



Energy, Power & Infrastructure

3rd QUARTER 2025 – ENGINEERING & CONSULTING SERVICES



Trends Driving Investment Spending In The Electric Grid

KEY TAKEAWAYS

- **Historic Load Growth Overwhelming Legacy Grids:** Explosive power demand from data centers, industrial reshoring, and electrification is exposing critical bottlenecks, forcing utilities to fast-track capacity upgrades and grid-hardening projects.
- **Capex Surge to Modernize Aging Networks:** Utilities and developers are prioritizing high-voltage transmission, substation resilience, and smart grid tech to keep pace with demand—investment cycles are extending as backlogs swell.
- **Reshoring Intensifies Regional Grid Pressures:** Onshoring of heavy industries—from semiconductor fabs to battery plants—is straining local distribution networks, creating urgent need for targeted infrastructure builds in key industrial corridors.
- **Supply Chain Shifts Favor Domestic Players:** Transformer shortages and import dependencies persist, but reshoring of critical T&D equipment is accelerating, driven by security concerns and reliability mandates.
- **AI and Automation Become Force Multipliers:** Grid operators are leaning into AI-driven load forecasting, dynamic line ratings, and autonomous maintenance tools.

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Side Transactions

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Expertise and
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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

Load Growth Outlook & Challenges

U.S. electricity demand is projected to grow at a 2.5% CAGR through 2035 – significantly above the historical rate of roughly 0.6%. This growth is expected to be driven by a combination of factors: 0.5% from baseline historical growth, 1.0% from building electrification, 0.5% from data centers, 0.3% from industrial expansion, and 0.2% from electric vehicles¹.

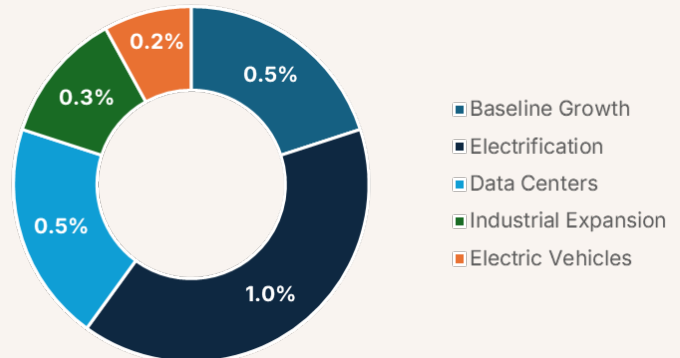
This accelerating demand comes at a time when much of the nation's grid is reaching or exceeding its design life.

- Nearly 70% of all transformers are more than 25 years old, with an average age of 40 years.
- Roughly 31% of transmission assets and 46% of distribution infrastructure are within five years of – or already beyond – their useful life.

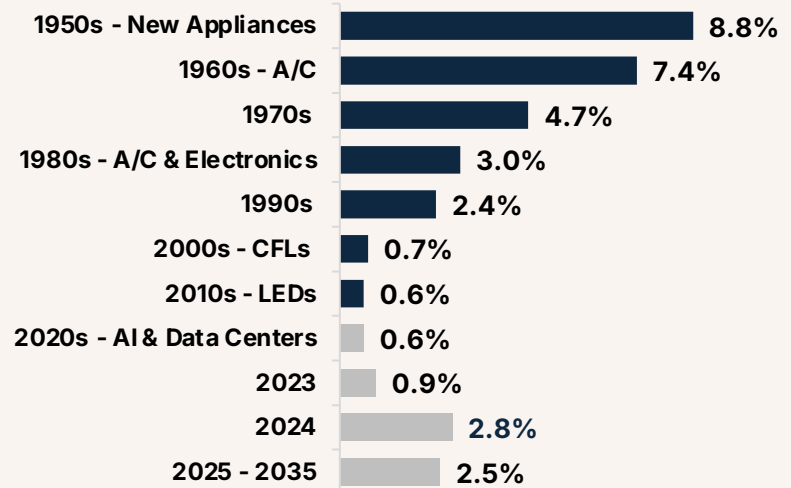
Utility capital spending remains focused on replacement, with 67% of 2023 outlays for existing infrastructure and only \$32 billion for new lines and substations, contributing to rising U.S. power outages.

Investor-owned utilities (IOUs) are responding with historic levels of capital investment. From 2025 to 2029, IOUs are projected to invest more than \$1.1 trillion in electric infrastructure – nearly matching the \$1.3 trillion invested from 2015 to 2024. In 2023 alone, IOUs spent \$17.4 billion on overhead infrastructure, an 11% year-over-year increase, while investment in underground infrastructure has shown steady, long-term growth³.

