

Power Dealmaking Summit

M&A, Financing & Refinancing

September 13-15, 2010 | New York, NY

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SUMMIT AGENDA

Tuesday, September 14, 2010

8:00 – 9:00 *Registration & Continental Breakfast*

9:00 – 9:15 **WELCOME & INTRODUCTION FROM THE SUMMIT CHAIR**
Bernays T. (Buz) Barclay, Partner,
DICKSTEIN SHAPIRO, LLP

9:15 – 9:45 *Keynote Address:*

COMING TO TERMS WITH UNCERTAINTY

Pundits are saying that domestic shale production will be sufficient to keep the US in a low gas price world forever; but we've heard this before. They say that demand for electric power comes roaring back when recessions end; but does an increased emphasis on demand side management and efficiency make this time different? Hot weather can change the economics of power production in a summer. A delay in a new transmission lines can add millions in revenue to one power plant and send another into bankruptcy. What are the important drivers of uncertainty for energy markets? How do you measure them? And, most importantly, how do you integrate the extreme uncertainty in today's power markets into a valuation framework that supports term sheet development and negotiations?

Art Holland, Vice President, Utility & Risk Services,
PACE GLOBAL

9:45 – 10:15 *Report*

OUTLOOK & TRENDS AFFECTING DEALS & VALUES

The road ahead is highlighted by an expert survey and analytical insights regarding many of the factors, trends and circumstances that are driving project, asset and corporate M&A and financing deals to market and determining their value.

Interest rates, fuel prices, government policy, legislation and regulation, overhangs of un-invested capital and disinvesting capital, market functions and dysfunctions, cross-border interests, economic and monetary (FX) issues, carbon and climate change, availability and cost of equity and debt in the bank and institutional markets and more.

Robert Mudge, *Partner*, THE BRATTLE GROUP

10:15 – 10:45 *Morning Networking Break & Private Meetings*

10:45 – 11:15 *Report*

THE MOUNTING CHALLENGES OF REFINANCING

\$27 Billion of credit facilities and nearly \$2 Billion in bonds extended to non-regulated power companies and projects will mature in 2012.

Through 2015, the unregulated power sector faces about \$83.1 billion of maturities, almost \$61.4 billion of which is in the form of credit facilities, including revolvers, syndicated letter of credit facilities and term loans.

This factor alone may cause a significant segment of the power industry to recapitalize, change ownership, and re-direct its business strategies over the next few years, while new power assets will also be vying for development, construction and growth capital. This session will provide the latest information on the scope and character of the impending refinancing challenge facing the industry.

A.J. Sabatelle, *Senior Vice President*,
MOODY'S INVESTORS SERVICE

11:15 – 12:30 **CORPORATE PERSPECTIVES ON THE MARKET:
CREATING VALUE IN THE NEW ENVIRONMENT**

In the wake of the financial and economic crisis, power companies find themselves in a new business environment. Their challenge is to identify the critical strategic threats and opportunities and act to change, adapt, exploit, survive and sustain. This panel of top executives from major corporate players in the power industry will discuss where they are placing their bets and how they expect to create value in this environment

- Where are we in the business cycle in the power industry?
- What value creation strategies make sense in the industry for the intermediate future? To what extent will the IPP model continue to be sustainable vs. the integrated and regulated utility model?
- Will there be a trend toward the return of utility ownership and re-regulation?
- How will financing and re-financing requirements affect business models, opportunities and competitiveness in the industry?
- What are the prospects for industry consolidation in the coming years? For asset acquisitions and divestitures in the near term? For new project development?

- How are the conditions in the credit markets going to affect buying and selling decisions?
- What are buyers' outlooks for asset and business valuations? What are they for sellers?
- What are corporate outlooks for financing and capital markets in the next 12 months?

Moderator: **Larry F. Eisenstat**, *Partner*, DICKSTEIN SHAPIRO LLP

Panelists:

Paul Cavicchi, *Executive Vice President*,

GDF SUEZ Energy North America

J. Andrew Murphy, *Executive Vice President & Regional President*,
Northeast, NRG ENERGY

Paul Stauder, *Senior Vice President*, *Covanta Americas Business Management*, COVANTA ENERGY CORPORATION

Richard Straebel, *Executive Vice President*,

MARUBENI POWER INTERNATIONAL, INC.

Kelly Tomblin, *Vice President Corporate Strategy & Services*,
INTERNATIONAL POWER AMERICA, INC.

Thomas B. White, *President & CEO*, KGEN POWER CORPORATION

12:30 – 2:00 *Group Luncheon*

2:00 – 3:15 **PRIVATE EQUITY ROLES IN POWER DEALS**

In the past, private equity has been a prime mover in the power industry, both in asset deals and in corporate M&A and restructuring. What roles are private equity investors looking to play going forward? Is it time to liquidate and move to other industries, or are there still ways to find and create value with sufficient liquidity in reasonable investment horizons in the power industry? In this session, private equity players discuss where they are reloading for more investment and where they are changing directions or realigning their strategies.

- What market trends are the most important for private equity strategies?
- How do private equity firms add value in the power sector?
- What role will private equity play in the current power market?
- What sectors of the power markets offer the most attractive opportunities for private equity firms?
- How do the financing markets affect the distinctive criteria private equity uses when making investment / divestiture decisions?
- Where are valuations headed? Are buyers able to meet the expectations of sellers in the current markets?
- How is the current credit environment affecting private equity strategies?

