

Utility M&A:

REALIZING THE **VALUE** OF THE DEAL

The Opportunity

Utilities increasingly look to mergers and acquisitions to enhance the performance of the combined entity and create opportunities. Benefits of the right transaction may include savings for customers, earnings for investors, diversification/mitigation of risk, improvements in service, safety and reliability, enhanced career opportunities, benefits to the local community, and advancements in regulatory policies.

The Risks

As utility mergers have increased so have their stakeholder and regulatory scrutiny. Recent mergers have seen active interventions by a broad array of parties ranging from the traditional consumer advocates to other utilities, local communities, environmental groups and participants in various segments of the energy industry. Far reaching merger approval conditions can be sought by interveners reflective of their individual interests. Unnecessarily contentious proceedings and conditions can diminish the value of the deal and have negative implications for years to come.



In this era of utility consolidation and M&A, **bigger is not necessarily better; better**, in terms of expertise, resources and stakeholder awareness, is **better**.

The Process

Before:

- Financial analysis and assessment of merger benefits (e.g., financial, rate, service, safety, reliability, economic activity)
- Regulatory due diligence and plans
- Assessment of stakeholder interests

During:

- Regulatory approvals and expert testimony including regulatory policy, merger benefits, ratemaking and merger commitments
- Day “1” and merger integration planning
- Stakeholder communications

After:

- Merger integration planning and execution
- Monitoring and reporting merger results consistent with merger commitments and conditions
- Rate case and regulatory proceeding support



The Solution

Expert insight, analysis and stakeholder awareness is necessary before, during and after a deal is announced. Concentric customizes its support to partner with you to meet your unique needs for the specific transaction.

The Results

Our team has advised numerous clients on M&A issues including:

Current

NextEra Energy acquisition of Hawaiian Electric Industries;
Lead Policy Witness

2015

WEC Energy Group acquisition of Integrys Energy Group;
Lead Policy Witness

2015

Verso Bucksport Natural Gas and Biomass Generation;
Sell-side Advisor

2014

Caisse de depot et placement du Quebec acquisition of IPALCO Enterprises;
Regulatory Advisor and Due Diligence

2014

Macquarie acquisition of Cleco Corp.;
Regulatory Advisor and Due Diligence

Learn More

ceadvisors.com/financial-advisory/
508.263.6236



CONCENTRIC
ENERGY ADVISORS

Concentric Energy Advisors' team has advised

Numerous clients on M&A issues including:



Hawaiian Electric Industries

\$2,600,000,000

Lead Policy Witness

June 2015




Integrus Energy Group, Inc.

\$5,800,000,000

Lead Policy Witness

January 2015



Verso Bucksport
Natural Gas & Biomass
Generation

\$58,000,000

Sell-Side Advisor

December 2014



IPALCO Enterprises

\$244,000,000

Regulatory Advisor &
Due Diligence

October 2014




Cleco Corp.

\$3,300,000,000

Regulatory Advisor &
Due Diligence

February 2009



Puget Sound Energy

\$7,400,000,000

Regulatory Advisor &
Due Diligence Manager

October 2007




Point Beach
Nuclear Power Plant

\$924,000,000

Manager &
Sell-Side Advisor

April 2007




Palisades
Nuclear Power Plant

\$380,000,000

Manager &
Sell-Side Advisor

January 2007




B.L. England
Generating Station

\$12,200,000

Manager &
Sell-Side Advisor

September 2006




Keystone &
Conemaugh Stations

\$173,100,000

Manager &
Sell-Side Advisor

January 2006



Duane Arnold Energy Center

\$373,000,000

Manager &
Sell-Side Advisor

September 2006

BayCorp
Holdings, Ltd.

Benton Falls Hydro Project

Confidential Terms

Manager &
Sell-Side Advisor

Concentric Energy Advisors' team has advised

Numerous clients on M&A issues including:

December 2005




MASSPOWER

Masspower

Confidential Terms

Manager &
Sell-Side Advisor

December 2004



Dominion

Dominion Cleveland Thermal

Confidential Terms

Manager &
Sell-Side Advisor

July 2004



Southwest Water Company

TECON Water Company, L.P.

\$63,000,000

Manager &
Sell-Side Advisor

July 2004




NSTAR

PPA Entitlements

\$1,450,000,000

Financial Advisor

June 2004



EnergyEast

R.E. Ginna Nuclear
Power Plant

\$429,000,000

Financial Advisor

May 2002



Central
Hudson
Your Energy Solutions Company

Beaver Falls, Niagara Falls &
Solvay Generating Stations

\$61,000,000

Exclusive Auction Manager

November 2001



Niagara Mohawk

Nine Mile Point

\$675,000,000

Co-Manager &
Exclusive Sell-Side Advisor

October 2001




conectiv
energy
A New Generation of Energy

Peach Bottom, Salem &
Hope Creek Nuclear Ownership
Interests

\$11,300,000

Manager &
Sell-Side Advisor

October 2001



Niagara Mohawk

Niagara Mohawk Energy
Marketing

Confidential Terms

Manager &
Sell-Side Advisor

June 2001



conectiv
energy
A New Generation of Energy

Fossil Plant Portfolio

\$643,000,000

Manager &
Sell-Side Advisor

June 2001


City of Denton

Natural Gas &
Hydroelectric Generation

Confidential Terms

Manager &
Sell-Side Advisor

January 2001



Central
Hudson
Your Energy Solutions Company

All Generation


\$948,000,000

Manager &
Sell-Side Advisor

Concentric Energy Advisors' team has advised

Numerous clients on M&A issues including:

January 2001



Conemaugh Station &
Other Generation

\$2, 650,000,000

Sell-Side Advisor

August 2000

GPU Inc.



Oyster Creek

\$10,000,000

Sell-Side Advisor

July 1999




Pilgrim Nuclear Plant

\$81,000,000

Manager &
Sell-Side Advisor

March 1999

GPU Inc.




Homer City Station

\$1,800,000,000

Due Diligence Manager &
Sell-Side Advisor

November 1998

GPU Inc.




Non-Nuclear Generation

\$1,720,000,000

Co-Manager &
Sell-Side Advisor

September 1998



All Generation

\$57,400,000

Manager &
Sell-Side Advisor

September 1998




All Generation

\$89,000,000

Manager &
Sell-Side Advisor

December 1997



Non-Nuclear Generation

\$657,000,000

Manager &
Sell-Side Advisor