



TAYLOR-DEJONGH

News'nViews

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TDJ Selected as Financial Advisor for First New US Refinery in 30 Years

Taylor-DeJongh has been selected by Arizona Clean Fuels Yuma (ACFY) as financial advisor for the development of a US\$3.5 billion refinery in Yuma, Arizona. The refinery will be the first new oil refinery built in the United States in nearly 30 years. It currently holds the only EPA Air Permit in the US for a greenfield refinery.

The 150,000 barrel per day refinery will produce cleaner-burning, ultra-low sulfur fuels suitable for the Arizona, Southern California, and Northwestern Mexico markets. The refinery is positioned to supply fuels to the fastest growing market in the US—California, Arizona, Nevada—and Northwestern Mexico. Crude oil will be delivered through a pipeline through Mexico.

Glenn McGinnis, CEO of ACFY, said: "As we move closer to financing this critical and strategic project, having Taylor-DeJongh as our advisors will be very beneficial to the company."

Taylor-DeJongh CEO Mr. Terry Newendorp stated: **"To be selected as the Financial Advisor for the first refinery project in the United States in 30 years, is an honor for Taylor-DeJongh. This is a ground-breaking project, and we bring to bear our expertise in structuring global refinery and hydrocarbon projects over the past 25 years."** ■

TDJ APPOINTED FINANCIAL ADVISOR FOR MOLYBDENUM PROJECT

Taylor-DeJongh has been selected by Moly Mines Limited as financial advisor to the Spinifex Ridge Molybdenum / Copper Project. TDJ will provide assistance with the execution and financial close of the total Spinifex Ridge debt/equity funding package. Commenting on the appointment, Moly Mines Managing Director Dr. Derek Fisher said: "Taylor-DeJongh's highly experienced team will assist us in advancing the project rapidly through the Bankable Feasibility Study and, at the same time, ensure that our plans and project financing documentation meet with international capital market requirements."

Part of Taylor-DeJongh's commission has included a detailed market study for molybdenum. There is strong growth potential in the projected demand for molybdenum over the next ten years, by virtue of planned hydrocarbon projects including refineries, power plants, pipelines, petrochemical plants, gas processing and coal liquefaction plants, all of which are large consumers of molybdenum alloy corrosion-resistant specialty steels and catalysts. ■

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YEARS OF EXCELLENCE

GLOBAL FINANCIAL
STRUCTURING

TDJ APPOINTED FINANCIAL ADVISOR FOR US PARKWAY PROJECT

Taylor-DeJongh has been selected by the US Department of Transportation / TIFIA Joint Program Office as its financial advisor for the review of the **Pocahontas Parkway** (Virginia) loan application submitted by Transurban USA. The proposed loan would be used for refinancing commercial debt, development of the Richmond Airport Connector, and implementing upgrades to the toll collection system.

TDJ will support the TIFIA staff during the review of the application and, if it is approved, assist in the loan negotiation process with the sponsor group. This transaction is unique in that it represents TIFIA's first opportunity to participate in an existing toll-road refinancing.

Taylor-DeJongh CEO, Mr. Terry Newendorp, said: "**Taylor-DeJongh is honored to have been selected for this PPP transaction and to be a part of this explosive infrastructure sector in the United States.**

We are pleased to bring the experience we have gained advising transportation projects in the emerging markets to the domestic US market." ■



FEASIBILITY STUDIES IN PROCESS

Bonto Power Plant, Gambia ~ TDJ has completed the financial analysis of the Bonto Coal-fired Power Project Feasibility Study in the Gambia. Taylor-DeJongh worked with REDD Engineering (Salt Lake City, Utah) on this challenging project. The project sponsor, a local holding company, is still considering various options for bringing the much needed power to his industrial zone and to the region. Gambia does not have uninterrupted power.

