

Industry Update  
**Power and Utilities**  
Q1 2023

## 1

# Financial Performance

## Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

| Company Name                          | Ticker | Size Profile      |                   |           | LTM Operating Data |             | Forward Estimates |                   |                  |
|---------------------------------------|--------|-------------------|-------------------|-----------|--------------------|-------------|-------------------|-------------------|------------------|
|                                       |        | Price at 03/31/23 | % of 52 Week High | TEV       | Total Assets       | LTM Revenue | LTM EBITDA        | 2023 Est. Revenue | 2023 Est. EBITDA |
| <b>Electric Utilities</b>             |        |                   |                   |           |                    |             |                   |                   |                  |
| NextEra Energy, Inc.                  | NEE    | \$77.08           | 84.4%             | \$231,379 | \$165,357          | \$24,782    | \$12,216          | \$25,075          | \$13,573         |
| Duke Energy Corporation               | DUK    | \$96.47           | 82.9%             | \$156,783 | \$178,833          | \$28,584    | \$12,521          | \$28,771          | \$12,682         |
| The Southern Company                  | SO     | \$69.58           | 86.4%             | \$144,973 | \$134,756          | \$29,111    | \$10,341          | \$26,266          | \$10,454         |
| PG&E Corporation                      | PCG    | \$16.17           | 96.1%             | \$88,885  | \$119,612          | \$22,091    | \$7,097           | \$23,276          | \$8,900          |
| American Electric Power Company, Inc. | AEP    | \$90.99           | 86.2%             | \$89,973  | \$94,518           | \$19,738    | \$6,943           | \$18,664          | \$7,546          |
| Exelon Corporation                    | EXC    | \$41.89           | 82.6%             | \$83,651  | \$96,925           | \$19,314    | \$6,277           | \$20,069          | \$7,692          |
| Xcel Energy Inc.                      | XEL    | \$67.44           | 86.8%             | \$63,968  | \$60,945           | \$15,639    | \$5,065           | \$15,677          | \$5,256          |
| Edison International                  | EIX    | \$70.59           | 96.3%             | \$65,889  | \$78,854           | \$17,218    | \$5,557           | \$17,541          | \$6,513          |
| Entergy Corporation                   | ETR    | \$107.74          | 85.0%             | \$48,565  | \$59,203           | \$13,867    | \$3,739           | \$13,606          | \$4,329          |
| ITC Limited                           | ITC    | \$4.67            | 97.3%             | \$62,235  | \$0                | \$8,441     | \$2,952           | \$734,747         | \$264,193        |
| FirstEnergy Corp.                     | FE     | \$40.06           | 82.0%             | \$45,316  | \$46,479           | \$12,510    | \$3,459           | \$12,926          | \$4,007          |
| PPL Corporation                       | PPL    | \$27.79           | 87.6%             | \$35,232  | \$38,302           | \$8,535     | \$2,757           | \$7,790           | \$3,035          |
| Evergy, Inc.                          | EVRG   | \$61.12           | 83.6%             | \$26,606  | \$29,686           | \$5,932     | \$2,289           | \$5,670           | \$2,336          |
| Pinnacle West Capital Corporation     | PNW    | \$79.24           | 98.3%             | \$18,933  | \$23,580           | \$4,486     | \$1,636           | \$4,290           | \$1,526          |
| OGE Energy Corp.                      | OGE    | \$37.66           | 87.8%             | \$12,216  | \$12,790           | \$3,344     | \$1,092           | \$3,412           | \$1,122          |
| PNM Resources, Inc.                   | PNM    | \$48.68           | 98.2%             | \$8,575   | \$0                | \$2,350     | \$762             | \$1,928           | \$737            |
| Portland General Electric Company     | POR    | \$48.89           | 85.7%             | \$8,754   | \$10,151           | \$2,769     | \$841             | \$2,768           | \$896            |
| Hawaiian Electric Industries, Inc.    | HE     | \$38.40           | 85.9%             | \$7,373   | \$0                | \$3,885     | \$676             | \$3,471           | \$648            |
| IDACORP, Inc.                         | IDA    | \$108.33          | 91.1%             | \$7,781   | \$7,879            | \$1,729     | \$501             | \$1,543           | \$508            |
| ALLETE, Inc.                          | ALE    | \$64.37           | 95.4%             | \$6,138   | \$6,705            | \$1,752     | \$383             | \$1,688           | \$471            |
| Otter Tail Corporation                | OTTR   | \$72.27           | 87.6%             | \$4,047   | \$2,987            | \$1,424     | \$469             | \$1,250           | \$386            |
| Unitil Corporation                    | UTL    | \$57.04           | 93.4%             | \$1,551   | \$1,615            | \$591       | \$149             | \$595             | \$151            |

