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AES Lands Calif. Wind

AES has won the auction for **Bicent Power's Mountain View Power Partners** affiliate, owner of a 67 MW wind farm near Palm Springs, Calif.

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WIND CO. LOOKS TO SELL STAKE IN AMERICAS SUB

U.K.-based **Renewable Energy Systems** is looking to sell a roughly 30% stake in its North American construction, development and operations business and has retained **Credit Suisse** to advise it. Teasers will go out this month with the aim of lining up the minority investment in the first half of this year.

The company wants to inject up to \$400 million into **RES Americas** to help accelerate growth over the near term as it looks to take larger stakes in certain wind farms, while continuing to develop, construct and sell other farms to third parties (PFR, 7/13). RES will target financial players such as private equity and infrastructure funds, rather than strategics. It will not consider an outright sale, but will reportedly weigh a potential exit strategy for its investor within three to five years. Calls seeking comment from **Craig Mataczynski**, president of RES Americas in Austin, Texas, and Credit Suisse were not returned.

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CMS NIXES GENERATION AUCTION

CMS Enterprises, the unregulated subsidiary of **CMS Energy**, has terminated the sale of its 900 MW gas-fired generating portfolio after restructuring the offtake contract on the bundle's principal asset. Preliminary bids were taken Nov. 6 and bidders were notified of the company's about-face late last month, according to one deal watcher. Calls to CMS spokespeople and auctioneer **JPMorgan** were not returned by press time.

How the new contract with steelmaker **Severstal North America** and automaker **Ford Motor Co.**, offtakers of the 710 MW Dearborn Industrial Generation facility in Dearborn, Mich., differs from the old one could not be determined. The rates had been "substantially favorable to the customers," according to marketing materials obtained by *PFR*, but CMS recently secured a shorter tenor and more attractive pricing for an upfront penalty, alleviating that burden. Excess output from Dearborn is sold into the Midwest Independent System

(continued on page 8)

EX-CALPINE TROIKA TO SEEK EQUITY, DEBT



Greg Lamberg

Radback Energy, a renewable developer founded in September by three former **Calpine** executives, is preparing to seek equity and debt financing for generation deals across the Western U.S. and recently joined forces with an unidentified *Fortune* 50 company to strengthen its position.

Greg Lamberg, senior v.p. of development in Danville, Calif., declined to talk specifics about how much it hopes to raise but says it has 500 MW to 1 GW of solar, wind and gas projects under development. "You kind of build a stool with three legs and that is our platform right now," he says, noting that as more renewable projects come online, the gas-fired plants will serve more in peaking capacities than baseload. Separately, Radback is evaluating 1 GW of development contracts with third-party owners. Last September, **Pacific Gas & Electric** awarded the

(continued on page 8)

Check www.iipower.com during the week for breaking news and updates.



At Press Time AES Pockets Calif. Wind Farm

AES inked a purchase and sale agreement last Wednesday with **Bicent Power**, an unregulated generation company owned by Paul Prager's **Beowolf Energy and Natural Gas**

Partners, to buy its 67 MW Mountain View wind project near Palm Springs, Calif.

The sale price and terms of the deal could not be learned. **Douglas Halliday**, coo at Bicent and Beowolf, declined to comment and calls to AES and auctioneer **Goldman Sachs** were not returned.

AES Wind Generation manages and operates the farm alongside **Mitsubishi Power Systems America**. It came online in 2001 and sits on 1,000 acres in San Gorgonio Pass (PFR, 9/14). Bicent acquired the farm last year when it bought **Centennial Power** from **MDU Resources** (PFR, 5/4). It decided to sell because it did not fit the profile of the remaining gas- and coal-fired plants in its portfolio. Mountain View is fully contracted to the **California Department of Water Resources** through Sept. 2011.



Mountain View wind farm

Fortistar To Increase Line, Add Banks

Landfill gas-to-energy player Fortistar is looking to increase its existing \$100 million credit facility by around \$50 million and bring in new banks to help finance impending acquisitions and developments. **HSH Nordbank** is lead agent on the debt, including a \$20 million accordion feature, and is supported by co-lead **Scotia Capital**. "Over 2007, we've used up all of the line and are now talking to HSH about expanding that line quite a bit," says **Mark Comora**, president in White Plains, N.Y. "We think we could use \$150 million plus and we'll probably bring in additional banks—we like to spread out our business."

Fortistar completed its \$11.3 million acquisition of six landfill gas-to-energy plants projects across California and New Hampshire from **Algonquin Power Income Fund** (PFR, 10/26) on Dec. 21 and plans to announce a fresh purchase as early as today. These, together with its acquisition of **Gas Recovery Systems**, exhausted the original credit inked last year, which itself took out previous funding from **Trust Company of the West**. The add-on will need to be in place in the next 90 days, says Comora, noting, "We've got a bunch of deals lined up. What we're trying to do is create a vehicle so we can add to our line relatively easily."

