



K&L GATES

BUILDING BRIDGES VI

Financing Public Infrastructure in North America: Myths,
Risks, Realities

October 18, 2018

K&L Gates, 1601 K Street, NW Washington, DC

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BUILDING BRIDGES VI - AGENDA AND SPEAKERS

Time/Session:	Topic/Speakers
8:50 - 9:00 Welcome	Thomas F. Holt, Jr. , <i>Partner, K&L Gates and Senior Fellow, The Fletcher School</i> Patrick Schena , <i>Adjunct Professor and Senior Fellow, The Fletcher School</i>
9:00 - 9:45 Morning Keynote	Morning Keynote Address: A Walk Through Public Infrastructure Investment in the U.S.: A Practitioner's Perspective Joe Aiello , <i>Partner, Meridiam Infrastructure</i>
9:45 - 10:00	BREAK
10:00 - 11:00 Panel 1	Rebuilding North America... Opportunities, but Challenges The Trump Administration's proposals to promote infrastructure investment in the US targets over \$1T in spending, most of which is expected to come from municipalities and the private sector. While seemingly creating opportunities to invest in large projects with the potential of long-term, stable returns, the efficiency and overall efficacy of the program will be heavily influenced by the complexities of decentralized fiscal management and public finance as practiced in the US. How do bid processes work? Do municipal bond markets represent a competing source of low cost capital? This session is designed to help investors to navigate the intricacies of public infrastructure investment in the US to identify and critically evaluate the risks posed to potential investment projects. Moderator Patrick Schena , <i>Adjunct Professor and Senior Fellow, The Fletcher School</i> Panelists Matt Diserio , <i>Water Asset Management</i> Trevor D'Olier-Lees , <i>S&P Global Ratings</i> Amy Carnevale , <i>K&L Gates</i> David Morgan , <i>D. Morgan & Partners</i>
11:00 - 12:00 Panel 2	Putting the "Private" back into P3: Priorities, Prerequisites, Performance In both developing and developed markets, public private partnerships have been used to mobilize capital, leverage expertise and resources, and allocate risk. Track records vary widely, including in developed markets. What are the key elements of successful public-private partnering on large scale infrastructure development? What unique challenges exist to participating in P3 programs in the US? What are the drivers of successful performance? For an institutional investor, what prerequisites must be expected and planned? This will be a critical analysis of the structure and performance of public-private partnerships in the US to understand how priorities are defined and how planning and partnership alignment impact long-term performance.

BUILDING BRIDGES VI - AGENDA AND SPEAKERS

Time/Session:	Topic/Speakers
	<p>Moderator Jeff Cohen, <i>Partner, K&L Gates</i></p> <p>Panelists Jason Washington, <i>National Council for Public-Private Partnerships</i> Angela Colamaria, <i>Federal Permitting Improvement Steering Council/OMB</i> Adam Sherman, <i>Sumitomo Mitsui Banking Corporation</i> Jim Ziglar, Jr., <i>Deloitte Transactions and Business Analytics LLP</i></p>
12:00 - 1:30 Lunch and Breakout Sessions	<p>Breakout 1 (Latin America Breakout): Room 1B Gabriel Montana, <i>Verto Management</i>, and Eliot Kalter, <i>EM Strategies, LLC</i></p> <p>Breakout 2 (Australia Breakout): Room 1C Zac Kerr, <i>K&L Gates</i></p> <p>Breakout 3 (Pension Trends in Infrastructure Investing in the U.S. Breakout): Room 1D Clive Lipshitz, <i>Tradewind Interstate Advisors and NYU Stern</i></p>
1:30 - 2:30 Afternoon Keynote	<p>Afternoon Keynote Address What You Don't Know About the Trump Infrastructure Proposal</p> <p>DJ Gribbin, <i>Stonepeak Infrastructure Partners</i></p>
2:30 - 3:30 Panel 3	<p>National Security: Political Risk American Style An important dimension to investing in public infrastructure in the US, particularly for foreign investors, are the potential risks posed to project closings, and eventually to investment returns, resulting from potential or perceived compromises to US national security interests. Whether actual or politicized, resolution processes can be both time-consuming and very costly both directly and more so indirectly. Will foreign participation in a project invoke a CFIUS (The Committee on Foreign Investment in the United States) review? Should this be pre-empted? What are the range of outcomes? How relevant is politics in this process? What are the implications for deal terms and impacts on closing schedules? In this session, experienced practitioners will identify the key legal and political risks posed to foreign investors considering public infrastructure investors in the US with particular attention on the CFIUS process.</p> <p>Moderator Eliot Kalter, <i>President, EM Strategies, LLC</i></p> <p>Panelists Steven Hill, <i>Partner, K&L Gates</i> Britta Wagner, <i>BclMC</i> Steven Klemencic, <i>Ankura</i></p>
3:30 - 3:45	BREAK

3:45 - 4:45
Panel 4

Mobilizing Capital through Infrastructure Funds: The Indirect Path to Direct Investing

Investors targeting infrastructure projects in the US have multiple modes of access, from direct engagement in P3 projects to indirect investment through pooled, private vehicles. This session will examine the many dimensions of investing in US infrastructure through private funds. The obvious benefits – capacity, networks, skill, scale – offer considerable appeal; but what are the challenges? How does one select a top performing investment partner? If past performance alone is not a sufficient criterion, what characteristic of a manager and platform will offer best long-term value? How important is access to co-investment opportunities or cooperation in internal capacity-building? How can an investor best ensure an alignment of interests with the manager? This session will focus intensively on the role of infrastructure fund managers in providing indirect access to direct investments in US infrastructure with particular attention on key criteria of manager selection.

Moderator

Margaret Niles, *Partner, K&L Gates*

Panelists

Markus Pressdee, *AECOM Capital*

Ariel Jankelson, *Macquarie Group Limited*

Joe Aiello, *Meridiam Infrastructure*

Leo De Bever, *Mountain Pacific Group*

4:45 - 5:00

Closing and Thank you

5:00 - 7:00

Cocktail Reception

2018 Participants



Joe Aiello

Senior Fellow
Meridiam

Joseph Aiello is a recently retired Partner at Meridiam Infrastructure Managers, a private equity investor/developer of infrastructure. Mr Aiello had variously served as CEO of North America, Investment Committee member on a variety of the firm's funds and more recently a member of the Board of Directors and its Executive Committee. Mr Aiello was active with the firm from its beginnings in 2005. Meridiam now manages in excess of \$7 billion of investor equity. These projects have a constructed value exceeding \$60 billion.

Since July 2015 Mr Aiello has served as the pro-bono Chairman of the Fiscal and management Control Board at the MBTA in Boston. He was appointed to this 5 year term by Massachusetts Governor Charlie Baker. In the 3 years to date the Board has driven a rapid pace of change and cost effectiveness. In that period the MBTA has accrued approximately \$600 million in operational savings against an annual \$1.5 billion operating budget while maintaining and recently increasing levels of service. The MBTA has increased its annual capital spend from \$300m to \$900 million and is projected to exceed \$1B in FY 2019. Mr Aiello has been a particular champion of utilizing alternative procurement methods to obtain better outcomes for the MBTA. He spent considerable time stewarding the recently awarded Automated Fare Collection PPP contract.

Mr Aiello is an alumnus of the Harvard Kennedy School where he has frequently

guest-lectured and served on discussion panels. From 2010 to 2015 he served on the Belfer center's Advisory Board.

