

The logo for ENVERUS, featuring the word "ENVERUS" in a bold, black, sans-serif font. The letter "E" is stylized with a green horizontal bar and a small green square to its left. A solid green vertical bar is positioned to the left of the logo.

ENVERUS

PICKING THE WINNERS

A MUST FOR RENEWABLE PROJECTS

SARP OZKAN | SENIOR DIRECTOR OF MARKETS

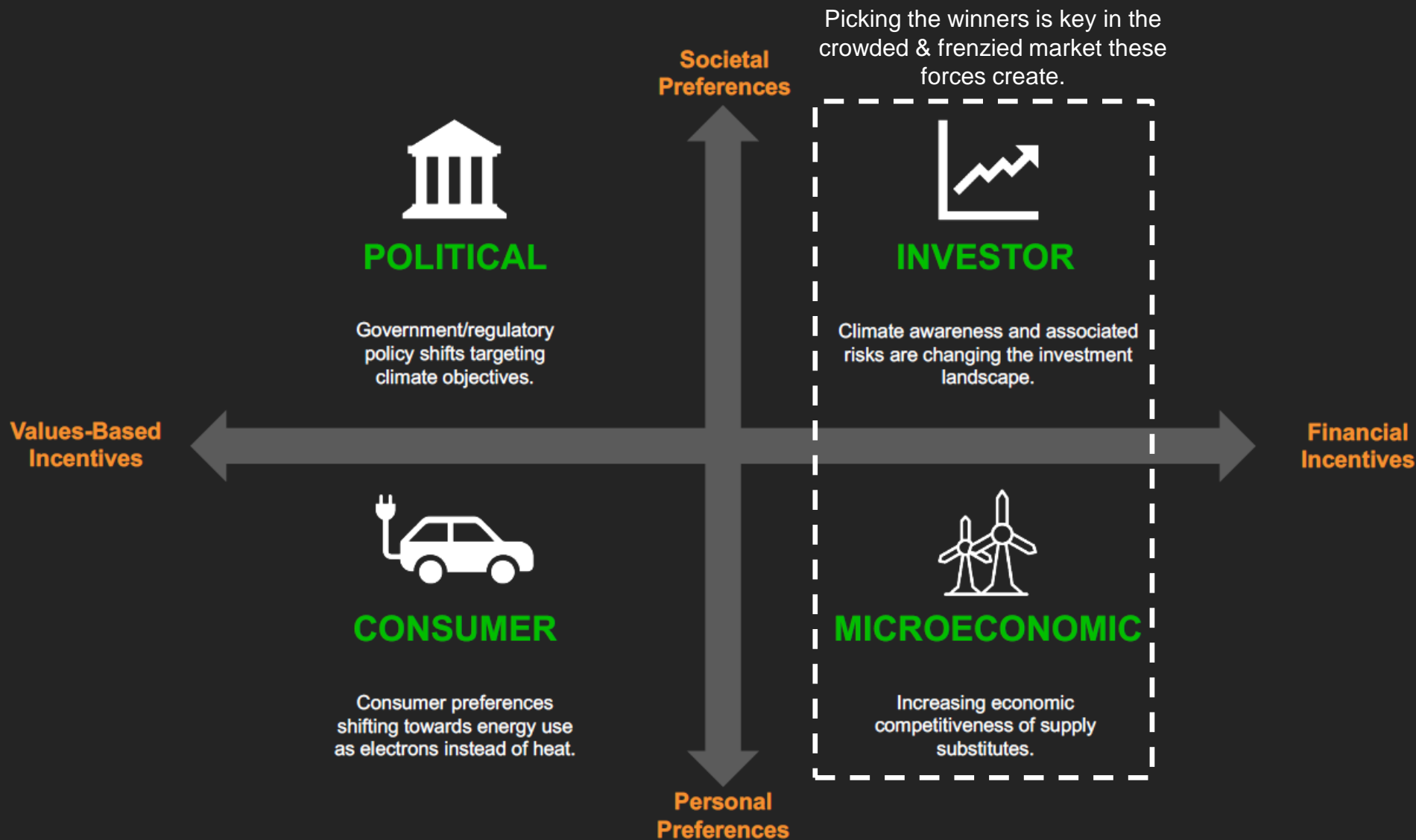
ENVERUS | POWER & RENEWABLES

ENERCOM | THE OIL & GAS CONFERENCE | AUGUST 2021





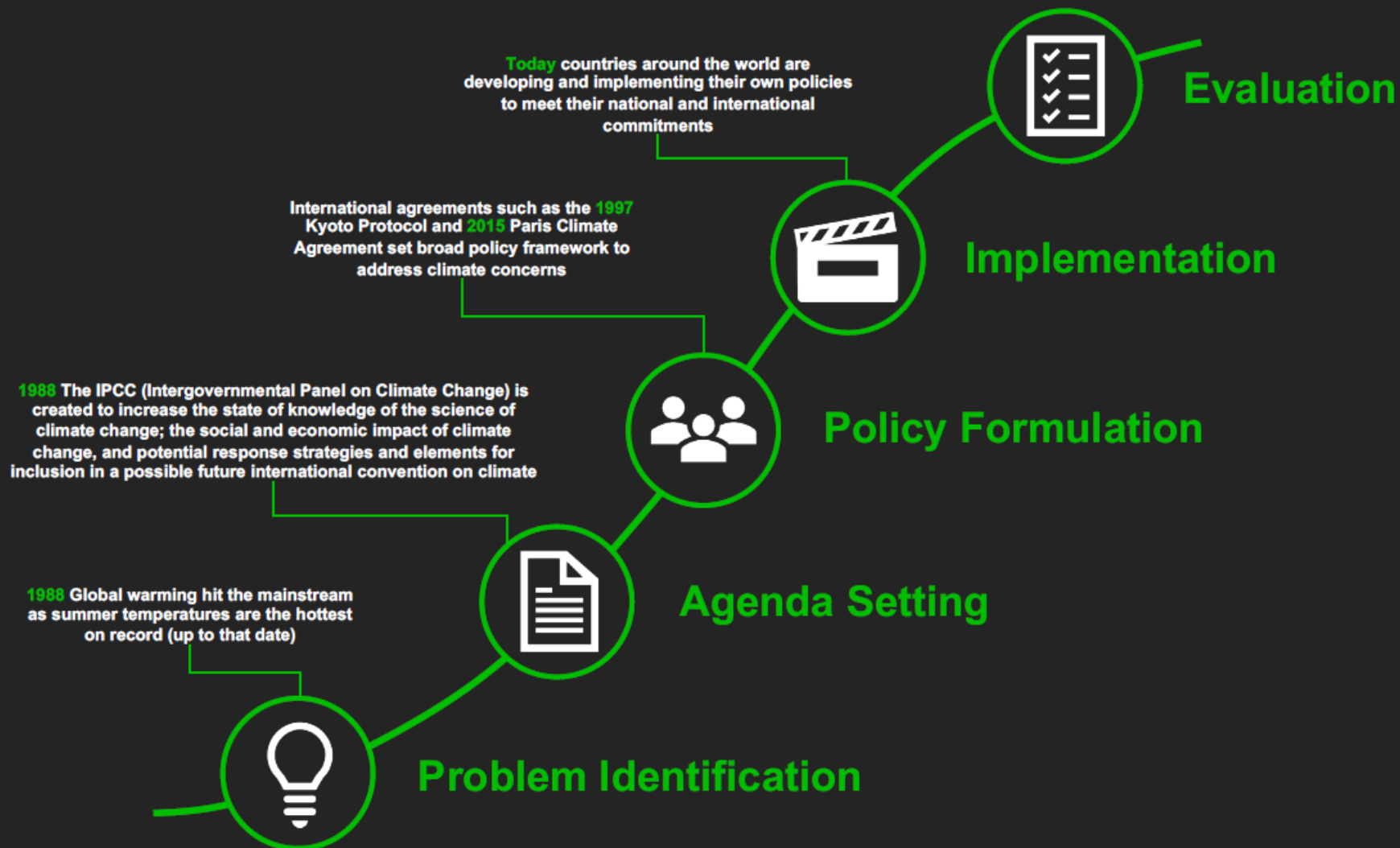
FOUR FORCES CHANGING THE ENERGY LANDSCAPE



Energy sector is under immense pressure to become **efficient economically and environmentally.**

