

Wind Energy

Wind Energy Straight Talk, Without the Hot Air

We've been delivering Straight Talk to the energy industry for a century, a privilege that powers our counsel to the wind energy industry. Our more than 20 wind energy lawyers regularly advise industry participants nationwide, including developers, utilities, governments, lenders, landowners and others, on the intricacies of wind project development, construction and finance.

Recognized as a top-ranking domestic and global law firm in both renewable and wind energy deals, Andrews Kurth has a practice background that includes:

- Representative Wind Projects
- Multistage Project Development Counsel
- Project Financings and Acquisitions

Pioneers in Wind Farm Project Financing

In 2003, Andrews Kurth represented the series "B" investors in the transaction that established the classic "A" investor/"B" investor equity ownership structure, which is a hallmark of many of the major United States wind farm term financings today.

We also negotiated the agreements on one of the first United States project financings of a wind power plant, and have helped structure complex, multiple-phase wind farms, merchant wind plants, and the sharing of facilities and easement parcels.

Our clients are key participants in the industry including:

- Balance of plant contractors
- Environmental consultants
- Equity investors
- Franchise and property tax advisors
- Independent engineers
- Independent market consultants
- Insurance consultants
- Lenders
- Surveyors
- Title insurers
- Turbine manufacturers
- Wind and transmission consultants

Representative Wind Projects

We have helped clients close a range of complex deals, including such projects as:

- 115MW, **Parque Eólico El Arrayán SpA**, Chile, May 2012
- 101.2MW, **Pattern Santa Isabel LLC**, Puerto Rico, October 2011
- 80MW, **Rockland Wind Farm LLC**, Idaho, March 2011
- 124.5MW **Goshen Phase II Wind Farm**, Idaho, May 2010
- 283.2MW **Pattern Gulf Wind Farm**, Texas, March 2010
- 101.2MW **Hatchet Ridge Wind LLC**, California, October 2009

Wind Energy

- 79.5MW **Majestic Wind Farm**, Texas, July 2008
- 180MW **Bull Creek Wind**, Texas, June 2008
- 54MW **Butler Ridge Wind**, Wisconsin, April 2008
- 51MW **Wessington Wind**, South Dakota, April 2008
- 283.2MW **Texas Gulf Wind**, Texas, February 2008
- 150MW **Sherbino I Wind Farm**, Texas, February 2008
- 101.2MW **South Trent Wind**, Texas, December 2007
- 37.5MW, 91.5MW, 135MW, 240MW and 80.5MW **Sweetwater Wind Farm** Phases I, II, III, IV and V; Texas, July 2003, August 2004, May 2005, August 2006 and February 2007, respectively
- 80MW **Allegheny Ridge Wind Farm**, Pennsylvania, December 2006
- 300MW **Cedar Creek Wind Farm**, Colorado, December 2006
- 90MW **Aragonne Wind Farm**, New Mexico, March 2006
- 24MW **Wind Park Bear Creek**, Pennsylvania, March 2006
- 7.5MW **Jersey-Atlantic Wind**, New Jersey, March 2006
- 80MW **Caprock Wind Ranch**, New Mexico, September 2004

Multistage Development Counsel

Early Development. We provide the legal tools and contacts to determine the viability of a site for wind development. Whether it is the placement of anemometers, obtaining the wind study or transmission study, or handling site access issues, we help show the way.

In related real estate issues, our team advises on the acquisition of options and wind easements. This includes transmission easements and other necessary land rights. We also structure and negotiate royalties to landowners.

Late Development. Andrews Kurth lawyers provide insight on key wind contract provisions and market conditions. Our environmental and regulatory lawyers identify the necessary permits and filings to bring a project to fruition. As projects progress, we work to protect our clients' interests and negotiate and document:

- Power purchase agreements
- Energy hedges
- Interconnection agreements
- Renewable energy credits
- Federal production tax credits
- Local tax incentives
- Turbine supply agreements
- Balance of plant contracts
- Operation and maintenance agreements

We are skilled at structuring relationships among developers, lenders and equity participants. Drawing upon the latest industry trends and practices, we draft joint development agreements, administrative services agreements, financing agreements and equity capital contribution agreements.

