

**February 2004**

## **FIRST UK PORTFOLIO FINANCING OF WIND FARMS**

D&W is acting as Scottish legal advisers to the syndicate of lenders \* on the £400 million financing of RWE Innogy's UK wind farm portfolio, Beaufort Wind. This is the first UK portfolio financing of wind farms. It is also the first in the UK to fund an offshore development, North Hoyle, through the financial markets.

The transaction, signed on 28 January and due to complete in February, involves RWE Innogy's existing wind farm portfolio being held by a new special purpose vehicle called Beaufort Wind. The equity investors are RWE Innogy, Englefield Capital and First Islamic Investment Bank who will each hold one third of Beaufort Wind.

The transaction structure, and debt and equity commitments, also cater in detail for the development by RWE Innogy of pipeline wind farm assets and their acquisition by Beaufort Wind. Including these planned pipeline purchases, the Beaufort Wind portfolio will comprise over 20 UK wind farms with 430 megawatts of capacity. Post completion, D&W has an ongoing appointment as lenders' Scottish legal advisers in relation to the pipeline windfarm projects. The transaction is backed by commitments for £100 million of equity from Beaufort Wind's shareholders and £300 million of commercial debt.

The D&W team was led by Teddy Davidson (Infrastructure). Other members of team included David McGowan (Infrastructure), Clare Foster (Banking), Brian Donald (Property), Louise MacLeod (Infrastructure), Davinia Cowden (Infrastructure), Kasam Aslam (Banking), Graeme Fyfe (Corporate), Michael Stoneham (Banking), Lindsey McCrae (Infrastructure), Debi Gaffney (Infrastructure), Dorothy Porteous (Infrastructure), Ann Slattery (Property) and Kate Aitken (Infrastructure). D&W's appointment arose from a referral by Allen & Overy to Donald Cumming.

\* The syndicate of lenders includes The Bank of Tokyo-Mitsubishi Ltd, ABN AMRO Bank NV, Bank of Scotland, Bayerische Hypo-und Vereinsbank, BNP Paribas SA, Fortis Bank SA and RBC Capital Markets