

# Industry Update **Power and Utilities** Q2 2022

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#### **Financial Performance** Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

			Size Prof	ile		LTM Operati	ng Data	Forward Estimates	
Company Name	Ticker	Price at 03/31/22	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2021 Est. Revenue	2021 Est. EBITDA
Electric Utilities									
NextEra Energy, Inc.	NEE	\$84.71	90.4%	\$243,598	\$144,945	\$16,233	\$6,025	\$20,990	\$11,804
Duke Energy Corporation	DUK	\$111.66	99.2%	\$159,082	\$171,220	\$25,659	\$11,644	\$26,395	\$11,960
The Southern Company	SO	\$72.51	99.1%	\$142,656	\$128,639	\$23,851	\$7,861	\$25,448	\$9,574
American Electric Power Company, Inc.	AEP	\$99.77	99.1%	\$89,373	\$89,831	\$17,104	\$6,636	\$17,160	\$6,868
Exelon Corporation	EXC	\$47.63	81.8%	\$82,974	\$92,698	\$37,042	\$8,440	\$18,627	\$7,036
PG&E Corporation	PCG	\$11.94	90.5%	\$78,932	\$103,931	\$21,724	\$6,735	\$22,441	\$7,637
Xcel Energy Inc.	XEL	\$72.17	98.9%	\$65,816	\$57,985	\$13,641	\$4,464	\$14,101	\$4,777
Edison International	EIX	\$70.10	99.6%	\$60,789	\$74,720	\$15,913	\$5,508	\$16,004	\$5,860
Entergy Corporation	ETR	\$116.75	98.5%	\$50,646	\$59,834	\$11,776	\$4,063	\$12,361	\$4,355
ITC Limited	ITC	\$3.30	94.5%	\$46,528	\$10,180	\$7,994	\$2,699	\$642,639	\$216,319
FirstEnergy Corp.	FE	\$45.86	98.8%	\$43,681	\$44,617	\$11,206	\$3,692	\$11,592	\$3,779
PPL Corporation	PPL	\$28.56	93.0%	\$34,348	\$34,107	\$6,067	\$2,648	\$6,462	\$2,894
Evergy, Inc.	EVRG	\$68.34	98.4%	\$27,871	\$28,740	\$5,199	\$2,209	\$5,623	\$2,303
Pinnacle West Capital Corporation	PNW	\$78.10	88.2%	\$17,324	\$22,201	\$3,891	\$1,667	\$3,807	\$1,439
OGE Energy Corp.	OGE	\$40.78	99.8%	\$13,180	\$13,094	\$2,612	\$971	\$3,475	\$1,050
PNM Resources, Inc.	PNM	\$47.67	95.1%	\$8,393	\$8,728	\$1,859	\$653	\$1,797	<b>\$</b> 705
Portland General Electric Company	POR	\$55.15	98.4%	\$8,319	\$9,723	\$2,413	\$748	\$2,423	\$856
IDACORP, Inc.	IDA	\$115.36	98.3%	\$7,581	\$7,285	\$1,486	\$495	\$1,437	\$494
Hawaiian Electric Industries, Inc.	HE	\$42.31	92.0%	\$7,381	\$15,908	\$2,993	\$671	\$3,127	\$610
ALLETE, Inc.	ALE	\$66.98	91.6%	\$6,175	\$6,556	\$1,464	\$403	\$1,488	\$488
Otter Tail Corporation	OTTR	\$62.50	86.9%	\$4,049	\$2,792	\$1,310	\$395	\$1,433	\$516
Unitil Corporation	UTL	\$49.88	84.1%	\$1,451	\$1,552	\$527	\$140	\$499	\$149

Source: Capital IQ

(USD in millions, except per share data)

		Size Profile				LTM Operati	ng Data	Forward Estimates	
Company Name	Ticker	Price at 03/31/22	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2021 Est. Revenue	2021 Est. EBITDA
Independent Power Producers									
The AES Corporation	AES	\$25.73	89.2%	\$38,720	\$34,648	\$11,358	\$3,476	\$11,374	\$3,458
Vistra Corp.	VST	\$23.25	98.5%	\$24,792	\$32,833	\$11,995	\$2,888	\$17,087	\$3,205
Central Pattana Public Company Limited	CPN	\$1.77	96.7%	\$12,097	\$7,960	\$833	\$377	\$35,454	\$20,248
Ormat Technologies, Inc.	ORA	\$81.83	99.0%	\$7,002	\$4,414	\$680	\$352	\$718	\$436

