

Rising Star: Latham's Kelly Cataldo

By Rachel Rippetoe

Law360 (June 29, 2022, 2:02 PM EDT) -- Latham & Watkins partner Kelly Cataldo represented lenders in one of the largest debt financings of a U.S. renewable energy project to date last year, and she worked on financing the largest solar and co-located battery storage project in the U.S., earning her a place among the project finance attorneys under age 40 honored as Law360 Rising Stars.

THE BIGGEST DEAL OF HER CAREER:

Cataldo said that in terms of significance to offshore wind in the U.S., her representation of lenders in the financing for the Vineyard Wind project is perhaps one of the most important deals she's ever worked on.

The financing was \$2.3 billion, one of the largest for renewable assets in general. But it was also the first of its kind for offshore wind projects in the U.S.

"In addition to being such financing of scale, it also really challenged us because there was a lot of complex and intricate structuring risk allocation, new and improved sort of litigation and permitting issues," Cataldo said. "Having the opportunity to work through a bespoke structure that was acceptable to our clients as lenders, but also the sponsor, was really important for us to facilitate getting to resolution on those issues. And then also critical for us to be able to sort of familiarize the lenders with how the financing worked, how the asset worked, just making sure we had buy-in from our clients on the novel structure."

While it was exciting to be working on something that is relatively new, there are also challenges that come with the unknown, Cataldo said.

"It tends to be the case that once folks have worked with a certain asset for a while or a certain financing structure for a while, they become increasingly comfortable with risk allocation and are just not worried as much about just foundational issues, because you get a sense of what the market is," she said. "But in this deal, the asset itself is novel, the commercial contracts, the way that project actually gets constructed and

2022

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**RISING
STAR**



Kelly Cataldo
Latham

Age: 37

Home base: New York

Position: Partner

Law school: Columbia
Law School

First job after law school:
Associate at Chadbourne &
Parke LLP

operated and generates revenue."

Cataldo said the financing structure itself was unique because it involved two different sponsors in the deal, for which the firm needed to accommodate joint venture arrangements and separate credit agreements.

"So there was just at every twist and turn all sorts of new issues and challenges, which I loved," she said. "It just kept me on my toes and required me to really think through and analyze issues in a way that just doing a similar deal over and over again doesn't."

"So as much as it was challenging to work on this transaction, it was also absolutely fascinating," Cataldo added. "I'm really looking forward to the next one. We're hoping it will open the gate to the incipient offshore wind industry in the United States."

WHAT SHE'S BEEN WORKING ON LATELY:

Cataldo's project finance practice had been primarily focused on renewable energy and storage assets, but she says she is also working on several energy transition transactions. In particular, she is working on a carbon capture and sequestration project, which has not yet closed. But when it does close, she anticipates it will be the first of its kind to be financed with both a tax equity partnership and a debt financing arrangement.

"Being at Latham, being in the space where I'm getting to work on these types of novel transactions, leveraging off of my experience with more conventional energy assets, it's just giving me a solid foundation to understand these new types of assets and structures," Cataldo said.

She said she anticipates that the firm will see even more of these arrangements soon.

"I think we're going to increasingly see these emerging as important assets in this space, especially as our government continues to focus on ways that we can reduce carbon emissions," Cataldo said. "It's been an absolute pleasure to be able to work through some of these new issues, and I just hope my practice continues to expand in the energy transition market."

WHY SHE LOVES WORKING WITH RENEWABLE ENERGY:

Even before she knew she wanted to be a project finance attorney, Cataldo knew she was interested in the environment. One of her majors in college was environmental studies. She did a summer internship at the U.S. Environmental Protection Agency's regional office in Philadelphia. And then in law school, she participated in an environmental clinic for the environmental law journal.

Columbia Law School was where Cataldo became fascinated with renewable alternatives and energy transition, she said.

"So it's really been something I've had an academic focus on for as long as I can remember," she said. "And it's just amazing to be able to actually translate that into my career."

Cataldo said that at the end of the day, she feels good knowing she is helping to reduce emissions across the globe and also give the U.S. a reliable source of energy as world politics remain volatile.

"We have come into conflict with other nations right now," she said. "So having domestically produced energy that's secure and safe for the consumers, and also for the environment, all of those factors just

make me feel really proud of the work I put in to get these deals done."

HOW SHE EXPECTS HER PRACTICE TO CHANGE OVER THE NEXT DECADE:

Cataldo said that in some ways she hopes her practice won't change at all, as she is already doing "top of the market deals" and her clients view her as a trusted advisor. But she said she's open to seeing how the renewables market evolves. All of it stokes new and exciting opportunities for both Cataldo and her clients, she says.

As the pandemic has accelerated advancements in technology, she said this will result in positive strides for the legal industry as a whole.

"We're hoping that we can continue to have a good marriage with technology and find increasing efficiencies and increasing abilities to serve an even broader client base, because the more that we can use technology and use productivity tools and other similar innovations, we're able to use human resources in a more expanded way," Cataldo said. "So I'm just looking forward to seeing how we can leverage the already extraordinary progress that folks have made in terms of tools that help us be more productive. That, I think, is an exciting trend that we're all eager to follow."

— *As told to Rachel Rippetoe*

Law360's Rising Stars are attorneys under 40 whose legal accomplishments belie their age. A team of Law360 editors selected the 2022 Rising Stars winners after reviewing more than 1,350 submissions. Attorneys had to be under 40 as of April 30, 2022, to be eligible for this year's award. This interview has been edited and condensed.