



Energy, Power & Infrastructure

3rd QUARTER 2025 – VEGETATION MANAGEMENT



Industry Snapshot: Vegetation Management

KEY TAKEAWAYS

■ Technology-Driven Efficiency and Compliance

Utilities are leveraging AI, satellite data, and analytics to reduce costs, improve reliability, and maintain regulatory compliance.

■ Shift Toward Proactive Vegetation Strategies

Integrated Vegetation Management is replacing traditional vegetation management strategies with cost-effective, risk-based approaches that enhance safety and environmental outcomes.

■ Climate Resilience and Risk Mitigation

Wildfires and outages are increasing demand for vegetation control to reduce vegetation risks and strengthen utility resilience.

■ Consolidation Through Private Investments

Private investments are fueling industry consolidation to create scalable vegetation management platforms with national reach.

■ Grid Expansion and Rising Utility Investment

Aging infrastructure and new transmission projects are driving utility spending on vegetation management services.

About Us

Elite Boutique M&A
Firm Focused on Sell-Side
Transactions

Client-Centric Service with
Full-Time
Senior Execution

Strong Industry Expertise
and Independent Advice



THE M&A ADVISOR

2024 M&A ADVISOR AWARDS

M&A DEAL OF THE YEAR
\$25MM - \$50MM



DEAL OF THE YEAR WINNER 2022

UTILITY, POWER & INFRASTRUCTURE

Emerging Trends and Innovations Impacting Vegetation Management

Emerging Technological Trends in Vegetation Management

Digital innovation is revolutionizing vegetation management through increased compliance, scalability, and efficiency. Data-driven decision-making is being made possible by AI-powered route optimization, real-time weather integration, and predictive analytics, which are simplifying operations expenses. More efficient resource allocation and improved operational visibility are provided by real-time dashboards and standardized data collection.

Digital vegetation intelligence provides utilities with a detailed, data-driven view of grid conditions, enabling faster and more efficient decisions around inspections and vegetation management. It helps identify vegetation encroachment risks, plan regular trimming, and monitor subcontractor performance. For example, Delaware Electric Cooperative anticipates an 18% reduction in trimming mileage by using satellite intelligence combined with AI-driven risk analysis⁽¹⁾.

Vegetation management companies that use centralized digital solutions are experiencing several benefits, such as increased regulatory compliance, better reporting accuracy, and a significant decrease in administrative workload.

Technology Trends

AI & Machine Learning

Expansion of IoT Networks

Remote Sensing

Cloud-Based Solutions

Real-Time Analytics

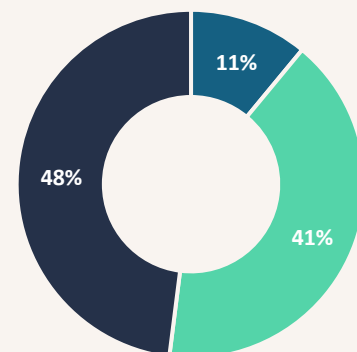
Spatial Data Privacy & Security

Integrated Vegetation Management

Energy, transportation, and communication infrastructure depend on right-of-way (ROWs). However, overgrown vegetation within ROWs can cause power outages, damage to infrastructure, wildfire hazards, and safety issues. Integrated Vegetation Management (IVM) replaces traditional, general maintenance techniques with a proactive, comprehensive strategy that customizes control techniques based on risks and environmental conditions. The IVM approach balances the benefit of cost, control, and compliance.

IVM can help pipelines stay compliant with regulations while reducing downtime by improving access for inspections and repairs. It ensures line markers remain visible for public safety and reduces the need for invasive removal of deep-rooted vegetation that can interfere with pipelines. By encouraging the growth of compatible native species, IVM also suppresses unwanted plants, lowering wildfire risks in certain regions. Financially, IVM significantly reduces costs over time, and it can be 45% cheaper than mechanical mowing due to lower maintenance needs and reduced reinvasion of unwanted vegetation.

