Utility Services

QUARTERLY SECTOR REVIEW, Q4 2022

Harris Williams

What We're Reading

How a Transformer Shortage Threatens the Grid

"The Virginia Transformer Corp. will ship 550 of these transformers this year and expects to produce 665 next year from its plant here and three other North American facilities. But it is one of only eight companies in the United States able to manufacture the nation's largest transformers — and deliveries have fallen way behind schedule amid the COVID-19 pandemic."

"Indeed, the United States is undergoing a shortage of a range of transformers — spanning smaller, pole-top units on city streets to Virginia Transformer's massive units — for reasons that vary depending on the equipment. That means utilities could struggle to add enough new wind and solar generation to meet the country's net-zero goals and to keep the lights on when storms damage their depleted transformer stockpiles."

Read Here: Energywire

ISO-NE, ERCOT, MISO Face Possible Capacity Shortfalls in Extreme Winter Weather: FERC

"New England has adequate power supplies for normal winter weather, but could face shortfalls if there is a long cold stretch because of its limited ability to import natural gas, according to the Federal Energy Regulatory Commission's annual winter energy market and reliability assessment released Thursday."

"The Electric Reliability Council of Texas and Midcontinent Independent System Operator regions also face winter-time power supply risks, but both areas took steps since Winter Storm Uri in February 2021 to better prepare for tough winter conditions, FERC staff said during the agency's monthly meeting Thursday."

Read Here: Utility Dive

Ask the Expert: Opportunities in Utility Vegetation Management

"Best practices in utility vegetation management have been a topic of debate for decades. From mechanized mowing practices to chemical control methods, professionals today have more technology, equipment and products at their disposal than ever before."

"As an active leader in vegetation management products and solutions, Corteva Agriscience connects with industry experts across the country to align on best practices for right-of-way management, identify environmental and economic implications of different vegetation control methods, and address the evolving needs of industry practitioners. Most recently, Corteva partnered with like-minded industry leaders to present the 2022 ROW Sustainability Summit, where the organization's industry experts connected with Lew Payne, ROW environmental manager with New York Power Authority."

Read Here: T&D World

As Offshore Wind Plans Grow, So Does the Need for Transmission

"Offshore wind has a problem: electrical transmission."

"Wind developers can fairly easily run high-voltage cables from their offshore projects to land, but once that power comes ashore it encounters an electrical grid that wasn't set up to handle it."

"East Coast states could rebuild the onshore power grid to accommodate this power, or they could put the bulk of their effort into building an 'ocean grid' — something experts say may be cheaper, faster and better for the environment."

Read Here: WBUR

Shift to Clean Energy Grid Presents Challenges for US Official

"The Energy Department is starting programs to funnel billions into transmission lines, distribution grid networks, microgrids, and storage facilities as part of an attempt to spur more clean energy deployment, even as congressional efforts stall to overhaul infrastructure permitting."

"The agency's Grid Deployment Office, created in August, is facing the difficult task of allocating dollars in a way that achieves the most bang for the buck and satisfies industry, states, and environmental groups, Maria Robinson, the office's director, told Bloomberg Law."

Read Here: Bloomberg Law

Select Utility Services M&A Transactions

Completed December 15, 2022

ERMCO

PEG: Mill Point Capital

PortCo: Spire Power Solutions

Electric Research and Manufacturing Cooperative (ERMCO) has acquired Spire Power Solutions

- ERMCO, based in Greenwood, Indiana, is a leader in the manufacturing of liquid-filled distribution transformers for the utility, commercial, and industrial markets
- Spire Power Solutions, based in Athens, Georgia, is a leading manufacturer of power transformers

Completed November 11, 2022

Kohlberg & Company

Neuberger Berman

PEG: Partners Group

PortCo: USIC

Kohlberg & Company and others have made a significant investment in USIC

- Kohlberg, based in Mount Kisco, New York, is a leading middle market private equity firm
  - Kohlberg was joined by a group of new partners that includes funds managed by Neuberger Berman
- USIC, based in Indianapolis, Indiana, is a leading provider of underground utility locating services
- Partners Group will retain a 50% stake in USIC

Completed September 9, 2022

I Squared Capital

PEG: Sun Capital Partners, Inc.

PortCo: Stake Center Locating

I Squared Capital has acquired Stake Center Locating

- I Squared, based in Miami, Florida, is an independent global infrastructure investment manager focusing on energy, utilities, telecom, and transport
- Stake Center, based in Greensboro, North Carolina, is a leading provider of locating services to the gas, electrical, cable, communications, fiber optic, and gas industries

Completed August 8, 2022

PEG: Bernhard Capital Partners

PortCo: United Utility

BHI energy Power Delivery Segment

United Utility has acquired BHI Energy's Power Delivery segment

- United Utility, based in Charlotte, North Carolina, is a leading provider of diversified utility and infrastructure services
- Bernhard Capital Partners, based in Baton Rouge, Louisiana, is a leading infrastructure-focused private equity firm
- BHI Power Delivery Segment, based in Weymouth, Massachusetts and formerly a segment of Westinghouse, focuses on transmission and distribution infrastructure services

