Tax Equity Structuring and Impact of Potential Tax Reform

David Burton
Partner, Mayer Brown
+1 212.506.2525
dburton@mayerbrown.com

Gintaras Sadauskas
Director, Alfa Energy Advisors
+1 571.309.0463
gintaras@alfaBA.com

Vadim Ovchinnikov, CFA, CPA
Director, Alfa Energy Advisors
+1 703.589.5111
vadim@alfaBA.com
PROSPECTS FOR TAX REFORM
Prospects for Tax Reform Appear to be Declining

[Graph showing likelihood of tax cuts for corporates and households over time, with a decline in likelihood as time progresses. Source: Nordea Markets and PredictIt]
Prospects for Tax Reform – House Republican Leaders

• September is the timetable, “generally, that fits into the timetable for 2017. I have stopped talking about months, and just focused on this year.” Ways & Means Committee Chair Kevin Brady (R-TX) (Jun. 22, 2017)

• “The goal is to pass a tax bill in 2017. ... If a tax spills over into 2018, the politics of an election year might impede progress.” Anonymous House Republican, Daily Tax Report (Jun. 22, 2017)

• “We need to get this done in 2017. We cannot let this once-in-generation moment slip by.” Speaker Paul Ryan (R-WI) (Jun. 21, 2017)
• “I applaud Speaker Ryan on his ability to give so many speeches on tax reform without ever sharing details of an actual plan.” Tweet by House Minority Leader Nancy Pelosi (D-CA)

• “At the rate we’re going, we’re going to have a full proposal, you know somewhere like 2075.” Senate Finance Committee Ranking Member Ron Wyden (D-OR) (Jun. 6, 2017)
A quote from ten weeks ago still seems on the money given the inability of the Senate healthcare bill to garner 50 Republican Senator supporters:

The chances of Republicans being able to tackle something as complex as tax reform are “fairly remote,” considering “how hard this health thing is.” Rep. Rooney (R-FL) (April 15)
Tax Reform Timing / Historical Precedent

- Tax reform legislation is generally effective for the following year (but see next slide)
- Only Reagan was able to pass tax reform legislation in the same year he took office, but even it was effective the following year
- Kennedy with a filibuster proof majority in the Senate and control of the House needed 21 Months to pass tax legislation
First Quarter 2018 Retroactivity?

- Despite a lack of historical precedent for a retroactive change in tax rates, some have suggested that if tax reform is enacted in the first quarter of 2018 that it could be retroactive to January 1, 2018
- So merely reaching January 1, 2018, without the enactment of tax reform may not mean tax reform would not be effective until 2019 or later
- Retroactivity beyond the first quarter of 2018 is unlikely due to corporate financial statement complexity
TAX REFORM PROPOSAL
FUNDAMENTALS
Tax Reform Proposal

- The Republican tax reform could include (i) reducing the corporate tax rate to somewhere between 15 and 25% from 35%; (ii) immediate “expensing” for capital investment (similar to 100% depreciation in the first year); and (iii) limiting the deductibility of interest (likely only deductible to the extent of interest income):
  - Accelerates depreciation but makes it less valuable due to reduced tax rate
  - Would reduce corporations’ tax appetite overall, likely reducing supply of tax equity
  - Tax rate reduction does not impact value of tax credits
ENERGY TAX CREDITS & TAX REFORM
Tax Reform Proposals - Fate of Energy Tax Credits

• Steven Mnuchin said in his Treasury Secretary confirmations on January 24 in response to a question from Sen. Grassley (R-IA) that he supports the phase out of the PTC enacted in 2015
  – Logically, the view should be the same for the ITC, however, the permanent 10% ITC could have a different fate

• House Republican working group on energy tax policy is reportedly considering a PTC for all technologies based on their level of carbon reduction
  – That would not impact the current wind PTC phase out based on Mnuchin’s comments
  – Could be a possible replacement for the permanent 10% ITC
  – Would reduce “FMV” issues and eliminate trying to shoehorn new technologies into out of date statutory definitions

Repeal of the 2015 Phase-out of the PTC & Phase-down of the ITC Seems Unlikely
TAX EQUITY MARKET’S REACTION TO POSSIBILITY OF TAX REFORM
Tax Equity Market’s Reaction to Possible Tax Reform