Gas Utilities									
Atmos Energy Corporation	ATO	\$119.49	98.8%	\$23,477	\$21,271	\$3,837	\$1,383	\$4,148	\$1,636
UGI Corporation	UGI	\$36.22	74.6%	\$14,611	\$17,777	\$9,073	\$3,037	\$9,061	\$1,663
Southwest Gas Holdings, Inc.	SWX	\$78.29	96.8%	\$11,254	\$13,249	\$4,062	\$787	\$4,487	\$1,049
National Fuel Gas Company	NFG	\$68.70	98.1%	\$9,049	\$7,805	\$1,999	\$1,073	\$2,294	\$1,306
ONE Gas, Inc.	OGS	\$88.24	98.4%	\$8,619	\$8,468	\$2,155	\$529	\$2,169	\$559
Spire Inc.	SR	\$71.76	92.1%	\$8,070	\$9,401	\$2,054	\$617	\$2,198	\$629
South Jersey Industries, Inc.	SJI	\$34.55	97.8%	\$7,696	\$7,457	\$2,142	\$567	\$2,068	\$540
New Jersey Resources Corporation	NJR	\$45.86	98.2%	\$7,382	\$5,870	\$2,488	\$393	\$2,645	\$537
Chesapeake Utilities Corporation	СРК	\$137.76	94.2%	\$3,088	\$2,110	\$602	\$208	\$694	\$210
Northwest Natural Holding Company	NWN	\$51.72	89.7%	\$3,123	\$4,055	\$895	\$281	\$905	\$290
Sitio Royalties Corp.	STR	N/A	N/A	\$820	\$1,205	\$170	\$138	\$376	\$327
Suburban Propane Partners, L.P.	SPH	\$16.10	97.3%	\$2,221	\$2,200	\$1,410	\$318	N/A	\$297
FirstGroup plc	FGP	\$1.48	97.3%	\$1,991	\$5,056	\$6,055	\$202	\$4,724	\$836

Source: Capital IQ

### **Valuation Metrics**

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### Return Profile, Trading Multiples

