

**Art J. Harrington**

414.287.9256

aharrington@gklaw.com

**Thomas W. Henshue**

608.284.2216

thenshue@gklaw.com

**Jed A. Roher**

608.284.2269

jroher@gklaw.com

The information contained herein is based on a summary of legal principles. It is not to be construed as legal advice. Individuals should consult with legal counsel before taking any action based on these principles to ensure their applicability in a given situation.

Godfrey & Kahn represents Geo Investors Renewable Infrastructure Fund in Hydro Financing Transaction

Renewable World Energies LLC (RWE), a Wisconsin based leader in the ownership and operation of small hydroelectric facilities, recently completed a \$2.3 million debt financing through a new strategic investment arrangement with the Geo Investors Renewable Infrastructure Fund (the “Geo Fund”). Godfrey & Kahn had the privilege to represent the interests of the Geo Fund in this renewable energy financing transaction.

The proceeds will be used largely to fund upgrades to the Cataract project near Gwinn, MI and for supporting the ongoing operation and maintenance of the Au Train project near Munising, MI. The facilities have a combined capacity to produce 3 megawatts of clean, renewable energy that is sold to Upper Peninsula Power Company (UPPCO), a subsidiary of Integrys Energy Group, Inc. (NYSE: TEG) through a long-term, power purchase agreement. The upgrade to the Cataract project includes the installation of an innovative new and more efficient turbine that is designed and manufactured by Kiser Hydro LLC, a sister company of RWE.

RWE currently employs a workforce of 40 people with plans to continue to grow. In addition, the upgrades to the Cataract facility have supported an estimated 50 construction and manufacturing jobs in the Wisconsin – Michigan border region around Iron Mountain, Michigan and Niagara, Wisconsin.

Both Michigan facilities date back to the 1920’s and were originally constructed by a local mining company to provide power for mining operations. They were subsequently acquired by the local utility and then sold to a predecessor of RWE in 2010. “Both Cataract and Au Train have long and successful operating histories of providing power to the people of Upper Michigan. In the case of Cataract, it just required some additional investment, time and attention to get it back in good operating condition and to get the most efficient production out of it,” commented Bill Harris, President and CEO of RWE and Kiser Hydro. “By replacing the old turbine with the innovative design from Kiser, we are able to almost double our expected annual production without any additional environmental impact or changes to the community’s recreational access to the water resource,” stated Harris.

The newly designed Kiser Hydro turbine replaces a Francis type runner with a variable pitch 6-blade Kaplan style runner while using the existing scroll case, wicket gates and generator making this upgrade very cost effective. This innovative design allows the turbine to produce energy at a wide variety of river flows at a high efficiency. Annual energy production is estimated to be 80% greater than historic levels due to this proprietary Kiser Hydro design.

Please feel free to contact Thom Henshue at thenshue@gklaw.com, Jed Roher at jroher@gklaw.com, Art Harrington at aharrington@gklaw.com, or any other member of Godfrey & Kahn's Environmental & Energy Team for more information about this financing transaction.

**Environment & Energy
Strategies Team Members**

GREEN BAY OFFICE:

Winston A. Ostrow
wostrow@gklaw.com

MADISON OFFICE:

John L. Clancy
jclancy@gklaw.com

David J. Gilles
dgilles@gklaw.com

Steven A. Heinzen
sheinzen@gklaw.com

Douglas M. Poland
dpoland@gklaw.com

MILWAUKEE OFFICE:

Jessica A. Franklin
jfranklin@gklaw.com

Arthur J. Harrington
aharrington@gklaw.com

Matthew T. Kemp
[mkemp@gklaw.com](mailto:m Kemp@gklaw.com)

Jamie L. Konopacky
jkonopacky@gklaw.com

Diane M. Marchik
dmarchik@gklaw.com

WASHINGTON, D.C. OFFICE:

Joy Page
jpage@gklaw.com