

Energy Newsletter



April 2013

TRANSACTIONAL

Project Development / Finance

Key Considerations in Energy Take-or-Pay Contracts

Daniel R. Rogers, Merrick White

A properly constructed take-or-pay contract provides a seller with an assured revenue stream, is a form of contract that is generally understood by lenders, and is often the most important means for a seller to secure the substantial external debt financing on limited recourse terms that energy projects often require. [More »](#)

Upstream - Russia and former republics

Unconventional Russia

Jennifer Josefson, Alexandra Kotlyachkova

The unconventional hydrocarbon resource boom that hit the U.S. and Europe had gone relatively unnoticed in Russia until the Fall of 2012 when Russia suddenly re-engaged in intensive drafting of legislation on tax incentives for tight oil. [More »](#)

Bankruptcy

Contractor Insolvency Issues in Large Project Transactions

Mark W. Wege, Eric M. English

An issue that is often overlooked, but should be considered in the context of large project transactions, is the potential insolvency of contractors and subcontractors. A bankruptcy proceeding involving a key contractor can cause headaches and costly delays, particularly if title to goods or work completed has not been transferred to a project owner. [More »](#)

Upstream - Latin America

Overview of PEMEX's 3rd Round Model Service Contract

Adrian L. Talamantes

Pemex Exploración y Producción (PEP) recently published a model contract to be used in the bidding for E&P contracts in Chicontepec, an area in the eastern coastal plains of Mexico estimated to contain 33 percent of the country's total hydrocarbons reserves. [More »](#)

Project Development / Finance

First Energy Concession under innovative model to reach financial close in the Kingdom of Saudi Arabia

Tim Burbury, Hoda Naghdy, Khaled Dahlawi

A new "end user Build-Operate-Transfer (BOT) concession" model is being

Upcoming Events

District Cooling
Projects from a Saudi
perspective: Principal
structures and key
legal, commercial, and
financing
(Conventional and
Shari'ah) issues

- 21 April 2013, Jeddah
- 22 April 2013, Riyadh

Presenters:

Tim Burbury, Jawad
Ali, and other King &
Spalding lawyers

LNG Cocktail
Reception hosted by
King & Spalding

Where:

The Grove Restaurant
Houston, Texas

When:

Tuesday, April 16,
2013
5:00-9:00 PM

For more information,
please click [here](#).

In The News

Effect of Sequestration
on Direct-Pay Bonds

adopted by sophisticated developers on projected financed district energy schemes across the Middle East. [More »](#)

DISPUTE RESOLUTION

International Arbitration

[Chevron Tribunal Declares Ecuador In Breach of Interim Awards](#)

Wade Coriell

An investment arbitration tribunal in the *Chevron vs. Ecuador* case has issued a series of three escalating and increasingly targeted interim awards in an effort to preserve the status quo between the parties, as well as its own jurisdiction ultimately to decide the merits of Chevron's case against a \$19 billion Ecuadorian court judgment. The *Chevron* tribunal's third interim measures award continues a recent trend. [More »](#)

REGULATORY

Mining & Natural Resources; Maritime

[Deep Seabed Mining: The Next Wave -- U.S. Seabed Mining Regulatory Regime](#)

Jeffrey H. Perry

The United States has long held that its citizens and corporations have rights to explore and exploit the resources of the deep seabed and may do so whether or not the U.S. accedes to the 1982 United Nations Convention on the Law of the Sea. These rights extend to mining activities for hard minerals of the deep seabed. [More »](#)

EU Competition Law

[EU Competition Law and Joint Sales in LNG](#)

Suzanne Rab

Liberalization of the EU natural gas sector began almost two decades ago. Since then, the European Commission has used various mechanisms to facilitate market opening. [More»](#)

EU Competition Law

[European Commission clears the acquisition of TNK-BP by Rosneft](#)

Suzanne Rab

The European Commission has approved without conditions Rosneft's US\$ 54.8 billion acquisition of TNK-BP two months after the Russian Federal Antimonopoly Service announced that it had conditionally approved the merger. [More»](#)

D.C. Regulatory

[FERC Investigations in the Wake of D.C. Circuit's Hunter Ruling](#)

Timothy J. Sullivan

The D.C. Circuit Court of Appeals dealt the Federal Energy Regulatory Commission a major setback in its enforcement efforts by ruling that it had encroached on the exclusive jurisdiction of the Commodity Futures Trading Commission in a market manipulation case. Yet FERC retains substantial authority over manipulation of physical markets. [More»](#)

Natural Resources

[European Commission Issues Consultation for Views on Potential EU Conflict Minerals Initiative; Canada floats "Conflict Minerals Act"](#)

Jeffrey H. Perry

The European Commission's Directorate-General for Trade has issued a

[\[PDF\]](#) [More »](#)

Courts Diverge on the Reach of Personal Jurisdiction in FCPA Cases Against Foreign Defendants [\[PDF\]](#)

[More »](#)

Latin Lawyer Names King & Spalding Among Top Latin American Practices for the 13th Consecutive Year [More »](#)

King & Spalding Sets High-water Mark in Chambers Global as Emphasis on Growing International Expertise Continues [More »](#)

consultation to solicit views on a potential EU initiative for conflict minerals disclosures. Canada's Conflict Minerals Act would cover minerals from Great Lakes Region of Africa used in the course of business. [More»](#)

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