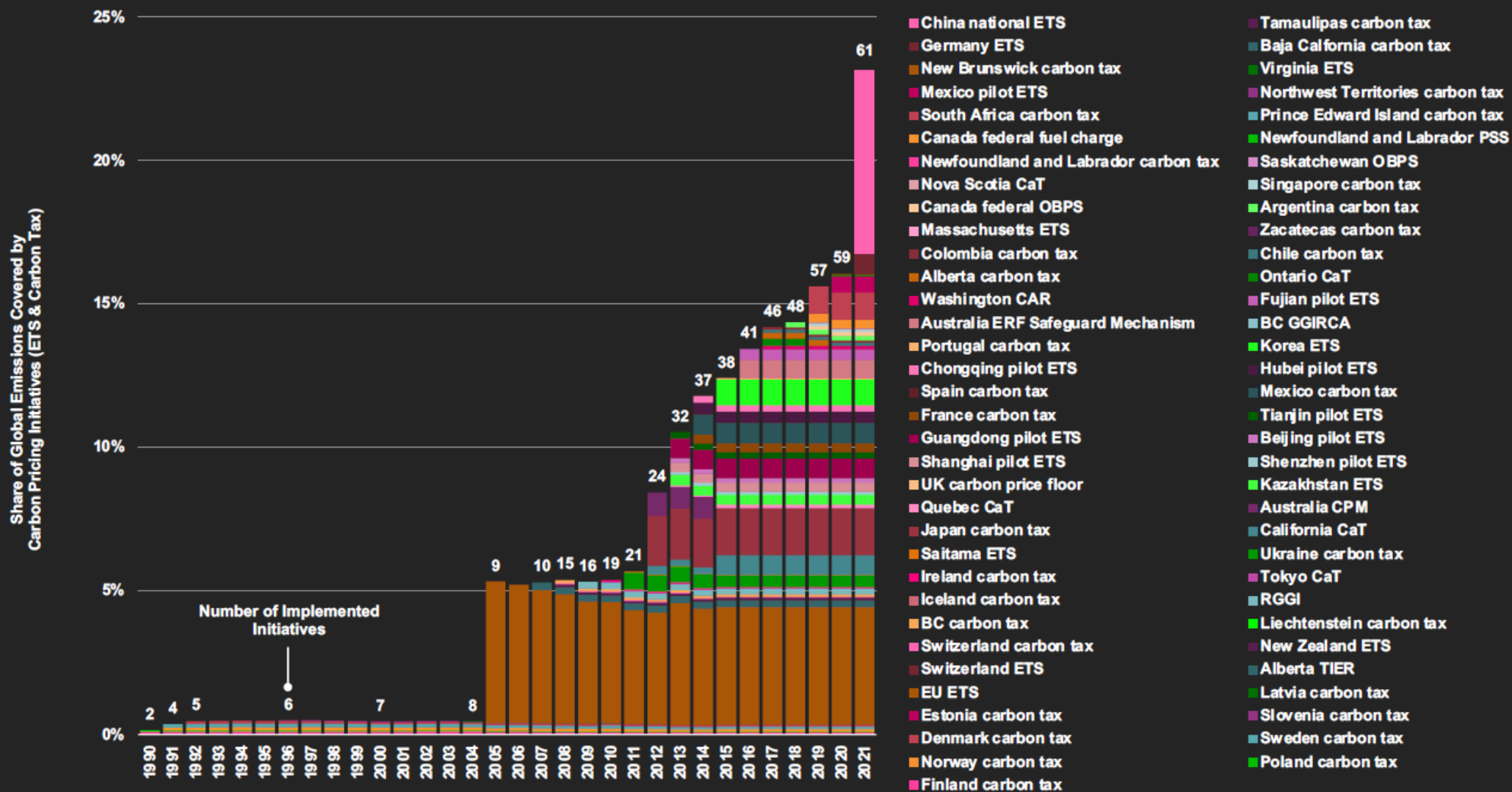


POLITICAL: 30 YEARS OF MOMENTUM



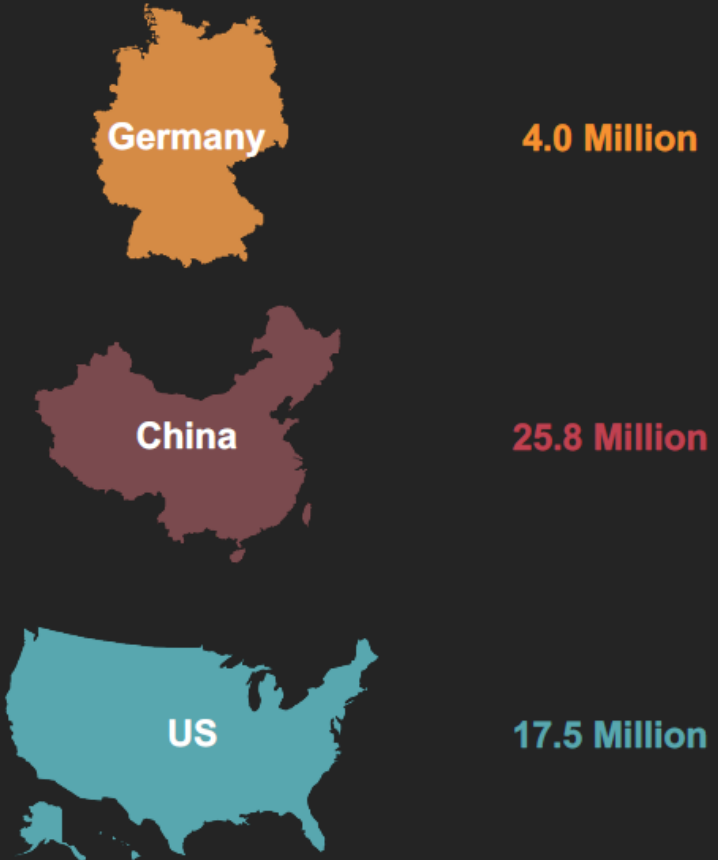


POLITICAL/MICROECONOMIC: EMISSIONS PRICING