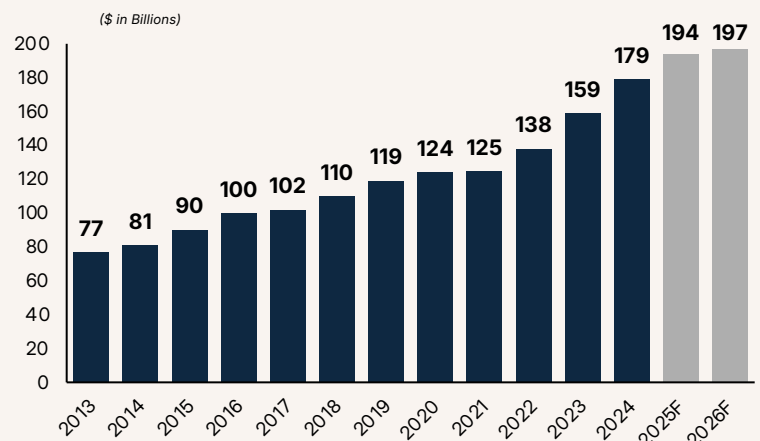
Load Growth Breakdown¹



Average Annual Load Growth²



IOU's Capital Expenditures³



¹) Utility Dive – U.S. Electricity Demand to Grow 2.5%, Jul. 2025
²) Grid Strategies – Strategic Industries Surging, Apr. 2025
³) Deloitte – Funding the Growth in the U.S. Power Sector, Feb. 2025

Transmission & Distribution Spending

Distribution system spending has been the main driver of increased electricity investment over the past two decades, rising \$6.5 billion from 2022 to 2023 to reach \$50.9 billion – driven by replacements, upgrades, grid hardening, and undergrounding efforts¹.

Transmission system spending nearly tripled from 2003 to 2023, supporting long-distance, high-voltage power delivery to local grids.

Reshoring Momentum

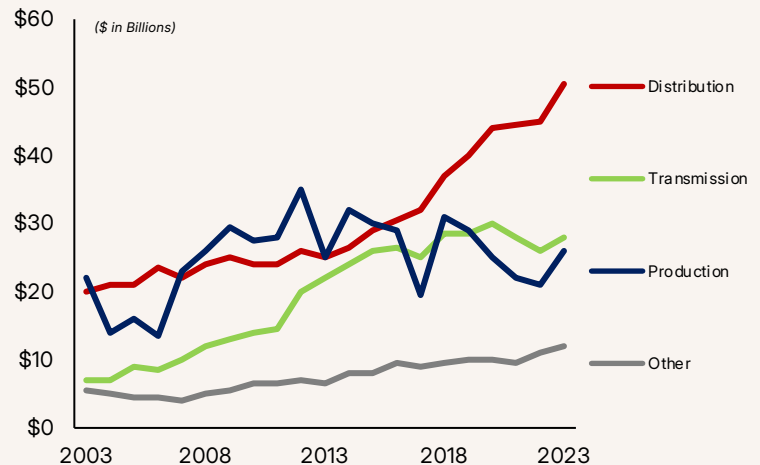
Federal policy, massive investments, expanded tariffs, and content incentives are driving domestic manufacturing growth in the electrical infrastructure sector. Post-COVID and geopolitical disruptions have shifted priorities toward supply chain resilience over cost.

OEMs and suppliers are scaling rapidly, with U.S. manufacturing construction reaching \$240 billion in a single month in 2024².

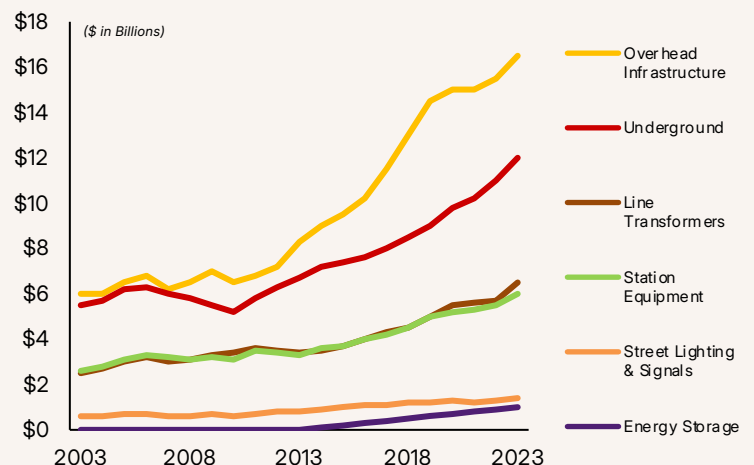
Reshoring is easing pressure on long-lead items – transformer lead times, which peaked at 210 weeks, are beginning to stabilize. Locating final assembly closer to end markets is reducing logistics risk and improving project schedules.