Comora declined to say which banks will be approached, but said they would be relationship banks that both Fortistar and HSH could rely upon to provide the company with capital injections as it grows. Through **Fortistar Methane Group**, Fortistar owns 50 landfill gas-to-energy projects, 100% of **Minnesota Methane** and 50% of **United Gasco**, which managed Minnesota Methane's interests in 14 landfill-gas-to-energy projects.

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**Institutional
Investor NEWS**
INTELLIGENCE FIRST

Constellation Unit Named Calpine Bama Plant Stalker

Calpine's restructuring advisor **Miller Buckfire** has named **CER Generation**, a subsidiary of **Constellation Energy**, as the stalking horse for the 774 MW Hillabee Energy Center in Alexander City, Ala. The price is \$122.5 million.

Overbids are due by Jan. 31 in advance of the Feb. 5 auction at the offices of **Kirkland & Ellis** in New York. CER was signed Dec. 21 and bidding procedures will be set Jan. 15. A stalking horse is identified to establish a valuation floor, in accordance with section 363 of the U.S. Bankruptcy Code. **Mel Scott**, a Calpine spokesman, confirmed the stalking horse.

The asset—located 75 miles southeast of Birmingham—was put on the block last summer (PFR, 6/15) by the San Jose, Calif. IPP, which has spent \$365 million since construction began in Sept. 2001. The plant is 80% complete and will cost roughly \$89.8 million to finish. It is in the Southeastern Electric Reliability Council and is being sold debt-free with transmission rights into nearby Georgia (PFR, 11/2). Calls to Constellation were not returned and an official at Miller Buckfire declined to comment.

Texas Wind Syndication Wraps

WestLB's syndication of a \$316.3 million financing package for construction of **Renewable Energy Systems Americas'** 165.6 MW Hackberry wind farm in Shackelford County, Texas, closed Dec. 31 with four institutional investors and four banks joining the deal, according to officials. Specific lenders and amounts could not be learned, but tickets sizes vary.

The financing comprises a one-year, \$134.5 million construction loan, a seven-year \$14 million letter of credit, both priced at 112.5 over LIBOR, and \$167.8 million in institutional notes. The institutional notes are split into an \$85 million fixed-rate tranche and a \$82.8 million floating-rate tranche. The fixed-rate tranche was priced by the market at 250 basis points over Treasuries, or 6.6 %, in a Dutch-style auction. The floating-rate tranche was priced in the ballpark of 175 basis points over LIBOR, and swapped into a fixed rate. The letter of credit has an evergreen feature that allows the sponsor to request an extension of an additional year with WestLB's approval.

Syndication launched Nov. 27 at a well-attended New York Palace Hotel bank meeting (PFR, 12/31).

The private placement was opted for by RES, according to an industry watcher, who explains market circumstances led to this decision. Floating rates are relatively expensive when compared to Treasuries, he says, and adds that life insurance companies who typically favor this paper have a strong appetite

for wind. These factors made a private placement too attractive to pass up. Construction is under way on the farm, which should come online by Dec. 15, 2007.

Mizuho Pitches Green Country Loan

Mizuho Corporate Bank is syndicating a portion of the \$110 million loan it arranged and funded to **J-Power USA Development Co.** in September, enabling it to close its acquisition of 795 MW Green Country in Jenks, Okla., from **GE Energy Financial Services** and **Tyr Energy** (PFR, 9/28, 7/27).

About 10 banks—eight Japanese and two European—were invited into the deal a few weeks ago, with a view to seven or eight being awarded a slot. Ticket levels are \$25 million, \$20 million, \$15 million and \$10 million, says **Tatsuro Yoshimura**, v.p. in syndications at Mizuho in New York, declining to reveal the fees.

The identity of all the banks invited could not be learned, but **John Salyer**, ceo of J-Power USA in Schaumburg, Ill., says one is **Allied Irish Bank**, which committed Dec. 19, and another is **Sumitomo Mitsui Banking Corp.** The deadline for commitments is early this month.

Leads Close Nevada Solar One Syndication

Syndication of financing tied to **Acciona Solar Power's** 64 MW Nevada Solar One project has closed with five banks joining the three mandated lead arrangers. MLAs **Banco Santander**, **BBVA** and **La Caixa** brought **Banesto**, **BayernLB**, **Dexia Crédit Local**, **HSH Nordbank**, and **KfW Bank** into the deal, but their ticket sizes could not be learned.

