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LS Plots Conn. Plant Sale

Second round bids are being accepted for **LS Power's** 460 MW combined-cycle plant in Bridgeport, Conn., which could fetch \$300 million.

See story, page 2

Cannon To Reach Out To Lenders

Cannon Power plans to talk to bankers about its 1 GW Aubanel Wind farm in Baja California in Q2.

See story, page 2

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TCW SPINOFF HUNTS GAS, GEOTHERMAL

EIG Global Energy Partners, the former energy and infrastructure group of **Trust Company of the West**, is eyeing investments in gas-fired and geothermal assets in the U.S. this year. The private equity shop, with \$8.5 billion in assets under management, completed its spin-off from TCW on Dec. 31.

"We're looking at \$100-300 million per investment, which makes us fairly competitive. There aren't many guys out there who can write checks like that," says **Blair Thomas**, ceo in Washington D.C. EIG expects to see opportunities to pick up distressed plants from financial sponsors, Thomas says, pointing to **U.S. Power Generating Co's** sale of **Boston Generating** to **Constellation Energy** as an example (PFR, 11/15). Private equity shop **Madison Dearborn Partners** and other financial entities back U.S. PowerGen.

(continued on page 8)

ECP TARGETS \$525M ACQUISITION LOAN

Barclays Capital has launched a \$525 million financing package for **Energy Capital Partners'** acquisition of **Milford Power**.

The \$425 million term loan B and \$100 million revolver priced at LIBOR plus 450-475 basis points. **Credit Agricole** and **Union Bank** joined as leads following the bank meeting Thursday. Commitments are due Jan. 20.

The B loan carries a 150 bps LIBOR floor and an original issue discount of 98.5. The term loan will mature in 2018; the revolver in 2016. The repayment schedule could not be learned.

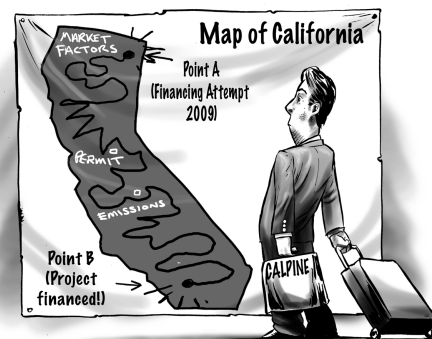
EquiPower Resource Holdings, a subsidiary of ECP, is said to have agreed to pay in the neighborhood of \$360 million for the 548 MW combined-cycle plant in Milford, Conn.

(continued on page 8)

CALPINE LOOKS TO FIRE UP \$1.1B THERMAL DEBT

Calpine Corp. is seeking financings totaling as much as \$1.1 billion to back two gas-fired plants in Northern California. The Houston-based IPP has started sounding out lenders and is expected to seek \$700 million in debt for the roughly \$850 million Russell City Energy Center in Hayward. The other financing leg is needed to retrofit its 188 MW simple-cycle Los Esteros Critical Energy Facility in San Jose into a 300 MW combined-cycle center this year.

Russell City will launched in the second or third



(continued on page 7)

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



At Press Time

Details Emerge On Cannon Mexican Wind

Cannon Power expects to talk to lenders in the second quarter about its 1 GW Aubanel Wind farm in Baja California. Cannon is talking with government agencies and commercial customers about offtaking some of the generation, says **Gary Hardke**, managing director in San Diego.

He expects to talk to relationship banks as well as lenders that have experience in the Mexican power market. A mix of financing, including bank debt, U.S. government incentives and export-import bank financing, is possible (PFR, 6/25). The identity of potential offtakers and lenders could not be learned.

Cannon Power is in advanced discussions with **Siemens Financial Services** to lead a financing backing the \$100-200 million final phase of its Windy Point/Windy Flats project. Hardke is eyeing financial close in the first quarter, with construction initiated next quarter.

Cannon has lined up a tentative offtaker for the third 50-100 MW phase of the Windy project in Klickitat County, Wash. The **Southern California Public Power Authority** is buying the generation from the second phase (PFR, 10/20). Hardke declined to identify the likely offtaker for the third phase, as well as the potential pricing and tenor on the financing backing the project. Whether the company is considering working with other lenders on the deal could not be learned.

David Walden, SCPPA energy systems manager in Pasadena, Calif., and a Siemens official didn't return calls seeking comment.

LS Looks To Offload Conn. Plant

LS Power is looking to sell its combined-cycle plant in Bridgeport, Conn. Management presentations are currently being held and are leading the deal into second round bids for the 460 MW Bridgeport facility, bankers say. A due date for bids has not yet been established, says a deal watcher. **JPMorgan** is running the auction.

The plant could fetch roughly \$300 million, a \$650 per kW price that is similar to the amount that **Energy Capital Partners** is said to be paying for nearby **Milford Power**, notes one banker. JPMorgan also advised on that auction. LS bought Bridgeport as part of a portfolio from **Dynegy** in 2009.