- Generally, the market expects sponsors to bear tax reform risk, which is a change from prior practice.
- Means of shifting tax reform risk to the sponsor, generally, depends on whether there is leverage involved in the transaction:
  - Deals with leverage (including back leverage): size the tax equity investment assuming tax reform is effective in 2018 (e.g., a 25% tax rate for 2018 and beyond) with the tax equity investor obligated to supplement its investment if the tax rate remains at 35% at the end of the current Congress.
  - No leverage: size the tax equity investment using a 35% tax rate for all years with an indemnity for the sponsor if the tax rate is lowered in years with tax losses.
Tax Equity Market’s Reaction: Bonus Depreciation

Use bonus depreciation to accelerate losses into 2017 when there is some certainty the tax rate is and will be 35%

- For this technique to be effective, the tax equity investor needs enough “outside tax basis” to not have any of the 2017 losses suspended to be used in a later year
TAX EQUITY RETURNS
Tax Equity Returns

- Wind: 7.0% to 8.5% after-tax internal rate of return (ATIRR)
- Utility Scale Solar: 7.0% to 8.5% ATIRR
  - Utility scale solar no longer at a premium to wind
- Rooftop Solar: 9.0% to 12.5% ATIRR (or more for small commercial projects financed one at a time)
  - Residential and commercial/industrial returns are similar
  - Market for rooftop solar is still maturing and there is significant variation between projects so there is more variability in return levels
Tax Equity Supply & Demand

• 7.0% ATIRR is equivalent to a pre-tax return (e.g., a loan) of 10.8%
  – Equivalent pre-tax return: divide ATIRR by (1 minus the tax rate)
  • E.g., 7.0%/ (1-.35) = 10.8% pre-tax equivalent

• What other investment has comparable reward for the risk?

• Tax equity investors can demand such a premium due to the limited number of them (i.e., public corporations that consistently owe taxes and have capital available to invest outside of their core operations)

• Most sponsors can secure tax equity for their projects, even if it is expensive relative to investments with a comparable risk profile
PARTNERSHIP FLIP STRUCTURE
OVERVIEW
• Project typically is financed with some combination of sponsor equity and investor equity and, in some cases, debt
  – Investor acquires interest in project company for cash
  – Investor typically makes an up-front investment, although, investor in a PTC deal also may make pay-as-you-go payments (i.e., PAYGO)

• Investor initially is allocated as much as 99% of tax items (PTC or ITC and depreciation) and subsequently "flips" down to as little as 5% after achieving a specified after-tax IRR
• Cash may be distributed in the same manner that tax items are allocated or one partner may have a cash preference for certain periods

• Sponsor generally has purchase option after flip point
  – Option may not be exercised until 5 years after property is placed in service

- **Advantages**
  - Flexible structure that allows efficient monetization of as much as 99% of tax benefits
  - IRS safe harbor in context of wind projects (Rev. Proc. 2007-65)
  - Widely used and accepted structure
  - Sponsor's purchase option is less costly
  - Can be used for PTC & ITC

- **Disadvantages**
  - Sponsor must have at least a 1% interest in tax items & depreciation haircut due to a "short" first year
  - In case of ITC, Investor must be in partnership prior to the placed-in-service date
  - Complicated partnership tax rules and financial accounting
Partnership Flip Structure – Sharing Ratios

<table>
<thead>
<tr>
<th></th>
<th>Pre-Flip Period (1)</th>
<th>Post-Flip Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investor</td>
<td>Sponsor</td>
</tr>
<tr>
<td>Pre-Tax Cash</td>
<td>30%</td>
<td>70%</td>
</tr>
<tr>
<td>Tax Credits</td>
<td>99%</td>
<td>1%</td>
</tr>
<tr>
<td>Taxable Income/ Loss</td>
<td>99%</td>
<td>1%</td>
</tr>
</tbody>
</table>

(1) Flip typically occurs in Year 10 for wind or Year 6 for solar

- The ultimate objective is to allocate tax benefits to a party that can use them most efficiently
- There are many variations of the basic structure
Partnership Flip Structure – Key Considerations

• Project capital structure
  – Tax equity investment can reach up to ~70% for wind and up to ~50% for solar
  – Tax equity market does not like project-level debt
    Back-leverage is more common

• Sharing ratios % (pre-tax cash, tax benefits)

• Tax equity investor target IRR and flip dates
  – Tax equity unlevered after-tax IRRs of 7.0-8.5% for utility scale projects (higher for resi and C&I solar)
  – Tax equity cash-on-cash IRRs

• Compliance with complex partnership taxation rules
  – § 704(b) capital accounts and outside basis
  – Possible re-allocation of tax benefits can lead to tax inefficiencies