Mr Aiello currently serves on the APTA Board of Directors as well as other non-profit and private enterprises. Mr Aiello will continue to serve Meridiam as a part time Senior Fellow.



Amy Carnevale

Government Affairs Advisor
K&L Gates

Amy Carnevale is a government affairs advisor in the firm's Boston and Washington, D.C. offices. Her practice focuses on implementing a variety of advocacy strategies to advance client objectives in the fields of healthcare policy, labor and employee benefit issues and economic development. She has also worked extensively on natural resources and energy policy issues. In these efforts, Ms. Carnevale provides both legislative and regulatory advice. She leads policy campaigns that include lobbying, coalition building and third party advocacy.

Prior to joining the firm, Ms. Carnevale was chief of staff to a Northwest Member of Congress who served on the House Appropriations Committee. She managed all aspects of the office and was the Congressman's top advisor for all political and policy matters. Prior to becoming chief of staff, Ms. Carnevale served as legislative director and legislative assistant in the same Congressional office. In this capacity, she was responsible for a wide range of issues, including appropriations, natural resources, energy, housing, health care, labor, education, banking, budget and taxes. Ms. Carnevale also has prior experience at a Washington, DC-based think tank, and worked in the George H.W. Bush Administration at both the White

House and the Office of National Drug Control Policy.

Ms. Carnevale is an elected member of the Massachusetts Republican State Committee and serves on the State Party's Executive Committee. She was an elected Trump delegate to the 2016 Republican Convention and served on the Platform Committee at the Convention. Ms. Carnevale was also selected one of 11 electors for Donald Trump for the Commonwealth of Massachusetts.



Jeff M. Cohen

Partner
K&L Gates

Jeff Cohen focuses his practice on the development and financing of domestic and international energy and infrastructure projects. He also has a wide range of experience in cross-border mergers and acquisitions, public-private partnerships (P3), private equity, venture capital, joint ventures, and strategic alliances. His practice focuses on the energy, infrastructure, mining, oil and gas (including liquefied natural gas terminals), telecommunications, and manufacturing industries.

Mr. Cohen's experience in international project development and finance includes the representation of developers, equity sponsors, financial institutions, borrowers, and sovereign governments in waste-to-energy, liquefied natural gas, hydroelectric, wind, solar, biomass, geothermal, and fossil fuel projects in Australia, Brazil, Cambodia, Canada, the Caribbean, China, Colombia, Democratic Republic of the Congo, the Dominican Republic, Germany, Ghana, Guam, Guyana, India, Kazakhstan, Liberia, New Zealand, Mexico, Nigeria, Northern Mariana Islands, Palau, Panama, Pakistan, the Philippines,

Seychelles, Sierra Leone, South Africa, Spain, Tanzania, the United States, and Vietnam.

Mr. Cohen's extensive business law and transactional experience includes corporate finance, angel and venture capital round financings, entity formation and maintenance, corporate reorganizations, corporate governance, and the drafting and negotiation of a variety of commercial agreements, including equipment purchases and leases, licenses, oil and natural gas purchases and sales, shareholder, and limited liability company operating agreements.



Angela Colamaria

FPISC Acting Executive
Director
U.S. Office of Management
and Budget (OMB)

Angela Colamaria serves as the FPISC Acting Executive Director. Ms. Colamaria is the Permitting Team Lead at the U.S. Office of Management and Budget (OMB), where she manages all elements of the cross-agency priority goal to improve the effectiveness and efficiency of the federal infrastructure permitting and review process, including implementation of Title 41 of the FAST Act. Prior to joining OMB in 2015, Ms. Colamaria spent six years at the Department of Energy where she directed the National Environmental Policy Act review for innovative energy projects and, most recently, served as the Senior Program Manager overseeing proposals for the third-party finance of transmission projects. Previously, she worked as an attorney at the law firm of Beveridge & Diamond, PC where she represented multinational corporations on complex environmental law issues. Ms. Colamaria received her Juris Doctor degree from the American University, Washington College of

Law, and her bachelor's degree from the University of Michigan, School of Natural Resources.



Leo de Bever

Chief Executive Officer
Mountain Pacific Group

Leo de Bever's passion for productivity is currently focused on helping foreign pension plans achieve the economics of Canadian plans, and on improving small

company access to commercialization capital. He is a member of the Investment Committee at Sustainable Development Technology Canada, a Senior Advisor at Bennett Jones LLP, and Chairman of Oak Point Energy. Leo has served financial institutions based in Canada, the U.S, Japan and Australia, including the Bank of Canada, Ontario Teachers' Pension Plan, and Alberta Investment Management Corporation. In the past, he has advised the Norway's Pension Plan, and served on the Investment Committee of Dutch pension fund APG.

Leo grew up in the Netherlands. He received his B.A. in economics from the University of Oregon, and a Ph.D. in economics from the University of Wisconsin.



Matt Diserio

Co-Founder and President
Water Asset Management, LLC

Water Asset Management, LLC (WAM) invests globally in companies and assets that ensure water quality and water supply. WAM believes that scarce water is the resource defining the 21st century just as plentiful oil defined the last century. WAM manages both public and private equity funds and water

investments include water and waste water utilities, water treatment and technologies, water transmission infrastructure and water resources such as water rights, aquifer storage, water effluent credits, and water rich agriculture in the arid South West U.S. and Australia. WAM implements an active management approach to its investment strategy including taking private a listed U.S. Water Utility, successful proxy initiatives, and regular engagement with company boards and senior management on capital allocation and governance issues. WAM's team has high level experience in water utility operation and regulation, water rights law, water resource development, water treatment technology, desert agriculture and advises water focused NGOs. A WAM partner Chairs Water Aid America and is a Trustee of Water Aid International. Mr. Diserio has been a guest lecturer on water industry economics and policy at the Brookings Institute, the World Bank, Harvard's Kennedy School, Wharton Business School, Babson College Columbia University, and the Kellogg School of Management. Prior to co-founding Water Asset Management in 2005, Mr. Diserio spent 25 years in fund management and securities analysis at Diserio Partners LP, Schafer Cullen, Water Street Capital, PaineWebber and Donaldson Lufkin and Jenrette. Mr. Diserio graduated from Bowdoin College in 1981 with a BA in Government and History.



Trevor d'Olier-Lees

Senior Director
Sector Lead Global
Renewables and North
American PPP

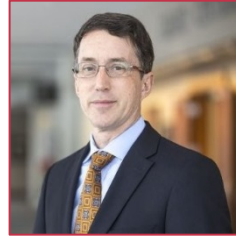
Trevor d'Olier-Lees is a Senior Director at S&P Global Infrastructure Ratings. Areas of analytical leadership include:

- New analytical developments such as project finance securitization, rooftop solar securitization, emerging markets
- Infrastructure as an Asset Class
- Bundling Structures
- Credit Enhancements
- Public Private Partnerships
- Renewables

Recent thought leadership articles Trevor has authored include:

"It's Time For A Change: The Role Of Credit Enhancement In Mobilizing Private Investment In Infrastructure, September 28, 2018"; "Rated Global Infrastructure Displays Strong Credit Quality and Low Risk, April 17, 2018"; "Shining Light On The Key Rating Assumptions For Our Solar Photovoltaic Project Portfolio, April 10, 2018"; "Blustery Winds Underlie Key Rating Assumptions For Onshore Wind Power Producers, April 10, 2018"; "President Trump's Infrastructure Plan: A Substantive Shift To Private-Sector Funding", Feb 14, 2018; "A \$1 Trillion Gap; Could Traditional And Alternative Bundling Approaches Help Revive North America's Water System?", July 13, 2017; "Developing U.S. Infrastructure In An Era Of Emerging Challenges, Observations From Key Sectors", June 13, 2017; "Offshore Wind Projects Take Off As Technology Improves And Costs Fall", June 2, 2017; "Bundling: A Growing Trend As Stakeholders Look To Unlock The Potential Of The Infrastructure Asset Class", Jan 31st, 2017.