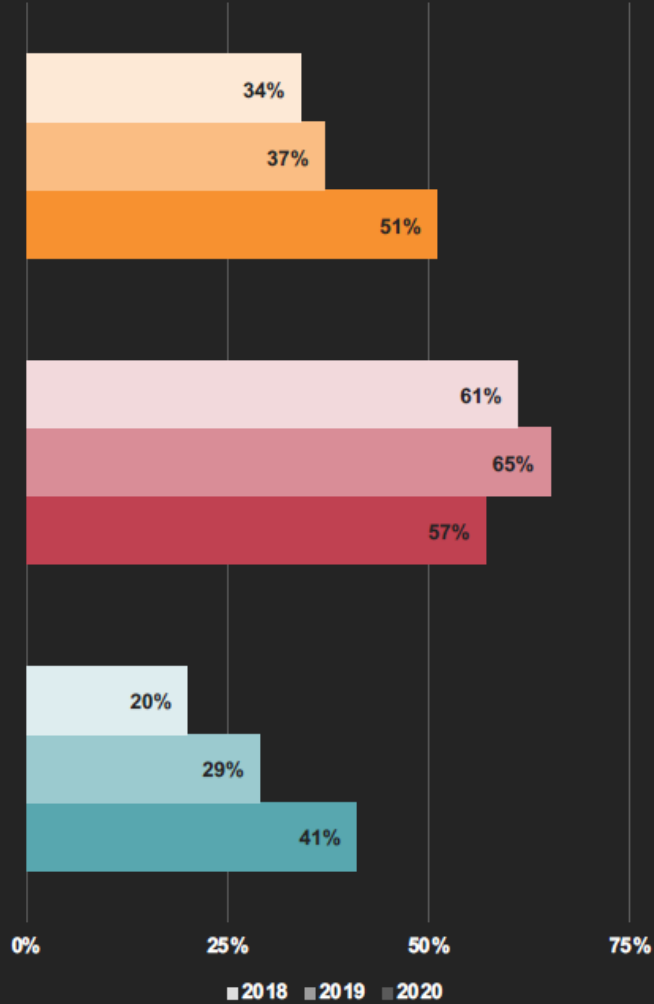


CONSUMER: RISING INTEREST IN HYBRID & EV VEHICLES

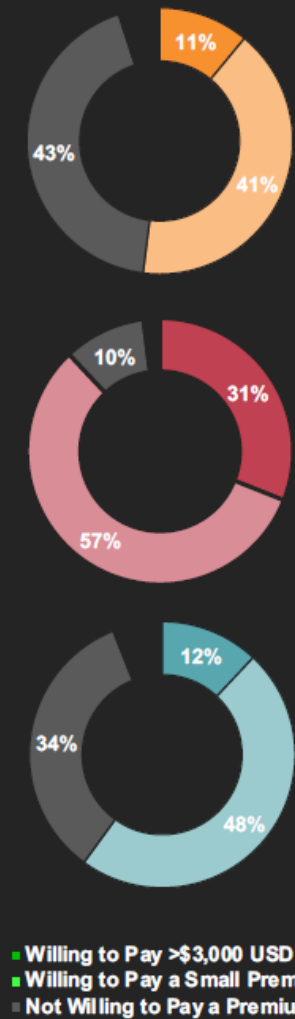
2019 Registrations or Sales of New Vehicles



