Generac Accelerates Its Energy Technology Capabilities With Acquisition of Enbala Power Networks

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Acquisition advances Generac into the rapidly growing virtual power plant and smart grid services markets

WAUKESHA, Wis., Oct. 05, 2020 (GLOBE NEWSWIRE) -- Generac Holdings Inc. (“Generac” or the “Company”) (NYSE: GNRC) today announced the signing of an agreement to acquire Enbala Power Networks Inc. (“Enbala”), a leading distributed energy resources technology company. The deal solidifies Generac’s position as a market leader in Smart Grid 2.0 technologies and opens opportunities for the Company as a grid services provider.

Denver-based Enbala is one of the leading providers of distributed energy optimization and control software needed to ensure the operational stability of the world’s power grids. Its Enbala Concerto™ platform is being used by utilities and energy retailers around the world to leverage the power of distributed energy resources (DERs) to respond to the real-time energy balancing needs of power systems and energy markets.

“We’re on the leading edge of a remarkable transformation of the electrical grid, moving from a dated and centralized power distribution model to one that will be digitized, decentralized and more resilient,” said Aaron Jagdfeld, Chief Executive Officer of Generac. “Enbala is a proven virtual power plant and distributed energy resource management platform, and we believe their business model can be incredibly synergistic with our business. We’re proud to be at the forefront of the Smart Grid 2.0 with these new capabilities.”

With thousands of megawatts of residential and industrial standby power generation installed in the United States, Generac’s products can be leveraged in virtual power plant (VPP) and distributed energy resource management system (DERMS) markets. The Enbala Concerto™ software platform enables the connection of DERs to register and participate in distributed energy aggregation and control programs. This means otherwise dormant back up power generation assets can come online as part of a distributed energy solution and generate revenue for the asset owner.

As utility companies adopt cleaner forms of energy while simultaneously dealing with power disruptions, the opportunities to optimize the grid with DERs are becoming more creative. Residential and C&I rooftop solar, behind-the-meter battery storage systems, electric vehicles and flexible electricity load management are key asset components of a healthy future for Generac and distributed energy resources management.

“Distributed generation is a critical next step for utility companies faced with meeting peak demand while also dealing with capacity constraints and regulatory restrictions,” said Jagdfeld. “Enbala and Generac will be able to harness the power of everything from solar-plus-storage systems to our own generators to help limit the need for new power plants and maintain the convenience and flexibility of diversified power production.”

“Together with Generac, we have an unprecedented opportunity to make our energy grids more efficient, resilient and economical,” said Bud Vos, President and CEO of Enbala. “As part of the Generac team, we can now accelerate our vision for a cleaner grid, leveraging our technology and capabilities that help continuously balance supply and demand while enabling rapid and profoundly beneficial changes in our energy markets.”

The transaction is expected to close within thirty days. Terms of the deal were not disclosed.

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About Generac
Founded in 1959, Generac is a leading global designer and manufacturer of a wide range of energy technology solutions and other power products. As an industry leader serving residential, light commercial, and industrial markets, Generac's products and solutions are available globally through a broad network of independent dealers, distributors, retailers, e-commerce partners, wholesalers and equipment rental companies, as well as sold direct to certain end user customers.

About Enbala
Enbala provides the advanced technology needed to ensure the operational stability of the world’s power grids by harnessing the power of distributed energy. Concerto, Enbala’s real-time energy-balancing platform, provides a highly flexible approach for creating controllable and dispatchable energy resources from flexible loads, energy storage and renewable energy sources. The platform underpins Enbala’s award-winning and industry-leading DERMS and VPP technology and dynamically optimizes and dispatches distributed energy resources to respond to the real-time needs of the power system. The platform gives energy retailers and utilities the flexibility to operate in real-time and to better manage the escalating complexities of increasingly variable energy assets and evolving market opportunities.

Forward-looking Information

Certain statements contained in this news release, as well as other information provided from time to time by Generac Holdings Inc. or its employees, may contain forward looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward looking statements. Forward-looking statements give Generac's current expectations and projections relating to the Company's financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "forecast," "project," "plan," "intend," "believe," "confident," "may," "should," "can have," "likely," "future," “optimistic” and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

Any such forward looking statements are not guarantees of performance or results, and involve risks, uncertainties (some of which are beyond the Company's control) and assumptions. Although Generac believes any forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect Generac's actual financial results and cause them to differ materially from those anticipated in any forward-looking statements, including:

- frequency and duration of power outages impacting demand for our products;
- availability, cost and quality of raw materials and key components from our global supply chain and labor needed in producing our products;
- the impact on our results of possible fluctuations in interest rates, foreign currency exchange rates, commodities, product mix and regulatory tariffs;
- the possibility that the expected synergies, efficiencies and cost savings of our acquisitions will not be realized, or will not be realized within the expected time period;
- the risk that our acquisitions will not be integrated successfully;
- difficulties we may encounter as our business expands globally or into new markets;
- our dependence on our distribution network;
- our ability to invest in, develop or adapt to changing technologies and manufacturing techniques;
- loss of our key management and employees;
- increase in product and other liability claims or recalls;
- failures or security breaches of our networks or information technology systems;
- changes in environmental, health and safety, or product compliance laws and regulations affecting our products or operations; and
- the duration and scope of the impacts of the COVID-19 pandemic are uncertain and may or will continue to adversely affect our operations, supply chain, distribution, and demand for certain of our products and services.

Should one or more of these risks or uncertainties materialize, Generac's actual results may vary in material respects from those projected in any forward-looking statements. In the current environment, some of the above factors have materialized and may or will continue to be impacted by the COVID-19 pandemic, which may cause actual results to vary from these forward-looking statements. A detailed discussion of these and other factors that may affect future results is contained in Generac's filings with the U.S. Securities and Exchange Commission (“SEC”), particularly in the Risk Factors section of the 2019 Annual Report on Form 10-K and in its periodic reports on Form 10-Q. Stockholders, potential investors and other readers should consider these factors carefully in evaluating the forward-looking statements.

Any forward-looking statement made by Generac in this press release speaks only as of the date on which it is made. Generac undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

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Source: Generac Holdings Inc