Riverstone Overview

Leading global energy-focused private equity firm

- **2000: Founded by David Leuschen and Pierre Lapeyre**
- **Today: Leading private equity firms dedicated solely to the energy industry**
- **Traditional private partnership with more than 100 professionals, including 44 investment professionals, operating from offices in New York, Houston, London and Mexico City**
- **Over $31 billion raised since inception across 8 private funds and Riverstone Energy Limited**

Sector Focus

Exploration & Production

53 Investments
$14.0 billion

Energy Services

20 Investments
$3.8 billion

Midstream

21 Investments
$6.0 billion

Power & Coal

6 Investments
$1.8 billion

Riverstone Investments in Power & Coal

Riverstone has committed $1.8 billion across to the Power & Coal sectors

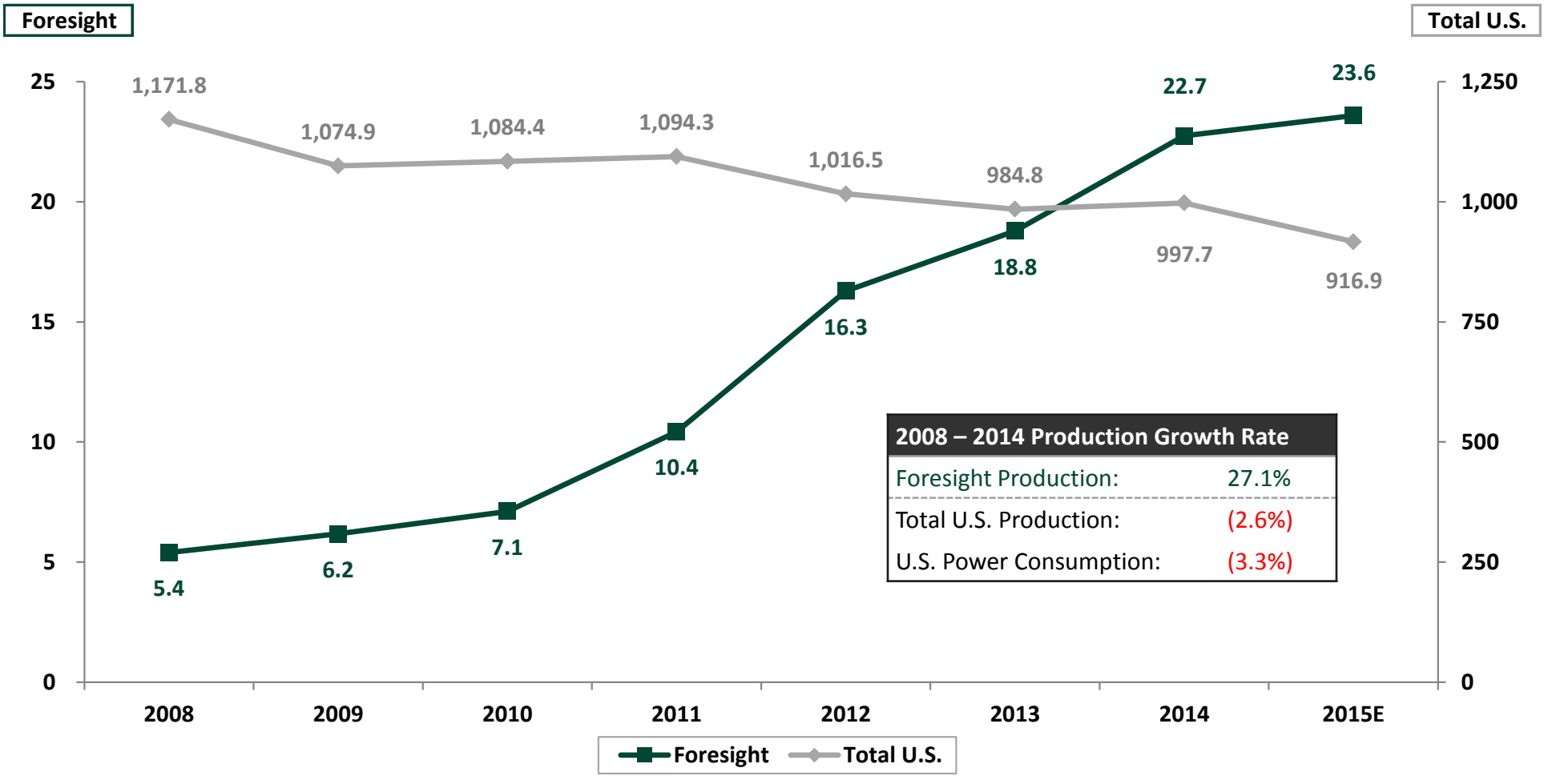
Representative Riverstone Investments	Description
Topaz Power Management	• Topaz Power operates three natural gas plants in Texas with a total generation capacity of 1.8 GW • Topaz also provides commercial optimization, asset management, dispatch, hedging, risk management, and contract negotiation/execution services to maximize the value of its managed assets • Topaz was recently merged with Raven Power and Sapphire Power into Talen Energy
Raven Power	• Raven operates three coal-fired plants in Maryland with a total generation capacity of ~2.6 GW • Raven was recently merged with Topaz and Sapphire Power into Talen Energy
Sapphire Power	• Sapphire Power operates seven gas-fired CCGT power plants in the Northeastern U.S. with a total generation capacity of 778 MW • Sapphire was recently merged with Topaz and Raven Power into Talen Energy
FORESIGHT ENERGY, LLC	• Leading coal producer in the Illinois Basin • Owns approximately 3.1 billion tons of recoverable coal reserves • Operates four mining complexes with access to both Class I railroad and barge transportation

