to participate in householding.

If, at any time, you no longer wish to participate in householding and would prefer to receive a separate Proxy Statement and Annual Report on Form 10-K, you may (1) notify your broker, (2) direct your written request to: Pattern Energy Group Inc., Attn: Corporate Secretary, Pier 1, Bay 3, San Francisco, CA 94111, or (3) contact our Investor Relations department by telephone at 415-283-4000. Stockholders who currently receive multiple copies of the proxy statement at their address and would like to request householding of their communications should contact their broker. In addition, we will promptly deliver, upon written or oral request to the address or telephone number above, a separate copy of the annual report and proxy statement to a stockholder at a shared address to which a single copy of the documents was delivered.

Where may I request an additional copy of this proxy statement or the Company's Annual Report?

Any stockholder of record who wishes to receive an additional copy of this Proxy Statement or of our Annual Report on Form 10-K as filed with the SEC without charge may (i) call the Company at 415-283-4000 or (ii) mail a request to: Pattern Energy Group Inc., Pier 1, Bay 3, San Francisco, CA 94111, Attention: Corporate Secretary, and we will promptly deliver the requested materials to you upon your request. You may also obtain our Annual Report on Form 10-K, as well as this Proxy Statement, on the SEC's website (www.sec.gov), or on our investor relations website at

investors.patternenergy.com.

What if I return a proxy card but do not make specific choices?

If you return a signed and dated proxy card without marking any voting selections, your shares will be voted (i) **For** the election of all nominees for director, and (ii) **For** ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014. However, with respect to (i) of the preceding sentence, if you are not a record holder, such as where your shares are held through a broker, nominee, fiduciary or other custodian, you must provide voting instructions to the record holder of the shares in accordance with the record holder's requirements in order for your shares to be properly voted. If any other matter is properly presented at the Annual Meeting, your proxy (one of the individuals named on your proxy card) will vote your shares using his best judgment.

Can I change my vote after submitting my proxy?

Yes. You can revoke your proxy at any time before the final vote at the Annual Meeting. You may revoke your proxy in any one of these ways:

You may submit another properly completed proxy card with a later date;

You may re-vote by Internet, as instructed above;

You may send a written notice that you are revoking your proxy to the Corporate Secretary of the Company at Pier 1, Bay 3, San Francisco, California 94111; or

You may attend the Annual Meeting, asking that your proxy be revoked, and voting in person. Simply attending the Annual Meeting will not, by itself, revoke your proxy.

How are votes counted?

Votes will be counted by the inspector of election appointed for the Annual Meeting, who will separately count **For** votes, **Withhold** votes (with respect to the election of directors) and (with respect to proposals other than the election of directors) **Against** votes, abstentions and broker non-votes.

If your shares are held in **street name**, you will need to obtain a proxy form from the institution that holds your shares and follow the instructions included on that form regarding how to instruct your broker to vote your shares. If you do not give instructions to your broker, your broker can vote your shares with respect to **discretionary** items, but not with respect to **non-discretionary** items. Discretionary items are proposals considered routine under applicable rules on which your broker may vote shares held in **street name** without your voting instructions. On non-discretionary items for which you do not give your broker instructions, the shares will be treated as broker non-votes. Under applicable rules, Proposal 2 is considered **discretionary**. However, any election of a member of the board of directors, whether contested or uncontested, is considered **non-discretionary** and therefore brokers are not permitted to vote your shares held in **street name** for the election of directors under Proposal 1 in the absence of instructions from you. Therefore, we encourage you to provide voting instructions to your bank, broker or other nominee. This ensures your shares will be voted at the Annual Meeting in the manner that you choose.

How many votes are needed to approve each proposal?

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For Proposal 1, the election of directors, the seven nominees receiving the most For votes (among votes properly cast in person or by proxy) will be elected. Broker non-votes and abstentions will have no effect.

