



# Energy Investment Banking

*KPMG Corporate Finance LLC*

Q3 2017

# Table of Contents

	Page
Market Review & Outlook	2
M&A Activity	6
Public Market Performance	11
Industry Benchmarks	13
Recent & Upcoming Events	17
About Us	18
Representative Transactions	19

# Energy Market Review & Outlook

- Improving rig count along with oil price recovery in Q3 reflects renewed market activity and investor confidence. The sector witnessed an upsurge in U.S. deal value since the beginning of 2017, primarily driven by two megadeals in excess of \$17 billion dominating the quarter.
- Asset-based deals are expected to strengthen portfolio positions as upstream companies continue to focus on reshuffling portfolios to achieve scale in core areas or to reduce positions in noncore assets.
- Low cost shale oil production basins such as Marcellus are seen as an attractive opportunities due to low cost, robust production levels with large proven reserves, and expanding distribution systems.
- With lower interest rates, private equity is expected to continue to seek opportunities in core plays with robust economics to monetize investments, especially in the oilfield services sector.

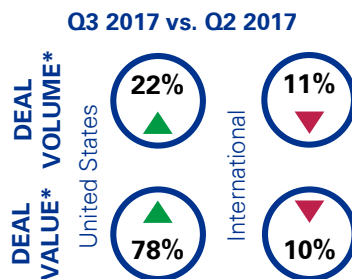
## Energy Transaction Overview: Q3 2017

### DEAL VOLUME – Q3 2017

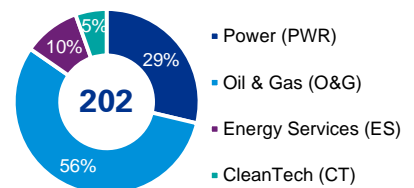
United States **202 transactions**  
International **267 transactions**

### DEAL VALUE – Q3 2017

United States **\$66 billion**  
International **\$38 billion**



### U.S. DEAL VOLUME BY SECTOR – Q3 2017



### Power (PWR) Market

- U.S. average monthly power prices increased in the current quarter by 4.0% to \$32.30 per MWh while, the U.S. power sector witnessed an increase of 7% in deal volume on a Y-o-Y basis with 58 transactions in Q3 2017, compared to 54 transactions in Q3 2016. This represents a 32% rise from last quarter with 44 transactions in Q2 2017.

### Oil & Gas (O&G) Market

- The U.S. oil & gas sector observed an increase in deal activity with oil prices increasing by 11% to \$51.70 a barrel during Q3 2017. M&A volume in the sector witnessed an increase of 27% with 113 transactions in Q3 2017, compared to 89 transactions in Q2 2017. On a Y-o-Y basis, the sector experienced a 14% increase in volume, having recorded 99 transactions in Q3 2016.

### Energy Services (ES) Market

- With steady growth of 2% in the U.S. rig count over the last quarter, M&A activity witnessed an increase in the U.S. energy services sector. Deal volume observed a 5% rise on a Y-o-Y basis with 20 transactions in the energy services market in Q3 2017, compared to 19 transactions in Q3 2016. This represents a 25% increase from last quarter with 16 transactions in Q2 2017.

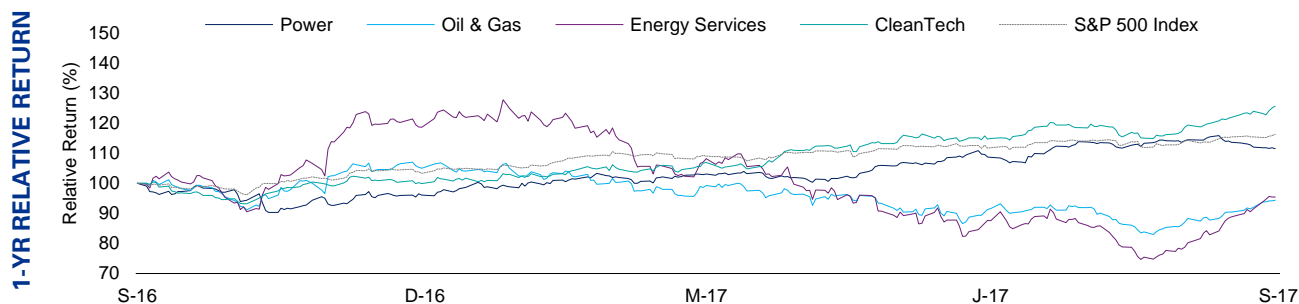
### CleanTech Market (CT)

- M&A activity in the U.S. CleanTech sector declined by 31% with 11 transactions in Q3 2017 compared to 16 transactions in Q2 2017. However, the sector witnessed a 50% decline on a Y-o-Y basis with 22 transactions in Q3 2016.

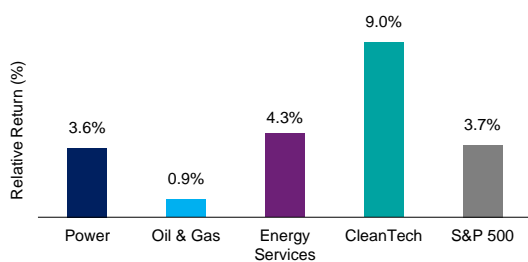
# Energy Market Environment

## Public Market Performance

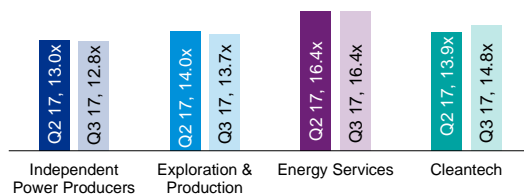
- During Q3 2017, KPMG's Energy & Power index was up 6.1%, while the S&P 500 (SPX) grew 3.7%. The best performing sector was CleanTech with an approximate 9.0% increase followed by Energy Services with a 4.3% increase. Power recorded an increase of 3.6%, while O&G was up 0.9% in the 3-months ending September 2017. On a Y-o-Y basis, Power and CleanTech were up 11.4% and 25.6%, respectively. The Exploration and Production segment of the O&G sector experienced the greatest decline of 17.0% on a Y-o-Y basis, while CleanTech experienced the largest increase of 30% followed by Refining & Marketing with 24%.



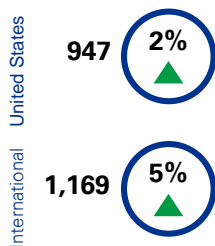
## 3-MO STOCK PRICE PERFORMANCE



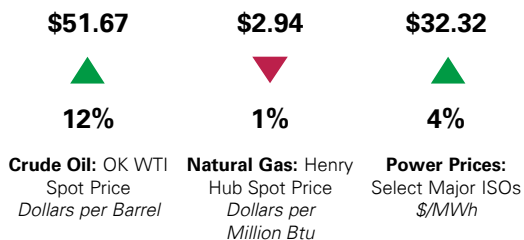
## PUBLIC VALUATIONS (TEV/EBITDA)



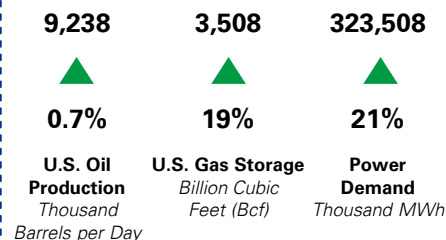
## RIG COUNT\*



## COMMODITIES AND PRICING\*



## INDUSTRY BENCHMARKS\*



\* Percent represents quarterly change from July 01, 2017 to September 30, 2017

Source: Capital IQ, Energy Information Administration, Baker Hughes Rig Count

# Featured KPMG Corporate Finance LLC Deals

Energy Developments acquires Granger Energy Services

August 2017



Has sold its

**Energy Division**

to



**August 2017**

KPMG Corporate Finance LLC acted as the exclusive financial advisor to Granger Energy (“Granger”), on its sale to Australia’s Energy Developments Limited (“EDL”), a subsidiary of Cheung Kong Infrastructure Holdings Limited.

## About Granger Energy




Headquartered in Lansing, MI and family-owned business, Granger is one of the largest landfill gas to energy companies with significant experience developing, designing, building, owning, and operating projects throughout the United States. The Company has 16 projects with 57MW of installed electric capacity and 2.3 million MMBtu of annual direct-use gas sales (representing 85MW of total equivalent capacity). Granger has strong financial profile, characterized by long-term offtake and fuel supply contracts that provide gross margin stability.

## About Energy Developments Limited

Energy Developments Limited is an Australian based clean and remote energy supplier with operations in Australia, the United States, Canada, and Europe. EDL is involved in project development, finance, design, construction, operation and maintenance of power-generating and energy delivery projects. EDL owns and operates more than 80 power stations, with a current total installed generation capacity of some 930MW.