Utility Company Adoption of IVM⁽²⁾



■ Substantial Adoption ■ Partial Adoption ■ No Adoption

¹⁾ Utility Dive ²⁾ Utilities benefit economically from proactive vegetation management, Mar. 2024
²⁾ AIDASH ²⁾ Report Shows U.S. Utilities are Rapidly Adopting Digital Solutions to Fight Climate Change, Nov. 2023

The Cost of Power Outages and Wildfires

Power Outages

A major cause of power outages are from a lack of vegetation management. Over 20% of power outages were vegetation-related. Implementing methods of vegetation management such as tree pruning, tree removal, and weed control can reduce the number of power outages⁽¹⁾. Taking such action improves power line resilience against events such as tornados, thunderstorms, hurricanes, or snowstorms. In certain areas, tree-related outages were reduced by 20% and total outage hours decreased by 45% when improved vegetation management practices were put in place.

In 2020, U.S. electricity customers faced an average of over eight hours of power interruptions, the highest annual outage duration recorded since the EIA began tracking grid reliability data in 2013⁽²⁾. In regions such as Michigan, trees and branches are responsible for up to 40% of power outages, making them the top cause of electric power interruptions and highlighting the necessity for vegetation management. To prevent these issues and strengthen Michigan's energy grid, Consumers Energy proactively trims and removes hazardous vegetation before it can cause damage.

\$150B

Annual cost of outages to the U.S. economy⁽³⁾

23%

Energy outages in the U.S. are related to vegetation⁽²⁾

37%

Reduction in electric grid trouble spots through vegetation management

64%

Reduction in outages through vegetation management⁽³⁾

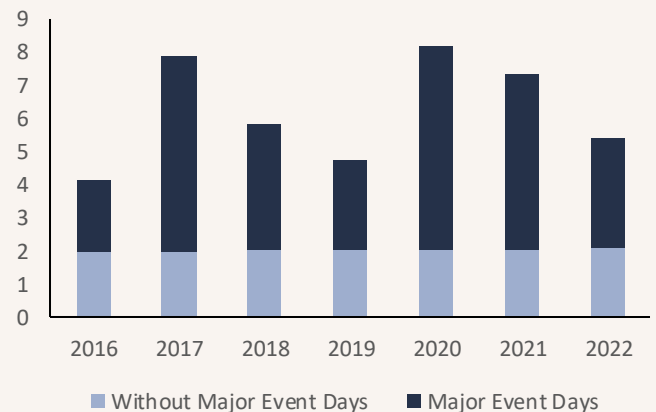
Wildfires

One of the leading causes of utility-related wildfires is from vegetation coming into contact with power lines. Wildfires can be caused by vegetation, whether it is by coming into contact with utilities or being fuel for a fire. The Dixie Fire, California's second largest wildfire, was caused by a tree coming into contact with a power line, costing over \$1 billion. PG&E pointed out that the tree involved was just one of over 8 million near its power lines, underscoring the significant risk vegetation poses to utility infrastructure.

The government has taken steps to prevent wildfire risks through the Community Wildfire Defense Grants. The grants are focused on initiatives to prevent wildfire and must either adhere to or develop the Community Wildfire Protection Plans. Utility companies such as PacifiCorp, who received \$150M in grants, will be using the funds towards vegetation management to prevent wildfires based on their Wildfire Mitigation Plan.

Numerous other utilities have instituted wildfire mitigation plans focused on grid hardening and vegetation management. For example, Avista, NorthWestern Energy, and Puget Sound Energy, to name a few.

Average Annual Hours of Electric Power Interruptions Per Customer⁽⁴⁾



1) T&D World – More Than 20% of Outages Attributed to Vegetation: UVM Survey, Jul. 2021
2) Utility Dive – Vegetation Inspection, a challenge for utilities, Sep. 2022
3) MDPI – Evaluating the Effectiveness of Vegetation Management in Reducing Power Outages, Jan. 2022

4) EIA – U.S. electricity customers averaged five and one-half hours of interruptions, Jan. 2024

Utility Vegetation Management Landscape



The Increasing Prevalence of Utility Vegetation Management

Key Drivers of Utility Vegetation Management

Grid Reliability & Resilience

Utility companies are increasingly prioritizing vegetation management as a critical grid hardening strategy to reduce outage risks and protect T&D infrastructure, especially as extreme weather events become more frequent. By proactively managing vegetation growth near power lines, utilities enhance reliability, and improve public safety

Technological Advancements

Leveraging innovations in LiDAR, satellite imagery, advanced weather networks, machine learning, and AI-driven predictive analytics to enhance vegetation management. These data-driven approaches help reduce costs, improve safety, optimize labor deployment, and free up resources for capital intensive projects.