HW Denotes HW deal

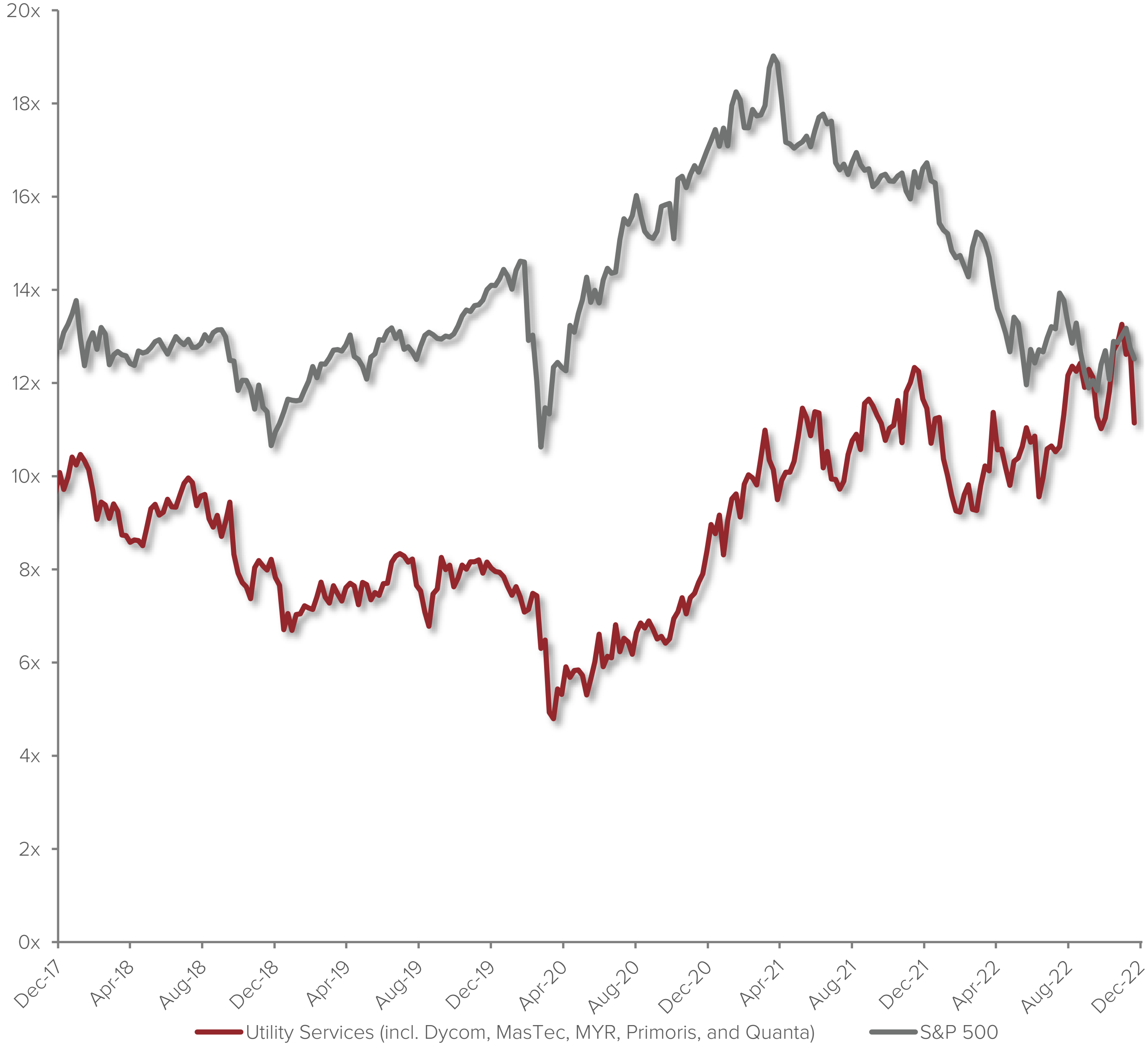
Utility Services Public Company Outlook

Company	Key Takeaway	Earnings Call Excerpts
DYCOM	Dycom cited a confluence of factors, including fiber deployments from both telephone and rural electric utilities, as catalysts for growth	*"Telephone companies are deploying fiber-to-the-home to enable gigabit high-speed connections. Increasingly rural electric utilities are doing the same. Dramatically increased speeds to consumers are being provisioned and consumer data usage is growing, particularly upstream. Wireless construction activity in support of newly available spectrum bands is increasing this year. Federal and state support for rural deployments of communications networks has dramatically increased — increasing in scale and duration. Cable operators are deploying fiber to small and medium businesses and enterprises."* — Steven Nielsen, Chairman, President & CEO, November 24, 2022
MasTec	MasTec stated that in the wake of the COVID-19 pandemic, which significantly diminished their oil and gas business, they have successfully repositioned themselves as a leader in the broader energy sector through organic investments and strategic acquisitions	*"Combined with investing heavily and growing our resources and capabilities organically, we made a number of acquisitions that have effectively transformed MasTec into a leader in the energy space. With the acquisitions of INTREN and Henkels & McCoy in 2021 and with the recent addition of IEA, we've positioned ourselves at the forefront of markets that have significant demand and growth opportunities."* — Jose Ramon Mas, CEO & Director, November 4, 2022
MYR GROUP	MYR noted that its T&D customers expected near-term spending to be driven primarily by integration of clean energy sources onto the grid, increased capacity needs, and upgrades to existing infrastructure	*"This aligns with findings from our strategic insight survey of existing clients, in which our customers said the direction of their business will be most impacted by the pivot to energy. They also indicated the largest challenge moving forward in transmission capacity needed to integrate clean energy sources into the grid. A stronger focus on clean energy nationwide and the need for new and upgraded transmission lines to integrate the grid has the potential to create future opportunities for our business."* — Todd Cooper, Senior VP & COO of Transmission & Distribution, October 27, 2022
Primoris	Primoris reiterated its excitement around the acquisition of PLH given its focus on higher-growth, higher-margin markets, and increased densification and expansion of the company's current North American footprint	*"Most of you are familiar with PLH from our past several updates but let me reiterate a few of the reasons we are excited about them becoming part of the Primoris family of companies. First, it aligns with our strategic focus on higher-growth, higher-margin markets, including power delivery, communications and gas utilities. It adds new customers with MSA contracts while bolstering our footprint in new and existing areas that are some of the fastest growing in North America. And perhaps most importantly, it adds 1,300 skilled crafts persons to our combined workforce to better serve our clients."* — Tom McCormick, CEO, President & Director, November 8, 2022
QUANTA SERVICES, INC.	Quanta pointed to the significant volume of energy storage projects in need of connection to the grid as an opportunity for its renewables and electric power infrastructure segments	*"According to FERC, there are approximately 1,400 gigawatts of proposed generation, mostly wind and solar, and energy storage projects that are actively seeking interconnection to the U.S. power grid. These create both opportunities and challenges for our customers, and demand for Quanta's comprehensive solutions and collaborative delivery model is increasing as a result. Further, there are several large renewable energy-related high-voltage electric transmission project opportunities that we are pursuing, which we believe we are well positioned for and could be awarded over the coming months."* — Earl C. Austin, President, CEO & Director, November 3, 2022