Preference for a Non-ICE Powertrain in Next Vehicle



Willingness to Pay Extra for an EV

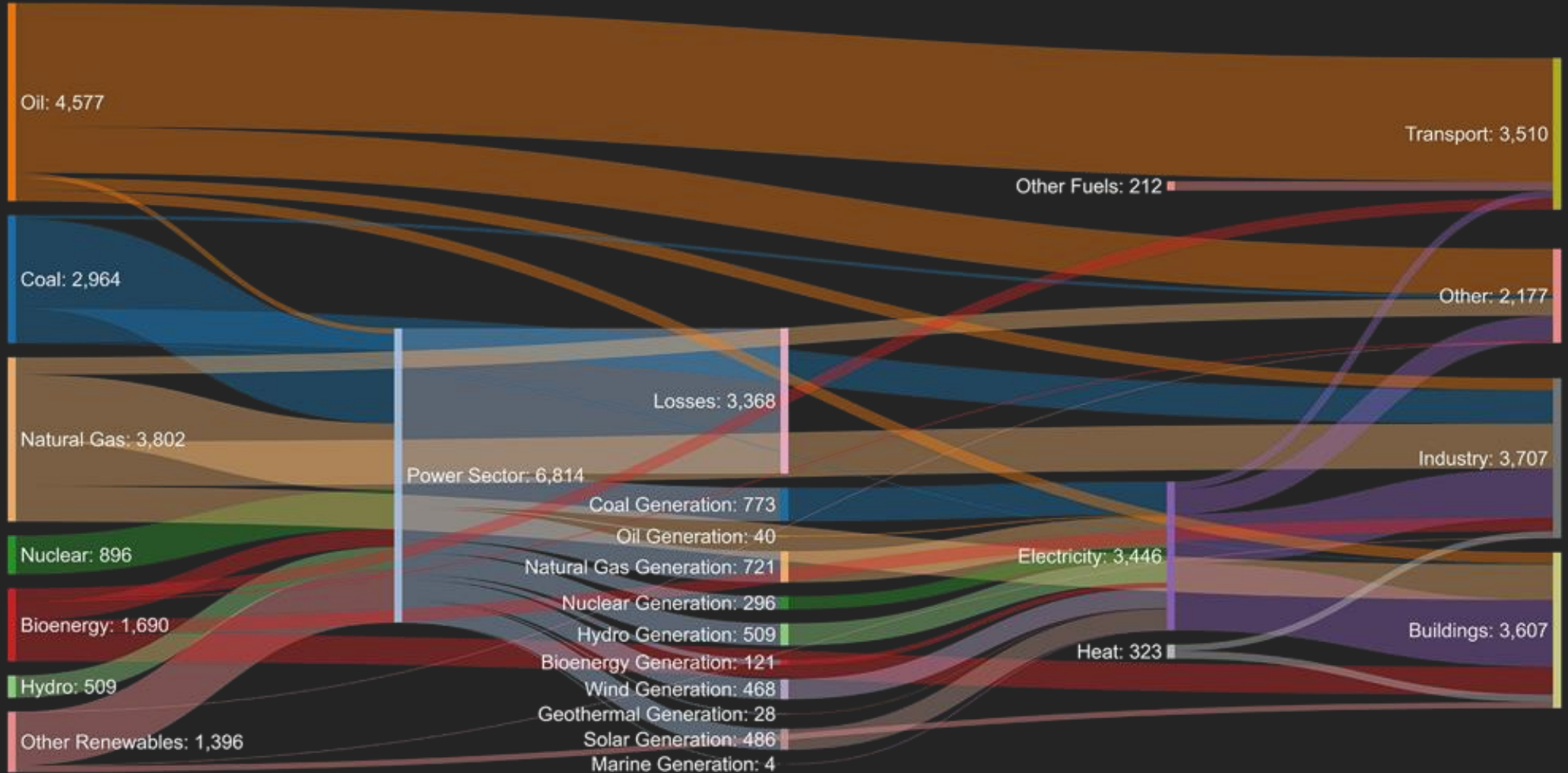




CONSUMER: ENERGY OUTLOOK | STATED POLICIES 2040

6,814 Mtoe for the Power Sector in 2040 is 23% higher than current. Push towards electrification is significant. This assumes existing policy frameworks and announced policy intentions. Policy changes are likely to push towards more electrification.