To be approved, Proposal 2 to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014 must receive a For vote from the majority of all outstanding shares present in person or represented by proxy at the Annual Meeting and entitled to vote thereon either in person or by proxy. If you Abstain from voting, it will have the same effect as an Against vote. Broker non-votes will have no effect. If our stockholders do not ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for 2014, our audit committee of our board of directors will reconsider its selection.

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid Annual Meeting. A quorum will be present if a majority of all shares outstanding on April 11, 2014, the record date, are represented at the Annual Meeting present in person or by proxy. On the record date, there were 51,258,134 shares of Common Stock outstanding and entitled to vote.

Your shares will be counted for purposes of determining if there is a quorum if you properly cast your vote or a proxy card has been properly submitted by you or on your behalf. Proxies received but marked as abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum.

Is voting confidential?

We will keep all the proxies, ballots and voting tabulations private. We only let our Inspector of Election, Computershare, examine these documents. Management will not know how you voted on a specific proposal unless it is necessary to meet other legal requirements. We will, however, forward to management any written comments you provide on the proxy card or through other means.

How can I find out the results of the voting at the Annual Meeting?

Preliminary voting results will be announced at the Annual Meeting. Final voting results will be available on a Current Report on Form 8-K filed with the SEC within four business days after the end of the Annual Meeting.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE
BOARD OF DIRECTORS

Our board of directors consists of seven members. Each director will be elected annually to serve until his or her successor is duly elected or appointed and qualified or until his or her earlier death, retirement, disqualification, resignation or removal. See Proposal 1 Election of Directors . The ages of our directors set forth below are as of December 31, 2013.

Name	Age	Position(s) Held
Alan R. Batkin	69	Director, Chairman ⁽¹⁾⁽²⁾⁽³⁾
Patricia S. Bellinger	52	Director ⁽²⁾⁽³⁾
The Lord Browne of Madingley	65	Director
Michael M. Garland	63	Director, President and Chief Executive Officer
Douglas G. Hall	64	Director ⁽¹⁾⁽³⁾
Michael B. Hoffman	63	Director
Patricia M. Newson	57	Director ⁽¹⁾⁽³⁾⁽⁴⁾

(1) Member of Audit Committee

(2) Member of Nominating, Governance and Compensation Committee

(3) Member of Conflicts Committee

(4) Joined Conflicts Committee 11/22/13

Alan R. Batkin

Mr. Batkin has served as a member and chair of our board of directors since October 2013. Mr. Batkin serves on the boards of Hasbro, Inc., Cantel Medical Corp. and Omnicom Group, Inc. During the past five years he has also served on the board of Overseas Shipping Group, Inc. He was Vice Chairman of Eton Park Capital Management, L.P., from 2007 to 2012. Prior thereto, he was the Vice Chairman of Kissinger Associates, Inc. from 1990 until 2006. He is an overseer, trustee or board member of a number of non-profit organizations, including, among others, the International Rescue Committee, the Brookings Institution, the Mailman School of Public Health of Columbia University, the Massachusetts General Hospital Center for Global Health and the New York City Police Foundation. We believe Mr. Batkin's extensive public company, energy industry and leadership experience enables him to provide essential guidance to our board of directors and our management team.

Patricia S. Bellinger

Ms. Bellinger has served as a member of our board of directors since October 2013. Ms. Bellinger is the Executive Director at Harvard Kennedy School's Center for Public Leadership as well as an adjunct lecturer at Harvard Kennedy School. She currently serves on the board of Sodexo SA and previously served on the board of Nordic Windpower Inc. from 2008 to 2010. Before joining Harvard Kennedy School, Ms. Bellinger was the Executive Director of Executive Education at Harvard Business School from 2011 to 2013, where she managed a \$145 million portfolio of programs. Prior to joining Harvard Business School, Ms. Bellinger was Group Vice President at British Petroleum from 2000 to 2007, where she oversaw leadership development programs and established and led British Petroleum's global diversity and inclusion transformation. Ms. Bellinger has a leadership role in a number of non-profit organizations, including, the Program in Education, Afterschool & Resiliency at McLean Hospital, Facing History and Ourselves and uAspire. We believe Ms. Bellinger's extensive public company, energy industry and leadership experience will enable her to provide essential guidance to our board of directors and our management team.

