



For Immediate Release

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## **LEI helps client successfully fend off takeover attempt**

BOSTON, July 24, 2009 - London Economics International LLC ("LEI") assisted a major US independent generator in its defense against a takeover attempt by a large utility holding company.

LEI focused on market power and cost of capital issues. Julia Frayer, Managing Director of LEI, had submitted testimony on market power issues that may have resulted from the takeover to the Federal Energy Regulatory Commission ("FERC") and the Pennsylvania Public Utility Commission ("PAPUC"). A.J. Goulding, president of LEI, presented analysis for proceedings at FERC and the PAPUC, respectively, about the impact of the takeover on the utility subsidiary's cost of capital due to potential debt ratings downgrades which would increase customer costs. In addition, Mr. Goulding assessed the effectiveness of the proposed ring-fencing measures and potential impacts on reliability for utility customers. In an interview following the utility holding company's announcement to abandon its takeover efforts, Julia Frayer noted she was not surprised with the outcome, given the "contingent nature of the proposed takeover in the face of such regulatory and market uncertainties."

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London Economics International LLC (LEI) is a global economic, financial, and strategic advisory professional services firm specializing in energy and infrastructure. The firm combines detailed understanding of specific network and commodity industries, such as electricity generation and distribution, water and wastewater provision, and natural gas distribution, with a suite of proprietary quantitative models to produce reliable and comprehensible results. For further information on LEI, please contact Yifei Zhang at (617) 933-7200 or go to [www.londoneconomics.com](http://www.londoneconomics.com).

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