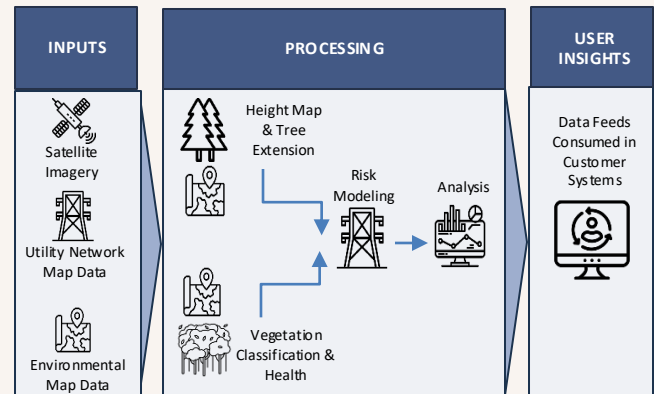
Regulation & Compliance

Electricity dependability and public safety depend on trees and transmission lines being kept apart. The Federal Energy Regulatory Commission mandates that vegetation close to power lines be trimmed to avoid outages or hazards, must be followed by utilities under Standard FAC-003-4.

Aging Infrastructure

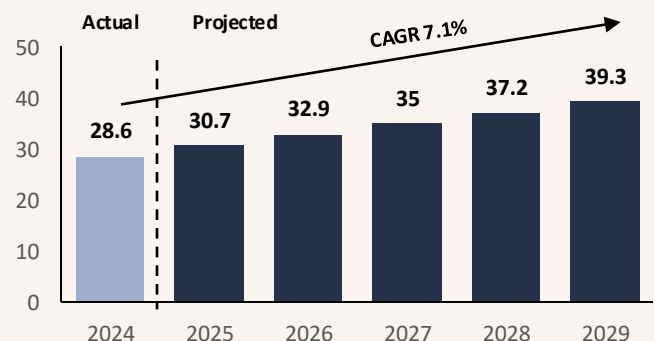
In the U.S., approximately 70% of transmission lines are over 25 years old and approaching the end of their typical 50-to-80-year lifecycle⁽¹⁾. Overgrown vegetation adds significant risk to utilities already managing issues from aging infrastructure.

CATALYST Satellite-Based Risk Monitoring Service⁽²⁾



Utility companies allocate a significant portion of their operating expenses to vegetation management, historically spending between \$6 to \$8 billion annually on vegetation management services. As the demand for clean energy and data centers grows, the United States is expected to expand its transmission system by 47,300 GW-miles, a 57% increase over current capacity⁽³⁾. This expansion will require significant development in regions such as the Plains, Midwest, and Texas as early as 2030. Projects like Texas's ERCOT Superhighway transmission system includes several 765-kV projects, one of which alone will add 434 miles of new right-of-way, driving additional demand for utility vegetation management services to improve infrastructure resiliency.

Utility Vegetation Management Market Size (in billions)⁽⁴⁾



1) DOE – What does it take to modernize the U.S. electric grid?, Oct. 2023
 2) CATALYST Earth – CATALYST INSIGHTS Vegetation Management, May 2025
 3) Reuters – US federal grid spending boosts prospects in high wind, solar regions, Jan. 2024