The Lord Browne of Madingley

The Lord Browne of Madingley has served as a member of our board of directors since October 2013. Lord Browne is a partner and managing director of Riverstone and is co-head of Riverstone's Renewable Energy Fund II. Prior to joining Riverstone in 2007, Lord Browne spent 41 years at British Petroleum, holding various senior management positions during that time. In 1991, he joined the board of The British Petroleum Company plc and was appointed group chief executive in 1995 and remained in this position until May 2007. Lord Browne was chairman of the advisory board of Apax Partners LLC from 2006 to 2007, a non-executive director of Goldman Sachs from 1999 to 2007, a non-executive director of Intel Corporation from 1997 to 2006, a trustee of The British Museum from 1995 to 2005, a member of the supervisory board of DaimlerChrysler AG from 1998 to 2001 and a non-executive director of SmithKline Beecham from 1996 to 1999.

Lord Browne was the president of the Royal Academy of Engineering from 2006 to 2011, a fellow of the Royal Society and a foreign member of the U.S. Academy of Arts and Sciences. He was appointed a trustee of the Tate Gallery in August 2007 and chairman of the trustees in January 2009. He was the chairman of the Independent Review of Higher Education Funding and Student Finance, which published its report in October 2010. He was appointed the UK Government's lead non-executive board member in June 2010. He was knighted in 1998 and made a life peer in 2001. We believe Lord Browne's extensive leadership and financial and energy industry expertise will enable him to contribute significant managerial, strategic and financial oversight skills to our board of directors.

Michael M. Garland

Mr. Garland has served as our President and Chief Executive Officer and as a member of our board of directors since October 2012. Prior to joining our company, Mr. Garland served as Chief Executive Officer of Pattern Energy Group LP (Pattern Development) since June 2009. Prior to joining Pattern Development, Mr. Garland was a partner of Babcock & Brown from 1986 to 2009, where he initiated and managed project finance activities, energy development and energy investment, and led Babcock & Brown's North American Infrastructure Group. Prior to that, Mr. Garland worked for the State of California as Chief of Energy Assessments from 1975 to 1986. Mr. Garland currently serves on the board of directors of SteelRiver Infrastructure Fund North America, GP. We believe Mr. Garland's extensive leadership experience enables him to play a key role in all matters involving our board of directors and contribute an additional perspective from the energy industry.

Douglas G. Hall

Mr. Hall has served as a member of our board of directors since October 2013. Mr. Hall was a Managing Director at RBC Capital Markets covering public and private capital raising, mergers and acquisitions support and strategic advisory assignments for diversified industry groups from 1979 until his retirement in 2005. Mr. Hall is currently a director of NexC Partners Corp and Millar Western Forest Products Ltd., a privately-held lumber and pulp company based in Alberta, as well as a member of the Advisory Board for Southwest Properties Ltd., a privately held real estate company based in Nova Scotia. We believe Mr. Hall's experience in investment banking as well as his experience and understanding of financial and disclosure matters will enable him to provide essential guidance to our board of directors and our management team.

Michael B. Hoffman

Mr. Hoffman has served as a member of our board of directors since October 2012. Mr. Hoffman is a partner of Riverstone Holdings LLC, an energy and power-focused private equity firm (Riverstone), where he is principally responsible for investments in power and renewable energy for Riverstone's funds and is based in New York. Mr. Hoffman is co-head of Riverstone's Renewable Energy Funds I and II. Before joining Riverstone in 2003, Mr. Hoffman was senior managing director and head of the mergers and acquisitions advisory business of The

Blackstone Group for 15 years, where he also served on the firm's principal group investment committee

as well as its executive committee. Prior to joining Blackstone, Mr. Hoffman was managing director and co-head of the mergers and acquisitions department of Smith Barney, Harris Upham & Co. Mr. Hoffman is chairman of the board of directors of Onconova Therapeutics Inc. His non-profit board affiliations include those of North Shore-Long Island Jewish Health System and the Municipal Arts Society. We believe Mr. Hoffman's extensive leadership, energy industry, and financial expertise will enable him to contribute significant managerial, strategic and financial oversight skills to our board of directors.

