



**GLOBAL ENERGY**  
INVESTORS

# Comparing Traditional and Renewable Energy Infrastructure

# Infrastructure Investments



**GLOBAL ENERGY**  
INVESTORS

Infrastructure investments require large amounts of capital to construct and generate steady, long-term cash flows

## Traditional Infrastructure Investments



**Shipping Ports**



**Airports**



**Toll Roads**



**Railroads**



**Coal Plant**



**Nuclear Plant**

## Key Characteristics:

- Long-lived, real assets
- Require significant initial capital investment
- Produce steady, reliable cash flows
- Serve as backbone of modern economy

# Mid-size Renewable Energy Projects



GLOBAL ENERGY  
INVESTORS

Mid-size Renewable Energy Infrastructure investments generate steady, long-term cash flows through the sale of electricity after an initial capital investment

## Sample Investments



## Key Characteristics

- Maturing, high growth industry
- Relatively small investment sizes allow for greater portfolio diversification through multiple investments
- Generate stable cash flows over 20-30 year lifetimes
- Provide attractive tax benefits for investors with tax liabilities
- Socially responsible, sustainable investments

## Operational Characteristics

- Projects generate electricity, which is sold to utilities or other entities under long-term agreements
- Electricity production is very stable and reliable
- Sale of electricity produces a fixed-income-like cash stream
- Projects require little ongoing maintenance
- Federal government has enacted very attractive tax incentives to encourage project development

## Similarities / Differences with Traditional Infrastructure

### Similarities to Traditional Infrastructure:

- Long-lived assets
- Produce steady, reliable cash flows
- Important for modern economy

### Differences:

- Higher growth industry (40% CAGR over last 5 years)
- Much smaller investments required (\$5M - \$20M)
- Strong regulatory support
- Relatively short construction period