



OPAL
FUELS



First Quarter 2023 Earnings Presentation
March 2023

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Non-GAAP Financial Measures: To supplement the Company's unaudited condensed consolidated financial statements presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"), the Company uses a non-GAAP financial measure that it calls adjusted EBITDA ("Adjusted EBITDA"). This non-GAAP Measure adjusts net (loss) income for realized and unrealized gain on interest rate swaps, net loss attributable to non-redeemable non-controlling interests, transaction costs and one-time non-recurring charges, non-cash charges, major maintenance for renewable power, unrealized loss (gain) for derivative instruments, environmental credits associated with renewable biogas that has been produced and is in storage pending completion of certification of the relevant environmental attribute pathway(s) and Environmental Credits at quarter end market prices attributable to renewable biogas produced in the period but not yet sold or delivered. Management believes this non-GAAP measure provides meaningful supplemental information about the Company's performance, for the following reasons: (1) it allows for greater transparency with respect to key metrics used by management to assess the Company's operating performance and make financial and operational decisions; (2) the measure excludes the effect of items that management believes are not directly attributable to the Company's core operating performance and may obscure trends in the business; and (3) the measure is used by institutional investors and the analyst community to help analyze the Company's business. In future quarters, the Company may adjust for other expenditures, charges or gains to present non-GAAP financial measures that the Company's management believes are indicative of the Company's core operating performance.

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OPAL Fuels at a Glance – The Vertically Integrated RNG Company

-  **Vertically Integrated Across RNG Value Chain** **2nd Largest US RNG Station Operator; Access to OPAL Fuels' RNG Production**
-  **Strong Existing Platform, with Visible Embedded Growth** **Existing Projects, Advanced Development Pipeline and Industry Tailwinds**
-  **Experienced Team with Track Record of Value Creation** **Executive Team with 100+ Years of Industry Experience**
-  **Well Capitalized with World-Class Partners** **NASDAQ: "OPAL"**

Leader in the RNG Value Chain



RNG Fuel Segment



Fuel Station Services



Renewable Power



RNG Production

Generation of RNG through capture of landfill emissions, recycling of animal waste and wastewater and anaerobic digestion of food waste.



Fuel Station Services

Market share leading builder and service provider of alternative fueling stations, RNG and hydrogen, for Class 8 heavy duty fleets.



RNG Fuel Marketing and Distribution

Delivering OPAL production and third-party supply to OPAL's network of dispensing stations with long term optionality across end markets as they evolve.



Renewable Power

Established owner of landfill gas to electric projects with 20+ year history of successful operations positioned to benefit from proposed eRIN policy implementation.

OPAL's Vertical Integration Maximizes the Value of the RNG Molecule and Drives Market Share Gains

Market Leader with Strong Partner and Customer Base



Representative Partner and Customer Contract Duration⁽¹⁾

20 - 25 Years



Representative Customer Contract Duration⁽¹⁾

10 Years



(1) Representative partner/customer contract durations shown for illustrative purposes.

Executing Our Vertically Integrated Plan

Our Priorities

1.

Secure New Biogas Rights

2.

Place New RNG Projects Into Construction

3.

Place RNG Projects into Operation

4.

Grow RNG Transportation Fuel and Reduce Emissions

5.

Secure Financing for Growth Plan and Simplify Capital Structure

Update

✓ Advanced Development Pipeline⁽¹⁾ represents 9.3 million MMBtu across 20 projects. We added ~1 million MMBtu to the Pipeline since March.

✓ Expect to place at least 2 million MMBtu into construction in 2023 across multiple projects.

✓ Anticipate placing two landfill RNG projects into operation in 2023, Emerald and Prince William, representing nearly 3 million MMBtu of annual nameplate capacity.⁽²⁾

✓ At 3/31/23, we had 138 fueling stations in our dispensing network, of which 19 are under construction and 47 are owned by OPAL Fuels.

✓ Have cash and access to expected sources of capital anticipated to be sufficient to meet our existing commitments and funding needs.

