

Infigen And Gamesa End Years-Long Legal Battle Over Wind Turbines

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Australia-based [Infigen Energy](#), which has interests in 18 U.S. wind farms, and [Gamesa Wind US LLC](#) announced that they have settled all outstanding legal proceedings related to Gamesa-manufactured turbines purchased by Infigen.

The long-lasting legal disputes related to five U.S. wind farms in which Infigen holds interest, particularly California's Kumeyaay Wind Farm. Following a December 2009 storm, Infigen claimed Gamesa was liable to pay over \$30 million for site repairs and replacement of all 75 wind turbines at Kumeyaay. Gamesa, meanwhile, maintained that Kumeyaay Wind LLC should bear the costs.

Four other U.S. wind farm project companies in which Infigen holds interest had also filed various claims against Gamesa related to its turbine products.

Under the new agreements, the five wind farm companies have each executed 15-year warranty and maintenance agreements (WMAs) with Gamesa for a fixed annual fee. Gamesa will provide warranties, turbine maintenance services and replacement components for the turbines until June 14, 2028.

Key features of the WMAs include the following:

- Gamesa will be responsible for all turbine maintenance costs including labor, and cost of all wind turbine component replacements, including blades (subject to agreed liability caps) for an annual fixed fee;
- Gamesa will provide turbine availability warranties; and
- Gamesa will be entitled to certain performance payments if turbine availability exceeds prescribed levels.

As a result of these arrangements, Infigen Asset Management will cease to provide turbine maintenance services to these five U.S. project companies, but will continue to operate the wind farms and provide balance-of-plant service and maintenance. More than 60% of Infigen's U.S. installed capacity (on an equity-interest basis) will now be covered by post-warranty agreements.

"These agreements enable Infigen to manage the level and variability of our wind farm costs and focus on safely and efficiently operating these assets," says Craig Carson, Infigen U.S. CEO.

Borja Negro, Gamesa's CEO for North America, says, "This agreement came about by working closely with Infigen, finding common ground, and addressing their long-term service needs. The overall impact will be to increase turbine optimization, reduce risk, generate cost savings and enhance profitability for Infigen."

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