DTE Biomass Energy acquires Fort Bend Power Producers, LLC

April 2017




have sold

**Fort Bend**

*an operating renewable natural gas facility*

to



**April 2017**

KPMG Corporate Finance LLC acted as the exclusive financial advisor to Enerdyne Power Systems, Inc. (“Enerdyne”) and Morrow Renewables, LLC (“Morrow”) on their sale of a jointly-owned operating renewable natural gas processing facility to DTE Biomass Energy, Inc., an unregulated subsidiary of DTE Energy Company.

## About Fort Bend Power Producers, LLC

Fort Bend Power Producers, LLC (the “Facility”) is located on the Fort Bend Regional Landfill outside of Houston, TX, and processes landfill gas into pipeline quality renewable natural gas for sale to a third-party energy broker. Co-developed by Enerdyne and Morrow, the Facility commenced operations in June 2013 and today produces over 600,000 MMBtu per year of renewable natural gas.

## About DTE Biomass Energy, Inc.

DTE Biomass Energy engages in the acquisition, development, ownership and operation of baseload renewable energy facilities nationwide. DTE Biomass Energy is an unregulated subsidiary of DTE Energy Company, an \$18.7 billion diversified energy utility involved in the development and management of energy-related businesses and services.

# Featured KPMG Corporate Finance LLC Deals

## Energy Developments acquires Lidya Energy

May 2017



acted as exclusive financial advisor to Kruger Master Trust in connection with the sale of its portfolio asset Lidya Energy to Energy Developments Limited, a subsidiary of Cheung Kong Infrastructure Holdings

May 2017

KPMG Corporate Finance LLC acted as the exclusive financial advisor to Kruger Master Trust on the sale of Lidya Energy ("Lidya"), operated by Kruger Energy, to Australia's Energy Developments Limited ("EDL"), a subsidiary of Cheung Kong Infrastructure Holdings Limited.

### About Lidya Energy

Based at the Lachute landfill in the Greater Montreal Area, Lidya is a 10MW landfill gas to electricity plant, one of the largest of its kind in Canada. It is a 100% renewable energy asset and is supported by various governmental programs including the Canadian EcoEnergy program. The electricity it produces is sold under a long-term Power Purchase Agreement to Hydro-Québec.

### About Energy Developments Limited

Energy Developments Limited is an Australian based clean and remote energy supplier with operations in Australia, the United States, Canada, and Europe. EDL is involved in project development, finance, design, construction, operation and maintenance of power-generating and energy delivery projects. EDL owns and operates more than 80 power stations, with a current total installed generation capacity of some 930MW.

## Kohler Power Systems acquires Clarke Energy

January 2017



been acquired by



January 2017

KPMG Corporate Finance LLC acted as the financial advisor to shareholders of Clarke Energy ("Clarke Energy") in sale of company to Kohler Power Systems ("Kohler"). Clarke Energy were interested in a liquidity event to find a buyer who could provide patriarch liquidity but keep the business poised for growth and KPMG was hired to provide sell side advisory to Clarke Energy.

### About Clarke Energy

Established in 1989, Clarke Energy offers comprehensive distributed power solutions. Clarke is a market-leading, international specialist in providing highly-tailored, turn-key, design, build, install of power solutions and after-market services. The Company has operations in 23 territories worldwide. The Company's revenue is evenly split between design, build, and after-market services. The majority of shares is owned by family with minority financial shareholder and Patriarch looking to begin retirement process.

### About Kohler Power Systems

Kohler is a global leader in the manufacture of engines and power systems; kitchen and bath products; premier furniture, cabinetry and tile; and owner/operator of two of the world's five-star hospitality and golf resort destinations. With more than 55 manufacturing locations worldwide, Kohler offers reliable, leading-edge products and comprehensive after-sale support.

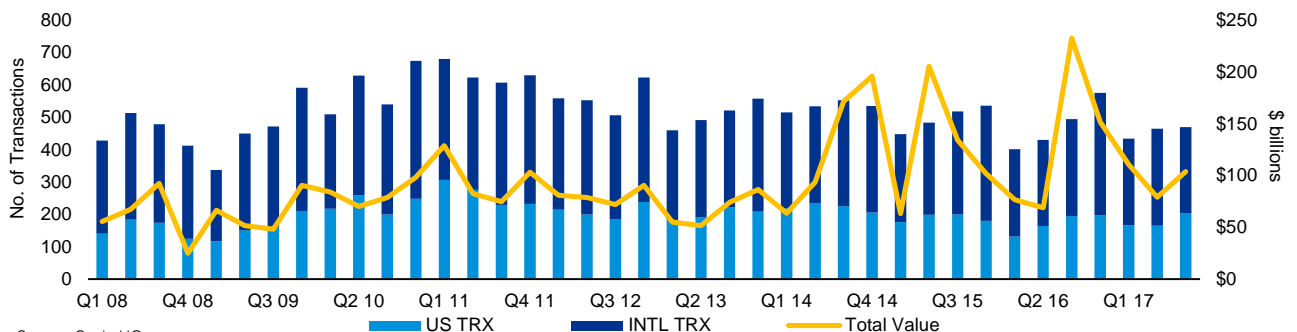
# Energy M&A Activity

- Q3'17 witnessed a slight increase in the number of transactions in the global Energy & Power industry. Quarterly transaction volume increased from 464 transactions in Q2 2017 to 469 in Q3 2017, representing a rise of 1%. Quarterly transaction value increased by 31%, from \$79.0 billion in Q2 2017 to \$104.0 billion in Q3 2017.
- Acquisitions of U.S. targets accounted for 63% of total transaction value in Q3 2017, an increase from 46% in Q2 2017. However, on a deal volume basis, U.S. targets accounted for 43% of the total number of transactions in Q3 2017, compared to 36% in Q2 2017.
- The number of international deals decreased from 299 transactions in Q2 2017 to 267 in Q3 2017. Deal value declined by 10% from \$42.0 billion in Q2 2017 to \$38.0 billion in Q3 2017.

## Recent M&A Transactions

Date	Target	Buyer	Value (\$MM)
09/28/2017	Lattice Energy Limited	Beach Energy Limited (ASX:BPT)	\$1,242
09/26/2017	Uniper SE (XTRA:UN01)	Karemi Charge and Drive SE	\$12,899
09/22/2017	25% Each in Dakota Access, LLC and Energy Transfer Crude Oil Company, LLC and 100% in Mery Sweeny	Phillips 66 Partners LP (NYSE:PSXP)	\$2,400
09/05/2017	Cenovus Energy Inc., Pelican Lake Assets	Canadian Natural Resources Limited (TSX:CNQ)	\$790
09/01/2017	Four Subsidiaries of Marathon Petroleum Corp.	MPLX LP (NYSE:MPLX)	\$1,050
08/25/2017	Odebrecht Latinvest Peru S.A.C., Chaglla Hydroelectric Plant	China Three Gorges Corporation; Hubei Energy Group Co., Ltd., CNIC Corporation Limited; ACE Investment Fund II LP	\$1,390
08/21/2017	Mærsk Oilie og Gas A/S	TOTAL S.A. (ENXTPA:FP)	\$7,414
08/20/2017	Energy Future Holdings Corp.	Sempra Energy (NYSE:SRE)	\$18,800
08/18/2017	Calpine Corporation (NYSE:CPN)	Canada Pension Plan Investment Board; Access Industries, Inc.; Energy Capital Partners	\$17,678
08/15/2017	Songa Offshore SE (OB:SONG)	Transocean Ltd. (NYSE:RIG); Transocean Inc.	\$2,889
08/14/2017	Western Refining Logistics, LP (NYSE:WNRL)	Andeavor Logistics LP (NYSE:ANDX)	\$1,810
08/01/2017	Waneta Dam	British Columbia Hydro and Power Authority	\$957
07/19/2017	Avista Corporation (NYSE:AVA)	Hydro One Limited (TSX:H)	\$5,351
07/12/2017	Shell E&P Ireland Ltd.	CPP Investment Board Europe S.a.r.l.	\$1,233
07/11/2017	Operated O&G Properties in the Williston Basin	Bruin E&P Partners, LLC	\$1,400
07/06/2017	Trilogy Energy Corp. (TSX:TET)	Paramount Resources Ltd. (TSX:POU)	\$774

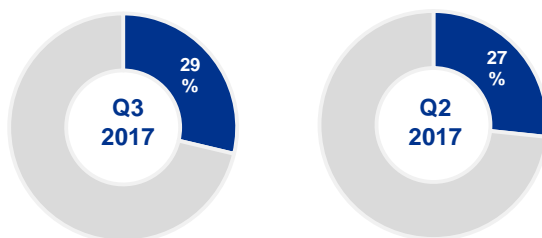
## Energy M&A Volume & Value



# U.S. Sector M&A Activity: Power

In Q3 2017, there were 58 M&A transactions in the U.S. Power sector valued at approximately \$43.5 billion. This represents an increase in deal volume from 44 transactions in Q2 2017 and a Y-o-Y increase from 54 transactions in Q3 2016. Deal value in Q3 2017 increased over 25 times from \$1.5 billion in Q2 2017. Such high deal value in Q3 2017 was driven by the \$18.8 billion Energy Future Holdings Corp. acquisition and the \$17.1 billion Calpine Corporation acquisition.