Trevor holds a bachelor's degree in Chemical Engineering from University College, Swansea, U.K. and a master of business administration degree from Manchester Business School, U.K.



DJ Gribbin

Senior Operating Partner
Stonepeak Infrastructure
Partners

Mr. Gribbin has an extensive and diverse background in the U.S. infrastructure sector. His experience includes serving in the White House as Special Assistant to the President for Infrastructure Policy, and earlier roles as Chief Counsel for the Federal Highway Administration and General Counsel for the U.S. Department of Transportation. Mr. Gribbin also served as Head of Government Advisory for Macquarie Capital.



Steven F. Hill

Partner
K&L Gates

Steven Hill is a partner in the firm's Washington, D.C. office. He has nearly 20 years of experience in a broad array of international trade regulation compliance and enforcement matters, particularly export controls, including the Export Administration Regulations (EAR) and International Traffic in Arms Regulations (ITAR), sanctions laws enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), customs and other importation laws, anti-boycott laws, and anti-corruption laws, such as the Foreign Corrupt Practices Act (FCPA).

Mr. Hill regularly advises multinational businesses in every context in which compliance with international trade laws may arise, including responding to governmental enforcement actions, preparation of voluntary disclosures and other submissions to governmental authorities, conducting internal investigations of potential violations of

international trade laws, as well as ongoing day-to-day compliance matters, such as classification of goods, software, and technology, assessment of the impact of sanctions programs on proposed transactions, and obtaining licenses from relevant government agencies. Mr. Hill also assists clients in conducting internal risk assessments and development and implementation of compliance programs and has conducted targeted training on international trade laws for clients located in a number of countries. As part of his experience, Mr. Hill regularly assists clients in conducting international trade-related diligence on mergers and acquisitions, joint venture partners, and other business partners and intermediaries.

Mr. Hill routinely works with the firm's public policy, corporate, securities, government contracts, and white collar/criminal defense areas to provide coordinated services to clients on international trade compliance matters. He also has substantial experience working with attorneys and experts in foreign countries to formulate effective advice in matters covering multiple national jurisdictions.

As part of his services to clients on substantive international trade matters, Mr. Hill regularly advises on national security reviews of foreign acquisitions and investments in the United States conducted by the Committee on Foreign Investment in the United States (CFIUS). This includes analysis of proposed transactions for potential national security risk factors, development of effective strategies in approaching CFIUS and other relevant actors within the U.S. government, and submission of voluntary notifications to CFIUS.



Thomas F. Holt, Jr.

Partner
K&L Gates

Partner in the Boston and Washington D.C. offices of K&L Gates LLP concentrating in complex civil litigation, international arbitration and internal investigations. Advises foreign and domestic clients in the development and execution of risk management strategies, corporate governance and regulatory compliance. Has served on K&L Gates' firm wide management committee.



Ariel Jankelson

Managing Director, Head
Macquarie Infrastructure Debt
Investment Solutions North
America

Mr. Jankelson is a Managing Director and leads Macquarie Infrastructure Debt Investment Solutions ("MIDIS") North American business. In this role, Ariel has responsibility for originating and managing infrastructure debt assets as well interacting with MIDIS investors. MIDIS was founded in London in 2012 and has grown into one of market leaders in infrastructure debt. Ariel joined MIDIS in 2016 to start its' North American business. Prior to joining MIDIS, Ariel spent over 10 years in Macquarie Capital, working in both Sydney and New York. His work has covered most aspects of debt financing including experience as an arranger, underwriter, advisor and borrower. He has worked across a range of sectors with a specific focus on infrastructure, transportation, power, renewables and midstream energy. Ariel holds a Bachelor of Arts (Honors) in Politics and Masters of Commerce in Accounting from the University of New South

Wales (Australia) and a Master of Finance (Dean's List) from INSEAD (France).



Eliot Kalter

President, EM Strategies;
Co-Head of SovereignNET
and CEME Senior Fellow
The Fletcher School,
Tufts University

Eliot Kalter brings almost thirty years of experience in the study and practice of global capital markets, including a hands-on relationship with the emerging market public and private sectors. He established and is President of E M Strategies, Inc. since July 2007. The firm advises on investment opportunities and available financing in EM (emerging market) countries, and asset allocation by EM institutional investors in diverse asset classes based on best practices.

Mr. Kalter is a Senior Fellow at the Council on Emerging Market Enterprises and Co-Head of SovereignNet, the Fletcher Network for Sovereign Wealth and Global Capital, which, offered in partnership with K&L Gates, LLP, aims to gather the resources of its institutional partners to address within a neutral framework the particular needs of sovereign wealth funds (SWFs) and other institutional long-term investors. Issues of focus include governance, international policy and regulatory regimes, strategic asset allocation, socio-political risk, and mandate development.

Mr. Kalter retired from the International Monetary Fund (IMF) in June 2007 as Assistant Director of the Monetary and Capital Markets Department. Responsibilities included advising EM countries globally on macroeconomic and financial stabilization policies, public debt and asset/liability

management, local capital market development, and debt restructuring.

Mr. Kalter holds a Ph.D. and M.A. in International Finance from the University of Pennsylvania; an M.Sc. in International Monetary Economics from the London School of Economics; and a B.A. from the University of Cincinnati.



Zac Kerr

Partner
K&L Gates

Mr. Kerr is a partner in the Melbourne office and advises on projects and infrastructure transactions globally, particularly in Australia and Asia. He has a particular knowledge of the transport, power, water and social infrastructure / public-private partnership (PPP) sectors, including greenfield contracting, financing and secondary markets.

Mr. Kerr has advised on every privately owned toll road in Australia (together with a number of international road projects). He has also advised on the majority of the PPPs undertaken in Australia to date (together with a number of offshore PPPs). He is also experienced in advising clients lending to or buying and selling stakes in these assets.

He has advised on large and complex infrastructure procurement projects. He has drafted and negotiated project agreements, construction, operation and maintenance agreements, feedstock, offtake, tolling and other revenue agreements and ancillary project documentation.

Mr. Kerr also has extensive experience advising on the sale and purchase of infrastructure assets and non-recourse or limited recourse project finance documentation.

His clients include sponsors, financiers and contractors on PPPs, toll roads, power stations, renewable projects, transmission and distribution assets, rail, ports, airports, telecommunication and industrial projects in Australia, New Zealand, developing and developed Asia, UK and Europe and the United States.



Steve Klemencic
Managing Director
Ankura

Steve Klemencic is a Managing Director at Ankura with extensive experience in evaluating, assessing, auditing, and monitoring foreign mergers, acquisitions, and other investment transactions in the United States that may impact US national security. Steve has worked closely with the Committee on Foreign Investment in the United States (CFIUS) and supported both law firms and transactional parties in all stages of the CFIUS review process. Steve personally has served as the compliance auditor on several transactions, and provided expert advice on national security issues to US and foreign parties in their transaction planning. Additionally, he developed a supply chain integrity assessment, and provided cyber threat actor profile assessments to companies in the technology and health care sectors. As a senior analyst at the National Intelligence Council, he developed and implemented the threat assessment review process that is currently used to assess security risks that may be posed by foreign parties to transaction notification to the CFIUS. Steve served 21 years in the US Navy, retiring as a Commander. He is based in Washington, DC.



