



THE COAL POWER FINANCE & INVESTMENT SUMMIT

June 27, 2006

8:00 – 8:15* Welcome & Introduction From The Summit Chairman
William Andrews, *Partner*, Nixon Peabody

8:15 – 9:30 INDEPENDENT DEVELOPERS' PERSPECTIVES ON THE MARKET

Independent coal power developers are busy drawing up plans for new coal power plants to add to the nation's generation portfolio. This panel of independent coal power developers will discuss the state of the coal power finance and investment market from their perspective. They will identify their needs and characteristics of optimum working relationships with investors, lenders, joint owners, offtakers, and contractors. They will address questions such as:

- What are the major financing challenges?
- What are the current financing trends in the market?
- Do they expect to finance their projects on a project finance basis?
- What are the primary risks of their projects and how do they mitigate such risks?
- What are the benefits/disadvantages of joint ownership arrangements?
- How can investors become involved in their deals?
- How can the lending community facilitate their projects?
- What are their technology and equipment strategies?

Moderator: **Walter Keneally**, *Partner*, Bracewell & Giuliani LLP

Panelists:

Bill Connors, *Vice President-Origination, Contracts & Regulatory*, Centennial Energy

Julie Jorgensen, *Co-President & CEO*, Excelsior Energy

Bob Place, *Chairman*, GenPower LLC

David Schwartz, *Partner*, The Erora Group (invited)

Paul Steinway, *President*, Kinder Morgan Power Company

Tom Young, *President*, TRY Ventures (invited)

9:30 – 10:00 *Morning Refreshment and Networking Break*

10:00 – 11:15 UTILITIES' AND ELECTRIC COOPERATIVES' PERSPECTIVES ON THE MARKET

The projections for electricity demand and generation capacity for 2008 and beyond identify a shortfall in power supply. Public and private utilities and electric cooperatives are looking to meet their supply needs by developing or participating as owners in the development of new coal-fired power plants. This panel of utilities and electric cooperatives will provide their perspectives on the market. They will identify their needs and the characteristics of optimum working relationships with joint owners, lenders, and equipment suppliers and contractors. They will address questions such as:

- What are their strategies for coal-fired power plant development?
- What role do they want in the development of these projects?
- What type of joint ownership arrangements do they seek?
- What are their plans for financing their projects?
- How can the lending community facilitate their projects?
- What are their technology and equipment strategies?

Moderator: **Ed Feo**, *Partner*, Milbank, Tweed, Hadley & McCloy LLP

Panelists:

Calvin Crowder, *Managing Director RTD & Public Policy*, AEP

Marty Dreischmeier, *Assistant Vice President – Planning*,
Wisconsin Public Power

Duncan Kincheloe, *General Manager & CEO*,
Missouri Joint Municipal Electric Utility Commission

Kay Pashos, *President*, Cinergy PSI

Doug Schetzel, *Director of Business Development*, E.ON.US

11:15 – 12:30 FINANCIAL INVESTORS' PERSPECTIVES ON THE MARKET

Private equity and hedge funds have begun to play an increasing role in the financing of energy deals. This panel of investors will discuss their investment requirements and expectations in the coal-fired power market, and comment on the criteria they use when making investment decisions for these projects.

- What project characteristics are equity investors seeking when making an investment?
- What returns do equity investors typically require?
- How does an equity investor determine the level or amount of investment for the sponsors of the project?
- For what type of management teams are equity investors looking?

- What is the investor's investment horizon?
- What is the appropriate stage for an investment?
- What are the most difficult negotiation points?
- How quickly can a transaction close?

Moderator: **Lori Green**, *Partner*, Nixon Peabody LLP

Panelists:

John Buehler, *Managing Partner*, Energy Investors Funds

James Lucier, *Senior Vice President & Analyst*, Prudential Equity Group, LLC

J. Sood, *Managing Partner*, Greenwich Energy Investments, LLC

Sidney Tassin, *President*, Energy Spectrum Capital, LP

Carter Ward, *Vice President*, Arclight Capital, LLC

12:30 – 2:00 *Group Luncheon*

2:00 – 3:15 LENDERS' PERSPECTIVE ON THE MARKET

This panel of lenders will provide their perspectives on the current market for coal-fired power project debt. They will provide the most up-to-date information on the current sources, terms, and structures for debt financing. They will also discuss the prospects for lenders entering the market.

