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2020 DEALMAKERS OF THE YEAR



Jason Kyrwood and
Brian Resnick
Davis Polk & Wardwell

The exit financing deal that Davis Polk & Wardwell partners Jason Kyrwood and Brian Resnick put together for Pacific Gas and Electric Co., one of the largest utilities operating in California, was unusual for a number of reasons.

In typical situations, exit financing is provided to companies when they emerge from bankruptcy, and is usually decided on within a month or two of the exit, Kyrwood says. But PG&E won't exit bankruptcy until July, and its financing was put together last October.

"The work all happened in a matter of seven to 10 days," Kyrwood says. "It was an awful lot to pull together and unpack in an extremely short amount of time."

That's because PG&E was staring down \$25 billion in claims for its alleged role in the 2017 and 2018 wildfires that led it to declare bankruptcy. They also had to fend off creditors that wanted to implement their own reorganization plan. Kyrwood and Resnick were called into action in late September, representing several financial institutions that put together a \$34 billion exit financing package for PG&E.

PG&E's bankruptcy has also seen California lawmakers and public interest groups weigh in, which doesn't happen all the time in Kyrwood and Resnick's line of work. That has made for "a unique combination of factors" in putting the exit financing together, Kyrwood says.

To pull off the deal, Kyrwood and Resnick activated a large group of financing and securities experts at Davis Polk. "They admitted it felt impossible at the time they were switched on," Kyrwood says. "That's the thing I'm proudest of—that we were able to put together this massive team who, without a question, immediately started working around the clock on this matter."

—David Thomas