## U.S. Power M&A Activity (% of Total Energy Transactions)



## Power: Notable Recent Deals

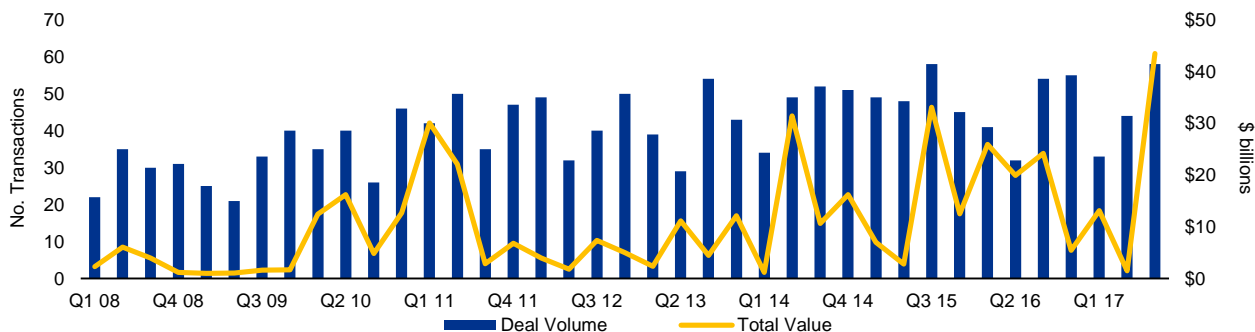
### Sempra Energy announced an agreement to acquire Energy Future Holdings Corp.

- On August 20, Sempra Energy announced an agreement to acquire Energy Future Holdings Corp. (Energy Future), the indirect owner of 80% of Oncor Electric Delivery Company, LLC, operator of the largest electric transmission and distribution system in Texas. The enterprise value of the transaction is approximately \$18.8 billion
- Sempra Energy expects to fund the \$9.45 billion transaction using a combination of its own debt and equity, third-party equity, and \$3 billion of expected investment-grade debt at the reorganized holding company. Sempra Energy has received financing commitments from RBC Capital Markets and Morgan Stanley.

### Calpine Agrees to be Acquired by Investor Consortium Led by Energy Capital Partners

- On August 18, Calpine Corporation, America's largest generator of electricity from natural gas and geothermal resources, announced that it entered into a definitive agreement under which Energy Capital Partners along with a consortium of investors led by Access Industries and Canada Pension Plan Investment Board will acquire Calpine for \$15.25 per share in cash, or \$5.6 billion.
- Tyler Reeder, a partner at Energy Capital Partners, stated: "We look forward to joining forces with Calpine's talented team as they continue executing their strategy. We see significant value in Calpine's operational excellence and strong and stable cash flows and have been impressed by the Company's exceptional leadership and talented employees..."

## U.S. Power M&A Volume & Value



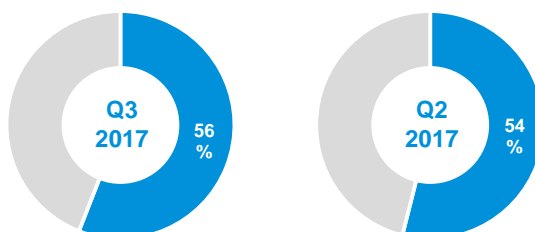
Source: Capital IQ



# U.S. Sector M&A Activity: Oil & Gas

In Q3 2017, there were 113 M&A transactions in the U.S. Oil & Gas sector valued at \$13.8 billion. This represents a 27% increase in deal volume from 89 transactions in Q2 2017, and a Y-o-Y increase of 14% compared to 99 transactions in Q3 2016. Additionally, deal value decreased by 55% in Q3 2017 compared to \$30.5 billion in Q2 2017. Oil & Gas M&A activity accounted for 56% of the total transaction volume in the U.S. Energy & Power sector, up from 54% in Q2 2017, related to softness in CleanTech share.

## U.S. Oil & Gas M&A Activity (% of Total Energy Transactions)



## Oil & Gas: Notable Recent Deals

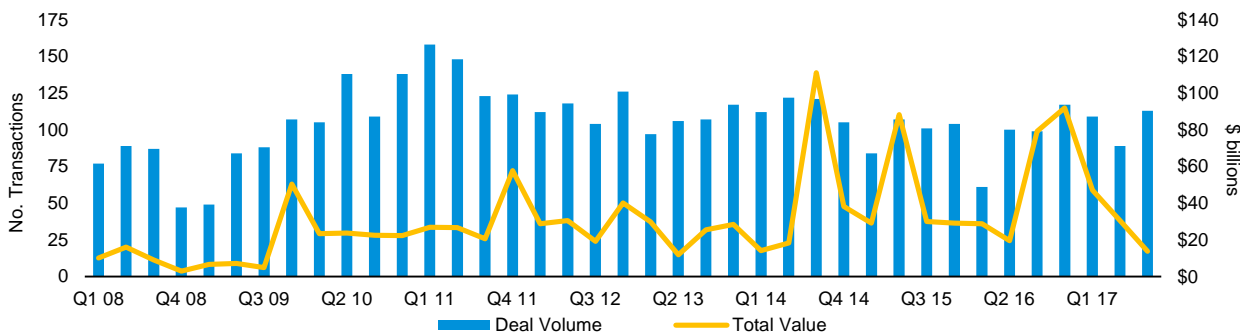
### Andeavor Logistics to acquire Western Refining Logistics

- On August 14, Andeavor Logistics announced the acquisition of Western Refining Logistics in a unit-for-unit transaction at a blended exchange ratio of 0.4921, representing an equity value of \$1.5 billion and an enterprise value of \$1.8 billion, based on Andeavor Logistics closing unit price of \$48.31 on August 11, 2017.
- The entry into the prolific Permian Basin positions Andeavor Logistics to capture additional organic growth opportunities across the combined geographic footprint.
- Greg Goff, Chairman and CEO of Andeavor, and Chief Executive Officer of Andeavor Logistics' and WNRL's general partners stated, "The transactions announced today significantly improves the financial strength of Andeavor Logistics, reduces our cost of capital and clearly highlights the value of this growth business..."

### Arc Logistics Partners Enters Into a Definitive Agreement to be Acquired by Zenith

- On August 29, Arc Logistics Partners LP, a fee-based limited partnership firm that owns, operates, develops and acquires a diversified portfolio of complementary energy logistics assets, along with its general partners Lightfoot Capital Partners GP LLC and Lightfoot Capital Partners, LP announced that they have entered into an agreement with Zenith Energy U.S., L.P. As per the agreement, Zenith will acquire Arc Logistics GP LLC and all Arc Logistics common unitholders, other than Lightfoot, will receive \$16.50 per common unit in cash for each common unit and LCP LP will get \$14.50 per common unit in cash for its approx. 5.2 million common units, and LCP GP will get \$94.5 million for 100% of the membership interests in Arc GP.

## U.S. Oil & Gas M&A Volume & Value



Source: Capital IQ

# U.S. Sector M&A Activity: Energy Services

Deal flow in the U.S. Energy Services sector increased in Q3 2017 with 20 transactions compared to 16 transactions in Q2 2017. On the contrary, deal value decreased from \$3.6 billion in Q2 2017 to \$1.9 billion in Q3 2017. M&A activity in the Energy Services sector accounted for 10% of the total transaction volume in the U.S. Energy & Power sector, stable as in Q2 2017. The Stronghold Ltd. acquisition and Rockwater Energy Solutions, Inc. acquisition accounted for more than half of the Energy Services deal value this quarter.

## U.S. Energy Services M&A Activity (% of Total Energy Transactions)



## Energy Services: Notable Recent Deals

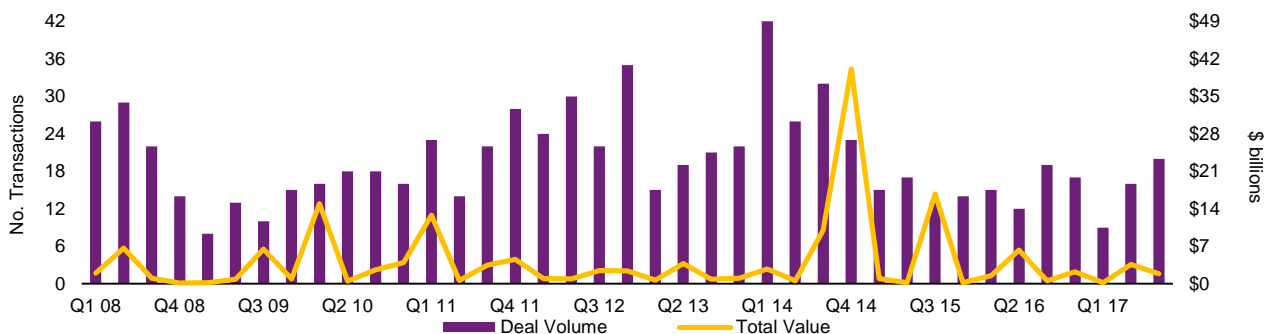
### Quanta Services, Inc. acquired Stronghold, Ltd. and Stronghold Specialty, Ltd.