Moderator:

Todd Alexander, *Partner*, CHADBOURNE & PARKE LLP

Panelists:

Scott Brown, *CEO*, NEW ENERGY CAPITAL

Charles Costenbader, *Associate Director, Treasury & Commodities Group*,
MACQUARIE ENERGY, LLC

Brendan T. Fitzgerald, *President*,
ENERGY & INFRASTRUCTURE ADVISORS, LLC

Douglas Kimmelman, *Senior Partner*, ENERGY CAPITAL PARTNERS

Andrew Schroeder, *Senior Partner*, ENERGY INVESTORS FUNDS

Juliet Wallace, *Director*, DENHAM CAPITAL MANAGEMENT, LP

3:15 – 3:45 *Afternoon Networking Break and Private Meetings*

3:45 – 5:00 **M&A DYNAMICS AND TRENDS**

What are the dynamics that will shape M&A deal flow in the coming year? Economic growth? Flights to safety? Foreign investment? Regulatory uncertainty? Legislative risk? Fuel costs? We have seen big deals, small valuations, significant consolidations, dramatic divestitures and great hopes. What will make sense in the coming year? Our panel of dealmakers will describe the landscape as they see it, and identify the trends to watch – or get ahead of.

- What will the deal flow look like over the coming year and why?
- How will fuel and power prices impact deal and deal flow?
- Who will be the buyers and who will be the sellers?
- What can be expected in terms of valuations and bid-asked spreads?
- How will the refinancing wave drive M&A?
- How will the capital market investor appetite affect deals?
- Will legislative or regulatory risk be a driver for any M&A activity?
- What can be expected in renewable company and asset A&D?

Moderator:

Bernays T. (Buz) Barclay, *Partner*, DICKSTEIN SHAPIRO, LLP

Panelists:

John F. (Jay) Beatty, *Managing Director*, NEW HARBOR, INC.

Matt Gibson, *Managing Director*, GOLDMAN SACHS & CO.

James Metcalfe, *Global Head of Power*, UBS

Timothy Vincent, *Partner*, GREENTECH CAPITAL ADVISORS

Carl Weatherley-White, *Managing Director*, BARCLAYS

5:00 – 6:00 *Summit Reception sponsored by FTI*



Wednesday, September 15, 2010

8:00 – 9:00 *Registration & Continental Breakfast*

9:00 – 9:05 **WELCOME & INTRODUCTION FROM THE SUMMIT CHAIR**
Bernays T. (Buz) Barclay, *Partner*, DICKSTEIN SHAPIRO, LLP

9:05 – 10:15 **CREDIT, THE CAPITAL MARKETS AND DEAL FINANCING**

With the capital markets back to normal, will they provide the means to support new M&A and asset deals as well as refinancing \$83 Billion in existing IPP debt? At what price? Will the sellers be able to staple financing to an asset as they did once? This session will explore the deal financing opportunities available in the market, examine the deal structures being adopted, and hammer out what is the best market to raise capital in.

- What debt financing is available to support future deal flow? Under what terms?
- Does the bank market have sufficient capacity and appetite for the opportunities that are coming up?
- Is the high-yield debt and B-loan market back? What type of transactions will it finance and on what terms?
- How will transactions need to be structured in the future to be successfully financed?
- What special issues do merchant plants face in their re-financings? Will bankruptcies wash out a lot of equity from the merchant part of the power industry?
- Will new merchant plant deals be financeable in the near future

Moderator: **James Drzemiecki**, *Senior Managing Director*, FTI CONSULTING

Panelists:

Ralph Cho, *Executive Director*, WEST LB SECURITIES, INC.

Mark Dennes, *Director, Power & Energy Project Finance – North America*, BNP PARIBAS

Jack Paris, *Managing Director*, CITI

Edward Sondey, *Managing Director*, BofA MERRILL LYNCH

David H. Williams, *Managing Director, Power & Utilities Group*, CIBC

Raymond Wood, *Managing Director, Energy Group*, CREDIT SUISSE

10:15 – 10:45 *Morning Networking Break and Private Meetings*

10:45 – 11:45 **DEBT INVESTORS' PERSPECTIVES ON FINANCING AND REFINANCING POWER DEALS**

The appetites and preferences of debt investors in the private placement markets will in large measure shape the outlook for dealmaking and refinancing in the capital-intensive power industry. In this session, ultimate purchasers and holders of the unregistered securities of power projects and power industry companies, and their agents, will share their perspectives on the market, their appetite for financing deals in the power industry as opposed to their alternative investment opportunities, and the factors driving market pricing and liquidity.

- What kind of deals are debt investors looking for?
- What is driving covenant negotiations and pricing?

- Is the market expected to continue to be open and liquid?

Moderator: **Tanya Bodell**, *Managing Director*,
FTI CONSULTING

Panelists:

John Anderson, *Senior Managing Director/Head, Power & Project Finance*, JOHN HANCOCK FINANCIAL SERVICES

Jamie N. Manson, *Head of Power*,
INVESTEC NORTH AMERICA LIMITED

Stephen Petricone, *Managing Director*,
FORTRESS INVESTMENT GROUP

- 11:45 – 12:00 **FINAL THOUGHTS**
Bernays T. (Buz) Barclay, *Partner*, DICKSTEIN SHAPIRO, LLP
- 12:00 Noon *The Summit Adjourns*