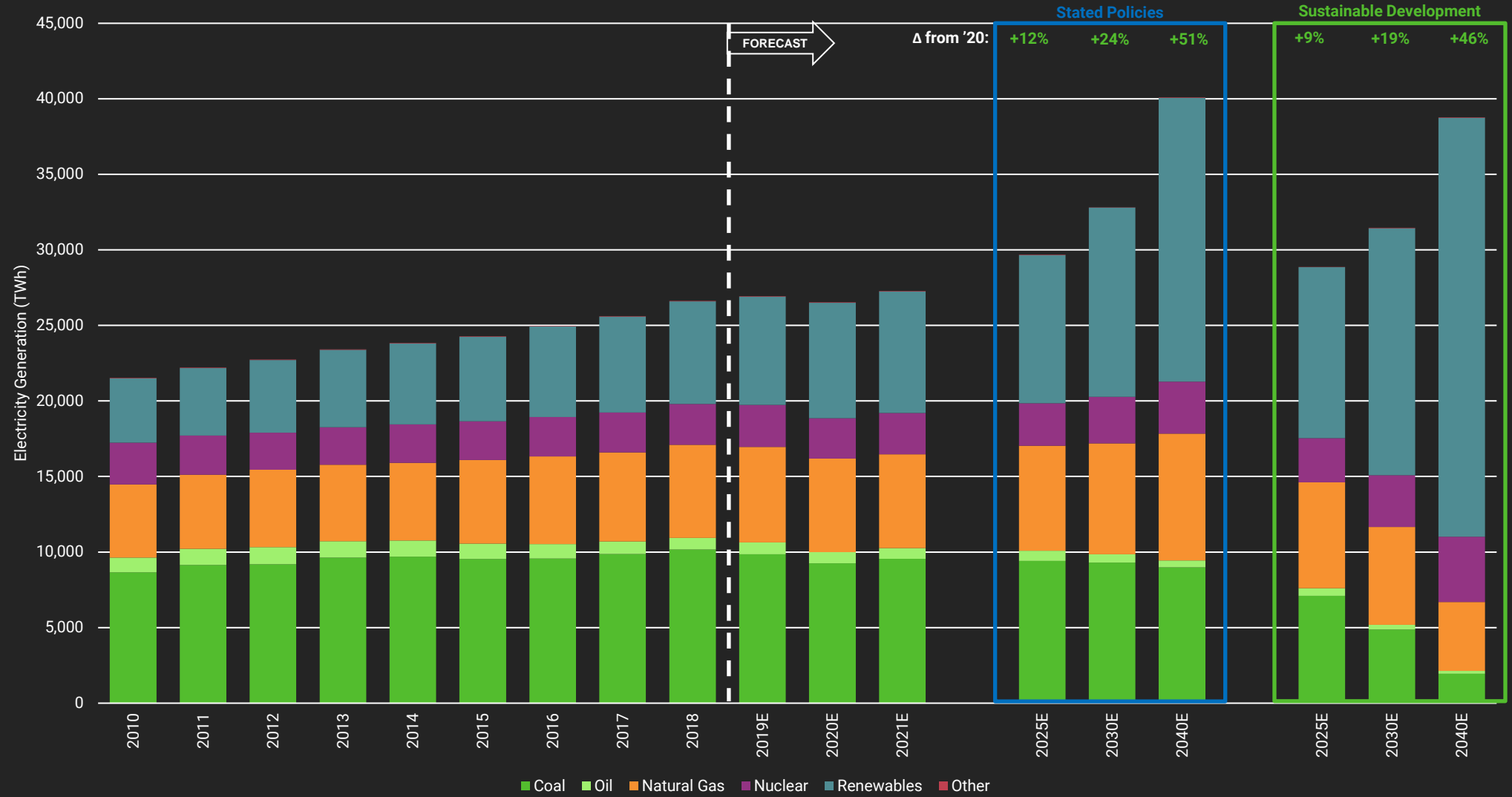
Units = Annual Mtoe





CONSUMER: GLOBAL ELECTRICITY GENERATION

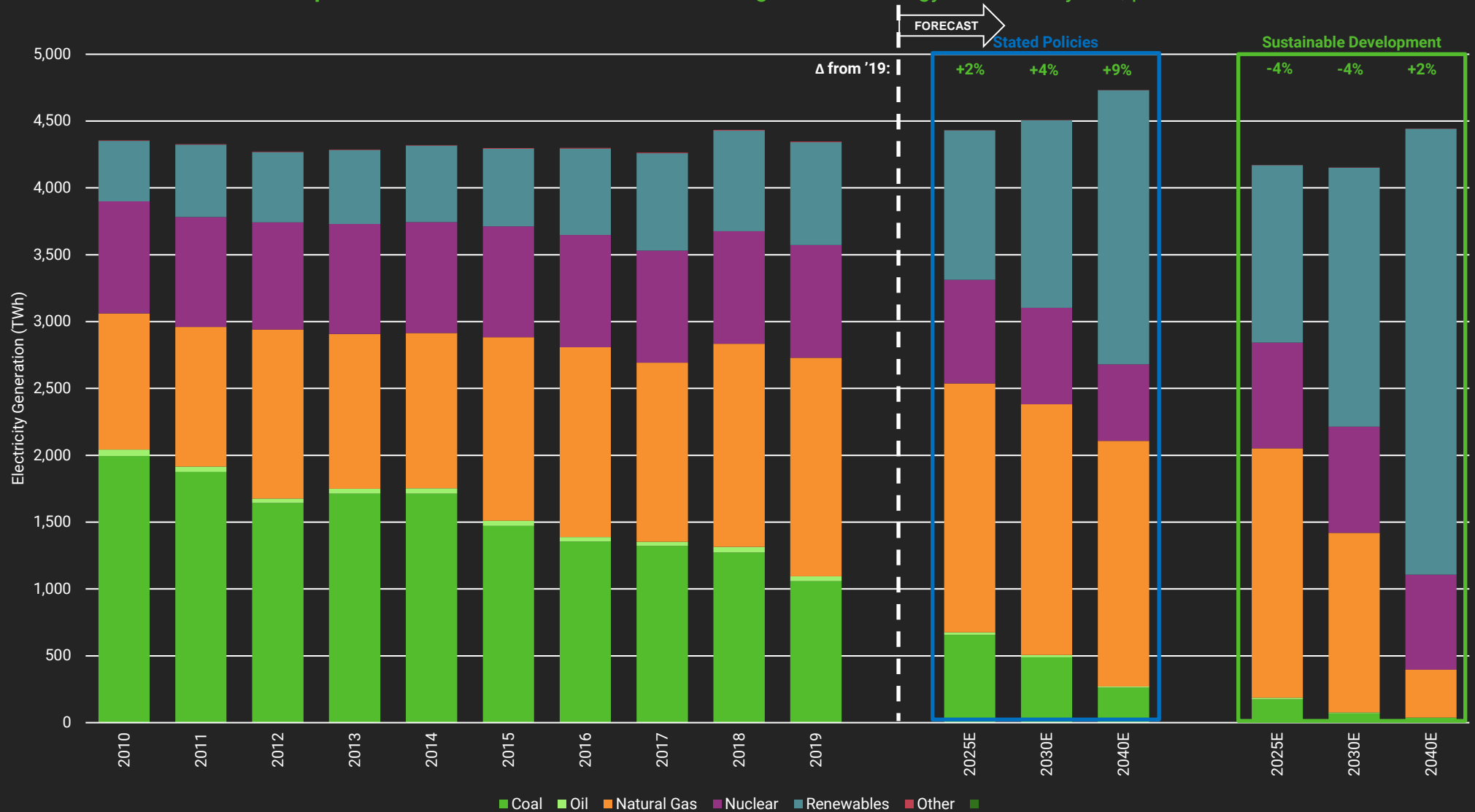
Stated Policies Scenario: Today's policy settings, COVID under control '21, GDP pre-crisis level in '21, energy demand pre-crisis level in '23.
Sustainable Development Scenario: Near-term investment surge in clean energy for next 10 years, peak emissions in '19.





CONSUMER: US ELECTRICITY GENERATION BY SOURCE

Stated Policies Scenario: Today's policy settings, COVID under control '21, GDP pre-crisis level in '21, energy demand pre-crisis level in '23.
Sustainable Development Scenario: Near-term investment surge in clean energy for next 10 years, peak emissions in '19.



