

Energy Group of the Year: Covington & Burling

By **Daniel Wilson**

Law360, Washington (January 03, 2014, 8:56 PM ET) -- Helping the American Petroleum Institute win favorable outcomes in several high-profile court cases and playing a role in a number of significant industry deals, Covington & Burling LLP's recent work in the energy industry has earned it a spot among Law360's Energy Practice Groups of the Year.

Covington has a long history of representing clients within the industry, from renewable energy and biofuel firms to traditional energy giants like BP PLC, which it represented in the sprawling multidistrict litigation related to the Deepwater Horizon blowout. It also assists companies in related industries and several leading trade associations, as well as advising venture capital, private equity and other firms on energy investments.

The firm's energy practice came together in its current form in 2008, when several of the firm's leaders decided movements within the industry warranted the formation of a clean energy and climate practice group, Andrew Jack, co-chair of the group, told Law360.

"[We agreed] the time was right to collect the firm's expertise around clean energy," he said.

The firm also formed a traditional energy practice group and now has about 100 attorneys spread among its offices who devote "significant" amounts of their practice to energy matters, according to Jack. Strong links and constant communication between the two energy practice groups ensures clients can take advantage of the firm's expertise for any energy-related matter, Jack claims.

"To the outside world, it's really one energy group," he said. He added: "Covington doesn't operate on origination credit, but on total contribution to the firm. We help one another — the practice groups operate [together] seamlessly."

This fits with the firm's broader efforts to provide a seamless experience to clients while drawing on the full breadth and depth of its expertise. Combined with its lineup of former senior government officials with significant energy and regulatory experience, this helps attract energy industry clients to the firm, according to Jack.

Steven Rosenbaum, a Covington litigation partner with energy-related experience, pointed to the importance of regulatory expertise, given the federal regulatory issues involved with offshore oil and gas exploration — one of his areas of speciality — and other aspects of the industry.

“[Covington] is a Washington, D.C., firm, founded to represent clients on issues related to the federal government, so it’s a natural fit,” he said.

Rosenbaum was a key player in two May litigation victories for the American Petroleum Institute, representing the API as intervenor to help win dismissal of a challenge to the U.S. Environmental Protection Agency’s rules on the use of oil spill dispersants as well as dismissal of several claims in a case challenging the federal approval of oil and gas seismic surveying in Alaska’s Cook Inlet.

“Having to stop surveying in the Cook Inlet case would have stopped [the project] in its tracks — it would have been very impactful — [while] the dispersant case was also important, and we were happy the court agreed with our position,” he said.

Covington also helped the API to win favorable rulings in its challenges to a North Carolina ethanol-gasoline fuel blending law and the EPA’s federal renewable fuels standard.

But its energy-related work doesn’t stop at litigation. Canadian energy company Nexen Inc. leveraged the firm's expertise to help win approval from the Committee on Foreign Investment in the United States to divest its U.S.-based assets as part of its \$15.1 billion acquisition by Chinese oil company CNOOC Ltd.

The firm’s corporate attorneys also helped to facilitate a number of significant energy industry deals, including as counsel to UBS Securities LLC, which acted as financial adviser on two major deals: Regency Energy Partners LP’s \$5.6 billion acquisition of rival PVR Partners LP and Williams Cos. Inc.’s \$2.4 billion deal for stakes in Access Midstream Partner LP and related limited partnership units.

It further assisted Yemen-based exploration company Ansan Wikfs Investments Ltd. with the successful acquisition in August of three oil and gas blocks in Somaliland, an unrecognized breakaway republic of Somalia. Covington helped the company to navigate a range of issues such as the constitutional rights of the regional government, security and stability, and trade controls.

Over time, the firm has adapted as the industry and the needs of clients have changed, including its recent launch of an energy industry blog, and continues to expand its energy practice into new areas, Jack noted, including assisting Drayson Racing Technologies LLP, which develops technology for the novel Formula E electric racing format, due to begin this year.

“The role NASCAR and Formula 1 have played ... as a sponsored [research and development] shop — [that’s the role] Formula E can play for electric vehicles,” he said.

--Editing by Kat Laskowski.