

# ENERGY INVESTMENTS FIRM OF THE YEAR

Winner:



## About Starwood Energy Group

Starwood Energy Group Global, L.L.C. ("Starwood Energy"), an affiliate of Starwood Capital Group, is a private equity investment firm, based in Greenwich, CT, that specializes in energy infrastructure investments, with a focus on natural gas and renewable power generation, and transmission assets. Through its general opportunity funds Starwood Energy Infrastructure Fund I and II, and other affiliated investment vehicles, Starwood Energy Group manages total equity commitments in excess of \$2 billion, and has executed transactions totaling more than \$4 billion in enterprise value.

Starwood Capital Group is a private investment firm with a core focus on global real estate. Headquartered in Greenwich, CT, the Firm maintains 12 offices in six countries around the world. Starwood Capital Group has raised over \$31 billion of equity capital since its inception in 1991, and currently manages over \$42 billion in assets. For more than two decades, Starwood Capital Group and its affiliates have successfully executed an investment strategy that involves building enterprises around real estate portfolios in both the private and public markets.

Additional information about Starwood Energy Group can be found at [www.starwoodenergygroup.com](http://www.starwoodenergygroup.com) and additional information about Starwood Capital Group can be found at [www.starwoodcapital.com](http://www.starwoodcapital.com)

## An Interview with Brad Nordholm, CEO

**Congratulations! Tell us about Starwood Energy. What do you do?**

Starwood Energy is a talented team of energy professionals focused on essential energy infrastructure, primarily in North America. We develop, build and operate large electric power transmission and renewable energy projects, including solar, wind and biomass; we develop and build, or acquire and operate, natural gas-fired power generation plants. We also actively pursue other essential energy infrastructure, including midstream, water and energy storage.

**What separates you from other energy investment firms?**

Well, certainly our people. But, more specifically, we've been deliberate in building expertise across most power generation technologies, which enables us to pivot when the market favors one over another. We've also focused intensively on specific regional markets that we consider attractive. With the complexity intersection of technology, regulation, contracts and market, it's important to achieve the proper balance between specialization and opportunism. Our investors and advisors also cite our transparency, open communication, discipline and consistent strategy.

**Is energy investment still attractive?**

In a number of respects, it is becoming more attractive. There are new entrants including – yieldcos, pension plans and wealth funds – that bring more liquidity to the market. That improves the certainty and pricing of our investment exits. Lower natural gas and renewable energy technology pricing, coupled with the rapid retirement of coal, means that tens of billions of dollars of new power generation and transmission projects will be built each year through this decade. Finally, distributed energy technologies, such as roof-top solar and battery storage, are creating a new investment opportunity that we can confidently say will be very large.

**Any clouds on the horizon?**

Possibly. For the first time in 15 years, we're seeing natural gas-fired power plants built without the benefit of longer-term contracts. In about five years, we'll learn if the market assumptions were reasonable. Regulatory uncertainty seems to be increasing – environmental standards for coal plants, tax incentives for renewable plants, and regional grid rules for capacity payments for storage demand response and peaking plants. A disciplined approach to capital-at-risk prior to construction and revenue-contract risk allocation can go a long way to mitigate these risks.

**What advice do you have for the new entrants?**

Commit to build, incentivize and retain a qualified team of professionals. In my experience, investing in energy infrastructure can not be done well without a great deal of well-organized and committed expertise.

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**Brad Nordholm, CEO**  
**Starwood Energy Group**

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