Clive Lipshitz
Managing Member
Tradewind Interstate
Advisors

Clive Lipshitz is managing member of Tradewind Interstate Advisors. He has extensive experience in alternative investment product strategy, development, and marketing, with a focus on real asset strategies, having been head of Product Strategy and Development at Credit Suisse and Brookfield, and as a consultant to Carlyle and AECOM. He has a particular interest in long-term solutions for institutional investor portfolios and is author of published and forthcoming studies on this topic at the Stanford Institute for Economic Policy Research and at the Infrastructure Finance Initiative of NYU Stern, where he is a guest scholar. He is co-author of "The Infrastructure Gap: Financing and Funding the Future." His early experience was as a CPA at Price Waterhouse and as an equity analyst at Salomon Smith Barney. Clive has considerable global experience, having worked in Canada, Latin America, the UK, Switzerland, Israel, India, Hong Kong, and Singapore. He received his MBA and BA from Tel Aviv University and has a Certificate in Real Estate Finance from NYU Schack.



Gabriel Montana
Managing Director
Verto Management

Gabriel Montana is a seasoned international private equity and corporate finance executive with over 20 years of industry practice. Experienced in complex transactions in emerging and developed markets, Gabriel brings a keen understanding

of the multiple factors driving value creation and preservation for investors, and the structuring requirements to foster successful business ventures.

Gabriel's career has covered the entire private equity investment cycle, including deal origination; evaluation and structuring of investment and divestment transactions; member of the board of directors in investee companies in multiple jurisdictions; restructuring of distressed assets; design of tax-efficient shareholding structures; litigation and others. Gabriel has been fortunate to work in diverse industries including infrastructure, automotive, consumer goods and renewable energy.

Gabriel holds a BS (Honors) in Mechanical Engineering from Universidad de los Andes, and an MBA from Georgetown University. He is also an "approved person" by the UK's financial regulator (FCA).



David Morgan

Founder & Managing Partner
D. Morgan & Partners

David has nearly two decades of experience in senior legal, government, nonprofit, and corporate sector roles. He most recently served for almost ten years as Vice President Government Affairs for the American Express Company (Amex) where he managed the government and public affairs portfolios for the Amex small business division and the tax and human resources functions. He also served as Treasurer of Amex's political action committee. David was responsible for representing Amex before Congress and the Executive Branch on a broad portfolio of issues primarily centered on taxes, financial services, healthcare, and small business. David was also responsible for overseeing external affairs for Small Business

Saturday and other key small business division initiatives, and for complying with Amex's political action committee and lobbying disclosure reporting and monitoring requirements. He worked closely with Amex's tax department on tax implementation, reporting issues before the Internal Revenue Service and the Treasury, and on monitoring and shaping changing tax rules in major international markets.



Peter V. Nelson

Associate
K&L Gates LLP

Peter Nelson is an associate in the firm's Washington, D.C. office, where he is a member of the public policy and law practice group. Drawing upon his experience as a start-up and venture capital lawyer, Peter advises clients at the leading edge of innovation about the impact of public policy on emerging technologies and business models. His experience covers a variety of policy areas, including federal taxation, communications, energy, and sustainability, among others.

Peter has a particular depth of experience in the transportation and infrastructure space, where he has represented clients before the U.S. Department of Transportation, National Highway Traffic Safety Administration, and Federal Aviation Administration on a variety of legal, regulatory, and enforcement matters. As part of this work, he has counseled national trade associations and leading technology companies about the evolving policy environments for autonomous vehicles and unmanned aircraft systems (UAS). He has also assisted clients on a variety of issues related to public-private partnerships and other innovative tools to facilitate private investment in infrastructure.

Peter's experience has included work at every stage of the public policy lifecycle, from legislative analysis and drafting, to participation in the regulatory process, to interpretation and enforcement matters. At each of these stages, he has helped clients develop integrated advocacy strategies to support their objectives, incorporating Congressional and administrative outreach, as well as communications and new media tactics.



Margaret A. Niles

Partner
K&L Gates

Ms. Niles has a domestic and international business transactions practice centering on alternative investments, acquisitions and joint ventures. She focuses her work on representing public pension funds, university endowments, sovereign wealth funds and other institutional investors in private equity funds, hedge funds, and other commingled funds of all kinds. She has extensive experience with strategic partnerships, funds-of-one and other unique joint ventures. She has worked on all types of transactions involving investment funds, including secondary purchases and sales, co-investments and work-outs, as well as confidentiality and fiduciary issues and a broad range of other investment matters.

Ms. Niles also provides on-going advice on general corporate and business matters to clients of various sizes. She is a frequent speaker on alternative investments and international business matters.



Markus Pressdess

Senior Managing Director
AECOM Capital

Markus Pressdess is a veteran infrastructure professional, with 23 years of finance experience based in London, New York and Los Angeles, who has worked on over \$180 billion of transactions focused on the global transportation, energy and telecommunications sectors. His track record includes leading a range of landmark infrastructure deals over the last 15 years, such as Hanjin Shipping's sale of its U.S. port assets during its \$5-billion bankruptcy, the \$8.6-billion recapitalization of the listed Babcock & Brown Infrastructure fund, and Network Rail's £9.6-billion acquisition of Railtrack, the U.K.'s national railroad infrastructure.

Until 2018, Pressdess was a Managing Director and the Global Head of Infrastructure at Jefferies investment bank. Prior to Jefferies, Pressdess was a Managing Director of Infrastructure Investments at Los Angeles private equity firm CIM Group. During his principal career, he was involved in the asset management of \$7 billion of infrastructure assets, and served on the boards of Terminal Investment Limited (TIL), the world's sixth largest container terminal operator/developer, and Skypower, a leading global solar PV developer. During his time with TIL, he led \$1.5 billion of acquisitions, divestitures and joint ventures.

From 2007-2010, he was a Managing Director and Head of Infrastructure for Credit Suisse based in New York, and an Executive Director in UBS's M&A team based in Los Angeles from 2004-2007 and in London from 1999-2004. He began his career in Deloitte's Corporate Finance in 1995, where he also qualified as a U.K. chartered accountant. Pressdess received

a BA (Hons) in 1994 and an MA in 1999 from Cambridge University in the UK.



Patrick Schena

Adjunct Professor, Co-Head of SovereignNET, and CEME Senior Fellow

The Fletcher School, Tufts University

Patrick Schena is Adjunct Professor of International Business Relations and a co-chair of today's conference. Patrick Schena is Adjunct Assistant Professor of International Business Relations at the Fletcher School, Tufts University, where he is also Senior Fellow at the Council on Emerging Market Enterprises and Co-Head of SovereignNet, the Fletcher Network for Sovereign Wealth and Global Capital. In addition, he is an Associate-in-Research at the Fairbank Center for Chinese

Dr. Schena has 30 years experience in finance, operations, and technology management focused on investment management. He was formerly a Principal, leading delivery of the Investment Management Services practice at a Genpact-Headstrong Corp., a global provider of outsourcing services. He has participated in and cofounded two companies providing technology and operations services to investment managers. He holds a PhD in from the Fletcher School, Tufts University and additional graduate degrees from The Fletcher School, and Boston College.



