

2021 SUSTAINABILITY REPORT

Accelerating the Energy Transition





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CEO Letter

LS Power is a company of action. Decarbonization is imperative and we are at the forefront, leading the way.



PAUL SEGAL, CEO

Over the past year, our dedicated, passionate people have continued to make the nation's energy system cleaner, more efficient, and more resilient. Our 2021 Sustainability Report details our growing Energy Transition Platforms, our decarbonization efforts, our talented team, and the incredible philanthropy work that our people do.

Building America's Energy Future Today

Since 1990, LS Power has been disruptive and transformative in our approach to producing and delivering energy. From being among the first private developers of utility-scale solar in 2008, to seeing the future of electrification with our investment in EVgo (the nation's largest electric vehicle fast charging network) in 2020, we actively take steps to build the future we want to live in.

In just a few short years, our [Energy Transition Platforms](#) have grown to now include several national leaders in this effort: CPower Energy Management (demand response and energy efficiency); Endurant Energy (microgrids); EVgo (EV charging); REV Renewables (renewable generation and energy storage); Rise Light & Power (New York City's largest energy provider); and Waste-to-Renewable Fuel initiatives.

The newest member of our Platforms is [REV Renewables](#). Formed in July 2021 out of LS Power's existing assets, REV consists of (i) the largest non-utility owned portfolio of

pumped storage hydro in the country, (ii) a sizable lithium-ion battery portfolio including Gateway, the world's largest battery at 250 MW when it was energized in August 2020, (iii) a wind and solar generation portfolio that spans 14 states, and (iv) a significant number of LS Power employees who transferred over to REV to further lead its operations and development efforts. With an operating portfolio of more than 2.6 gigawatts and a substantial development pipeline, we see REV and its business model as critical to accelerating the energy transition.

But renewable generation is only one piece of the solution. Connecting those renewable energy resources like wind or hydro, often from remote areas, to population centers is another critical component of decarbonization. To address this challenge, LS Power has built more than 660 miles of high voltage transmission to connect energy resources to where they are most needed, with another 400 miles in development.

We recognize a void in the quest toward decarbonization — how to enable it smoothly and responsibly while keeping energy affordable and accessible. With our unique platform of resources, LS Power is driven to help fill that void.

80.67M

metric tons of CO₂e avoided for 2021

In 2021, LS Power's ranks expanded to nearly 280 people, with approximately another 75 people hired for REV Renewables. We also celebrated several team members achieving milestones in 2021, with 25% of our workforce now with us for over ten years. I am so grateful and honored to have these talented people spend their careers with us, and share our mission to deliver the energy people increasingly need for our modern lives while preserving our planet.

Our industry is growing for the first time in decades; identifying and developing talent requires unwavering focus to maintain our competitive advantage. To aid us in this mission, our Powering Change initiative expanded our recruitment program to proactively seek qualified, talented candidates from Historically Black Colleges and Universities (HBCUs) and Hispanic Serving Institutions (HSIs), to complement our ongoing sponsorship programs that encourage women and other underrepresented communities in science, technology,

engineering, and math (STEM) fields. Importantly, Powering Change works to embed a culture of diversity, equity, and inclusion (DE&I) into our employees' shared purpose to decarbonize and transform the energy industry. We believe having diverse backgrounds and perspectives can foster innovation and create a competitive advantage that makes us all stronger.

Moreover, our 100+ projects since inception across the country have created thousands of jobs for our neighboring communities, primarily in construction and operations, and generated more than \$415 million to date in tax and other revenues. In 2021, we continued our philanthropic efforts, providing nearly \$1.7 million in donations to groups including food banks, crisis centers, youth and STEM programs, environmental programs, and more.

\$1.7M

in charitable contributions for 2021

As COVID-19 continued into a second year, our team found new ways to connect and work efficiently to ensure safe and sustained operations for our projects and companies across the United States. Additionally, we were pleased to welcome back our employees and meet new colleagues who were hired during the pandemic when our corporate offices fully reopened in July 2021.

I am very proud of our team and our work. This includes our tireless efforts on the advocacy front, where we push for high-impact policies to promote competitive power markets, expanded transmission procurements, and technology-neutral carbon pricing. Transparent and competitive energy markets are a pathway to innovation and efficiency that will ultimately lead to more affordable and cleaner solutions for consumers and our environment.

With deep gratitude for our employees, industry partners, and customers, I sincerely thank you for supporting LS Power in building a sustainable future.

Paul Segal

Chief Executive Officer

About This Report

We are pleased to present LS Power's second annual Sustainability Report. This report is an update to our inaugural Sustainability Report published in May 2021. Disclosures provide historical company information and data covering calendar year 2021, unless otherwise noted. In some cases, data and information related to corporate responsibility and sustainability priority areas may include programs and activities underway or introduced in the 2021 fiscal year. Disclosures focus on LS Power's commitments and practices informed by the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) Standards.

We assure report content through an internal review process, including executive oversight of subject matter reviews and validation. We also work with a third-party consultant to review avoided greenhouse gas emissions calculations using the GHG Protocol Corporate Accounting and Reporting Standard and further validate the accuracy and reliability of our avoided emissions. Please contact sustainability@lspower.com with questions or comments related to this report.

About LS Power

We seek to drive transformational change in our industry and believe innovation in both technology and business models will help accelerate the decarbonization of the electric grid to deliver cleaner, more affordable, and more reliable energy for current and future generations.



About LS Power

Founded in 1990, LS Power is a privately held, independent power company headquartered in New York focused on **leading the energy transition towards a sustainable future**. Building on our experience as developers and operators of power and energy infrastructure, we launched LS Power Equity Advisors in 2005 to expand our investment activity in the sector. Across these efforts, we have raised over \$48 billion in debt and equity financing to invest in North American infrastructure.

LS Power is a positive force of disruption. For more than 30 years, we have led the sector's evolution with our ever-expanding capabilities and resources, focused on bringing innovative energy solutions to communities across the U.S. Our growth adheres to our conviction that energy markets can and should provide clean, affordable, and reliable energy responsibly.

With innovation as the cornerstone of our business, we have developed, acquired, and invested in more than 100 [power generation projects](#) that total more than 45,000 MW. Our projects include solar, wind, hydro, natural gas-fired, and battery storage generation that together drive a cleaner, more efficient electric grid. Our [transmission](#) projects deliver energy across more than 660 miles from remote locations to population centers where people live and work, with another 400 miles currently in development. Alongside our projects are our [Energy Transition Platforms](#) which include renewable energy generation and energy storage, electric vehicle (EV) charging, distributed energy resource companies, and waste-to-renewable energy initiatives.

ENERGY TRANSITION PLATFORMS LEVERAGE LS POWER CORE EXPERTISE

Established Greenfield Developer since 1990

Capabilities across Energy Management, Commercial Management and Asset Management

Extensive Corporate and Utility Offtake Contracting Experience

Public Policy and Market Development Expertise

Long-standing strategic industry relationships and >\$28 Billion of Energy Infrastructure Financed

Environmental Management and Regulatory Compliance Capabilities



LS POWER BY THE NUMBERS

Founded
1990

Financing Raised to Support Infrastructure
\$48 billion^[1]

Employees
280
+ 100 affiliated company employees

PROJECTS BY THE NUMBERS

45,000+
MW power generation

7
transmission projects

660
miles of high voltage transmission

7
battery energy storage assets

110+
power generation projects

7
energy transition platforms

[1] Financing includes debt and equity raised to support development, investment, and operating capital

Our Values and Culture

Our core values are embodied in our culture. As an industry leader, we bear great responsibility to **operate with integrity and support the communities that we serve**. Through disciplined investment and operations and open communication, we believe that we can help create lasting positive impact for our stakeholders and the environment we all share.

Core Values

- **Integrity:** We measure success through long-lasting, strong relationships, thriving employees, and high-quality operating projects and businesses that deliver reliable and affordable energy.
- **Discipline:** The rigor of our thought process, the strategic deployment of capital, and our analysis of industry-specific market, regulatory, policy, and financial developments form the foundation of our competitive advantage.
- **Innovation:** The entrepreneurial spirit thrives at LS Power. From our early transformative years as a pioneer in the industry to now as an established leader, we will never stop seeking creative and practical solutions to challenges.
- **Constant Engagement:** Our team integrates ideas, skills, and real-time market input from our stakeholders and market participants to identify and execute on opportunities that benefit consumers, local and regional communities, and investors.

Our Development Philosophy

- **Meet the needs of our communities** by delivering energy that is safe, reliable, and sustainable for consumers and the environment.
- **Protect the environment** by customizing projects for regions and localities utilizing advanced technology and modern design to efficiently scale and minimize our footprint where possible.
- **Work with local communities** to design projects that support their goals and hire locally.

[2] PJM Interconnection, L.L.C., Artificial Island Recommendation White Paper

- **Support competitive markets** by advocating for transparent, cost-effective, and equitable bidding processes open to non-utility, independent energy developers who can more effectively provide consumer savings and innovation.

At LS Power, **our goal is to drive decarbonization** across the U.S. and make the grid more efficient and resilient through affordable and clean energy solutions. To achieve this, we think and operate differently from our peers. Our philosophy is to look beyond industry standards to focus on innovation gaps in technology or commercialization, while also advocating for more competitive development solicitation policies. True competition encourages innovation that leads to a more efficient grid and provides savings for consumers.

Look beyond to focus on innovation gaps.

As case in point, LS Power utilized the first-ever application of vertical injector technology in the U.S. to install underwater cables buried as deep as 70 feet below the surface of the Delaware River for our [Silver Run Electric](#) project in the PJM region of the eastern United States. By thinking critically and creatively about how we can best serve consumers and grid operators, LS Power also introduced a project cost cap to the industry in 2018 through our proposal for Silver Run. The cost cap was the first-of-its-kind for developers and protected local consumers from potential cost overruns on the project.

