



Jigar Shah | November 2020

Leading the infrastructure transition

New infrastructure markets are market-ready



SUSTAINABLE POWER

Microgrids
Solar
Energy storage
Efficient lighting
HVAC systems
Fuel cells
Geothermal
Biomass & biogas
Building automation & sensors
Heat pumps
Smart meters



SUSTAINABLE TRANSPORTATION

Electric vehicles
Hydrogen vehicles
Autonomous vehicles
Charging depots & infrastructure
Fleets



SUSTAINABLE WASTE & WATER

Anaerobic digesters
Wastewater treatment
Desalination
Food waste management
Recycling/reuse
Precision agriculture
Farm automation
Irrigation
Sensors & meters

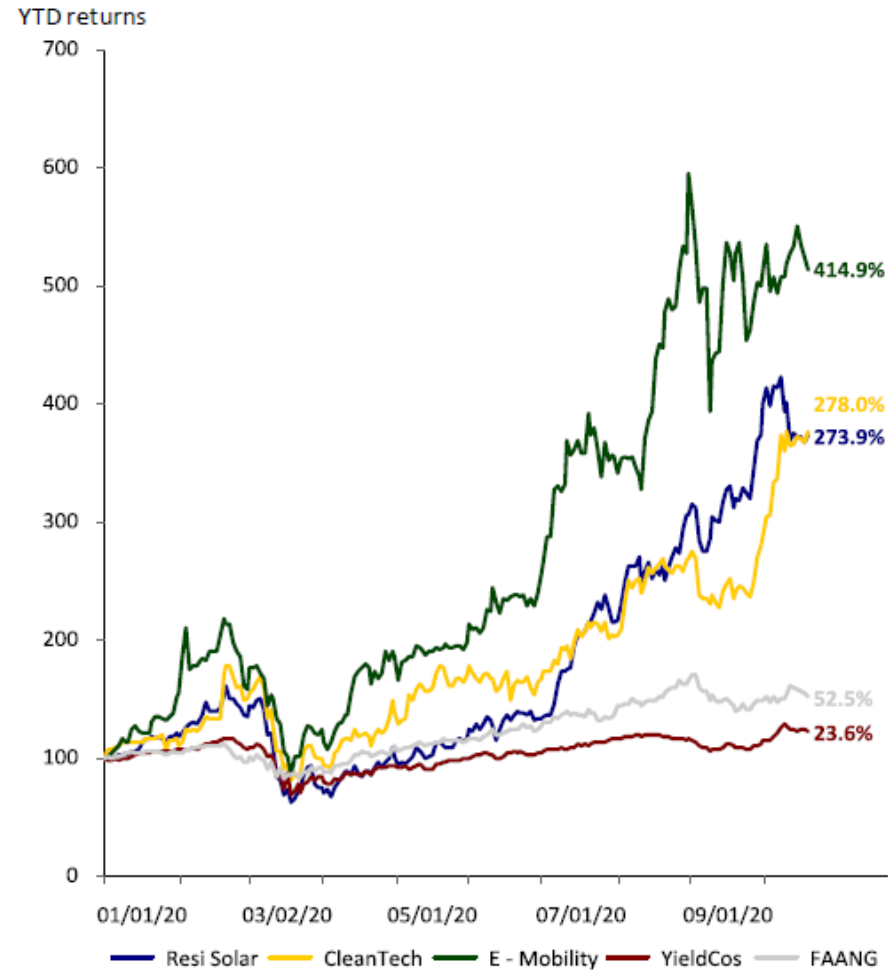
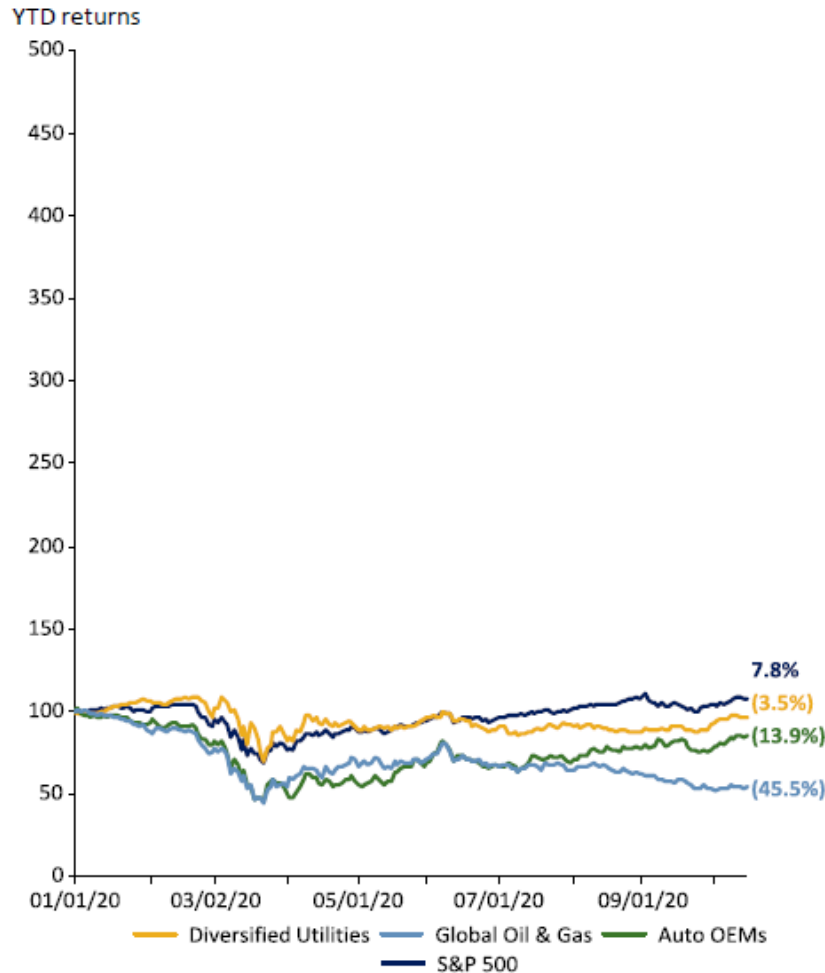