With rising offshore labor costs and gains in automation, reshoring now offers strategic and economic advantages, especially for meeting IRA and Buy America content rules.

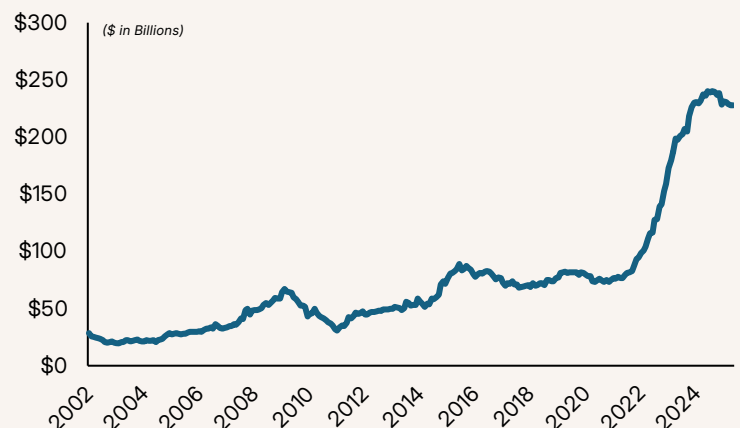
Annual U.S. Capital Additions by Sector¹



Annual Capital Spending on Distribution Infrastructure¹



Total Construction Spending on Manufacturing in the U.S.²



¹) EIA – Grid Infrastructure Investments Drive Increase in Utility Spending, Nov. 2024
²) FRED – Total Construction Spending on Manufacturing in the U.S., Jun. 2025

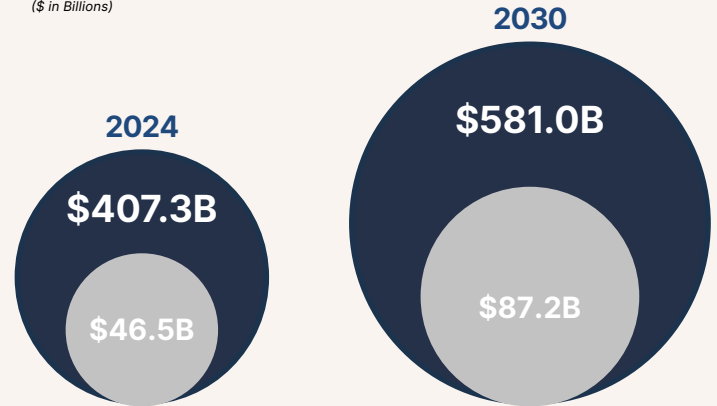
Engineering

The U.S. engineering services market is estimated at approximately \$407.3 billion in 2024 and is expected to reach around \$581.0 billion by 2030, reflecting a compound annual growth rate of roughly 6%¹.

Analysts estimate that utility engineering makes up 10–15% of total engineering services revenue, putting the U.S. market at about \$46.5 billion today and potentially \$87.2 billion by 2030.

Engineering Service Market Versus Utility Engineering Service Market & Projected Growth¹

(\$ in Billions)



Consulting

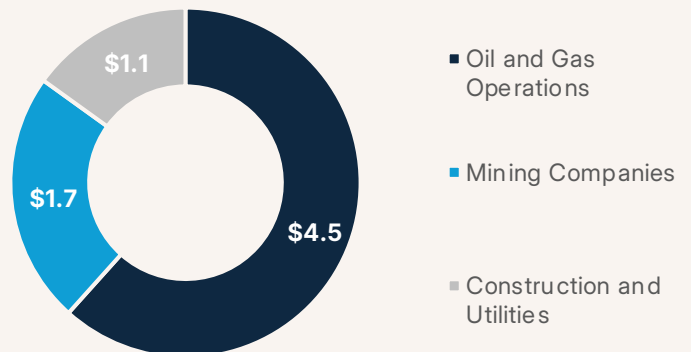
Energy and utility consulting is projected to be an over \$8 billion industry by 2030.

Consultants specifically thrive off economic uncertainty, especially in this industry where tariffs, energy policies, and executive orders are prevalent in the space.

The Infrastructure Investment and Jobs Act, a \$1.0 trillion investment into roads, railways, bridges, and broadband internet has and will continue to boost the need for consulting services throughout the period².