As recognition for these achievements, LS Power was awarded the project out of 26 competing proposals received by the PJM and lauded for "greater cost certainty with fewer exclusions"^[2] than other prospective developers. As with multiple LS Power development projects to date, Silver Run was completed safely, on time, and below budget, and now serves nearly one million homes.

Our pioneering effort to protect consumers led to an industry-wide change whereby other developers followed our lead and began instituting cost caps in their proposals, which is now the norm in competitive transmission bidding.



Sustainability at LS Power

We are committed to the responsible stewardship and operation of our projects and businesses to meet society's evolving demand for reliable, low-carbon energy. Our Environmental Social and Governance (ESG) approach focuses on behaving in an ethical, transparent manner and minimizing negative impacts as we work to decarbonize the grid and support the communities we serve.

In our 2021 Sustainability Report, we focus our efforts and highlight our performance in five key areas:

- Our People and Communities
- Responsible Operations
- Greening the Grid
- Governance, Ethics, and Compliance
- Government and Public Policy

With these priorities as a guide, we commit to transparency in all that we do. Our [ESG Policy](#) governs our sustainability efforts and guides how we manage environmental impacts, health and safety, social responsibility and community involvement, governance, and the integration of ESG principles in our development and investment activities.

LS Power also conducts due diligence related to ESG topics before committing to new developments or investments. To mitigate potential future issues, we proactively develop remediation plans where warranted. Our due diligence and remediation efforts focus on protecting health and minimizing negative environmental impacts while we support local communities. We feel this is integral in driving our long-term success and increased stakeholder value.

We require employees to annually review, acknowledge and continuously comply with our ESG Policy, as well as any future updates and amendments. The policy is periodically reviewed to ensure commitments address identified risks related to environmental, legal and regulatory impact, societal norms, and relevant market factors.

Our People and Communities

Everything starts with supporting our most valued asset — our people.

Supporting Our People

LS Power grew in 2021 to nearly 280 people, with approximately another 75 people hired for REV Renewables, providing for a total headcount increase of ~30%. This tremendous growth demonstrates our commitment to accelerating the energy transition.

Our culture is a reflection of who we are. It is how we attract and retain talent to have a long and fulfilling career with LS Power. We believe it is why **25% of our workforce has been with LS Power for over a decade, including 10% who have been with us for 20 years or more**. We foster an environment in which our people feel valued for their contributions. Our people are encouraged to share ideas and emboldened with a sense of purpose as drivers of an essential industry that provides clean, reliable, thoughtful, and affordable energy solutions.

To help promote a culture of motivated and engaged employees that give back to the communities in which we serve, LS Power offers competitive benefits and wellness programs for all employees and their eligible family members. This begins from the first day of employment so that our people understand their personal and professional development is important to us. In 2021, we received Cigna's "Honorable Culture of Well-Being Award" for our hard work and efforts to set the standard of excellence in helping transform company culture and change employee's lives through wellness.

Additionally, we recognize the unique value of each employee through our Diversity, Equity, and Inclusion (DE&I) policy. Working towards a better future together through the diversity of our backgrounds, skillsets, and ideas forms a part of our competitive advantage and drives us forward.

Recognizing the importance of further cultivating and supporting our employees, we expanded our Human Capital team by ~30% in 2021. The expansion included two newly created roles: a DE&I officer to enhance our Diversity, Equity, and Inclusion efforts, and a strategic talent advisor who cultivates talent for LS Power and our affiliated businesses. These roles are integral to help identify, nurture, and incentivize talent to support our mission of providing energy solutions that are sustainable, reliable, and affordable.

Our Approach to Health and Safety

LS Power is committed to being a good corporate citizen. We hold the health and safety of our employees in the utmost regard, and our commitment extends to our contractors and the communities we serve. As COVID-19 continued into a second year, our team found new ways to connect and work efficiently to ensure the safe and sustained operations of our power generation and transmission projects and companies across the United States. Our focus on health and safety means we continually work to minimize human and environmental risks, and we provide the training and resources necessary to make that happen.

To maintain consistency across our operations, our health and safety efforts are governed by LS Power's ESG Policy and our Employee Handbook. These policies include training, accountability, regulatory compliance requirements, tracking and monitoring, engagement, and a no-tolerance policy for workplace harassment. At every level of our organization, we continually work to maintain safety, health, and productivity.

Employee Health and Safety

Ensuring safety across LS Power operations is a top priority. We recognize the essential role employees have in delivering this commitment and are dedicated to maintaining industry-leading safety standards that protect well-being each day.

Health and Safety Advocacy

As an operator of power and energy infrastructure across the United States, LS Power is strictly regulated by multiple local, regional, and federal agencies. To protect the health and safety of our employees, and ultimately the consumers of the energy we produce or deliver, LS Power seeks to exceed those standards.

To ensure industry-leading operational, health and safety performance, we require all LS Power employees, as well as the Operations & Maintenance (O&M) staff at all our facilities, to engage in extensive training.

We also ingrain health and safety into our culture, and advocate for and communicate our commitments in the following ways:

- Prioritizing health and safety in the operating practices and procedures of our facilities.
- Requiring employees to complete ten or more hours of annual training that covers health & safety, environmental policies, technical standards, and compliance with agencies such as the North American Electric Reliability Corporation (NERC), Federal Energy Regulatory Commission (FERC), and Occupational Safety and Health Administration (OSHA). Plant operations staff have additional training, increasing their annual average hours of training to more than 100 hours.
- Meeting or exceeding all applicable, site-specific, local, and national regulatory health, safety, and reporting requirements.
- Requiring employees and O&M contractors to understand and incorporate industry-accepted health and safety practices.
- Requiring implementation of LS Power's health and safety procedures at each facility and office.
- Fostering engagement and open dialogue on health and safety issues by encouraging employee involvement.
- Establishing and monitoring internal commitments, targets, and goals for health and safety.
- Interacting with our facilities' host communities and local emergency services providers.
- Requiring employees to review and acknowledge in writing LS Power's ESG Policy as part of compliance procedures at the point of hire and annually.

To assist site management teams in continuous improvement efforts, we often engage third-party experts to help assess health and safety programs for potential improvements and evolving guidelines. To build accountability into our safety culture, employees are empowered to proactively identify and minimize hazards. Additionally, every employee has stop-work authority so they can halt a job or task when a hazardous situation appears imminent.

2021 Employee Health and Safety Metrics

	Number	Rate
Total Recordable Incident Rate	4	0.49
Lost Time Incident Rate	0	0
Fatalities	0	0
Total Hours Worked	1,631,117	

Data represents LS Power employees & O&M contractors at generation facilities.

Through empowerment and accountability, we believe LS Power benefits from increased productivity and lower incident rates. In 2021, LS Power had zero employee fatalities. For 2021, the Total Recordable Incident Rate (TRIR) was 0.49 and our Lost Time Incident Rate (LTIR) was 0.0.

Talent Management

Talent Attraction

LS Power focuses on recruiting and retaining qualified, talented individuals who reflect the communities we serve. By embracing and recognizing the uniqueness of people, we are creating a more diverse and inclusive workforce who are recognized for their individual talents and contributions. With the goal of increasing the diversity of our teams, we focus on inclusive recruitment opportunities. To advance this objective, we partner with Historically Black Colleges and Universities (HBCUs) and Hispanic Serving Institutions (HSIs) to expand our pool of candidates. We also hold virtual job recruiting sessions, participate in job fairs, and are active on diverse job boards.

Employee Engagement and Retention

LS Power recognizes high employee engagement is linked directly to talent retention, employee satisfaction, company reputation, and overall stakeholder value. As the COVID-19 pandemic persisted, we continued to adapt employee engagement efforts to address health and safety concerns in 2021.

To promote a collaborative culture, we actively engage employees through various platforms, including direct email communications, our intranet, pulse surveys, office events, and staff meetings. In 2021, we conducted several employee surveys to better understand evolving support and wellness needs. Among the areas measured were:

- Belonging
 - Company Culture
 - Engagement
- Fairness & Civility
 - Recruitment, Promotion & Pay

Additionally, we launched a Self-ID campaign that captures voluntary demographic information to better understand what policies and process enhancements might benefit LS Power and our employees with the goal of creating a more inclusive work environment.

Employment Metrics			
	2019	2020	2021
Employee Retention Rate ^[3]	92%	93%	89%
Total Headcount	249	268	281
<small>All employee data represents LS Power Corporate Calculations and are audited by the Society for Human Resource Management (SHRM) [3] Please note the retention rate for 2021 excludes the transfer of 37 tenured employees to REV Renewables</small>			

In 2022, we are planning to launch employee training, leadership, and development programs, and a new employee appreciation program to provide employees with ways to recognize each other for a job well done and promote exceptional teamwork. Additionally, we have partnered with consulting firm Korn Ferry to assist us in ensuring that our organization has equitable compensation structures in place to support our business strategies and operations. As with our other initiatives, we are committed to maintaining an environment that can motivate, attract and retain our talent.

As we continue to grow, we look to further engage our employees by rolling out additional strategies and initiatives to strengthen our Human Capital program.

Employee Milestones

44%

5+ years

25%

10+ years

30 years

Longest-serving employee



Paul Thessen

President, LS Power Development
Joined in 1992



When I graduated from college in 1992, I was just a young snot-nosed kid. I had an offer from LS Power but I was initially hesitant to join, as my impression of the power industry at the time was that it was stagnant and inefficient. However, LS Power's leadership and approach were very entrepreneurial — differentiated from the broader industry — and I became convinced that LS Power would offer interesting and challenging opportunities to which I could contribute.