Investment Case Study: Foresight Energy

Despite headwinds in the coal market, Foresight achieved a 27% annualized production growth rate from 2008 – 2014

Total U.S. Coal Production vs. Foresight

(Millions of Short Tons)



Source: EIA and Company data

Recent U.S. Regulatory Activity

	2014	2015	2016	2017	2018
Mercury & Air Toxics Standards (MATS)	2015				
Cross-State Air Pollution Rule (CSPAR) *Replacement for Clean Air Interstate Rule (CAIR)*	2014	2015			2018
Clean Power Plan (CPP) *Federal Plan*		2015	2016		2020+
Clean Power Plan (CPP) *Existing Source Performance Standards*	2014	2015			2020+
Clean Power Plan (CPP) *New Source Performance Standards*	2014	2015			2020+
National Ambient Air Quality Standards[1] *(NAAQS)*					

DRAFT FINAL COMPLIANCE

(1) NAAQS was a 1990 amendment to the Clean Air Act. The pollutants governed by NAAQS are Carbon Monoxide, Lead, Nitrogen Dioxide, Particle Pollution, Sulfur Dioxide, and Ozone.

Evolution of U.S. Regulatory Regime—The Clean Air Act

The Clean Air Act ("CAA") regulates air emissions from stationary and mobile sources

1955

- The CAA of 1955 was the first federal air pollution legislation
- Provided funds for federal research on pollution

1963

- CAA begins air pollution control

1967

- Air Quality Act established
  - Expanded federal government authority
- Authorized federal enforcement procedures for air pollution

1970

- CAA established NAAQS, and requirements for states to meet NAAQS
- Created compliance standards for new-build facilities
- Established standards for motor vehicle emissions

1977

- CAA adds several amendments to NAAQs to ensure compliance
- CAA created requirements for geographic areas not in compliance with NAAQS