Interest in Bridgeport is coming from the buyers that have shown up in the other recent natural gas auctions in the Northeast region—**NRG Energy**, **GDF Suez**, **Capital Power**, **Constellation Energy**, and **ECP**. The number of first round bids could not be learned.

LS halted its sale of a 572 MW combined-cycle facility in Arlington, Ariz.,—also a part of the Dynegy portfolio—after final round bids came in below expectations (PFR, 5/7).

A JPMorgan spokesman, **Joe Esteves**, cfo of LS Power in New York, and companies identified as potential buyers declined to comment. A GDF spokeswoman did not return a call.

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**Institutional
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INTELLIGENCE FIRST

Project Finance

Abengoa Secures \$1.45B Federal Loan

Abengoa Solar has snagged a \$1.45 billion loan from the U.S. Federal Financing Bank under the U.S. Department of Energy's loan guarantee program for innovative renewables projects. The loan will back its roughly \$1.9 billion, 250 MW Solana solar project near Gila Bend, Ariz. Pricing on the 12-year loan is 37.5 basis points over Treasuries. The deal closed late last month.

"We could not do the project without the loan guarantee," says Fred Morse, Abengoa senior advisor in Washington, D.C. "We

can't get commercial banks today to provide the terms needed to make the numbers work."

Morse declined to specify the source and size of Abengoa's equity stake in the project. An FFB spokesperson couldn't be reached for comment.

Technologies that are unproven or without considerable precedent have no

traction with project finance banks, which is why the DOE launched the program for innovative projects. "It's important for us to drive down costs and show that these technologies are viable," says Doug Schultz, DOE program officer in Washington, D.C.

Solana is the first project under the DOE's program to combine concentrating solar and on-site energy storage. It is also the world's largest parabolic trough concentrating solar plant. Most projects with that technology have been roughly 50 MW or smaller and are located outside the U.S.

The Arizona Public Service Co. has a 30-year offtake agreement for Solana, which is slated to go into operation between this year and 2012.

ArcLight Units Wrap B Loan

Affiliates of ArcLight Capital Partners have wrapped a \$275 million B loan led by Barclays Capital and Credit Suisse. The deal closed in December.

The seven-year loan is backed by a 1,412 MW operational portfolio, with seven U.S. generation assets in Connecticut, Maine, Michigan, Nevada, New Mexico, Pennsylvania, Texas and a dozen cogeneration assets in Spain. The LIBOR floor is 175 basis points, with an original issue discount of 98.

The sponsor downsized the deal from \$370 million because it's planned purchase of a larger stake in the 102 MW Crawfish cogeneration plant in Orange, Texas from RRI Energy was delayed due to RRI's merger with Mirant, a deal

watcher notes (PFR, 9/24). Standard & Poor's rates the loan BB and assigns a recovery rating of 1 to the loan, indicating a high expectation of recovery of the principal amount in the event of a payment default. Details regarding the Crawfish stake sale could not be learned.

ArcLight holding companies Race Point Power II, Race Point Power III, Race Point Power IV, and NeoElectra Lux are the borrowers of the loan and also the owners of the plants. Proceeds will repay existing debt, fund a capital expenditure reserve account and an operating project-specific reserve, and make a one-time distribution to ArcLight, according to a report issued by S&P.

Dan Revers, managing director for ArcLight in Boston, and bank officials did not return calls. Details on the reserves and the distribution could not be learned.

EDF Snags Ontario Solar Financing

Dexia Crédit Local and Union Bank have wrapped a financing backing Toronto-based EDF Energies Nouvelles Canada's roughly \$48 million St. Isidore A photovoltaic plant in Ontario. Deal details on the 12 MW project, including the size of the financing, pricing and tenor, couldn't be learned.

Construction on the Nation, Ontario, plant started late last month. A companion 12 MW plant, St. Isidore B, is expected to be completed this year. Whether EDF has mandated lenders to lead that deal and the status of the financing couldn't be learned. Jim Peters, director of project finance for EDF affiliate enXco in Burlington, Vt., didn't return a call. A Dexia official also didn't return a call and a Union Bank spokeswoman didn't make a banker available by press time.

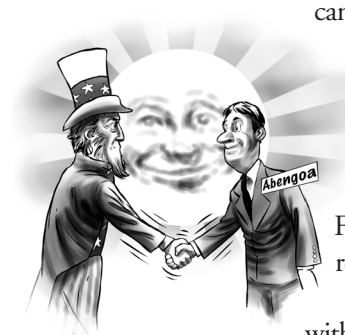
The Ontario Power Authority has a 20-year offtake agreement for St. Isidore A.