So my journey began as a member of a small five-person team pursuing complex and capital intensive independent power projects in a field dominated by large, multi-billion dollar utility companies. The overall industry was slower then, with fewer opportunities in general, so we had a lot at stake. The money we spent on development projects was all at risk, which meant we had to be extremely diligent in choosing our pursuits and disciplined in our capital spend.

We all wore multiple hats to get things done, and we learned as we went along since there was no roadmap to follow. What we did know was that we had to be creative and offer value in a way that others did not in order to be successful. This meant anticipating market needs, providing differentiated products from a cost and risk perspective, and developing projects that are beneficial to the communities and are sensitive to the environment.

These traits were key to our success back then and live on now as part of our DNA.

Today, LS Power is an established, independent leader in the power and energy industry. We still work hard to approach industry problems and opportunities with a fresh perspective. We take pride in how our innovative and cost-advantaged solutions can lower consumer energy bills, and it is satisfying to know that when we win a competitive selection process to build a new transmission project, consumers also win.

The energy industry is undergoing unprecedented change as it moves toward a greener grid. The amount of renewables and transmission required to meet clean energy goals is mind-boggling. And because of LS Power's unique platform of resources and capabilities as a developer, operator, and investor, we can pursue the most interesting challenges that have the greatest impact. We have already built more than 660 miles of high-voltage transmission and have another 400 miles in development — that is over 1,000 miles of wires connecting energy resources to people who need it.

It's astounding to see what we have accomplished with such a small team over the last 30 years. The opportunity set has exploded tremendously, and how we think about energy production and delivery has evolved so much. Our industry is anything but stagnant, and we are doing our part to deploy efficient solutions.

Thirty years have passed and yet it's an understatement to say that I am even more excited today than ever to be at LS Power, helping to accelerate the energy transition.

Khia Davis

Manager of Diversity Equity and Inclusion



In 2021, we welcomed **Khia Davis** as the new Manager of Diversity Equity & Inclusion (DE&I). Khia's leadership is invaluable to the future of LS Power as we dedicate ourselves to making significant progress towards our diversity strategy. We continue to focus on expanding diverse recruitment efforts, building professional development practices, and strengthening community partnerships.

Introduced in 2020, our DE&I strategy includes a pledge to Powering Change through hiring practices and talent development, and a DE&I Roadmap. The goal of our Roadmap is to create a culture of diversity and awareness across three pillar areas:

- **Talent:** We begin by removing the unconscious bias from the recruitment process through diverse cross-functional interview panels to standardize the hiring process and use scorecards to ensure consistency in how we engage our candidates. We also encourage hiring decisions based on comparable information rather than first impressions of candidates.
- **Culture:** We celebrate diversity and build inclusivity through DE&I communication and education. Initiatives include monthly newsletters that highlight and celebrate heritage months, as well as employee engagement surveys to better understand the needs of an inclusive workforce. In addition, we provide on-demand education and awareness training materials, including videos, blogs, and book recommendations exploring topics such as bias and inclusivity, as well as topics addressing the uniqueness of employees.
- **Community impact:** We build longstanding relationships with local organizations to help strengthen the communities and engage diverse stakeholder groups to identify opportunities for building a workforce reflective of the communities we operate in and serve.



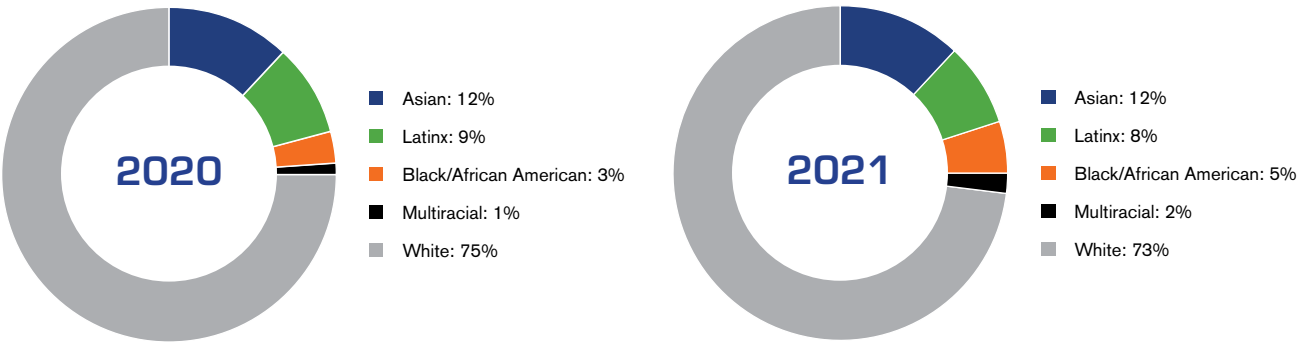
Our Commitment to Diversity, Equity and Inclusion

Powering Change is our pledge to build an inclusive, equitable, and welcoming culture that reflects diverse perspectives and a shared purpose to decarbonize and transform the energy industry. We believe diverse backgrounds and perspectives foster innovation, and create a competitive advantage that makes us all stronger.

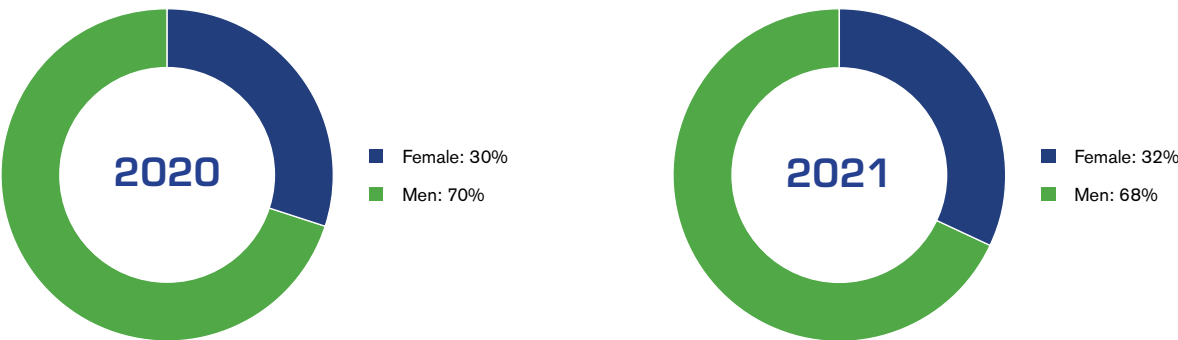
Upon completing our first DE&I Engagement Survey, we were heartened to see that 81% of our respondents feel a sense of belonging and fairness within LS Power. Results also revealed opportunities for increasing allyship and developing additional policies for employees with visible and invisible disabilities. To broaden our impact, we are also exploring opportunities to develop a speaker series focused on diversity of talent in the energy sector and diversification within supply chains.

As we continue to build our team, we are focused on integrating DE&I into the hiring process. By expanding our talent pipeline to include recruiting on college campuses, as well as offering internships and temporary employment as training ground for potential full-time employment to women and other underrepresented populations, we can include a wider range of perspectives and skillsets into our hiring process, which we hope will ultimately make us more aligned with the communities we serve.

Employees by Race and Ethnicity



Employees by Gender



Diversity Through Coffee Culture

Few things are more ubiquitous than coffee in the workplace. One of the most engaging (and delicious) ways we support and celebrate diverse-owned companies is by offering rotating coffee brands in our offices. In 2021, we launched our *Diversity Brew* program alongside announcements and signage of coffee sourced from women and diverse-owned companies. These companies were selected not only for their ownership profile, but also because they give back meaningfully through sustainable sourcing, working with underrepresented groups, community support, and other impactful ways.



September: National Hispanic-Latino Heritage Month

To celebrate National Hispanic-Latino Heritage Month, we sourced coffee from Don Carvajal and Coffee Del Mundo. [Don Carvajal](#), based in the South Bronx of New York City, works to create jobs and new opportunities in underserved communities. Their coffee is sourced from small farmers in the Dominican Republic, Haiti, Costa Rica, Colombia, and Brazil. Everything is Rainforest Alliance Certified, USDA organic, and packaged with sustainable materials. [Coffee del Mundo](#) is an Afro-Latino-owned specialty coffee company based in South Los Angeles, CA that works with many small farms predominantly in Colombia, El Salvador, Guatemala, Mexico, Nicaragua, Cameroon, and Ethiopia.

October: National Disability Employment Awareness Month

~80% of those with disabilities are unemployed and often unseen. [Bitty & Beau's Coffee](#) is working to change that by employing people with intellectual and developmental disabilities. Bitty & Beau's Coffee advocates for the value, acceptance and inclusion of those with intellectual and developmental disabilities by employing them at their 23 shops across 12 states with over 200 employees.

November: National American Indian Heritage Month

In honor of National American Indian Heritage Month, we sourced coffee from [Takelma Roasting](#). Takelma is the traditional language of the Cow Creek Band of the Umpqua Tribe of Indians, a Native American tribe located in southwestern Oregon between the Cascade and Coast ranges in the Umpqua and Rogue River valleys. Each roasting profile batch is released with a Takelma word in tribute to their history and culture. Takelma Roasting uses specialty-grade coffee that is sustainably sourced and roasted on Native American reservations spanning from Oregon to Oklahoma.

Economic Development in Communities: Job Creation and Tax Revenues

LS Power strives to minimize environmental impact, stimulate local economies through tax revenue, and create job and training opportunities by hiring local talent in every community in which we operate. Since 2013, we have supported our communities by creating more than 2,200 jobs and generated more than \$415 million in tax revenue to support schools, cities, and state government services. Our efforts promote economic development in the surrounding communities of our projects while also delivering renewable energy and increased grid reliability across the country.