Patricia M. Newson

Ms. Newson has served as a member of our board of directors since October 2013. Ms. Newson currently serves on the boards of Brookfield Residential Properties Inc. and Long Run Exploration Inc. which are publicly traded companies, and is also a director of the Alberta Electric System Operator, Heritage Gas Limited and Quality Urban Energy Systems of Tomorrow (QUEST). Ms. Newson retired in 2011 from AltaGas Ltd. as President of the Utility Division and was previously President and Chief Executive Officer of AltaGas Utility Group Inc. from 2005 to 2009, and Senior Vice President Finance and Chief Financial Officer of AltaGas Income Trust from 1996 to 2006. Her previous board experience includes Brookfield Asset Management Inc., AltaGas Utility Group Inc., Guide Exploration Inc., Inuvik Gas Ltd., and the Canadian Gas Association. Ms. Newson is a Chartered Accountant. We believe Ms. Newson's public company and energy industry experience as well as her experience and understanding of financial accounting, finance and disclosure matters will enable her to provide essential guidance to our board of directors and our management team.

BOARD LEADERSHIP STRUCTURE

Our board of directors does not have a formal policy with respect to whether our Chief Executive Officer (CEO) should also serve as our chairman of the board (Chairman). Currently, Michael M. Garland is our CEO, and Alan R. Batkin is our Chairman. Our board of directors believes that its current leadership structure best promotes the board's objective to effectively oversee management, the ability of our board of directors to carry out its roles and responsibilities on behalf of the stockholders, and our Company's overall corporate governance. Our board of directors also believes that the current separation of the Chairman and CEO roles allows Mr. Garland to develop and execute the Company's corporate strategy and focus on day-to-day operations and company performance while leveraging Mr. Batkin's experience and independence. Our board of directors periodically reviews the leadership structure and may make changes in the future.

POSITION ON MAJORITY VOTING

Our shares of Class A Common Stock are listed on both NASDAQ and the Toronto Stock Exchange (TSX). The rules of the TSX currently require all listed companies to disclose whether they have adopted a majority voting policy and, if not, to explain their rationale for not adopting majority voting. The TSX recently amended its rules to mandate that, effective June 30, 2014, all TSX-listed issuers, excluding majority controlled entities, will be required to adopt a majority voting policy. A majority voting policy generally requires that any director nominee of a listed company who receives a greater number of votes withheld than for his or her election in an uncontested director election must tender his or her resignation for consideration by the Company's board.

The Company has not adopted a majority voting policy for uncontested director elections. The Company is majority controlled with Pattern Development controlling approximately 63% of the outstanding shares of Common Stock. In the case of a controlled company, a majority voting policy would not have any effect, as the controlling stockholder can affect the election of directors with its votes and the implementation of such a policy would not result in any meaningful change to the outcome of director elections and could create confusion for stockholders.

At the Annual Meeting, the director nominees will be voted on individually and the voting results for each nominee will be publicly disclosed by us in a news release and on a Current Report on Form 8-K filed with the SEC, as described above, and with the Canadian securities administrators on their SEDAR website (www.sedar.com).

CORPORATE GOVERNANCE AND BOARD MATTERS

Independence of the Board of Directors

As required under the listing standards of the NASDAQ, a majority of the members of a NASDAQ-listed company's board of directors must qualify as independent, as affirmatively determined by its board of directors. Our board of directors consults with counsel to ensure that the determinations of the board of directors are consistent with all relevant laws and regulations regarding the definition of independent, including those set forth in pertinent listing standards of NASDAQ, as in effect from time to time.

Management has reviewed the directors' responses to a questionnaire asking about their transactions, relationships and arrangements with the Company (and those of their immediate family members) and other potential conflicts of interest. Other than as set forth in this Proxy Statement, these questionnaires did not disclose any transactions, relationships, or arrangements that question the independence of our directors. After reviewing this information, our board of directors (as in place prior to our initial public offering, which board of directors was comprised of Mr. Garland and Mr. Hoffman) affirmatively determined that all of our directors are independent directors within the meaning of the applicable NASDAQ listing standards except for Michael M. Garland.