- On July 21, Quanta Services, Inc. announced that it has completed the acquisition of Stronghold, Ltd. and Stronghold Specialty, Ltd. (Stronghold), a leading specialized services company that provides high pressure and critical path solutions to the downstream and midstream energy markets.
- "We remain positive on our 2017 and multiyear outlook and believe Stronghold is a strategic acquisition that will allow us to capture a greater portion of the energy industry operating and capital spend," said Duke Austin, President and Chief Executive Officer of Quanta Services.

### Select Energy Services Enters into Definitive Agreement to acquire Rockwater Energy Solutions

- On July 18, Rockwater Energy Solutions, Inc. a leading provider of water management services and chemical products to the U.S. unconventional oil and gas industry, announced that it has entered into a definitive merger agreement with publicly held Select Energy Services, Inc., in a stock-for-stock transaction.
- John Schmitz, Chairman & CEO of Select said, "... I believe the combined expertise and scale we are creating in this merger will generate substantial benefits for Select and our shareholders."
- Holli Ladhani, the Chairman, President & CEO of Rockwater said, "... We are combining two extremely entrepreneurial companies with similar cultures and aspirations, which will enhance our competitive advantage through strong local partnerships, differentiated service offerings, and access to financing..."

## U.S. Energy Services M&A Volume & Value



Source: Capital IQ

# U.S. Sector M&A Activity: CleanTech

The CleanTech sector in the U.S. recorded 11 M&A transactions in Q3 2017, a 31% decrease from Q2 2017, where 16 transactions occurred. On the contrary, deal value increased to \$6.5 billion in Q3 2017 from \$1.2 billion in Q2 2017. On a Y-o-Y basis, deal volume declined by 50% from 22 transactions in Q3 2016 to 11 transactions in Q3 2017. Companies continue to see clean technology as a growing sector and a way to expand their offerings.

**U.S. CleanTech M&A Activity**  
(% of Total Energy Transactions)



## CleanTech: Notable Recent Deals

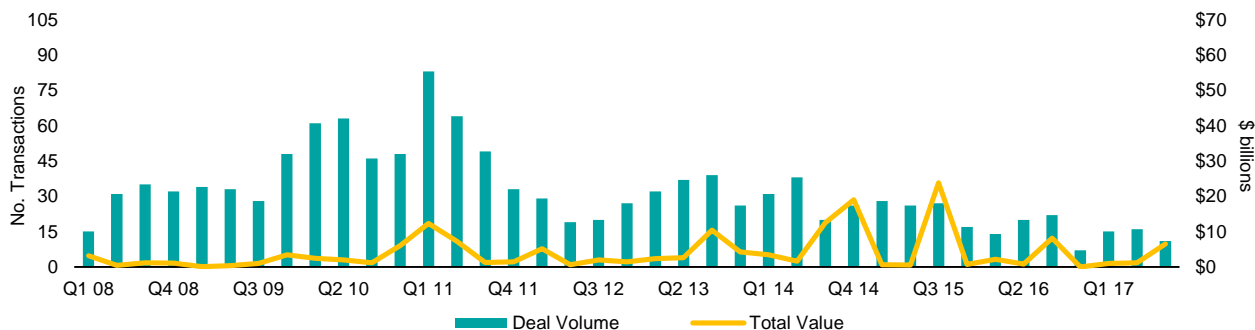
### Itron to Acquire Silver Spring Networks

- On Sep 18, Itron, Inc. and Silver Spring Networks, Inc. announced that they have signed a definitive agreement for Itron to acquire all outstanding shares of Silver Spring for \$16.25 per share in cash. The transaction is valued at approximately \$830 million, net of \$118 million of Silver Spring's cash, representing a premium of 25 percent to Silver Spring's closing share price on Sept. 15, 2017.
- "The addition of Silver Spring brings more capabilities to our offerings and advances our strategy of delivering highly secure, value-generating solutions for the critical infrastructure within utilities, smart cities and the broader industrial IoT sector," said Philip Mezey, Itron's president and chief executive officer.

### BlueNRGY Group to Acquire Green States Energy

- On Aug 22, BlueNRGY Group Limited, a global provider of systems and services for managing distributed renewable power systems and integrating them with the power grid, announced today the entry into a Letter of Intent (LOI) to acquire Green States Energy, Inc. ("GSE"), an owner of PV solar facilities with generation capacity of 18.7 MWp and valued at more than \$60 million.
- William Morro, Chairman & Managing Director of BlueNRGY stated, "This Merger is very favorable for BlueNRGY as GSE's seasoned solar installations are delivering strong and predictable cash flows from long-term contracts with investment-grade utilities and municipalities. As a result, completion of the Merger will be immediately accretive to BlueNRGY...."

## U.S. CleanTech M&A Volume & Value



Source: Capital IQ

# Public Market Performance

Company	P/E (as of)				TEV / LTM EBITDA (as of)				TEV / LTM Revenue (as of)			
	9/30/17	last month	last quarter	last year	9/30/17	last month	last quarter	last year	9/30/17	last month	last quarter	last year
<b>POWER</b>												
Independent Power Producers	42.8x	43.6x	23.3x	30.2x	10.4x	10.5x	10.7x	11.9x	3.5x	3.6x	3.7x	4.3x
Renewables	33.6x	33.9x	35.3x	28.5x	17.2x	17.1x	17.7x	14.6x	7.2x	7.3x	7.8x	7.4x
Utilities	27.5x	28.1x	21.1x	27.3x	11.0x	11.2x	10.7x	11.0x	4.1x	4.2x	4.1x	3.9x
YieldCos	45.5x	45.8x	94.7x	46.1x	12.6x	12.6x	13.0x	14.3x	8.5x	8.6x	8.9x	9.9x
<b>Mean</b>	<b>37.3x</b>	<b>37.9x</b>	<b>43.6x</b>	<b>33.1x</b>	<b>12.8x</b>	<b>12.8x</b>	<b>13.0x</b>	<b>13.0x</b>	<b>5.9x</b>	<b>5.9x</b>	<b>6.1x</b>	<b>6.4x</b>
<b>Median</b>	<b>38.2x</b>	<b>38.8x</b>	<b>29.3x</b>	<b>29.4x</b>	<b>11.8x</b>	<b>11.9x</b>	<b>11.9x</b>	<b>13.1x</b>	<b>5.7x</b>	<b>5.7x</b>	<b>5.9x</b>	<b>5.9x</b>
<b>OIL &amp; GAS</b>												
Exploration & Production	NM	NM	NM	83.3x	10.8x	9.7x	15.7x	18.7x	5.2x	4.7x	5.3x	7.7x
Integrated Oils	32.5x	29.9x	44.4x	34.7x	10.4x	9.6x	10.9x	13.0x	2.3x	2.1x	2.3x	2.5x
Midstream MLPs	28.2x	27.3x	26.0x	52.2x	14.9x	14.6x	16.0x	27.8x	5.8x	5.7x	6.2x	9.6x
Refining & Marketing	35.1x	32.5x	20.0x	18.5x	18.7x	17.6x	13.3x	9.2x	1.0x	1.0x	1.0x	0.9x
<b>Mean</b>	<b>32.0x</b>	<b>29.9x</b>	<b>30.1x</b>	<b>47.2x</b>	<b>13.7x</b>	<b>12.9x</b>	<b>14.0x</b>	<b>17.2x</b>	<b>3.6x</b>	<b>3.4x</b>	<b>3.7x</b>	<b>5.2x</b>
<b>Median</b>	<b>32.5x</b>	<b>29.9x</b>	<b>26.0x</b>	<b>43.4x</b>	<b>12.8x</b>	<b>12.2x</b>	<b>14.5x</b>	<b>15.8x</b>	<b>3.7x</b>	<b>3.4x</b>	<b>3.8x</b>	<b>5.1x</b>
<b>Energy Services</b>												
Drillers	28.9x	112.3x	5.0x	3.9x	8.8x	7.5x	8.4x	6.4x	2.9x	2.5x	2.7x	2.3x
Engineering & Construction	47.8x	43.1x	47.7x	32.6x	23.2x	20.6x	13.1x	10.6x	0.7x	0.6x	0.6x	0.5x
Equipment	46.2x	40.4x	23.5x	11.2x	13.8x	11.8x	21.3x	12.6x	1.7x	1.4x	1.8x	1.5x
Large Cap OFS	NM	NM	NM	NM	18.4x	16.5x	18.8x	24.9x	3.0x	2.7x	2.8x	2.8x
Mid Cap OFS	18.3x	16.8x	15.8x	6.3x	17.7x	15.9x	20.3x	8.3x	1.9x	1.6x	2.0x	1.5x
<b>Mean</b>	<b>35.3x</b>	<b>53.2x</b>	<b>23.0x</b>	<b>13.5x</b>	<b>16.4x</b>	<b>14.5x</b>	<b>16.4x</b>	<b>12.6x</b>	<b>2.0x</b>	<b>1.8x</b>	<b>2.0x</b>	<b>1.7x</b>
<b>Median</b>	<b>37.6x</b>	<b>41.7x</b>	<b>19.6x</b>	<b>8.8x</b>	<b>17.7x</b>	<b>15.9x</b>	<b>18.8x</b>	<b>10.6x</b>	<b>1.9x</b>	<b>1.6x</b>	<b>2.0x</b>	<b>1.5x</b>
<b>CleanTech</b>												
CleanTech	38.4x	31.3x	32.0x	31.7x	14.8x	13.8x	13.9x	12.4x	2.7x	2.6x	2.6x	2.3x
<b>Mean</b>	<b>38.4x</b>	<b>31.3x</b>	<b>32.0x</b>	<b>31.7x</b>	<b>14.8x</b>	<b>13.8x</b>	<b>13.9x</b>	<b>12.4x</b>	<b>2.7x</b>	<b>2.6x</b>	<b>2.6x</b>	<b>2.3x</b>
<b>Median</b>	<b>38.4x</b>	<b>31.3x</b>	<b>32.0x</b>	<b>31.7x</b>	<b>14.8x</b>	<b>13.8x</b>	<b>13.9x</b>	<b>12.4x</b>	<b>2.7x</b>	<b>2.6x</b>	<b>2.6x</b>	<b>2.3x</b>

