

“Earth, Wind and Soybeans: The State of Alternative Energy Finance”

by Arthur A. Cohen

Alternative energy is one of the hottest topics in the news, and the Commercial Finance Committee is right in the middle of this important issue, as the sponsor of a major CLE program at the Spring Meeting in Dallas this year. On Friday, April 11, 2008, 10:30 a.m. – 12:30 p.m., we are co-sponsoring a CLE program called “Earth, Wind and Soybeans: The State of Alternative Energy Finance.” This program will look at the current state of the finance market for alternative/renewable power, how and why things have changed over the last year and where the market is going in the months and year ahead.

The panel will be moderated by Arthur A. Cohen, a partner at Haynes and Boone in DC, who is the Chair of the [Project Financing Subcommittee](#) of the Developments in Business Financing Committee. He will look at who is now lending in this space, what new structures are being used, what terms are being seen in the market, and how people are getting deals done in the new less-liquid credit environment. Monty Humble, a partner at Vinson & Elkins in Dallas, will talk about timing issues that arise in renewables deals, and how careful planning can help to structure deals so as to avoid problems. Evelyn Lim, general counsel of UPC Wind, a large Boston-based wind developer, will make a presentation explaining how lenders are dealing with the risks presented by new technologies. George Haley, a partner at Pillsbury Winthrop Shaw Pittmann LLP in San Francisco, will offer guidance on dangers faced by lenders when taking security interests in LLC membership interests in renewables deals. Kathleen Doll, of Stoll Rives in Portland, OR, will talk about emerging trends in financing biofuels and biomass projects, including an explanation of the drivers of this activity over the past year, an explanation of where deals are getting done, and what challenges they are facing, as well as the financing solutions that are being used to resolve these issues.

The panel will also include two distinguished business people. Glen Davis, EVP of Ausra, Inc., will talk about how financing solar projects differs from financing wind deals. Andy Bowman, SVP of Development at E.ON Wind, will talk about the basic issues wind deals will face in 2008 and beyond, and how value components are evaluated in wind transactions.

This program is intended to provide important and current market information to practitioners in the alternative/renewables field. It will be practically focused, with information and solutions regarding issues that are currently being faced in the field.

This program has been organized by, and is part of the ongoing expansion of, the [Project Financing Subcommittee](#) of the Developments in Business Financing Committee. Following the program, the Project Financing Subcommittee will meet from 12:30 p.m. - 1:30 p.m. on: “Power and (Uncertain) Glory: Project Finance in Challenging Economic Times.” This meeting will focus on the state of project finance in 2008’s challenging economic environment. In addition, it will kick off an effort to greatly expand the subcommittee’s membership and scope, allowing our members to (i) discuss issues of current relevance; (ii) sponsor and present educational

programs; and (iii) prepare and publish model agreements (with commentary), practice manuals and other reference works and resource materials relating to project finance transactions.

The Subcommittee seeks the involvement of lawyers representing a wide cross-section of parties involved in project finance transactions: sponsors/developers, contractors, vendors, export credit agencies, regional and national development banks, commercial and investment banks, credit enhancers and other providers of financing.

Please try to come and join us for what promises to be both an interesting and exciting program and an important subcommittee meeting.