

For Immediate Release

March 26, 2020

Koch Engineered Solutions Acquires Sentient Energy In Initial Step Toward Building An Intelligent Electric Grid Platform

Sentient Energy's industry leading Grid Analytics System to be foundation for new KES intelligent grid platform

Wichita, KS – Koch Engineered Solutions (KES), a unit of Koch Industries Inc., today announced it has acquired Sentient Energy. Sentient Energy is a leader in distribution grid transformation, providing intelligent line sensors and grid analytics software for fault detection, outage prevention, and safe, reliable power delivery.

“The acquisition of Sentient Energy is an exciting and important first step toward building an intelligent electric grid platform within KES,” said Don Brown, Vice President of Business Development at KES. “We believe the complementary capabilities of Sentient Energy and Koch Industries, such as our mutual expertise in sensors, software, and data analytics, will allow KES to build an important new business that offers solutions to make distribution grids more efficient and sustainable in the years to come. Sentient Energy has recorded exceptional growth over the years, and Koch’s global capabilities will help it scale even faster.”

Due to advances in technology and growing energy usage among businesses and households, the current electric distribution grid system is increasingly under stress. Aging infrastructure combined with rising distributed generation, such as rooftop solar panels, further penetration of electric vehicles, and the advent of microgrids, are making it more challenging for owners and operators of electric distribution grids to safely and reliably operate. The need to have better insights into the grid has never been greater.

Sentient Energy’s capabilities and innovative solutions enable electric utilities to significantly improve grid safety and reliability, lower grid management costs, extend the useful life of existing infrastructure, and prepare the grid for the increasing growth in distributed energy resources. Sentient Energy’s Grid Analytics System is unique in that it covers the entire distribution grid - overhead, lateral, and underground circuits. Their capabilities complement KES’s deep expertise in industrial value chains and will allow both companies to provide greater value for their customers – and ultimately for the end users who rely on electric power in their daily lives.

“The addition of Sentient Energy to KES is a natural step in our vision to become a preferred partner in delivering superior value by developing, integrating, and applying innovative technical and service solutions for industrial, and now electric utility, value chains,” added Dave Dotson, President of KES. “Similar to what we are doing in areas like mass transfer, combustion engineering, and separation, our vision to build an intelligent electric grid platform underscores our commitment to providing solutions that help our partners and customers solve their highest value challenges.”

Over \$7 trillion is expected to be invested in electric transmission and distribution infrastructure through 2040, and currently only one percent of North America's six million miles of power distribution lines are covered by intelligent sensors. Sentient Energy's leadership in this industry along with KES's time-tested solutions and capabilities will be crucial in revolutionizing the current distribution grid infrastructure and converting it to an intelligent electric grid that will serve generations to come.

"KES's drive to create a new intelligent grid platform capable of meeting the distribution grid needs of today and tomorrow is exciting and innovative. Sentient Energy's Grid Analytics System creates a strong foundation in which to build upon. The Sentient Energy team is excited to work with KES and be part of the journey forward," said from Jim Keener, CEO of Sentient Energy.

Stephens Inc. served as exclusive financial advisor to Koch in the transaction. Bowen Advisors served as exclusive financial advisor to Sentient Energy.

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About Koch Engineered Solutions

KES provides uniquely engineered solutions in mass and heat transfer, combustion and emissions controls, filtration, separation, materials applications, automation and actuation. KES is located in Wichita, Kansas and is a subsidiary of Koch Industries, one of the largest private companies in the world. KES delivers superior value in developing, integrating, and applying innovative technical and service solutions for industrial value chains. More information is available at KochEngineeredSolutions.com.

About Sentient Energy

Sentient Energy makes power delivery safe, reliable, and solar-ready — worldwide. The company provides the industry's only Grid Analytics System that covers the entire distribution network with innovative, quickly deployed intelligent sensors and analytics that identify and analyze potential faults and other grid events. Sentient Energy leads the market with the largest mesh network line sensor deployments in North America, and partnerships with leading utility network providers including Itron, Landis + Gyr, AT&T, Verizon, Telus, and Bell Canada. For more information visit www.sentient-energy.com.

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