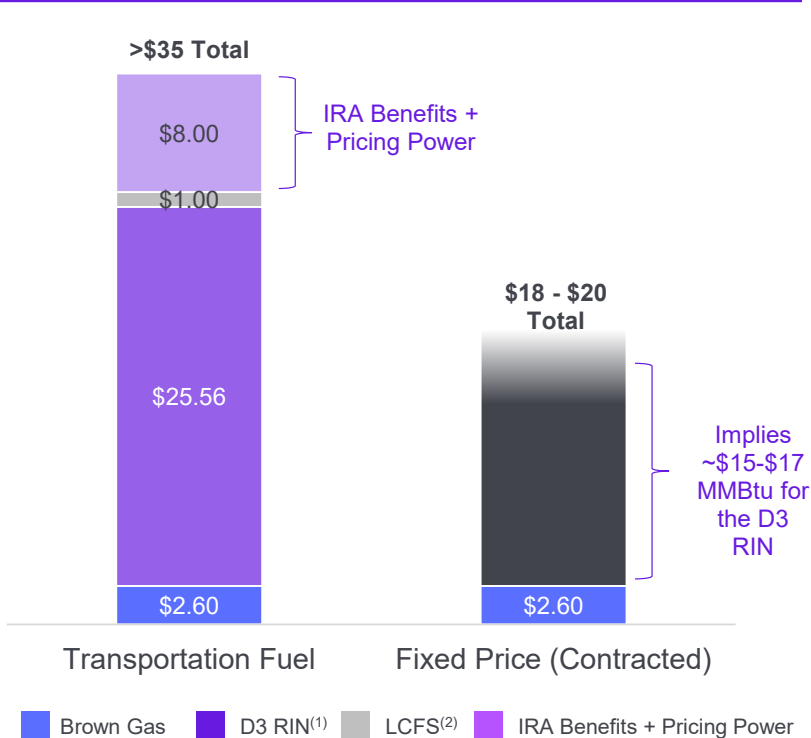
(1) Management defines Advanced Development Pipeline projects that have been qualified and are reasonably expected to be in construction within the next twelve to eighteen months. The MMBtu associated with these projects is presented as anticipated nameplate capacity.

(2) Nameplate capacity is the annual design output for each facility and may not reflect actual production from the projects, which depends on many variables including, but not limited to, quantity and quality of the biogas, operational up-time of the facility, and actual productivity of the facility. Quantities shown reflect OPAL Fuels' proportionate ownership.

Transportation Fuel Market Maximizes Value Today

OPAL Fuels' commercial strategy targeting transportation fuel markets maximizes the per MMBtu value of RNG and creates optionality for future biofuels incentives such as the 45Z or the pricing power to fleets. Fixed price contracts lack these potential upsides and may be exposed to cost inflation risks that may have been recouped in rising spot brown commodity market.

Revenue Comparison for Landfill Gas (\$/MMBtu)



"...Regardless what the technology is, our fleet strategy is evidenced that's by what we've done from diesel, gen 1 diesel, gen 2 to CNG/RNG, is that we have the flexibility within our fleet plan to be able to pivot without really impacting the business..."

...[I]t's an incrementally positive step to go to CNG. We'll be at 75% probably by the end of the year. And our goal is to ultimately get to 90%. If the technology, the price point, by the way is important to us, I'm not going to pay 3x for an electric vehicle what I pay for a CNG vehicle."



John Morris, COO
 WM's 1Q23 Conference Call
 April 27, 2023

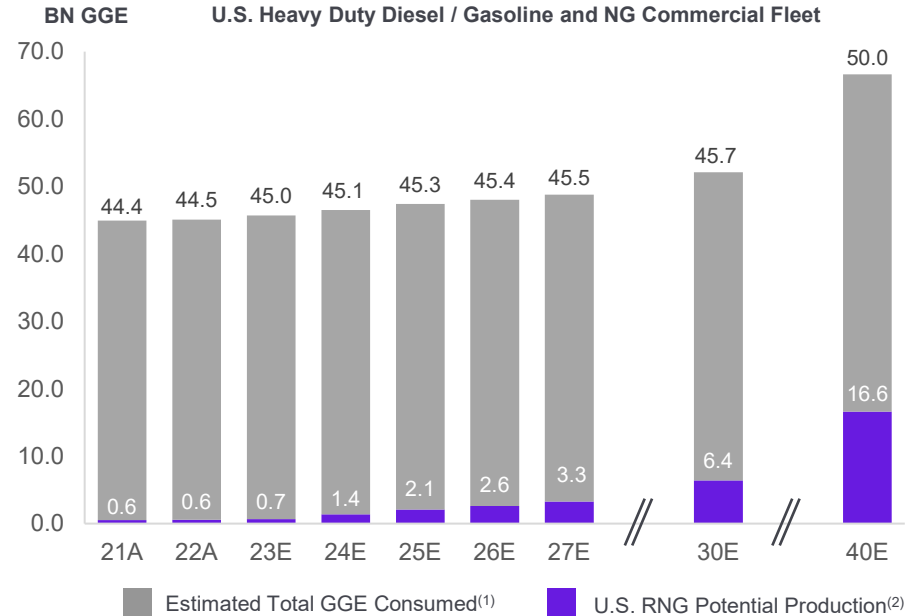
(1) D3 RIN calculation based on 11.727 conversion factor. Reflects D3 RIN price as of 5/10/22 (Bloomberg).
 (2) Reflects current LCFS market conditions