We currently qualify as an SEC foreign issuer under Canadian securities laws and are exempt from, among other things, requirements under those laws to (i) have an audit committee of at least three people consisting solely of independent directors, and (ii) disclose annually the extent to which we comply with certain recommendations of the Canadian Securities Administrators regarding, among other corporate governance matters, the composition of our board of directors and of committees of our board of directors. We believe we substantially comply with the recommendations of the Canadian Securities Administrators, but, in the future, provided we remain an SEC foreign issuer we may decide not to follow such requirements.

A director is considered to be independent for the purposes of Canadian securities laws if the director has no direct or indirect material relationship to the Company. A material relationship is a relationship that could, in the view of the board, be reasonably expected to interfere with the exercise of a director's independent judgment. Certain individuals, such as employees and executive officers of the Company, are deemed by Canadian securities laws to have material relationships with the Company. Under Canadian securities laws our non-independent directors are Messrs. Garland and Hoffman and The Lord Browne. Mr. Garland is deemed to be non-independent because he is our Chief Executive Officer. Mr. Hoffman and The Lord Browne are also deemed non-independent because they are partners of Riverstone.

Information Regarding the Board of Directors and its Committees

The board of directors met three times during 2013. As required under NASDAQ listing standards, our independent directors meet in regularly scheduled executive sessions, at which only the directors (without management) are present, and in separate executive sessions at which only independent directors are present. The board has an audit committee, a conflicts committee, and a nominating, governance and compensation committee. The following table provides membership and meeting information for each of the board committees during 2013:

Name	Audit	Conflicts	Nominating, Governance and Compensation
Alan Batkin	Member	Member	Member
Patricia Bellinger		Member	Chairperson
The Lord Browne of Madingley			
Michael Garland			
Douglas Hall	Member	Chairperson	
Michael Hoffman			
Patricia Newson	Chairperson	Member	
Total meetings held in fiscal year 2013	1	8	1

Each board member attended at least 75% of the meetings of the board and applicable committees held in fiscal 2013 during the period for which such member was a director and/or committee member.

Below is a description of each committee of the board of directors. The board of directors (as in place prior to our initial public offering, which board of directors was comprised of Mr. Garland and Mr. Hoffman) has determined that each member of the audit, conflicts, and nominating, governance and compensation committees meets the applicable rules and regulations regarding independence and that each such member is free of any relationship that would interfere with his or her individual exercise of independent judgment with regard to the Company.

Audit Committee

Our audit committee is responsible for, among other things:

approving and retaining the independent auditors to conduct the annual audit of our financial statements;

reviewing and pre-approving the audit and allowable non-audit services to be performed by our independent registered public accounting firm;

evaluating the qualifications, performance and independence of our independent registered public accounting firm;

monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to financial statements or accounting matters;

reviewing the adequacy and effectiveness of our internal control policies and procedures;

discussing the scope and results of the audit with the independent registered public accounting firm and reviewing with management and the independent registered public accounting firm our interim and year-end operating results;

prepare the audit committee report in our annual proxy statement;

establishing procedures for complaints received by us regarding accounting matters;

overseeing internal audit function, if any, and

reviewing and evaluating, at least annually, its own performance and that of its members, including compliance with the committee charter.

Our audit committee charter can be found on the corporate governance section of our investor relations website at *investors.patternenergy.com*. Each of Ms. Newson and Messrs. Batkin and Hall served on the audit committee of the board of directors during 2013.