1990

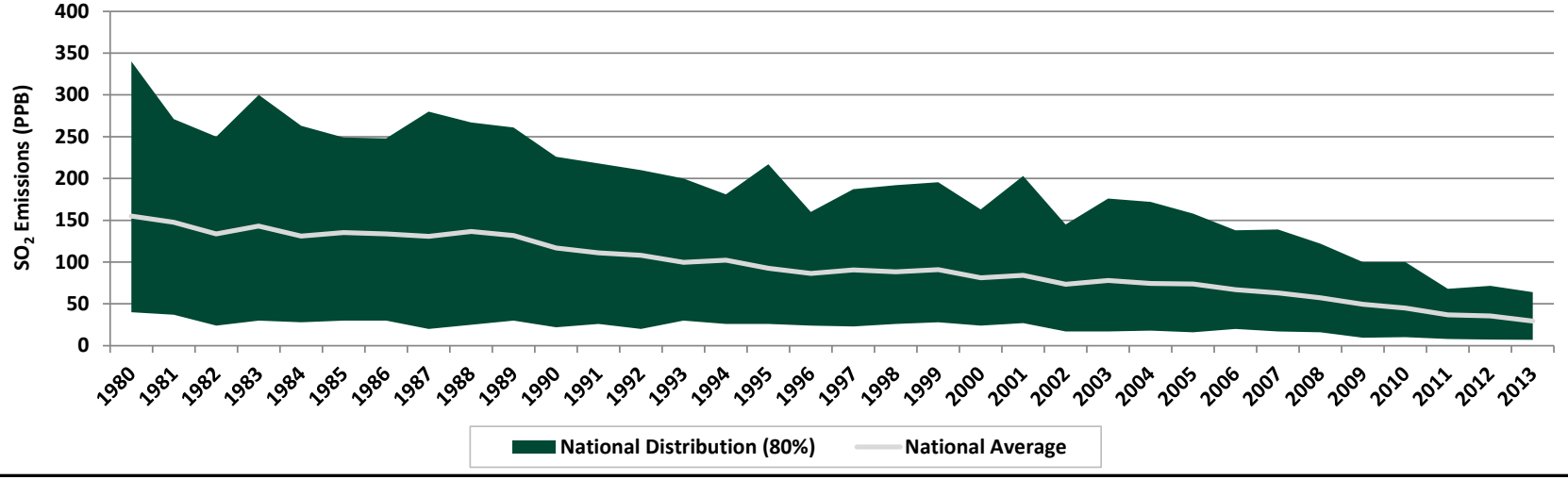
- Acid rain legislation introduced
- CAA begins regulating 189 toxic pollutants believed to harm ozone layer

Evolution of Air Quality in the U.S.

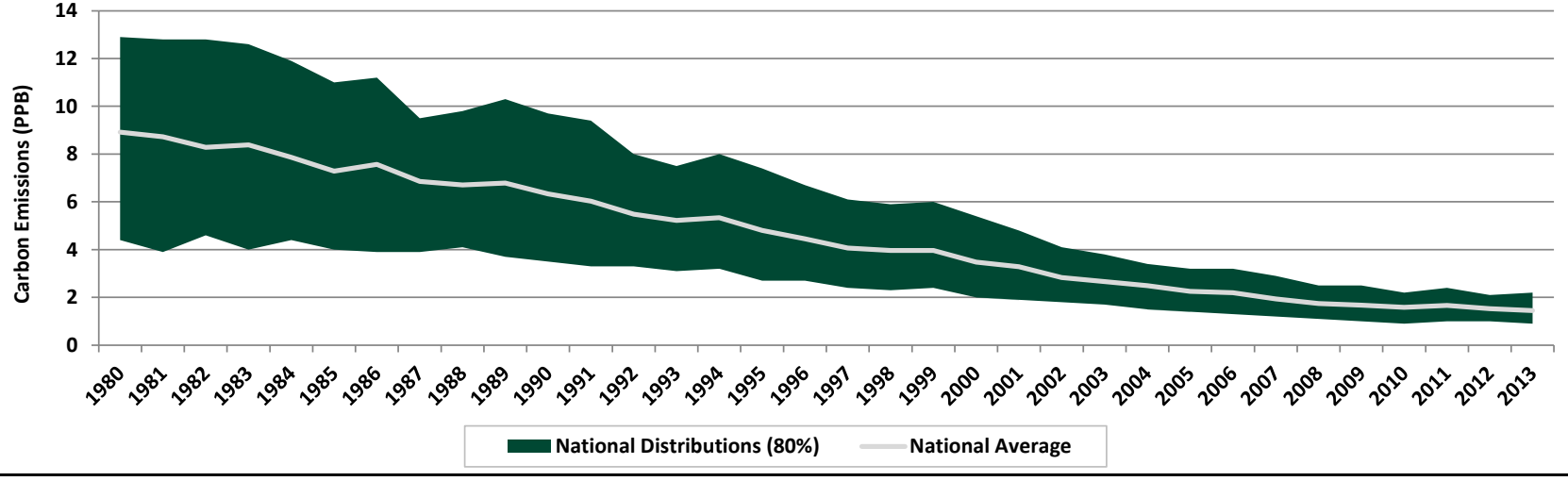
Emissions of Sulfur Dioxide and Carbon Monoxide have been reduced