- What deals have received financing?
- What type of leverage is available?
- What do the debt structures look like?
- Is sub-debt available?
- How do the covenants compare with other types of power deals?
- What should sponsors understand before they discuss financing options?
- What have been the most contentious issues?
- How does technology risk affect lending decisions?

Moderator: **Ed Feo**, *Partner*, Milbank, Tweed, Hadley & McCloy LLP

Panelists:

Steven Bissonnette, *First Vice President*, DZ Bank

John Cogan, *Director*, Global Energy Group, Credit Suisse

James Guidera, *Managing Director & Group Head*, Project Finance, Calyon Americas

Alec Montgomery, *Managing Director*, Royal Bank of Scotland

Jake Udris, *Senior Vice President/Energy Division*, CoBank

3:15 – 3:45 *Afternoon Refreshment and Networking Break*

3:45 – 5:00 OFFTAKERS' PERSPECTIVE ON THE MARKET

With shortfalls of power supply predicted for 2008 and beyond, power purchasers are entering the market to secure their needs. This panel will discuss their perspectives of the evolving markets for coal power and the type of deals they are seeking in the market.

- What type of PPAs are buyers offering in the market?
- What criteria do they use in selecting a PPA provider?
- How have PPA terms for coal-fired generation changed over the years?
- What terms are most critical to buyers?

Moderator: **Sandra Velasco**, *Partner*, Holland & Hart, LLP

Panelists:

Marc S. Gerken, *President & CEO*, AMP Ohio

Donald G. Robinson, *Vice President-Planning*,
Arizona Public Service Company

Natalie Rolph, *Chief Economist*, Black & Veatch

5:00 – 6:30 *Networking Reception Sponsored By Nixon Peabody*

June 28, 2006

8:00 – 8:30 TAX ISSUES IN STRUCTURING COAL POWER DEALS

- How to build tax subsidies into the financing structures for coal projects
- Tradeoffs regarding loan guarantees, grants and other forms of government assistance – and when they make sense
- Unusual structures that may provide benefits during the operating phase
- Upcoming tax issues in coal power

Keith Martin, *Partner*, Chadbourne & Parke LLP

8:30 – 9:30 SPECIAL ISSUES IN JOINTLY-OWNED COAL PROJECTS

- Key issues in negotiating acquisition or sale of assets
- Governance and control issues among participants
- Dealing with co-tenant defaults
- Collateral and security issues
- Confidentiality issues
- Joint ownership financings and how to coordinate financings

William Andrews, *Partner*, Nixon Peabody

Lori B. Green, *Partner*, Nixon Peabody

Peter Alfano, *Partner*, Nixon Peabody

9:30 – 10:30 FUEL SUPPLIERS' PERSPECTIVES ON THE MARKET

Adequately addressing the availability, delivery, price, and terms for the fuel supply for coal-fired power plants is one of the key factors for achieving a successful financing. This panel will provide their perspectives on the fuel supply market and will address issues such as:

- What are the factors impacting coal production and delivery?
- What types of fuel supply contracts are suppliers offering in the market?
- What are the terms, tenor, and other contract characteristics?

Moderator: **Sandra Velasco**, *Partner*, Holland & Hart, LLP

Panelists:

Perry Bissell, *Director of Energy Analysis*, John T. Boyd Company

Gordon Fletcher, *Manager, Market Development*, CONSOL Energy, Inc.

10:30 – 11:00 *Morning Refreshment and Networking Break*

11:00– 12:00 CONTRACTORS' PERSPECTIVES ON THE MARKET

EPC contractors will explain the role they are willing to play in coal power deals, and share their companies' view of the risks—including equipment, construction and completion—that EPC contractors are expected to shoulder in these deals. The panelists will discuss the pricing and other terms that can be expected in today's market, and address such questions as:

- What guarantees are being offered in efficiency, performance and emissions?
- Are certain process technologies favored over others?
- Are delay damages available?
- What is a realistic construction schedule?
- What is the advantage of using a turnkey contract, as opposed to a time and materials based contract?

Moderator: **Nancy A. Wodka**, *Partner*, Bracewell & Giuliani LLP

Panelists:

Paul Armstrong, *Director of Sales*, Hitachi

Ron Bevan, *Sales Manager*, Mitsui-Babcock

Jeff Brightman, *Manager, Global Marketing & Business Development – Fossil Power*, Bechtel Power Corporation

Ed Godlewski, *Vice President, Gasification*, Fluor

Ben Wolfe, *Marketing Manager IGCC*, Siemens Power Generation

12:00 **Summit Adjourns**

** all times are approximate*