K&L | GATES

Kirkpatrick & Lockhart Preston Gates Ellis LLP

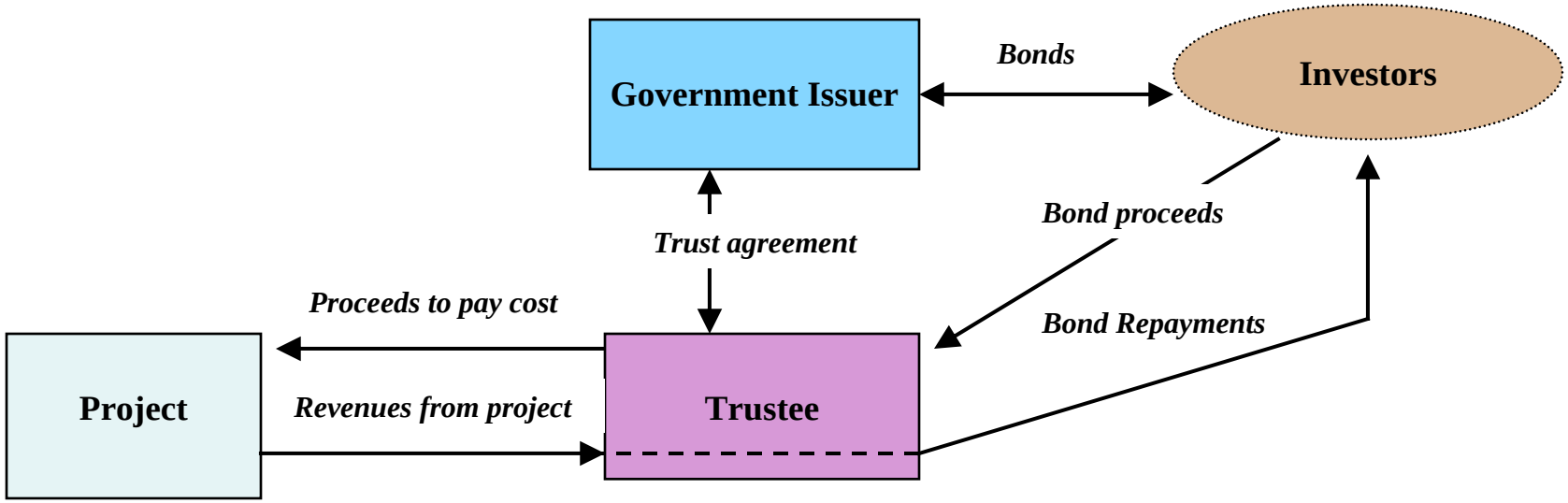
New Approaches to Thinking about Funding/Financing Federal Hydroelectric Power – Pros and Cons of Public Private Partnerships

Roger D. Stark
Partner, K&L Gates
1601 K Street N.W.
Washington DC 20006-1600
Roger.Stark@klgates.com
202/778-9435