• US GAAP accounting (EPS impact)
  – Consolidation vs. equity method vs. cost method vs. fair value method of accounting for investment in a project
  – Hypothetical liquidation at book value (HLBV) method for allocating book earnings to partners
TAX REFORM IMPACT:
WIND PTC PARTNERSHIP FLIP DEALS
Potential Tax Reform Paths in 2018

- Current US federal corporate income tax rate 35%. President Trump would like to see a 15% tax rate in 2018.
- Some tax equity investors already assume a 25% tax rate for sizing tax equity with adjustments to the partners’ economics if different tax rates are actually in effect.
- Other possible aspects of tax reform: interest rate tax shield elimination, border adjustment tax, immediate expensing of capital costs, etc.
  - After-tax cost of debt would increase if interest rate shield is eliminated.
Tax reform would reduce the amount of tax equity funding in the capital stack.

Immediate expensing of equipment costs would increase tax equity funding by 1.0%-1.5% of capital stack. Tax equity investor would have to agree to a substantial DRO (>50% of their investment).
Impact on IRR for a Wind PTC Project (2018 COD under 3 Tax Reform Scenarios)

- Base case tax equity sizing in our analysis assumes 25% federal tax rate in 2018 (Scenario 2)
- Tax reform reduces cash equity (i.e., sponsor) IRRs. Cash equity bears the risk of tax reform
- Tax equity investor is made whole through higher pre-flip cash allocations / cash sweeps
Impact on IRR for a Wind PTC Project (2015 COD under 3 Tax Reform Scenarios)

- Both cash equity (i.e., sponsor) and tax equity investor are better off as a result of tax reform.
- A large share of the (5-year MACRS) is already monetized at 35% income tax rate.
- Taxable income in later years is taxed at lower rates under tax reform.

### WIND PTC PROJECT 30-YEAR IRRs (2015 COD)

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Class A - Tax Equity</th>
<th>Class B - Cash Equity</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. No Tax Reform</td>
<td>7.8%</td>
<td>8.0%</td>
<td>7.9%</td>
</tr>
<tr>
<td>2. 25% in 2018</td>
<td>7.9%</td>
<td>8.3%</td>
<td>8.4%</td>
</tr>
<tr>
<td>3. 15% in 2018</td>
<td>7.9%</td>
<td>8.6%</td>
<td>8.9%</td>
</tr>
</tbody>
</table>
CLE Information

• The CLE code for the presentation is: **06P MB 2817**
• Please record this code on the CLE affirmation form you received along with your webinar access instructions.
• Return the form by email to cle-events@mayerbrown.com
TAX REFORM IMPACT:
SOLAR ITC YIELD-BASED
PARTNER-SHIP FLIP DEALS
Capital Structure for a Solar ITC Yield-Based Project (2018 COD Under 3 Tax Reform Scenarios)

- Tax reform would reduce the amount of tax equity funding in the capital stack
- Negative tax reform impact on tax equity sizing would be smaller for solar projects compared to wind projects
- Immediate expensing of equipment costs would create structuring challenges for tax equity investor

**Capital Structure**

**Scenario 1. No Tax Reform**
- Class B - Cash Equity: 60.1%
- Class A - Tax Equity: 39.9%

**Scenario 2. 25% in 2018**
- Class B - Cash Equity: 62.0%
- Class A - Tax Equity: 38.0%

**Scenario 3. 15% in 2018**
- Class B - Cash Equity: 63.6%
- Class A - Tax Equity: 36.4%
Impact on IRR for a Solar ITC Yield-Based Project (2018 COD under 3 Tax Reform Scenarios)

- Base case tax equity sizing in our analysis assumes 25% federal tax rate in 2018 (Scenario 2)
- Tax reform slightly increases cash equity (i.e., sponsor) and tax equity investor IRRs
- Tax equity investor is made whole through higher pre-flip cash allocations / cash sweeps
- In case of tax reform, back-end tax savings are higher than loss of tax benefits in early project years

SOLAR ITC PROJECT 30-YEAR IRRs (2018 COD)

- Scenario 1. No Tax Reform
  - Class A - Tax Equity: 7.9%
  - Class B - Cash Equity: 7.4%
  - Project: 9.4%

- Scenario 2. 25% in 2018
  - Class A - Tax Equity: 8.0%
  - Class B - Cash Equity: 7.6%
  - Project: 9.6%