The MLAs sought to sell down 60-80% of the \$140 million financing (PFR, 11/9), consisting of a \$133 million term loan and \$7 million letter of credit. Ticket sizes were initially offered at \$20 million but had to be downsized due to oversubscription. Pricing begins at 80 basis points over LIBOR and steps up to 140 over the package's 18-year tenor. **BNP Paribas** affiliate **Capstar Partners** is advising on tax equity coming in undisclosed amounts from **JPMorgan Capital**, **Northern Trust**, and **Wells Fargo & Co.**

The \$266 million project came online last spring and is the largest solar thermal plant built worldwide in 16 years. It covers 400 acres near Boulder City, Nev. and uses 182,000 mirrors to concentrate the sun's rays to heat special fluid in tubes that then creates steam that drives energy-generating turbines. The project has a 20-year PPA with **Sierra Pacific Resources** subsidiaries **Nevada Power** and **Sierra Pacific Power**. Officials at the sponsor and banks either declined to comment or did not return calls.

Invenergy Looks To Upsize Wind Loan

Invenergy is looking to expand its 99 MW Forward Energy wind farm in Dodge and Fond du Lac Counties, Wis., and the associated financing, to take advantage of the existing facility it has in place ahead of the potential sunset of production tax credits at the end of this year, according to an industry official. "If you look at the PTC risks, and you have a farm that already has plenty of buffer, why do another deal—why not just grow this one?" explains the official.

Dexia Crédit Local and **NordLB** planned to launch syndication of the \$197.3 million financing for Forward around the end of last month (PFR, 10/26) but have pushed back the launch of an upsized credit facility to later in January or early February. The size of the expansion and the added debt could not be learned, but the original loan was funded Oct. 19 and any increment would likely be funded before or in tandem with syndication of that debt. The financing will also include tax-equity investment. Power from the project will be sold under long-term contracts to **Wisconsin Public Service Corp.**, **Wisconsin Power & Light**, **Madison Gas and Electric** and **Wisconsin Public Power**.

Utility, Energy Loans Grow

Loan volume in the U.S. utility and energy sector grew by 29% in the calendar year through Dec. 7 over the same timeframe the year before, according to data compiler **Dealogic**.

The \$168.8 billion via 165 deals accounted for 8% of total U.S. loan volume and dwarfed the \$131.1 billion in 194 deals in the same timeframe in 2006, particularly due to leveraged loans. "That was pretty considerable," says **Anthony Castillo** of Dealogic, noting that this classification includes investment grade, leveraged and highly leveraged loans.

Leveraged loans accounted for 54% of all sector deals in 2007, totaling \$90.3 billion, an 88% increase over the \$48 billion raised in the same period in 2006. This includes **Kohlberg Kravis Roberts**, **TPG** and **Goldman Sachs Capital Partners'** \$24.5 billion loan supporting the buyout of **TXU Corp.** and **Texas Competitive Electric Holdings**, which was the largest U.S. utility and energy sector deal on record (PFR, 9/7). "The abundance of liquidity earlier in the year led to higher prices on asset sales because the buyers knew they could rely on the markets to provide higher leverage," explains **Manish Taneja**, global head of loan syndications and debt capital markets at **WestLB** in New York.

But officials surmise there will not be any deals of that magnitude in 2008 due to the drying up of the term loan B market in the second half of 2007. "Spreads are so wide," says

another industry official, "I just don't see the term loan B market [coming back] for a while." Commercial banks will come back into the space, leading to more covenants on loans, adds Taneja, noting, "People are going to dot their I's and cross their T's, as they should."

Wind Developer Adds Harvard Prof

Late-stage wind developer **Alternity Wind Power** has named **Benson Shapiro**, professor emeritus of the **Harvard Business School**, as the first outside director on its board, as it spins off from its parent company to private equity investors (PFR, 9/21). **Jack Gelman**, ceo in New York, says the position—the first of two such roles—was created for someone with a financial background. Shapiro focused on pricing, product line planning and marketing organization at Harvard.

Alternity Wind was formed by the construction and engineering services firm **Conti Group**, which originally held an 80% stake in it with management and high net worth individuals holding the balance (PFR, 9/21). It has a strategy of partnering with developers of projects 50 MW or larger to help with permitting, PPA negotiations, financing and construction. "In all of those stages there is a need for someone who comes with great marketing experience," says Gelman. The company is looking to purchase development rights to an undisclosed 80 MW wind farm near Yellowstone National Park in Montana and has a pipeline of 2,180 MW across central U.S. states by 2012 (PFR, 9/21).