P3 Structural Paradigms

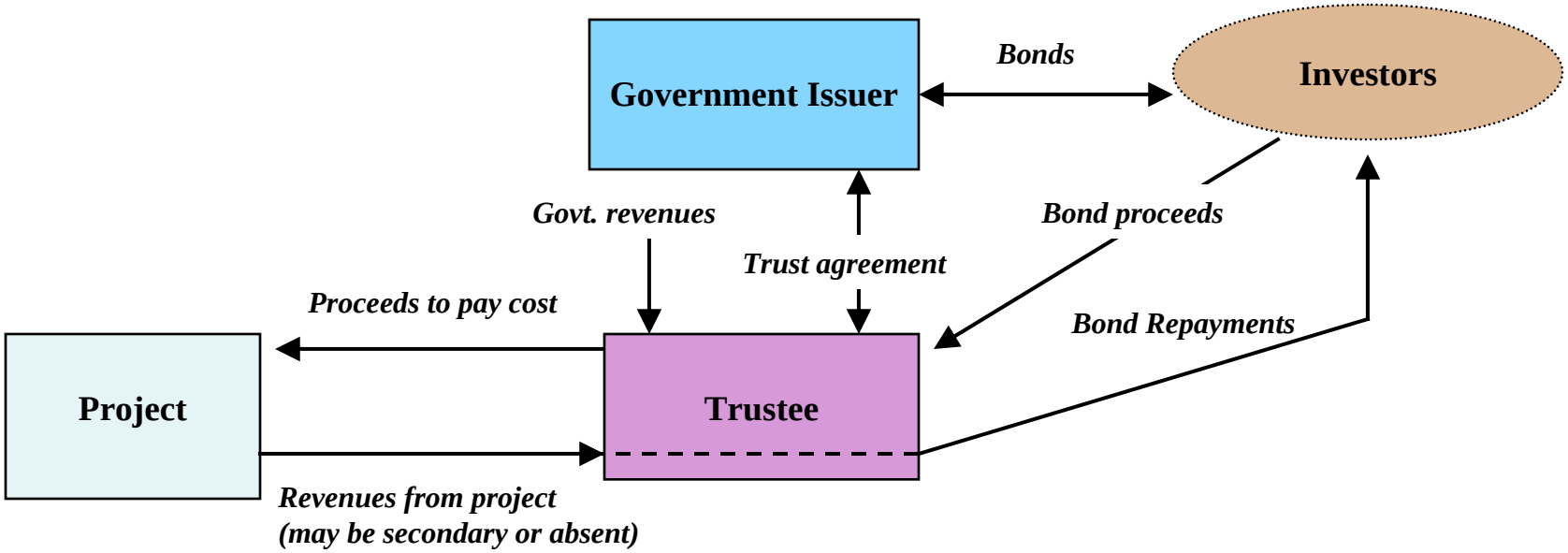
Conduit Financing

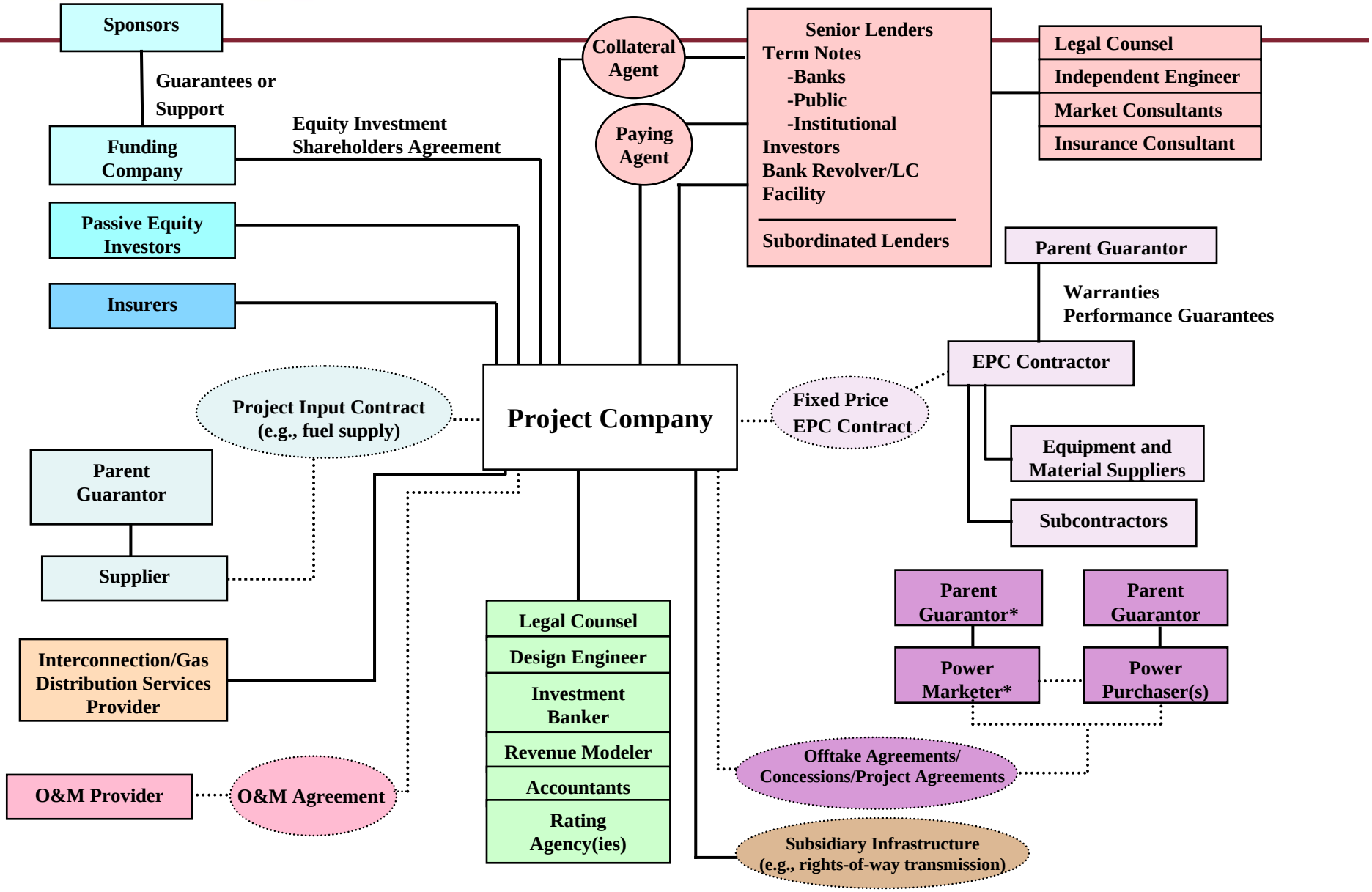
- The public partner may participate as an issuer of debt solely to provide access to tax exempt financing
- Public partner does not provide any direct financial support (i.e. taxes, revenues other than project revenues) to the project