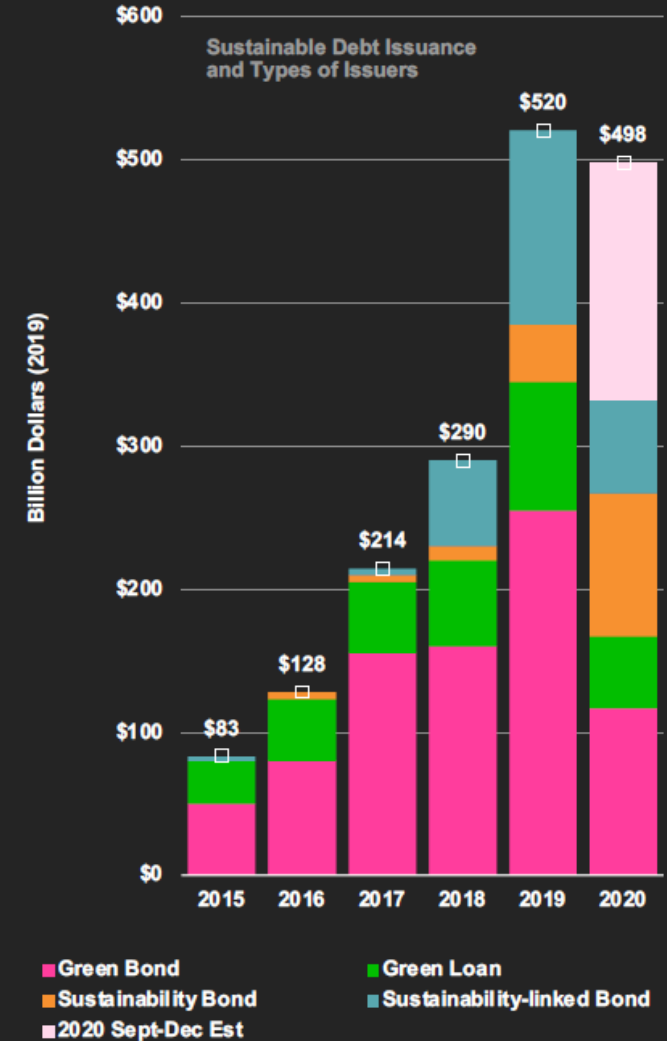


INVESTOR: SUPPORT OF CLIMATE INITIATIVES GROWING

Climate Action 100+ Has been Signed by 500+ Investors With Over US\$47 Trillion in AUM

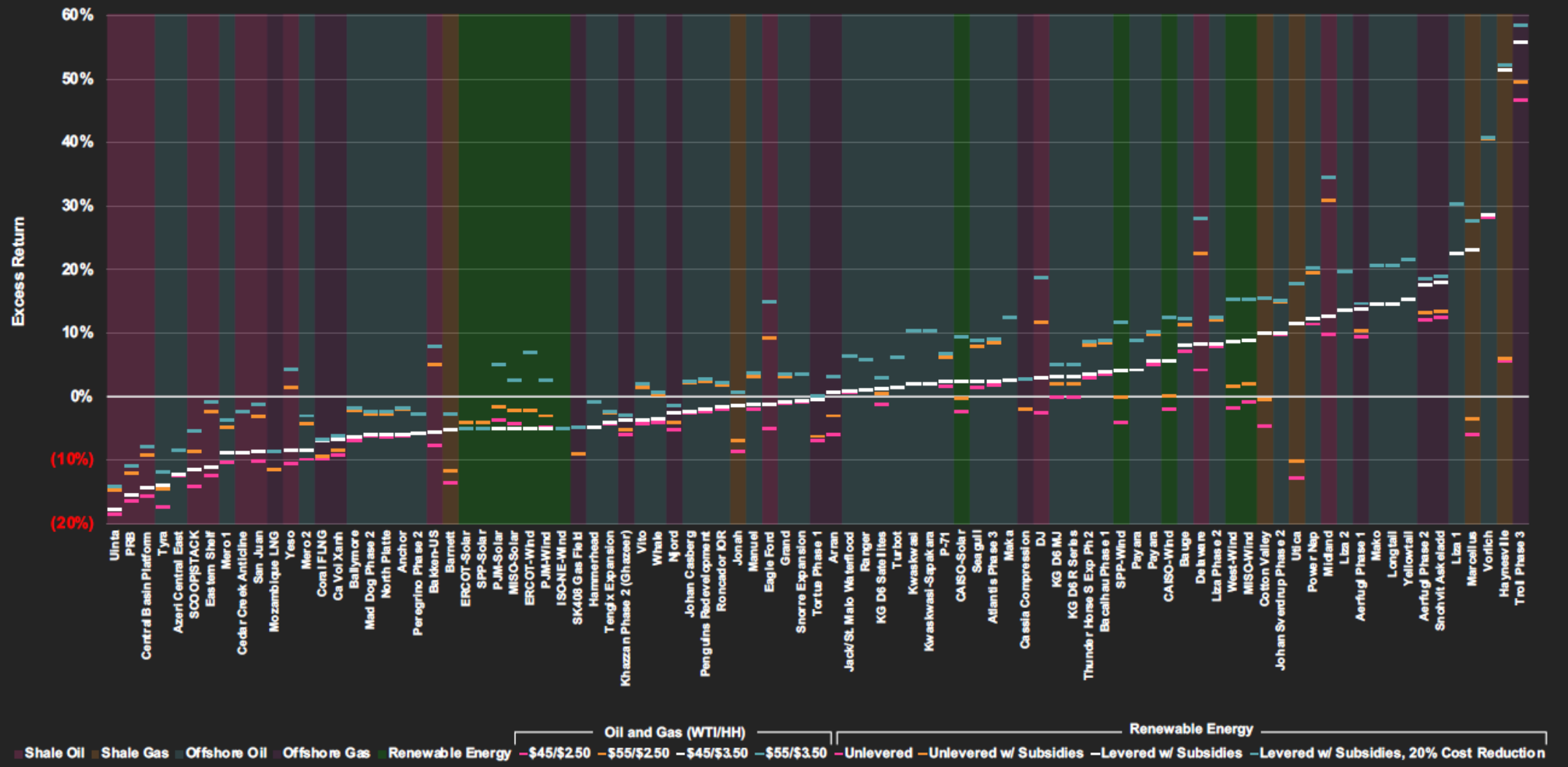
*“We, the institutional investors that are signatories to this statement, are **aware of the risks climate change presents to our portfolios** and asset values in the short, medium and long term. We therefore **support the Paris Agreement**”*