Source: Capital IQ

(1) Market Capitalization based on closing share prices as of September 30, 2017

(2) Market Capitalization and Share Prices may be based on foreign exchange listed securities and converted to \$USD

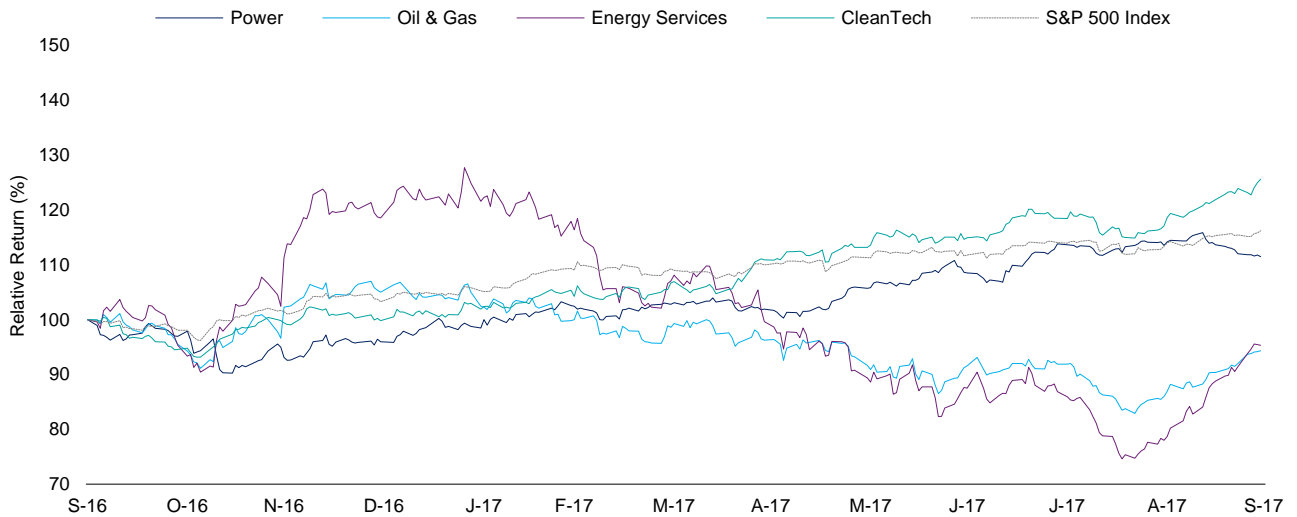
(3) Indicates percentage of current stock price compared to its 52 week high. Closing share prices as of September 30, 2017

(4) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents

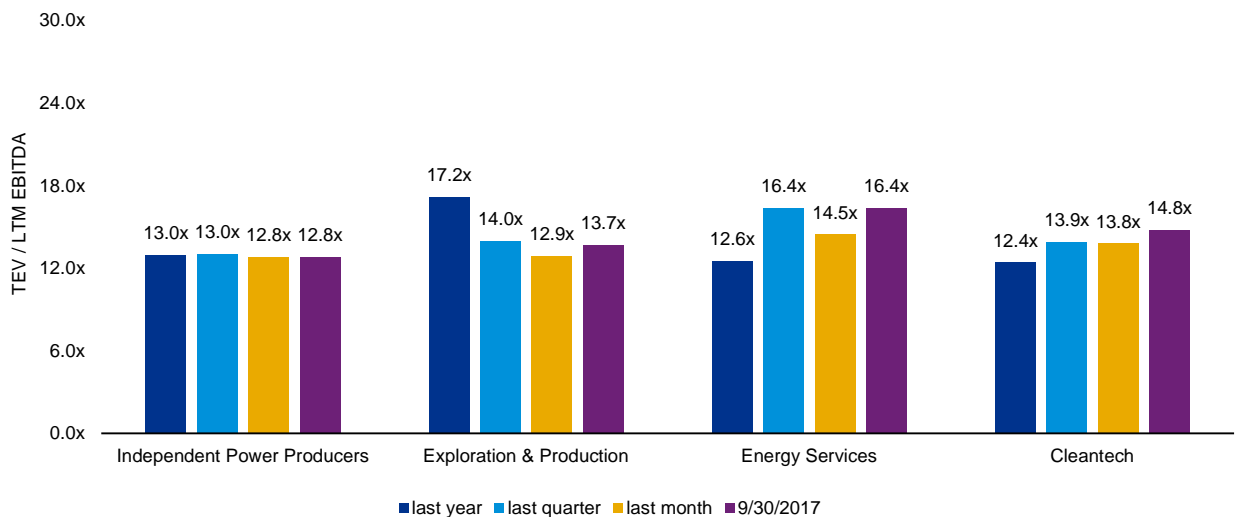
(5) EBITDA equals Earnings before Interest Expense, Income Taxes, Depreciation and Amortization

# Public Market Performance

## 12-Month Relative Return



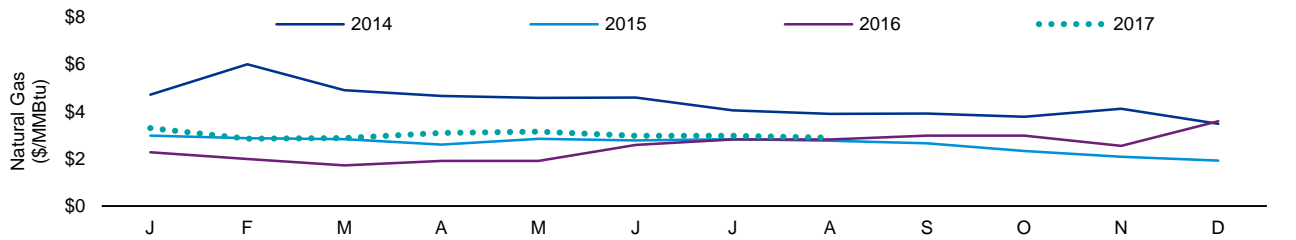
## Multiples Comparison



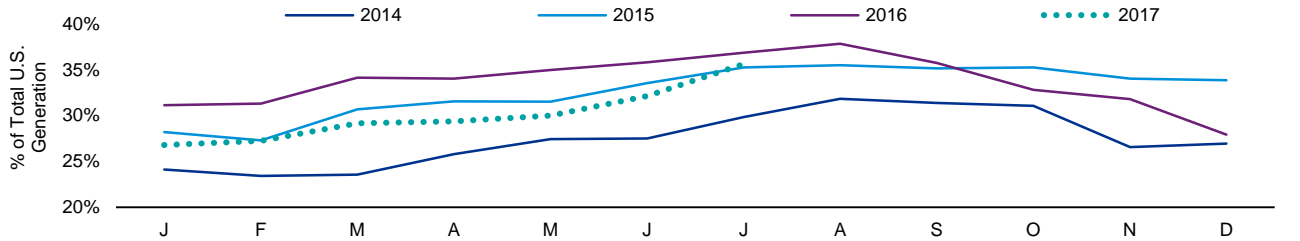
Source: Capital IQ and CleanTech.com

# Industry Benchmarks: Power

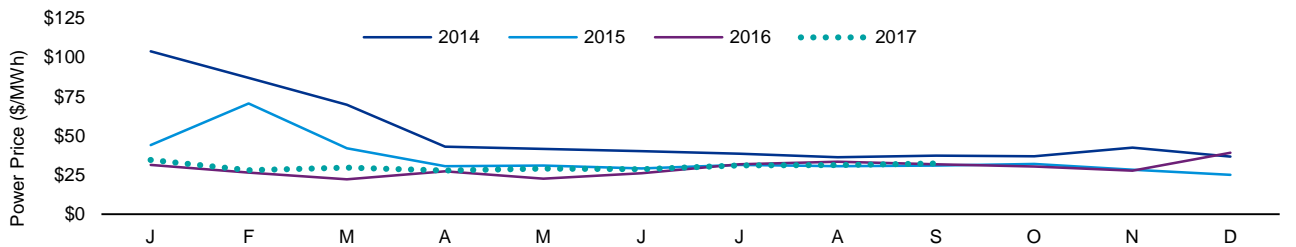
## Natural Gas Spot Prices (\$/MMBtu)



