

(17)

Amended 04/07/89

[REDACTED]

Non-reportable,
because this is
formation of a partner-

This information is subject to
the confidentiality provisions of
Section 7(d) of the Clayton Act
which restricts release under the
Freedom of Information Act.

REC'D
MAR 29 11 19 AM '89
PRE-MERGER
NOTIFICATION
OFFICE

Pre-Merger Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
6th and Pennsylvania Avenue, N.W.
Washington, DC 20580
ATTN: Jeffrey Kaplan, Esq.

Dear Jeffrey:

Pursuant to §803.30 of the Federal Regulations, I am writing to request an opinion as to whether the following transaction is subject to the Pre-Merger Notification Rule of the Hart-Scott-Rodino Act.

[REDACTED] a wholly-owned subsidiary of [REDACTED] a corporation with assets in excess of \$100,000,000, is negotiating a joint venture agreement with [REDACTED] a subchapter S corporation whose sole assets are the license issued by the Federal Energy Regulatory Commission, the work in process and the

suppliers. The project is 50% completed. The estimated cost of the project is \$40 million. According to the agreement being negotiated, [REDACTED] would initially contribute up to \$5 million to [REDACTED] would own the project and its development rights. [REDACTED] would also be responsible for cost overruns on the project, which could

cause its ultimate investment to increase to \$10 million and its

The fact that the project is in the process of being built makes it difficult to value; however, if we were forced to value

assets of the new joint venture entity.

In reading §801.40 regarding formulation of joint ventures it

As we are very close to finalizing the deal, we would greatly appreciate hearing from you at your earliest opportunity.

Thank you.

Sincerely,

[Redacted signature block]

[Redacted block]