Utility Services Public Company Valuations

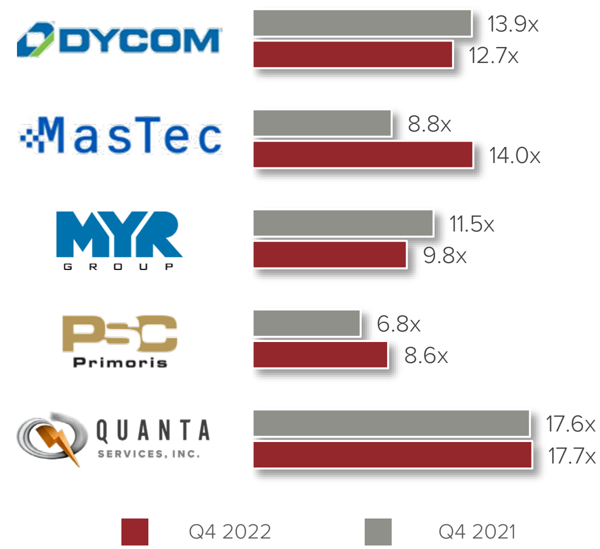
LTM EV / EBITDA MULTIPLE

(Median of Dycom Industries, MasTec, MYR Group, Primoris Services, and Quanta Services)