Source: Capital IQ

## Financial Performance (cont.)

### Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

| Company Name                           | Ticker | Size Profile      |                   |          | LTM Operating Data |             | Forward Estimates |                   |                  |
|--|--------|-------------------|-------------------|----------|--------------------|-------------|-------------------|-------------------|------------------|
|  |        | Price at 03/31/23 | % of 52 Week High | TEV      | Total Assets       | LTM Revenue | LTM EBITDA        | 2023 Est. Revenue | 2023 Est. EBITDA |
| <b>Independent Power Producers</b>     |        |                   |                   |          |                    |             |                   |                   |                  |
| The AES Corporation                    | AES    | \$24.08           | 80.6%             | \$41,696 | \$39,357           | \$13,004    | \$3,464           | \$12,492          | \$3,528          |
| Vistra Corp.                           | VST    | \$24.00           | 87.6%             | \$24,240 | \$0                | \$15,028    | \$2,312           | \$14,586          | \$3,682          |
| Central Pattana Public Company Limited | CPN    | \$2.02            | 91.1%             | \$13,233 | \$7,888            | \$1,094     | \$564             | \$41,859          | \$24,375         |
| Ormat Technologies, Inc.               | ORA    | \$84.77           | 83.3%             | \$7,208  | \$5,015            | \$736       | \$398             | \$837             | \$491            |
| <b>Gas Utilities</b>                   |        |                   |                   |          |                    |             |                   |                   |                  |
| Atmos Energy Corporation               | ATO    | \$112.36          | 91.4%             | \$23,485 | \$21,312           | \$4,564     | \$1,581           | \$4,877           | \$1,795          |
| UGI Corporation                        | UGI    | \$34.76           | 78.0%             | \$13,266 | \$16,429           | \$9,832     | \$196             | \$9,520           | \$1,578          |
| Southwest Gas Holdings, Inc.           | SWX    | \$62.45           | 65.3%             | \$9,110  | \$11,810           | \$5,296     | \$929             | \$4,958           | \$965            |
| Spire Inc.                             | SR     | \$70.14           | 88.5%             | \$8,355  | \$10,049           | \$2,700     | \$706             | \$2,459           | \$727            |
| National Fuel Gas Company              | NFG    | \$57.74           | 76.0%             | \$7,377  | \$7,967            | \$2,314     | \$1,217           | \$2,368           | \$1,123          |
| South Jersey Gas Company               | SJI    | \$0.00            | N/A               | \$0      | \$3,857            | \$763       | \$336             | \$0               | \$0              |
| New Jersey Resources Corporation       | NJR    | \$53.20           | 99.4%             | \$7,954  | \$6,296            | \$2,685     | \$593             | \$2,969           | \$567            |
| ONE Gas, Inc.                          | OGS    | \$79.23           | 85.9%             | \$7,437  | \$7,420            | \$2,639     | \$606             | \$2,665           | \$625            |
| Northwest Natural Holding Company      | NWN    | \$47.56           | 85.0%             | \$3,212  | \$4,592            | \$1,149     | \$330             | \$1,085           | \$315            |
| Chesapeake Utilities Corporation       | CPK    | \$127.99          | 89.9%             | \$3,041  | \$2,198            | \$676       | \$224             | \$730             | \$227            |
| FirstGroup plc                         | FGP    | \$1.29            | 71.3%             | \$2,974  | \$4,776            | \$5,099     | -\$30             | \$4,796           | \$827            |
| Sitio Royalties Corp.                  | STR    | \$22.60           | 67.2%             | \$5,163  | \$5,137            | \$454       | \$426             | \$681             | \$592            |
| Suburban Propane Partners, L.P.        | SPH    | \$15.32           | 86.3%             | \$2,328  | \$2,351            | \$1,462     | \$223             | \$1,420           | \$271            |