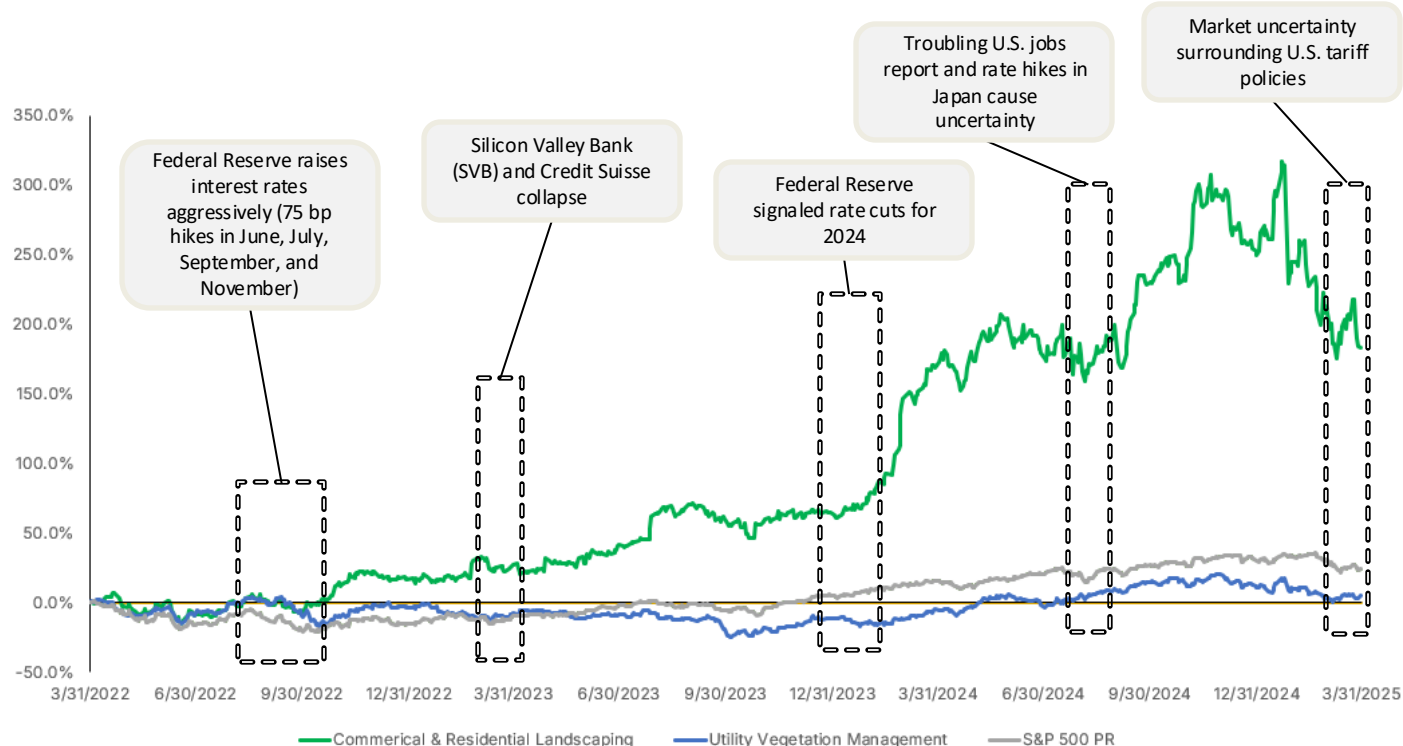
4) EIA and S&P Market Intelligence, 2025

Public Company Performance



Benchmarks Across Leading Vegetation Management Firms

Historical Stock Performance



Peer Group	As of 3/31/2025			TTM 3/31/2025		TTM 3/31/2025	
	Share Price	Market Cap	Enterprise Value	Revenue	EBITDA	EV/Revenue	EV/EBITDA
Utility Vegetation Management							
Quanta Services	\$254.18	\$37,669	\$41,418	\$23,673	\$2,136	1.7x	19.4x
NextEra Energy	\$70.89	145,823	237,429	24,753	14,033	9.6x	16.9x
Sempra	\$71.36	46,521	88,259	13,185	5,460	6.7x	16.2x
Duke Energy	\$121.97	94,773	181,791	30,357	14,934	6.0x	12.2x
FirstEnergy	\$40.42	23,310	48,487	13,472	4,096	3.6x	11.8x
PPL	\$36.11	26,660	43,160	8,462	3,178	5.1x	13.6x
Commercial & Residential Landscaping							
BrightView Holdings	\$12.84	\$1,226	\$2,516	\$2,740	\$311	0.9x	8.1x
ABM Industries	\$47.36	2,947	4,548	8,405	327	0.5x	13.9x
Emcor Group	\$369.63	16,808	15,818	14,566	1,479	1.1x	10.7x

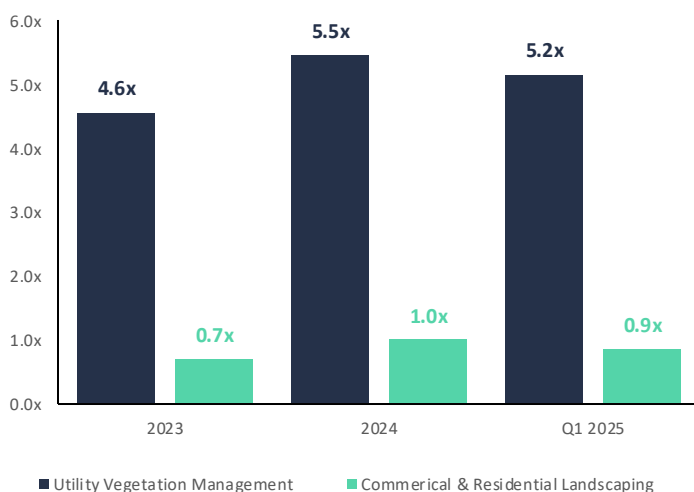
Source: Public company filings, Pitchbook and RCO Research

