

# Structured and Project Finance

VOLUME 8, NUMBER 1

SPRING 2002

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This spring issue begins with an assessment by Ron Moreland and Bruce Wineman of how September 11 has affected the insurance market for project finance transactions. Jim Guidera and Daniel Gal continue with an analysis of the risk of overbuilding in three U.S. electricity markets along with a discussion of how electricity price volatility and hedging affect spark spreads. Hal Davis follows with the results of a survey of nine of our editorial board members, editors, and contributors on the impact of Enron on project finance. Next, Piyush Joshi uses the troubled Dabhol power project in India as a case study to explain the issues that arise in the course of restructuring a project finance transaction. R. Srinivasan presents a financial model for estimating the net present value of an independent power project based on specific power purchase agreement contractual conditions, also using the Indian market for illustration. Lin Qiao, Shou Qing Wang, Robert L.K. Tiong, and Tsang-Sing Chan provide an analysis of the critical success factors for tendering build-operate-transfer (BOT) projects in the People's Republic of China. Finally, David Eaton and Charmaine O'Connor analyze the Private Finance Initiative (PFI) procurement system, under the principles of design, build, finance, and operate, as a method for transferring risks in the development of major highway works.

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