- **The below charts detail the middle 80% distribution of U.S. pollution levels over time, as measured by Sulfur and Carbon in parts-per-billion**

U.S. Sulfur Pollution Levels Over Time



U.S. Carbon Pollution Levels Over Time

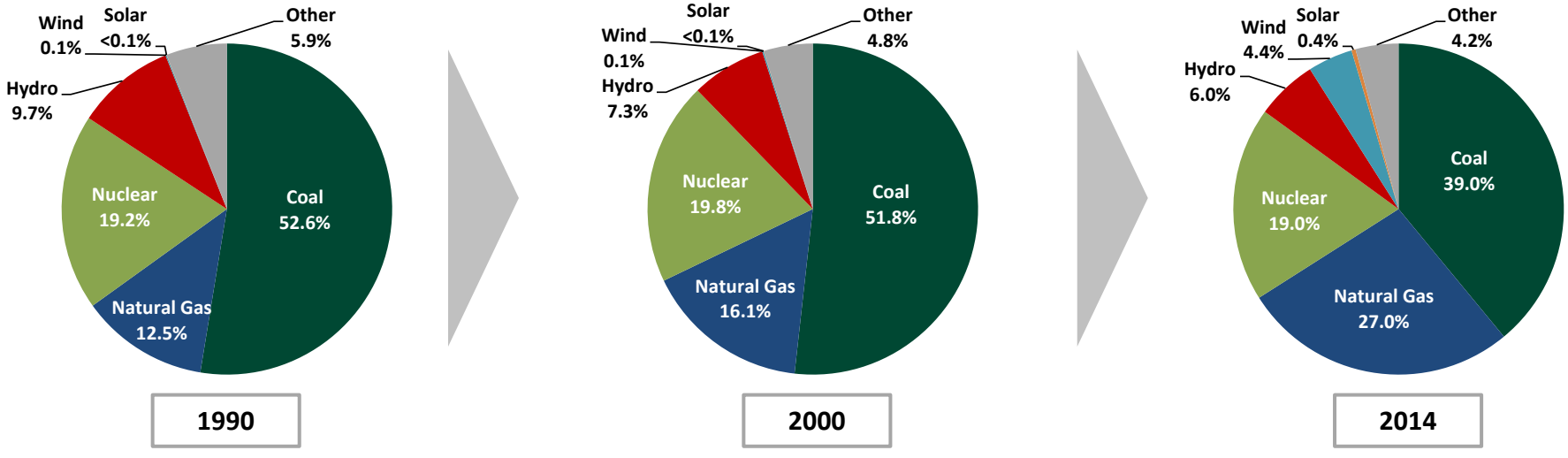


Source: EIA and EPA Data

Sources of Power in the U.S.

Though decreasing as a percentage of overall generation mix, coal still plays an integral role as a power source in the U.S.