Electricity Generation, Transmission & Distribution Project, Haiti ~ Working with Power Engineers, Inc. (Boise, Idaho), Vice President Artur Davtyan and Analyst Sophie Guiny are performing the financial analysis and modeling of various electricity transmission and distribution options. After years of internal strife and civil war, EDH received a grant from US Trade & Development Agency to assist with addressing the urgent need to stabilize the country's electricity supply.

Taylor-DeJongh will also be starting work on two other feasibility studies: **Uruguay-Brazil Electrical Interconnection Project**, in partnership with Siemens PTI (Houston); and **Mozambique Lurio River Hydropower Project** in which TDJ is teamed with Black & Veatch. ■

TDJ AWARDED CONTRACTS WITH THE MILLENNIUM CHALLENGE CORPORATION

Taylor-DeJongh, in association with ICF International, Jacobs Engineering and Core International, was recently awarded a framework contract from the Millennium Challenge Corporation (MCC) for the right to bid and work on energy, water and transportation projects. MCC is a US government organization located in Washington, DC, that was established in 2004 to provide support to countries that have demonstrated that they govern justly, invest in their citizens, and encourage economic freedom.* In the countries that qualify, MCC focuses specifically on promoting sustainable economic growth to reduce poverty through investments in areas such as agriculture, education, private sector development, and capacity building. The consortium has been awarded two interesting and challenging contracts.

Georgian Pipeline Project

The first contract is to support the important efforts to rehabilitate **Georgia's critical North South pipeline**, which supplies Russian gas to Georgia, as well as to Armenia. During the three-year contract, the team will help ensure the project's proper implementation, while working closely with Georgian entities and the donor institutions. Specifically, TDJ will assess the financial condition of the government owned

pipeline company and actively monitor the financial performance and viability of the ongoing pipeline rehabilitation.

Armenian Road and Water Systems Project

TDJ and the consortium are also in the process of signing a second contract with MCC to support **Armenia** in the development of its road and water systems.

* MCC recognized countries include: Armenia, Benin, Cape Verde, El Salvador, Georgia, Ghana, Honduras, Jordan, Madagascar, Moldova, Nicaragua, Ukraine, and Vanuatu. ■



SHARING OUR EXPERTISE THROUGH INDUSTRY BRIEFINGS

Taylor-DeJongh has had the privilege to meet and brief sector leaders and delegations from Latin America and Asia on the firm's knowledge and outlook of infrastructure project financing, the industries in which we work, and issues facing governments in developing projects.

With PetroVietnam ...

In June, Vice President Senake Gajameragedara met with a senior level delegation from **PetroVietnam (PVN)**, Vietnam's state-owned oil and gas company, in a US Trade and Development Agency (USTDA) Business Briefing. TDJ briefed the delegation on oil refinery financing, and discussed PVN's seven projects that are awaiting foreign investment.

... Venezuelan oil and gas companies ...

In September, as part of a briefing organized by the US Department of Commerce, Associate Juan Marcano met with representatives from three **Venezuelan companies** to discuss oil and gas projects. Venezuela plans to invest more than \$10 billion in their oilfields in the next five years, and seeks to develop relationships with US companies.

... Sichuan Petroleum ...

In early October, a delegation from **Sichuan Petroleum**—a leading provider in China to the oil and gas sector linked to CNPC—visited TDJ to learn more about project finance and how best to take advantage of



Delegation from Sichuan Petroleum

international financial markets in order to expand beyond the Chinese borders. TDJ and **Wilson International Law**, a firm with strong Asia links, delivered a workshop on the basics of financing mechanisms and legal documentation, the backbone of successful project financing.

