

Power & Utilities



S&C's extensive electric power industry experience is the result of our work for leading power and utilities, independent power producers, strategic operators, project sponsors, pension funds and financial institutions worldwide. Our lawyers have wide-ranging experience advising on important mergers, acquisitions, joint ventures and asset dispositions involving a diverse spectrum of global power and utility clients and power generation assets. Our experience includes advising on regulatory issues that arise in connection with our clients' major transactions.

S&C also has an established track record of advising on significant capital raising transactions through leveraged financings or capital markets for power and utility clients as well as for companies active in the power sector. This experience includes financings for power infrastructure in connection with significant electric generating projects in the gas, coal, solar, hydro, wind and other alternative energy spaces.

Our power and utility sector experience includes the following highlights.

The United States' largest power distributor

S&C advised Pepco Holdings in its \$6.6 billion acquisition by Exelon Corporation. The merger brings together Exelon's three electric and gas utilities and Pepco Holdings' three electric and gas utilities to create the leading mid-Atlantic electric and gas utility company and also the largest U.S. power distributor. The transaction was widely publicized for facing extensive scrutiny from the Washington D.C. Public Service Commission, who initially rejected the proposed merger.

One of the United States' largest utilities and power generators

S&C advised UIL Holdings Corporation in its \$4.6 billion acquisition by Iberdrola USA, its simultaneous renaming to AVANGRID and listing on the NYSE. Iberdrola USA's parent, Iberdrola S.A., is Spain's largest energy group and one of the largest utilities worldwide. AVANGRID is the United States' second largest wind energy generator. Successfully closing the transaction required skillful navigation of multijurisdictional challenges and regulatory clearances, including certain CFIUS matters.

A strategic acquisition for the world's largest utility company

S&C advised State Grid International Development Limited, the overseas investment platform of State Grid Corporation of China, the world's largest utility, in its acquisition of a controlling interest in CPFL Energia S.A., the largest electricity distribution company and the third-largest power generation company in Brazil, Latin America's largest economy. The acquisition marks an important step forward for State Grid in expanding its Brazil operations

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beyond power transmission by incorporating into its operations CPFL's large portfolio of generation installations in the country.

Solar and wind yieldco giants tackle stockholder uncertainties

S&C advised TerraForm Power and TerraForm Global, who are among the largest owners of solar and wind generation assets in the world, on a range of governance and transactional matters arising out of the financial challenges of their controlling stockholder, SunEdison. S&C successfully negotiated the settlement of SunEdison's claims against the two yieldcos and subsequently advised TerraForm Global in its \$1.3 billion acquisition by Brookfield Asset Management, and TerraForm Power in its agreement with Brookfield under which Brookfield assumed the role of TerraForm Power's sponsor and Brookfield became TerraForm Power's controlling shareholder.

Restructuring for a renewable energy company with a worldwide footprint

S&C advised the Co-ordinating Committee of Creditors on the global restructuring of Abengoa, a Spanish renewables company operating in more than 80 countries across Europe, the Americas, Africa, Asia and the Middle East.

Government-sponsored power producing initiatives

S&C has been deeply involved in the development of South Africa's independent power producer program, including its coal baseload and LNG-to-gas-to-power IPP programs. S&C also advised Eskom Holdings Limited, South Africa's government-owned electricity utility company, in a proposed series of financings for the \$10 billion Medupi coal-fired power plant project in the Limpopo province of South Africa, which was Eskom's first major new power plant for over 20 years. S&C also advised Eskom on its Kusile and Coega projects in South Africa.

Innovation with virtual power purchase agreements

S&C advised a major U.S. financial institution in a series of confidential power purchase agreements and other physical and financial arrangements in connection with its intention to source renewable energy directly from producers in order to meet a substantial percentage of the client's electricity needs in the United States.

Green corporate finance transactions

S&C has advised Electricité de France (EDF) in numerous offerings including its 2015 \$4.75 billion Rule144A/Reg S offering of green bonds—the largest U.S. dollar denominated green bond issuance from a corporate issuer. We also advised Enel in the Rule 144A/Reg S €2.6 billion IPO and Milan Stock Exchange listing of common shares of its wholly owned subsidiary Enel Green Power.

Power sector securities class action

S&C advised Allegheny Energy and its Board in their successful securities class action and derivative litigation commenced in the wake of Enron's bankruptcy and the ensuing collapse of energy trading markets. Plaintiffs agreed to engage in mediation to resolve their securities claims against Allegheny, after the U.S. District Court for the District of Maryland expressed great skepticism about those claims during oral argument on S&C's motion to dismiss the complaint. In mediation, S&C obtained for Allegheny a fully insured resolution of the securities case, as well as simultaneous dismissal

of the derivative litigation.