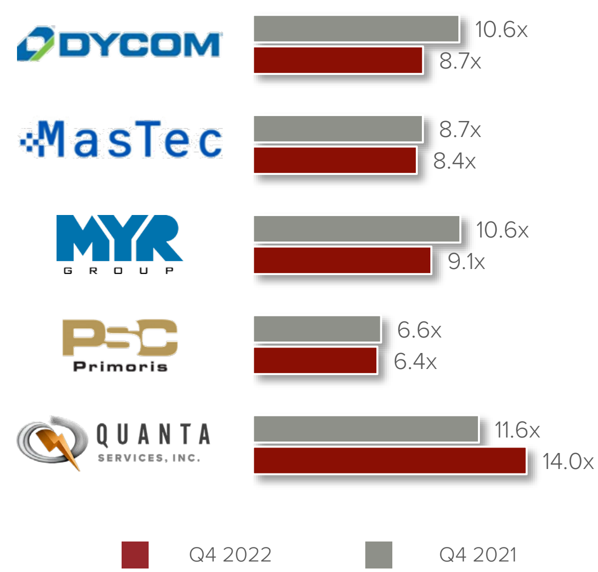


Source: CapIQ Consensus Estimate

EV / LTM EBITDA MULTIPLE

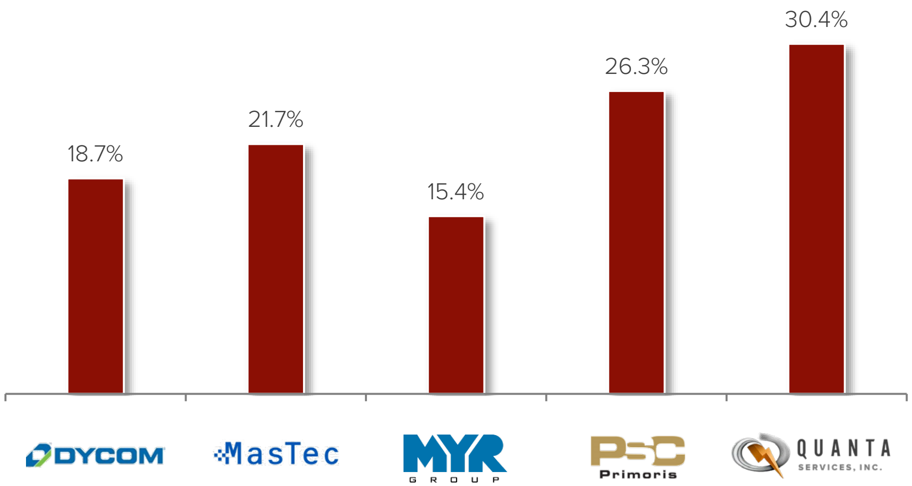


EV / NTM EBITDA MULTIPLE

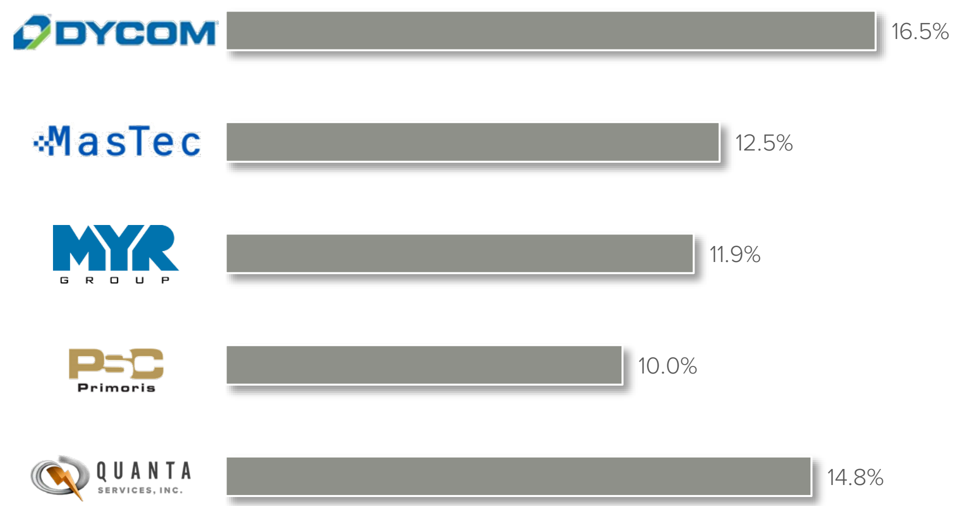


Utility Services Public Company Benchmarking

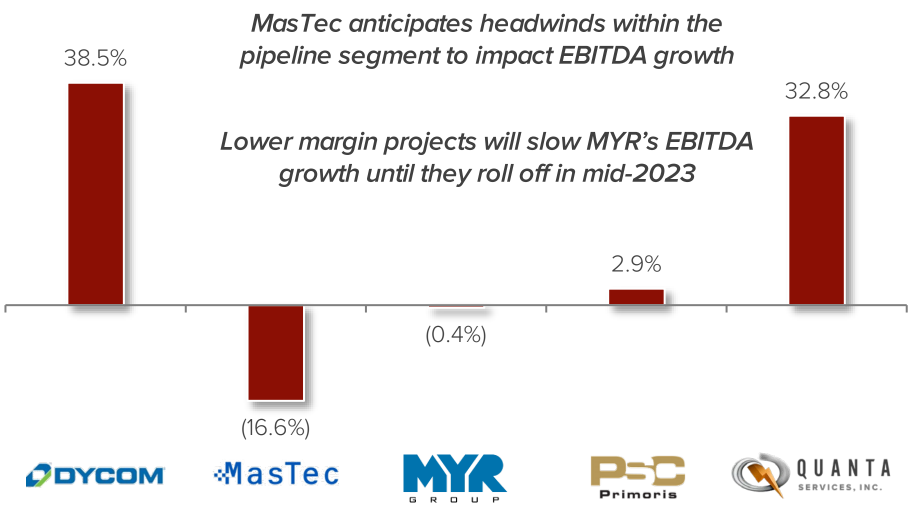
NTM REVENUE GROWTH FORECAST



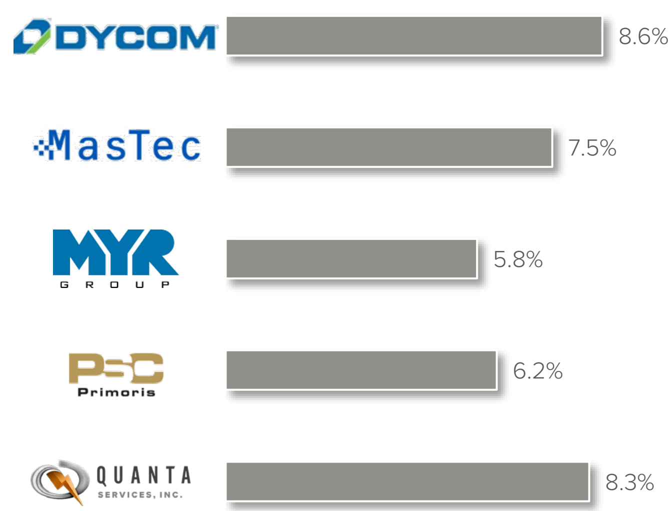
GROSS PROFIT MARGIN



NTM EBITDA GROWTH FORECAST



LTM EBITDA MARGIN



Source: CapIQ Consensus Estimate

DYCOM Earnings Deep Dive[1]

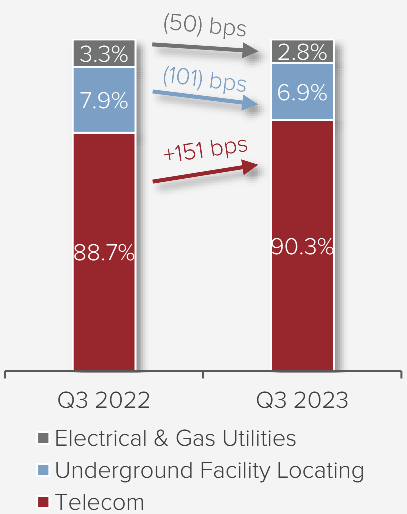
Key Commentary	Harris Williams Takeaway
▪ YoY organic revenue growth was 22.1%	▪ Demand for fiber buildout is driving rapid growth
▪ Cost of revenues increased 17.5% YoY, with the Company citing rising labor costs, equipment and fuel costs, and direct materials expenses as sources of the increase	▪ Strained labor market continues to affect margins across the industry
▪ CapEx outlook for 2023 (net of disposals) was revised to $165 — $175M, down from a low end of $180M from the previous quarter's outlook	▪ Supply chain constraints are limiting access to new equipment for industry participants
▪ Company leadership expects heightened demand for high-capacity fiber networks to meaningfully broaden the set of opportunities for the industry	▪ Fiber network expansion and upgrades continue to drive growth in the sector
▪ Dycom maintains a positive outlook for long-term growth opportunities as the Infrastructure Investment and Jobs Act (IIJA) provides additional spending to build out fiber networks, especially in rural areas of the country	▪ Funding for fiber network buildouts continues to drive growth opportunities

Earnings Analysis

6.9% Topline Beat vs. Estimates Led by Increased Fiber Network Upgrades and Buildout

YoY Q3 Revenue Mix

(% of Total Revenue)



YoY Q3 Revenue Growth

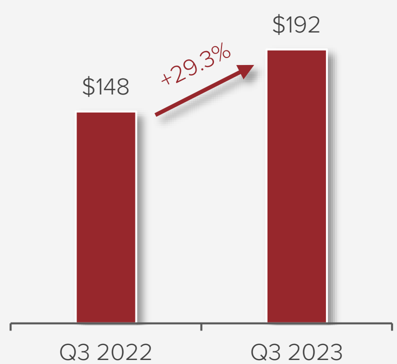
($ in Millions)

Continuing demand for fiber network buildouts, particularly in rural regions, is driving topline growth

37.4% EPS Beat vs. Estimates Driven by Heightened Demand for Fiber Network Buildout and Increased Engagement with Existing Customers

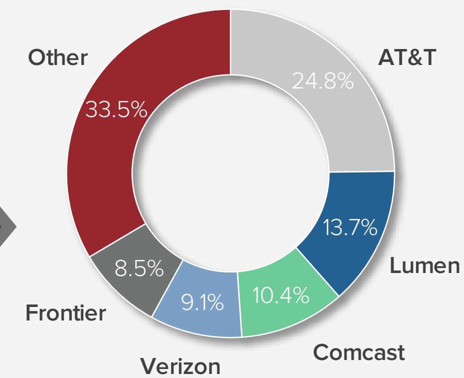
Q3 YoY Gross Profit

($ in Millions)