Source: Capital IQ

## 2

## Valuation Metrics

## Return Profile, Trading Multiples

| Company Name                          | Ticker        | Return Profile   |                  |                |               |               | Trading Multiples |                   |                  |
|---------------------------------------|---------------|------------------|------------------|----------------|---------------|---------------|-------------------|-------------------|------------------|
|                                       |               | Return on Assets | Return on Equity | Revenue Growth | EBITDA Margin | EBITDA Growth | 5-yr Beta         | TEV / LTM Revenue | TEV / LTM EBITDA |
| <b>Electric Utilities</b>             |               |                  |                  |                |               |               |                   |                   |                  |
| NextEra Energy, Inc.                  | NEE           | 3.0%             | 11.8%            | 52.7%          | 49.3%         | 103.7%        | 0.5x              | 9.4x              | 19.1x            |
| Duke Energy Corporation               | DUK           | 2.4%             | 7.3%             | 17.0%          | 43.8%         | 7.1%          | 0.4x              | 5.5x              | 12.6x            |
| The Southern Company                  | SO            | 2.9%             | 9.6%             | 22.1%          | 35.5%         | 31.5%         | 0.5x              | 4.9x              | 13.9x            |
| PG&E Corporation                      | PCG           | 1.8%             | 8.1%             | 5.0%           | 32.4%         | 6.8%          | 1.1x              | 4.0x              | 12.4x            |
| American Electric Power Company, Inc. | AEP           | 2.7%             | 9.9%             | 17.0%          | 36.3%         | 12.3%         | 0.5x              | 4.5x              | 12.3x            |
| Exelon Corporation                    | EXC           | 1.9%             | 6.9%             | 6.4%           | 32.9%         | -36.3%        | 0.6x              | 4.3x              | 13.1x            |
| Xcel Energy Inc.                      | XEL           | 2.6%             | 10.9%            | 14.6%          | 32.4%         | 13.5%         | 0.4x              | 4.1x              | 12.7x            |
| Edison International                  | EIX           | 2.6%             | 3.5%             | 15.5%          | 31.8%         | 6.8%          | 0.8x              | 3.7x              | 11.7x            |
| Entergy Corporation                   | ETR           | 1.9%             | 9.0%             | 17.8%          | 26.9%         | -8.1%         | 0.6x              | 3.5x              | 13.0x            |
| ITC Limited                           | ITC           | 0.0%             | 0.0%             | 19.5%          | 35.0%         | 23.0%         | 0.3x              | 7.4x              | 21.3x            |
| FirstEnergy Corp.                     | FE            | 2.6%             | 4.7%             | 11.6%          | 27.6%         | -6.1%         | 0.4x              | 3.7x              | 13.2x            |
| PPL Corporation                       | PPL           | 2.5%             | 5.2%             | 36.6%          | 33.6%         | 2.0%          | 0.8x              | 4.5x              | 13.3x            |
| Evergy, Inc.                          | EVERG         | 2.7%             | 8.2%             | 4.9%           | 38.0%         | -1.5%         | 0.5x              | 4.5x              | 11.8x            |
| Pinnacle West Capital Corporation     | PNW           | 2.3%             | 8.2%             | 13.7%          | 38.1%         | 0.7%          | 0.4x              | 4.1x              | 10.8x            |
| OGE Energy Corp.                      | OGE           | 3.2%             | 15.7%            | -7.6%          | 31.8%         | 14.7%         | 0.7x              | 3.6x              | 11.2x            |
| PNM Resources, Inc.                   | PNM           | 2.7%             | 8.2%             | 26.4%          | 32.5%         | 17.3%         | 0.4x              | 3.8x              | 11.7x            |
| Portland General Electric Company     | POR           | 2.6%             | 8.5%             | 14.8%          | 30.3%         | 12.4%         | 0.6x              | 3.0x              | 10.0x            |
| Hawaiian Electric Industries, Inc.    | HE            | 1.5%             | 10.3%            | 31.3%          | 18.2%         | 1.4%          | 0.4x              | 2.0x              | 11.1x            |
| IDACORP, Inc.                         | IDA           | 2.7%             | 9.5%             | 12.7%          | 29.9%         | -0.5%         | 0.6x              | 4.6x              | 15.5x            |
| ALLETE, Inc.                          | ALE           | 1.4%             | 4.2%             | 10.7%          | 24.6%         | -0.2%         | 0.7x              | 3.9x              | 15.8x            |
| Otter Tail Corporation                | OTTR          | 8.7%             | 25.7%            | 22.0%          | 33.2%         | 42.8%         | 0.5x              | 2.6x              | 7.7x             |
| Unitil Corporation                    | UTL           | 3.2%             | 9.0%             | 19.0%          | 25.5%         | 5.2%          | 0.5x              | 2.7x              | 10.5x            |
|                                       | <b>Mean</b>   | <b>2.6%</b>      | <b>8.8%</b>      | <b>17.4%</b>   | <b>32.7%</b>  | <b>11.3%</b>  | <b>0.6x</b>       | <b>4.3x</b>       | <b>13.0x</b>     |
|                                       | <b>Median</b> | <b>2.6%</b>      | <b>8.4%</b>      | <b>16.2%</b>   | <b>32.4%</b>  | <b>6.8%</b>   | <b>0.5x</b>       | <b>4.1x</b>       | <b>12.5x</b>     |