Partnership Financing

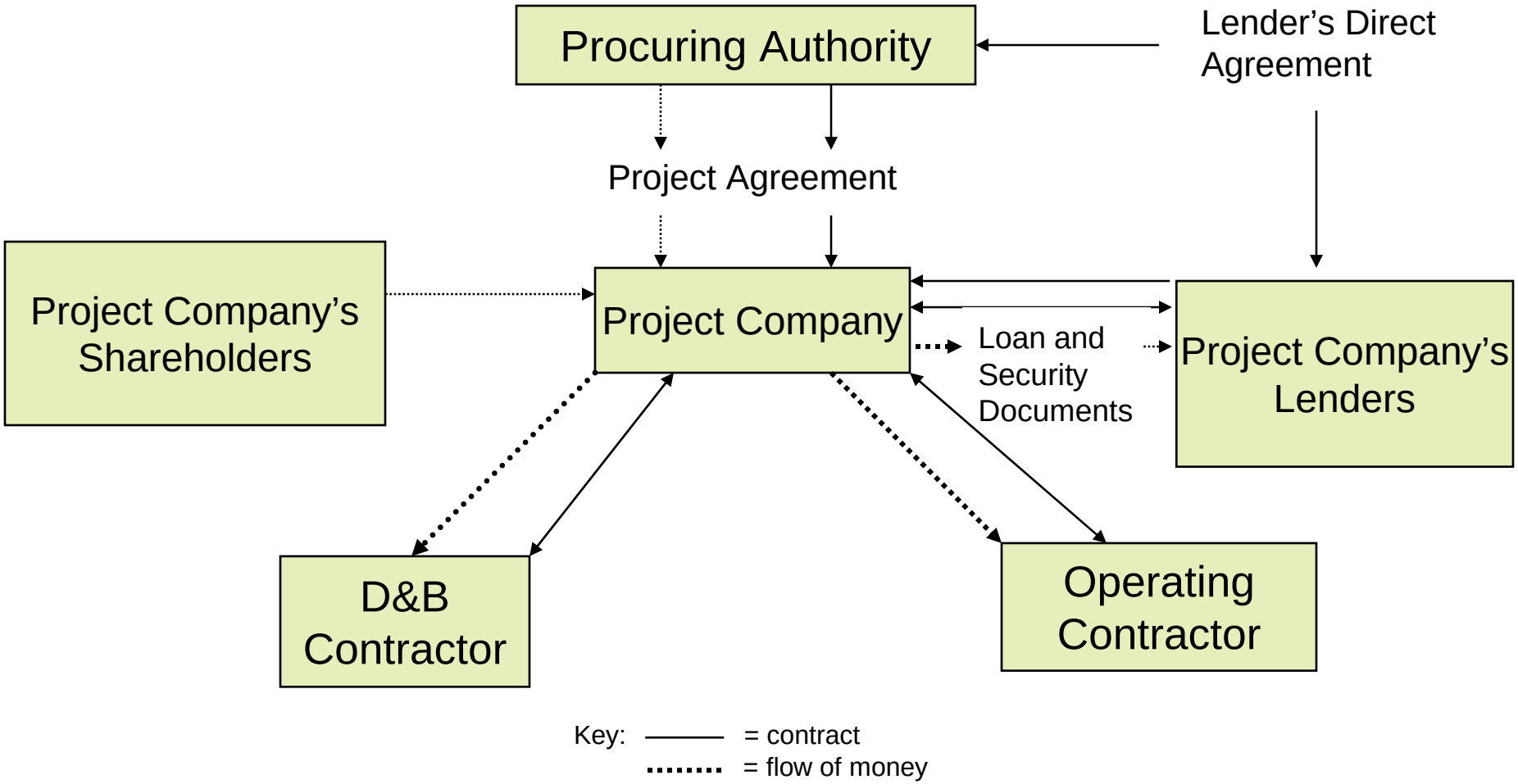
- The public partner may participate not only as an issuer, but also with a source of governmental revenues – governmentally imposed
  - Special excise taxes
  - Customer facility charges
  - Incremental tax revenues
  - Utility revenues (special revenues)





*Project company power marketer and its parent guarantor may be affiliated.

Typical PFI Structure



Speaker Bios

Roger Stark (Washington, D.C.) concentrates his practice on a wide variety of domestic and international energy and infrastructure transactions. His experience includes complex project and structured financings, mergers and acquisitions, privatizations and all manner of commercial agreements relating to energy and infrastructure. Building on over 20 years of domestic practice involving projects in 12 U.S. states, he has worked in over 25 foreign countries and is fluent in Spanish and proficient in Portuguese.

J.D., Vanderbilt Law School (1984), B.A., Queens College of the City University of New York (1981)

+1.202.778.9435
roger.stark@klgates.com