AES Mexico Plant Commitments Roll In

Four banks have taken commitments and two more are expected to join the **Calyon**-led retail syndication of a \$227 million facility refinancing debt tied to AES' 230 MW petcoke-fired **Termoeléctrica de Peñoles** in Tamuin, Mexico.

Retail syndication quietly launched in mid-November after **Caja Madrid** and **GE Capital Markets** each took tickets of \$60 million when they joined the lead as sub-underwriters (PFR, 11/30). Banks have targeted a combination of local, European and Japanese banks, but specifics could not be immediately learned, and parties involved either declined to comment or did not return calls.

AES bought the circulating fluidized bed combustion facility and its neighboring 230 MW **Termoeléctrica del Golfo** in February for \$610 million from affiliates of **Exelon** and **Alstom**. The plant supplies power to mining company **Industrius Peñoles** under a 20-year offtake agreement. **BNP Paribas** led a \$250 million, 15-year refinancing this summer of **Termoeléctrica del Golfo**, in which pricing started at 112.5 basis points over LIBOR (PFR, 8/3).

Commitments Circled On Bosque Financing

Allocations for the \$412.5 million, seven-year senior financing package bankrolling **Arcapita** and **Fulcrum Power Services'** purchase of 507 MW Bosque from **LS Power** were fixed on Dec. 20. On the following day, commitments were made on a separate \$100 million unsecured mezzanine holding company loan reducing the amount of equity the sponsor will use to close the transaction by Jan. 15. The purchase price was not disclosed, but Bosque is said to be valued at around \$700 million (PFR, 11/16).

Credit Suisse leads the deal, which consists of a \$203 million construction loan, a \$119.5 million term loan and a \$63 million letter of credit, supported by a five-year, \$25 million revolver, all

priced at 450 over LIBOR. The mezzanine piece is priced at 850 over. A \$30 million chunk of debt was recently moved from the LC to the term loan for reasons that could not be determined. Specific ticket sizes and parties involved could not be learned and the buyers and lead either did not return calls or declined to comment.

Arcapita is buying a 97% stake in the plant, located in Laguna Park, Texas, and Fulcrum, the balance (PFR, 11/30). Two of Bosque's three facilities, totaling 325 MW, will be converted to combined-cycle mode to take overall capacity to 557 MW by March 2009. Bosque is a merchant plant and, after expansion, output will either be hedged or contracted. The 245 MW third unit is already a combined-cycle and has a three-year hedge structured by **Lehman Brothers**. Once converted, Bosque will be 802 MW.

Corporate Strategies

Puget Sub Lines Up Plant Purchase To Meet Demand Growth



Roger Garratt

Puget Sound Energy, the utility subsidiary of **Puget Energy**, intends to buy a 125 MW gas-fired cogeneration plant it draws power from in Sumas, Wash., ahead of customer base growth over the next two decades. "We looked at this in terms of its benefit to our portfolio as compared to other alternatives," says **Roger Garratt**, director of resource

acquisition at Puget Sound Energy in Bellevue.

Precise proceeds due to the seller, **Sumas Cogeneration**, could not be learned, but Puget will spend \$30.1 million to acquire and update the plant. "We had a need for new resources," says Garratt, noting the plant is slightly less efficient than the 277 MW gas-fired Goldendale Energy Center in Klickitat County, Wash., Puget bought earlier this year (PFR, 6/8), as well as the 250 MW Fredrickson plant it co-owns in Spanaway, Wash. "It's better to have a fleet where a couple come on and then another one or two," he explains, referring to the dispatch curve.

Puget has had a 20-year PPA in place with Sumas since 1993, but purchasing instead of continuing to buy the output will generate \$60 million in savings to pass onto customers. Puget estimates its electricity customer base of one million customers will grow by 20,000 per annum, driving up the average need for energy from 500 MW at the end of this decade to around 2,000 MW in 10 years' time.

The purchase will be funded on the utility's balance sheet with no acquisition financing, Garratt continues. The sale is slated to close in the second half of this year—probably before the **Macquarie Infrastructure Partners**-led consortium

completes its \$3.6 billion acquisition taking Puget Energy private (PFR 11/2).

Orlando Utility Goes Long For Expansion



John Hearn

The **Orlando Utility Commission** will issue \$200 million in revenue system bonds this quarter to partially fund its 300 MW gas-fired plant at the Stanton Energy Center in Orlando. "We're kind of waiting for the markets to settle down a little bit," says **John Hearn**, CFO of the city-owned utility in Orlando. "Right now there is a credit premium out there and we're hoping it corrects itself," he adds, noting that the bonds will price during the first quarter and will have a tenor of 25-30 years.