Q3 Customer Revenue Mix

(% of Total Revenue)



The ability to acquire new business from existing customers will continue to be important as major industry players like AT&T and Comcast increase infrastructure spend and consolidate service providers

Source: Dycom Earnings call and investor presentation; Dycom fiscal year ends in January, so all 2023 numbers listed are actual results for Fiscal Quarter 3, 2023

MasTec

Earnings Deep Dive[1]

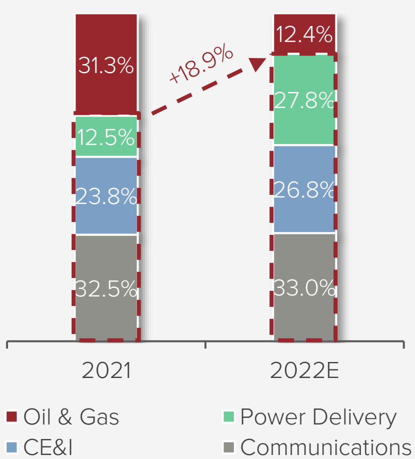
Key Commentary	Harris Williams Takeaway
Management now expects 2022 revenues to approach $9.7B, a 22% YoY increase	Non—oil and gas segments driving topline growth
The acquisition of IEA resulted in nearly 6,000 new team members (something MasTec values in a tight labor market) and helps MasTec align with the general industry focus on energy transformation related to power generation and delivery	MasTec will continue to use inorganic growth to quickly add new capabilities in a rapidly changing industry
Customers are focusing on improving grid reliability while transitioning to cleaner energy sources, as well as the continued buildout of fiber networks to support 5G network adaptation	Clean energy adaptation and fiber network buildout continue to drive growth in the sector
Oil and gas revenue was $376M this quarter compared to $858M in the previous period and will continue to negatively impact NTM EBITDA, although they have seen an uptick in project activity for 2023P-2025P	The oil and gas sector is stumbling due to the general transition away from non-renewable energy sources
Management expects a drop-off in solar panel supply chain disruptions, the acquisition of IEA, and impending Inflation Reduction Act (IRA) funding to drive non—oil and gas revenue even higher in ensuing quarters	Federal funding and the passing of temporary macroeconomic hurdles represent promising signs of future growth

Earnings Analysis

1.4% Topline Miss for the Quarter vs. Estimates Driven by Poor Performance in the Oil and Gas Segment

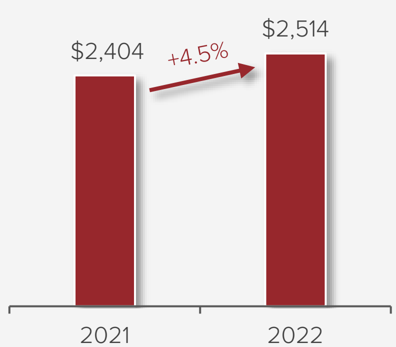
2022E Segment Revenue Mix

(% of Total Revenue)



YoY Q3 Revenue

($ in Millions)



Revenue still grew by 4.5% year over year, as strong growth in other segments offset the decline in oil and gas revenue

MasTec Projects Consistent EBITDA Margin Expansion to Double Digits (10%+) Through a Diversified Portfolio of End Markets

	Communications	Clean Energy & Infrastructure	Power Delivery	Pipeline
Near-Term Revenue Potential	~$4.0B	~$6.0B	~$3.5B	~$2.0B
Sector Catalysts	5G and Small Cells, Fiber to the Home, Rural Broadband, Smart Cities & Smart Homes, Spectrum Deployments, Carrier 5G Competition	Shift toward Renewable Power Sources, Wind, Solar, Biomass, Carbon Capture & Industrial Facilities, Roads & Transport Infrastructure	Grid Investment to Connect Renewables, Reliability, Upgrades, Aging Grid, Grid Security & Smart Grid, Storm Hardening and Response, Electric Vehicle Grid Impact	Pipelines for Cleaner Burning Natural Gas, Aging Infrastructure Methane Reduction Initiatives, Pipeline Distribution & Integrity, LNG Exports, Carbon Capture & Sequestration and Hydrogen

Source: MasTec Earnings call and investor presentation

EARNINGS DEEP DIVE[1]

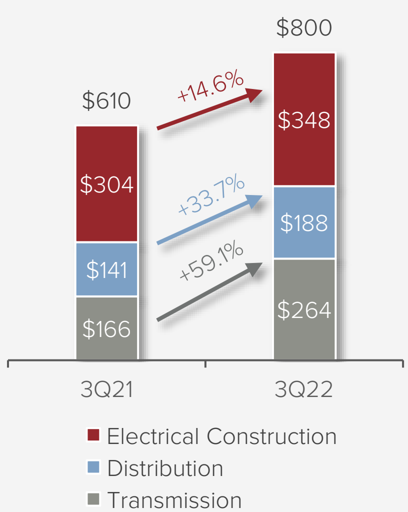
Key Commentary	Harris Williams Takeaway
▪ Strong topline growth exceeded analyst expectations by 9.9%	▪ T&D spend demand driving continued growth
▪ Gross margins were 10.8% vs. 13.8% at this time last year, driven by continued supply chain disruptions and broader inflationary headwinds; MYR also cited labor inefficiencies	▪ Supply chain and inflationary headwinds continue to challenge the industry
▪ Likely going to be mid-next year before lower-margin projects roll out of financials and new projects at higher margins start flowing through to the financials for fixed price work	▪ A lag time is expected before pricing is fully passed on to customers
▪ T&D customers expect near-term spending to be driven by integration of clean energy sources onto the grid, increased capacity needs, and upgrades to existing infrastructure	▪ Renewable energy and grid upgrades continue to drive growth in the sector
▪ Management remains optimistic about the long-term opportunities related to the IIJA as some of the funding becomes a reality	▪ Dollars from the IIJA are starting to flow into the sector, which will continue to drive spending