Source: Capital IQ

## Valuation Metrics (cont.)

### Return Profile, Trading Metrics

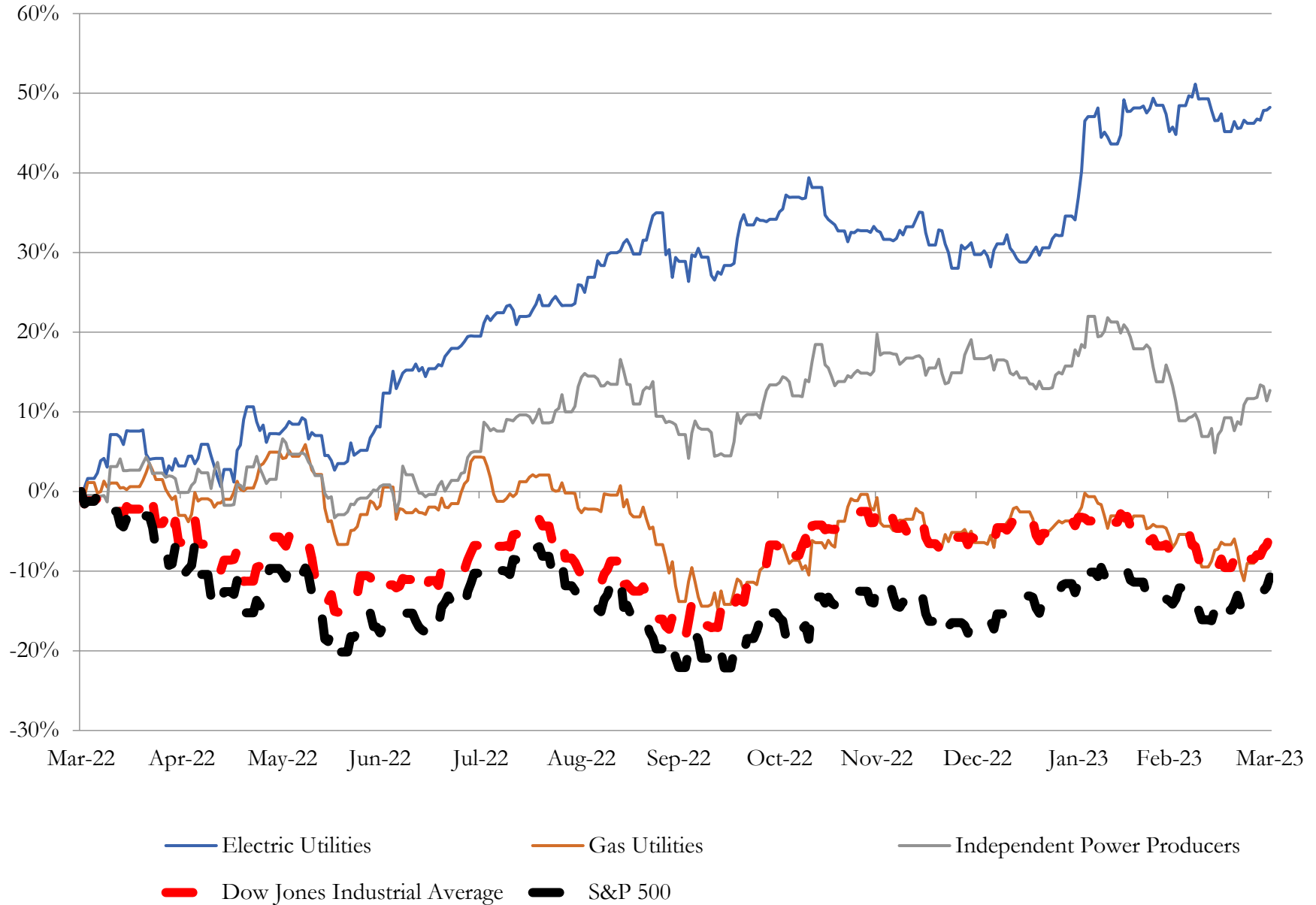
| Company Name                           | Ticker | Return Profile   |                  |                |               |               |           | Trading Multiples |                  |
|--|--------|------------------|------------------|----------------|---------------|---------------|-----------|-------------------|------------------|
|  |        | Return on Assets | Return on Equity | Revenue Growth | EBITDA Margin | EBITDA Growth | 5-yr Beta | TEV / LTM Revenue | TEV / LTM EBITDA |
| <b>Independent Power Producers</b>     |        |                  |                  |                |               |               |           |                   |                  |
| The AES Corporation                    | AES    | 4.1%             | -8.7%            | 13.2%          | 26.9%         | -6.2%         | 0.9x      | 3.3x              | 12.3x            |
| Vistra Corp.                           | VST    | -2.2%            | -18.3%           | 13.7%          | 6.6%          | 61.7%         | 1.0x      | 1.7x              | 26.4x            |
| Central Pattana Public Company Limited | CPN    | 3.2%             | 12.7%            | 43.9%          | 51.5%         | 30.3%         | 0.7x      | 11.7x             | 22.7x            |
| Ormat Technologies, Inc.               | ORA    | 2.6%             | 3.9%             | 10.7%          | 53.1%         | 6.8%          | 0.5x      | 9.9x              | 18.6x            |
|  | Mean   | 1.9%             | -2.6%            | 20.4%          | 34.5%         | 23.2%         | 0.8x      | 6.7x              | 20.0x            |
|  | Median | 2.9%             | -2.4%            | 13.5%          | 39.2%         | 18.6%         | 0.8x      | 6.6x              | 20.7x            |
| <b>Gas Utilities</b>                   |        |                  |                  |                |               |               |           |                   |                  |
| Atmos Energy Corporation               | ATO    | 2.8%             | 8.8%             | 33.3%          | 32.7%         | 12.5%         | 0.6x      | 5.3x              | 16.3x            |
| UGI Corporation                        | UGI    | 2.8%             | 4.1%             | 24.5%          | 12.6%         | -45.8%        | 1.1x      | 1.4x              | 11.4x            |