Public Company Valuations

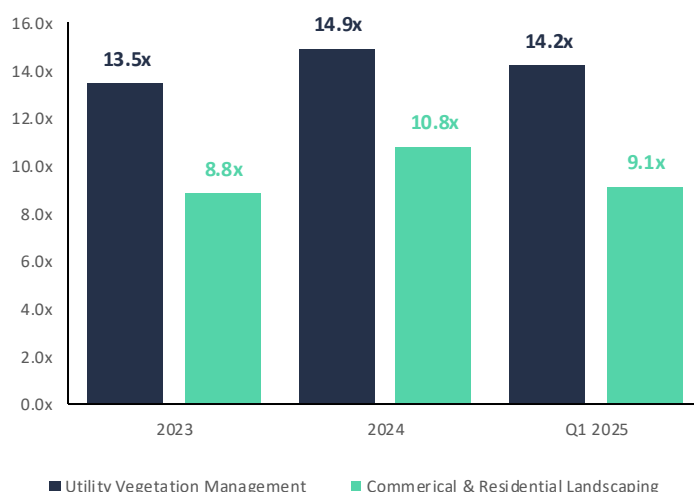


Trading Statistics: Valuation Multiples^(1,2)

EV / REVENUE

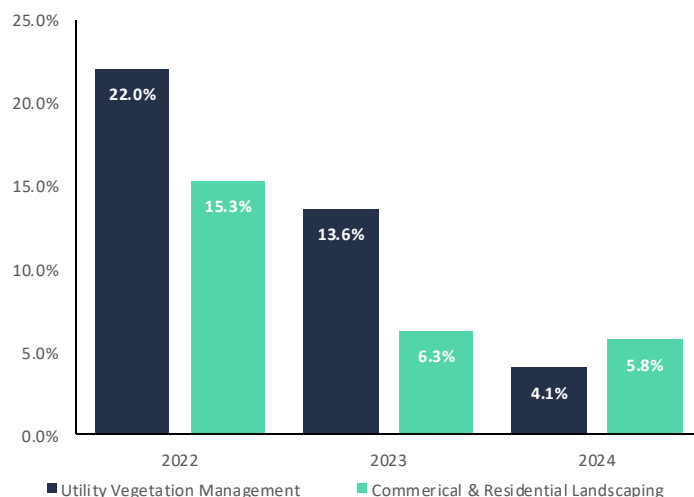


EV / EBITDA

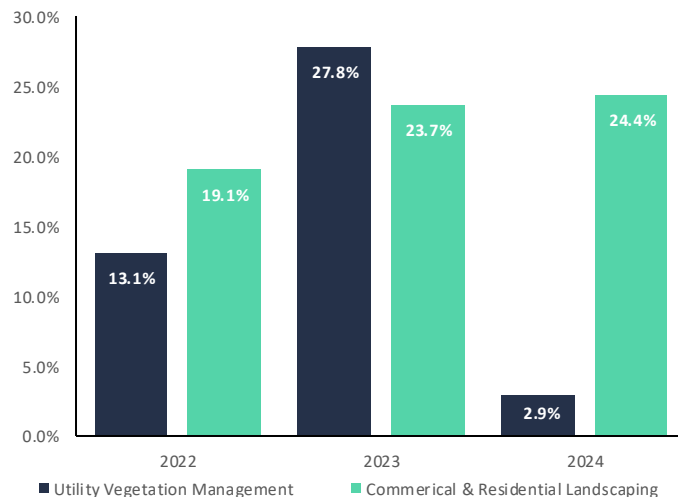


Operational Statistics: Growth^(1,3,4)

YoY REVENUE GROWTH



YoY EBITDA GROWTH



Utility Vegetation Management and Commercial & Residential Landscaping see an overall increase in Revenue and EBITDA multiples from 2023 to Q1 2025, reflecting positively for the industry.