2,200+

jobs created since 2013

\$415M+

in local revenue generated since 2013

Community Support

We build relationships with diverse community organizations and leverage partnerships, philanthropy, and employee volunteering to support the communities in which we operate.

We are grateful for the opportunity to support our local communities through annual contributions to organizations that work towards improving economic growth, education, health, and social welfare. As the COVID-19 pandemic continued through 2021, we felt especially compelled to help our communities in any way we could.

\$6.3M

in charitable contributions since 2012

Each year our project managers are given a budget whereby they can support charitable organizations in their communities. In 2021, this led to donations of nearly \$1.7 million to combat food insecurity, help victims of violence, empower minorities, support local emergency services, sponsor school programs for Science, Technology, Engineering, and Mathematics (STEM), provide holiday giveaways and more. Charitable contributions and volunteer efforts that support the community is at the core of who we are.

2021 Contributions

600+

Volunteer Hours



- Health/Community Support: 63%
- Education/Youth Programs: 17%
- Hunger Relief: 16%
- Economic Growth: 3%
- Environment/Infrastructure: 2%

Supporting the Community

Virginia Recognizes LS Power's Doswell Generating Station for Volunteerism and Community Service

In recognition of our people's commitment to supporting the community and serving others, LS Power's Doswell Energy Station (Doswell) in Hanover County, VA received the 2021 Virginia Governor's Volunteerism and Community Service Award, part of a program that recognizes the outstanding contributions of individual volunteers and organizations across Virginia. Doswell was recognized for a variety of efforts, including its longstanding volunteer assistance to Hannover County's Day Health Program and Raft House, where individuals with mental health challenges, substance abuse issues, and developmental disabilities get access to resources.

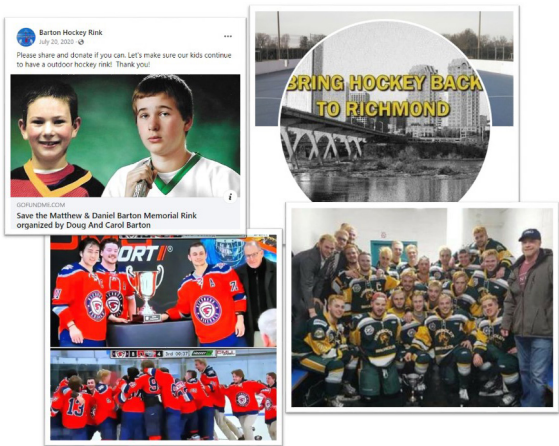
To date, **Doswell has contributed more than \$321,000 in donations** and numerous volunteer hours to local communities and organizations, including:

- ACES of Ashland (Emergency Services / Provision of Food & Clothing)
- Downtown Ashland Association (Mid-Atlantic Railroad Park)
- Hanover County Day Health Center and Raft House (Hunger Relief efforts)
- Hanover Educational Foundation (STEM Scholarship & Educational Fund)
- Hanover Sheriff's Office Toys for Tots Drive
- Pamunkey Regional Library
- Moments of Hope Outreach (Holiday meals for the homeless)
- Matthew and Daniel Barton Memorial Rink
- Special Olympics Virginia

Among these efforts, Doswell contributed \$25,000 towards the renovation and reopening of the Matthew and Daniel Barton Memorial Rink. The rink was built 20 years ago in memory of Doug and Carol Barton's late sons, who were avid hockey players and fans before losing their battles with Lymphoblastic Lymphoma and Juvenile Myoclonic Epilepsy at the ages of 10 and 19, respectively. Upon hearing of the Barton family's GoFundMe campaign to rescue the rink, Doswell was happy to contribute to the campaign, which culminated in the necessary repairs to reopen the rink.

"We are just so thrilled. We are thankful for all of the support, from the community and from the Board, Doswell Energy and the Washington Capitals. So many people said, 'tell us what we can do to help.' We are very lucky to have had such support from everyone."

– Carol Barton, Barton Memorial Rink



Rise Light & Power Supports New York Residents

As part of its broader commitment to addressing climate change and environmental justice issues, **Rise Light & Power contributed nearly \$600,000** in charitable donations in 2021, along with numerous volunteering hours. This is part of ~\$2.2 million in charitable contributions to date.

Community groups supported included the New York City Housing Authority (NYCHA), Jacob A. Riis Neighborhood Settlement, and several school programs for Science, Technology, Engineering, and Mathematics (STEM), among others:

- **Backpack Giveaway:** Rise hosted a backpack giveaway and provided 400 children with backpacks and school supplies to kick off the school year.
- **Turkey Giveaway:** Rise gave away ~\$25,000 in turkeys for community members celebrating Thanksgiving.
- **Toy Giveaway:** Rise hosted and donated over \$25,000 worth of toys for local children and families to enjoy during the holiday season.
- **Beautifying the Neighborhood:** Rise engaged the community by bringing the brick wall in front of Ravenswood Generating Station to life with colorful murals from Teresa Yang, a local Queens, NY-based artist.

Additionally, Rise **contributed over \$50,000 of donations towards personal protection equipment for those in need, and provided over \$250,000 of support for programs focused on combating food insecurity and violence.**

LS Power's Rise Light & Power is dedicated to serving its local communities and lighting New York's future as it modernizes its facilities and invests in clean energy infrastructure. With these investments, Rise continues to play a vital role in delivering reliable and cost-effective energy solutions for our communities across the region — as it has done since 1963.



Responsible Operations

LS Power's success is built on a commitment to conduct business activities responsibly, for consumers and our planet.

Our Approach to Responsible Operations

We are mindful of our responsibilities as we work to reduce environmental risks and impacts in the communities in which we operate, improve the efficiency of the grid, and advance clean energy solutions across the U.S.

A significant part of our responsibilities lies in our government advocacy efforts to create cost-effective and innovative energy solutions on behalf of consumers. We actively promote high-impact policies, such as pricing transparency and increased competition, by engaging in public policy initiatives at the local, state, and federal levels.

Additionally, LS Power's ESG Policy guides our daily practices. We are dedicated to operating responsibly and ensuring that our business activities are conducted in a manner that reflects intentional and responsible ESG management in line with industry best practices. Through our responsible operations, **our goals focus on minimizing human and environmental risk, improving efficiency, and maximizing value for all stakeholders.** Our ESG Policy is reviewed and updated to reflect changes in regulation, geopolitical risks, and other factors.

Innovation and Technology

LS Power is built on innovation. We challenge ourselves to think critically and creatively during the design, construction, and operation of projects. Our novel project solutions are designed to benefit ratepayers and stakeholders alike. We believe this forward-thinking approach distinguishes us from other industry participants.

Our development projects demonstrate our dedication to innovation. We work outside the box of over-engineered, standardized design to deliver optimized energy transmission designs that lower project costs while adopting industry-leading technology to produce inventive, reliable, and affordable solutions.



Enhancing Grid Reliability

In one of LS Power's more recent transmission mandates, we are working to build new, modern control centers in Greater Albany, NY. The control centers will operate, monitor, and control Extra High Voltage (EHV) transmission lines and substations within the New York Independent System Operator (NYISO) region. Once commissioned, the control centers will be equipped with the latest advances in equipment, energy management systems (EMS), and supervisory control and data acquisition (SCADA) system. This provides increased security, improved operator awareness using advanced tools, and additional control center functionality. LS Power's new facilities will comply with North American Electric Reliability Corp. (NERC) and Northeast Power Coordinating Council (NPCC) standards to meet all the reliability and security (physical and cyber) requirements necessary to operate the assets.

The new transmission system will be operated from fully redundant primary and backup control centers, located approximately 15 miles apart. This distance provides sufficient geographic diversity while being close enough to allow transmission system operators to relocate in less than 2 hours as required by NERC.

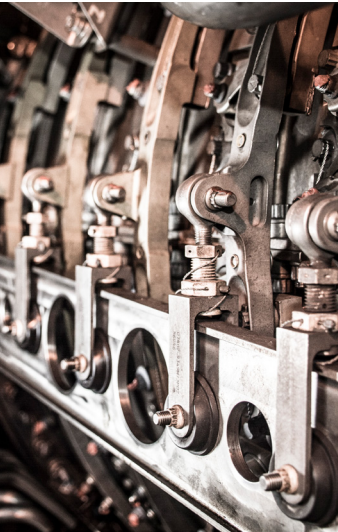
The control center will be operated by a dedicated LS Power team 24 hours a day, 7 days a week. The team is NERC certified and undergoes ongoing education to maintain certifications. Each control center will have redundancy in communication, power supply, HVAC, and fire suppression systems. Maintenance of emergency provisions such as cots, blankets, water, and food will be provided in the event of the need to shelter in place.

The control centers will create an estimated 75 temporary construction jobs and ~15 long-term operational jobs.



Future Control Center(s) SCADA Systems — Assembled for Early Configuration and Testing

Small Changes Make a Big Difference in Power



LS Power continually looks for opportunities to provide the lowest cost, reliable generation to consumers however we can, in ways large and small. We know innovations and improvements do not necessarily need to be big to have an impact.

As an example of this attention to detail, we realized that by injecting water into certain turbine inlets during summer operation, the incoming air temperature could be lowered, which in turn, would increase power output. This process, known as **wet compression, is a technological innovation that had never been applied to these types of turbines before.** Fortunately, due to our familiarity with using the process, we were able to work through the technical needs and specifications to employ it. We coordinated with state permitting agencies, the ISO of the region, and the original equipment manufacturers to properly implement this new process at our Rockford facility in Illinois. As a result, we **increased power output by 13%, equating to an additional 65 MW for the 700 homes** supplied by Rockford.