- Scenario 3. 15% in 2018
  - Class A - Tax Equity: 8.1%
  - Class B - Cash Equity: 7.7%
  - Project: 9.8%
Impact on IRR for a Solar ITC Yield-Based Project
(2015 COD Under 3 Tax Reform Scenarios)

- Both cash equity (i.e., sponsor) and tax equity investor are better off as a result of tax reform
- A large share of the (5-year MACRS) is already monetized at 35% income tax rate
- Taxable income in later years is taxed at lower rates under tax reform
TAX REFORM IMPACT: SOLAR ITC TIME-BASED PARTNERSHIP FLIP DEALS
Capital Structure for a Solar ITC Time-Based Flip Project (2018 COD under 3 Tax Reform Scenarios)

- Tax reform would reduce the amount of tax equity funding in the capital stack
- Time-based flip structure raises less tax equity capital compared to the yield-based flip structure

### SOLAR ITC PROJECT CAPITAL STRUCTURE (2018 COD) - TIME BASED FLIP

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Class B - Cash Equity</th>
<th>Class A - Tax Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 1. No Tax Reform</td>
<td>65.1%</td>
<td>34.9%</td>
</tr>
<tr>
<td>Scenario 2. 25% in 2018</td>
<td>67.3%</td>
<td>32.7%</td>
</tr>
<tr>
<td>Scenario 3. 15% in 2018</td>
<td>69.0%</td>
<td>31.0%</td>
</tr>
</tbody>
</table>
Impact on IRR for a Solar ITC Time-Based Flip Project (2018 COD under 3 Tax Reform Scenarios)

- Base case tax equity sizing in our analysis assumes 25% federal tax rate in 2018 (Scenario 2)
- Tax reform slightly increases cash equity (i.e., sponsor) and tax equity IRRs
- Tax equity investor is made whole through higher pre-flip cash allocations / cash sweeps
Impact on IRR for a Solar ITC Time-Based Flip Project
(2015 COD under 3 Tax Reform Scenarios)

- Both cash equity (i.e., sponsor) and tax equity investor are better off as a result of tax reform.
- A large share of the (5-year MACRS) is already monetized at 35% income tax rate.
- Taxable income in later years is taxed at lower rates under tax reform.
- Tax equity investor IRR is higher in time-based vs yield-based flip structure.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Class A - Tax Equity</th>
<th>Class B - Cash Equity</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Tax Reform</td>
<td></td>
<td></td>
<td>10.6%</td>
</tr>
<tr>
<td>25% in 2018</td>
<td></td>
<td></td>
<td>11.2%</td>
</tr>
<tr>
<td>15% in 2018</td>
<td></td>
<td></td>
<td>11.7%</td>
</tr>
</tbody>
</table>
TAX REFORM IMPACT:
KEY TAKEAWAYS
Key Takeaways – 2018 COD Projects

- For all new projects (2018 COD), the lower tax rate will reduce tax equity funding in the capital stack due to lower tax shields from MACRS depreciation.
- Lower tax rate will have a negative impact on sponsor IRRs for new wind projects (~80-140 bps) and a positive impact on sponsor IRRs for new solar projects (~20-30 bps).

<table>
<thead>
<tr>
<th>Sponsor 30-year IRR (2018 COD)</th>
<th>No Tax Reform</th>
<th>25% Tax Rate</th>
<th>15% Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind PTC</td>
<td>8.9%</td>
<td>8.1%</td>
<td>7.5%</td>
</tr>
<tr>
<td>Solar ITC - Yield-Based Flip</td>
<td>7.4%</td>
<td>7.6%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Solar ITC - Time-Based Flip</td>
<td>7.6%</td>
<td>7.7%</td>
<td>7.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tax Equity 30-year IRR (2018 COD)</th>
<th>No Tax Reform</th>
<th>25% Tax Rate</th>
<th>15% Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind PTC</td>
<td>7.6%</td>
<td>7.4%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Solar ITC - Yield-Based Flip</td>
<td>9.4%</td>
<td>9.6%</td>
<td>9.8%</td>
</tr>
<tr>
<td>Solar ITC - Time-Based Flip</td>
<td>10.6%</td>
<td>10.7%</td>
<td>10.8%</td>
</tr>
</tbody>
</table>

- Generally, the market expects sponsors to bear the risk of the tax reform.
Key Takeaways – Operating Projects

• For operating wind and solar projects (2016 vintage and older), lower tax rates starting in 2018 are generally expected to translate into higher IRRs for the sponsor over a 30-year period (~50-150 bps for wind and solar)