The Stanton plant is slated to come online in June 2010 with a total cost of around \$300 million, according to Hearn, explaining the rest of the capital needed will be funded in 2010. The utility has "spend-down" requirements that prevent it from having funds on hand for more than 18 months, he says. In November 2006, the OUC sold \$124.37 million in system revenue refunding bonds to refinance debt (PFR, 11/22/2006).

Banks will be chosen for the deal on a competitive basis solely on the lowest interest cost offered, Hearn says, listing **Goldman Sachs**, **UBS**, **Merrill Lynch**, **Citigroup**, and **Bear Stearns** as relationship banks. The notes—rated AA by **Fitch Ratings**—should garner a significant amount of interest, he says, adding that while the commission is in regular contact with banks, it is not yet in any specific talks regarding the notes. A portion of the funds will also be used to expand the transmission system and for the utility's needs in its water production and distribution division.

Project Finance Deal Book

Deal Book is a matrix of energy project finance deals that PFR is tracking in the energy sector. The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed. To report updates or provide additional information on the status of financings, please call Katy Burne, Managing Editor, at (212) 224-3165 or e-mail kburne@iineews.com.

Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Airtricity	2008 Turbine Supply	Central New York	HVB, NordLB, BayernLB	Turbine Supply Loan	\$325M		Commitments due 12/14.
Babcock & Brown Power	Trans Bay Cable	San Francisco, Calif.	BayernLB	Construction Loan	\$299M	33-yr	Syndication to wrap this month.
Pittsburg Power	(400 MW, two 200 kV cables)			Construction Loan	\$188M	7-yr	
Biomass Group	South Point (200 MW Biomass)	South Point, Ohio	TBA	Construction Loan	\$265-300M		Selecting lenders.
EarthFirst Canada	Dokie I (144 MW Wind)	Peace River, British Columbia	TBA	Construction Loan	C\$167M (\$166M)	17-yr	Proposals due 12/19.
				Subordinate Tranche	C\$30M (\$30M)	4-yr	
Empresas ICA	La Yesca (750 MW Hydro)	Nayarit, Mexico	WestLB, Citibank/Banamex, HSBC, BBVA Bancomer, Santander, NordLB	Construction Loan Revolver	\$910M \$80M	4-yr, 9m	Retail syndication launched mid-Nov.
Econergy International-led consortium	La Gloria (50 MW Wind)	Guanacaste Province, Costa Rica	NordLB	Term Loan, Letter of Credit	\$125M	TBA	Syndication expected this month.
Energy Investors Fund	Panoche (400 MW Gas)	Fresno, Calif.	BNP Paribas	TBA	TBA	TBA	Deal to launch early 2008.
	Hot Springs (48 MW Geothermal)	Elko, Nev.	DZ Bank, Fortis Capital	TBA	\$120M	TBA	32 MW phase to come online 2009.
ENMAX Energy	Calgary (1.2 GW Gas)	Calgary, Alberta	TBA	TBA	TBA		Timeline unclear.
EverPower Renewables	2009 Turbine Supply	Various	KeyBanc Capital Markets	Turbine supply	\$130M		Syndication to launch 11/27.
Excelsior Energy	Mesaba Energy (603 MW IGCC)	Minn.					Barclays advising.
Third Planet Windpower	Name unknown (325 MW Wind)	Loraine, Texas	TBA	TBA	TBA	TBA	Selecting lenders.
SUEZ Energy International	Central Termoeléctrica	Northern Chile	TBA	TBA	TBA	TBA	Looking for banks for \$500M.
Carlyle/Riverstone	Portfolio (1.5 GW Gas)	Various, Texas	TBA	TBA	\$900M		RFP sent out 7/23.
Granite Ridge	Granite Ridge (720 MW Gas)	Londonderry, N.H.	TBA	TBA	\$500-\$600M		Choosing lead banks.
AES	Termoeléctrico de Penoles (230 MW Petcoke)	Tamuin, Mexico	Calyon	Refinancing	\$227M		Four of six commitments in.
	Buffalo Gap 3 (170 MW Wind)	Abilene, Texas	Dexia, HVB			1-yr	Syndication launched late Nov.
RES	Hackberry Wind (165 MW Wind)	Shackelford Co., Texas	WestLB	Construction Loan	\$352M	17-yr	Deal wrapped 12/31.
Borealis Infrastructure	Bruce Power (4.6 GW)	Tiverton, Ontario	Scotia, Dexia	TBA	C\$750M (\$710M)	TBA	Syndication to wrap by Christmas.
				HoldCo Loan	\$100M		
Nacogdoches Power	Nacogdoches (100 MW Biomass, 300 MW Gas)	Sacul, Texas	TBA	TBA			Looking for debt/equity for \$600M project.
Noble Environmental Power	Turbine Supply Loan	Various	HSH, KeyBanc	Turbine Supply Loan	\$460M	3-yr	Syndication launched mid-Nov.
NuCoastal	Victoria (300 MW Gas)	Houston, Texas	Calyon	Term Loan	\$87M	7.5-yr	Timeline unclear.
				Letter of Credit	\$10M	7.5-yr	
J-Power USA	Pala (86.5 MW Gas)	San Diego Co., Calif.	TBA	TBA			Looking for lead bank.
	Orange Grove (95 MN Gas)	Orange Grove, Calif.	Royal Bank of Scotland	Construction Loan	\$70M	25-yr	Syndication launched 9/25.
				LC Facility	\$25M		
				Equity Bridge Loan	\$30M		
Acciona Solar Power	Nevada Solar One (64 MW)	Boulder City, Nev.	Santander, BBVA, La Caixa	Term Loan	\$140M		Deal wrapped 12/19.
Shell, Dominion	Mt.Storm (264 MW, Wind)	Grant Co., W.Va.	Fortis, BBVA	Construction Loan	\$288M	TBA	Status unclear.
Invenergy	St. Clair Power Station (570 MW Gas)	Sarnia, Ontario, Canada	RBC	Construction Loan	\$383M	5-yr	Syndication re-launched 7/2.
	Forward Energy (99 MW Wind)	Dodge and Fond du Lac counties, Wis.	Dexia Credit Local, NordLB	Construction Loan	\$96M	17-yr	Farm and facilities being upsized.
				Equity Bridge Loan	TBA		Late Jan. launch expected.
				Letter of Credit	TBA		
Padoma Wind Power	2009 Turbine Supply (800 MW)	Various	HSH, Credit	TBA	TBA	TBA	Timeline unclear.
Perennial Power	Various (418 MW Wind)	Texas, Southern Calif.	TBA	TBA	TBA	TBA	Timeline unclear.
	Hermiston (474 MW Gas)	Hermiston, Ore.	TBA	TBA	\$130M	10-yr	Status unclear.
	and Bliss (339 MW Wind)	Clinton and Bliss, N.Y.					
Terrawinds Resources	Riviere-Du-loop (201 MW Wind)	Riviere-Du-loop, Quebec	HSH Nordbank	Construction and	C\$300M (\$300M)		Syndication Launched 9/18.
Unigas	Okfuskee Gas Storage (30 Bcf)	Okfuskee County, Oklahoma			\$150M		Barclays advising.
Harbinger Capital Partners	Calgary Energy (300 MW Gas)	Alberta, Canada	UBoC	Refinancing	C\$319M (\$319M)		Commitments taken 9/26.

