



# The P3 Opportunity – A Catalyst for US Infrastructure Revival

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*Infrastructure, Capital Projects and Climate Advisory*

# Overview of KPMG's Infrastructure Practice

Infrastructure, Capital Projects and Climate Advisory



**#1 Ranked**

Innovative Project Delivery and Financial Advisor over the past 10 years



**\$200+ Billion**

Combined program or project value over the last 5 years



**Largest Infra Advisory Practice**

More than 215 professionals advising asset intensive clients throughout infrastructure lifecycle



**2,000+**

Professionals in New York



David is a Managing Director with KPMG's Infrastructure, Capital Projects and Climate Advisory practice. He has focused his career on delivering public projects and solving complex public sector infrastructure challenges through alternative delivery and public private partnerships (P3). With twenty years of experience across all stages of the

project lifecycle, David has executed over \$10 billion in successful projects across infrastructure sectors, including transportation, transit, mobility, finance and real estate.

Between 2014 and 2019, David was a public sector executive focused on P3 infrastructure, transportation and finance. He led the Colorado Transportation Investment Office (CTIO, formerly the Colorado High Performance Transportation Enterprise), a state-owned government entity tasked with catalyzing innovation, delivering alternative delivery and P3 projects, financing over \$3 billion in transportation projects, and running one of the nation's most diverse, congestion-priced, tolled express lane networks.

David is a past president of the P3 Division of the American Road and Transportation Builders Association.

## Our Range of Services

*Vision Setting*

*Capital Programs*

*Capital Projects*

*Operations Optimization*

*Funding and Financing*

*Data and Technology*

*Strategic Decision Making*

*Procurement Assistance*

*Workforce Advisory*



# Scale and Scope of US Infrastructure Needs

The demand for infrastructure investment and development continues to outpace supply

## \$3.7 Trillion

Gap in infrastructure investment spending as highlighted by the American Society of Civil Engineers (ACSE)

## \$9.1 Trillion

The United States needs to spend \$9.1 trillion to bring its infrastructure to a good state of repair nationally (ACSE)

## 39%

of major roads in the US are in poor or mediocre condition, improvement from the 43% recorded in 2020 (TRIP)

Gap in nation's water infrastructure needs over 20 years due to aging infrastructure, emerging contaminants, and the increasingly severe effects of extreme weather (ACSE)

## \$625 Billion



## 13.99B tons

Forecast total truck tonnage by 2035, up from 11.27B in 2024 (ATA)

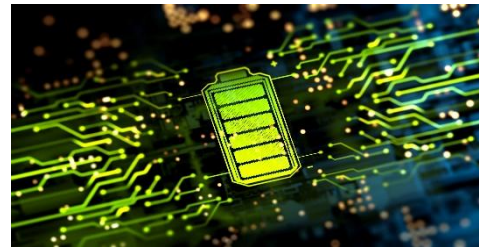


## 63 Gigawatts

New utility-scale electric-generating capacity that will be added to the US power grid in 2025, representing an almost 30% increase from 2024. (EIA)

## 81%

Solar and battery storage account for 81% of the expected total capacity additions, with solar making up over 50% of the increase (EIA)



## Grade C

Overall US infrastructure grade in 2025, up from 'C-' in 2021 (ASCE)

