

Wind Energy

Straight Talk About Wind Energy

We are in the business of providing legal advice to those in the energy industry and have been for nearly a century. With this rich history, we have developed one of the most accomplished wind energy practices in the U.S. We have over twenty lawyers who regularly advise industry participants, including developers, utilities, governments, lenders, landowners and others, on the intricacies of wind project development, construction and finance. Andrews Kurth has been ranked by Dealogic as the #2 domestic and #6 global law firm in both renewable and wind energy deals in 2006.

Simply put, Andrews Kurth knows wind energy.

We know how to put deals together.

In 2002, our lawyers drafted the documents that established the classic "A" investor / "B" investor equity ownership structure, which is a hallmark of many of the major U.S. wind farm term financings today. We negotiate the agreements for project financings of wind power plants and have helped structure complex, multiple-phase wind farms and their sharing of facilities and easement parcels. Today, we are advising on projects on nearly 1,000MW of wind power in Texas, Pennsylvania and Colorado.

We know key players.

We work with many of the key participants in the industry such as surveyors, title insurers, insurance consultants, wind and transmission consultants, independent market and environmental consultants, independent engineers, franchise and property tax advisors, turbine manufacturers, balance of plant contractors, lenders, and equity investors.

We know how to get deals done.

Recent projects we have helped clients close include:

- 37.5MW, 91.5MW, 135MW and 240MW Sweetwater Wind Farm Phases I, II, III and IV, Sweetwater, Texas, CODs December 2003, May 2005, December 2005 and May 2007, respectively
- 80.5MW Sweetwater Wind Farm Phase V, Sweetwater, Texas, Construction Financing February 2007
- 80MW Allegheny Ridge Wind Farm, Cambria and Blair Counties, Pennsylvania, Construction Financing December 2006
- 300MW Cedar Creek Wind Farm, Held County, Colorado, Construction Financing December 2006
- 90MW Aragonne Wind Farm, Guadalupe County, New Mexico, Construction Financing March 2006
- 24MW Wind Park Bear Creek, Luzerne County, Pennsylvania, COD March 2006
- 7.5MW Jersey-Atlantic Wind, Atlantic City, New Jersey, COD March 2006
- 80MW Caprock Wind Ranch, Quay County, New Mexico, CODs December 2004 and May 2005

We know the common issues at each stage of a wind project.

I. Early Development

We provide the legal advice to determine the viability of a site for wind development. From the placement of anemometers, obtaining wind or transmission studies, or site access issues, we work alongside our clients every step of the way. Our real estate team advises on the acquisition of options and wind easements, including transmission easements and other necessary land rights, and structures and negotiates royalties to landowners.

II. Late Development

As projects progress, we negotiate the power purchase agreements, the heart of any wind project, and the interconnection agreements. We understand renewable energy credits, the federal production tax credit, local tax incentives, and the ins and outs of protecting our clients' interests. Andrews Kurth lawyers also negotiate turbine supply agreements, balance of

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plant contracts and operation and maintenance agreements, and provide insight on key wind contract provisions. And our environmental and regulatory lawyers identify the permits and regulatory filings required to bring a project to fruition. We have experience in structuring relationships among developers, lenders, suppliers and equity participants and are current in many of the latest trends in drafting joint development, administrative services agreements, financing and equity capital contribution agreements. We understand what tax equity and non-tax equity investors need, and also know what's legally required to get a deal financed—a crucial ribbon that must run through all project documents. We also know the intricacies of structuring a merchant wind plant, and have closed construction and term financing commitments for a merchant project.

III. Construction Financing

In project finance, 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.

IV. Term Financing

Whether structured as a tax equity/non-tax equity arrangement or a more traditional long-term debt financing, we have the sophistication and insight to document the term financing and push the project to conclusion.

V. Acquisition

Our lawyers have advised on the sale of highly valued energy assets, whether the sales are structured as stock or asset sales, and have broad legal capability to help our clients buy or sell their interests in wind power plants. In the last year, we have advised buyers on the purchase of several wind companies and wind farms, including the buy-out of partners' interests in wind farms.