Thinking creatively and utilizing our deep experience across other areas allowed us to generate greater energy output with minimal cost and new equipment, experiencing very little downtime. Since the successful implementation at Rockford, we have begun the implementation process for wet compression at two other facilities.

To fully understand our impacts, we divided our investment calculations into two types:

- Net Avoided GHG Emissions While Under LS Power Operational Control
- Net Avoided GHG Emissions of Developed Assets After Divestment

To capture a measurable impact of LS Power's efforts, we limited the scope of the analysis to the provision of power. Upstream, construction, end-of-life impact, and other operational elements were not included in the analysis.

Avoided GHG emissions data is informational only. LS Power acknowledges the limited scope of calculations and we do not utilize this data to create claims about operations or to establish environmental attributes. Furthermore, none of the findings of this analysis constitute or equate to tradable carbon offset certificates.

Methodology and Results

Disclosing our avoided emissions^[4] allows for a measure of quantification and comparability of products. While no singular framework for ensuring the consistency of avoided emissions estimates exists, our portfolio calculation approach leverages guidance from the World Resources Institute's (WRI) Working Paper on Estimating and Reporting the Comparative Emissions Impacts of Products (2019)^[5] and The 2004 GHG Protocol: Corporate Accounting and Reporting Standard (GHG Protocol).^[6] Our calculation methodology also takes sector specific GHG calculations into account. The calculations are derived from the GHG Accounting for Grid Connected Renewable Energy Projects by the International Financial Institutions (IFI) Technical Working Group on Greenhouse Gas Accounting.

Per the GHG Protocol's organizational boundary-setting guidance and operational control criterion, our calculations include 100% of the avoided emissions from operations where LS Power or one of its subsidiaries has/had operational control. The scope of our calculations includes 94 acquired assets and 14 developed assets.

Calculations compare an asset's emissions to a reference power producing facility scenario^[7] with the highest variable operating costs.^[8] GHG emissions calculations also include EPA-published non-base-load emission factors for carbon dioxide, methane, and nitrous oxide by U.S. grid region. Calculations assume that power for battery or pumped hydro storage was withdrawn from the grid at base-load with the lowest operating costs and discharged to the grid during non-base-load grid operation.

Climate Change and Avoided Carbon (Greenhouse Gas Emissions)

Our Approach to Climate Change

As global weather and environmental impacts become more unpredictable, energy infrastructure providers are grappling with present and future demand pressures. LS Power is dedicated to solving these issues while making crucial investment decisions that will lead us all to a greener grid.

In 2020, recognizing the role our industry plays in climate change, we began tracking our avoided greenhouse gas (GHG) emissions to better understand the short and long-term impacts of our investment decisions.



[4] Emissions avoided are the difference between emissions from the target project/asset and the emissions that would occur based on regional generation emission levels.
[5] https://ghgprotocol.org/sites/default/files/standards/18_WP_Comparative-Emissions_final.pdf
[6] <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>
[7] Reference Scenario: The "non-base-load" or "variable" portion of the grid
[8] Variable Operating Costs: Where generation facilities supply electricity above the base-load of continually operating, less expensive power plants

The tables below reflect avoided emissions from the asset's acquisition date (or commercial operation date for assets we developed) through the earlier of December 2021 or the asset's divestiture date.

Sandy Creek Energy Station (an asset that was sold in mid-2021) was a coal power plant with partial ownership that did not fall under LS Power's operational control. However, we tracked its GHG emissions for completeness and transparency during our ownership. Sandy Creek emitted 16,811,000 metric tons of CO₂e from its commercial operation date to June 2021, a net increase in emissions versus grid emissions.

LS Power recognizes that how we exert operational control over assets we build or purchase has an impact on the climate, even after divesting from a company. As a result, we strive to make positive contributions and impacts on the environment and in the communities we serve.

Net Avoided GHG Emissions of Developed Assets After Divestment		
MT CO ₂ e ^[9]	2020	2021
Conventional Generation ^[10]	75,400,000	80,300,000
Solar	69,900	552,000

Net Avoided GHG Emissions While Under LS Power Operational Control ^[11]		
MT CO ₂ e ^[9]	2020	2021
Conventional Generation	68,500,000	65,200,000
Pumped Storage Hydro	9,860,000	11,420,000
Solar	3,100,000	3,380,000
Wind	492,000	609,000
Battery Energy Storage	16,300	61,100
Total	81,968,300	80,670,100

[9] Figures rounded to three significant digits

[10] Conventional generation is the general term applied to the production of electrical energy from coal, oil, or natural gas using the intermediary of steam

[11] Acquired and developed

2021 Avoided GHG Emissions^[12]

80,670,100

metric tons CO₂e avoided

EQUALS

17,550,629

passenger vehicles taken off the road for one year

OR

14,658,563

homes' electricity use for a year

OR

186,837,560

barrels of oil not consumed

OR

27,448,980

tons of waste recycled instead of landfilled

OR

98,871,825

acres of forest sequestering carbon for a year

[12] Equivalency calculations from assets held under LS Power's operational control in 2021 based on EPA GHG Equivalencies Calculator.



Avoided Emissions in Action

514,814

metric tons of CO₂e collectively avoided across
LS Power's Energy Transition Platforms in 2021

CPower Energy Management, a national leader in demand response and other distributed energy resources, enabled more than 1,900 customers at over 12,000 sites to reduce grid demand by nearly 5 GW across five independent system operator (ISO) regions and multiple regional transmission organization (RTO) regions as well as competitive utility programs across the U.S. Through its programs, ~280,000 metric tons of CO₂e were avoided, equivalent to not burning more than 317,000,000 pounds of coal.

EVgo, the largest electric vehicle fast charging network in the U.S., grew its network of users by over 50% to more than 310,000 electric vehicle (EV) driving customers. EVgo charged 82 million zero-emission miles, displacing more than 3.7 million gallons of gasoline. As North America's first 100% renewable EV charging network, EVgo helped avoid more than 33,339 metric tons of CO₂e over the course of the year, the equivalent of taking ~7,251 vehicles off the road. As EVgo continues to deploy thousands of additional charging stations across the country, carbon-free transportation for individual drivers and fleets will become increasingly user friendly, further greening our environment.

Endurant Energy, a leading provider of on-site energy and microgrid solutions, saved clients ~7 million MMBtu in natural gas and electric consumption for heating and cooling, with a total aggregated reduction of over 34,000 metric tons of CO₂e, equivalent to removing 27,300 cars from the road. Endurant projects also significantly contributed to improved air quality with a reduction of ~63 tons of nitrogen oxide (NO_x) in the atmosphere.

Waste-to-Renewable Fuel projects in Kansas and Iowa, completed in partnership with The Landfill Group, produced 538,786 dekatherms of renewable natural gas (RNG) in 2021. This effort diverted methane, a greenhouse gas (GHG) that has a global warming potential more than 25 times greater than CO₂ from being released directly into the atmosphere. Together, these projects avoided 167,475 tons of CO₂e, the equivalent of taking more than 36,000 vehicles off the road. This RNG production is the equivalent of providing electricity to over 13,000 homes. As we continue to upgrade and expand on these and forthcoming projects, we will both reduce emissions and replace fracked gas that would otherwise have a negative impact on our environment.



Using Trash to Clean Air and Power Homes

In 2020, LS Power entered into a [partnership with The Landfill Group](#) (TLFG), a North Carolina-based developer and operator of landfill gas projects, to jointly develop a portfolio of landfill gas-to-renewable natural gas (RNG) projects throughout the United States.

Municipal solid waste landfills are the third largest source of human-related methane emissions in the United States. Landfills produce harmful greenhouse gases (GHG), primarily consisting of roughly 50% carbon dioxide and 50% methane, a GHG about 28 to 36 times more potent than carbon dioxide at trapping heat in the atmosphere. These gases are typically flared or vented into the atmosphere for operational, safety, and economic reasons, causing global warming.

In October 2021, we finished the construction of a new \$10 million [renewable fuel project in Dubuque, Iowa](#). Our project will collect harmful methane gas from the landfill through a series of wells, clean it at our facility, and convert it into renewable natural gas that can be distributed back to the city's natural gas pipeline system for consumer usage.

“This is a win for the environment, for the citizen owners of the landfill and for our landfill customers as this new revenue will help us to keep our rates and fees stable going forward.”

– Dave Baker, Chairperson Dubuque County Board of Supervisors, and DMASWA Agency Chairperson

The project not only reduces harmful methane emissions, but will also turn a natural resource that would otherwise be burned off and wasted into renewable fuel instead, with the ability to heat 2,763 homes in Dubuque each year. With regards to environmental impact, the reduction in direct and avoided emissions annually will equate to 257,687 barrels of oil consumed and CO₂ emissions from 12,468,281 gallons of gasoline consumed. Environmental calculations were provided by the City of Dubuque and the Dubuque Metropolitan Area Solid Waste Agency (DMASWA).

Beyond the positive environmental impact, the project created more than 150 jobs during construction, as well as two new permanent full-time positions.



Emissions avoided equate to each of:

250,000+
barrels of oil

12.5M
gallons of gasoline

Benefits include:

2,700+
homes heated

\$90,000
annual revenue generated for
the local community

150+
jobs created

Sources: <https://www.kcrg.com/2021/10/20/10-million-renewable-energy-project-converts-dubuque-landfill-methane-into-usable-natural-gas/>
<https://dubuquetoday.com/tidbits/city-of-dubuques-new-landfill-gas-conversion-facility-now-online/>
<http://landfillgroup.com/dubuque-will-soon-have-a-cleaner-enviro/>
<https://www.epa.gov/lmop/basic-information-about-landfill-gas>

Combustion Asset Air Emissions			
	2019	2020	2021
CO ₂ (short tons)	23,395,000	20,262,000	18,099,674
SO ₂ (short tons)	2,512	2,403	1,109
NO _x (short tons)	5,287	4,758	3,854
PM ₁₀ (short tons)	986	935	777
Lead (short tons)	0.0128	0.0120	0.005
Mercury (short tons)	0.0218	0.0192	0.00816
Heat Input (MMBtu)	355,031,000	304,944,000	289,265,438

Operational Environmental Impact

As we develop and operate essential infrastructure to meet society’s evolving energy needs, LS Power is committed to responsible stewardship.

