

Foley & Lardner

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Tuesday, February 06, 2007 --- Foley & Lardner LLP's energy industry team handles plenty of traditional legal issues for its clients, but a strong interest in emerging trends like wind power is a hallmark of the group, according to team chairman Allen "Sandy" W. Williams Jr.

"The emergence of wind power has been a boon to our energy practice," Williams said, noting that it complements the firm's various areas of expertise. "For example, wind power is highly dependant on tax benefits, and we have a very strong tax practice."

Wind energy wasn't taken seriously for a long time, according to Williams, but is now gaining strength as people in general become more adamant about renewable energy.

"Now that wind has gone from being an esoteric specialty to a real part of the industry, we're in a good position. We're already familiar with wind power and have worked on its development," Williams said.

Foley & Lardner attributes its historical focus on wind energy to partner James T. Tynion III, chair of the firm's Finance & Financial Institutions practice and former chair of its project and infrastructure finance team. Tynion has worked with wind power "for a long time," Williams said, giving the firm an early start.

The jump in interest has translated into more work for several of the firm's practice groups, including its finance team, now that private equity is quickly finding its way in to the wind sector, according to Williams.

For example, the firm has been active in assisting buyers in auctions of energy projects. An example of such auctions, which are an important part of the industry, include the sale of Houston-based project developer Horizon Wind Energy,

Horizon, which is developing one of the largest wind farms in the United States, was put on the block by investment bank Goldman Sachs, which bought the company in 2005. Analysts say the company could fetch as much as \$1 billion.

According to Williams, the firm is able to cover both traditional law and emerging legal trends like wind power because his team is made up of energy experts, each of whom specializes in a relevant area of the law.

“We have an interdisciplinary team doing lots of legal work for the industry and we formulate our best practices along those lines. There are a whole lot of people in different legal disciplines who bring their specialties to the table,” Williams said.

Williams is just one example. He’s a member of the firm’s Transactional & Securities practice as well as its Energy Regulation practice. He’s also the former chair of the firm’s regulatory department.

“For me, my whole practice revolves around the energy industry. The transactional work I do is all centered on, for example, energy group holding companies. It’s a big practice in the firm,” Williams said.

The diverse group includes several attorneys who focus on mergers and acquisitions, an area of the law that’s seeing increased focus on energy, according to Williams.

“Whereas M&A transactions used to be highly unusual for these energy companies, they’ve become much more common. We’re probably seeing the balance shift from general legal support to transactional,” Williams said.

Williams said the shift isn’t necessarily the result of full-on mergers and acquisitions, but a general ramping up of other types of big deals.

For example, Foley & Lardner is counsel to Green Bay, Wis.-based WPS Resources Corp. in the company’s pending \$9.2 billion merger with Chicago-based Peoples Energy Corp. The Federal Energy Regulatory Commission approved the deal in December.

The group also recently represented Wisconsin-based Alliant Energy Corp. when it sold its transmission subsidiary to Michigan-based ITC Holdings Corp. for about \$750 million. The Alliant subsidiary, Interstate Power and Light Co., was renamed ITC Midwest LLC and boasts 6,800 miles of transmission lines in Iowa, Minnesota and Illinois.

The team represented Boston-based Thermal Western Holdings Inc., which owns the Trigen companies, in its June 2006 purchase of the energy facilities management group of San Diego-based Sempra Energy, an infrastructure developer and utilities operator.

The group also represented WPS Resources in its sale of a nuclear power plant and has long represented Commonwealth Edison, a unit of Chicago-based Exelon Corp., most recently in a large procurement case.

In an effort to stay on the same page during all these deals and others, the team has monthly telephone conferences, as well as specific client services teams that meet more regularly to coordinate clients’ needs. Some of the clients have as many as 200 lawyers working on their needs in one year, according to Williams.

“We try to understand the industry in depth and be thought leaders,” Williams said. For example, the firm just had a Web seminar on legal options for coal-fired plants being considered for destruction or sale.

The firm’s energy industry team has more than 60 lawyers who mainly focus on energy, and more than half of them devote 100% of their time to the industry, according to Williams.

The firm provides legal support for the operations of many large companies, including handling their pensions, negotiations, securities matters, tax issues and a variety of regulatory issues, among other things.

Williams joined Foley & Lardner as the firm’s seventieth lawyer in 1970, when the firm’s only office was in Milwaukee. The firm has more than 1,000 lawyers today.

“A remarkable number of lawyers who were here when I joined aren’t here today,” Williams said.

Williams attended law school and business school at Columbia University and studied economics at Harvard before taking a position at Foley & Lardner. Although the firm made an impression on him, he took a break to work for Wisconsin governor Pat Lucy.

When he returned to Foley & Lardner, Williams handled state regulatory issues before eventually jumping into environmental law.

“All of a sudden there was fairly rapid demographic growth. The environmental movement suddenly made power plants contentious litigious issues,” Williams said.

Responding to the movement, Williams began handling environmental law work and ultimately launched Foley & Lardner’s environmental practice, including the paper industry. While in the group, he began working on environmental issues for the energy arena and eventually transitioned completely to that industry.

“In the 1980s I let go of the environmental practice that I had organized,” Williams said. “Now it’s all about energy issues.”