

Follow The Money-Investment
Trends In Renewable Energy
Morrill Harriman, Jr.

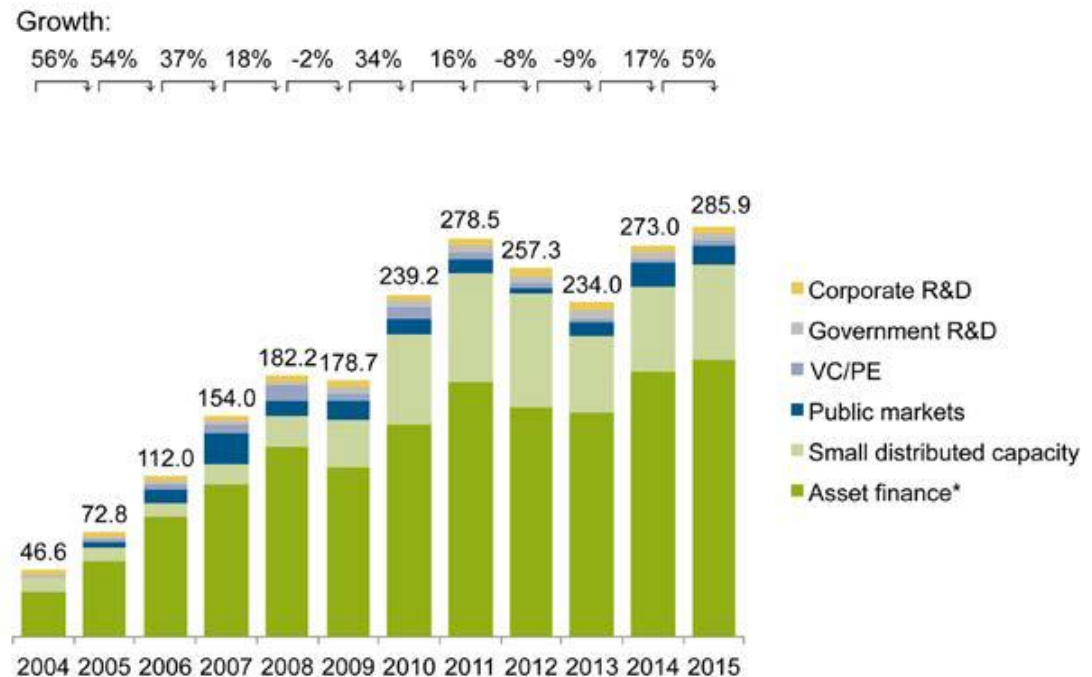
MITCHELL | WILLIAMS

Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.

Global Trends in Renewable Energy

2015 Record Growth:

- 5% increase in global investment in renewables to \$285.9 billion
- More than six times more than 2004
- More than half of all added power generation capacity came from renewables



Source: Bloomberg New Energy Finance *Global Trends in Renewable Energy Investment 2016*