Live Deals: Europe/Middle East

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Adwea, International Power, Marubeni	Fujairah II	Abu Dhabi	Citigroup, Sumitomo Mitsui, Calyon	Construction Loan Package	\$900M	22.5-yr	Launched syndication 11/26.
				Equity Bridge Loan	\$450M	2.5-yr	
				Term Loan	\$1.35B		
				Standby Facility	\$108M		
Iberdrola, API Nova Energia	(Wind)	Puglia, Italy and Sicily	RBS, BBVA, BNP Paribas	Portfolio Financing	EUR515M (\$755M)	15-yr	Set to close on funds shortly (PFR, 11/19).
			Calyon, ING, Intesa Sanpaolo				
			Mediocredito Centrale, SocGen				
EdF Energies Nouvelles	C-Power (30 MW Wind)	Zeebrugge, Belgium	Dexia, Rabobank	Construction Loan	EUR126M	15-yr	Preparing retail syndication.
	Five wind farms	France	RBS, Calyon	Construction Loan	EUR266M (\$390M)	18-yr	Loan to be syndicated.
Emirates Aluminum	Aluminum Smelter (2GW)	Port of Khalifa, U.A.E.	BNP Paribas, Calyon, RBS, Standard Chartered, Mashrek	Equity bridge loan	\$2.8B	6-yr	Leads selecting sub-underwriters on equity bridge and term loan tranches; general syndication to launch early next year.
			Term Loan Bank, Abu Dhabi Commercial Bank, Sumitomo Mitsui, Export Development Canada	Letter of Credit	\$1.87B \$270M	16-yr 16-yr	

Live Deals: Europe/Middle East (cont'd)