Energy & Utility Consulting Services Size by Major Segments²

(\$ in Billions)



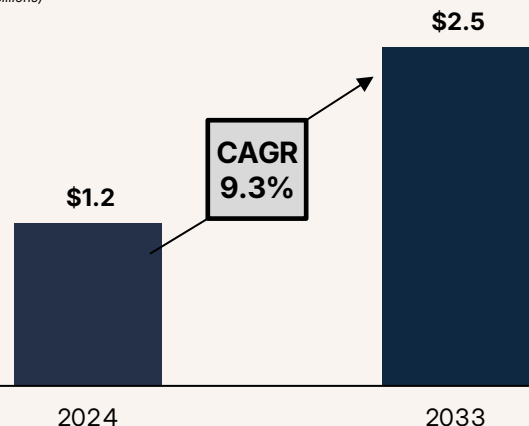
Project Management & Coordination

The utility coordination services market is valued at approximately \$1.2 billion in 2024 and is projected to reach about \$2.5 billion by 2033, reflecting a steady CAGR of around 9.3%.

The U.S. Bureau of Labor Statistics projects that employment for construction managers, who are often responsible for utility coordination, will increase by 8% between 2021 and 2031, emphasizing the growing importance of these services in modern infrastructure development³.

Utility Coordination Market Growth³

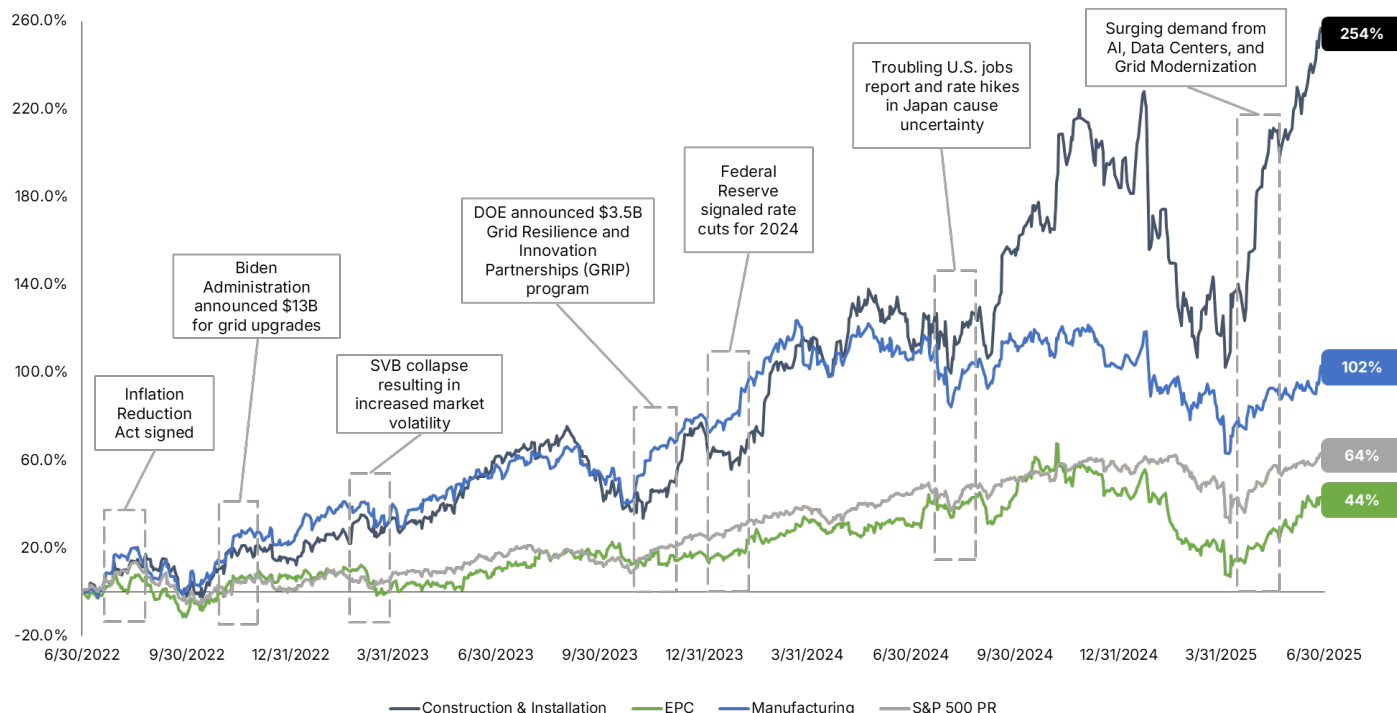
(\$ in Billions)