... and the Philippines mining sector

Also in October, TDJ staff briefed representatives from the **Philippines mining sector**, including the Philippine Secretary of Environment and Natural Resources and other key government and industry decisionmakers, as part of a meeting organized by USTDA. The country is developing new mines and preparing others for privatization. TDJ and the government and private sector firms' representatives also discussed possible collaboration. ■



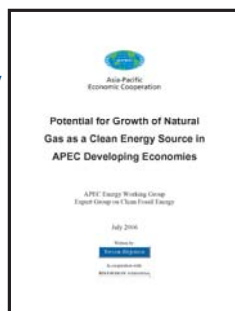
Roxanne Suratgar, Juan Marcano, Sophie Guiny and Jennifer Yau, all of TDJ, during the team's presentation



Mr. Artemio F. Disini, Chairman, Chamber of Mines of the Philippines, and, President, Natural Resources Mining Development Corporation; Honorable Melchor P. Rosales, Undersecretary, Department of the Interior and Local Government; and Ms. Nelia C. Halcon, Executive Vice President, Chamber of Mines of the Philippines

TDJ COMPLETES APEC REGIONAL GAS STUDY...

Taylor-DeJongh has completed **"The Potential for Growth of Natural Gas as a Clean Energy Source in APEC Developing Economies."** This report, funded by the Asia-Pacific Economic Cooperation's (APEC) Energy Working Group, Expert Group on Clean Fossil Energy, can be downloaded from the web at:



http://www.apec.org/content/apec/publications/all_publications/energy_working_group.html

or from the Taylor-DeJongh web site.

... AND PREPARES FOR NATURAL GAS UTILIZATION WORKSHOP

The findings of this study will be presented at a workshop that TDJ is planning for **Spring 2007**.

Why you should attend

You will meet government and private sector decisionmakers. All major issues relating to the accelerating natural gas development in the region—from upstream exploration and gathering to downstream distribution—will be discussed. Smaller, viable projects will be featured.

Contact Jennifer Hara (jhara@taylor-dejongh.com, 1.202.775.0899) for information on attending, speaking or sponsoring this event!

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LATEST ARTICLES BY TDJ

Euromoney — Project Finance Yearbook 2006, “**Competitive Factors in the Rapid Oil Industry Development in the GCC,**” August 2006.

Liquefied Natural Gas: The Law and Business of LNG, “**Atlantic Basin LNG Trade,**” November 2006.

Financier Worldwide, “**Global Utilities Investment Trends,**” November 2006.

Euromoney — Oil & Gas Finance Review 2007, “**Investments in Refining Capacity: Choosing Opportunities,**” December 2006.

LNG Finance (supplement to LNG Journal), “**Principles of LNG Finance,**” late 2006.

Please contact Wendy Musco (wmusco@taylor-dejongh.com) for more information about any of the articles in this newsletter or to find out how to obtain copies of these leading industry publications. ■

TDJ'S NOVEMBER APPEARANCES

You may have seen us at some of the following recent conferences:

- **World Islamic Infrastructure Conference** (Doha)—Terry Newendorp, CEO, delivered keynote address “Financing Challenges for Regional Mega-Projects.”
- **Public-Private Ventures in Transportation** (Washington, DC)—Paolo Curiel, VP, and Jennifer Hara, Project Manager, participated.
- **Mega-Projects MENA** (Dubai)—Afonso Reis e Sousa, Director, “Energy Mega-projects in MENA.”
- **Middle East Capital Markets** (Dubai)—Afonso Reis e Sousa, Director, “Outlining Market Activities and Opportunities in Specific Sectors: Energy and Petrochemicals.”
- **Petchem Arabia** (Abu Dhabi)—Guy Ranawake, Director, “Integrated vs. Stand-alone Projects: A Financial Adviser’s Perspective.”
- **Sub-Saharan African Project Trade & Finance** (London)—David Suratgar, Chairman of the Advisory Board, “Financing Oil and Gas Projects.”

LOOK FOR US IN DECEMBER

We'll be in Abu Dhabi at **GasTech 2006**, where Director Afonso Reis e Sousa will discuss “**Financing Russia’s Gas Push.**” In Dubai, CEO Terry Newendorp will present a keynote at the **GPCA Forum: “Raising the Capital for all this Capacity Expansion.”** ■

Taylor-DeJongh
1101 17th Street, NW
Suite 1220
Washington, DC 20036
USA