Clean economy outperformed old economy during COVID

Clean energy companies didn't have to use Federal Reserve funds for debt liquidity

Traditional old economy stalwarts within utilities, integrated oil, and auto OEMs⁽¹⁾ have underperformed in 2020...

...while investors are rewarding sustainable and clean stories that are riding the ESG Wave⁽²⁾



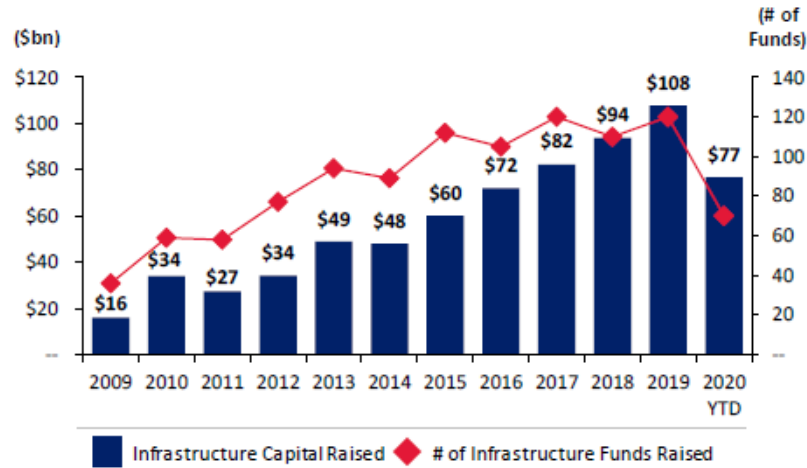
(1) Diversified Utilities: D, DUK, and SO; Global Oil & Gas: XOM and CVX; Auto OEMs: F and GM.

(2) Resi Solar: NOVA, SPWR and RUN; CleanTech: BE, ENPH, PLUG and SEDG; E - Mobility: Tesla; YieldCos: AY, CWEN and NEP; FAANG: Facebook, Amazon, Apple, Netflix and Alphabet.

