

Headline News

Andrews & Kurth Represents Conoco and SRW in Project Finance Deal

November 30, 2000

HOUSTON -- The law firm of Andrews & Kurth L.L.P. represented project sponsor Conoco Inc. and its subsidiary SRW Cogeneration Limited Partnership in connection with the \$260 million project development and recently closed project financing of SRW's 421 MW cogeneration project located in E. I. DuPont de Nemours and Company's Sabine River Works facility near Orange, Texas. This is Conoco's fourth power plant venture since it entered the electric power business, and is expected to start commercial operations in the summer of 2001.

Bank of America Securities LLC provided a \$182 million construction and term loan facility for the cogeneration plant. Pursuant to the Project's off-take agreements, DuPont will purchase all of the Project's steam and a portion of the project's electricity, and PG&E Energy Trading - Power, L.P., a subsidiary of PG&E National Energy Group, will purchase a significant portion of the project's energy. The balance of the electricity generated by the project will be marketed in the Southeastern Electric Reliability Council.

Michael Plotz, in-house counsel with Conoco Inc., worked with the project finance team of Tim Unger and Rob Taylor, partners in Andrews & Kurth's project finance practice group and Tammy Brennig, Jason Peters, and Sean Bunk, associates in the firm's project finance practice group. Ken Wiseman, a partner in Andrews & Kurth's energy practice, handled interconnection and related regulatory issues. Bill Henry, of counsel in the firm's business transactions practice, assisted in the negotiation of a number of the project documents. John Dugdale and Paul Bohannon, partners in the firm's environmental practice, worked on the environmental matters of the project. Linda Dole and Paul Pipitone, partners in the firm's business transaction practice, assisted on opinion and related issues.

Sandra Warren, Brett Santoli and Yoon Choo of White & Case LLP's New York office represented the lenders.

The project finance practice group at Andrews & Kurth L.L.P., which is part of the firm's business transactions section, advises borrowers, developers, banks, institutional investors, underwriters, issuers, unregulated utility subsidiaries and industrial companies on the development, financing, restructuring, purchase and sale of U.S. and international energy and other infrastructure projects. The group represents these clients in a broad spectrum of projects, including electric generating facilities, gas gathering systems, industrial plants (e.g., chemicals and fertilizer projects), alternative fuels, pipelines, paper recycling, waste-to-energy, storage facilities and other infrastructure projects.

Lawyers in Andrews & Kurth's project finance practice group has played a leading role in a number of recent precedent setting transactions, including the Mega Liquefied Natural Gas Project which was recognized as the "Latin America Oil & Gas Deal of the Year" in the February 2000 issue of Project Finance Magazine and as one of the "Top 10 Oil and Gas Projects" by Capital Data in February 2000.

Andrews & Kurth L.L.P. was founded in Houston in 1902 and today has 235 lawyers in offices in Dallas, Houston, Los Angeles, London, New York, The Woodlands and Washington D.C. The firm's practice areas include bankruptcy, business transactions, energy, environmental, corporate and securities, intellectual property, Internet and technology, labor and employment, litigation, project finance, real estate, and tax law for U.S. and international clients.