1) Grand View Horizon – U.S. Engineering Services Market Size & Outlook 2024
 2) IBIS World – Energy & Utility Consulting Services in the US, July 2025
 3) Verified Markets Report – Global Utility Coordination Services Market, Feb 2025

Comparative Stock Performance Across Industry Segments

Stock Market Performance

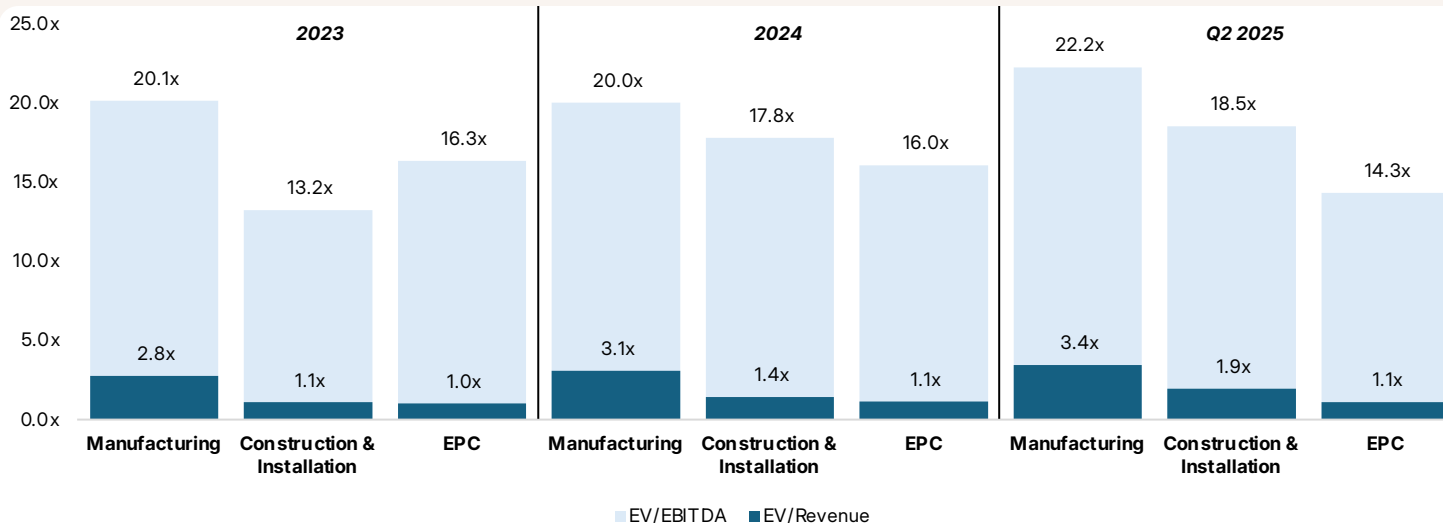


Peer Group	As of 6/30/2025			TTM 6/30/2025		EV Multiples	
	Share Price	Market Cap	Enterprise Value	Sales	EBITDA	TTM Sales	TTM EBITDA
Construction & Installation							
MasTec	\$170.43	\$13,447	\$15,804	\$13,048	\$1,015	1.2x	15.6x
MYR Group	\$181.48	2,817	2,938	3,452	183	0.9x	16.1x
Primoris Services	\$77.94	4,209	4,917	6,929	493	0.7x	10.0x
Quanta Services	\$378.08	56,031	60,274	26,053	2,590	2.3x	23.3x
Sterling Infrastructure	\$230.73	7,017	6,759	2,138	409	3.2x	16.5x
EPC							
Fluor	\$51.27	\$8,442	\$7,077	\$16,313	\$529	0.4x	13.4x
Jacobs Solutions	\$131.45	15,795	18,359	11,835	1,243	1.6x	14.8x
KBR	\$47.94	6,220	8,881	8,039	939	1.1x	9.5x
Manufacturing							
Eaton	\$356.99	\$139,690	\$148,541	\$25,312	\$5,804	5.9x	25.6x
GE Vernova	\$529.01	144,423	137,381	36,614	2,546	3.8x	54.0x
Itron	\$131.54	6,001	6,164	2,442	349	2.5x	17.7x
Landis+Gyr	\$55.50	2,007	2,273	1,729	168	1.3x	13.5x
Schneider Electric	\$225.80	148,737	157,826	42,711	9,472	3.7x	16.7x