2025 Report Card for America's Infrastructure (ASCE)



### D+

Aviation



### C

Bridges



### D+

Energy



### C+

Broadband

# Key Opportunities and Challenges for P3s

Familiar themes in an uncertain economic climate

## Opportunities

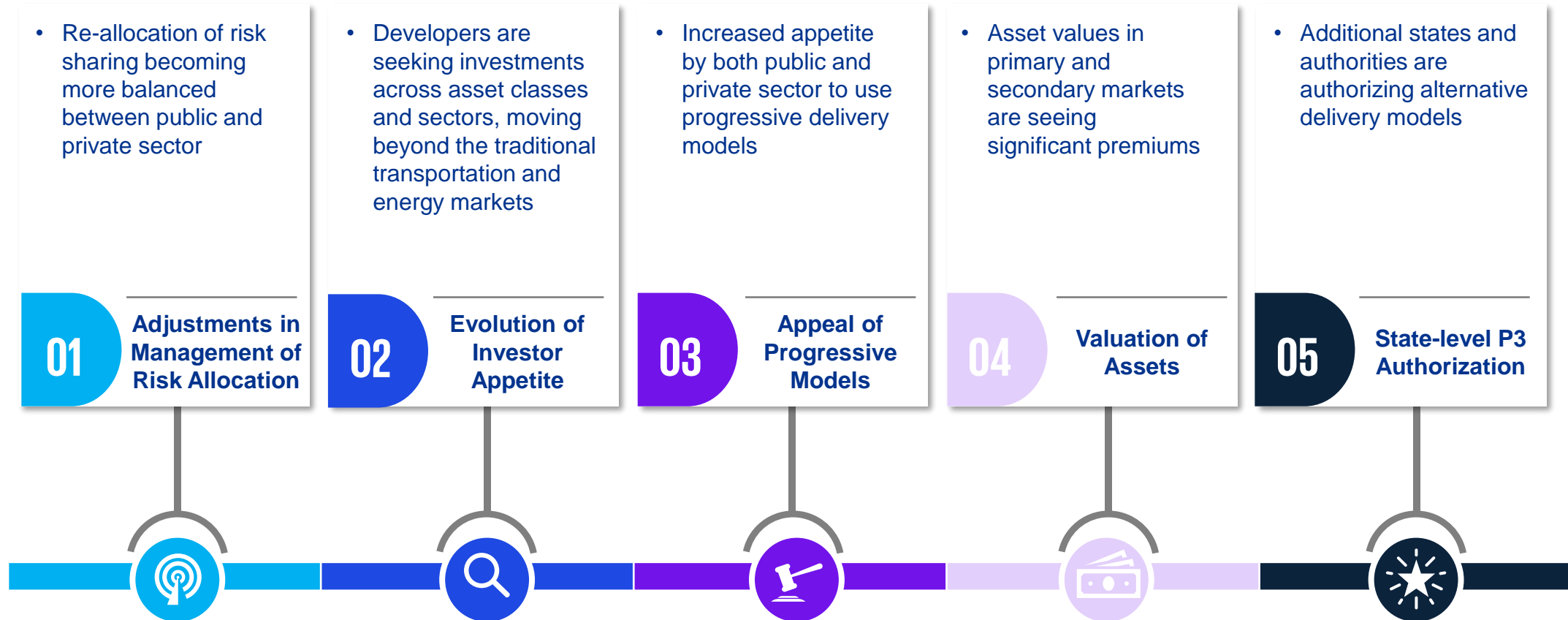
- **Access to Private Capital:** Significant capital is ready to be deployed
- **Innovation and Efficiency:** Recent technical innovations (e.g., AI), lessons learned (e.g., international projects), and delivery methods (e.g., alliance contracting) can be brought to bear
- **Risk Allocation:** Increased importance due to market uncertainty
- **Lifecycle Quality:** Long-term planning for infrastructure asset safety in face of recent infrastructure failures
- **Broader Economic Impacts:** P3s can drive secondary and tertiary economic growth in the current economy
- **Accelerate Delivery:** Deliver projects sooner despite re-prioritization of federal programs and priorities

## Challenges

- **Complex and Expensive Procurement:** High pre-construction costs in time of reduced funding streams
- **Funding Uncertainty:** Lack of clarity on federal funding priorities and unavailability of local, long-term revenue streams
- **Economic Uncertainty:** Markets have yet to stabilize
- **Political Risk:** Remains an ongoing challenge
- **Regulatory Uncertainty:** Federal project agency guidelines, staffing, and approval processes still stabilizing
- **Long-term vision:** Hard to articulate benefits when success is increasingly measured in 4-year periods

# Trends driving transformative development through P3s

Market evolution can be tied to recent lessons learned, continuing funding gaps, and increased investor demand



# P3s and the Federal Landscape

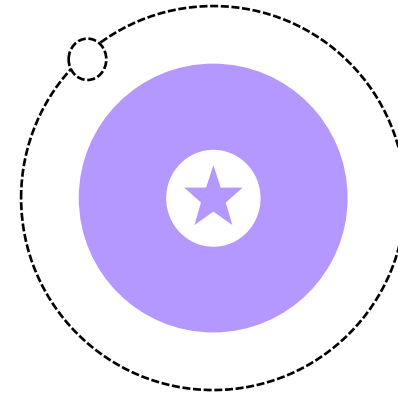
There are emerging indications of clarity amidst the Federal chaos and uncertainty



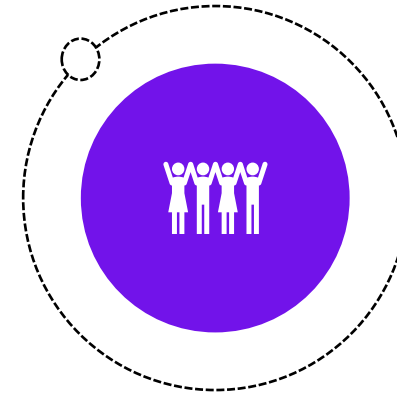
**Updated Value for  
Money Guidelines**



**Evolution of Federal  
Grant criteria**



**Private Sector  
Innovation and  
Efficiency**



**State and Local Self Help**

# Contact Us

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