Earnings Analysis

9.9% Topline Beat vs. Estimates Led by Significant Gains in the T&D Segments

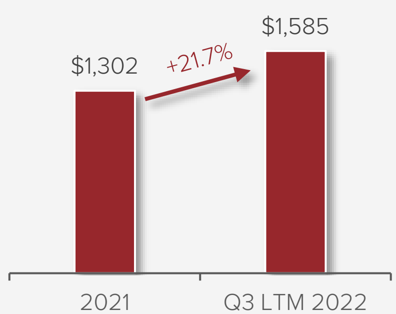
YoY Q3 Revenue Growth

($ in Millions)



T&D Revenue Growth

($ in Millions)

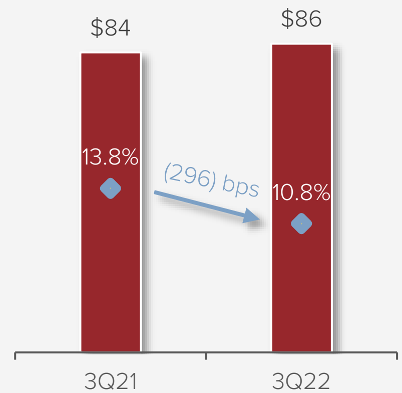


The existing T&D grid requires heavy upgrades and expansion to support rising capacity requirements, prompting high levels of government and corporate investment

9.9% EPS Miss vs. Estimates Driven by Inflation and Supply Chain Issues Weighing on a Higher Mix of Fixed and Unit Price Work

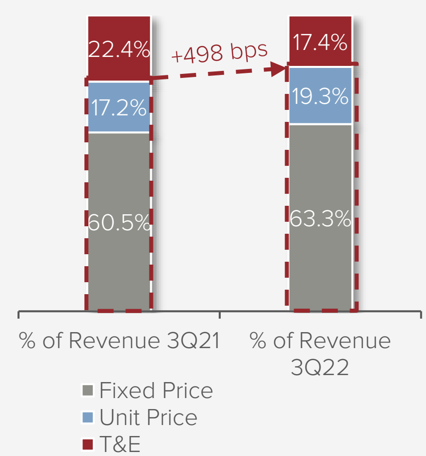
Q3 YoY Gross Profit

($ in Millions)



Q3 YoY Contract Mix

(% of Total Contracts)



Inflation and supply chain constraints drove higher input prices, and compressed margins for fixed and unit price work

Source: MYR Earnings call and investor presentation

EARNINGS DEEP DIVE[1]

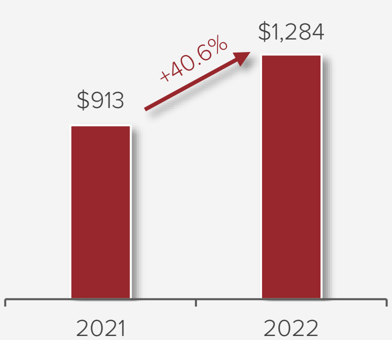
Key Commentary	Harris Williams Takeaway
Revenue YTD is up over 18%, with organic revenue up approximately 12%	Non—pipeline segments delivered meaningful topline growth
Q3 gross profit was up 22% compared to Q3 last year and up 68% from the second quarter of 2022 as the company benefited from being able to negotiate rate increases with key customers	The ability to renegotiate pricing structure is highly valuable in today's inflationary environment
There are high levels of optimism for the future growth of Primoris's communications division, driven by the recent acquisition of B Comm as well as significant macro tailwinds from increases in anticipated broadband spending	Company is using M&A to rapidly expand capabilities in growing sectors to take advantage of increased spending
The solar division is growing rapidly, with revenue and gross margin doubling from Q3 of last year, but supply chain constraints are causing delays in project completion	Primoris continues to see wide-scale adoption of renewable energies, but supply chain constraints limit overall growth
Management expects that the IRA catalyzes growth in the energy/renewables sector by magnifying opportunities in solar, as well as opening additional avenues for expansion in green hydrogen and wind	While the exact impact and funding size are still unclear, industry participants believe the IRA will be a major contributor to growth in renewables and clean energy

Earnings Analysis

9.1% Topline Miss vs. Estimates Driven by Poor Performance in the Pipeline Segment, Which Is Seeing Fewer Projects in the Midstream Sector

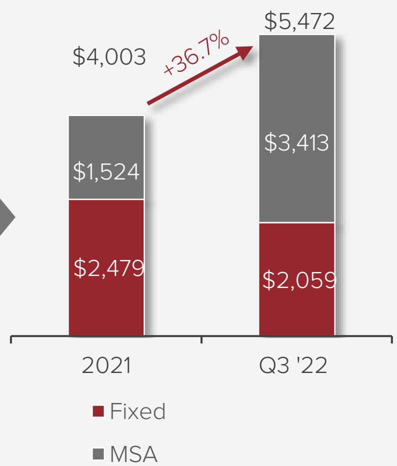
YoY Q3 Revenue Growth

($ in Millions)



YTD Backlog Growth

(% of Total Revenue)

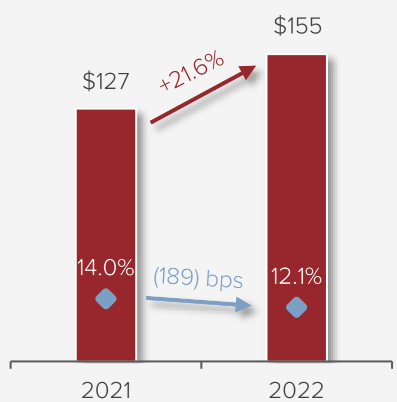


Despite macroeconomic challenges in the oil and gas market having a notable impact on revenues, continued backlog momentum provides a strong foundation for future growth

23.1% EPS Beat vs. Estimates Driven by Growth in the Utilities and Energy / Renewables Segments

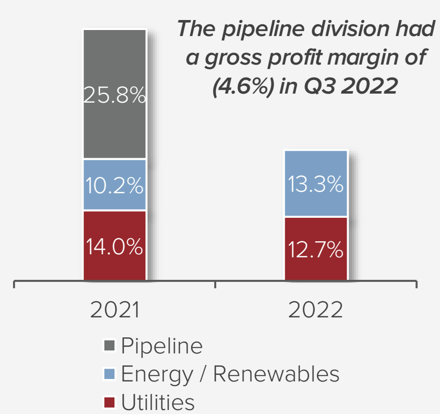
Q3 YoY Gross Profit

($ in Millions)



YoY Q3 Segment Gross Margins

(Gross Margin by Segment)



Losses in the pipeline division were offset by growth in other segments that benefited from increased federal and corporate investment in renewable energy adaptation and broadband expansion

Source: PSC Primoris Earnings call and investor presentation

QUANTA SERVICES, INC.