Adam Sherman

Managing Director and Group Head
Sumitomo Mitsui Banking Corporation

Adam joined SMBC in 2008 as Group Head of the newly

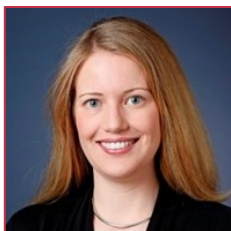
formed Public and Infrastructure Finance. North America. The PIF group is devoted to providing letters of credit and direct loans to the municipal finance sector in addition to underwriting direct loans for infrastructure and PFI/PPP project finance in North America. Through its SMBC Nikko affiliate, PIF also provides investment banking services including municipal bond underwriting, project bond underwriting and private placements to private sponsors and state and local governments.

Over the past eight years, PIF, through its public finance platform, has provided municipal letters of credit, direct liquidity facilities and loan purchases totaling over \$7.5 billion to variable rate municipal bond issuers nationally. The group's infrastructure platform serves the debt financing needs of transport, water systems and social infrastructure sponsors doing business in the US and Canada. With a focus on construction loans, bridge loans, acquisition financing, mini-perms and performance related letters of credit, SMBC has over \$1.5 billion of outstanding project debt exposure. As a global project lender, the group also supports the Bank's significant presence in Latin America, Europe, Australia, and Asia.

Prior to SMBC, Adam worked for Goldman, Sachs & Co. for twenty-three years in public sector and infrastructure finance as a Managing Director and departmental management committee member. Adam led over \$25 billion dollars in infrastructure, housing, and municipal and federal sector financings as an investment banker and group head at Goldman Sachs.

Adam earned an MBA from the Johnson Graduate School of Management at Cornell University. He holds Series 24 (Securities Principal), Series 52 (Municipal Securities Representative).

Series 79 (Investment Banking Representative), and Series 63 (State Securities) licenses.



Britta Wagner

Director, Department of
Legal Affairs
British Columbia
Investment Management
Corporation

Britta leads the transactional legal services group at BCI responsible for private and public global M&A investments across all sectors and assets classes. Originally counsel serving the Infrastructure, Renewable Resources and Private Equity teams, including asset management for platform investments, Britta's portfolio has recently grown to include providing legal services to Private Credit and private transactions for Public Markets. Prior to joining BCI in 2007, Britta was a Senior Associate with Borden Ladner Gervais LLP in Calgary. Britta holds a B.A. (Honours with Distinction) from the University of Victoria, a M.A. from the University of Alberta, a LL.B. from UBC, and is called to the bar of BC and Alberta.



Jason Washington

Executive Director
National Council for Public-
Private Partnerships

Since beginning his career as a teacher, Jason has always sought out opportunities that can have a direct impact on the lives of others. From practicing law to working in community development and in his current position, leading a membership association, he has sought positions that allow him to serve as an advisor, advocate and counselor to others.

Prior to leading the National Council for Public-Private Partnerships, Jason was vice president of Business and Economic Development at Corvias and he led the Metropolitan Washington Community Wealth Building Initiative at City First Enterprises as senior vice president. Jason has also served as a White House fellow, assigned to U.S. Department of Housing and Urban Development, where he supported the Hurricane Sandy Rebuilding Task Force. Previously, he was senior policy advisor to the mayor of Baltimore, and served as chair of the Mayor's School Construction Task Force. Prior to joining city government, Jason practiced law as a corporate associate at Kirkland & Ellis LLP.



Jim Ziglar, Jr.

Specialist Leader
Deloitte Transactions and
Business Analytics LLP

Mr. Ziglar is a Specialist Leader who leads Deloitte Transactions and Business Analytics LLP's U.S. Infrastructure Procurement and Advisory efforts, where he focuses on advising federal, state and local government and private sector entities on the funding, financing, procurement and operation of infrastructure assets. His experience includes Public-Private Partnerships (P3), project financings, municipal financings, project prioritization, benefit-cost analysis and long-term funding analysis, particularly in the transportation, energy and social infrastructure (government facilities) sectors. He has 23 years of experience in U.S. municipal finance, project finance, strategic consulting, and marketing and CRM consulting as both an investment banker and a financial advisor. He received his BA from Yale University in Economics, and his MBA from the Wharton School of the University of Pennsylvania in Finance and Strategic Management.



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International Forum of Sovereign Wealth Funds

Building Bridges VI
**Financing Public Infrastructure
in North America:
*Myths, Risks, Realities***

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International Forum of Sovereign Wealth Funds

Building Bridges VI: Morning Keynote Address
**A Walk Through Public
Infrastructure Investment in the
U.S.: *A Practitioner's Perspective***
Speaker: Joe Aiello, Meridiam Infrastructure

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NATIONAL INFRASTRUCTURE INVESTMENT ALLIANCE

APRIL 6 PRESENTATION

PROCESSED AND COMPRESSED



What we know!

Infrastructure is the foundation for reliable access to quality basic services

Every city has its own complex development challenges

P3s can be a part of the solution



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Economic & Policy Imperative

- Growing Need
- Negative Impact
- Opportunity
- Clear Benefits



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Strategic Goal

- Assist NIIA by facilitating:
 - Political Risk Assessment
 - Financial Risk Assessment
 - Risk Mitigation



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Implementation EFForts

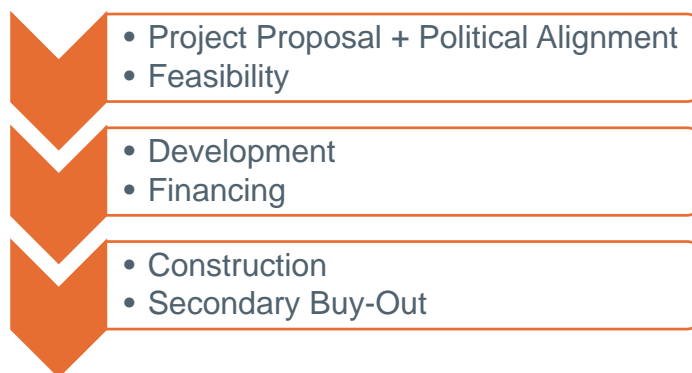
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P3 Defined

- P3s are long-term contracts between a private company and a government agency for providing a public asset or service.

P3 Project Cycle



Congressional Buy-In

➤ Met Congressional Representatives to:

- Provide overview of NIIA
- Explain objectives of the effort
- Promote value proposition
- Explain implementation steps

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Congressional Champion

➤ Secure commitment to help:

- Build support and spearhead effort
- Identify key stakeholders
- Facilitate federal engagement
- Secure federal funding



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Stakeholder Support

➤ Met with key local stakeholders

- Mayors and other key local elected officials
- Local government and quasi-governmental planning organizations
- Local chambers and other key business organizations
- Key community and religious leaders

Project Selection Criteria

- Economically sound
- Create jobs and jump start development
- Target underserved communities
- DBE participation

Project Assessment

- Key considerations include:
 - Strong support from key political stakeholders
 - Stable and supportive regulatory environment
 - Social and environmental impact
 - Development obstacles/financing gap

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Technical Evaluation

- Met rigorous “Quality Assurance” standards
- Specific assistance or restructuring needed to implement or complete project assured

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GAIIN ACT COALITION PROPOSAL

H.R. 6104, the GAIIN Act would generally require the U.S. Department of Agriculture to sell off distressed assets, with 50% of the proceeds going to fund development in poor communities and 50% going to reduce the national debt. If scaled across the government, the sale of assets could potentially raise almost \$2 trillion.