Our dedication to safeguarding human health and the environment is accomplished by maintaining the highest standards of operation. This includes adherence to all local, state, and federal compliance regulations, proactive site monitoring, rigorous training for our employees, and regular third-party self-assessments and audits. By upholding our standards each day, we are able to quickly correct non-compliant issues while providing the greatest value and the safest, most reliable power possible to all of our stakeholders.

LS Power’s awareness of global and local environmental issues and regulatory frameworks enables us to customize our projects. This includes incorporating design features that promote water recycling and conservation, and co-generation opportunities for neighboring industries.

We continuously work to minimize our environmental footprint, comply with regulations, and use the latest technology to find the most efficient and effective project solutions for the environment.

Air Quality

As part of our efforts to mitigate environmental impacts, LS Power adheres to federal, state, city, county, and district requirements. To maintain compliance, our 20 combustion assets (as of year-end 2021) require the renewal of air permits every five years. To continuously improve the air quality of our combustion assets, we routinely look for opportunities to implement new mitigation and air quality technologies, and limit the emission of air pollutants in line with the permits.

Waste Management

Throughout our efforts, LS Power consistently works to minimize the impact of our operations and reduce the waste that we generate. Beyond meeting our environmental compliance commitments, we strive to lower our overall environmental impact. To responsibly manage our efforts, we continually assess our waste streams and waste handling processes to identify materials for reuse and recycling, and look for ways to minimize what we send to landfills.

In June 2021, we sold Sandy Creek Energy Station, a coal plant in Riesel, TX, which was the only coal plant operated by LS Power in our history. Sandy Creek generated coal combustion residuals along with other solid waste previously reported. The previous reporting only contained Sandy Creek’s waste data due to its significant volume that overshadowed the waste data from our other power plants. As part of LS Power’s efforts to mature its Sustainability Program, in 2021 we expanded our analysis to include waste streams from the rest of the operating fleet.

Solid Waste (metric tons)	
2021	
Universal Waste Generated	5,257
Universal Waste Disposed	1,340
Universal Waste Recycled, Reused or Recovered	3,862
Hazardous Waste Generated	3,366
Hazardous Waste Disposed	3,331
Hazardous Waste Recycled, Reused or Recovered	35



Water Management

We understand the importance of water conservation and quality to our operations and the communities we serve, which is why we use recycled water from wastewater treatment plants throughout our development whenever possible.

At all of our project locations, LS Power actively manages for water usage and takes steps to minimize consumption wherever possible. As we acquire new projects, we will continue to assess and incorporate responsible water use practices.

As part of the 2021 efforts to mature our Sustainability program, we conducted water audits for our plants that are in high or extremely high baseline water stress areas as classified by the World Resources Institute’s (WRI) Water Risk Atlas Tool, Aqueduct. These included 14 of our solar projects as well as the Ravenswood project in Queens, NY. The findings of the audit allow the site to identify where water can be saved or reallocated during its operations. The solar water audits led to an analysis about cleaning the solar panels and whether this water usage is valuable to the site operations. The analysis concluded that for the one plant where washing was employed in 2021, washing the panels was ineffective in increasing solar panel performance. Moving forward, we will consider this conclusion in our decision to use water to clean panels in these high baseline water stress areas.



Biodiversity and Protecting Wildlife

Our commitment to ensuring a healthy environment for future generations includes strict compliance with environmental regulations and respecting the biodiversity at sites we maintain and develop. We rigorously assess any potential Right-of-Way impacts and confer with habitat experts and local communities to develop mitigation strategies where possible. By including biodiversity management into our practices, LS Power helps preserve resources and ecosystems for future generations.

Currently, three of our facility sites have sufficient property where we can meaningfully minimize any potential negative impacts to wildlife and birds in particular:

- **Seneca Generating Station in PA** - The project undertakes minimal spot mowing only for sensitive observation locations until late summer to avoid the disturbance of ground nesting birds. The mowing program also focuses on avoiding any trimming of patches with sensitive vegetation such as milkweed. The Seneca project partially sits within the Allegheny National Forest and works closely with the United States Forest Service to support its initiatives and efforts to maintain and protect the forest.
- **Yards Creek Generation in NJ** - The project works with state agencies so that inventory counts of sensitive species can be conducted while restricting access and disturbance of those areas to better protect them. Yards Creek has also worked with state agencies to document and inform the public and staff about important species and how to safeguard them.
- **Silver Run Electric in DE** - The project runs part of its transmission lines through the Augustine Wildlife Area in Delaware. As a preventative measure, we designed and constructed the transmission lines with flight diverters to make the wires more visible to birds to reduce potential avian injury and mortality.

Kathy French, P.E.

Vice President, Environmental Engineering, Health & Safety



I decided to be an engineer in the 7th grade. The lead engineer of a major industrial facility in my town came to speak to our class and I thought she was amazing — a woman who was not only in a technical field but also the person in charge of a critical piece of our local economy. I had always been good at math, so when she talked about how her work combined math, critical thinking, future planning, and the great outdoors, I was inspired. That very same year, I applied and was accepted into a summer program at the New Mexico Institute of Mining and Technology designed for middle school girls and minority students. Later in college, I took my first environmental engineering class and I was hooked. I went home for the summer and contacted the same lead engineer who spoke to my class when I was twelve years old and ended up spending two summers as her intern. I worked alongside her, learning about engineering and how to navigate the workforce as a woman. The experience was incredibly demanding but absolutely outstanding.

Today, I lead LS Power's environmental team, ensuring all of our power generating facilities operate within permitted regulations including for health and safety, and look for ways to help reduce our overall environmental footprint wherever possible. In other words, I am a steward of the environment. A key component of my job is to translate regulatory requirements of what best practices are and advocate for why they are important for our workers, our surrounding communities, and our environment.

One of the biggest challenges we have is deciding how to best spend our time and resources so that we can truly make a positive difference. I would love to see a rational plan for the industry that is a good balance between preserving the environment and the practical reality of how we can make it happen.

I love LS Power because we continue to make forward progress and work hard to do what is right. Throughout my 21 years at LS Power, we have never made a decision that I can say is wrong for the safety of our employees or the communities we serve. In fact, we often go beyond what is necessary to meet regulatory standards. That is definitely something I take pride in.

We don't take shortcuts. We always spend the money and resources to do the right thing.

My father is a big fan of old westerns and he used to always ask me, "Are we being the good guys here?" I still ask myself that and now my team too.

I want to make sure we are always the good guys.

Greening the Grid

LS Power is bringing renewables and cleaner energy to the grid.

Renewables

Energy storage and renewable generation are essential components in meeting our decarbonization goals while maintaining affordability, reliability, and resilience. Recognizing the importance of accelerating the adoption of zero and low carbon emitting resources and developing supporting transmission projects, LS Power makes strategic investments to enable long-term grid reliability and efficiency. **Our work focuses on providing essential energy infrastructure and services that help transition the energy sector and decarbonize the grid.**

We announced the formation of a dedicated renewables development team in 2008, making LS Power one of the earliest private developers of utility-scale solar. As of 2021, we have developed four solar facilities and acquired 25 solar facilities totaling 692 MW across 14 states. In addition, we own and operate two wind facilities (144 MW), with a third wind project in development that will have capacity of ~1,000 MW. Assuming four people per household, each 1,000 MW can power 600,000 homes.



“The rising demand for clean energy solutions presents a once-in-a-lifetime opportunity to deploy our human and capital resources into storage, solar and wind projects.”



Paul Segal,
Chief Executive Officer

In 2014, our renewables strategy expanded to battery energy storage, which has become more viable as a tool to provide the flexibility and efficiency needed to support the grid. We foresaw energy storage as integral to enabling the energy transition and began strategically investing in pumped storage hydro and lithium-ion battery storage projects. As a result, LS Power company REV Renewables now owns and operates the largest independent (non-utility owned) portfolio of pumped storage hydro in the country, with a capacity of 1,642 MW. Additionally, LS Power developed Vista Energy Storage, a 40 MW battery facility which was the largest in the U.S. when it was energized in July 2018. Vista was followed by Gateway Energy Storage, a 250 MW battery facility which was the largest in the world when it was energized in August 2020. Additional battery projects are currently being developed to be placed into service by the end of 2024.

Energy Transition Platforms

LS Power constantly seeks innovative solutions to transform the electric grid while preserving reliability and affordability. Our strategic portfolio of companies is a reflection of our vision to decarbonize the grid and deliver cleaner energy.

Electrification

[EVgo](#) is the nation's largest public fast-charging network for electric vehicles in the U.S. and the first network powered by 100% renewable energy. With a mission to expedite mass adoption of electric vehicles, EVgo is growing rapidly and now serves 35 states and 68 metropolitan areas. Committed to protecting the environment, EVgo purchases Renewable Energy Credits (REC) for every kilowatt-hour (kWh) consumed on the network of more than 800 EV fast charging stations and 1,000+ Level 2 chargers.

Waste-to-Renewable Energy

The United States generates 292 million tons of trash a year, of which approximately half ends up in landfills. Additionally, 206 billion pounds of food waste is generated each year (EPA, 2018). If food waste was a country, it would be the third largest emitter of greenhouse gas emissions in the world. LS Power's waste-to-energy initiatives convert waste from landfills, farms, food, and other commercial & industrial activities that emit harmful by-products such as ammonia and

methane into energy such as Renewable Natural Gas (RNG) or Renewable Electricity and reduce carbon footprints and achieve sustainability goals.