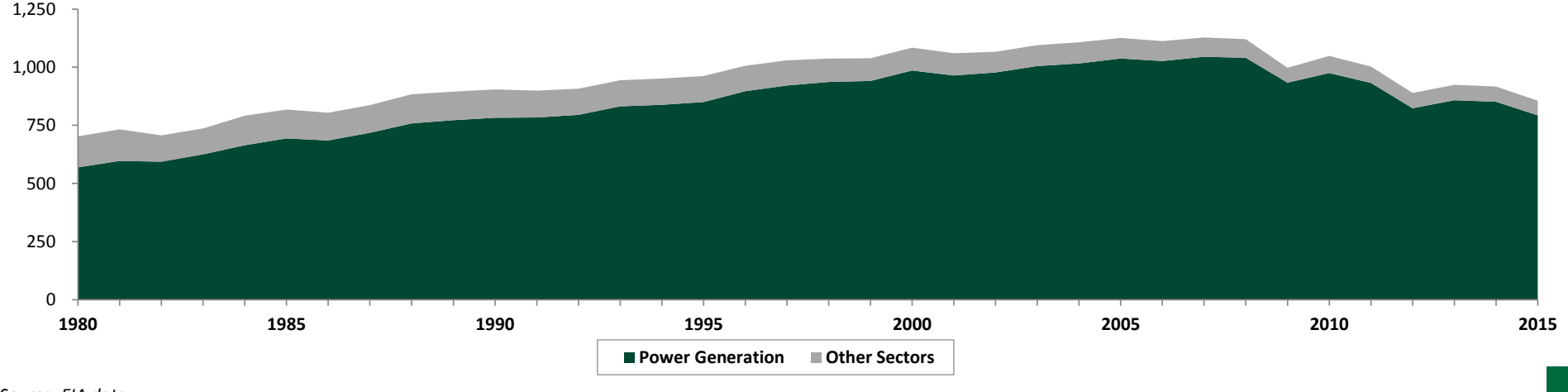
US Electric Generation Mix by Year



Source: EIA data

U.S. Coal Consumption Over Time

(Millions of Short Tons)



Source: EIA data

Clean Power Plan & Clean Coal Technology in the Press

On August 3, 2015, the EPA announced the Clean Power Plan

Levelized Cost of Electricity (LCOE) for New-Build Power Plants

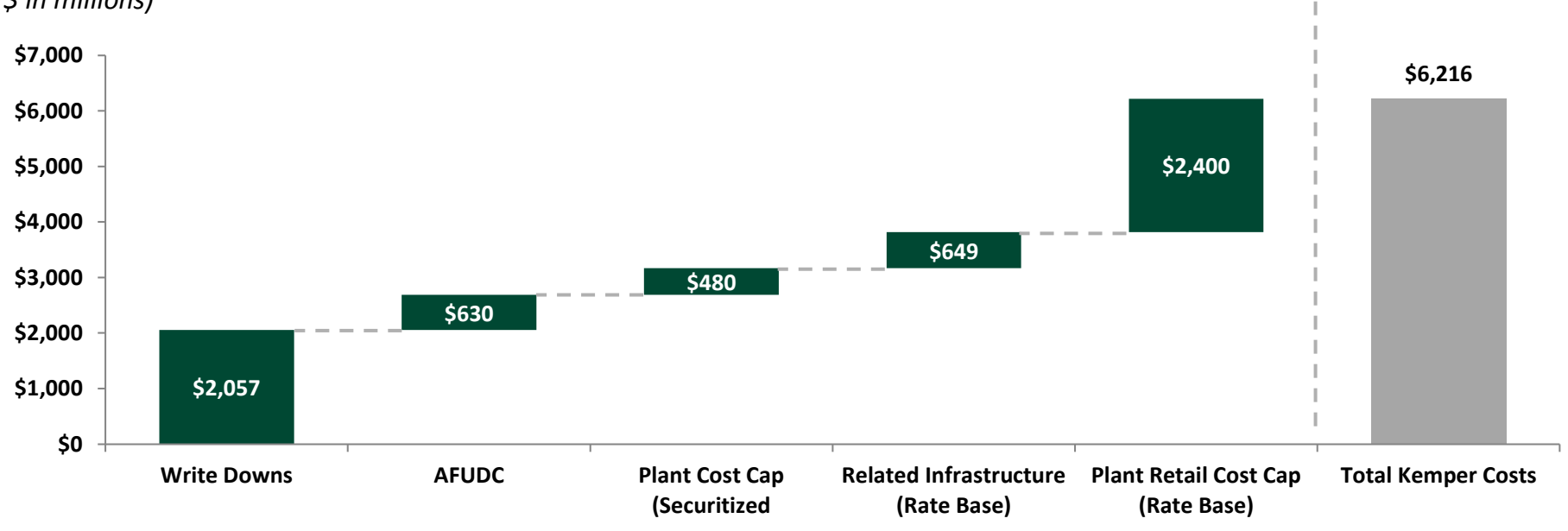
Cost of Carbon Capture Technology for New-Builds

($ per MWh)

Power Plant Type	Average LCOE Without Carbon Capture	Average LCOE With Carbon Capture
Integrated Combined Cycle	$97.8	$141.7
Natural Gas Combined Cycle	$75.0	$137.1
Pulverized Coal	$74.7	$108.9

Kemper Facility Costs Breakdown

($ in millions)



Source: Southern Company and Wall Street Research.

Note: The 582 MW Kemper facility will be the first large-scale coal-fired plant built with Carbon Capture technology in the U.S.