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Address GAP FUNDING NEED

Funding for technical assistance and project subsidy to jump start many of the stalled infrastructure and development projects

Facilitate greater community stakeholders involvements

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PATH TO ENACTMENT

While enactment of the GAIIN Act is still a steep uphill climb, it does have a real shot.

- First, both Ds and Rs have said that the concept is one that they can get behind politically, subject to flushing out the details of course.
- Second, the unlikely bipartisan trio pushing the bill, Democratic Congressman Lacy Clay (MO) and Conservative Republicans Mike Kelley (PA) and Tedd Budd (NC), form a strong base from which to build bipartisan support.
- Third, UBI has tested and is honing a strategy and business model of targeting the Members in the 100 poorest districts that can be leveraged to build a ground swell of support for the GAIIN Act. Recent cosponsors added include Representatives Wilson, Jackson Lee, Mooney & Davidson
- Fourth, these Members from the CBC and CHC on the left and the Freedom Caucus on the right are the power base of their respective parties and an unstoppable legislative force if they get together the way the trio has.
- Finally, the OZ program discussion has created the perfect opening for a grass roots and grass tops advocacy campaign to build political pressure for action on the bill.

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- Expertise
- Integrity



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Building Bridges VI: Panel 1

Rebuilding North America... Opportunities, but Challenges

Speakers: Patrick Schena, The Fletcher School (Moderator); Matt Diserio Water Asset Management; Trevor D'Olier-Lees, S&P Global Ratings; Amy Carnevale, K&L Gates; David Morgan, D.Morgan & Partners

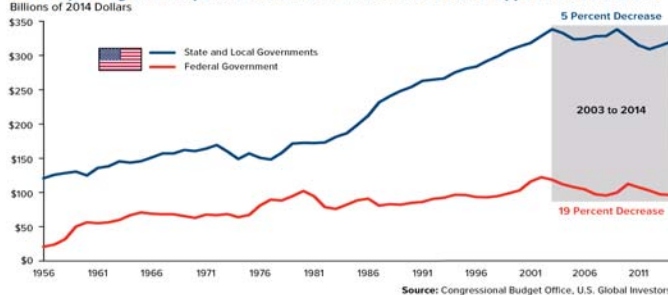
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Water Asset Management, LLC.

U.S. Water Core Infrastructure Investment Opportunity

Public Spending on Transportation and Water Infrastructure Has Dropped in Recent Years



- American Society of Civil Engineers and American Water Works Association estimate \$700 billion investment opportunity in U.S. water and wastewater treatment and transmission infrastructure over the next decade.
- The U.S. has 50,000+ water systems, 80% owned by municipalities, most serving less than 10,000 customers and many out of regulatory compliance.
- Government entities lack financial capacity and political will to act alone. Major economic regions are at risk from unreliable water quality and supply.

Water Asset Management

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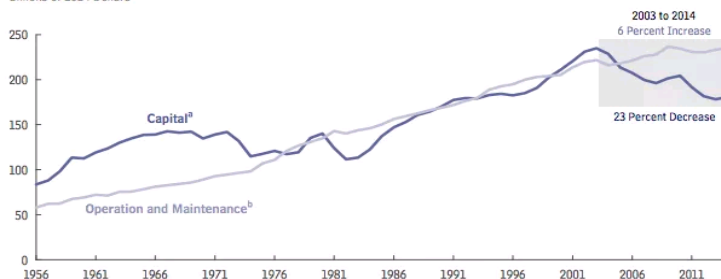
Water Asset Management, LLC.

U.S. Water Cap Ex Spending Down 23% since 2003

Exhibit 5.

Public Spending on Transportation and Water Infrastructure, by Category of Spending, 1956 to 2014

Billions of 2014 Dollars



Source: Congressional Budget Office based on data from the Office of Management and Budget, the Census Bureau, and the Bureau of Economic Analysis.

Water Asset Management

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Building Bridges VI: Panel 2

**Putting the “Private” back into P3:
Priorities, Prerequisites,
Performance**


Speakers: Jeff Cohen, K&L Gates (moderator); Jason Washington, National Council for Public-Private Partnerships; Angela Colamaria, Federal Permitting Improvement Steering Council/OMB; Adam Sherman, Sumitomo Mitsui Banking Corporation; Jim Ziglar, Jr., Deloitte Transactions and Business Analytics LLP

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STREAMLINING THE FEDERAL ENVIRONMENTAL PERMITTING PROCESS

Angela Colamaria
Acting Executive Director
Federal Permitting Improvement Steering Council
October 18, 2018



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Administration Infrastructure Initiative

- **Renewed Focus on Existing Laws**

- Title 41 of the Fixing America's Surface Transportation Act (FAST-41)

- **Executive Actions**

- Executive Order 13807, "Establishing Discipline and Accountability in the Environmental Review and Permitting Process for Infrastructure Projects"
- One Federal Decision (OFD) Memorandum of Understanding
- Office of Management and Budget (OMB) Memo M-18-25, "Modernize Infrastructure Permitting Cross-Agency Priority Goal Performance Accountability System"
- Cross-Agency Priority Goal (CAP Goal) to Modernize Infrastructure Permitting.



Photos: U.S. Department of Energy



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FAST-41 & the Permitting Council

One-stop-shop for the Federal review process

- **Federal Permitting Improvement Steering Council (Permitting Council)**

- Title 41 of the Fixing America's Surface Transportation (FAST-41)
- 16 Federal departments, agencies, and executive offices (including CEQ and OMB)

- Each Council agency designates one or more agency **Chief Environmental Review and Permitting Officers (CERPOs)**

- **Permitting Council's Office of the Executive Director (OED):**

- provides technical assistance and coordination services to Project Sponsors and Federal Agencies
- ensures transparency and predictability of permitting process
- provides expedient resolution of process disputes



Photos: U.S. Department of Energy



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What Sectors Are Included?

FAST-41 Infrastructure Sectors

Water Resources*
 Renewable Energy Production
 Conventional Energy Production
 Electricity Transmission
 Aviation
 Ports and Waterways*
 Broadband
 Surface Transportation*
 Manufacturing
 Pipelines

*Exemption: Does not include projects subject to Section 139 of Title 23 or Section 2045 of WRDA (2007)



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What Agencies Are Included?