- Climate Action 100+ Sign-on Statement





MICROECONOMIC: INCREASING COMPETITIVENESS

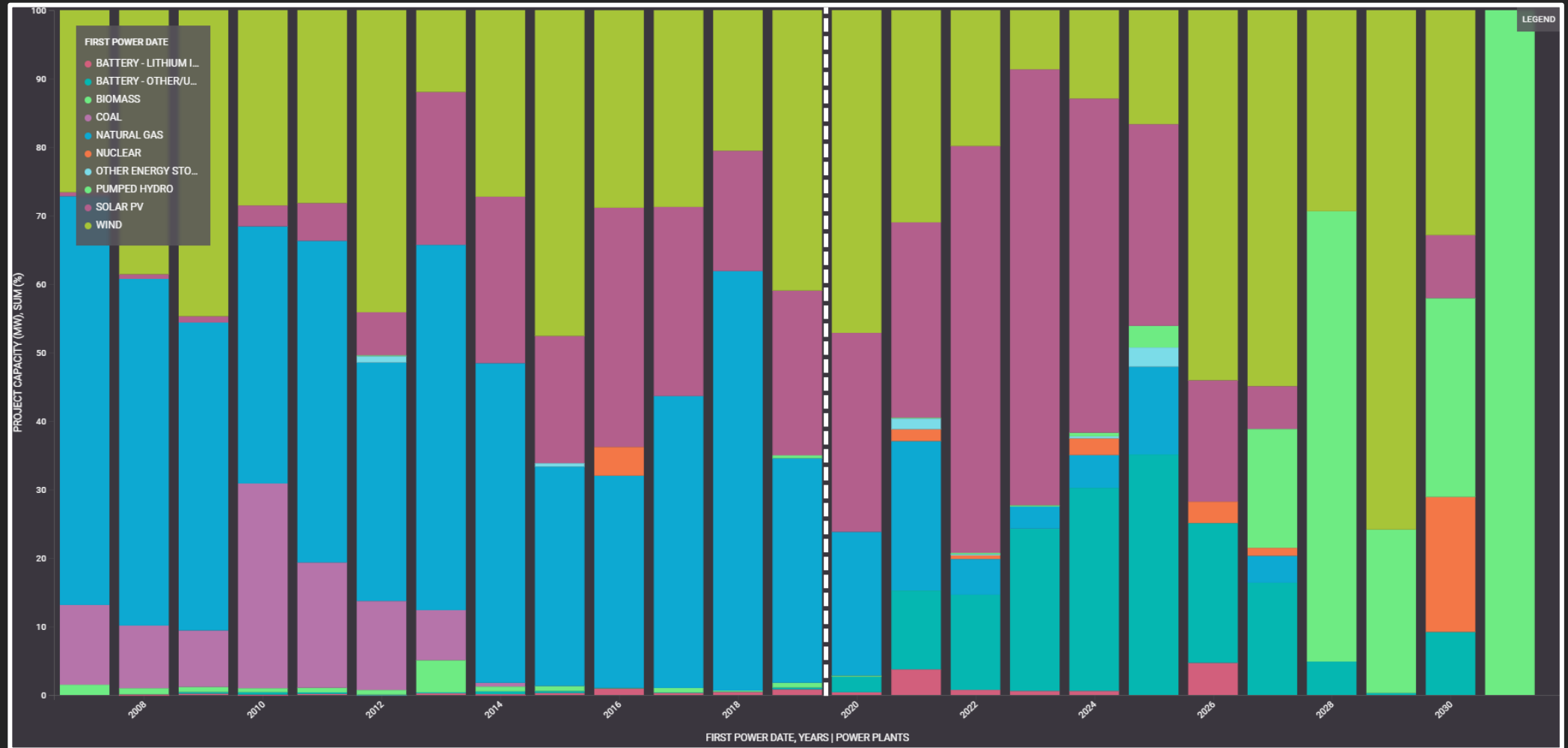


Excess Return is the project IRR minus 13% for oil & gas and 5% for renewable projects. Renewable projects pricing based on regional averages



THE ENERGY EVOLUTION IS HAPPENING...

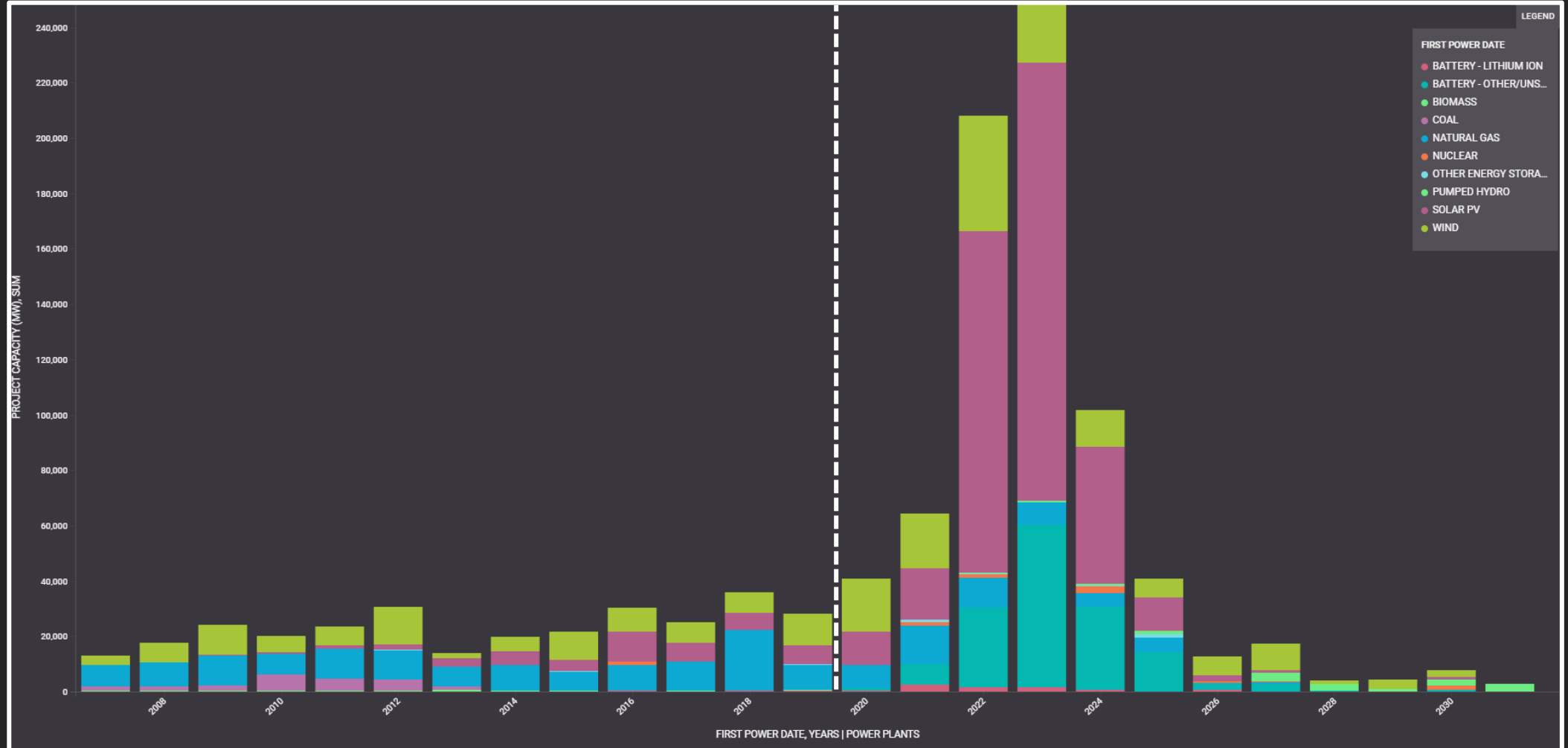
All projects in the Enverus Power & Renewables Project Tracking database across US & Canada.
Stacked 100% chart showing percentage of total MW capacity by type by First Power Date.