EARNINGS DEEP DIVE[1]

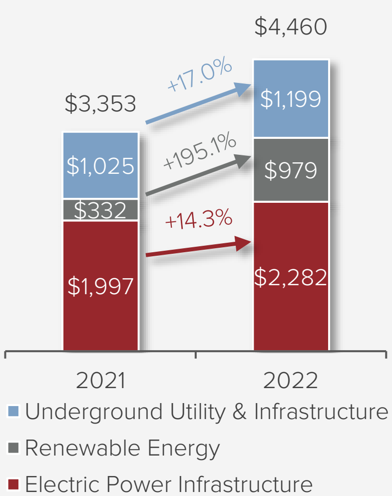
Key Commentary	Harris Williams Takeaway
▪ Q3 revenue was ~$4.46B, up 33% from Q3 of last year	▪ Renewable energy division driving topline growth
▪ Renewable energy infrastructure segment performed very well due to performance in high-voltage transmission and substation work, although short-term supply chain disruptions are impacting work in the solar industry	▪ Supply chain constraints are limiting what is otherwise very strong growth in renewable energy-related work
▪ Customer demand for electric power infrastructure services is increasing due to the widespread need for grid modernization and system hardening, and is amplified by Quanta's reputation for safe and reliable execution	▪ Reputation is a noticeable advantage for larger companies as customers emphasize reliability and safety
▪ Underground utility and infrastructure work is seeing strong demand as two years of pent-up demand from deferred maintenance and capital spending resumes	▪ Deferred spending from COVID-19 impacted periods is now flowing into the market
▪ Major IOUs are increasing capital spending plans for the next 5-10 years, providing optimism that demand for services underpinning the energy transition will continue to grow at a high rate (see following page for additional detail)	▪ Expect investment in organic capabilities and inorganic expansion through M&A to continue for large industry players as they strive to meet rising demand

Earnings Analysis

1.1% Topline Beat vs. Estimates Driven by Revenue from Acquired Companies and Growth in Spending by Utility Customers on Grid Modernization and Hardening

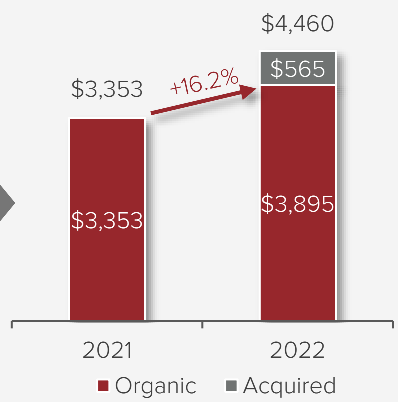
YoY Q3 Revenue Mix

($ in Millions)



YoY Q3 Revenue Growth

($ in Millions)

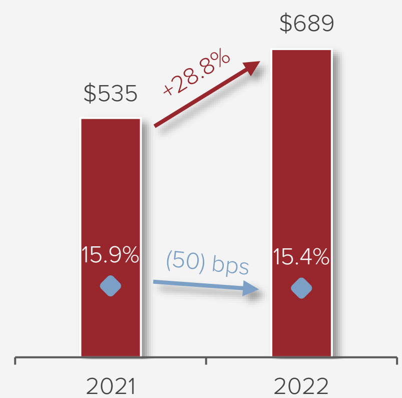


$480M in acquired renewable energy revenue primarily drove the increase in the segment, showing the benefit of larger companies expanding capabilities through M&A to meet rising demand

EPS Was in Line with Analyst Estimates With High Revenue Growth Being Offset by Moderate Margin Compression

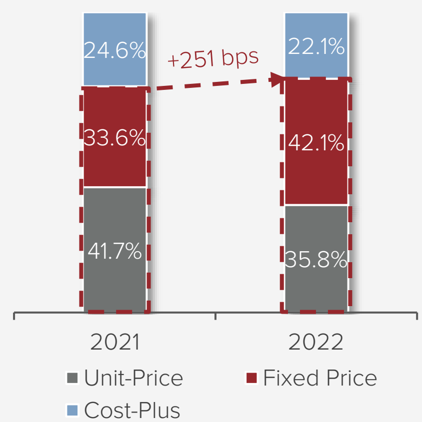
Q3 YoY Gross Profit

($ in Millions)



Q3 YoY Contract Mix

(% of Total Contracts)



Supply chain and inflation pressures combined with a changing mix of work from acquisitions drove margins downward despite increased topline performance

Source: Quanta Earnings call and investor presentation. Acquisition revenue was $480M in Renewable Energy and $85M in Electric Power Infrastructure.