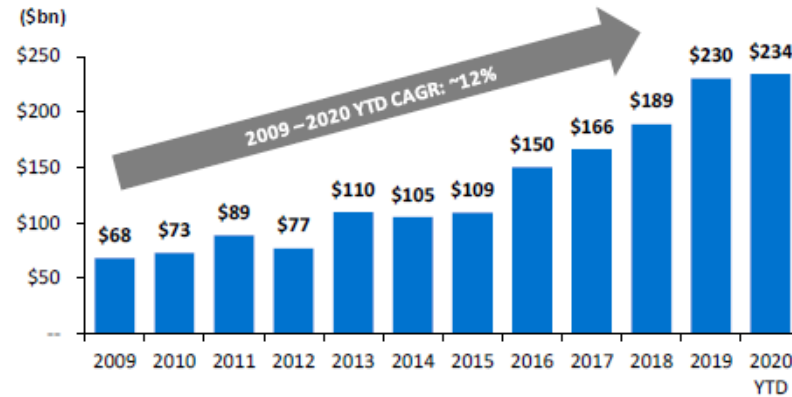
Allocation by private investors moving towards clean infrastructure

Infrastructure funds have gone from 2% in 2004 to 11% in 2020

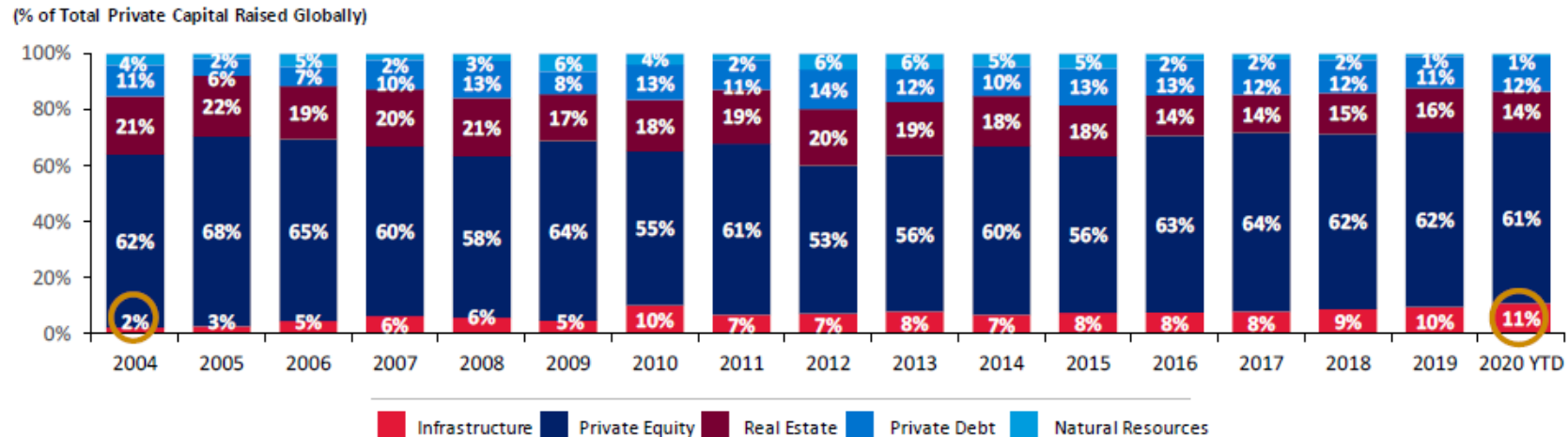
Fundraising Continuing to Accelerate...



...Leading to Record Levels of Infrastructure Dry Powder



...with a Long Term Increase Towards Infrastructure Allocation by Private Investors