1) Utility Vegetation Management – NEE, SRE, DUK, FE, PPL, and PWR. Commercial & Residential Landscaping – BV, ABM, and EME
 2) PWR excluded from EV/Revenue analysis for Q1 2025
 3) NEE and SRE excluded from Revenue growth analysis for 2024

4) ABM excluded from EBITDA growth analysis for 2024

M&A Outlook & Recent Transactions



M&A Outlook

- **National Expansion through Regional Consolidation:** Vegetation management firms are acquiring regionally specialized vegetation management providers to expand geographic coverage and serve utility clients across broader territories.
- **Strategic Acquisitions by Private Equity:** Private equity investors are building scalable vegetation management platforms by acquiring and integrating utility-focused service providers in multiple regions.
- **Operational Scale and Equipment Capacity:** Vegetation management firms are prioritizing acquisitions with sizable labor forces and extensive equipment resources to boost operational efficiency and support utility demands.

Investor	Target	Utility Vegetation Management Transactions
		<p>December 2024</p> <p>Plexus Capital has acquired Southern Clearing for an undisclosed amount. Based in West Alabama and East Mississippi, Southern Clearing is a leading provider of land and right-of-way clearing, herbicide vegetation control, and hazardous tree removal, recognized for its strong safety culture and service quality. The acquisition complements Riggs Tree Service, a Plexus portfolio company, by enhancing its capabilities in utility right-of-way clearing across the Southeast.</p>
		<p>August 2024</p> <p>The Davey Tree Expert Company has acquired VanCuren Tree Services for an undisclosed amount. Based in Ohio, VanCuren specializes in comprehensive tree care services for residential, commercial, and utility clients. Davey is a provider of tree services, grounds maintenance, and environmental solutions serving residential, utility, commercial, and environmental clients. The acquisition strengthens Davey's presence in the Midwest and enhances its utility vegetation management capabilities by adding regional expertise, fleet resources, and a skilled workforce to its existing operations.</p>
 		<p>December 2024</p> <p>Xylem Kendall, a Sterling Investment Partners' portfolio company, acquired Kemp West for an undisclosed amount. Based out of Washington, Kemp is a trusted provider of right-of-way clearing, vegetation maintenance, and line clearance tree trimming for utilities. The acquisition will help strengthen the operational and technological capabilities of Xylem Kendall while expanding its presence in the Northwest region. Additionally, the acquisition will complement Xylem Kendall's critical vegetation management services.</p>
	 	<p>May & June 2024</p> <p>Xylem Kendall, a Sterling Investment Partners' portfolio company, acquired both Hardin Tree and Endrizzi in back-to-back acquisitions. Hardin is an Oklahoma-based provider of right-of-way vegetation management and land clearing services for utility customers across Oklahoma and Texas. Endrizzi is a leading Midwest provider of vegetation management and right-of-way clearance. The acquisitions will significantly expand Xylem Kendall's utility vegetation management geographic footprint across the Midwest.</p>
		<p>April 2024</p> <p>Xylem Kendall, a Sterling Investment Partners' portfolio company, acquired Texar Line Clearance for an undisclosed amount. Texar, based in Texarkana, Arkansas, is a leading provider of excavation, vegetation management, and site preparation services for utility right-of-way projects across Texas, Arkansas, and Louisiana. The acquisition will add 200 employees and 350 machines to support operations in Texas, Arkansas, and Louisiana, in combination with expansion plans across the U.S.</p>