| Southwest Gas Holdings, Inc.           | SWX    | 2.1%             | -6.2%            | 34.8%          | 18.2%         | 21.6%         | 0.3x      | 2.0x              | 11.3x            |
| Spire Inc.                             | SR     | 2.7%             | 9.3%             | 7.8%           | 27.5%         | 7.7%          | 0.5x      | 3.4x              | 12.5x            |
| National Fuel Gas Company              | NFG    | 6.7%             | 26.0%            | 24.4%          | 53.2%         | 19.2%         | 0.7x      | 3.3x              | 6.2x             |
| South Jersey Gas Company               | SJI    | 3.4%             | 8.9%             | 29.3%          | 43.9%         | 9.4%          | 0.0x      | 0.0x              | 0.0x             |
| New Jersey Resources Corporation       | NJR    | 4.2%             | 15.4%            | 24.2%          | 19.0%         | 23.8%         | 0.7x      | 2.8x              | 15.0x            |
| ONE Gas, Inc.                          | OGS    | 2.7%             | 9.0%             | 42.5%          | 22.6%         | 13.4%         | 0.7x      | 3.0x              | 13.2x            |
| Northwest Natural Holding Company      | NWN    | 2.3%             | 8.2%             | 20.6%          | 28.9%         | 4.1%          | 0.6x      | 3.2x              | 11.1x            |
| Chesapeake Utilities Corporation       | CPK    | 4.2%             | 11.2%            | 19.4%          | 32.9%         | 10.4%         | 0.6x      | 4.4x              | 13.4x            |
| FirstGroup plc                         | FGP    | 0.8%             | 6.6%             | 5.9%           | -0.6%         | N/A           | 1.5x      | 0.6x              | -94.5x           |
| Sitio Royalties Corp.                  | STR    | 4.6%             | 7.4%             | 206.5%         | 91.3%         | 262.3%        | 0.0x      | 13.9x             | 15.2x            |
| Suburban Propane Partners, L.P.        | SPH    | 6.8%             | 34.5%            | 12.1%          | 18.9%         | 0.6%          | 0.7x      | 1.5x              | 7.8x             |
|  | Mean   | 3.5%             | 11.0%            | 37.3%          | 30.9%         | 28.3%         | 0.6x      | 3.5x              | 3.0x             |
|  | Median | 2.8%             | 8.9%             | 24.4%          | 27.5%         | 11.5%         | 0.6x      | 3.0x              | 11.4x            |