<table>
<thead>
<tr>
<th>Sponsor 30-year IRR (2015 COD)</th>
<th>No Tax Reform</th>
<th>25% Tax Rate</th>
<th>15% Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind PTC</td>
<td>7.9%</td>
<td>8.4%</td>
<td>8.9%</td>
</tr>
<tr>
<td>Solar ITC - Yield-Based Flip</td>
<td>7.5%</td>
<td>8.1%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Solar ITC - Time-Based Flip</td>
<td>7.7%</td>
<td>8.4%</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

• Tax equity investor may see an improvement in wind/solar project economics over a 30-year period (~10 bps for wind and ~40-110 bps for solar) due to lower taxes after the end of 5-year MACRS depreciation period

<table>
<thead>
<tr>
<th>Tax Equity 30-year IRR (2015 COD)</th>
<th>No Tax Reform</th>
<th>25% Tax Rate</th>
<th>15% Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind PTC</td>
<td>7.8%</td>
<td>7.9%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Solar ITC - Yield-Based Flip</td>
<td>9.5%</td>
<td>9.9%</td>
<td>10.3%</td>
</tr>
<tr>
<td>Solar ITC - Time-Based Flip</td>
<td>10.6%</td>
<td>11.2%</td>
<td>11.7%</td>
</tr>
</tbody>
</table>
• Tax equity provisions for new projects
  – Lower amount of tax equity funding in the capital stack due to potential tax reform
  – Cash allocation ratio adjustment / cash sweeps after the tax rate change is enacted
  – Use of bonus depreciation for 2017 COD projects
• To negate the impact of potential tax reform, sponsors of new wind projects in 2018 should strive to improve project economics (via use of latest technology, increased PPA rates, reductions in operating costs, financial structuring)
• Sponsors of new solar projects may see some upside due to the tax reform
• Operating wind and solar assets will become more valuable if tax rates are reduced as a result of tax reform
30-YEAR HLBV EARNING PROFILES: WIND PTC VS SOLAR ITC PARTNERSHIP FLIP DEALS
HLBV Pre-Tax Earning Profiles – Wind PTC vs Solar ITC

Wind Yield Based Flip

Solar Yield-Based Flip
HLBV Pre-Tax Earning Profiles – Time vs Yield-Based Flip

Solar Time-Based Flip

Solar Yield-Based Flip
TAX CREDIT ELIGIBILITY: START OF CONSTRUCTION RULES
• Wind projects qualify for the § 45 PTC at rate of $0.024/kWh (that will continue to be periodically adjusted by the IRS for inflation); the credit will ramp-down based on when the project starts construction based on the following schedule:

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit</td>
<td>100%</td>
<td>100%</td>
<td>80%</td>
<td>60%</td>
<td>40%</td>
<td>Expires</td>
</tr>
</tbody>
</table>

• Alternatively, wind projects have the option to claim the 30% ITC, across the same timeframe; ITC for a wind project would be subject to the same ramp-down schedule (i.e., a project that started construction in 2019 will qualify for a 12% ITC => 30% * 40%)
• The § 48 ITC for solar ramps down in accordance with the following schedule for the start of construction:

<table>
<thead>
<tr>
<th>Year</th>
<th>ITC Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>30%</td>
</tr>
<tr>
<td>2018</td>
<td>30%</td>
</tr>
<tr>
<td>2019</td>
<td>30%</td>
</tr>
<tr>
<td>2020</td>
<td>26%</td>
</tr>
<tr>
<td>2021</td>
<td>22%</td>
</tr>
<tr>
<td>2022</td>
<td>10%</td>
</tr>
</tbody>
</table>

• To qualify for more than a 10% § 48 ITC, a project must be placed in service by the end of 2023, regardless of its start of construction date.
  – Wind, unlike solar, does not have a placed in service statutory deadline, but the IRS’s guidance created a “soft” deadline (discussed below).
• For wind projects in service after 2017 and solar projects in service after 2019, the amount of the credit will be determined by when construction started.

• IRS issued Notice 2016-31 for Wind
  – Wind projects have until December 31 of the year that included the fourth anniversary of the start of construction date to be "placed in service" (e.g., if construction started June 1, 2016, then project must be in service by December 31, 2020) to avoid "continuous" work/construction requirement.

