



LAW360

2018 Rising Star

Alexandra Farmer

Kirkland & Ellis LLP partner Alexandra Farmer helps clients navigate the environmental components of dozens of deals a year and recently guided The Blackstone Group through the complexities of a joint bid to acquire Midwest power plants for more than \$2 billion, earning her a spot as one of four environmental law practitioners under age 40 honored by *Law360* as Rising Stars.

Why she focused on environmental law:

Farmer started her education as an environmental engineering major at Cornell University, but she realized that a life of spreadsheets was not what she wanted for a career. That led her to law school.

“At law school, I tried out a number of opportunities in nonprofit and governmental agencies and ultimately landed at Kirkland & Ellis,” she said. “I fell in love with the work there. I loved the transactional work and the fast-paced nature of the work, the collaborative environment with clients and deal teams, and the complex environmental issues that we encounter for a large number of transactions.”

Farmer handles a large number of deals — about a hundred a year, she said. But the range of issues she encounters is part of what appeals to her about the work.

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“The environmental [component] can be everything from a very small aspect of a transaction on a tech deal, for example, or it can be a very big aspect of a transaction on an energy deal,” she said, adding that her work often involves conducting environmental due diligence on acquisition targets for clients.

A standout deal:

Farmer was environmental counsel for The Blackstone Group on a bid with ArcLight Capital Partners to jointly acquire four power plants from

American Electric Power, according to Kirkland. The deal was valued at approximately \$2.17 billion, it said. “It was a highly competitive process that had a very condensed time frame and had a lot of complex environmental issues,” Farmer said. “One of those issues was a consent decree which governed several power plants that were going to be retained by the seller, so we had to negotiate with a number of agencies to allow the sale to occur under that consent decree.”

She said her work involved allocating the potential environmental liabilities if the consent decree were violated as well as the responsibilities of complying with the decree.

“Noncompliance with the consent decree could result in significant penalties. So, my job was to ensure that the clients were protected as much as possible,” Farmer said, adding she knew she succeeded in the deal when her client won the bid.

On the future of her practice area:

“Regardless of the regulatory changes that are occurring, we are going to continue to see clients managing risk out to third-party insurers,” Farmer said. She added that pollution insurance and representation and warranty insurance are increasingly common.

Recently, the representation and warranty market has opened up a lot to address areas like compliance.

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“Five years ago, we weren’t seeing a lot of coverage for environmental liabilities under those policies, and now we are seeing insurers being more sophisticated about them and provide coverage in a well understood and negotiated situation,” Farmer said.

Over the last five years or so, she said the number of insurers that are willing to provide environmental coverage has expanded about threefold.

How she stays motivated while juggling so many deals:

Farmer said the high volume of deals she handles is part of the appeal of her job. “I think the variety is what actually motivates me to do the work,” she said. “I enjoy the fact

that I see 100 different businesses a year all with different regulatory schemes and focuses and issues.”

And at any time, she may be juggling as many as 30 different matters, requiring her to stay organized and ready to tackle the unique issues that crop up in each deal.

“You never see the same situation twice. You always have a new industry or a new location or a combination of factors,” Farmer said.



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