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SEVERAL FIRMS HELP CHILE'S GNL QUINTERO GET NEW OWNERS

Several firms help Chile's GNL Quintero get new owners

Fredrik Karlsson

Two White & Case LLP offices, Linklaters in New York and Brussels and Chilean firms Guerrero Olivos and Barros & Errázuriz Abogados have advised on EIG and Fluxys' joint acquisition of GNL Quintero – the largest liquefied natural gas (LNG) regasification terminal in Chile.

White & Case helped US infrastructure investor EIG, while Linklaters and Barros & Errázuriz advised Belgian energy infrastructure business Fluxys. Guerrero Olivos represented both buyers.

The sellers, Canadian pension fund OMERS and Spain's Enagás, agreed to divest their joint 80% stake in GNL Quintero.

OMERS turned to Milbank in New York and Carey in Santiago, while Enagás enlisted Baker McKenzie LLP in Madrid, Dallas, Chicago and Santiago. OMERS also hired Fischer & Cía in Santiago for tax advice.

The deal was signed on 28 March and is expected to close later this year.

Enagás agreed to sell its entire 45.4% stake in GNL Quintero for US$661 million. The value of OMERS' divestment – the remaining 34.6% interest – was not disclosed. OMERS bought its share back in 2017.

Chilean state-owned oil company ENAP owns the remaining 20% of GNL Quintero.

To fund the purchase, the buyers are obtaining an acquisition financing from BNP Paribas, which called on Claro & Cía in Santiago.

Since 2009, GNL Quintero operates the country's largest LNG terminal in the city of Quintero, north of Valparaíso. The facility holds 75% of Chile's regasification capacity and nearly 70% of the country's LNG

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imports entered through the Quintero terminal in 2021.

The investment builds on EIG's existing presence in Chile. It already owns solar plants in the country and has a partnership with local power producer AME, which is one of the country's largest. A subsidiary of AME – Generadora Metropolitana – is building Chile's largest solar complex.

Fluxys operates three LNG terminals in Europe and the acquisition of GNL Quintero gives it a foot in Chile. The Belgian company is active in other Latin American countries. Last year, Fluxys increased its stake in Bolivia-Brazil natural gas pipeline GASBOL.

The investment comes at a time when European countries are looking to increase their gas imports from markets other than Russia, due to that country's invasion of Ukraine in February.

There are other reasons why GNL Quintero is an interesting investment target. Chile has plans to become one of the world's largest green hydrogen producers. The Andean country already has widespread, world-class renewable power generation – mainly solar and wind – putting it in a strong position to produce cheap green hydrogen to export on the global market. Last year, GNL Quintero joined forces with Enagás and Spain's Acciona Energía to develop a green hydrogen project at its terminal.

Counsel to EIG

White & Case LLP

Partners Bill Parish, Rodrigo Dominguez and Emilio Grandío, and associates Hannah Craft, Chris Hebert and Luis Leos in Houston, and partners Armando Rivera and Elena Millerman, and counsel Rhys Bortignon in New York

Counsel to Fluxys

Linklaters

Partner Andrew Compton and associates Pierre Perais and Will Kim in New York, and partner Arnaud Coibion in Brussels

Barros & Errázuriz Abogados

Partners Vicente Cordero and Javier Díaz, and associate Catalina Barros in Santiago

Counsel to EIG and Fluxys

Guerrero Olivos

Partners Sebastián Abogabir, Pedro Pellegrini and César Gálvez, and associates Benjamín Novoa, Juan José García, Andrea Olea and Francisca Pellegrini in Santiago

Counsel to OMERS

Milbank

Partners Dean Sattler and Michael Bellucci, and associate Ross Shepard, Christina Sonageri and Adeola Adeyosoye in New York

Carey

Partners Salvador Valdés, Patricia Silberman and José Pardo, and associates Julio Recordon and Matías Garcés in Santiago

Fischer & Cía

Partners Alex Fischer and Isabel Espinoza, and associate Javiera Muñoz in Santiago

Counsel to Enagás

Baker McKenzie LLP

Partners Antonio Morales and Juanjo Corral in Madrid; partner Jonathan Farrokhnia in Dallas; and associate Carlos Suárez in Chicago

Baker McKenzie (Chile)

Partner Antonio Ortúzar and associates Andrés Lecaros and Juan Ignacio Donoso in Santiago

Counsel to BNP Paribas

Claro & Cía

Partner Rodrigo Ochagavía and associate Vicente Allende in Santiago