• IRS said in Notice 2016-31 that it is working on guidance for solar, work on that guidance continues, but it is unclear if the Pres. Trump’s executive orders regarding regulatory guidance will impact it.
IRS Start of Construction Guidance

- Two methods to start construction:
  - Commence "physical work of a significant nature" or
  - Incur at least 5% of the cost of the project
    - Must take delivery of equipment purchased with 5% within 3.5 months of payment (e.g., April 15 if pay on December 31)
    - But must take delivery in same year if vendor provides debt financing
- Both methods generally follow the Treasury Cash Grant guidance but with some key differences
- No minimum level of work was required in order to meet the "physical work of a significant nature" requirement
  - Qualifying work for wind projects – operational road construction, digging turbine foundations, manufacturing a customized step-up transformer or manufacturing other equipment not held in inventory by the manufacturer
  - Work not done by the project owner directly must be performed pursuant to a “binding written contract,” which has certain highly technical requirements
SPEAKER BIOGRAPHIES
David K. Burton is a partner in Mayer Brown's New York office and a member of the Tax Transactions & Consulting practice. He leads Mayer Brown's Renewable Energy group in New York. He advises clients on a wide range of US tax matters, with a particular emphasis on project finance and energy transactions. In addition, he also advises clients on tax matters regarding the formation and structuring of domestic and offshore investment funds.

David has extensive experience structuring tax-efficient transactions, such as sale-leasebacks, flip partnerships, pass-through leases and other structures, for the acquisition and financing of renewable energy assets.

Earlier in his career, David was the managing director and senior tax counsel at GE Energy Financial Services (GE EFS), one of the world's leading investors in energy projects. At GE EFS, David oversaw all of the tax aspects for more than $21 billion in global energy projects from structuring transactions to accounting for taxes to formulating tax policy initiatives. During his tenure at GE EFS, the division's investments in wind, solar, hydro, biomass and geothermal power grew to $6 billion, making GE EFS the largest tax-advantaged energy investor in the United States. Before joining GE EFS, David was a tax lawyer at GE Capital and primarily focused on aircraft and equipment leasing and financing and asset acquisitions.

David has been recognized by Chambers USA 2017 in the area of Projects: Renewables & Alternative Energy. He was named to A Word About Wind’s “Legal Power List 2016!” and in 2016 received an award from the Burton Foundation for legal writing excellence for his article “How Can a Renewable Energy Plan be Sold for a Capital Gain”.

David received his BA magna cum laude from Ithaca College in 1993 and his JD cum laude from the Georgetown University Law Center in 1996, where he was on the staff of The Tax Lawyer.

He is co-editor of the firm's blog www.TaxEquityTimes.com.
Vadim Ovchinnikov is a Director at Alfa Energy Advisors. Mr. Ovchinnikov has over fifteen years of professional experience in project finance, capital raise, M&A, project due diligence, and valuation. He has assisted numerous clients in the power sector (solar, wind, gas, geothermal and hydro) and actively works with project developers, investors, and corporate clients in North America, Latin America, Europe and emerging markets.

Prior to Alfa Energy Advisors, Mr. Ovchinnikov was a Managing Director at Chicago Advisory Group for five years providing financial advisory services to clients in the energy and banking sectors. His prior experience includes working for PricewaterhouseCoopers in the Mergers & Acquisitions Group in Europe. Prior to that he was part of PwC’s Investment and Capital Markets Group in Chicago focusing on serving clients in the banking industry. Mr. Ovchinnikov started his career at the Financial Accounting Standards Board (FASB) where he was a member of the Derivatives Implementation Team and the Financial Instruments Team.

Mr. Ovchinnikov received a Master’s degree (Magna Cum Laude) and a Bachelor of Science degree in International Business and Professional Accounting from Brigham Young University. He is a CFA charterholder, a licensed CPA, and a member of the CFA Institute and the AICPA.
Gintaras Sadauskas is a Director at Alfa Energy Advisors. Mr. Sadauskas focuses on providing financial and commercial advice in relation to the development, financing, purchase and sale of power generation assets (solar, wind, gas, hydro, geothermal and coal). During the past fifteen years, he has been involved in numerous project financings and portfolio transactions in North America, Europe, Asia, Latin America and Africa.

Prior to joining Alfa Energy Advisors, Mr. Sadauskas worked in the project finance and M&A groups at the AES Corporation headquarters. He participated in multiple acquisitions and structured project financings in the US and internationally. Prior to AES, Gintaras worked in the Financial Advisory Services Group at KPMG in Europe.

Mr. Sadauskas received an MBA degree from the Darden School of Business, University of Virginia and M.Sc. in International Management from the University of Lausanne in Switzerland.