Source: Capital IQ

# 3

## LTM Equity Performance

### Major Indexes



Source: Capital IQ

## 4

## Recent M&amp;A Activity

Last Twelve (12) Months as of March 31, 2023

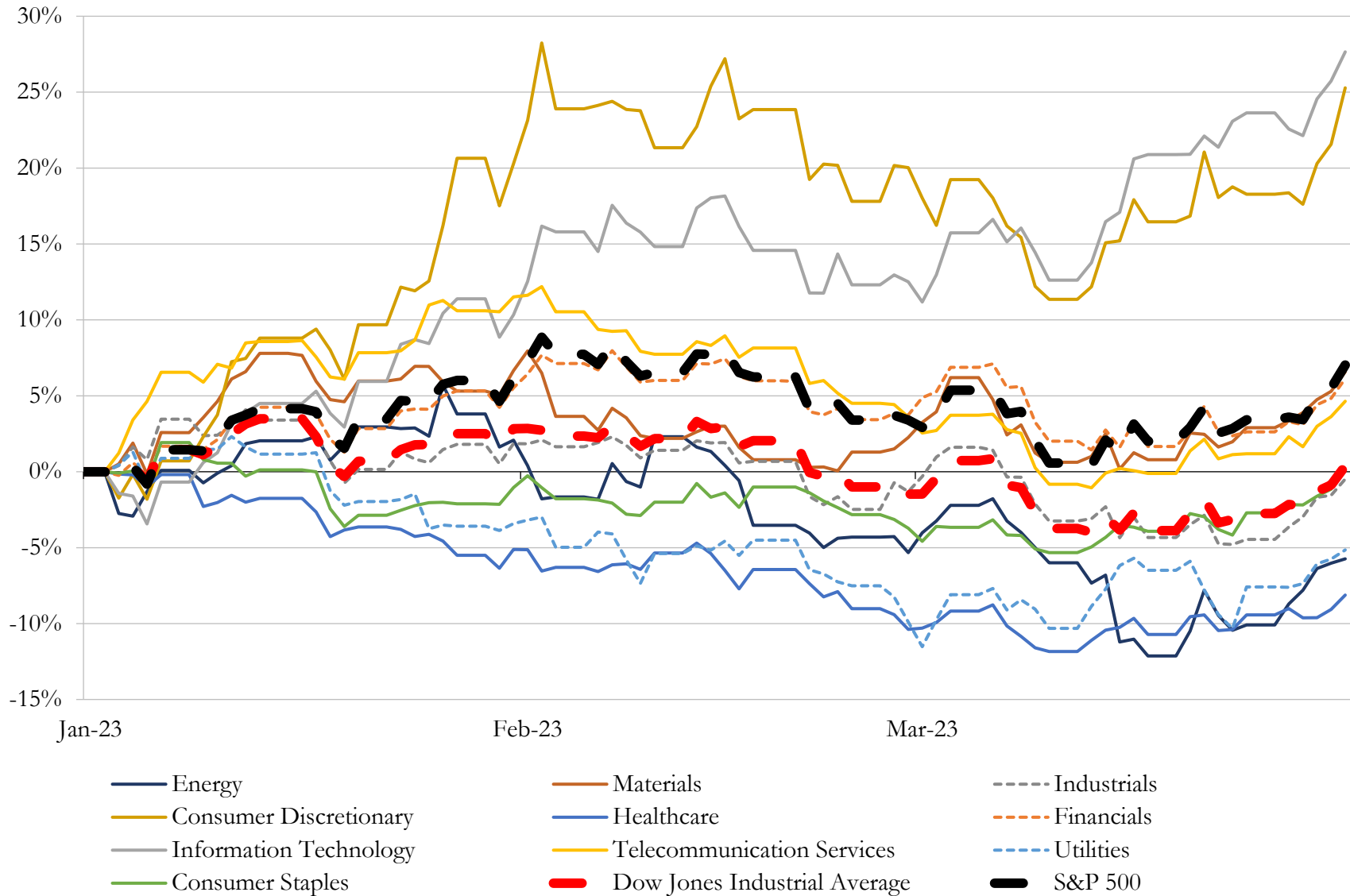
(USD in millions)