Recent Trends in Utility Spending

Top IOUs see key trends driving continued momentum for T&D CapEx in the coming years

Investor-Owned Utilities (IOUs)

Top 10 IOUs[1]	Current CapEx Outlook	Commentary on Outlook
Exelon	Announced in January 2022 that they are targeting investment of ~$29B of T&D capital from 2022-2025, an increase of $2B over Fall 2021 projections	Spending is divided between six subsidiaries: ComEd ($10.3B), PECO ($5.8B), BGE ($5.3B), Pepco ($3.7B), Delmarva Power ($2B), Atlantic City Energy ($1.9B)
Duke Energy	Announced an increase in 10-year capital spending plan, bumping total budget from $135M to $145M	~85% of the allocation will go to generation fleet transition and grid modernization, including $75B on T&D infrastructure, $40B on zero-carbon generation, and $5B in hydrogen-enabled natural gas technologies
Southern Company	Southern Company's subsidiary, Georgia Power, entered a settlement on December 15, 2022, in which it will collect $1.8B in revenue from customers through 2025 through rate increases[3]	The figure represents a 38% discount from the $2.9B initially proposed by the company and was proposed to cover expenses relating to the clean energy transition and the billions of dollars being dedicated to the aging electrical grid
PG&E	Plans to spend $53B in capex over 2022-2026, up from $35B between 2017 and 2021. Focus will be on electric & gas distribution, electric generation, electric transmission	Company has suffered in recent years from costs and fines related to wildfires in California, so focus of this capex increase is to move 10,000 miles of power lines underground in high-fire risk areas
NextEra Energy	Plans to spend ~$85-95B in capex over 2022-2025, up from $60B between 2019 and 2022, with significant investment in grid hardening and other T&D investment	Transmission capex expected to increase from $3.2B in 2021 to %6.0B-$6.5B by 2025 (~18% CAGR)
American Electric Power	Plans to invest ~$40B in capital from 2023-2027 in transmission, distribution, and renewable energy	Of this commitment, $25.8B will be allocated to T&D, $8.6B will be allocated to regulated renewables, $1.8B will be allocated to generation, $3.1B will be allocated to corporate initiatives
DTE	Q3 2022 investor presentation referenced a 5-year plan for $18B in utility capital investment. They also have a 10-year capital plan that calls for over $40B in spend	$9B allocated to modernizing the grid, $5B allocated to cleaner energy generation, and $4B allocated to base infrastructure
Edison International	Total 2021 and 2025 capital plan consists of $27B-$30B, focus on investing in safety and reliability	2024 and beyond will focus on "deployment of incremental miles of covered conductor, investment to support infrastructure replacement and load growth, and transmission and energy storage investments to meet long-term state GHG targets"
Dominion Energy	Upgraded capital spending plan from $72B in the 2020-2035 period to $73B in the 2022-2035 period	$21B to offshore wind, $21B to solar, $4B for energy storage, $4B for nuclear life extension, $15B for electric grid transformation, $8B for gas distribution modernization
entergy	Capital expenditures are expected to reach $17.2B from 2022-2025	Allocations will be $7B to T&D, $5.6B to generation and supporting infrastructure, $2.1B to renewable energy, and $2.6B to grid hardening and accelerated resilience

1. *Top utilities ranked by revenue, sourced from Fortune*
2. *CapEx Outlook and commentary sourced from company event and earnings call transcripts*
3. *"State regulators approve $1.8B Georgia Power rate increase"*

Recent Harris Williams Publications

Vegetation Management White Paper

Utility Vegetation Management (UVM), an essential, non-discretionary service within the utility services sector, is now receiving around $8 billion in annual funding—a total that keeps growing each year.[1]

This rising spend on UVM is tied directly to the expanding transmission and distribution (T&D) infrastructure, which relies heavily on UVM services to protect its assets and stay in compliance with evolving regulations. From 2007 to 2020, T&D investments shot up from approximately $39 billion to $90 billion, an estimated 130% jump at a CAGR of ~7%.[2]

This trend signals long-term, dependable demand for UVM services. Additionally, due to its substantial downside protection and reliable recurring revenue, the UVM market will likely maintain its growth trajectory through economic cycles.

Vegetation Management White Paper (View Report)

- Why UVM is often the largest line item in utilities' annual operating budgets
- How increasing spend in the sector is generating further UVM growth
- The most important drivers of continued demand for UVM
- M&A trends that make this area so promising for investors
- Which qualities to look for in UVM service providers

Published June 2022

Nuclear Power White Paper

Nuclear energy is a stable element of U.S. energy generation and is a critical component of a carbon-free future, producing over 50% of U.S. carbon-free energy. Access this market overview for more information on opportunities within the space and insights into the future of nuclear energy.

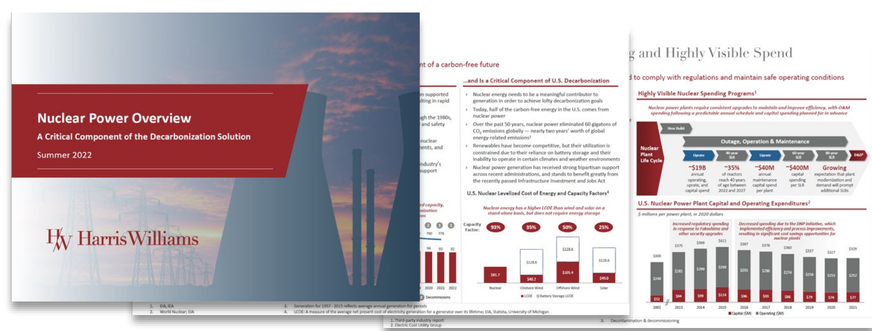
Nuclear power is highly productive, stable, and continuously improving. Despite inexpensive alternatives governing growth over the past decade, upgrades and other investment across the fleet have driven meaningful improvements in productivity.

Nuclear energy is as safe as wind and solar. Unlike other energy sources, nuclear waste is contained, limiting external impacts, while stringent regulations demand safe and secure plants and operators.

Nuclear Power White Paper (View Report)

- Large, stable base of reactors with the strongest productivity of electricity sources
- Consistent, predictable spending with continuous focus on utilization and modernization
- Critical component of net-zero initiatives
- Long-term visibility for service-based revenue via SRLs
- Transformative opportunity from development of SMR technologies

Published August 2022



1. *North American Electric Distribution Market Forecast, C3 Group (2021)*
2. *Federal Energy Regulatory Commission (FERC) and Oxford Economics Data*

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- Utility T&D White Paper
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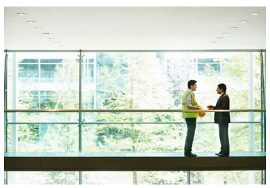
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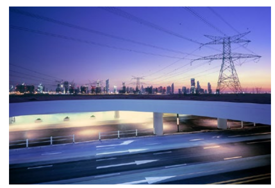
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Sources

1. CapIQ

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