Demand for RNG by Class 8 Trucks Poised to Exceed Supply

RNG Transport Fuel Market Fundamentals Are Strong

- Transportation fuel market demand is expected to accelerate as the price of diesel remains high.
- RNG production of ~500MM GGE per year represents just over 1% of the U.S. heavy duty fuel market.
- Forecasts see RNG supply triple to ~1 billion GGE in five years, still less than 3% of the U.S. heavy duty fuel market.
- RNG offers immediate carbon reduction impacts.
- RNG as a transportation fuel results in **zero Scope 1 and Scope 2 emissions.**
- RNG fuel is priced **less than diesel.**

RNG Covers Less than 1% of the U.S. Heavy Duty Market



“Class 8 trucks featuring the X15N engine are an attractive fleet sustainability option, as they offer fleets the closest direct replacement of diesel trucks in terms of operational performance. With the growing supply of carbon-negative renewable natural gas... fleets have an incredible opportunity to reduce both their environmental impact and overall operating costs.”



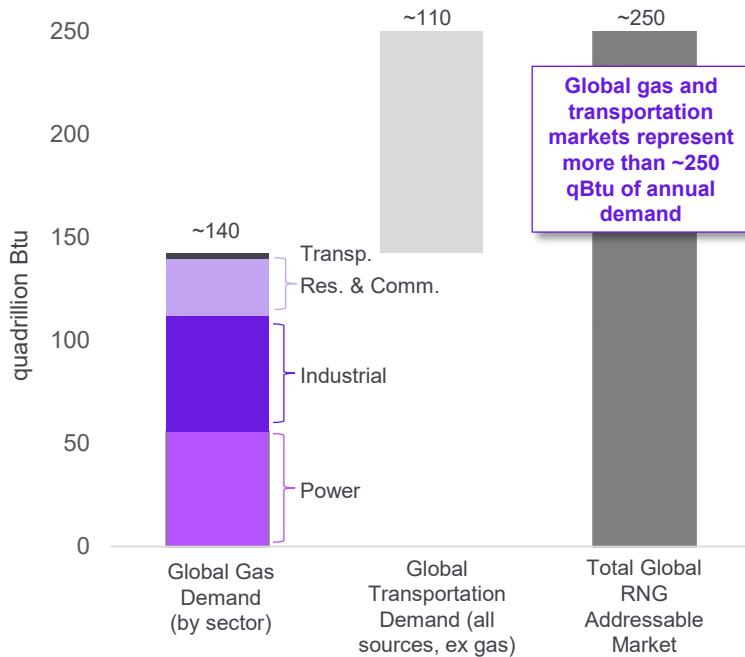
Tom Swenson Cummins Global Reg. Affairs
California Natural Gas Vehicle Partnership
May 3, 2023

(1) Source American Gas Association and ICF. Estimated total GGE consumed by heavy duty diesel / gasoline and natural gas commercial vehicles. Assumes each truck runs 100,000 miles per year at an average efficiency of 6.41 miles per gallon. Total number of diesel and natural gas powered heavy duty commercial vehicles in the U.S. per BNEF.
 (2) Years 2023, 2024, and 2025 assume EPA's proposed RVO targets (December 1, 2022). Years 2026-2030 assume a 25% annual growth rate and years 2030-2040 assume a 10% annual growth rate.