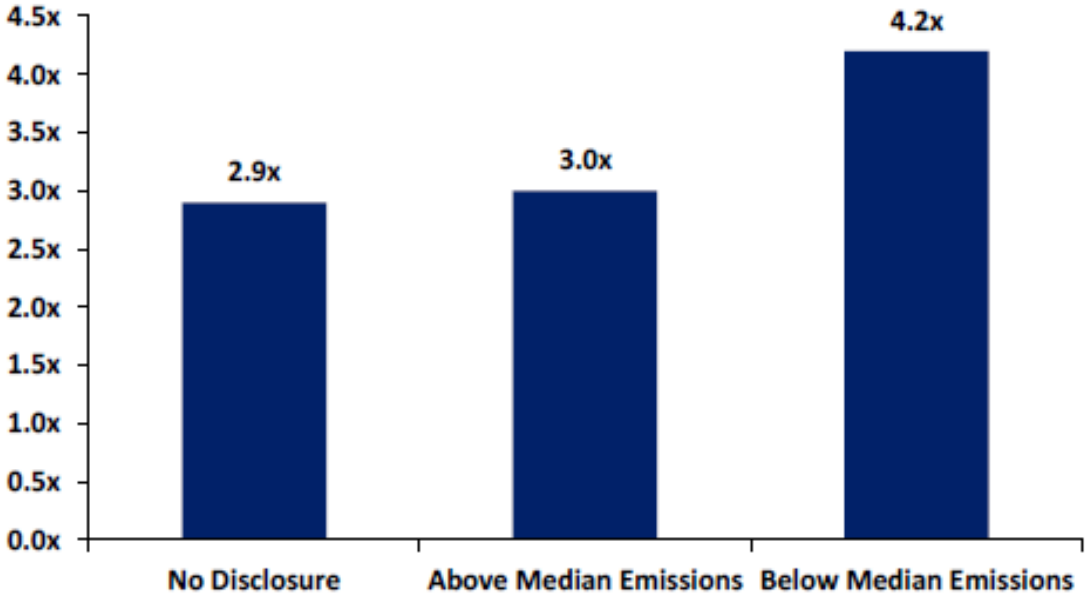


Source: Preqin
Note: 2020 YTD information as of October 2020.

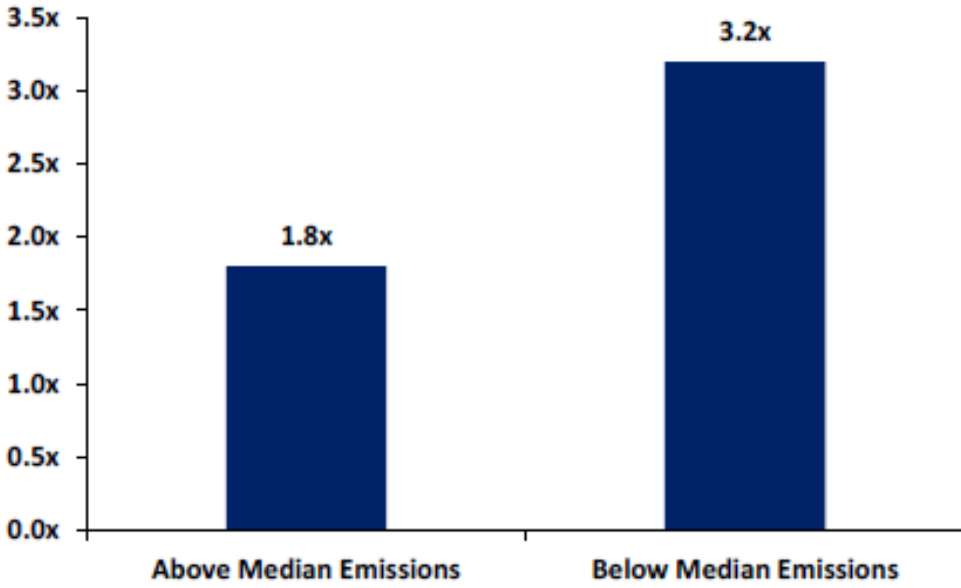
Stock market recognizes that carbon intensity is an indicator

Our platform partnerships launch a virtuous circle benefiting customers, partners, and the planet

S&P 500 Companies with Lower Emissions Trade at Higher Price to Book Multiples⁽³⁾