Source: Public company filings, Pitchbook and RCO Research

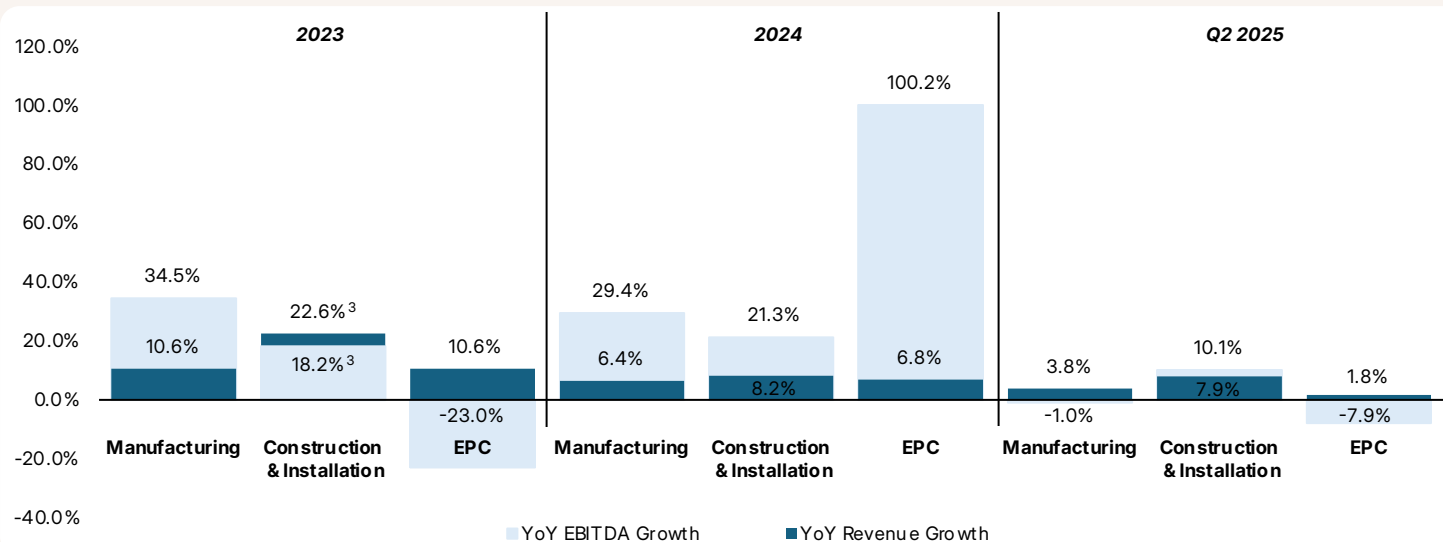
Trading Statistics: Valuation Multiples^{1,2}

EBITDA & Revenue Multiples by Year



Operational Statistics: Growth^{1,2}

YoY EBITDA & Revenue Growth



Multiples have expanded as investors price in sustained electricity demand growth and long-term load increases, supporting expectations for stronger revenue and earnings over time.

1) Public company filings, Pitchbook and RCO Research
 2) Represents the following public companies – Manufacturing: ETN, GEV, ITRI, LAND, and SU.
 Construction & Installation: MTZ, MYRG, PRIM, PWR, and STRL. EPC: FLR, J, and KBR
 3) Revenue Growth is 22.6% & EBITDA Growth is 18.2%

M&A Outlook & Recent Transactions – Utility Services



TARGET

INVESTOR



AN UNDISCLOSED
STRATEGIC BUYER

August 2025

Copper & Cable Electric Co., an Aberdeen, MD-based leading full-service power infrastructure provider, renowned for its expertise in transmission, distribution, substation, renewable energy, and ITS/traffic signal projects, has been acquired by an undisclosed strategic buyer.



August 2025

XKIG, a Norfolk, VA-based national leader in critical infrastructure services for the power and gas utility sectors, has acquired **River City Construction** a Washington, NC-based provider of electric utility infrastructure construction and maintenance services for electric, telecommunications, and renewable energy utilities, for an undisclosed amount. XKIG's established vegetation management platform is enhanced by the River City acquisition, which diversifies its service offerings into utility construction and maintenance.



July 2025

Apollo Asset Management (NYSE: APO) has acquired **PowerGrid Services** for an undisclosed amount. PowerGrid, a Hartselle, AL-based provider of transmission and distribution line construction, maintenance, vegetation management, power restoration, and erosion control across the United States. Apollo plans on bringing considerable resources to help PowerGrid grow organically and through acquisitions to help address the rapidly growing power demand in the U.S.