Because we understand what tax equity and non-tax equity investors need, Andrews Kurth manages and coordinates all of the legal aspects to finance a deal, including all of the project documents.

Wind Energy

Merchant Wind Plants. Our experience includes all of the legal intricacies of structuring a merchant wind plant and closing construction and term financing commitments for merchant projects. There may be a “synthetic” power purchase agreement or energy hedge in place of a traditional, long-term power purchase agreement, issues we manage within the individual context of each deal.

Wind Project Financings and Acquisitions

Construction Financing. We negotiate loan documents to finance construction and negotiate letters of credit that may be required by a project party, such as the power purchaser. We have structures and strategies for documenting the equity piece required by lenders or the debt term conversion.

Our lawyers also have experience in closing financings with an energy hedge, including “dirty” energy hedges, such as a gas energy hedge, in place of a power purchase agreement. We also document the intercreditor and lien arrangements between the lenders and energy hedge provider.

Term Financing. Whether structured as a tax equity/non-tax equity arrangement or a more traditional long-term debt financing, we have the experience, sophistication and insight to document and close the term financing.

Acquisitions. Our lawyers have helped clients purchase and sell billions of dollars of energy assets. In the sale of wind power plants, we guide clients as they buy or sell their interests including in transactions that are structured as stock or asset sales.

For the past several years, our clients have purchased several wind companies and wind farms. Our counsel includes guidance on the buy-out of partners’ interests in wind farms. Using our experience in wind power financing and development, we provide strategic insights during the due diligence and negotiating process to help clients maximize the value of their deal.

International Practices

As a 100-year-old energy law firm, we have been advising our clients operating abroad for over five decades. When this deep international experience is combined with our comprehensive skills in wind power, Andrews Kurth offers developers, financial institutions, turbine manufacturers, contractors and others in the wind business some of the most sophisticated international wind power advice available in the world. With our domestic and international offices, and as head of the Natural Resources, Energy and Clean Technology Practice Group of the World Law Group (a vibrant network of 50 law firms and over 10,000 lawyers in nearly 40 countries), our capabilities span the globe.

We provide advice covering all aspects of a foreign investment. We help our clients structure their investments abroad, taking into account relevant tax and investment treaties, and advise on United States extra-territorial laws, such as the Patriot Act and Foreign Corrupt Practices Act. We also help our clients understand emerging market risks, such as expropriation, repatriation of profits, and regulatory transparency, and provide effective contractual protections to minimize these risks.

We assist our clients in selecting and managing local counsel. Our attorneys provide valuable advice on structuring joint venture relationships with local partners, including defining appropriate roles and responsibilities, and funding obligations. We are well versed in the pitfalls of operating abroad, from the unintended creation of a tax permanent establishment, to mandatory labor severance obligations, and have effective strategies for dealing with them.

We know the key issues for drafting international wind project documents, both to help shield our clients from international risks and to make them financeable. Whether it is negotiating an effective sovereign immunity waiver with a government offtaker, obtaining offshore arbitration in a neutral forum or splitting up project agreements into on-shore and offshore components for maximum tax efficiency, we have the depth and breadth of experience, and the negotiating acumen, to help our clients save money, obtain the best terms and get the deal done.

Wind Energy

We understand wind economics and the potential revenue sources that may be available, and share our insights to maximize them, such as monetizing carbon credits under the Kyoto Protocol. We also help our clients purchase and sell energy assets throughout the world.

We know international finance. Whether representing a lender or sponsor, we know the financing documents and the protections needed by our clients both in developed and emerging markets. We are experienced in obtaining international development bank, multilateral and export credit financing for our clients and understand the unspoken benefits such financing may offer a project.