

## **AEG Affiliated Energy Group's M&A Team Retained by Three Retail Electricity and Gas Providers (REPs) Comprising 10+ States**

<https://finance.yahoo.com/news/aeg-affiliated-energy-group-m-130000000.html>

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- AEG Affiliated Energy Group Presently Retained to Run At Least Three Merger and Acquisition Processes
- Each of the Three Projects Are a Separate Unrelated Retail Energy Provider (a/k/a ESCO, REP and Gas Marketer).
- Retail Energy Targets Collectively Comprising 10+ States, 4 ISO's, Plus Multiple Gas Utility Markets
- Mostly Mass Market Space; Collectively Comprising \$20MM+ of Adjusted Annual EBITDA

The M&A Team of AEG Affiliated Energy Group announced today their retention by three separate retail energy providers (energy service companies or "ESCOs") comprising 10+ states spanning several ISOs, including NEISO, ERCOT, NYISO, a portion of PJM, several northeastern gas markets, and also including Georgia's gas markets.



None of these three projects are in any way related or affiliated, and none of the projects are conditioned upon the closing or success of the other, but these three opportunities do collectively present a unique opportunity for a buyer to, almost overnight, acquire a footprint across 10+ states in the heart of the healthier North American retail energy markets with a diversified and established set of brand names and market reach, which AEG's Team finds particularly compelling.

None of these presently active M&A projects are distress sales, unlike some of the recent smaller deals within ERCOT following the recent spot market and day ahead market volatility, after which some larger suppliers are scooping up a few thousand or hundred customers here and there, with regard to retail energy suppliers who failed to hedge their wholesale supply exposure. The evaporation of some of such risky models and businesses (with overly aggressive pricing to lure in customers) is projected by AEG to result in healthier margins within, for example, ERCOT, over the forthcoming near-term, making the remaining retail energy suppliers all the more valuable, while northeastern markets likewise continue to be attractive.

Having closed an industry leading number of merger and acquisition deals specifically in the North American retail electricity and gas space over more than a decade, from larger publicly traded targets to mid-sized and smaller localized targets, AEG Financial specializes in mergers and acquisitions involving Retail Electricity Providers (a/k/a, "ESCO's") and gas suppliers in the deregulated energy markets, plus a variety of other M&A and financing deals in the overall energy and technology markets. "AEG's M&A Team continues to have an active pipeline of M&A deals in progress and anticipates more M&A deals within the deregulated energy space being closed within the next two to three quarters," noted AEG's Chad Price. Among other deals, AEG's Team also recently closed an attractively priced purchase of a healthy retail energy supplier in late 2017 and into 2018, with a top 3 buyer within the North American markets, with several more sizeable deals in progress.

Overall, with interest rates remaining at attractive levels, with overseas negative government bond yields, and a significant number of investors and established utilities with strong balance sheets and liquidity, Chad Price, Co-Chair of AEG Affiliated Energy Group's M&A Practice, noted AEG sees "continued strong interest in retail electricity providers and retail gas suppliers with experienced and credible management teams, strong unlevered free cash flow and LTM contribution EBITDA, material synergy-potential, diversified marketing channels/strategies, renewable and green energy products, strength of brand-name, among other valuable assets and platforms."

The M&A processes for these three deals are being kept confidential. AEG has also recently come across a few advisors purporting to be involved in deals that, for example, if such deals involved securities or share purchases (or true mergers), may be in violation of the federal securities laws due to advisors not having requisite securities or investment banking licenses, thus imposing a risk for themselves and their clients. In many cases, it is thus "seller beware," too, such that sellers should ensure their "advisors" are properly licensed with state and federal authorities or else a seller may be liable for any fallout associated with offerings running afoul of state and federal laws.

#### **About AEG Affiliated Energy Group Financial**

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#### **Contacts:**

TimePiece PR for AEG  
Aaron Cook, 214-520-3430  
[acook@tprm.com](mailto:acook@tprm.com)