Permitting Council Agencies

Advisory Council on Historic Preservation
 Department of Agriculture
 Department of the Army
 Department of Commerce
 Department of Defense
 Department of Energy
 Department of Homeland Security
 Department of Housing and Urban Development
 Department of the Interior
 Department of Transportation
 Environmental Protection Agency
 Federal Energy Regulatory Commission
 General Services Administration
 Nuclear Regulatory Commission

*And the Office of Management and Budget and Council on Environmental Quality

14

Number of
 Federal agencies
 represented on the
 Permitting Council*



27

FAST-41 Eligibility

“Objective” Criteria:

Any activity in the United States that requires authorization or environmental review by a Federal agency involving construction of infrastructure in designated sectors:

- Is subject to the National Environmental Policy Act (NEPA)
- Is likely to require a total investment of more than \$200M
- Does not qualify for an abbreviated authorization or environmental review process

“Discretionary” Criteria:

Is subject to NEPA and is of a size and complexity that make it (in the opinion of the Permitting Council) likely to benefit from enhanced oversight and coordination, including:

- Projects likely to require an Environmental Impact Statement under NEPA
- Projects likely to require reviews from more than 2 Federal agencies



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EO 13807 and One Federal Decision (OFD)

- OFD was established by Executive Order 13807 (signed on August 15, 2017).
- On April 9, 2018, 11 agencies and the Permitting Council signed onto a Memorandum of Understanding to work to improve and streamline environmental reviews and authorizations for major infrastructure projects (MIPs).
- OFD incorporates many of the principles and best practices of FAST-41 for streamlining agency processes for Federal environmental review and permitting decisions and improving coordination among Federal agencies.
- The permitting timetable for each OFD project should be consistent with an agency-wide average of two years from Notice of Intent to Record of Decision (ROD), and authorization decisions must be issued within 90 days of the ROD.
- OFD applies to MIPs that require
 - Multiple Federal agency authorizations,
 - An environmental impact statement (EIS), and
 - For which the project sponsor has identified a reasonable availability of funding.
- Most FAST-41 projects will also be subject to OFD.



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Accountability System Introduction

- EO 13807 also mandated that OMB work in concert with OED and the CEQ to establish and issue guidance to implement a performance accountability system that would
 - Track environmental review and authorization decision processes for MIPs,
 - Engage agency officials in regular reviews of agency performance, and
 - Facilitate achievement of the OFD Cross-Agency Priority Goal to Modernize Infrastructure Permitting that aims to improve the Federal environmental review and permitting process, while also ensuring that potential projects' impacts on environmental and community resources are considered and managed throughout.
- The Director of OMB is required to consider each agency's performance during budget formulation.



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Accountability System Metrics

- **Accountability System Evaluation Questions:**
 1. Were MIPs processed using OFD?
 2. Did MIPs have a complete permitting timetable?
 3. To what extent were agencies meeting major milestones in the permitting timetable for MIPs?
 4. Were delays for MIPs following a process of elevation to senior agency officials?
 5. How much time was required to complete the processing of environmental reviews and authorizations for each MIP?
 6. What was the cost of the environmental reviews and authorizations for each MIP?



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FAST-41 vs. EO 13807/One Federal Decision

- **Both:** Share the goal of improving the Federal environmental permitting process.
- **EO/OFD:** Focused on the development of better agency processes for all project permitting (incorporates lessons learned from FAST-41, while fully preserving the agencies' statutory responsibilities to comply with NEPA and related statutes).
- **FAST-41:** Voluntary statutory program that provides additional benefit beyond baseline improvements under OFD:
 - “One stop shop” for project sponsors,
 - Project-specific OED oversight, and
 - Public transparency via the Permitting Dashboard.



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Benefits of Becoming a FAST-41 Covered Project

Improves environmental review and authorization processes through:

- **Accountability** – Establishes high-level oversight for covered projects.
- **Transparency** – Permitting timetables for environmental reviews and authorizations are publicly displayed on the Permitting Dashboard.
- **Predictability** –
 - Requires early coordination among all relevant Federal agencies involved.
 - Coordinated Project Plans
- **Dispute Resolution** – The Executive Director of the Permitting Council mediates timetable disputes.
- **Best Practices** – Establishes recommended best practices and recommended performance schedules.



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Benefits of Becoming a FAST-41 Covered Project (cont'd)

- **Executive Level Oversight** – Permitting Council Members (Deputy Secretary level) led by an Executive Director appointed by the President
- **Single Point of Contact** – Project sponsors have a single point of contact (lead agency) throughout the entire Federal environmental review and authorization process.
- **Statute of Limitations** – Reduces the statute of limitations to challenge authorizations for covered projects from 6 to 2 years and only when a related comment was submitted during environmental review.
- **Established Guidance** – Established guidance for judicial review of actions seeking temporary restraining orders or preliminary injunction against an agency or project sponsor.



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FAST-41 Success Stories

- **Combined Savings to Project Sponsors:** Approximately \$1 billion to date
- **Moving the Process Along:** OED coordinated closely with the Council to facilitate a Section 106 review, saving an estimated six months and millions in capital costs to the project.
- **Enhancing Coordination:** By facilitating state-federal coordination, OED was able to reduce a permitting timetable by 22 months.
- **Correcting Inefficiencies:** OED collaborated with an agency to implement a more efficient internal review process for a FAST-41 project that resulted in a six to eight week shorter environmental review period.
- **Avoiding Communication Failures:** OED has successfully intervened when communication within and among agencies has broken down to facilitate and resolve misunderstandings, disagreements, and disputes.



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Notice of Proposed Rulemaking for FAST-41 Fees

- The Permitting Council published a draft notice of proposed rule making in the *Federal Register* regarding FAST-41 fees:
 - "Fees for Governance, Oversight, and Processing of Environmental Reviews and Authorizations by the Federal Permitting Improvement Steering Council" (<https://www.federalregister.gov/d/2018-19032>)
 - Posted on September 4, 2018, with public comments due by November 5, 2018



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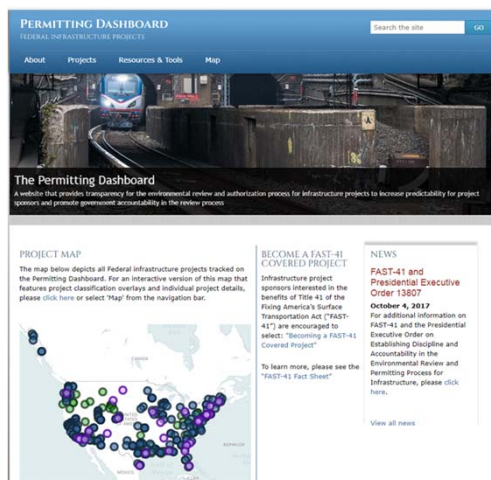
Permitting Dashboard – How It Works

Dashboard: Detailed project review timetables

- Predictability & Accountability: target dates for all required permits/reviews
- Visibility & Transparency: Nation-wide platform
- Requires approval if changed by more than 30 days or 150% of original schedule



<https://www.permits.performance.gov/>



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Questions and Answers



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IFSWF
International Forum of Sovereign Wealth Funds

Building Bridges VI: Afternoon Keynote Address

**What You Don't Know About the
Trump Infrastructure Proposal**

Speaker: DJ Gribbin, Stonepeak Infrastructure Partners

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IFSWF
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Building Bridges VI: Panel 3

National Security: *Political Risk American Style*

Speakers: Eliot Kalter, EM Strategies, LLC (moderator); Steven Hill, K&L Gates; Bretta Wagner, BclMC; Steven Klemencic, Ankura