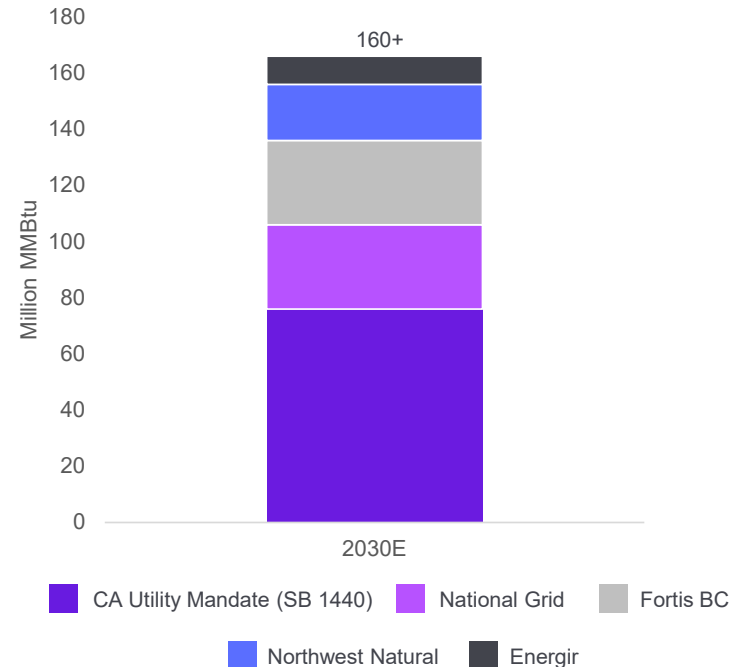
Non-Transportation Fuel RNG Demand Is Substantial and Expected to Grow

- RNG demand growth is bolstered by policy support from existing programs like the RFS and LCFS as well as increasing pressure on institutions to reduce their carbon footprint (ESG targets).
- The potential global addressable market is upwards of ~250 qBtu annually, including global gas demand and global transportation demand.⁽¹⁾
- ESG mandates are driving increased RNG demand as evidenced by the increase in N.Am. 2030 utility RNG mandates which are now greater than >160 million MMBtu annually (nearly 2x current supply).⁽²⁾

Global Demand for RNG Far Exceeds Supply



Five Largest N. Am. Voluntary Utility RNG Mandates



First Quarter 2023 Results

	Three Months Ended March 31,	
	2023	2022
Revenue		
RNG Fuel	\$ 12,194	\$ 15,049
Fuel Station Services	20,828	24,874
Renewable Power	<u>9,935</u>	<u>9,124</u>
Total Revenue	<u>\$ 42,957</u>	<u>\$ 49,047</u>
Net (loss) Income	\$ (7,346)	\$ (4,467)
Adjusted EBITDA⁽¹⁾	\$ 8,658	\$ 4,069
RNG Fuel volume produced (Million MMBtus)	0.6	0.4
RNG Fuel volume sold (Million GGEs)	8.3	6.1
Total volume sold, dispensed, and serviced (Million GGEs)	32.4	25.6

- **RNG Fuel segment revenue** decrease attributable primarily due to management's decision to limit environmental credit sales and lower pricing achieved for environmental credits partially offset by growth of RNG production.
- **Fuel Station Service revenue** decrease primarily attributable to fuel station construction timing and management's decision to limit volumes of environmental credit sales offset by higher fuel station service and RNG marketing revenues from third party RNG suppliers.

Inflation Reduction Act's and Renewable Fuel Standard Benefits Are Significant

Key Provisions

Investment Tax Credit

- Tax credit of 6% to 30% of capex dependent on qualifying factors and future Treasury/IRS guidance

eRIN Pathway

- New D3 RIN pathway for existing landfill gas to electric facilities could provide upside to existing landfill gas to electric and RNG facilities

45Q CCUS and 45V Clean Hydrogen

- 45Q reduces landfill capture requirement from 100k tons on CO₂ to 12,500 tons
- Increasing the current \$50/ton to \$85/ton 45Q credit for storage and sequestration from 'industrial and power generation' facilities⁽¹⁾
- Increases utilization under 45Q from \$35/ton to \$60/ton
- 45V offers up to \$3 per kilogram for qualified clean hydrogen

45Z Production Tax Credit⁽²⁾

- Depending on the emissions factor assigned to the fuel \$1.00/gal. fuel tax credit 2025 through 2027, potential for \$5.00 per gallon for -250 CI biogas

Potential OPAL Impact

- Anticipated benefits starting in 2023 for RNG projects following commencement of operations.

- New rules proposed by EPA and scheduled to be finalized in 2023 could be an incremental uplift for renewable power projects and may include pipeline injected RNG associated with electricity generated for powering electric vehicles.
- Significant new benefits for our portfolio of landfill gas to electric projects (currently 124 MW nameplate capacity) with minimal incremental capital
- New landfill gas to electricity development project opportunities.