May 2025

BBC Electrical Services, a Joplin, MO-based specialized contractor servicing the electric utility and industrial sector, and portfolio company of **Neos Partners**, a San Diego, CA-based private equity firm, has acquired **Atlantic Power Constructors** for an undisclosed amount. Atlantic Power Constructors, a Manchester, MA-based, union electric utility contractor that performs distribution, transmission, substation, and storm restoration services across multiple states along the East Coast.



April 2025

Quanta Services (NYSE: PWR) has acquired **Bay Line Construction**, a Georgetown, DE-based provider of new construction and repairs to overhead and underground distribution, transmission, and substations, along with testing and inspection services. The acquisition will strengthen Quanta's service segments especially in Delaware and surrounding regions.



April 2025

Peak Utility Infrastructure, a portfolio company of **ORIX Capital Partners** has acquired **5 Star Electric**, a subsidiary of **Mammoth Energy Services (NAS: TUSK)**. 5 Star Electric is an electrical construction, maintenance, and repair services provider, operating primarily in the Midwest, southwest, and southeastern United States. The acquisition will help to expand Peak's geographic reach and strengthen its electrical services capabilities.



March 2025

Utility Lines Construction Services (ULCS), a subsidiary of **Asplundh Tree Expert** and provider of electric construction and maintenance services, has acquired **Bobcat Power**, a Waco, TX-based provider of integrated substation infrastructure services, from Cotton Creek Capital. Founded in 2007, Bobcat provides substation infrastructure services, including site work, below-grade, and above-grade construction for utilities, project developers, and construction firms.

Source: Public company filings, Pitchbook and RCO Research

M&A Outlook & Recent Transactions – Engineering



TARGET

INVESTOR



August 2025

DB Sterlin Consultants, Inc. acquired **M Squared Engineering, LLC**, a Wisconsin-based civil engineering firm known for its strong commitment to integrity, technical excellence, and innovative solutions. The deal enhances DB Sterlin's civil engineering capabilities and strengthens its infrastructure consulting presence.



July 2025

Bowman, a leading provider of engineering services, acquired **e3i Engineers**, enhancing its ability to support clients with increasingly complex inside-the-data-center engineering needs. This acquisition builds on Bowman's existing strength in site planning, civil design, and utility infrastructure, positioning the company for growth in the data center sector.



July 2025

TKDA acquired **CNA Consulting Engineers**, a Minnesota-based firm for an undisclosed amount. CNA is recognized for its expertise in geotechnical and underground civil engineering, with a strong track record in infrastructure development projects. The acquisition broadens TKDA's technical capabilities and strengthens its position in delivering complex infrastructure solutions nationwide.



Bernhard Capital Partners

June 2025

Bernhard Capital Partners, a Baton Rouge based private equity firm acquired **TechServ**, establishing a new utility engineering and consulting platform. TechServ provides engineering, design, inspection, joint use, and storm response services to electric and telecommunications utilities. The transaction expands Bernhard Capital's utility infrastructure portfolio and positions the platform to meet growing demand for power distribution, grid reliability, and broadband deployment.



June 2025

Halff acquired **C&D Utility Consulting, LLC**, a San Antoni-based firm for an undisclosed amount. C&D specializes in electric distribution design, permitting, fiber network design, and communication pole attachment services for utilities. The acquisition expands Halff's energy services practice in Texas and enhances its capabilities in utility infrastructure consulting and distribution engineering.



June 2025

CHA Consulting, Inc. acquired **FALCON Engineering Services, Inc.**, a California-based firm for an undisclosed amount. FALCON provides construction management, project management, and inspection services across a range of infrastructure projects. The acquisition strengthens CHA's presence in Southern California and broadens its capabilities in delivering engineering and construction management solutions.



May 2025

Colliers acquired **Terra Consulting Group, LLC**, a Midwest-based telecommunications engineering firm for an undisclosed amount. Terra specializes in wireless infrastructure design, site acquisition, and structural engineering services for telecom networks. The acquisition expands Colliers' engineering and design platform and enhances its capabilities in telecommunications infrastructure across the United States.



May 2025

ILLUME Advising was acquired by **E Source** for an undisclosed amount. ILLUME provides strategy, market research, and program design services to electric and gas utilities, with expertise in energy efficiency, electrification, and customer engagement. The acquisition broadens E Source's utility consulting platform, adding behavioral research and strategy capabilities to complement its data science and advisory offerings.

Source: Public company filings, Pitchbook and RCO Research

A large trade deal has been reached between the United States and European Union along with an influx of investment into the state of Pennsylvania for electrical infrastructure, AI, and Data Centers.



