

# **Project Finance: The Tutorial Agenda**

July 20 – 22, 2009

New York, NY

Princeton Club | New York, NY

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**Monday, July 20, 2009 | 1:00 p.m.—4:45 p.m.**

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Noon -1:00 p.m.      Registration

1:00 - 1:15              **Welcome & Introduction from the Chairman**

## ***Project Finance in Today's Market***

1:15- 2:00      **Overview of Project Finance—Risks, Structures and Funding Sources**

This presentation will explore a range of issues that can impact upon the viability of a project's financing, including: general costs and economics, debt vs. equity financing, capitalizing upon governmental incentives and creating a sound legal structure of contracts for your financing. It will also provide an overview of some of the main deal structures typically used, and their impacts on project economics and risks. This will provide an intellectual framework for the next section, where you will hear from a series of project participants on their roles and how they either assume or mitigate a variety of risks.

Presenter:

**Allan Marks**, *Partner*, MILBANK, TWEED, HADLEY & MCCLOY LLP

## ***Assessing & Mitigating Risk***

2:00-2:45      **The Contractor's Perspective on Identifying and Mitigating Construction, Completion and Performance Risk**

This presentation will outline the role of the Engineering, Procurement, and Construction (EPC) Contractor in a project financing. Current market conditions and dynamics will be analyzed, and the effects these changes are having on project development and financing. There will be discussion on risk identification, quantification, and allocation to the responsible party, and how to deal with uncertainties facing contractors,

developers, and financiers in today's market. The presentation will also discuss the contractor's perspective on using the EPC contractor as a source of equity, and the process for selecting the EPC Contractor and reaching contract closure.

Presenter:

**David Williams**, *Director, Sales, Power Business Line*, FLUOR CORPORATION

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2:45 - 3:15 Break

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3:15 – 4:00 **Environmental Review Process—Identifying and Mitigating Environmental Risk**

This presentation will discuss key environmental issues encountered during financing of new power projects and during acquisition of existing facilities. This will include permits and approvals, compliant environmental design, site issues, compliance issues for operating power plants, and other future issues. The presentation will primarily discuss domestic power plants with some comment on foreign projects, and will explore technical detail during the question period.

Presenter:

**Philip Karmel**, *Partner*, BRYAN CAVE LLP

4:00 – 4:45 **The Due Diligence Process: The Role of the Independent Engineer in Evaluating Technical Risk**

This presentation will explain how independent engineers are used in project financings to evaluate and mitigate technical and other risks in project financings. Mrs. Chase will explain the key technical questions that participants (and especially lenders) must understand and discuss the role of independent engineers in two special circumstances: after the close of project financing and when transactions involve the acquisition of existing facilities.

Presenter:

**Hope Hartley Chase**, *Executive Consultant*, SHAW CONSULTANTS INTERNATIONAL, INC

**Tuesday, July 21, 2009**

7:30 - 8:30 Continental Breakfast

8:30 – 8:45 **Welcome & Introduction to Day Two**

***Structuring the Project Financing***

8:45 - 9:30 **Structuring the Project as a Synthetic Lease**

A growing number of projects are being structured as synthetic leases. This presentation will examine the use of lease structures in financing, including the benefits to the project sponsors, principal accounting considerations, and the typical structures used. It will also discuss the issues that arise when the project sponsor is involved in construction, the risks for capital providers and available mitigation methods.

Presenter:

**Adam S. Umanoff**, *Partner*, CHADBOURNE & PARKE LLP (TENTATIVE)

9:30 – 10:15 **Negotiating and Documenting the Key Project Agreements**

This presentation will review critical terms, provisions and negotiations involved in forming project agreements, including:

- Structuring pricing provisions to maximize cash flow
- Dispatchability and how it will affect cash flow
- Interconnection provisions and transmission agreements
- International issues
- Dispute resolution

Presenter:

**Ayaz R. Shaikh**, *Partner*, PILLSBURY WINTHROP SHAW PITTMAN LLP

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10:15 - 10:45 Break

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10:45 – 11:30 **Attracting Equity Investment in Today’s Market**

This presentation will discuss the role of private equity, including what makes equity funds interested in financing projects, which equity funds are currently involved in what projects, which funds are projected to become involved, and which sectors are of most interest to equity funds.

Presenter:

**Jeremy Rosenshine**, *Transaction Counsel*, BABCOCK & BROWN  
NORTH AMERICA INFRASTRUCTURE [WIND]

11:30 – 12:15 **Loan Requirements in Today’s Lending Environment**

This presentation will explain how lenders (both commercial banks and other institutional investors) evaluate project financings that are seeking credit, and will detail what levels of risk relative to project cash flows are financeable in today’s market. It will also discuss some credit enhancement mechanisms that have proven particularly effective at making up any shortfalls in a project’s creditworthiness.

Presenter:

**Carl Weatherley-White**, *Managing Director*, BARCLAYS CAPITAL

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12:15 -1:30 Group Luncheon

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1:30 – 2:15 **Using Private Credit Ratings to Improve Access to Capital**

This presentation will provide an understanding of the key rating factors used by debt rating agencies. It will discuss how emerging market and country risks are incorporated into project rating, how credit-enhancing structures can mitigate risk, the impact of credit rating on project funding, and how to balance risk and rewards while satisfying investor needs and wants. The prospective impacts of carbon limits and regulation on credit ratings and valuations of power companies will also be touched on.

Presenter:

**Terry Pratt**, *Director*, STANDARD & POOR’S

2:15 – 3:15 Panel Discussion:  
**Perspectives on Today’s Capital and Loan Markets for Project  
Financings**

Moderator

**Ayaz R. Shaikh** , *Partner*, PILLSBURY WINTHROP SHAW PITTMAN LLP

Panel:

**Stephen Cheng**, *Managing Director*, CREDIT SUISSE

**Hope Hartley Chase**, *Executive Consultant*, SHAW CONSULTANTS  
INTERNATIONAL, INC.

**Allan Marks**, *Partner*, MILBANK, TWEED, HADLEY & MCCLOY LLP

**Terry Pratt**, *Director*, STANDARD & POOR’S

**Carl Weatherley-White**, *Managing Director*, BARCLAYS CAPITAL

**David Williams**, *Director, Sales, Power Business Line*, FLUOR  
CORPORATION

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3:15—3:45 Break

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3:45—4:30 Case Study 1:

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Presenter:

**Charles Wilson**, *General Manager, Project and International Finance*,  
DUKE ENERGY CORP

4:15—5:15 Case Study 2:

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XX  
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Presenters:

**Daniel Mallo**, *Managing Director, Project and Structured Finance-  
Energy*, SOCIETE GENERALE (INVITED)

**John Ravis**, *Vice President*, TD BANKNORTH PROJECT FINANCE (INVITED)

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Tutorial Adjourns

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