

802.1
802.2

Verne, B. Michael

From: [REDACTED]
Sent: Tuesday, April 11, 2006 1:08 PM
To: Verne, B. Michael
Cc: [REDACTED]
Subject: FW: [REDACTED] Exemption draft email to Mike Verne

Dear Mike:

I am writing to confirm the Hart-Scott-Rodino advice that you provided to [REDACTED] and me on Tuesday, April 11, 2006. In our telephone call we posed the following scenario:

Buyer is purchasing a partially completed electricity generation plant (the "Facility") from the Seller. The assets being acquired include leases, permits, licenses, equipment, some equipment subject to contract, electrical connections and other items relating to the Facility. The size-of-transaction and size-of-parties thresholds under the HSR Act are exceeded. Seller went bankrupt prior to completing the Facility, the Facility is not yet productive. Buyer will need to expend a significant amount to make the Facility operational.

Our discussion focused on the Section 802.2 and Section 802.1(c) exemptions. You indicated that the Facility would qualify as "unproductive real property" under Section 802.2(c). You also indicated that a generation and related equipment would be exempt as "current supplies" under Section 802.1(c). Therefore, you advised us that the acquisition of the Facility, including incidental licenses, permits, and equipment is exempt from HSR reporting requirements under 802.2 (c) and 802.1(c).

Please advise us whether this is consistent with your understanding of our discussion. As always, thank you for your advice and assistance.

*AGREE -
B. Michael
4/11/06*

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