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TAYLOR-DEJONGH

# News'nViews



## TDJ Celebrates 25 Years!

When Taylor-DeJongh began in 1981, the oil industry had just hit its then-all-time high rig count in North America, and the pundits were predicting \$100 oil (in 1981 dollars). Within 3 years, the oil price crashed and Texas led the country in bankruptcies. The long-dominant position of U.S. process engineering firms in international EPC work was being seriously challenged by a new Japanese model, whereby EPC bids contained a total package that included long-term low cost financing. TDJ was founded to help U.S. EPC firms combat that new Japanese business tactic by creating viable financing packages to enhance their competitiveness to foreign buyers. The U.S. IPP sector was vibrant, but no one was yet thinking that it would ever be exportable globally.

By the early 1990s, the U.S. electric utilities were establishing non-regulated subs to develop IPPs in places like Philippines, Turkey, India and Pakistan. Financing sources that were totally unknown to regulated utilities, but which were TDJ's "bread-and-butter," were required to fund these far-flung ventures. At one time, TDJ represented a majority of the top 10 US power developers in projects all over the globe. Over the course of 10 years, we were financial advisors for almost 300 IPPs, in more than 45 countries. And, not to forget, TDJ was financial advisor for the export credit agency financing for a little-noticed project at that time: the first-ever LNG train (Qatargas) in the little, and then-poor country of Qatar; that was 1995.

We've accomplished a lot since our founding. We've negotiated and closed power, oil & gas, petrochemical, infrastructure and industrial investment projects in more than 75 countries. We raised more than US\$70 billion in debt. We've served as advisors for 21 trains of LNG production, more than 76,000 megawatts of power generation, and more than 26,000 kilometers of pipelines. In the past 7 years, we've been lead advisors on 13 Deals of the Year. And we've had a positive impact on the countries we've served. There are countries in many parts of the world where our projects are employing people, paying taxes and making product for economic gain.

We've seen the peaks and valleys of the industry, and have been able to react quickly to changes. At the time of the crash of the international IPP market in 2001, we were already focused on the clear demands for major new capital investment in the oil & gas sector. We "returned to our roots" and focused on the structuring and financing of several of the major new LNG developments in the Middle East and Africa. In 2003 we were named "Oil & Gas Financial Advisor of the Year" for our strong work in helping to bring about major new projects in that sector.

That focus on the energy sector has caused us to experience some ups and downs over the years, but has earned us a deep understanding of the industry, from upstream oil & gas, through downstream and into petrochemicals, and finally into power generation. That market happens to be quite buoyant these days, and we are the busiest we have ever been. We are still a client-oriented business, striving to meet the needs of those we serve.

We extend appreciation to our clients for the excellent opportunities we have had to work together over the years. We plan to make the next 25 years just as successful as the first 25. ■

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GLOBAL FINANCIAL  
STRUCTURING

## ENERGY SECURITY PRESENTATION FOR G8 SUMMIT

Terry Newendorp's presentation to the United Nations Economic Commission for Europe, "Global Energy Security—A 'North American' Perspective," was met with an overwhelming and positive response by participants. As it was part of the Energy Security Forum Workshop on *Emerging Energy Security Risks and Risk Mitigation in a Global Context* held on April 20, 2006, in Geneva, Terry's presentation and the accompanying report will also be part of the 2006 annual session of the Energy Security Forum to be held in St. Petersburg, Russia, prior to the 2006 G8 Summit meeting, later this summer.

Visit the Taylor-DeJongh web site to view a copy of this presentation. ■

## TDJ LAUNCHES FIRST ENERGY BANK

As was announced earlier this year, Taylor-DeJongh is one of the founders of a new investment bank in the GCC that will be focused on private equity investments in the energy sector. This new firm, named First Energy Bank, will be headquartered in Bahrain, with offices in several other GCC countries. It is in the process of obtaining its relevant licenses. Initial interest is strong from regional institutional investors, and the target capitalization will be at \$1.5bn. Investments will be both in projects and in companies, with an emphasis on linkages between GCC and African countries, as resource producers, and South and East Asia, as energy consumers.

TDJ is establishing an office in Bahrain—Taylor-DeJongh Middle East—to support this new operation, as well as to support the large amount of financial advisory activity it has in the region. The office will be initially staffed with investment bankers from TDJ's Washington office, and will facilitate the build up of First Energy Bank's transaction flow. Numerous initial investments are already identified. The Bahrain office will also manage a number of current financial advisories for major capital projects in the region, including refineries, petrochemical projects and IWPP projects throughout the Gulf. ■

## LEADING THE INDUSTRY WITH PRESENTATIONS AT INDUSTRYWIDE EVENTS

The first half of 2006 has been a truly busy time for Taylor-DeJongh. TDJ has been a sponsor and staff members have been invited to speak at conferences around the globe. In the Middle East, we've been at MEED Project Finance (Chairman and CEO Terry Newendorp spoke and conducted a workshop on "Petrochemical deal structuring"), Energy Exchange Gas Arabia (Director Ramesh Raman discussed financing gas projects), MEED Power and Desalination, and MEED Gulf Petrochemicals (Director David Ghighi conducted a workshop on financing mega-projects in the Gulf).

In Paris, we sponsored the Oil & Gas Summit Day for the fourth year for ICBI's annual Projects International.