| Close Date | Target   | Acquirer  | Implied TEV |
|------------|--|---|-------------|
| Feb-23     | South Jersey Industries, Inc.  | J.P. Morgan Asset Management, Inc.; JPMorgan Infrastructure Investments,  | \$7,846     |
| May-22     | Narragansett Electric Company (nka:The Narragansett Electric Company)    | PPL Energy Holdings, LLC  | \$5,116     |
| Sep-22     | Clearway Energy Group LLC  | TotalEnergies SE  | \$3,238     |
| Feb-23     | Great River Hydro, LLC   | HQI US Holding LLC  | \$2,250     |
| May-22     | DB Energy Assets, LLC/Beacon Energy Holdings, LLC                        | Vauban Infrastructure Partners  | \$2,200     |
| May-22     | Cordia Energy  | KKR & Co. Inc.  | \$1,900     |
| Mar-23     | Portfolio of Operating Landfill Gas-to-Electric Facilities               | NextEra Energy Resources, LLC   | \$1,134     |
| Dec-22     | Scout Clean Energy, LLC  | Brookfield Asset Management Inc. (nka:Brookfield Corporation); Brookfield | \$1,000     |
| Sep-22     | Midland Cogeneration Venture Limited Partnership                         | Manulife Investment Management; Capital Power Corporation; Manulife       | \$894       |
| Oct-22     | 862 MW Portfolio of Three Onshore Wind Farms and One Solar Farm in the   | Energy Capital Partners, LLC; Renewable Power Fund Plus LP                | \$820       |
| Sep-22     | Standard Solar, Inc.   | Brookfield Asset Management Inc. (nka:Brookfield Corporation); Brookfield | \$700       |
| Jul-22     | Vanguard Renewables LLC  | BlackRock Real Assets   | \$700       |
| Aug-22     | Hope Gas, Inc.   | Hearthstone Utilities Inc.  | \$690       |
| Sep-22     | Solar Service Experts, LLC   | XL Fleet Corp. (nka:Spruce Power Holding Corporation)                     | \$600       |
| Dec-22     | EDF Energy Services, LLC   | BP America, Inc.  | \$505       |
| Aug-22     | Portfolio of Operating Wind Projects                                     | Clearway Energy, Inc.   | \$417       |
| Feb-23     | 220 megawatts solar assets   | Altus Power, Inc.   | \$293       |
| Sep-22     | Tri Global Energy, LLC   | Enbridge Inc.   | \$268       |
| Mar-22     | Commercial & Industrial Solar Business of SunPower Corporation, Systems  | TotalEnergies Renewables USA, LLC   | \$250       |
| Nov-22     | 14 U.S. solar assets   | MN8 Energy, Inc.  | \$245       |
| May-22     | Wastewater system assets of York City Sewer Authority, Pennsylvania      | Pennsylvania-American Water Company, Inc.                                 | \$235       |
| Jul-22     | Nextgen Power Holdings LLC   | Archaea Infrastructure, LLC   | \$215       |
| Jul-22     | Corning Natural Gas Holding Corporation (nka:Corning Energy Corporation) | Argo Infrastructure Partners LP   | \$172       |
| Apr-22     | New Energy Equity, LLC   | ALLETE, Inc.  | \$162       |
| Aug-22     | North American Natural Resources, Inc./North American Biofuels,          | Kinder Morgan, Inc.   | \$132       |
| Nov-22     | 88 Megawatts of Operating Solar Assets                                   | APA Finance II, LLC   | \$102       |