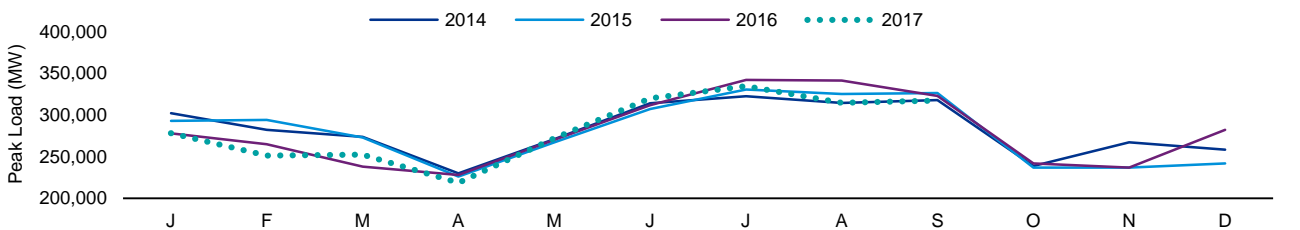
## Natural Gas as % of U.S. Power Generation



## Average Monthly Power Prices for Select Major ISOs (\$/MWh)



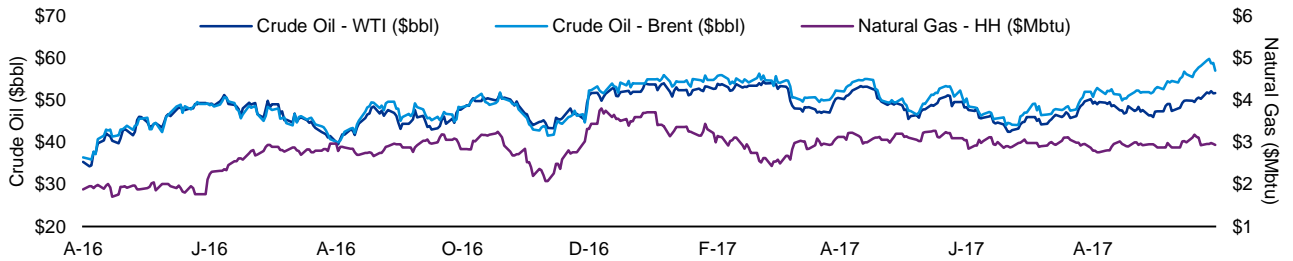
## Gross Monthly Peak Load for Select Major ISOs (MW)



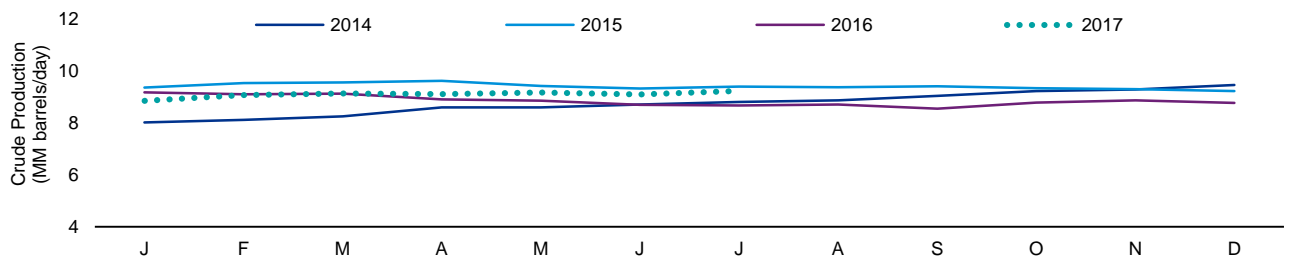
Source: Capital IQ, Energy Information Administration, Baker Hughes Rig Count

# Industry Benchmarks: Oil & Gas

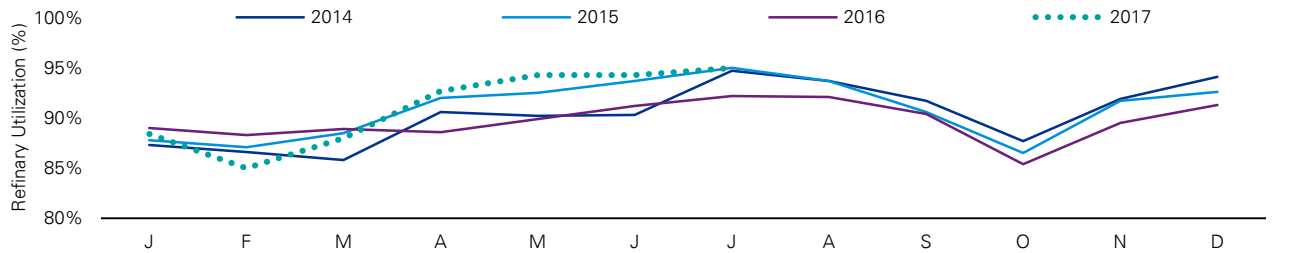
## Commodity Prices



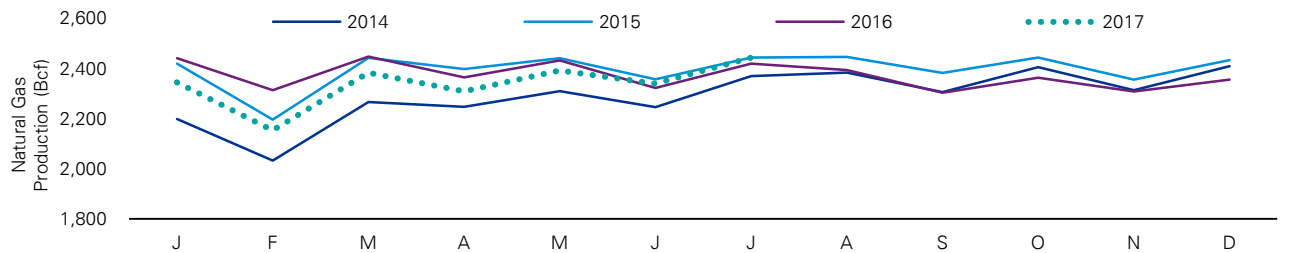
## U.S. Field Production of Crude Oil (million barrels per day)



## U.S. Refinery Utilization (Percentage of Operable Capacity)



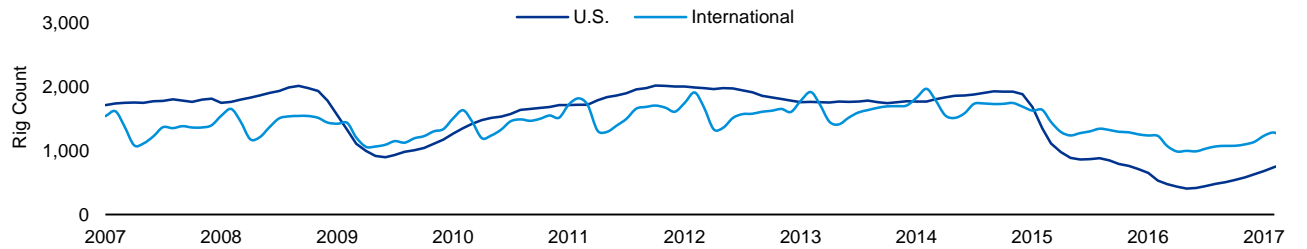
## U.S. Natural Gas Production (Bcf)