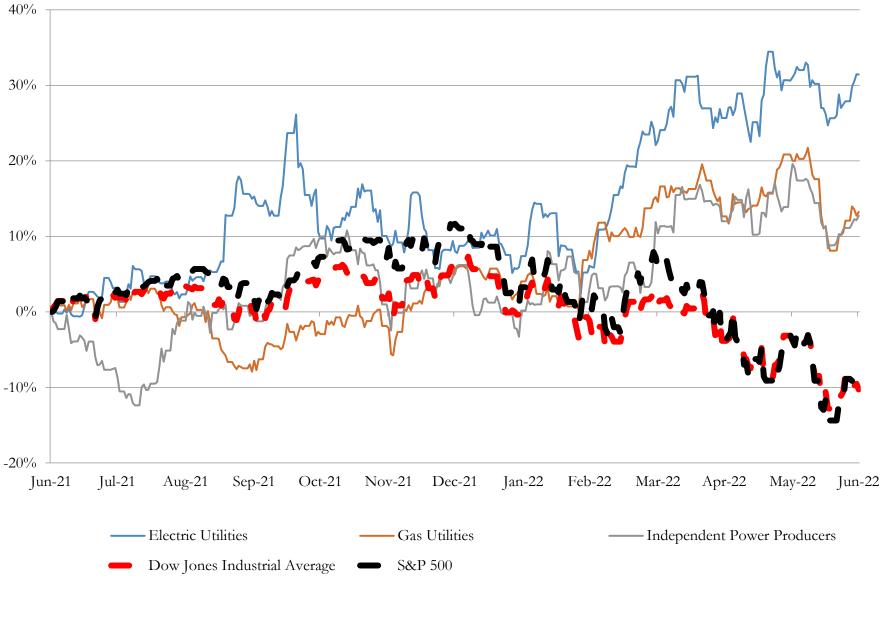
		Return Profile							Trading Multiples	
Company Name	Ticker	Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA	
Electric Utilities										
NextEra Energy, Inc.	NEE	0.8%	1.4%	-5.1%	37.1%	-27.6%	0.5x	15.0x	40.4x	
Duke Energy Corporation	DUK	2.2%	6.8%	8.5%	45.4%	5.2%	0.3x	6.2x	13.7x	
The Southern Company	SO	1.9%	6.6%	12.2%	33.0%	-17.9%	0.5x	6.0x	18.1x	
American Electric Power Company, Inc.	AEP	2.7%	11.6%	10.7%	38.8%	15.1%	0.4x	5.2x	13.5x	
Exelon Corporation	EXC	2.5%	6.2%	28.1%	22.8%	-11.7%	0.6x	2.2x	9.8x	
PG&E Corporation	PCG	2.0%	1.2%	15.1%	31.0%	6.9%	1.2x	3.6x	11.7x	
Xcel Energy Inc.	XEL	2.4%	10.6%	11.3%	32.7%	4.0%	0.4x	4.8x	14.7x	
Edison International	EIX	3.0%	3.4%	15.7%	34.6%	14.5%	0.7x	3.8x	11.0x	
Entergy Corporation	ETR	2.2%	9.1%	11.8%	34.5%	11.4%	0.6x	4.3x	12.5x	
ITC Limited	ITC	15.6%	25.1%	23.1%	33.8%	20.8%	0.5x	5.8x	17.2x	
FirstEnergy Corp.	FE	3.3%	14.8%	5.5%	32.9%	9.1%	0.4x	3.9x	11.8x	
PPL Corporation	PPL	2.3%	0.7%	9.7%	43.6%	-1.4%	0.8x	5.7x	13.0x	
Evergy, Inc.	EVRG	2.8%	9.1%	-3.9%	42.5%	-0.7%	0.5x	5.4x	12.6x	
Pinnacle West Capital Corporation	PNW	2.7%	10.4%	7.4%	42.8%	7.2%	0.3x	4.5x	10.4x	
OGE Energy Corp.	OGE	2.8%	24.5%	-21.4%	37.2%	9.1%	0.7x	5.0x	13.6x	
PNM Resources, Inc.	PNM	2.5%	9.8%	19.6%	35.1%	10.9%	0.4x	4.5x	12.8x	
Portland General Electric Company	POR	2.3%	7.7%	10.6%	31.0%	4.9%	0.5x	3.4x	11.1x	
IDACORP, Inc.	IDA	2.7%	9.4%	8.0%	33.3%	2.2%	0.6x	5.1x	15.3x	
Hawaiian Electric Industries, Inc.	HE	1.6%	10.7%	17.6%	22.4%	4.5%	0.3x	2.5x	11.0x	
ALLETE, Inc.	ALE	1.7%	4.7%	22.3%	27.5%	11.2%	0.6x	4.2x	15.3x	
Otter Tail Corporation	OTTR	7.0%	22.6%	42.9%	30.2%	69.1%	0.5x	3.1x	10.3x	
Unitil Corporation	UTL	3.3%	8.9%	23.4%	26.5%	6.1%	0.4x	2.8x	10.4x	
	Mean	3.2%	9.8%	12.4%	34.0%	7.0%	0.5x	4.9x	14.1x	
Source: Capital IQ	Median	2.5%	9.1%	11.6%	33.5%	6.5%	0.5x	4.5x	12.7x	

