



Private equity sees value in public clean energy companies

Amid another bout of energy-market stress and political soul-searching over the “trilemma” of affordability, security and decarbonisation, private capital is quietly making a clear statement about the value of listed clean-energy businesses.

Canadian independent power producer Boralex, a holding in the TM Gravis Clean Energy Income Fund (the “Fund”), has entered into a definitive agreement to be acquired by asset manager Brookfield and Canadian pension fund manager La Caisse in a deal valuing the business at a total enterprise value of CAD \$9.0 billion (£4.9 billion¹). The offer price of CAD \$37.25 represents a 36.4% premium over the 30-day volume-weighted average price for the period ending 20 March 2026². The offer values the company at a 13 times 2026E consensus EBITDA³.

The energy trilemma

This deal comes against a backdrop of energy market stress. The conflict in the Middle East is pushing up oil, gas and power prices, forcing governments to wrestle with the familiar energy trilemma of affordability, security and decarbonisation. Disruption in the Strait of Hormuz has left several African countries close to fuel shortages and some Asian economies are moving to four day working weeks. Europe is now facing its second energy crisis in under five years.

In that context, 2026 is shaping up as a pivotal year for policy and system transformation. Governments are under pressure to accelerate the electrification of heat and industry and reduce dependence on petrostates, while simultaneously reviewing climate targets as voters push back on affordability. The UK’s renewed argument over North Sea drilling is one example. But the core case for renewables in domestic energy mixes remains intact: a resilient system will need both fossil fuels and renewables, and unlike in previous oil shocks, renewable power is now cost competitive in many markets and can be deployed quickly.

A pattern developing

Boralex fits a pattern we have seen before. La Caisse acquired its Canadian peer Innergex Renewable Energy last year, another former holding in the Fund. Brookfield’s acquisition of French developer Neoen followed a similar logic. These are not speculative stories; they are platforms with:

- Large operational fleets of wind, solar, hydro and storage
- Long term contracted cashflows
- Visible pipelines that require capital

Boralex operates around 3,800MW of wind, solar, hydro and battery storage across Canada, France and the UK, with over 90% of capacity contracted for an average remaining term of 10 years. It has set a strategic ambition to double capacity to 7GW by 2030, targeting project level IRRs of 10–12%.



At the macro level, BloombergNEF's latest Energy Transition Investment Trends showed global energy transition investment rising 8% year on year in 2025 to a record USD 2.3trn.

Two points stand out:

- Private markets clearly see the opportunity in the energy transition and the electrification of economies.
- They have raised record amounts of capital that now needs to be deployed. Buying undervalued listed companies with contracted assets, visible growth and proven management teams is a relatively de risked way to do that.

For investors, the Boralex deal is another reminder that public market clean energy valuations have, at times, lagged underlying asset value, and that private capital is willing to step in when discounts become too wide. The transaction, which remains subject to shareholder approval, is expected to complete by Q4 2026.

¹Based on a CAD \$/GBP exchange rate of 0.5462 at the 20/02/2026. Enterprise value reference is on a consolidated basis.

²The last full day of trading prior to the first media report of a strategic review of alternatives.

³On the Combined total enterprise value of \$9.7 billion. Combined is a non-GAAP financial measures and does not have a standardized definition under IFRS, and may therefore not be comparable to similar measures used by other companies.

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