And in the Americas, we presented at CG/LA's 4<sup>th</sup> Annual Latin America Leadership Forum in New Orleans, and at the DC Bar's forum on Financing Liquefied Natural Gas Facilities Worldwide. In Vancouver, TDJ presented at the Pacific Canada Oil & Gas Development Forum, and in Houston, TDJ conducted a workshop for the Center for Energy Economics (University of Texas) in its program: New Era in Oil, Gas & Power Value Creation.

By promoting our innovations and industry positions at conferences around the world, TDJ encourages industrywide advancement. By leading discussions at these conferences and interacting with participants, we work to continually refine our practices, always striving to provide the best services for our clients. ■



Ramesh Raman speaking at Power and Desalination; Jennifer Hara, Afonso Reis e Sousa, Peter Snelson of ATKINS and Kathryn Lindquist in Paris; Afonso Reis e Sousa with Francis Tibayrenc from Total in Paris; and Abraham Klip Moshinsky, VP of Planning for PEMEX Petrochem, with David Ghighi and Juan Marcano (hidden) in New Orleans.

## ADDITIONS AND PROMOTIONS ANNOUNCED AT TDJ

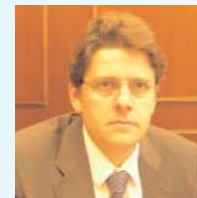
### **Maurice Fitz Gerald Joins TDJ as Senior Adviser**

Taylor-DeJongh is pleased to announce that **Maurice Fitz Gerald** has joined the financial advisory team as Senior Adviser. He brings to TDJ over 25 years of investment banking experience and 14 years as a diplomat. During his career as a banker, Mr. Fitz Gerald advised governments on financial and structural issues including major projects. He has been instrumental in the financing of complex projects throughout the world.



### **Promotions and Additions for Directors, Vice Presidents and Associates**

**Afonso Reis e Sousa**, of TDJ's London office, has been promoted to Director. Afonso has been advising the US Export-Import Bank on its first limited recourse loan in Saudi Arabia for a telecoms project and has been advising a National Oil Company on the financing of a greenfield oil refinery, as well as the valuation of and potential acquisition strategy for other assets.



**Paolo Curiel**, from TDJ's Washington office, has been promoted to Vice President. He has been acting as a buy-side advisor to a financial investor for the acquisition of a Houston-based oil service company, advising the developer and promoter of a large intermodal infrastructure project in Central America and managing project development activities including the formation of an investment vehicle for energy projects.



**William Clark** has joined TDJ as an Associate in the London office. He recently completed an assignment onsite at a Russian natural gas company, where he assisted in its efforts toward developing a large-scale upstream and LNG liquefaction project. Prior to joining TDJ, William was at Lehman Brothers, where he tracked pending energy legislation and regulations for market and sector impacts, and at the U.S. Department of Commerce, where he researched energy related commercial issues and trade barriers.

Top row: Afonso Reis e Sousa, Paolo Curiel  
Bottom row: William Clark, Scott Flippen

**Scott Flippen** has been named an Associate in Washington, D.C., and Bahrain. Scott's recent advisories include an overview of the role of LNG in the North American market for a major international utility, an analysis of global LNG supply capacity and the identification of potential LNG suppliers for import terminals. ■

## LNG OPTIONS STUDY COMPLETED

Taylor-DeJongh has recently completed a study for a Japanese utility on the viability of possible U.S. West Coast LNG deliveries. TDJ profiled import terminal options and provided estimates of the cost structures for each terminal, examined LNG's role in the West Coast market and provided analysis on how LNG would fit into a domestic gas marketer's supply portfolio, and analyzed a variety of destination scenarios to help the client better understand the costs and benefits of the optionality within the LNG SPA (sale and purchase agreement) they were negotiating. ■

### TDJ AWARDED 2 NEW POWER CONTRACTS

- Teamed with REDD Engineering and Construction Co. to perform a feasibility study for The Gambia Bonto Coal-Fired Power Plant, which is essential for the development of the Bonto Industrial Zone.
- Working with Power Engineers Inc. to assist Electricité d'Haiti in planning the process for the development of generation, transmission and distribution projects to provide reliable power and expanded access to energy in Haiti.

## LATEST ARTICLES BY TDJ

*Financier Worldwide*, "**Sector Analysis on Energy, Oil & Gas, Petrochemicals,**" January 2006.

*Financier Worldwide*, "**The New Wave of Emerging Markets Private Equity and the Case for the Middle East: Play for Today or Here to Stay,**" April 2006.

*Financier Worldwide*, "**Growing Competition Amid High Prices for Oil and Gas M&A,**" June 2006.

*Euromoney — International Power & Utilities Review 2006/07*, "**Trends in the Build-up of US Generating Capacity,**" June 2006.

*LNG Journal*, "**Trend Emerges for North American Terminals Race,**" July 2006.

*Euromoney — Project Finance Yearbook 2006*, "**Competitive Factors in the Rapid Industrialization in the GCC,**" August 2006.

## 2005 YEAR END RANKINGS

**Financial Advisor Mandates Won Globally**  
#2 Worldwide

**Financial Advisor Mandates Won Regionally**  
#1 North America  
#1 Latin America  
#1 Africa and Middle East

**Financial Advisor Mandates Won by Sector**  
#1 Oil & Gas  
#1 Petrochemicals  
#3 Power  
#1 Telecoms  
#1 Mining

Source: *Infrastructure Journal*, March 2006.

*If your contact details require updating, or if you would like to be added to our mailing list for future issues of TDJ's NewsNViews, please email Wendy Musco at [wmusco@taylor-dejongh.com](mailto:wmusco@taylor-dejongh.com).*

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