And the Same Occurs in the STOXX Europe 600⁽⁴⁾

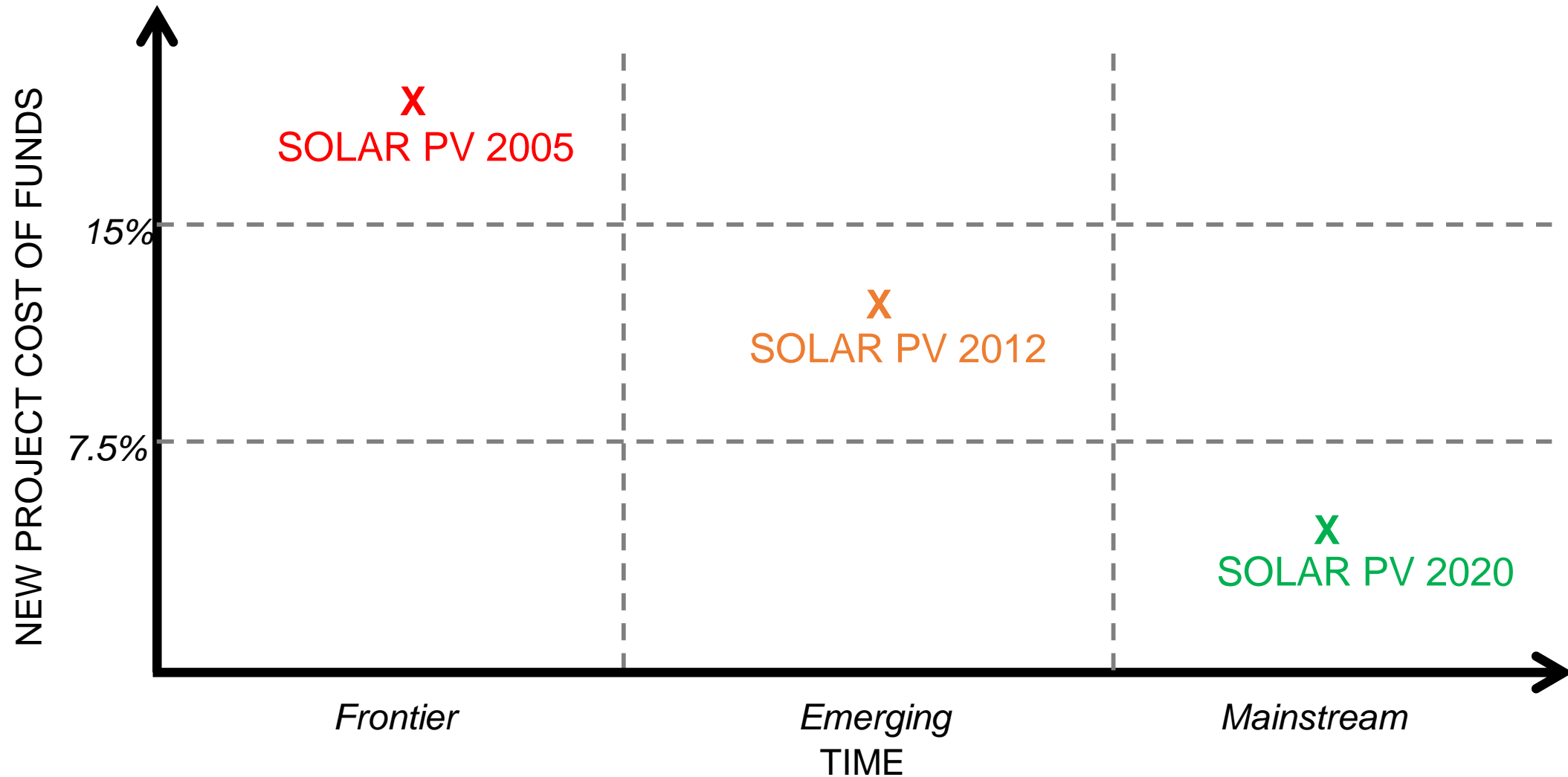


(3) Source: BofA US Equity & Quant Strategy, Sustainalytics, Bloomberg, FactSet. Based on valuation data as of 6/30/2020 and CO2 data as of 1/2020.

(4) Source: Source: BofA European ESG Research, Refinitiv, Bloomberg, Factset. Price to book multiple by carbon emissions relative to sector median for STOXX Europe 600 Companies; Based on valuation data as of 6/30/2020 and CO2 Data as of 1/2020.

Capital costs are reduced as the risk perception lowers

Infrastructure not R&D: Economies of scale and learning-by-doing make technologies cheaper

