

Project Finance

Kirkland & Ellis LLP in the past year advised clients in major financings and acquisitions dealing with aviation, liquefied natural gas and renewable energy assets, earning the firm a spot among Law360's 2021 Project Finance Groups of the Year.

For one, the firm served as counsel representing infrastructure funds controlled by KKR & Co. LP in the acquisition of financing for the Atlantic Aviation business of Macquarie Infrastructure, one of the largest portfolios of fixed-base operations in the world with a footprint that encompasses 69 airports across the globe.

That acquisition, worth roughly \$4.48 billion, was of particular interest for attorneys working on the case because of its unique nature, according to Roald Nashi, a partner at the firm. Nashi said that while the project definitely falls into the infrastructure category — thus making it a good fit for a project finance award — it was a twist on the usual suspects as far as those deals are concerned.

“Unlike other infrastructure assets, this company didn't have any long-term revenue contracts in place. When you think about infrastructure, you think about hard assets under long-term contracts

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to protect you from downside,” he said, noting instead that the Atlantic Aviation business is actually a network of private plane and airport leasing arrangements.

“It's a bit counterintuitive because, under these leases, the company was paying as a lessee, but the fact they had these leases in place allowed them to generate a steady stream of revenue going forward in the same way as a company owning a power contract to sell out electricity,” Nashi continued.

Beyond that particular deal, partner Rohit Chaudhry said the firm was and remains involved in a number of marquee deals in

the project finance transactions and renewable energy realms.

Among those in 2021 was a deal in which the firm advised CarVal Investors and Generate Capital on \$480 million in initial financing, alongside \$300 million in incremental financing for the buyout of Intersect Power, an energy company that boasts extensive solar assets across the South and Southwest U.S.

The firm also worked on two complex transactions with NextEra Energy Resources to acquire interests in an approximately 1,625 net megawatt portfolio of 12 utility-scale wind and solar assets across the U.S.

And it advised Blackstone Infrastructure Partners on an agreement with Invenergy and Caisse de depot et placement du Quebec for an approximately \$3 billion equity investment in Invenergy Renewables Holdings LLC, one of the largest renewable energy companies in North America, which was announced in January.

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are a lot of players playing in this space. But if you look at the larger transactions, I think Kirkland has been involved in almost all of them,” Chaudhry said. “There are probably five or six marquee deals on the market that have extreme amounts of complexity associated with them. We’ve worked on all of these.”

The firm is expecting growth in the coming years as it increasingly focuses more on energy transition-related clients. As a result, it has

hired at least 10 new partners in the past year, the partners said.

Chaudhry said he thinks that growth is just the beginning of much bigger things to come.

“The market potential is just so large right now and there is so much money that is being raised by private equity funds that needs to be deployed in the next few years that I think it’s going to be an active market,” he said. “We can easily see our groups growing two times over the next few years.”

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