Distributed Energy Resources

[CPower Energy Management](#) is a leading, demand-side energy solutions provider helping over 1,900 commercial, industrial, educational, healthcare, and government organizations achieve a clean energy future through more than 50 partner programs with grid operators across North America. CPower manages customer capacity in virtual power plants that deliver flexibility, capacity, and other ancillary services to the grid.

[Endurant Energy](#) is a leading provider of on-site energy and microgrid solutions in North America that develops, builds, and owns a variety of technologies, including combined heat and power, ground source heat pumps, batteries, fuel cells, and solar. Its blue chip customers span a wide range of sectors, including education, commercial, industrial, real estate, health care, hospitality, and public utilities.

Renewable Generation and Energy Storage

[REV Renewables](#) is an industry leader in the development, acquisition and operation of renewables and energy storage. With a 2.6 GW operating portfolio and a substantial development pipeline, REV represents one of the nation's largest non-utility portfolios of renewables and energy storage. REV is dedicated to solving a critical challenge in the transformation of our energy systems: decarbonizing electricity supply while maintaining affordability, reliability, and resilience. With a focus on innovation, REV continually seeks to optimize solutions in step with an evolving regulatory, political, environmental, and market landscape.

Rise Light & Power

[Rise Light & Power](#) is a regional manager and developer of energy assets that provides more than 20% of New York City's generating capacity. Rise Light & Power is making significant investments to enable the state to reach its clean energy goals through the modernization of facilities and investments in large-scale renewable energy projects, such as battery energy storage.



Transmission

LS Power is a leading private provider of high-voltage transmission infrastructure in the United States, bringing reliable power resources from remote areas to population centers around the country while maintaining a healthy environment for future generations. To date, LS Power has completed more than 660 miles of transmission, with another 400 miles in development.

As a supplier of energy transmission infrastructure, LS Power's goal is to make the grid more efficient, less carbon intensive, and more effective at accommodating renewables. We accomplish this through industry-leading design and creative problem solving.

Our transmission projects enhance the nation's power grid and provide energy to millions of people across the country. Our efforts to promote competition and market transparency have produced results; we have been awarded transmission projects in a majority of the nation's Independent System Operators (ISO), including the California Independent System Operator (CAISO), Electric Reliability Council of Texas (ERCOT), and New York Independent System Operator (NYISO). As industry disruptors, we are targeting projects and investments that provide critical access pathways for renewables that do not currently have grid access. These projects bring renewable energy transmission to where they are needed.

We seek to identify critical transmission needs and development opportunities throughout the nation. We engage with federal and state agencies, regional transmission operators (RTOs), ISOs, and other stakeholders to advocate for competitive development opportunities.

Once a potential project is identified, LS Power is well positioned to proactively respond to stakeholder information requests and participate in competitive requests for proposal. Our advanced solutions are flexible and prioritize efficiency and affordability to resolve challenges. They also provide a competitive advantage in the transmission sector.

To ensure a reliable transmission grid that efficiently delivers to our stakeholders, we:

- Find the most cost-effective solutions to electrical grid problems
- Provide customers with safeguards and adaptable solutions
- Utilize best practices during construction and operation
- Focus on facility reliability, safety, and efficiency

Accelerating New York State's Carbon-Free Future

The [Central East Energy Connect](#) project is designed to increase transmission capacity more efficiently and help deliver energy, often times renewable energy, to higher demand areas across the state. LS Power was awarded the project in the largest competitively won transmission award in the United States to date under FERC Order No. 1000.

The work involves upgrading and improving nearly 100 miles of electric transmission, traversing five counties and 21 towns, to replace infrastructure as much as 60 years old.^[13] Once completed, the **new lines will be able to carry up to four times the capacity of the original lines**. By utilizing existing rights-of-way and the latest technologies, we work to minimize the impact on residents and communities while optimizing the lines to be more efficient in both transmission capacity and environmental footprint.

Carbon emissions will be reduced through enhanced access to wind, biomass, solar, and hydroelectric^[14] power generation. The project, a joint effort by LS Power Grid New York and the New York Power Authority (NYPA), facilitates New York's objective to meet its clean energy goals under the Climate Leadership and Community Protection Act, which targets a zero-emissions electricity sector by 2040, 70% renewable energy generation by 2030, and economy-wide carbon neutrality.

All of New York State will benefit from a more efficient power transmission system:

- Downstate areas should benefit from lower wholesale electricity prices
- Upstate generators will benefit from more operations
- The communities around the project will benefit from economic development, including construction and operations jobs resulting from the significant infrastructure project

Construction began in February 2021 with a target for project completion by late 2023.



[13] <https://www.lspgridnewyork.com/marcy-newscotland/>

[14] <https://www.eia.gov/state/analysis.php?sid=NY#:~:text=In%202020%2C%20renewable%20resources%20generated,York%20for%20the%20first%20time.&text=Hydroelectric%20power%20supplied%20almost%20one,of%20the%20state's%20renewable%20generation>

Flexible Gas Generation Accelerates the Energy Transition

LS Power has been a leader in natural gas generation for over 30 years, providing efficient, reliable, and affordable electricity. Our current fleet of more than 13,000 MW of fast-starting, natural gas-fired plants is critical to the stability of the electric grid, helping to manage the intermittent nature of renewable wind and solar resources.

To achieve decarbonization, we believe utilizing conventional energy alongside renewable energy sources will allow us to reach a sustainable future more responsibly. "It's abundantly clear to people serious about decarbonizing the electric grid — in a manner that maintains reliability and affordability — that purpose-built, efficient and flexible gas-fired generation will be needed for the foreseeable future," said LS Power CEO Paul Segal.

As stated in the [UC Berkeley 2035 report](#), "**retaining natural gas generation averts the need to build excess renewable energy and long-duration storage capacity — helping achieve 90% clean electricity while keeping costs down.**" Hence, gas generation is critical within high wind and solar energy scenarios, as it provides affordable and dispatchable sustained peaking capacity, often seasonal, to maintain system reliability.

Drastic, sudden changes without proper preparation for extreme events can lead to harmful situations that can reverse progress. For example, California, a leader in green energy where more than 60% of their electricity is carbon-free and ~36% is from renewable sources, declared a state of emergency during extreme summer heat conditions in August 2020 and ordered widespread rolling blackouts in order to manage the grid. Drought conditions had severely reduced hydroelectric power while wildfires threatened transmission lines. As a result, a year later in the summer of 2021, California officials announced five new gas-fueled generators to be temporarily installed throughout the state for the next five years as a safeguard to avoid blackouts and increase grid reliability while more clean energy sources and storage are built out.

These and other reliability events that led to significant power outages in Texas and other parts of the U.S. and overseas demonstrate that **a measured approach of responsibly managing conventional energy in conjunction with renewable energy development will actually accelerate the energy transition** by making it smoother and more dependable. The complementary strengths of renewables and gas generation, as well as their combined potential to decrease emissions by as much as 80%, were also cited in the [General Electric Future of Energy Report](#).

Governance, Ethics and Compliance

Ethics, compliance and integrity underlie everything we do at LS Power. We are committed to the highest standard of ethics and integrity throughout our operations and the communities we serve.

LS Power's Management Team sets the organizational tone for everything we do. We are dedicated to helping change the face of the energy industry for the benefit of all electric power and energy infrastructure consumers. Integrity and trust form the foundation of our work, and those core values are an expression of the responsibility and commitment shared by every person at LS Power.

As we evolve and grow, we adjust our sustainability efforts and governance strategy to ensure LS Power operations continue to reflect our core values. Our established governance practices further promote long-term value and accountability through transparency.



Our Approach to Governance

LS Power is led by talented and collaborative teams with extensive knowledge and expertise in conventional and renewable energy, development, operations, and investment. We share a common goal to advance America's transition to a greener and more efficient power grid and practice innovation while advocating for transparent, cost-effective, competitive solicitation opportunities. To extend that knowledge base, members of LS Power also serve on the boards of our portfolio companies, where we foster the same high governance and ethics standards.

To learn more about the knowledge and expertise of our leadership team, visit our [management team](#) webpage.

LS Power governance structures ensure the policies outlined in our ESG Policy are implemented using best practices. Our policies, which each employee must review and acknowledge at least annually, clearly communicate our commitment to a strong culture of compliance, whereby employees conduct business with honesty, integrity, and fairness.

“Our team must forever operate with integrity to serve our customers and investors.”



Mike Segal,
Founder and Chairman

Our Compliance team is responsible for developing and enforcing internal policies and procedures, for ensuring compliance with applicable laws and regulations, and for the mitigation of potential conflicts of interest and other reputational risks. For a comprehensive overview of our governance structure, please see our [ESG Policy](#).

ESG Commitment

ESG considerations affect our industry, our stakeholders, and the work we do. We are committed to conducting business in a manner that reflects responsible business practices, and our ESG policy outlines LS Power's commitments in the areas of Environment, Health and Safety, Social Responsibility & Community Involvement and Governance.

The Compliance team reviews business activities and oversees ESG Policy implementation. As part of our investment process, LS Power's due diligence teams examine and assess environmental and occupational health and safety risks. Asset managers also collaborate with operations and maintenance (O&M) contractors to identify and mitigate risks, and regularly report worksite issues to management.

As ESG considerations evolve, we conduct assessments and integrate findings, principles, and actions into our governance structures to address emerging risks, legal and regulatory changes, and other relevant market factors. Continuous review of policies ensures LS Power operates in accordance with best practices for the industry. In addition, we equip managers with resources, and empower them to make strategic and operational decisions that reflect LS Power's values and guidelines.