		Return Profile							Trading Multiples	
Company Name	Ticker	Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA	
Independent Power Producers										
The AES Corporation	AES	4.3%	-14.4%	14.1%	30.6%	-7.3%	1.0x	3.4x	11.1x	
Vistra Corp.	VST	1.8%	7.3%	1.7%	24.1%	240.2%	0.9x	2.1x	8.6x	
Central Pattana Public Company Limited	CPN	1.9%	7.0%	1.9%	45.3%	-22.9%	0.8x	14.5x	32.1x	
Ormat Technologies, Inc.	ORA	2.4%	4.1%	0.1%	51.8%	2.0%	0.5x	10.3x	19.9x	
	Mean Median	2.6% 2.2%	1.0% 5.5%	4.5% 1.8%	37.9% 37.9%	53.0% -2.7%	0.8x 0.9x	7.6x 6.8x	17.9x 15.5x	
Gas Utilities										
Atmos Energy Corporation	ATO	2.7%	8.6%	19.8%	36.0%	0.9%	0.5x	6.1x	17.0x	
UGI Corporation	UGI	9.7%	27.4%	32.7%	33.5%	50.6%	1.0x	1.6x	4.8x	
Southwest Gas Holdings, Inc.	SWX	2.2%	5.6%	21.3%	19.4%	3.1%	0.1x	2.8x	14.3x	
National Fuel Gas Company	NFG	6.1%	23.9%	24.7%	53.7%	25.2%	0.7x	4.5x	8.4x	
ONE Gas, Inc.	OGS	2.3%	8.8%	32.4%	24.6%	6.8%	0.5x	4.0x	16.3x	
Spire Inc.	SR	2.7%	8.1%	-6.2%	30.0%	-2.4%	0.3x	3.9x	13.1x	
South Jersey Industries, Inc.	SJI	3.1%	4.5%	27.4%	26.5%	18.7%	0.7x	3.6x	13.6x	
New Jersey Resources Corporation	NJR	3.0%	5.2%	27.2%	15.8%	-13.1%	0.5x	3.0x	18.8x	
Chesapeake Utilities Corporation	СРК	4.1%	11.2%	14.2%	34.6%	7.7%	0.6x	5.1x	14.8x	
Northwest Natural Holding Company	NWN	2.3%	7.8%	11.2%	31.4%	-1.4%	0.4x	3.5x	11.1x	
Sitio Royalties Corp.	STR	N/A	9.8%	229.4%	81.4%	347.3%	N/A	4.8x	5.9x	
Suburban Propane Partners, L.P.	SPH	6.9%	28.5%	16.0%	22.6%	5.8%	0.6x	1.6x	7.0x	
FirstGroup plc	FGP	-0.1%	-0.6%	6.3%	3.3%	-52.8%	1.8x	0.3x	9.9x	
Source: Capital IQ	Mean Median	3.7% 2.8%	11.5% 8.6%	35.1% 21.3%	31.7% 30.0%	30.5% 5.8%	0.7x 0.6x	3.5x 3.6x	11.9x 13.1x	

### LTM Equity Performance

Major Indexes

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## Recent M&A Activity

Last Twelve (12) Months as of June 30, 2022

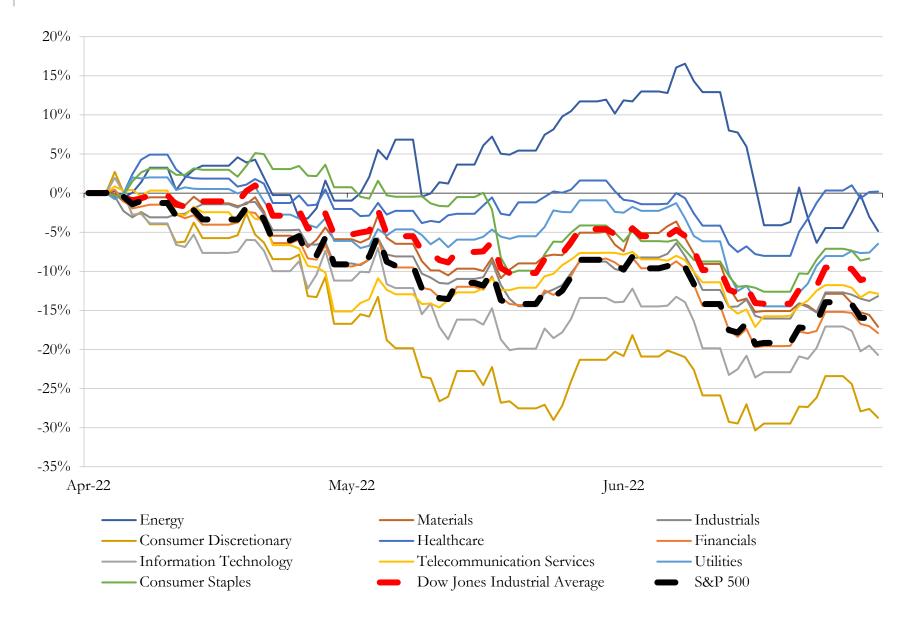
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
May-22	The Narragansett Electric Company	PPL Energy Holdings, LLC	\$5,116
Jan-22	Arkansas and Oklahoma gas distribution assets of CenterPoint Energy, Inc.	Summit Utilities, Inc.	\$2,150
May-22	Clearway Community Energy Development LLC	KKR & Co. Inc.	\$1,900
Dec-21	Savion, LLC	Shell New Energies US LLC	\$1,400
Feb-22	Fossil Fuel Electric Generating Assets located in New Jersey and Maryland of	ArcLight Capital Partners, LLC; Arclight Energy Partners Fund VII, L.P.	\$1,370
Dec-21	2,520-Megawatt Renewables Portfolio	NextEra Energy Partners, LP	\$858
Aug-21	391-Megawatt Portfolio of Four Operating Wind Assets of Brookfield	NextEra Energy Partners, LP	\$733
Jul-21	405MW US Wind Portfolio	Greencoat Capital LLP	\$720
Sep-21	Aria Energy LLC	Rice Acquisition Corp.	\$693
Dec-21	530 MW Utah Solar Portfolio	Clearway Energy, Inc.	\$670
Dec-21	4.8GW of Fossil Generation Assets of NRG Energy, Inc.	Generation Bridge, LLC	\$620
Jan-22	New York American Water Company, Inc.	Liberty Utilities Co.	\$608
Feb-22	Fossil Fuel Electric Generating Assets located in New York and Connecticut of	Generation Bridge II, LLC	\$550
Sep-21	Mountaintop Energy Holdings LLC	UGI Corporation	\$540
Aug-21	Clenera, LLC	Enlight Renewable Energy Ltd	\$407
Jul-21	Two Contracted Geothermal Assets in Nevada	Ormat Technologies, Inc.	\$377
Nov-21	Valcour Wind Energy, LLC	AES Clean Energy Development, LLC	\$352
Oct-21	Curtis Palmer, a 60 MW run-of-river hydroelectric portfolio	Innergex Renewable Energy Inc.; Hydro-Québec International, Inc.	\$312
Dec-21	100-MW Operating Wind Asset Located in California	NextEra Energy Partners, LP	\$283
Mar-22	Commercial & Industrial Solar Business of SunPower Corporation, Systems	TotalEnergies Renewables USA, LLC	\$250
May-22	Wastewater system assets of York City Sewer Authority, Pennsylvania	Pennsylvania-American Water Company, Inc.	\$235
Jul-21	Effingham Energy Facility in Sabannah, GA	Oglethorpe Power Corporation	\$233
Dec-21	Community Energy Solar, LLC	AES Clean Energy Development, LLC	\$232
Jan-22	Substantially all Assets of Rockdale Marcellus	Repsol Oil & Gas USA, LLC	\$222
Jul-21	US solar development assets	BP p.l.c.	<b>\$22</b> 0
Dec-21	RockGen Energy LLC	Dairyland Power Cooperative	\$210