Source: Public company filings, Pitchbook and RCO Research

Recent 2025 M&A Transactions



Investor	Target	Transaction Description	Customers
		Ares Management has acquired Landscape Workshop for \$465 million. Landscape Workshop is a full-service commercial landscaping provider serving hospitals, offices, and senior living facilities with services like design and maintenance throughout the Southeast. Backed by Ares, Landscape will have the capital to expand regionally, pursue strategic acquisitions, and grow its customer base while maintaining high-quality service.	
		Aventia, backed by Bernhard Capital Partners, has acquired Habitat Management Inc. (HMI) for an undisclosed amount, marking it Aventia's fifth acquisition. HMI specializes in revegetation, vegetation monitoring, and weed management for pipeline operators, municipalities, and other infrastructure clients. Aventia provides environmental consulting services, and the acquisition expands Aventia's capabilities while diversifying its service offerings across multiple sectors.	
		Auxo Investment Partners has acquired Southeast Vegetation Management (SEVM), an Alabama-based provider of vegetation management services to U.S. railroads, for an undisclosed amount. Combined with Ferrovia, an existing Auxo portfolio company, the acquisition will create the largest pure-play herbicide-based rail vegetation management platform in the United States, unlocking operational synergies and expanding national reach.	
		Visterra Landscape Group has acquired H&M Landscaping, marking Visterra's second acquisition in 2025. H&M is a Cleveland-based provider of comprehensive landscaping and outdoor maintenance services for residential and commercial properties. Visterra's landscaping service coverage will expand across Ohio, western Pennsylvania, and northeast Indiana via the acquisition.	 
		Visterra Landscape Group has acquired Herzog Landscape Solutions, marking Visterra's third acquisition in 2025. Herzog is a provider of residential landscaping services offering design, construction, maintenance, and features like irrigation, waterscapes, and patios to transform outdoor spaces. The acquisition strengthens Visterra's South Shore Boston operations with added leadership, assets, and nearly 1,000 clients.	
		Mariani Premier Group has acquired Hazeltine Nurseries for an undisclosed amount. Hazeltine is a Florida-based residential landscape company serving large developments and residential projects with customized landscape and hardscape designs. Mariani has completed several acquisitions in recent years, and this latest addition supports its ongoing strategy of acquiring established regional landscaping firms to grow its geographic footprint and service offerings.	
		Landscape Workshop has acquired Baycut for an undisclosed amount. Baycut is a Tampa-based provider of landscaping services for residential and commercial clients, offering landscape management and other landscaping services across the region. The acquisition of Baycut strengthens Landscape Workshop's presence in the Tampa market and supports its mission to provide top-tier grounds management and enhance customer satisfaction across its service regions.	 
		Strata Landscape, a portfolio company of Align Capital Partners, has acquired Boulder Landscaping, a Utah-based landscaping company. Boulder provides comprehensive landscape design, installation, and maintenance services to enhance residential and commercial properties in the Salt Lake City metro area. The acquisition is part of Strata's broader strategy to scale operations through acquisitions in existing markets like California and Utah while expanding into neighboring states.	 
		Boutte Tree has acquired Tree Worx for an undisclosed amount. Based in the Chattanooga area, Tree Worx offers comprehensive arborist services to residential and commercial clients, including tree care planning, hazard assessments, pruning, planting, and pest management. The acquisition adds a team of expert arborists and state-of-the-art equipment to Boutte, enhancing its capabilities in vegetation and tree management.	 
		Riverview Landscapes has acquired Elite Landscaping, On-Site Landscape Management, and McHugh's Landscaping, marking Riverview's 14th acquisition in the Northeast since 2022. Operating across Central and South New Jersey, the companies provide comprehensive landscaping services for both commercial and residential properties. The acquisition brings over 150 new team members into Riverview's fold, reinforcing its presence in the region.	 

Customer Base Legend:



Residential



Commercial



Railroad & Pipelines

Source: Public company filings, Pitchbook and RCO Research

25 +

SUCCESSFUL
TRANSACTIONS

\$1.2 B

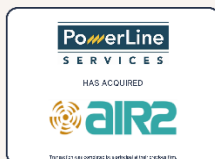
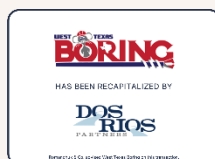
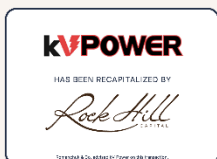
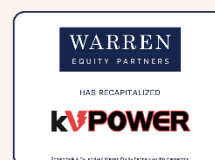
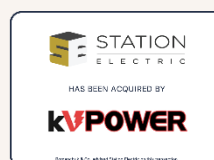
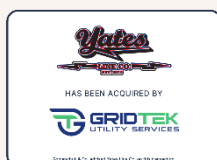
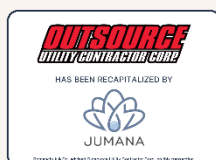
AGGREGATE
DEAL VALUE

15 +

YEARS OF
EXPERIENCE

RECENT TRANSACTIONS

Our recent deals highlight our expertise in executing transactions across the utility services sector while maximizing value for our clients.



Experience you can count on

Our clients rely on us to think strategically, execute effectively, and achieve extraordinary results through our advisory services.



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