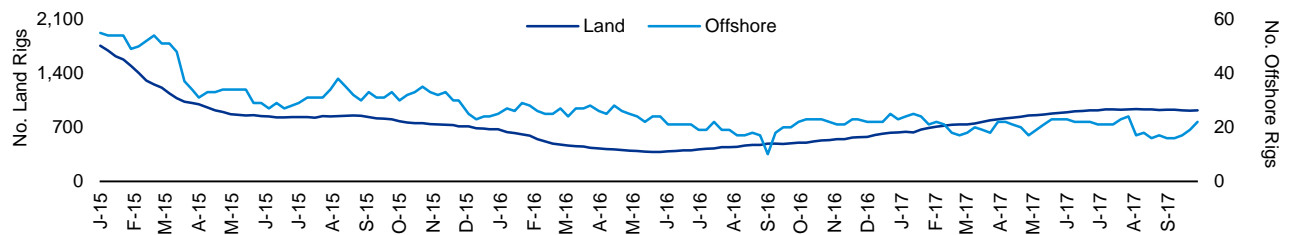
Source: Energy Information Administration

# Industry Benchmarks: Energy Services

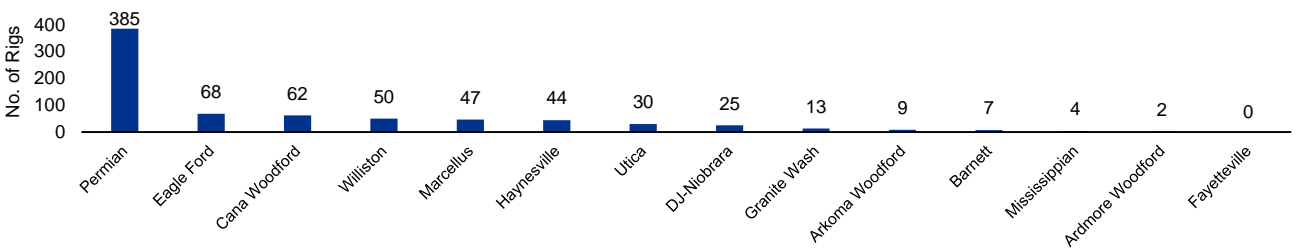
## Rig Count (U.S. vs. International)



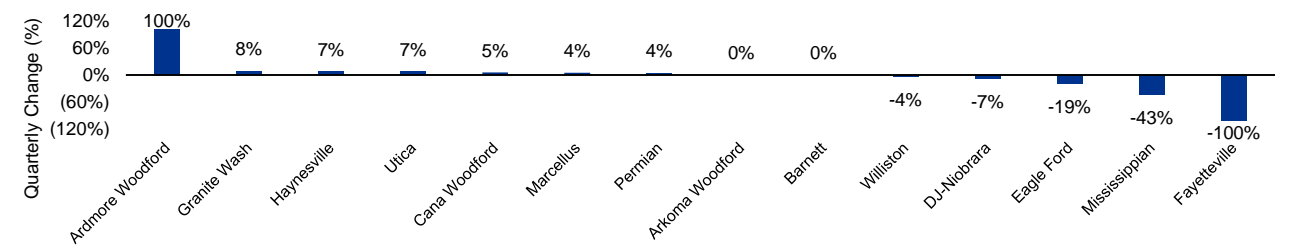
## U.S. Rig Count (Land vs. Offshore)



## U.S. Rig Count (by Basin, Q3 2017)



## Quarterly Change in U.S. Rig Count (by Basin, Q3 2017 vs. Q2 2017)



Source: Baker Hughes Rig Count



# Recent & Upcoming Events

## 7th Annual KPMG Global Power & Utilities Conference

November 08, 2017

Brussels, Belgium

A full day interactive program has been designed providing an access to industry luminaries, networking opportunities, interactive case studies, knowledge sharing and market insights. Over 20 speakers and 200 senior executives are anticipated from over 25 countries from the global power and utilities industry.

Conference will provide a unique opportunity to listen, learn and engage with fellow sector minded peers around emerging regulatory and policy landscapes, digitization across the industry, new delivery models, renewables, the customer, and electrification of the automotive sector.



[Click here for more details: 7th Annual KPMG Global Power & Utilities Conference](#)

## Event Calendar

### October

- ACTE  
[www.spe.org](http://www.spe.org)  
*San Antonio TX, Oct. 9 – 11*
- LAGCOE  
[www.lagcoe.com](http://www.lagcoe.com)  
*Lafayette, LA Oct. 24 – 26*
- S&P Platts: Financing US Power  
[www.platts.com/events/Americas/](http://www.platts.com/events/Americas/)  
*New York City, Oct. 24 – Oct. 25 2017*

### November

- Global Power & Utilities Conference  
[www.home.kpmg.com/events](http://www.home.kpmg.com/events)  
*Brussels, Belgium, Nov. 08, 2017*
- North America's Renewable Natural Gas Conference  
[www.rngcoalition.com](http://www.rngcoalition.com)  
*Dana Point, CA, Nov. 27 – 30, 2017*
- International Workboat Show  
[www.workboatshow.com](http://www.workboatshow.com)  
*New Orleans, LA, Nov. 29 – Dec. 1*

### December

- Key Tax Developments Affecting the Oil and Gas Industry  
[www.kpmgenr.com/energy](http://www.kpmgenr.com/energy)  
*Webcast, Dec. 07, 2017*



# About us

KPMG Corporate Finance LLC ("KPMG CF") has a dedicated investment banking team focused on serving the Energy industry. The team has deep knowledge across the Energy value chain, including: power generation, renewable energy, oil and gas, and oilfield services and equipment. KPMG CF is committed to helping clients unlock the increasing accessible value available to industry participants due to current sector and market conditions.

## **Global Coverage. Industry Knowledge. Middle-Market Focus.**

The global Corporate Finance practices of KPMG International's network of independent member firms was ranked #1 as the top M&A middle-market adviser globally by Thomson Reuters SDC based on number of completed transactions, and has been named the #1 Global Mid-Market firm and Global Private Equity Mid-Market firm, by Bloomberg M&A Advisory League Tables, for 2016.

## **KPMG Corporate Finance LLC**

KPMG Corporate Finance LLC was recently named *Transaction Advisory Firm of the Year* by The Global M&A Network, and previously named *Investment Bank of the Year* by The M&A Advisor. KPMG Corporate Finance LLC provides a broad range of investment banking and advisory services to its domestic and international clients. Our professionals have the experience and depth of knowledge to advise clients on global mergers and acquisitions, sales and divestitures, buyouts, financings, debt restructurings, equity recapitalizations, infrastructure project finance, capital advisory, portfolio solutions, fairness opinions, and other advisory needs. For more information on KPMG Corporate Finance, please visit [www.kpmgcorporatefinance.com](http://www.kpmgcorporatefinance.com).

## **Energy Investment Banking Contacts**

### **KPMG CORPORATE FINANCE LLC**

#### **Henry Berling**

Head of Energy Investment Banking  
Managing Director  
+1 804 780 1905  
[hberling@kpmg.com](mailto:hberling@kpmg.com)

#### **Miro Lazarov**

Oil & Gas  
Managing Director  
+1 949 885 5493  
[mlazarov@kpmg.com](mailto:mlazarov@kpmg.com)

#### **Brent Belding**

Power  
Director  
+1 804 780 1914  
[bbelding@kpmg.com](mailto:bbelding@kpmg.com)

#### **Meghan Timlick Bolling**

Oil & Gas  
Vice President  
+1 949 885 5715  
[mtimlick@kpmg.com](mailto:mtimlick@kpmg.com)

#### **Andrew Holpe**

Power  
Vice President  
+1 804 648 1576  
[aholpe@kpmg.com](mailto:aholpe@kpmg.com)

# Representative Experience <sup>2</sup>

## Power

Deal Type	Company Represented	Buyer / Seller	Company Description
Sell-Side	Granger Energy Services	Energy Developments Limited	Landfill gas to energy company with portfolio of 16 projects with 57 MW of installed electric capacity
Sell-Side	Renovar Energy Corp.	Mas Energy	Portfolio of medium-Btu biogas projects
Sell-Side	Lidya Energy (owned by Kruger Energy)	Energy Developments Limited	10 MW landfill gas to electricity plant in Greater Montreal, Canada.
Sell-Side	Fort Bend Power Producers (owned by Enerdyne and Morrow)	DTE Biomass Energy, Inc	Renewable natural gas processing facility located on the Fort Bend Regional Landfill outside of Houston, Texas.
Sell-Side	Clarke Energy	Kohler Power Systems	Authorized distributor and service provider of General Electric Jenbacher engines in the Midwest United States.
Sell-Side	FSS Trustee Corporation and SAS Trustee Corporation	GIC Pte., Ltd.	Sale of membership interests in DOE Holdings LLC, a private electric utility serving Pennsylvania.
Sell-Side	Covanta Holding Corp.	Clearview Investments and Stored Solar LLC	Portfolio of 5 power plant assets with a total nameplate capacity of 87 MW.
Sell-Side	Traxys S.A.	Convergen Energy (portfolio company of Libra Group)	20 MW biomass project in Michigan.
Sell-Side	Enerdyne Power Systems, Inc.	Cube District Energy, LLC (portfolio company of I Squared Capital)	Portfolio of 5 LFG-to-electricity facilities, totaling 13 MW of power.
Sell-Side	English Boiler & Tube, Inc.	Superior Boiler Technologies, Inc.	Manufacturer of industrial package watertube boilers.
Sell-Side	Alvarez & Marsal, for Southern Montana Electric Co-op.	ProEnergy Services, LLC	42 MW natural gas simple cycle in Great Falls, Montana.
Sell-Side	INGENCO	Castleton Commodities International, LLC	Owner and operator of a portfolio of LFG-to-electricity facilities, consisting of 140 MW of power generating capacity.
Sell-Side	Olympus Power, LLC	Aspenall Energies, LLC	IPP with a portfolio consisting of biomass, coal, natural gas, and renewables, including a 20 MW wind farm in Minnesota.