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
MOL	Greenfield plant (2.4 GW Gas)	Hungary	OTP	Construction Loan	EUR1.5B (\$2.9 billion)	TBA	Hungarian banks to join lending consortium.
Eolicas de Portugal	(1.2 GW Wind)	Porto, Portugal	TBA	TBA	TBA		Selecting lenders.
SANYO	Canary Island (10 MW Solar)	Canary Islands	Mizuho	Construction Loan	EUR40M		To be syndicated in spring 2008.
Spanish Egyptian Gas Co.	Damietta LNG	Damietta, Egypt	TBA	Term loan Bank Facility	\$600M \$250M	15-yr	25-year tolling agreement.
Solucar Energia	SolNova (100 MW, Solar)	Sanlucar La Major, Spain	Caja Madrid, SocGen, Calyon Natixis, Santander	TBA	EUR450-500M		Sept. syndication expected.
Botswana Power Corp.	Morpule (1.2 GW Coal) (820 MW, Cogen)	Palapye, Botswana	TBA	TBA			Project Financing Solutions advising.
Dhofar Power Co.	Salalah (192 MW Gas Refi)	Salalah, Oman	Calyon	TBA	\$340M	TBA	Timeline unclear.
Tanjong Broup	Port Said East (683 MW Gas)	Port Said, Egypt	Calyon	TBA	\$500-675M	TBA	Timeline unclear.
Ras Laffan Power Co. (AES)	Ras Laffan A (750 MW IWPP)	Doha, Qatar	TBA	TBA	\$572M		Looking for lead banks.
Electricite de France, Delta	Sloe (820 MW Gas)	Vlissingen, Netherlands	Fortis, Bank of Scotland and HSBC	Construction loan Debt Service facility	EUR510M (\$748 million) EUR25M (\$36 million)	19.5-yr	Lenders recently mandated.
Eclipse Energy	Ormonde (200 MW Wind/Gas)	Irish Sea	TBA	TBA	GBP200M		Financing to close early 1Q of 2008
Carron Energy	Severn Power (850 MW Gas)	South Wales	TBA	TBA			Choosing Banks.
Greentech Energy Systems	Sardinia and Sicily wind (140 MW)	Sardinia and Sicily, Italy	TBA	TBA	TBA	EUR200M	In discussion with banks.
Conergy	Epuron (8 MW Solar Thermal)	Southern Spain	WestLB	TBA	\$113.3M		Syndication launched 9/21.
Guris	Germencik (47.7 MW Geothermal)	Aydin, Turkey	WestLB	Commercial Facility	\$88.5M		Financing wrapped 1/3.

News In Brief

News In Brief is a summary of publicly reported power news stories. The information has been obtained from sources believed to be reliable, but PFR does not guarantee its completeness or accuracy.

North America

- **Pepco Holdings** has closed the sale of its **Delmarva Power** subsidiary's Virginia distribution assets to **A&N Electric Cooperative** and **Old Dominion Electric Cooperative**, enabling it to focus on two transmission lines near the border of Maryland and Virginia (*Associated Press*, 1/2).
- **United Technologies'** aerospace component supplier **Hamilton Sundstrand** will team up with **US Renewable Group** to commercialize a solar power technology using molten salt to store the sun's heat (*Wall Street Journal*, 1/2).
- Denmark's **Vestas** has won a 99MW turbine order for **RES Americas'** Central Plains Wind Farm to be delivered in the second half of 2008 (*Reuters*, 1/2).
- **Fitch Ratings** upgraded **Allegheny Energy** to investment-grade from BBB- to BB+, citing the utility's payment of \$2 billion worth of debt over the past four years (*Associated Press*, 12/28).

Europe/Asia

- Swiss energy group **BKW FMB Energy** will acquire a 33% share in a coal-fired plant in Wilhelmshaven, Germany, to be operated by **Electrabel**, a unit of French utility **Suez**, for EUR430 million (\$630.6 million) (*Reuters*, 1/3).
- **E.ON** has gotten approval from a local government authority to build the first coal-fired plant in the U.K. in more than 30 years (*Reuters*, 1/3).
- Turkish construction and energy company **Enka** won a deal together with U.S.-based **Bechtel** to build an 890 MW combined-cycle gas-fired plant in northern Turkey (*Reuters*, 1/2).

- Banks coordinating **Iberdrola Renovables** initial public offering exercised the greenshoe or over-allotment option, selling another 76.8 million shares (*Reuters*, 12/28).
- **Credit Suisse** has formed a joint venture with **EcoSecurities**, which manages greenhouse gas emission reduction projects, to create a structured product enabling utilities and buyers of carbon credits to hedge their exposure to the delivery risk of these credits (*Financial Times*, 12/28).

Biomass Developer Seeks Ga. Project Partner

Summit Energy Partners, a biomass developer, is looking for a partner with which to finance a 110 MW project in Fort Gains, Ga. The company, which is supported by a commitment from Morristown, N.J. IPP **Morris Energy Group**, recently tapped boutique **Bodington & Co.** to advise.

