

Case Study 13

Mobile Energy Services Company

Case Study Assignments

1. What are the most important risks facing the MESC bondholders?
2. Analyze the contractual structure? Will it last for 25 years? What could go wrong?
3. How might you change the deal to mitigate the project's contract risk and make the MESC bonds more attractive to investors? Which of your proposed changes are most feasible?
4. Would you buy the MESC mortgage bonds? Why?