

Rising Star: Kirkland's Elaine Walsh

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By **Liz McKenzie**

Kirkland & Ellis LLP partner Elaine Walsh's work on high-stakes transactional, regulatory and litigation matters for energy companies — including successfully defending NRG Energy Inc. against a hostile takeover bid from Exelon Corp. — earns her a spot on Law360's list of 10 energy lawyers under 40 to watch.

Walsh, 39, joined Kirkland in 2001 after getting hands-on experience in the energy industry for several years at Citizens Power and later as senior counsel at Edison Mission Energy, which acquired Citizens in 2000. She now works in the firm's Washington office in the energy group.

Though Walsh initially was interested in litigation, she entered energy trading by chance after law school and has been infatuated with the field ever since, she said.

"I fell into it by accident," Walsh said. "It was a field that was exciting and relatively new. It has economics, engineering and law all wrapped into one. And I also found that it was changing so rapidly that even a young person could be relatively expert in some areas."

While she was still an associate at Kirkland, one of the firm's clients, Orion Power New York GP Inc., asked Walsh to argue a case on its behalf before the U.S. Court of Appeals for the District of Columbia Circuit.

In the case, petitioners Orion and KeySpan-Ravenswood LLC sought to challenge the manner in which the Federal Energy Regulatory Commission had calculated a price cap for the New York City electric capacity market when it authorized the New York Independent System Operator to change its pricing methodology.

"That was one of my highlights as an associate — getting to argue that case," Walsh said. "Clients and the firm put a lot of trust in me."



Their trust paid off: Walsh won the appeal and was soon thereafter promoted to partner in the fall of 2003 at the age of 33.

Since then Walsh has continued to advise clients on a broad array of energy matters, including energy asset acquisitions and asset management arrangement. She frequently counsels independent power producer, renewable energy, oil company, utility and power marketer clients in matters such as electricity, transmission, gas, coal, oil, propane, transportation, renewable energy credits and emission allowance, and offset trading and marketing activities.

She said one of her most prominent accomplishments was successfully defending NRG in a hostile takeover bid from Exelon, during which she also represented NRG in its \$287.5 million deal to acquire Reliant Energy Inc.'s Texas retail business and related \$1.5 billion financing.

NRG's purchase of the Reliant unit was a turning point in the takeover talks, Walsh said.

"The Reliant Energy transaction helped turn the tide in the takeover," she said. "It was a tremendously accretive transaction for NRG and showed shareholders that Exelon's bid was too low."

Working at Kirkland gives Walsh plenty of opportunities to work on energy mergers and acquisitions, she said, noting that the firm closed 10 energy acquisitions last year.

"Each of the transactions has their own fulfillment," she said. "Some are more urgent than others. We understand their objections and try to give them practical and pragmatic advice and to be as cost-effective as possible while doing that."

In addition to the NRG transactions, Walsh represented ConAgra Foods Inc. in its divestiture of its commodities business to asset management firm Ospraie Management LP for \$2.8 billion.

Some of Walsh's other significant representations include advising Macquarie Infrastructure Co. in its sale of a 49 percent interest in its district energy business to John Hancock and representing Metalmark Capital Holdings LLC and Jones Energy Ltd. in their \$289 million acquisition of Crusader Energy Group Inc.

One of the most challenging issues Walsh has faced, she said, was negotiating a three-way asset swap between client BP Pipelines North America Inc. and two other companies.

"The BP three-way asset swap was very challenging," she said. "We had so many moving pieces. It was a challenge to get everything working in time correctly, and a lot of it involved pipeline construction as well, which added additional complexity."

Some of her other clients include DTE Energy Services, Madison Dearborn Partners LLC, US Power Generating Co., Calpine Corp. and First Wind Holdings LLC.

For more information about Elaine Walsh, please go to www.kirkland.com/ewalsh

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