- Under evaluation
- H2 pilot stations under construction with our partner BayoTech

- Potential for significant incremental annual EBITDA starting in 2025 and continuing through 2027; increased clarity in 2023 from Treasury

Liquidity Update

- **Strong Balance Sheet** with approximately \$72 million in net debt, representing ~0.5x 1Q23 Adjusted EBITDA annualized
- **Liquidity of approximately \$182 million (3/31/2023)**
 - \$40 million in cash and cash equivalents including restricted cash
 - \$37 million of short-term investments
- **\$105 million in undrawn capacity** under our term loans
- **Advanced Development Pipeline** projects are anticipated to be financed with available cash, anticipated cash flows from OPAL Fuels' operations, available lines of credit under existing debt facilities, and access to expected sources of capital.

(1)



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Appendix

7 RNG facilities and 17 Renewable Power Plants Online Today

7
Operating RNG Assets

17
Operating Renewable Power Assets

~7.4 Million
RNG + Power MMBtu⁽¹⁾

RNG: Imperial



RNG: Greentree



RNG: Sunoma



RNG: Noble Road



Location

Pennsylvania

Pennsylvania

Arizona

Ohio

Type

Landfill

Landfill

Dairy

Landfill

Gas Rights



PALOMA DAIRY



RNG: New River



RNG: Pine Bend



RNG: Bio-Town



Location

Florida

Minnesota

Indiana

Type

Landfill

Landfill

Dairy

Gas Rights



Private Dairies



(1) Reflects OPAL proportional ownership of production of nameplate capacity. Nameplate capacity is the maximum permitted output for each facility and may not reflect actual production from the projects, which depends on many variables including, but not limited to, quantity and quality of the biogas, operational up-time of the facility, and actual productivity of the facility.
 (2) GFL receives royalty payments from the RNG facility while Noble Environmental maintains the rights to the landfill.

RNG Projects In-Construction

6
In-Construction Projects

~4.7 Million
Total MMBtu⁽¹⁾

Landfill: Emerald



Michigan



Location
Gas Rights
Ownership %
COD

Dairy: Hilltop



California

Private Dairy

100%

Mid-2024

Landfill: Prince William



Virginia

Prince William County, VA

100%

Q423

Dairy: Vander Schaaf



California

Private Dairy

100%

Mid-2024

Landfill: Sapphire



North Carolina



50%

1H24

Landfill: NorthEast



Northeast

100%

2H24

Location

Gas Rights

Ownership %

COD

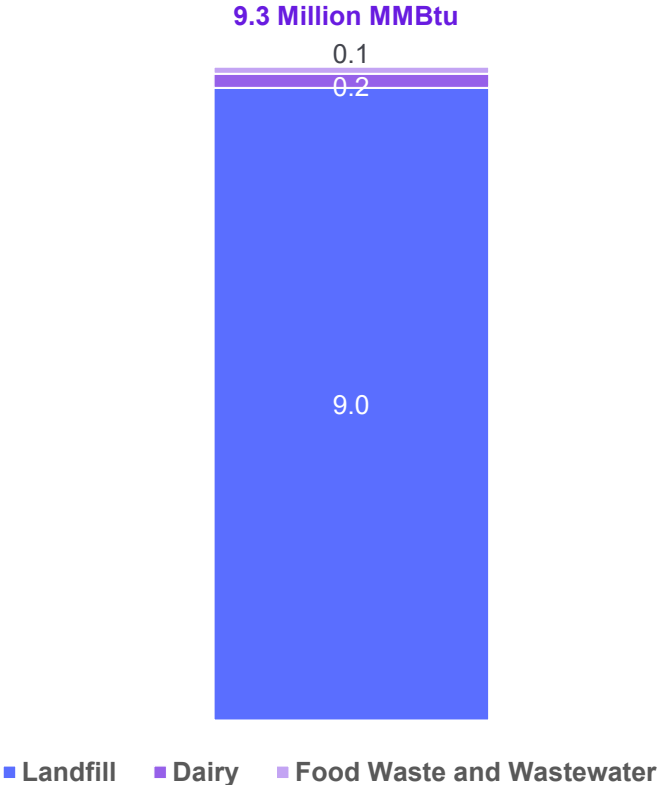


(1) Reflects OPAL proportional ownership of production of nameplate capacity. Nameplate capacity is the maximum permitted output for each facility and may not reflect actual production from the projects, which depends on many variables including, but not limited to, quantity and quality of the biogas, operational up-time of the facility, and actual productivity of the facility.
(2) OPAL ownership accounted for as equity method.