The board of directors annually reviews the NASDAQ listing standards definition of independence for audit committee members and has determined that all members of our audit committee are independent (as independence is currently defined in the NASDAQ listing standards). The board of directors concurred with the determination by the audit committee that Ms. Newson and Mr. Batkin are audit committee financial experts as defined by Item 407(d) of Regulation S-K. The board made a qualitative assessment of Ms. Newson's level of knowledge and experience based on a number of factors, including her experience as a Chartered Accountant with Ernst & Young, as Chief Financial Officer of AltaGas Income Trust, and as a member of the audit committee of multiple public companies. The board made a qualitative assessment of Mr. Batkin's level of knowledge and experience based on a number of factors, including his experience as a Certified Public Accountant with Coopers & Lybrand, and as a member of the audit committee of various public companies.

Nominating, Governance and Compensation Committee

Our nominating, governance and compensation committee assists our board of directors in identifying and recommending candidates for nomination to the board of directors, recommending committee assignments for directors to the board of directors, overseeing the board of directors' annual evaluation of its performance, its committees and individual directors, developing and recommending to the board of directors appropriate corporate governance policies, practices and procedures for our company, reviewing and evaluating the performance of our Chief Executive Officer, administering and making recommendations to the board of directors with respect to our incentive-compensation plans, and reviewing compensation received by directors for service on the board of directors and its committees. Our nominating, governance and compensation committee's role and responsibilities are set forth in the committee's written charter and the Company's corporate governance policy and include:

assisting our board of directors in identifying prospective director nominees and recommending nominees for each annual meeting of stockholders to the board of directors;

overseeing the annual evaluation of our board of directors and management;

recommending members for each board committee to our board of directors;

reviewing and monitoring our corporate governance guidelines and code of business conduct and ethics;

reviewing developments in corporate governance practices and developing and recommending governance principles applicable to our board of directors;

reviewing and monitoring actual and potential conflicts of interest of members of our board of directors and officers;

reviewing and evaluating, at least annually, its own performance and that of its members, including compliance with the committee charter.

overseeing the development and implementation of our compensation philosophy and our benefits policies generally;

making recommendations to the board regarding adoption of equity-based compensation plans and other incentive compensation plans that are subject to board and/or stockholder approval;

overseeing administration of our equity compensation and other incentive compensation plans;

reviewing and approving corporate goals and objectives relevant to compensation of our chief executive officer and other senior executive officers, as well as evaluating their performance in light of the compensation program objectives;

making recommendations to the board regarding the compensation, benefits and other employment arrangements for our chief executive officer and our other senior executive officers;

overseeing compensation-related risk, stock ownership guidelines, and succession planning for our executive officers;

reviewing and recommending compensation goals and bonus and equity compensation criteria for our employees;

reviewing and recommending compensation programs for non-employee directors;

engaging and approving payment of compensation consultants to assist the committee in discharging its responsibilities; and

reviewing and evaluating, at least annually, its own performance and that of its members, including adequacy of its written charter.

A more detailed description of the committee's functions can be found in our nominating, governance and compensation committee charter. The charter is published in the corporate governance section of our investor relations website at investors.patternenergy.com. Each of Ms. Bellinger and Mr. Batkin served on the nominating, governance and compensation committee of the board of directors during 2013. All members of the committee are independent (as independence is currently defined in the NASDAQ listing standards).

Generally during the first quarter of each year, the committee reviews and makes recommendations to the board of directors regarding compensation for our senior executive officers, including our named executive officers, and for the pool of employees other than our senior executive officers. Mr. Garland, our principal executive officer, does not participate in the determination of his own compensation, but he makes recommendations to the committee regarding the amount and form of compensation of the other senior executive officers. The nominating, governance and compensation committee has the authority to delegate its authority to one or more of our employees, except that it can neither delegate its authority to determine specific awards to directors or executive officers nor delegate authority that may not under applicable law, listing standards or charter documents be delegated to a non-board member.

Our nominating, governance and compensation committee will also review and discuss annually with management our Compensation Discussion and Analysis to the extent such disclosure is required by SEC rules. These rules are not yet applicable to us because we are an emerging growth company as defined in the Jumpstart Our Business Startups Act of 2012. See the Explanatory Note at the beginning of this proxy statement.

