

# RENEWABLE POWER PROJECT FINANCE

## THE TUTORIAL

December 11 - 13, 2006 • DoubleTree Hotel Austin • Austin, TX

3rd  
Presentation  
This Year—  
Due to  
Overwhelming  
Demand!!

### Pre-conference Workshop: **Fundamentals of Project Finance**

Monday, December 11, 2006:

9:00-10:00 AM

#### **Introduction to Project Finance**

*This presentation will explain the critical advantages of project finance that have made this technique so widely used by the sponsors of capital-intensive projects. It will show how contractually stable guaranteed cash flows could be used in place of collateral for project loans. It will identify the main types of project risk—market price risk, market access risk, technical risk, construction risk, completion risk, performance risk, operations risk, feedstock price risk, and feedstock availability risk, among others—and how these risks can be contractually allocated to the various parties associated with a project financing.*

**James W. Scarrow**, Associate, CHADBOURNE & PARKE LLP

10:00-10:30 AM

*Refreshment Break*

10:30 AM-Noon

#### **Role of the Players in a Project Financing**

*This presentation will explore the roles for the players typically involved in a project financing. In particular, it will discuss the vital roles played by developers, equity investors, independent engineers, EPC contractors, commercial lenders, offtake purchasers/marketers and more, describing where they enter the deal flow and what risks they should typically take on.*

**Marissa Leigh Alcalá**, Associate, CHADBOURNE & PARKE LLP

Noon-1:30 PM

Group Luncheon

1:30-3:30 PM

#### **Structure and Negotiation of Key Project Contracts**

*This presentation will discuss key project contracts, such as the EPC, equipment supply agreements, PPA/off-take agreements, loan agreements and other project documents and explain how*

*these documents are structured to allocate risks and define cash flows. This presentation will also discuss the impact of regulation upon contract documents and major issues in the negotiation of key project contracts.*

**Typical Project Documents**

*Power Purchase Agreement*

*Energy Performance Contract*

*Gas Off-take Agreement*

*Construction Contract*

*Warranties*

*O&M Agreement*

*Interconnection Agreement*

*Leases and Easement*

*Loan Agreement, Guarantees and other Financing Documents*

*Regulatory and Environmental Documentation and Approvals*

*Incentive Agreements*

**Peter Funk, Partner, DUANE MORRIS LLP**

**James McTarnaghan, Partner, DUANE MORRIS LLP**