Compliance

We are dedicated to a strong culture of compliance. Employees are expected to act in accordance with the standards and requirements set forth in LS Power's Regulatory Compliance Manual (RCM). Employees are expected to conduct themselves with honesty, integrity, and fairness to identify and address potential risks. Employees and contractors must comply with applicable laws and regulations in all interactions with competitors, customers, lenders, partners, vendors, regulators, and others who do business with or seek to do business with LS Power. Employee training is extensive and ongoing with acknowledgment of the RCM required at least annually.

Ethics

Compliance and ethical conduct are the responsibilities of all employees. To support this, LS Power's Human Resources, Management, and Compliance teams maintain an open-door policy and encourage employees to discuss concerns. We also collaborate with O&M contractors and utilize third-party audits to identify and address potential risks. Employees and contractors can report compliance and ethics concerns to managers, Legal and Compliance, Human Resources, or anonymously through a 24-hour independent 3rd party company hotline.

In addition, LS Power Equity Advisors, LLC (the investment branch of LS Power) adheres to a Code of Ethics and Investment Adviser Policies & Procedures (IAPP) that are designed to comply with all regulatory obligations as an SEC-registered investment adviser.

Cybersecurity

As an essential service provider of energy and power in the U.S., LS Power strives to maintain a cybersecurity program that is adaptive and keeps pace with the continually evolving threat landscape. These practices and policies are updated regularly to guard against risk on both the physical and cyber fronts.

Our cybersecurity program is based on the National Institute of Standards and Technology Cybersecurity Framework (NIST Framework). LS Power utilizes the NIST Framework to integrate industry standards and best practices across five functional domains (Identify, Protect, Detect, Respond, and Recover) to improve our ability to prevent, detect, and respond to cyber events.

Geographic diversity and Virtual Server technology play a major role in LS Power's system and service architecture, which in turn provides a flexible framework for business continuity and disaster recovery efforts. Data and services are balanced across multiple data centers, providing for local backup at regular intervals and simple recovery in the event of localized service failure. Data sets for major services are replicated in real-time across the data centers, allowing for virtually instant failover in the event of a local Disaster Recovery incident.

Furthermore, LS Power's Business Continuity and Disaster Recovery (BCDR) plan deals with each enterprise application as its own object with specific service level agreements and recovery time objectives. Contingencies covered include those for incapacitated decision makers, computer system failure, back-up systems, and loss of facilities. In the event of execution of the BCDR plan, a combination of terminal service sessions and virtual private network (VPN) services are available for staff to work offsite for an extended period. Indeed, these capabilities were tested successfully with seamless operations throughout the COVID-19 pandemic.

Cybersecurity activities are managed in-house and, if necessary, strategic partners are used to help evaluate enhancements and audit functionality.



Helping the Planet by Helping the Community

According to [CalEnviroScreen 4.0](#), the latest iteration of the California Communities Environmental Health Screening Tool and Report, pollution has overburdened low-income communities, communities of color, tribal nations, and other disadvantaged groups in California. Some of these communities experience the additional burden of socioeconomic stressors and health conditions that render them even more vulnerable to the impacts of pollution. [CalEnviroScreen](#) was specifically developed by the California Environmental Protection Agency (CalEPA) and the Office of Environmental Health Hazard Assessment (OEHHA) in 2013 as a mapping tool to identify areas and communities with disproportional burdens of pollution, so as to drive more equitable decision making policy and advance environmental justice.

Since its introduction in 2013, CalEnviroScreen has guided significant public investments and been lauded as a model for other states and the Federal EPA to follow.^[15] Each census tract of land is scored based on as many as 21 indicators, ranging from ozone, poverty, pesticides, asthma rates, hazardous waste, education, traffic, groundwater threats, housing burdens, etc. A CalEnviroScreen (CES) score above the 75th percentile is considered a Disadvantaged Community (DAC).^[16]

LS Power, through our dedicated renewables company, [REV Renewables](#), currently has three new battery energy storage projects under development/construction in California. Leveraging the CalEnviroScreen tool, our battery development team was able to select locations for the new projects where we could bring a positive impact to disadvantaged communities in California, thereby making these projects truly sustainable, both environmentally and economically.

Battery Project	Location	Census Tract / CES Score for DACs
Diablo Energy Storage	Pittsburg, Contra Costa County, CA	Tract 6013310000 / 86th percentile
LeConte Energy Storage	Calexico, Imperial County, CA	Tract 6025011900 / 84th percentile
Commerce Energy Storage	City of Commerce, Los Angeles County, CA	Tract 6037532304 / 99th percentile

These new battery storage projects being developed by REV Renewables will help displace local emissions from conventional power generation and provide pollution reduction as well as health and environmental benefits to disadvantaged communities in California. Furthermore, each of these projects provides economic benefits through high-quality jobs and tax revenues for local communities.

[15] <https://oehha.ca.gov/media/downloads/calenviroscreen/report/calenviroscreen40reportf2021.pdf>
[16] <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>

In addition, REV's **2.6 Gigawatt portfolio makes it one of the largest pure-play renewables companies** in the nation today:

- Lithium-ion Battery Storage – 615 MW (by the end of 2022); based in California and includes Gateway, the world's largest battery at 250 MW when energized in August 2020
- Pumped Storage Hydro – 1,642 MW; based in the Mid-Atlantic region, represents the largest independent, non-utility owned portfolio in the U.S.
- Wind – 132 MW; based in Maine
- Solar – 467 MWdc/365MWac; 25 solar facilities spanning 14 states

REV Renewables' mission is to solve a critical challenge in the transformation of our energy systems: decarbonizing the electricity supply while maintaining affordability, reliability, and resilience.



Government and Public Policy

LS Power promotes competitive markets as the primary means to achieve climate and energy goals while keeping electricity affordable and reliable.

Advocating for Competitive Energy Markets

LS Power supports a variety of ways to accelerate the energy transition. As one of the largest independent power and energy companies in America, LS Power is a strong voice in the public policy arena. We advocate for competitive energy markets and other policies to achieve climate and energy goals that help keep electricity affordable and reliable for consumers.

Properly structured competitive energy markets can add downward pressure on costs to make energy more affordable for consumers, lower carbon emissions, and provide thoughtful solutions to help the grid remain reliable and resilient.

LS Power's public policy priorities include:

- Expanding competition for electric transmission projects
- Supporting wind and solar development, the electrification of transportation and buildings, renewable fuels, energy storage, and other decarbonizing technologies

- Retaining certain types of flexible natural gas plants to accelerate a successful transition to a lower-carbon economy
- Advocating for transparent and market-based strategies such as carbon pricing to encourage decarbonization

LS Power is a strong voice in the public policy arena.

Competition for Transmission

In 2011, the Federal Energy Regulatory Commission (FERC) issued Order 1000 with the goal of increasing regional transmission development and creating competition and incentives for innovative and cost-effective projects. In support of FERC Order 1000, LS Power actively engages with public policy leaders at state, regional, and federal levels. Our transmission advocacy advances the efforts of consumer groups, who understand that competition will save taxpayers billions of dollars as the interstate transmission grid is built out to support the energy transition.

Carbon Pricing

Federal tax incentives and state-level policies, as well as market-based strategies for lowering carbon dioxide emissions, are useful tools that can help accelerate decarbonization of the energy grid on a large scale. We agree with economists that placing a price on carbon emissions helps companies internalize the impacts of emissions, creates opportunities for lower-carbon energy options, and spurs innovation as emitters seek ways to reduce emissions.

Energy Affordability and Reliability

Moving our economy towards cleaner energy sources requires tremendous planning to ensure a smooth and responsible transition. Maintaining grid reliability so that everyone can still have access to energy that is also affordable is imperative. Without resilience and proper planning, we risk critical setbacks in the transition, as evidenced in California and Texas in recent years. With one of the most ambitious policies for green energy in the country where more than 60% of its electricity is carbon free and ~36% is from renewable sources, California was unprepared for the impact of extreme summer heat in 2020 that was made worse by drought conditions and wildfires. A state of emergency was declared with widespread rolling blackouts ordered to manage the grid. Following these events, California officials announced five new gas-fueled generators to be temporarily installed throughout the state for the next five years in order to increase the state's grid reliability and avoid similar blackouts while more clean energy resources and storage are still being built out.

Such episodes are not just isolated to extreme weather events. Sun and wind are intermittent by nature and therefore unreliable. To ensure consistency of energy delivery throughout weather events, we will need greater energy storage and demand-side management, complemented by fast-start gas plants, in order to maintain grid reliability and prevent blackouts. While demand-side management and energy storage projects will be important, they will not have the scale and operational flexibility for the foreseeable future to do the job alone. LS Power believes retention of certain natural gas facilities will help bridge the gap to a renewable energy future, responsibly.



LS Power views the investments necessary to expand the grid responsibly as an opportunity to develop and operate more innovative, reliable, and cost-effective solutions that benefit consumers. To ensure our solutions are economical for our stakeholders, we seek to shift financial risk away from consumers and drive down costs, through methods such as cost caps that protect consumers from paying for project cost overruns. Our innovation and technical advancements also help ease pressure on consumer costs. For example, our transmission solutions average 20-30% lower in cost and are often more dependable than our competitors. Between 2017 and 2021, **LS Power saved consumers an estimated \$172 million** by utilizing a consumer-focused cost containment approach that leveraged technological breakthroughs in project construction and provided ongoing consumer savings throughout the life of projects.

“As providers of power and investors in energy infrastructure, our responsibility to our planet is in ever-sharper focus. LS Power will use our unique position to fulfill that promise.”



Darpan Kapadia,
Chief Operating Officer