The nominating, governance and compensation committee will consider director candidates recommended by stockholders and evaluate them using the same criteria as candidates identified by the board or the nominating, governance and compensation committee for consideration. If a stockholder of the Company wishes to recommend a director candidate for consideration by the nominating, governance and compensation committee, the stockholder

recommendation should be delivered to the Corporate Secretary of the Company at the principal executive offices of the Company, and must include information regarding the candidate and the stockholder making the recommendation. In evaluating candidates for the board, the nominating, governance and compensation committee may consider all factors it deems relevant, including the competencies and skills that the board considers to be necessary for the board as a whole to possess, the competencies and skills that the board considers each existing director to possess, and the competencies and skills each new nominee will bring to the boardroom. The nominating, governance and compensation committee shall also consider the amount of time and resources that nominees have available to fulfill their duties as a board member.

Conflicts Committee

Our conflicts committee reviews specific matters that the board of directors believes may involve conflicts of interest arising from material transactions with Pattern Development or its affiliates, and certain other matters the board determines to submit to the conflicts committee for review. We are required to seek approval of the conflicts committee for any transaction involving the sale of a project from Pattern Development to us or for any amendments to the Management Services Agreement between the Company and Pattern Development. The conflicts committee will determine if the resolution of the conflict of interest is fair and reasonable to us. The nominating, governance and compensation committee must unanimously determine that nominees for this committee meet the applicable independence requirements. In addition, the board of directors must affirm the nominating, governance and compensation committee's independence determinations before it places nominees on the committee. The members of the conflicts committee may not be officers or employees of Pattern Development or its affiliates, including Riverstone (which is the manager of funds which own interests in Pattern Development).

NOMINATING, GOVERNANCE AND COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

Each of Ms. Bellinger and Mr. Batkin served on the nominating, governance and compensation committee of the board of directors during 2013. None of the members of the nominating, governance and compensation committee was at any time during the 2013 fiscal year (or at any other time) an officer or employee of the Company. None of the Company's executive officers serves as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our board of directors or nominating, governance and compensation committee.

RISK OVERSIGHT MANAGEMENT

Our board is responsible for ensuring that processes are in place to identify the principal risks of the Company's businesses and ensuring that appropriate systems to measure and manage these risks are properly implemented. Our board provides risk oversight for our entire company by receiving management presentations, including risk assessments, from various functional areas of our company, and discussing these assessments with management. The board's overall risk oversight is supplemented by the various committees. The audit committee discusses with management and our independent registered public accounting firm our risk management guidelines and policies, our major financial risk exposures and the steps taken to monitor and control such exposures. Our nominating, governance and compensation committee oversees risks related to our compensation programs and discusses with management its annual assessment of our employee compensation policies and programs. Our conflicts committee oversees risks related to related party transactions with Pattern Development and discusses with management risks related to acquisitions from and the bilateral management services agreement with Pattern Development and its affiliates.

STOCKHOLDER COMMUNICATIONS WITH OUR BOARD OF DIRECTORS

Stockholders and interested parties may communicate with our board of directors by sending correspondence to the board of directors, a specific committee of our board of directors or a director c/o our Corporate Secretary, at Pattern Energy Group Inc., Pier 1, Bay 3, San Francisco, California 94111.

Our Corporate Secretary reviews all communications to determine whether the contents include a message to a director and will provide a summary and copies of all correspondence (other than solicitations for services, products or publications) to the applicable director or directors at each regularly scheduled meeting. The Corporate Secretary will alert individual directors to items that warrant a prompt response from the individual director prior to the next regularly scheduled meeting. Items warranting prompt response, but not addressed to a specific director, will be routed to the applicable committee chairperson.

CODE OF BUSINESS CONDUCT AND ETHICS

The Company has adopted the Pattern Energy Group Inc. Code of Business Conduct and Ethics that applies to all directors, officers and employees. A copy is available on the corporate governance section of our investor relations website at investors.patternenergy.com. If the Company makes any substantive amendments to the Code of Business Conduct and Ethics or grants any waiver from a provision of the Code to any executive officer or director, the Company will promptly disclose the nature of the amendment or waiver in its public filings, as required by law or securities market regulations.