Source: Capital IQ

# 5 Change in Market Capitalization by Sector

Last Three (3) Months as of March 31, 2023



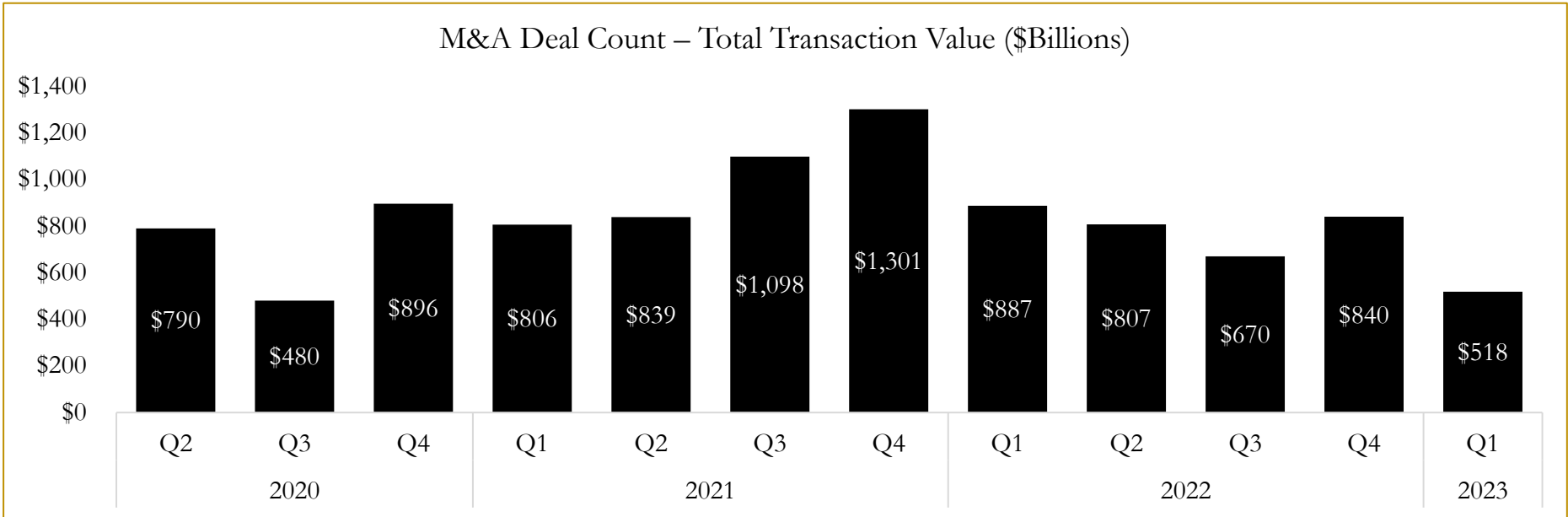
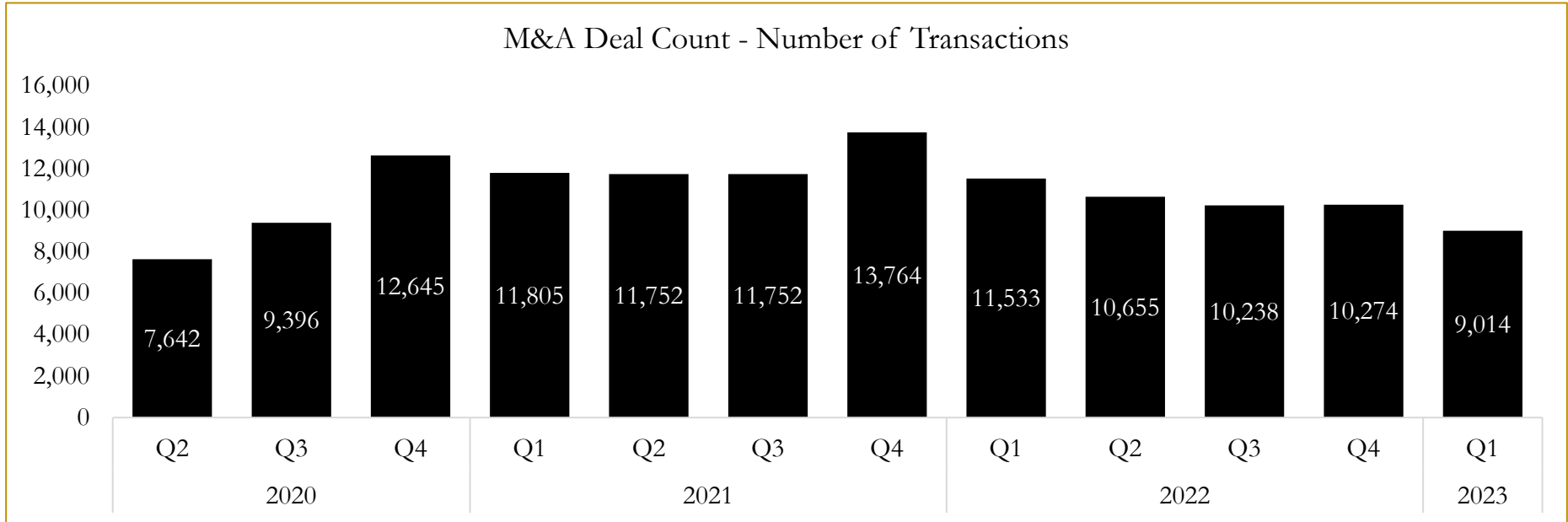
Source: Capital IQ



# 6

## M&A Deal Flow Statistics

Last Three (3) Years as of March 31, 2023



Source: Capital IQ

## 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.

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