

Avangrid's New England Clean Energy Connect Project Is Complete and Energized

1,200 MW of low-cost, baseload power is now connected to New England

Orange, CT — Jan. 16, 2026 — Avangrid, Inc., a leading energy company and member of the Iberdrola Group, announced today that the New England Clean Energy Connect (NECEC) project is complete and energized. The NECEC stands as one of the region's largest sources of baseload energy, strengthening grid reliability and lowering energy costs. The project's commercial operation date is January 16, 2026.

With the introduction of 1,200 MW of new hydropower into ISO-New England's system, the NECEC will diversify its power supply, strengthen grid stability, and mitigate risks to the grid during extreme weather events. At the same time, NECEC's low-cost energy supply and predictable pricing structure will help reduce fuel-related volatility, create a strategic hedge that enhances regional competitiveness, and reduce wholesale electricity prices, delivering long-term cost savings for New England ratepayers.

- The Massachusetts Department of Public Utilities found that the NECEC will save New England rate payers \$3.38 billion over the 20-year of the life of the current contracts. The Department further found that significant qualitative benefits will flow to customers under the contract in the areas of reliability, mitigated environmental impacts, and economic development. The Department ultimately found that the purchase power agreements are a cost-effective mechanism for procuring low-cost energy on a long-term basis.

The NECEC transmission line consists of a new 145-mile-high voltage direct current (HVDC) transmission line from the Quebec-Maine border to the new Merrill Road converter substation located in Lewiston and new 1.2-mile 345 kV alternating current (AC) transmission line from the new Merrill Road converter substation to the existing Larrabee Road substation. The year-one property tax benefit to host communities is approximately \$23 million.

Avangrid's arrival to this point reflects an unwavering commitment to transparency, environmental stewardship, and community engagement. Over the past several years, the NECEC project has:

- Obtained all major state and federal approvals under President Donald Trump, Massachusetts Governors Maura Healy and Charlie Baker, and Maine Governors Janet Mills and Paul LePage's administrations. Approval includes the U.S. Department of Energy's Presidential Permit and the Massachusetts legislature's authorization for price modification, signed into law by Governor Healey;
- Prevailed in multiple legal, regulatory, and electoral challenges, with courts affirming the project's compliance and benefits;

- Ensured the permanent conservation of 50,000 acres of Maine wilderness, creating one of the largest contiguous conservation areas in the region. This land preservation initiative safeguards critical wildlife habitats, protects biodiversity, and ensures sustainable forestry practices.

NECEC's financial foundation is strong, anchored by long-term, fixed-rate contracts with credit worthy utility counterparties that ensure predictable cash flows and a fair return on investment for the life of the project. The project is secured by a combination of a 40-year Transmission Service Agreement with Hydro-Québec and 20-year contracts with Massachusetts utilities and Hydro-Québec, providing stable, inflation-protected revenue streams and minimizing market volatility. Capital expenditures totaled approximately \$1.6 billion. As a result of negotiated contract provisions, the project will recover cost increases due to electoral challenges, ensuring the end project achieves the anticipated economic value.

With major execution risks including permitting, legal challenges, and construction fully resolved, the NECEC has transitioned from development to revenue generation. Coupled with its measurable environmental benefits and alignment with relevant ESG mandates, the project is also positioned for premium valuation among sustainability-focused investors, making it one of the most resilient and attractive infrastructure assets in the region.

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About Avangrid: Avangrid, Inc. is a leading energy company in the United States working to meet the growing demand for energy for homes and businesses across the nation through service, innovation, and continued investments by expanding grid infrastructure and energy generation projects. Avangrid has offices in Connecticut, New York, Massachusetts, Maine, and Oregon, including operations in 23 states with approximately \$48 billion in assets, and has two primary lines of business: networks and power. Through its networks business, Avangrid owns and operates eight electric and natural gas utilities, serving more than 3.4 million customers in New York and New England. Through its power generation business, Avangrid owns and operates 80 energy generation facilities across the United States producing 10.5 GW of power for over 3.1 million customers. Avangrid employs approximately 8,000 people and has been recognized by JUST Capital as one of the JUST 100 companies – a ranking of America's best corporate citizens – in 2025 for the fifth consecutive year. The company was named among the World's Most Ethical Companies in 2025 for the seventh consecutive year by the Ethisphere Institute. Avangrid is a member of the group of companies controlled by Iberdrola, S.A. For more information, visit www.avangrid.com.



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