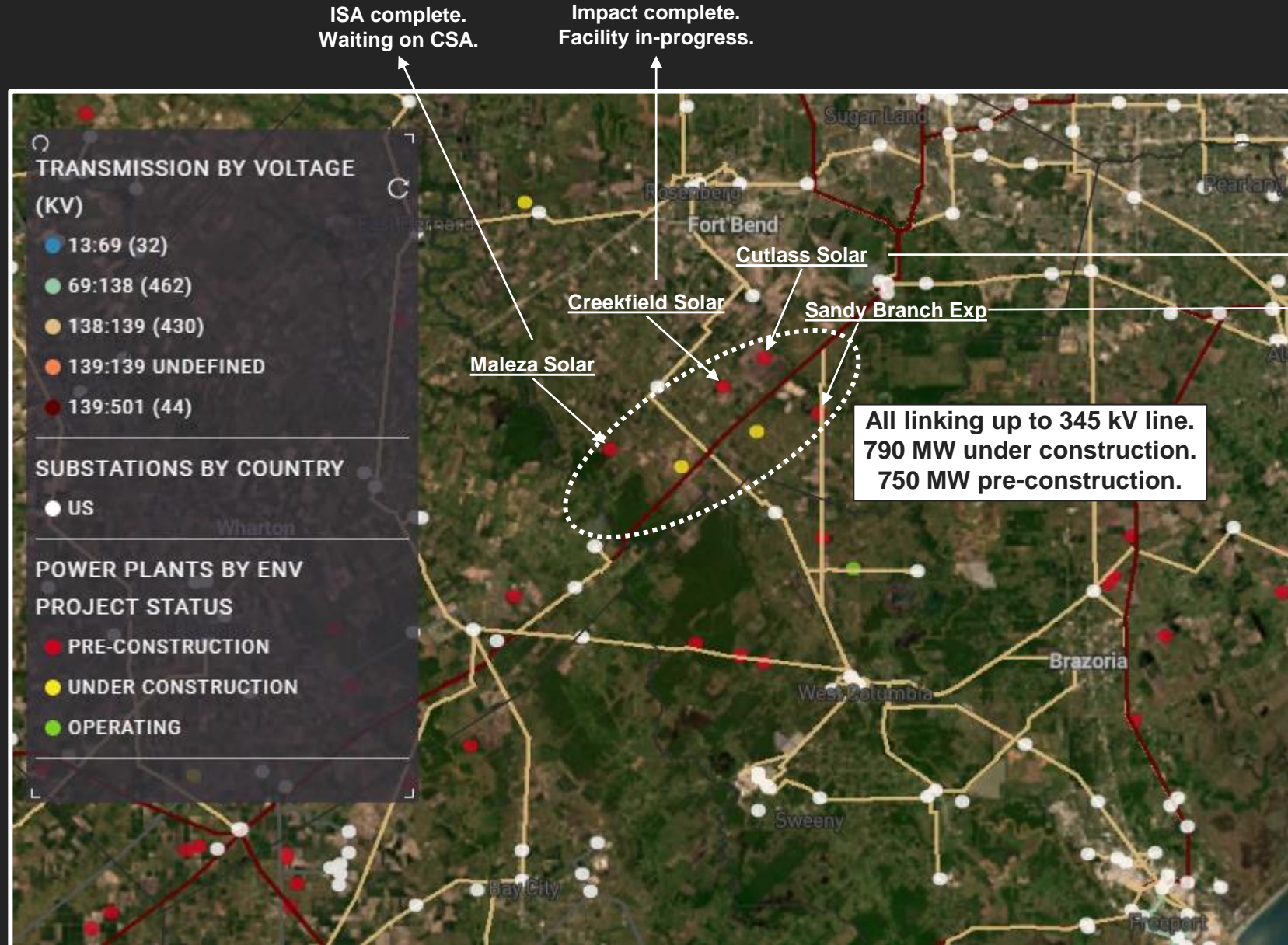
...BUT GETTING AHEAD OF ITSELF

Many projects out there and demand can't support all of them.
Of nearly every five projects a developer proposes, they are lucky to get one past the finish line.
PICKING THE WINNERS IS KEY TO NOT WASTING TIME OR MONEY.





THE IMPORTANCE OF PICKING THE WINNERS



ISA complete. Waiting on CSA.
Not in queue yet.



WHO WINS?

“It is not the strongest or the most intelligent who will survive but those who can best manage change.”

— Leon C. Megginson

- Best sited projects win, but that is an oversimplification.
- Projects should, at the very least, thoroughly consider:
 - Policy & resource planning outlook in region.
 - Infrastructure and other projects around location (the changing topology).
 - Load forecasting & profile in areas that will be served.
 - Economics of project.
 - Capital costs, capacity factors, degradation, tax incentives/credits, among many others.
 - Impacts of congestion on LMPs & future generation from the project.

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ENVERUS



THANK YOU!

**SARP OZKAN | SENIOR DIRECTOR OF MARKETS
ENVERUS | POWER & RENEWABLES**

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