

## Comments to Bidders on December 4, 2019

### NextEra

Burch: And when I say the first week and second week, I'm talking the first full week of January, which is the week of January 6th, and then the week after that would be the second full week in January for submission of updated revised replies. So we'd really like to target a transaction announcement, for example, signed documents, at the end of January. We know that it's fast and aggressive, but we appreciate you working with us on this timeline. And just as a last point, wanted to let you know that confirmatory due diligence will take place during January.

*Id.* at p. 8.

Giardinelli: The only thing we would add on behalf of the negotiation team is that we agree. We appreciate the work you guys have done and appreciate the amount of effort that will go into getting to a -- getting through this timeline. And the only thing I would add is that it's obviously a competitive process, but we're writing you back because our belief is that you could be successful in the transaction.

*Id.* at p. 8-9.

## **American Water Works Company**

Stephanie Burch: We'd really like to target a transaction announcement with signed documents by the end of January. We know it's fast and aggressive, but we appreciate you working with us on that timeline. And then that also means that confirmatory due diligence will take place during the month of January.

*Id.* at pp. 8-9.

Todd Giardinelli (Morgan Stanley): The negotiating team has asked me to convey a couple of things. Number one, it's a competitive process, but we do believe that you, partnered with a strong electric bid, will make you competitive in this process and have the potential to be successful. If you decide to proceed, we will tell you that you and your partner would need to find more value than you have on the table currently right now, but we're willing to work with you over the next six to eight weeks to find incremental value, you and a partner. And, again, we believe that you have the potential to be successful.

I think finally and importantly, we're not partnering parties yet. We do expect to come back to you shortly with partnering, either opportunity or opportunities, and so we'd ask that you conduct your work over the next couple of weeks, obviously focus on the water and wastewater side and wait for us to come back in terms of how and when to partner.

*Id.* at pp. 9-10.

**American Public Infrastructure, LLC**

No transcript for any call made to IFM Investors PTY LTD on December 4, 2019

## **Duke Energy**

Stephanie Burch: We'd really like to target a transaction announcement with signed documents at the end of January. So we know that's fast and aggressive, but we appreciate you working with us on that timeline. So that means that confirmatory due diligence will take place during the month of January.

*Id.* at p. 8.

Todd Giardinelli (Morgan Stanley): [Redacted].

**Emera, Inc.**

Stephanie Burch: We'd really like to target a transaction announcement with signed documents by the end of January. We know it's fast and aggressive, but we appreciate you working with us on that timeline, and so that means that confirmatory due diligence will take place during the month of January.

*Id.* at p. 9.

Todd Giardinelli (Morgan Stanley): The negotiating team has asked me to give you some context and provide a little bit of color. Number one, it is a competitive process. That being said, we think with you partnered with somebody on the water side, you can put together a very competitive bid and be successful in the transaction. You and the partner in the transaction would need to increase your value, but we think that you are at the level where, with an increase in value, you could be successful, and we're willing to work with you all throughout the next six to eight weeks in order to help you guys get there.

*Id.* at p. 10.

Steinfeld: Okay. And then in terms of the increase in value, can you give us any guidance in terms of what amount that would need to be?

Burch: No.

*Id.* at p. 12.

**IFM Investors PTY LTD**

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## **JEA Public Power Partners**

Burch: We are targeting receipt of marked-up agreements the first week in January. When I say the first week in January, I'm talking about the first full week of January which starts with January 6th. And then a submission of updated revised replies the second full week of January. We'd really like to target a transaction announcement with signed documents at the end of January. We know it's fast, but we appreciate you working with us on that aggressive schedule. And so confirmatory due diligence will take place during January.

*Id.* at p. 11.

Todd Giardinelli (Morgan Stanley): As Stephanie suggested, we appreciate your response. The negotiating team has asked me to convey a couple of things to you all. Number one, we want to articulate that this is a very competitive process. Number two, we did find your proposal structure to be interesting, but we want to let you know that from a value perspective, your bid from both the upfront proceeds as well as the ongoing proceeds to the City when we take them in totality is substantially below the top bid, and if you move forward you need to keep that in mind in order to be successful in the transaction. We believe that your bid would need to move up quite substantially in order to be successful.

*Id.* at pp. 11-12.

Yukinis: Yes. Todd, are you able to provide more information on that competitiveness and that gap between us and top bids?

Giardinelli: No. We're not able to provide any more guidance other than that.

*Id.* at p. 12.

**MIRA, Inc.**

Burch: We'd really like to target a transaction announcement with signed documents at the end of January, and so we know that's fast and aggressive, but we appreciate you working with us on that timeline. So that means that confirmatory due diligence will take place during January.

*Id.* at pp. 8-9.

Todd Giardinelli (Morgan Stanley): The negotiating team has asked me to convey a couple of points to you all. Number one, this is a competitive process, but our view is that your bid has the potential to be successful. Number two, while there's a delta in value between your bid and say the top end of it, we actually think that you could be successful, and we're willing to work with you over the next six to eight weeks in order to help you be successful.

*Id.* at p. 9.

Rubin (MIRA, Inc.): Thank you. First of all, thank you for the invitation to continue in the process. We certainly appreciate it. On the timing, you articulated a timetable which is quite a bit more rapid than we expected. Could you go into your reasons for setting a timetable that looks like that?

Burch: Yeah. We just -- we just feel like it's important to really try to meet that date at the end of January in order to get all this wrapped up.

Rubin: Okay. Would you mind describing the timetable that you have in mind beyond that?

Burch: No. I mean, beyond that we expect to have documents signed upon board approval, which would happen at the end of January. So those signed documents would coincide with an announcement at that time. And then as you're well aware, after that there's a process that we have to go through with City Council and then a referendum for the voters that would take place later next year. So it's about getting the transaction wrapped up so that those other items can take place after.

Rubin: Okay. Do you have dates on your calendar for the City Council approval and the referendum?

Burch: We do not.

*Id.* at pp. 10-11.