European Union

\$1.35 Trillion

The United States has reached a trade deal with the European Union for \$1.35 trillion, with expectations of significantly more investments to come.

- The European Union has agreed to purchase \$750 billion in energy from the United States, supporting the "National Energy Emergency" and "Unleashing American Energy" executive orders issued at the beginning of 2025 under the current administration.
- The European Union will remove significant tariffs, including the elimination of all EU tariffs on U.S. industrial goods, expected to spur U.S. businesses and drive economic growth.
- The European Union will pay the United States a tariff rate of 15%, including on autos, auto parts, pharmaceuticals, and semiconductors.
- The sectoral tariffs on steel, aluminum, and copper will remain unchanged, the European Union will continue to pay 50%.

Blackstone

\$25 Billion

Blackstone has committed over \$25 billion to develop digital and energy infrastructure in Pennsylvania, aiming to catalyze an additional \$60 billion in capital deployment. Central to this effort is QTS, a Blackstone-backed data center operator, which has secured multiple sites in northeastern Pennsylvania for large-scale development.

The initiative responds to surging demand for AI-driven data center capacity and evolving power needs. To support this, Blackstone has partnered with PPL Corporation to build and operate new natural gas-fired generation stations.



\$28 Billion

Google plans to spend \$25 billion to build out data center and AI infrastructure across the Pennsylvania-based PJM interconnection power grid in the next two years. In addition, the company plans to spend roughly \$3 billion to modernize two hydropower plants to help meet the growing power demand.

Google CEO, Sundar Pichai, has said that they are looking to boost capital investment plans by more than 40% year-over-year and reach \$75 billion, largely to assist in computational capacity constraints and growing demand for its cloud and AI services.



\$28 Billion

FirstEnergy announced utility plans to invest more than \$28 billion systemwide to modernize local distribution systems and strengthen the transmission network over the next five years. In Pennsylvania, this will include \$15 billion in infrastructure enhancements, people, processes, and facilities needed to deliver safe, reliable power.

The investment marks a 20% year-over-year increase in First Energy's capital deployment and demonstrates managements confidence in executing upon their planned electrical infrastructure improvements.

Source: Public company filings, Pitchbook and RCO Research

25 +

SUCCESSFUL
TRANSACTIONS

\$1.3 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.

 COPPER & CABLE ELECTRIC CO. HAS BEEN ACQUIRED BY AN UNDISCLOSED STRATEGIC BUYER Romanchuk & Co. advised Copper & Cable on this transaction.	 OUTSOURCE UTILITY CONTRACTING CORP. HAS BEEN RECAPITALIZED BY  JUMANA Romanchuk & Co. advised Outsource Utility Contracting Corp. on this transaction.	 Yates UTILITY SERVICES HAS BEEN ACQUIRED BY  GRIDTEK UTILITY SERVICES Romanchuk & Co. advised Yates Utility Services Co. on this transaction.	 Bright Star Solutions HAS BEEN RECAPITALIZED BY  JUMANA Romanchuk & Co. advised Bright Star Solutions on this transaction.	 Yates UTILITY SERVICES HAS BEEN ACQUIRED BY  GRIDTEK UTILITY SERVICES Romanchuk & Co. advised Yates Utility Services Co. on this transaction.	 STATION ELECTRIC HAS BEEN ACQUIRED BY kVPOWER Romanchuk & Co. advised Station Electric on this transaction.
 WARREN EQUITY PARTNERS HAS RECAPITALIZED kVPOWER Romanchuk & Co. advised Warren Equity Partners on this transaction.	 FRONT LINE POWER CONSTRUCTION, LLC HAS BEEN ACQUIRED BY  ORBITAL INFRASTRUCTURE GROUP Romanchuk & Co. advised Front Line Power Construction, LLC on this transaction.	 kVPOWER HAS BEEN RECAPITALIZED BY  Rock Hill CAPITAL Romanchuk & Co. advised kVPOWER on this transaction.	 PowerLine SERVICES HAS ACQUIRED  AIR2 The transaction was completed by a subsidiary of PowerLine Services.	 PowerLine SERVICES HAS ACQUIRED TESSCO The transaction was completed by a subsidiary of PowerLine Services.	 SUN-ELECTRIC HAS BEEN ACQUIRED BY  PowerLine SERVICES The transaction was completed by a subsidiary of PowerLine Services.

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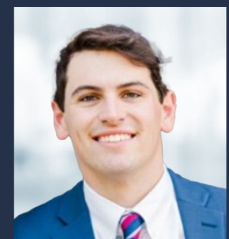
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