Mark Sajer, Summit founder, said the partner would begin in March with a view to raising capital later this year. He declined to talk specifics, such as which parties are in the running and how much leverage would be used. **Dennis Clarke**, principal at Morris Energy, and **Jeff Bodington**, founder of Bodington & Co., declined to comment.

Once fully permitted, the so-called Yellow Pine Energy project will cost \$250-300 million to build. It has a 50 MW PPA with **Georgia Power**, a unit of **Southern Company**, requiring the facility to be in service by late 2010. Offtake negotiations for the remainder are under way.

German Sponsor Preps EUR1.5B Coal Plant Financing

Trianel Power, a generation company owned by **Trianel European Energy Trading** and 28 municipal utilities, has issued an RFP to banks with a view to arranging up to EUR1.5 billion (\$2.2 billion) in construction financing for a 747 MW coal plant in Lünen, Germany. Proposals are due Jan. 25 and financial close is targeted for the year-end, according to bankers.

Royal Bank of Scotland recently served as independent advisor to the sponsor on the structure of its financing for Lünen and will do the same for another cookie-cutter unit in Krefeld-Uerdingen. But, having no role in the selection of arrangers on the debt, RBS can bid to lead its own structure alongside another 20 banks invited to pitch. An email seeking comment from Trianel was not returned and RBS officials in Frankfurt and London declined to comment.

The two-tranche financing for Lünen will consist of a senior construction loan and a working capital facility, with sizes and tenor to be determined by the bank market. RBS proposed a financing structure in September 2005 for a previous Trianel plant—the first to be project financed in Germany—but **WestLB** was named sole arranger, underwriter and agent after offering more competitive terms.

EX-CALPINE

(continued from page 1)

company a contract to build the 163 MW gas-fired Humboldt Bay project in Eureka, Calif., which PG&E intends to own upon completion.

Lamberg worked on Humboldt during a stint at the California utility before forming Radback with **Bryan Bertacchi** and **Jim McLucas**. Bertacchi served as senior v.p. of operations for Calpine's western region, McLucas was director of development and engineering and Lamberg was director of business development.

The partners believe utilities are increasingly interested in owning renewable assets as much of the capacity added after shortages in 2001 has been worked off. They also feel utilities may struggle to meet the stringent targets set by California's Global Warming Solutions Act of 2006, requiring the state to reduce its global warming emissions to 1990 levels by 2010. "It's kind of like the perfect storm," says Lamberg. "There are a lot of people coming to the realization that the utilities are going to miss that goal. One of the things that Radback is bringing to the market is a highly experienced development team to get sited and get metal in the ground."

—*Thomas Rains*

CMS NIXES

(continued from page 1)

Operator and 400 MW is sold under tolling arrangements for the years 2008-2010.

Also off the block are a pair of merchant peakers, 68 MW Kalamazoo River Generating Station in Comstock, Mich., and 156 MW Livingston in Gaylord, Mich., which have capacity-only contracts for this year. These plants may come up for sale at a later date, according to the deal watcher. CMS holds interests in eight other independent power projects, which were not put up for sale because they were deemed more profitable (PFR, 11/9).

—*K.B.*

WIND CO

(continued from page 1)

As the wind market becomes more capital intensive and turbine costs rise, several players have sought a speedy capital infusion. **Clipper Capital and Generation (CAPGEN)**, a venture formed in September by **Clipper Windpower** and Spanish construction and real-estate company **Hemeretik**, is close to completing a private equity placement. But a source says RES is unique because its projects are widely known in the bank market—its 166 MW Hackberry in Shackelford County, Texas, has just been financed (see page 3) and 60 MW Whirlwind Energy Center near Floydada, Texas, came online last month—while its turnkey construction business provides a consistent revenue stream. In addition to the 226 MW it owns, its North American business has 1 GW under construction and a 10 GW pipeline across the U.S. and Canada. The company is also considering a foray into solar energy.

—*Katy Burne*

Quote Of The Week

"We think we could use up all of the line and are now talking to HSH [Nordbank] about expanding that line quite a bit."—**Mark Comora**, president of landfill gas-to-energy company **Fortistar** on plans to boost its credit facility and court new relationship banks (see story, page 2).

One Year Ago In Power Finance & Risk

Goldman Sachs and **WestLB** were tapped to lead \$1.1 billion in loans supporting **First Reserve**-backed **GenPower Holdings'** construction of the 695 MW merchant Longview coal-fired plant in Maudsville, W.Va. [The leads brought in **Natixis**, **Union Bank of California** and **CIT Group** with allocations of roughly \$100 million each (PFR, 2/12), wrapping syndication last February (PFR, 2/8).]