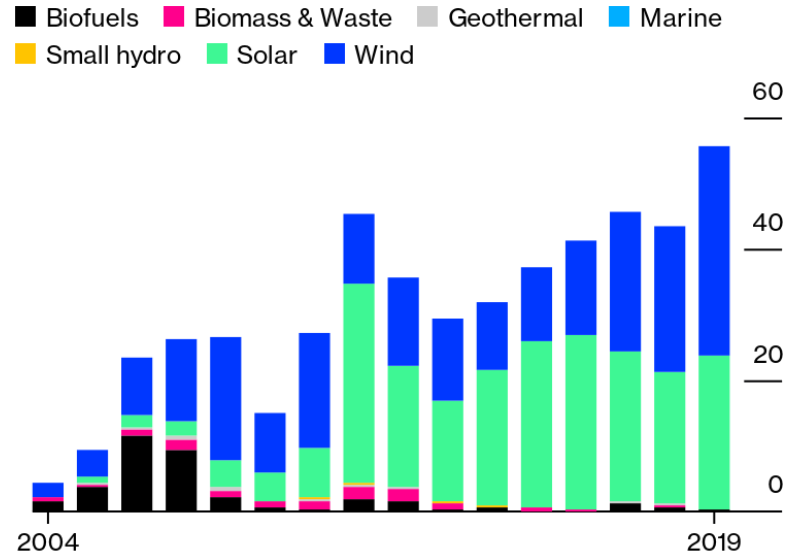


Over 90% of all electricity capacity added globally in 2020 will be clean

In the US, 75% of all electricity generation will be clean with roughly \$55B invested

Leveling Up

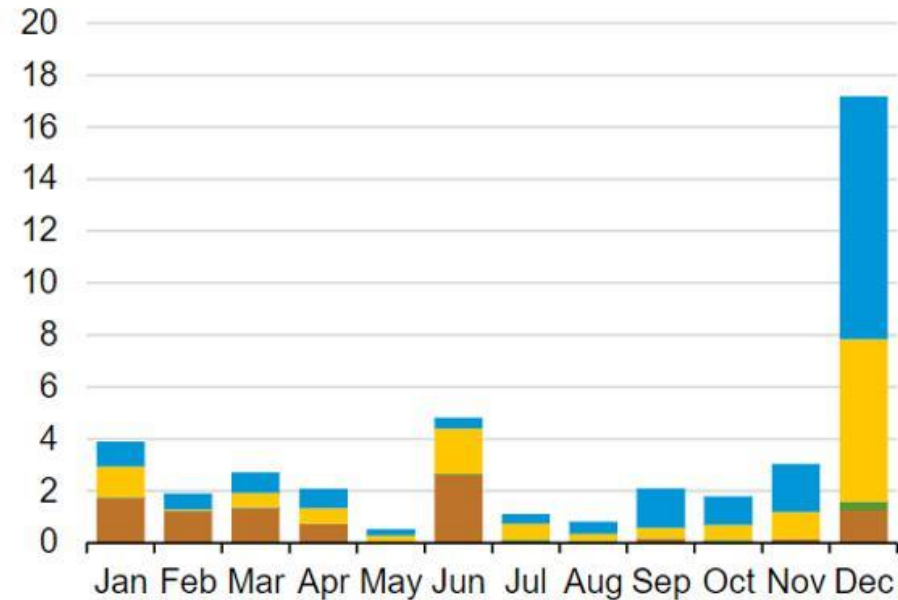
Wind and solar accounted for 99% of U.S. renewable energy capacity investment in 2019



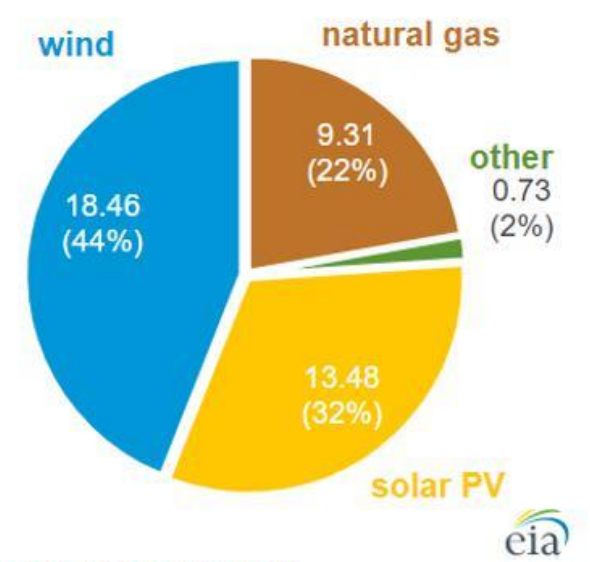
Source: BloombergNEF

Bloomberg

Planned U.S. electric generating capacity additions (2020) gigawatts (GW)



Source: U.S. Energy Information Administration, *Preliminary Monthly Electric Generator Inventory*