2015 VC/PE Investments:

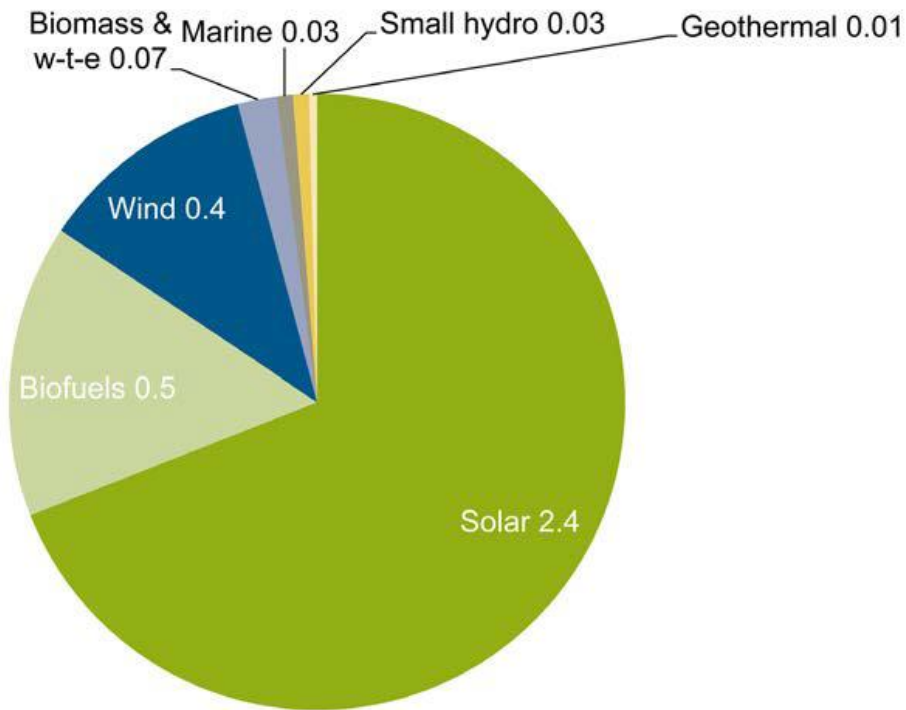


FIGURE 1. GLOBAL NEW INVESTMENT IN RENEWABLE ENERGY BY ASSET CLASS, 2004-2015, \$BN

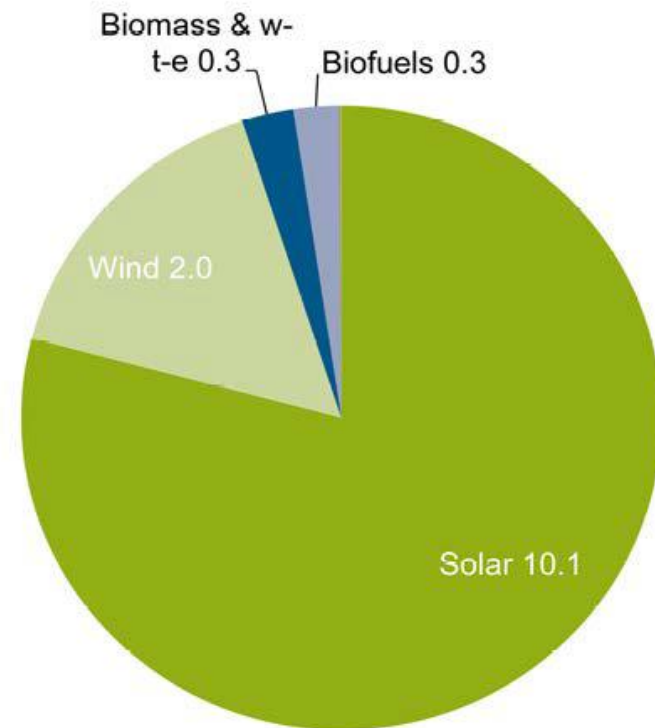


FIGURE 7. PUBLIC MARKETS NEW INVESTMENT IN RENEWABLE ENERGY BY SECTOR, 2015, \$BN

2015 Increased Acquisition Activity

- Deal Count: Increased 42% from prior year to 163 deals in 2015
- Greater presence in publically traded markets
- Solar emerges at most active subsector

Extension of federal tax credits + Heightened global interest in low carbon energy sources = Attractive Investment

- Extension of tax credits is estimated to add an extra 20 gigawatts of solar power – more than every panel installed in the U.S. prior to 2015

Corporate Overview

- In 2015, companies began turning towards renewable energy
- Legislation on carbon pricing and stringent environmental rulings have paved the way
- According to Deloitte's annual Resources Study, 39% reported installing solar panels or other electricity-generating assets at their facilities
- Alternative energy companies no longer confined to startups

Solar Power in Arkansas

- Solar power is on the rise in Arkansas
- NextEra Energy Resources – Largest renewable energy producer with more than 21,140 megawatts of solar and wind-generating capacity in 25 states in Canada
 - Developing 475-acre array near Stuttgart in Arkansas County to produce 81 megawatts
 - Enough to power 13,000 homes
 - Will produce 150-200 jobs, and more than \$2mm in tax revenue
- Companies investing in renewable energy in Arkansas

Solar Power in Arkansas

- Companies investing in renewable energy in Arkansas:
- Walmart
 - Commitment to eventually power all its stores with clean power
 - Goal to procure or produce 7 billion kilowatt hours of renewable energy by the end of 2020
- Scenic Hill Solar with L'Oréal: 4,000 solar panels at factory in North Little Rock and 5,000 panels on the roof of a Kentucky plant

Solar Power in Arkansas

- Ozarks Electric Cooperative of Fayetteville
 - Has their own solar generation facility in Springdale
 - Offers credit to participants who own shares of Ozarks Natural Energy
- Arkansas Valley Electric Cooperative of Ozark
 - Will be switching on a solar project in coming weeks
 - Will generate enough electricity to power 75 homes
 - First of its kind in Arkansas Valley Electric