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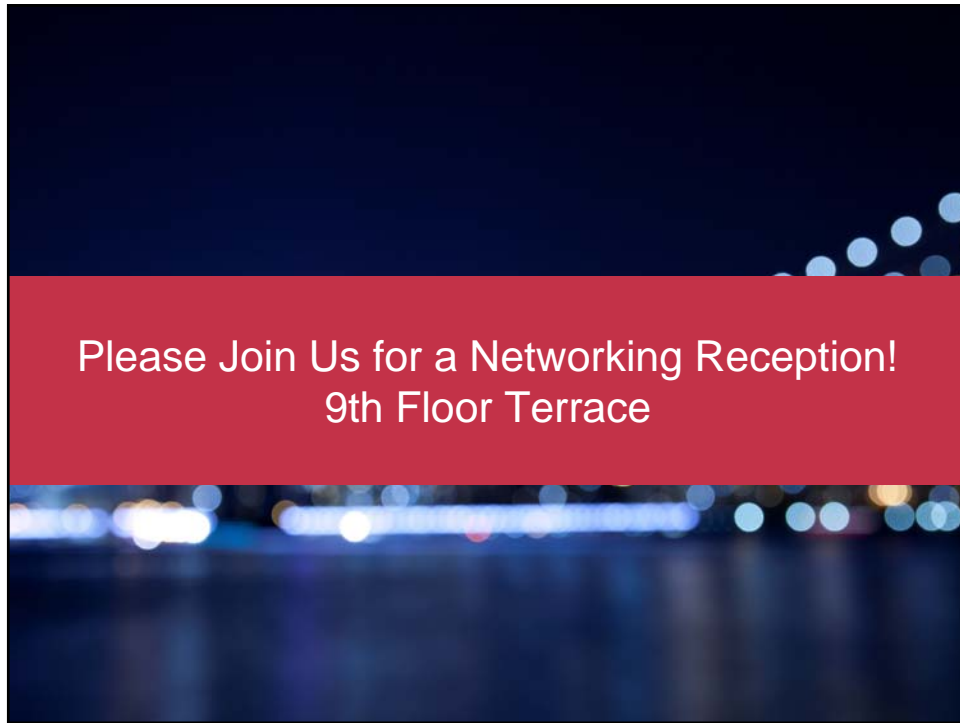

IFSWF
 International Forum of Sovereign Wealth Funds

Building Bridges VI: Panel 4

Mobilizing Capital through Infrastructure Funds: *The Indirect Path to Direct Investing*

Speakers: Margaret Niles, K&L Gates (moderator); Markus Pressdee, AECOM Capital; Ariel Jankelson, Macquarie Group Limited; Joe Aiello, Meridiam Infrastructure; Leo De Bever, Mountain Pacific Group

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AUSTRALIAN
INFRASTRUCTURE



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AUSTRALIAN BREAK OUT - ENERGY AND INFRASTRUCTURE INVESTMENT BOOM

AUSTRALIAN INFRASTRUCTURE SALES AND DEVELOPMENT

Recent Australian Infrastructure sales and development:

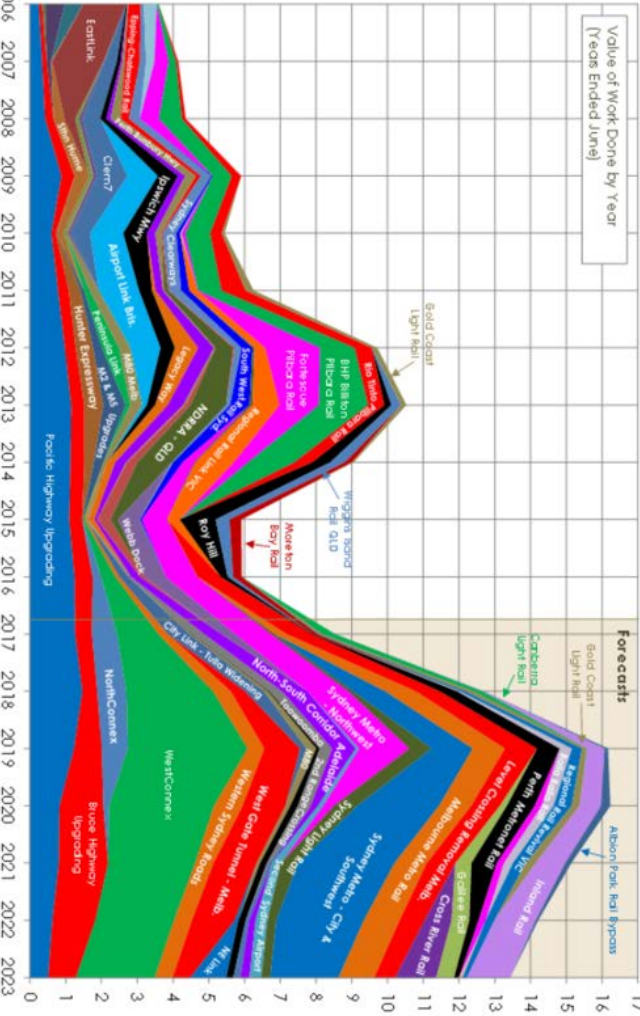
- WestConnex tolled tunnel 50% sale, asset valued at AUD 19 billion
- Sydney Metro, under construction, valued at UD14 billion
- Melbourne Metro, under construction, valued at AUD7 billion
- WestGate tolled tunnel, under construction, valued at AUD6 billion
- Cross River Rail, under construction, valued at AUD5 billion
- Port of Melbourne sale, valued at AUD10 billion
- Port Botany and Port Kembla sale, valued at AUD10 billion

- Ausgrid 50% sale, asset valued at AUD16 billion
- Transgrid sale, valued at AUD10 billion
- Endeavour Energy (distribution) sale, AUD 8 billion

Upcoming Australian Infrastructure sales and development:

- MetroNet AUD5 billion
- Western Sydney Airport AUD5 billion+
- Inland Rail AUD10 billion+
- Cross-Harbour Tunnel (Stage 4 of WestConnex) AUD7 billion+
- Melbourne Airport Rail Link AUD12 billion
- North East Link AUD16 billion
- Melbourne Orbital rail loop AUD52 billion
- Goldwind renewable portfolio AUD2 billion

MAJOR AUSTRALIAN TRANSPORT INFRASTRUCTURE PROJECTS



Large-scale renewable
energy projects
under construction
or starting in
2017



Total 4469 Megawatts | \$8835m Investment | 4930 Jobs



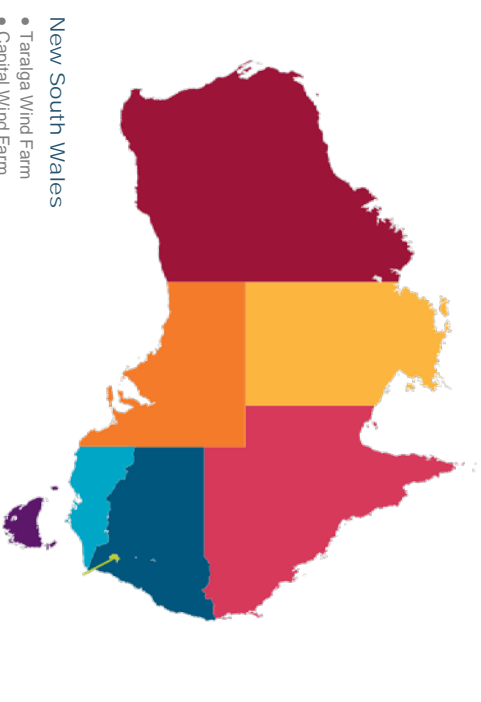
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K&L GATES' AUSTRALIAN ENERGY AND INFRASTRUCTURE EXPERIENCE

PPP Experience – Australia and NZ geographically

Renewables Experience – Australia geographically

We work in partnership with some of Australia's largest corporations to provide customised legal services. An example of the spread of PPP and other infrastructure projects our team has advised on within Australia and New Zealand is represented below.



For more information, please visit www.klgates.com.

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