Source: Capital IQ

#### Change in Market Capitalization by Sector

Last Three (3) Months as of June 30, 2022

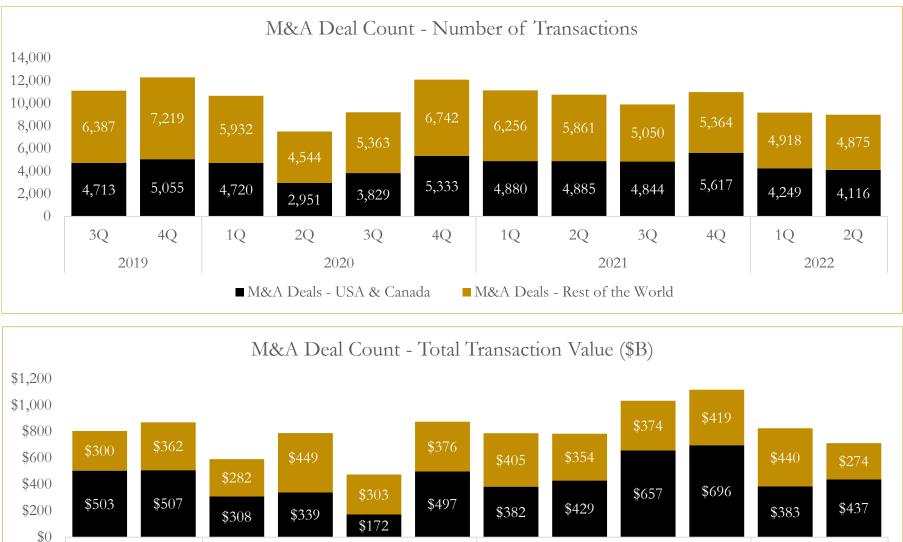


Source: Capital IQ

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#### M&A Deal Flow Statistics

Last Three (3) Years as of June 30, 2022



4Q

1Q

2Q

Transaction Value - Rest of World

2021

3Q

4Q

3Q

Source: Capital IQ

2019

4Q

1Q

2Q

2020

Transaction Value - USA & Canada

3Q

2Q

1Q

2022

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#### About Houlihan Capital

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

#### Valuation & Financial Advisory

We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

#### **Investment Banking**

Through our Investment Banking Group, we offer sell-side/buy-side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

#### Litigation Support

Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

