

CLEANTECH *Capital Summit*

From Invention to Utility Scale Projects – Financing the Cleantech Industry

April 22-24, 2009 | San Diego, CA

Pre-Summit Workshop ♦ April 22, 2009

THE FUNDAMENTALS OF PROJECT FINANCING

Traditionally, early stage company executive and investor financial expertise has been focused on company financing. Yet, in many cases, cleantech demands more. Many cleantech executives will be shepherding technologies to commercialization that will require large amounts of capital and will need to access the project finance markets. Therefore, it is essential that these executives at the outset develop a comprehensive understanding of the fundamentals of project financing, which will be so important to their success. This is even more important in the current environment, where lenders are taking a harder look at project structures and pro formas in the face of tightening credit. Now, more than ever, deals must demonstrate solid fundamentals and risk management. The workshop is an excellent opportunity to get rapidly up-to-speed on how to successfully use project financing and to obtain cutting-edge insight into how to best structure your project to gain optimal financing.

9:00 – 9:15 WELCOME & INTRODUCTION BY THE CHAIRMAN
Christopher Groobey, *Partner*, BAKER & McKENZIE, LLP

9:15 – 10:15 THE FUNDAMENTALS OF PROJECT FINANCE
The opening presentation will provide an intellectual framework for the workshop by detailing the critical advantages of project finance and why this technique has been so widely – and successfully employed by sponsors of capital-intensive projects. In addition to revealing how contractually stable guaranteed cash can be used in place of collateral for project loans, a variety of attendant risks will be explored, including market price risk, market access risk, technical risk construction risk, completion risk, performance risk and operation risk among others. In addition, the allocation of those risks will be examined, featuring the participation of critical parties such as investors, developers, lenders, multilateral institutions and consulting engineers, among others. Finally, the stage will be effectively set for the presentations to follow; detailing additional aspects of project structure as well the best marriage between financial products and project parameters.

Presenter:

Christopher Groobey, *Partner*, BAKER & McKENZIE, LLP

10:15 – 10:45 *Refreshment Break*

10:45 – 11:30 CONSTRUCTION, COMPLETION & PERFORMANCE RISK

Current market conditions and dynamics in the construction arena will be analyzed and the effect these changes are having on project development detailed. Risk identification, quantification and allocation to the responsible party will be reviewed as well as how to deal with uncertainties in today's market and the steps required in order to reach contract closure.

Presenter:

Cristopher S. Farrar, *Partner*, BAKER & MCKENZIE

11:30 – 12:15 THE DUE DILIGENCE PROCESS: THE ROLE OF INDEPENDENT CONSULTANTS IN PROJECT FINANCINGS

This presentation will detail the critical role independent consultants play in providing an array of due diligence expertise to all phases of a project. Those phases may include development, financing, acquisition, divestiture and the monitoring of construction, the initial start-up and finally, operations.

Presenter:

Cathy Grover, *Director*, LUMINATE, LLC

12:15 – 1:30 Luncheon**1:30 – 2:15 ACCESSING GOVERNMENT GRANTS, LOANS & OTHER SUPPORT**

This session will review the variety of government grants, loans and other support from the federal, state and local levels and the criteria that must be met in order to access that support. In addition, it will offer a cutting-edge look at how the seismic funding shift in the new Obama administration and its' proposed \$100 Billion allocation of the stimulus bill to cleantech will translate into solid opportunity and the ways in which it might impact the community.

Presenter:

John Mizroch, *Of Counsel*, WILSON SONSINI GOODRICH AND ROSATI
(*Former Acting Assistant Secretary for Energy Efficiency & Renewable Energy, U.S. DEPARTMENT OF ENERGY*)

2:15 – 3:00 THE ROLE OF PRIVATE EQUITY

The role of private equity will be explored with a focus on why equity funds are interested in financing renewable projects, which equity funds are currently involved in what projects, which funds are projected to become involved and, finally, which sectors are of the most interest to equity funds. Other items to be discussed will include the influence of current administration on investment decisions.

Presenter:

Maria P. Sendra, *Partner*, BAKER & MCKENZIE LLP

3:00 – 3:30 *Refreshment Break*

3:30 – 4:15 **LOAN EVALUATION & REQUIREMENTS**

How do lenders (both commercial banks and institutional investors) evaluate project financings that are seeking credit in today's market? Based on the current economic environment, what levels of risk relative to project cash flows are financeable? In addition, this presentation will examine several credit enhancement mechanisms that have proven particularly effective at making up for any shortfalls in a project's creditworthiness.

Presenter:

Jerome P. Peters, *Senior Vice President*, TD BANK N.A.

4:15 – 5:00 **OBTAINING CAPITAL IN THE CURRENT MARKET**

The final presentation of the workshop will examine both the ongoing, erratic financial market and the potential of the Obama administration's stimulus support; offering a pragmatic perspective as to how project structuring and finance will be impacted in 2009 – and the inherent challenges and opportunities that lie ahead.

Presenter:

Jeff Lipton, *Managing Director*, JEFFERIES & COMPANY

5:00 *Adjourn*