Advanced Development Pipeline Approximately 9.3 Million MMBtu Across 20 Projects

- ✓ Added 1 million MMBtu to our Advanced Development Pipeline since March for a total of 20 projects
- ✓ We continue to evaluate new opportunities across feedstock sources
- ✓ Not included in the Advanced Development Pipeline are 10 of our existing renewable power projects that we are evaluating in light of the incentives in the Inflation Reduction Act including the proposed eRIN pathway.

Advanced Development Pipeline⁽¹⁾



⁽¹⁾ Advanced Development Pipeline comprises projects that have been qualified and are reasonably expected to be in construction within the next twelve to eighteen months. The associated MMBtu associated with these projects is presented as anticipated nameplate capacity.

OPAL is One of The Largest RNG Fuel Station Developers in the U.S.

One stop shop, OPAL Fuels' vertical integration provides reliable supply and dispensing for heavy duty fleet customers

Recent Highlights

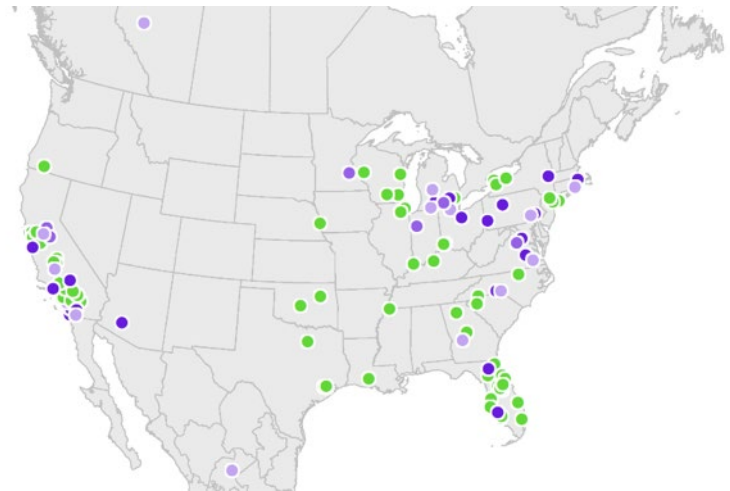
138 stations in our RNG dispensing network, up from 69 at beginning of 2022

8.3 million GGEs of RNG sold in Q123 with total aggregate volumes delivered and serviced of **32.4** million GGE

47 OPAL Fuels owned stations and in construction currently – supported by long term agreements

OPAL Fuels scale, including 75+ service technicians, positions us for large scale national fleet RNG deployments

Leading player to support large scale nationwide fleet deployment



- Current Operating Sites
- Current In Development Sites
- Current In Construction Sites
- Current CNG Stations

Reconciliation of Q1 Adjusted EBITDA to GAAP Net Income

Below is First Quarter 2023 Adjusted EBITDA compared with prior periods.

	Three Months Ended March 31	
	2023	2022
Net loss	\$ (7,346)	\$ (4,467)
Adjustments to reconcile net income to Adjusted EBITDA:		
Interest and financing expense, net	641	3,051
Net loss attributable to non-redeemable non-controlling interests	297	242
Depreciation, amortization and accretion ⁽¹⁾	3,677	3,313
Loss on warrant exchange	338	-
Unrealized loss on derivative instruments ⁽²⁾	(4,855)	214
Non-cash charges ⁽³⁾	1,065	160
One time non-recurring charges ⁽⁴⁾	2,502	-
Major maintenance for Renewable Power	2,076	1,156
RNG Pending Certification and Unsold Environmental Credits ⁽⁵⁾	10,263	-
Adjusted EBITDA	\$ 8,658	\$ 4,069

(1) Includes depreciation, amortization and accretion on equity method investments.

(2) Unrealized loss on derivative instruments includes change in fair value of interest rate swaps, commodity swaps, earnout liabilities, warrant liabilities, contingent liability to non-controlling interest and put option on a forward purchase agreement.

(3) Non-cash charges includes stock-based compensation expense, certain expenses included in selling, general and administrative expenses relating to employee benefit accruals, inventory write down charges included in cost of sales - RNG fuel and loss on disposal of assets.

(4) One-time non-recurring charges include certain expenses related to development expenses on our RNG facilities such as lease expenses and virtual pipe line costs, incurred during construction phase that could not be capitalized per GAAP and fees paid in connection with warrant exchange.

(5) Represents RNG pending certification and unsold environmental credits..