NON-EMPLOYEE DIRECTOR COMPENSATION

Our current director compensation policy provides that each non-employee member of our board of directors is entitled to receive an annual cash retainer of (i) \$125,000, (ii) \$1,500 for each meeting attended (or \$1,000 if such meeting is telephonic) and (iii) \$15,000 for each committee chair held (except that the chairman of our audit committee will receive \$20,000). Our chairman of the board will also receive an additional annual sum of \$70,000. Sixty-five percent of the fees paid to each of our non-employee directors will be paid in our shares of Class A Common Stock until each such non-employee director accumulates \$375,000 in shares of Class A Common Stock. Amounts paid to our non-employee directors in cash and stock for 2013, as set forth in the table below, were based on this policy but reflecting only the period starting with our initial public offering.

2013 Director Compensation. The following table sets forth information about the compensation of each person who served as a director during the 2013 fiscal year, other than our CEO Mr. Garland, who did not receive separate compensation for his services as a director. Although they are non-employee directors, The Lord Browne and Mr. Hoffman did not receive compensation in 2013 for their services as directors because of their status as non-independent under Canadian Securities Administrators recommendations as described in the above section discussing the independence of the board of directors.

Name	Fees Earned or		Total (\$)
	Paid in Cash (\$)	Stock Awards (\$) ⁽¹⁾	
Alan Batkin	30,560	31,690	62,250
Patricia Bellinger	26,165	20,335	46,500
The Lord Browne of Madingley			
Douglas Hall	28,665	20,335	49,000
Michael Hoffman			
Patricia Newson	23,915	20,335	44,250

- (1) This column represents the grant date fair value for stock awards granted to the director in 2013, computed in accordance with FASB ASC Topic No. 718. For additional information, see Note 15 of the notes to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2013, filed on February 28, 2014, for a discussion of our assumptions in determining the grant date fair values of equity awards. As of December 31, 2013, no non-employee director had any outstanding option awards or unvested stock awards.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information known to us regarding beneficial ownership of our voting securities as of March 31, 2014 by:

each person known by us to be the beneficial owner of more than 5% of any class of our voting securities;

each of our directors;

each of our named executive officers; and

all executive officers and directors as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Except as noted by footnote, and subject to community property laws where applicable, the persons named in the table below have sole voting and investment power with respect to all shares of Common Stock shown as beneficially owned by them. The table below is based upon information supplied by officers, directors and principal stockholders and Schedules 13G filed with the SEC.

This table lists applicable percentage ownership based on 51,258,134 shares of Common Stock outstanding as of March 31, 2014. Shares issuable upon exercise of options to purchase shares of our Common Stock that are exercisable within 60 days of March 31, 2014 are deemed to be beneficially owned by the persons holding these options for the purpose of computing percentage ownership of that person, but are not treated as outstanding for the purpose of computing any other person's ownership percentage.

Name and Address of Beneficial Owner	Beneficial Ownership		Percent of Total Outstanding Common Stock
	Number of Class A Shares	Number of Class B Shares	
5% Stockholders			
Pattern Renewables LP ⁽¹⁾ Pier 1, Bay 3 San Francisco, CA 94111	16,861,099	15,407,808	62.95%
Wellington Management Company, LLP ⁽²⁾ 280 Congress Street Boston, MA 02210	2,683,507		5.24%
Directors and Named Executive Officers			
Alan R. Batkin ⁽³⁾	17,609		*
Patricia S. Bellinger ⁽⁴⁾	6,347		*
The Lord Browne of Madingley			*
Douglas G. Hall ⁽⁵⁾	3,435		*
Michael B. Hoffman			*
Patricia M. Newson ⁽⁶⁾	9,878		*

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Michael M. Garland ⁽⁷⁾	171,586	44,443	*
Hunter H. Armistead ⁽⁸⁾	76,693	20,201	*
Esben W. Pedersen ⁽⁹⁾	70,654	38,426	*

All current directors and executive officers as a group

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