# Representative Experience <sup>2</sup>

## Power

Deal Type	Company Represented	Buyer / Seller	Company Description
Sell-Side	Traxys Power Group, Inc.	Prairie Plant Systems, Inc.	Diversified energy business operating a 40 MW natural gas-fired plant, copper refinery, and electricity distribution business.
Capital Formation	Green Power Solutions of Georgia, LLC	Avenue Capital Group and Beasley Green Power, LLC	Developer of a 25 MW biomass facility in Dublin, Georgia.
Sell-Side	Methane Power (Walbrook Capital, LLC)	Capital Dynamics	Owner and operator of 3 LFGTE projects in the Carolinas with 6.4 MW of capacity and 100,000 MMBtu of direct-use LFG sales.
Sell-Side	Biogas Energy Systems (Silver Point Finance, LLC)	Capital Dynamics	Owner of a portfolio of 12 operating LFG projects that generate 32 MW of electricity and sell 370k MMBtu of medium-Btu gas.
Sell-Side	Cadillac Renewable Energy, LLC	Rollcast Energy, Inc.	Engages in wood-fired power generation.
Sell-Side	Ridgewood Renewable Power	Macquarie Infrastructure Partners	Owner of two LFGTE plants and two shovel-ready LFGTE development projects for a total combined capacity of 87 MW.
Sell-Side	Snowflake Power	Najafi Companies	Produces electricity through biomass.
Sell-Side	National Fuel Gas Company	Toro Partners, LP / Waste Management	Operates as a diversified energy company with four segments: Utility, Pipeline and Storage, E&P, and Energy Marketing.
Sell-Side	Beacon Landfill Gas Holdings LLC	enXco, Inc.	Developer of two operating high-Btu LFG sites.
Sell-Side	Timberline Energy, LLC	Landfill Energy Systems, LLC	Developer of three operating LFG sites and eleven development sites with contracted gas rights agreements.
Sell-Side	Greenville Steam Company	Gallop Power Greenville, LLC	Owner and operator of a 19 MW wood-fired renewable energy power plant located in Maine.
Sell-Side	Ridgewood Maine Hydro Partners, L.P. / US Hydro Corp.	KEI (USA)	Owner and operator of 23 small hydroelectric facilities (located in the Northeast) with an aggregate output of 26.3 MW.
Capital Formation	York Haven Power, LLC	GE Capital	Owner and operator of a 20 MW hydroelectric facility located in Pennsylvania.

# Representative Experience <sup>2</sup>

## Power

Deal Type	Company Represented	Buyer / Seller	Company Description
Sell-Side	ES Alternatives, L.P.	Enerdyne Power Systems, Inc.	Developer of three landfill gas-to-energy projects located in the Southwest.
Sell-Side	Ridgewood Maine, LLC	Covanta Holding Corporation	Owner and operator of two wood biomass-to-energy facilities, which produce 24.5 MW of electricity each.
Capital Formation	Multitrade Biomass Holdings, LLC	Leaf Clean Energy Company	Developer of renewable wood-waste fired power plants in the Southern and Mid-Atlantic states.
Capital Formation	Davenport Power, LLC	US Renewables Group, LLC; Riverstone Holdings, LLC	Majority owner of the Northwest Geothermal Company, the developer of a 120 MW geothermal power plant.
Sell-Side	Michigan Cogeneration Systems, Inc.; Landfill Energy Systems	Energy Investors Funds Group Corp. (Enpower)	Owner and operator of 14 landfill gas-to-energy projects located in 7 states with a total capacity of 66 MW.
Sell-Side	Bio Energy (Washington), LLC	Industrial Power Generating Corp.	Owner of the rights to the landfill gas produced at the King County Cedar Hills Landfill.
Sell-Side	Montauk Energy Capital, LLC	Blue Wolf Energy Holdings LLC	Owner and operator of a large landfill gas-to-energy portfolio in the U.S. with 8 active landfill gas projects and 13 passive sites.
Divestiture	Gas Recovery Systems, LLC	Fortistar Renewables, LLC	Owner and operator of a portfolio with 29 landfill gas projects in 8 states totaling 148 MW of power generating capacity.
Capital Formation	Renovar Energy Corp.	Hudson United Capital	Developer of renewable energy projects, specifically utilizing landfill gas as opposed to fossil fuels.
Sell-Side	Greentree & Dorchester Gas Producers, LLC	American Landfill Gas, LLC	Owner of the rights to the landfill gas produced at the Onyx Greentree Landfill.
Sell-Side	Toro Partners, L.P.	Upstate Energy Inc.	Pipes landfill gas directly to commercial customers for use as a medium-Btu fuel under long-term contracts.
Buy-Side	NGP Power	McCommas Bluff, LLC	Owner and operator of a high-BTU landfill gas processing plant.

# Representative Experience <sup>2</sup>

## Power

Deal Type	Company Represented	Buyer / Seller	Company Description
Capital Formation	Zahren Alternative Power Company (ZAPCO)	John Hancock Financial Services	Owner and operator of a portfolio of 26 LFGTE assets.
Sell-Side	Power Sources, Inc.	Trigen Energy Corporation	Independent power producer with seven biomass power plants throughout the Southeast United States.

# Representative Experience <sup>3</sup>

## Oil & Gas and Oilfield Services

Deal Type	Company Represented	Buyer / Seller	Company Description
Sell-Side	EMAS Chiyoda Subsea	Subsea 7 S.A.	Provider of subsea services. Acquired business includes order backlog, including five projects
Sell-Side	Coorstek El Segunda (precision seals business)	Trelleborg	Manufacturer of precision seals for the aerospace and oil & gas industry
Sell-Side	Colonial Group	Marine fuels acquirer: Chemoil Chatham Towing acquirer: Vane Bros.	Provider of marine fuels and towing services.
Sell-Side	Southtex Treaters, Inc.	Kinder Morgan Treating Production, LLC	Leading manufacturer, designer, fabricator, and operator of natural gas processing plants.
Sell-Side	EL Farmer & Company	TransForce, Inc. (TSX:TFI)	Provider of land transportation and logistics services to the upstream oil and gas sector in the U.S.
Sell-Side	Performance Energy	Quanta Services	Provider of offshore commissioning services in the Gulf of Mexico and international O&G markets.
Sell-Side	Pacific Consolidated Industries; Intervale Capital	Main Street Capital	Private equity backed manufacturer of on-site oxygen and nitrogen generators for the O&G and A&D markets.
Sell-Side	Hamilton Group; ShoreView Industries	Corinthian Capital	Private equity backed provider of drilling, completion and production consulting services to upstream O&G industry.
Sell-Side	Global X-Ray & Testing	Platte River Ventures	Provider of non-destructive testing and evaluation services for the upstream O&G industry.
Sell-Side	Paradigm Lifting Technologies	National Oilwell Varco	Distributor of artificial lift systems, based in Midland, Texas.
Sell-Side	Dixie Electric	Lonestar	Provider of electrical contracting services to the oil and gas industry.
Sell-Side	International Lift Systems	Lufkin	Manufactures artificial lift systems for the O&G industry.
Sell-Side	Alford Services	Falck	Provider of safety and training services for the O&G industry in the Gulf of Mexico.
Sell-Side	JEN Supply	CE Franklin Ltd.	Operates oilfield equipment supply stores in Canada.
Sell-Side	Steward Enterprises	Amphenol	Manufacturer of connectors for the oil and gas industry.

# Endnotes

1. Percent represents quarterly change from July 01, 2017 to September 30, 2017
2. Includes transactions completed by KPMG CF professionals while employed at another firm, substantially all of whose assets were acquired by KPMG CF
3. Includes transactions completed by KPMG CF professionals while employed at another firm



# Important Notice

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation. The information contained in this communication may not be representative of the experience of other clients and does not constitute a recommendation, offer, or solicitation to buy, sell or hold any security of any issuer. Past performance does not guarantee future results.



# Thank you

©2017 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA and SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.