Solar and wind provide the lowest cost electricity in most of the world

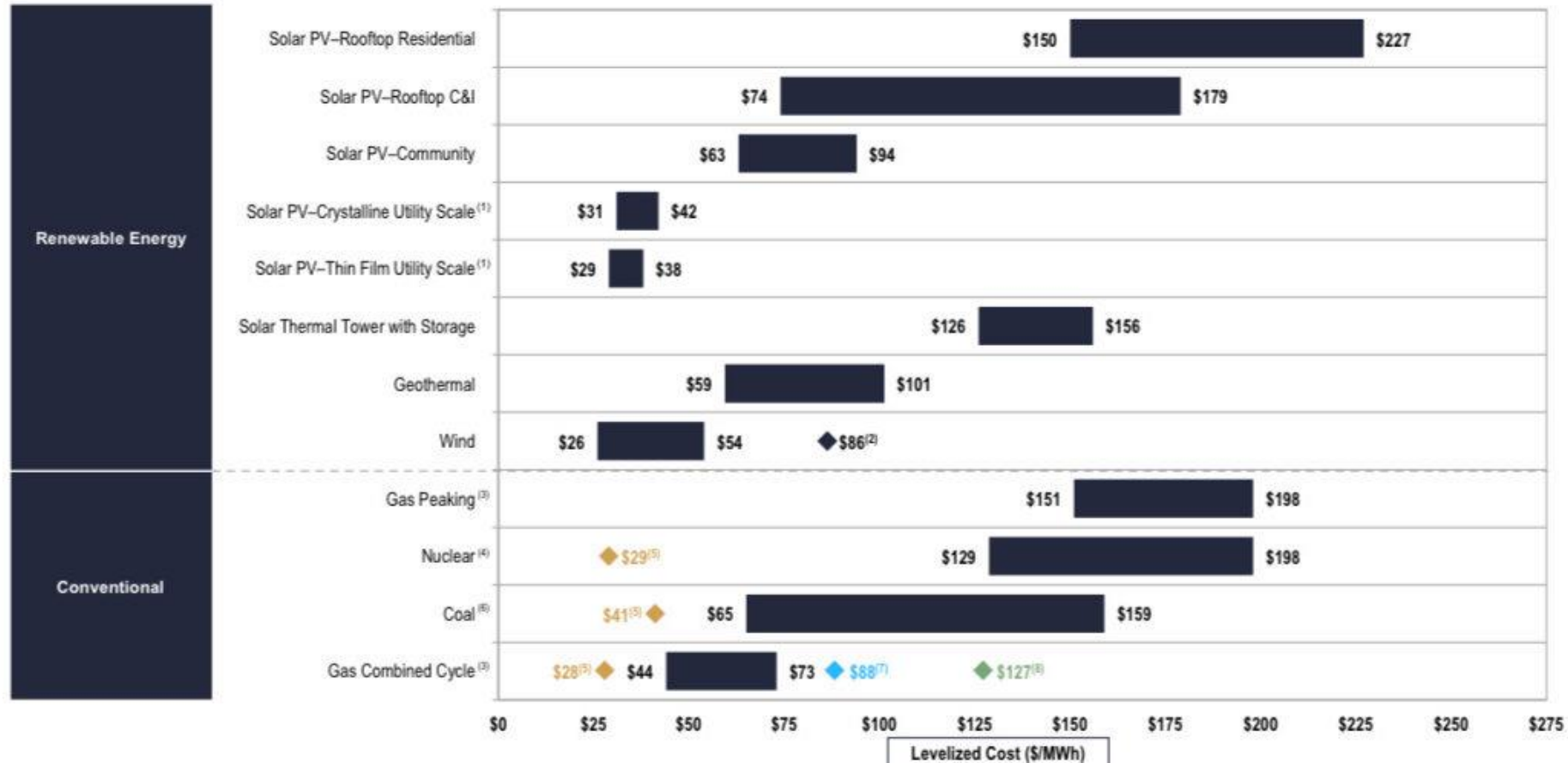
Even without any subsidies the Middle East, India, and China are deploying at scale

LAZARD

LAZARD'S LEVELIZED COST OF ENERGY ANALYSIS—VERSION 14.0

Levelized Cost of Energy Comparison—Unsubsidized Analysis

Selected renewable energy generation technologies are cost-competitive with conventional generation technologies under certain circumstances



Everything is bigger in Texas – solar/wind is 94% of the queue

The total peak electricity demand in Texas is 70GW

ERCOT Interconnection Queue (August 2020)

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