Lenders Circle EME Refi

More than a dozen lenders are eyeing a \$265 million refinancing backing a portfolio of wind farms owned by Edison Mission Energy subsidiary Viento Funding II. WestLB is leading the deal and aims to wrap it this quarter.

Pricing starts at 250-275 basis points over LIBOR (PFR, 12/10). The loan has a tenor of 10 years. A dozen or so banks are expected to participate in the refi, at an average ticket size of roughly \$20 million.

Roughly eight existing lenders to Viento are considering joining the refinancing as are eight other banks, a deal watcher says, including Scotia Capital. Whether original lenders BNP Paribas, Dexia Crédit Local, Investec, KeyBanc Capital Markets, Siemens Financial Services and Union Bank are



considering the deal couldn't be learned.

WestLB and BNP led the original deal, a \$207.2 million financing in 2009. Pricing was considerably higher on that deal—387.5 bps over LIBOR—which was inked about eight months after the 2008 financial collapse.

Officials at BNP, Scotia and WestLB declined to comment, while officials or spokespeople at Dexia, Investec, KeyBanc, Siemens and Union Bank didn't return calls. An EME spokesman in Chicago also didn't respond to a message. How the company plans to use the proceeds from the deal couldn't be learned.

The Viento portfolio includes the 161 MW Wildorado farm in Wildorado, Texas (PFR, 7/2/09).

Developer Wraps \$249M Calif. Wind Deal

Western Wind Energy has closed a \$249 million financing backing its 120 MW Windstar farm in Tehachapi, Calif. Manulife Financial led the deal for the Vancouver, Canada-based developer, with Sun Life Assurance Company of Canada participating.

Of the 21-year construction term loan, \$178.5 million will

be available upfront, with another \$26 million available when the sponsor receives permitting for a small portion of the project in September. The interest rate on the facility is 7.249%. Rabobank is providing Western Wind a \$55 million letter of credit as a bridge through Western's receipt of the U.S. Department of Treasury cash grant. Western Wind drew \$25 million of the LOC at closing. The interest on the drawn portion of the LOC is 5.5%; the interest on the undrawn portion is 4% annually.

Western Wind has contributed \$43-44 million in equity, notes Jeffrey Ciachurski, ceo in Vancouver, declining to elaborate on how it funded that piece. The developer is the sole equity investor, a deal watcher says. Whether other lenders participated in the deal couldn't be learned. A Manulife official declined to comment, while a Sun Life official didn't reply to an e-mail inquiry. A Rabobank spokeswoman didn't make an official available for comment.

Southern California Edison has a 20-year power purchase agreement for the roughly \$290 million farm (PFR, 11/17). Construction on Windstar began last month; completion is expected in the third quarter.

Mergers & Acquisitions

Texas Co-Op Snags 20-Year Money For Calpine Plant

Rayburn Country Electric Cooperative secured a 20-year loan from two lenders to finance its \$215 million acquisition of a stake in a Calpine-owned 1,038 MW combined-cycle plant near Fairfield, Texas.

CoBank and National Rural Utilities Cooperative Finance Corp. teamed up to support the Rockwall, Texas-based co-op early on in the acquisitions talks, says John Kirkland, president and general manager of Rayburn. "If the money wasn't there, there was no point to continue the talks," Kirkland says of the lenders' early participation. The loan covers the full purchase price, which works out to \$830 per kW. He declined to comment on pricing.

The 25% stake acquisition of Freestone Energy Center will meet roughly a quarter of Rayburn's load demand and is the municipal's first foray into generation ownership. The co-op has been in the market to ink power purchase agreements, Kirkland says, noting the utility is mostly interested in natural gas-fired power. The utility's master plan includes making another acquisition of a whole facility or stake in about six to seven years, he notes.

The Freestone plant came online in 2002. The acquisition and financing closed last month. Why Calpine decided to sell a stake or how the proceeds will be used could not be learned.

Officials at CoBank, the CFC and a Calpine spokeswoman did not return calls.

Penn. Developer Ropes Landfill Gas Plants

Montauk Energy Capital, a landfill gas developer, has agreed to buy a 34.7 MW portfolio of seven landfill gas-to-energy plants in the U.S. from Viridis Investment Management. Macquarie Capital is advising Melbourne, Australia-based investment group Viridis; Pittsburgh-based Montauk is not using an advisor. The transaction is expected to close in the first quarter, pending federal approval. The purchase price could not be learned.

The portfolio includes:

- 10 MW Atascocita facility in Humble, Texas; merchant
- 3.9 MW Baytown facility in Baytown, Texas; merchant
- 3.9 MW Blue Bonnet facility in Houston; merchant
- 6.7 MW Coastal Plains facility in Alvin, Texas; merchant
- 2.9 MW Conroe facility in Conroe, Texas; PPA with Entergy Gulf States
- 3.4 MW Security facility in Cleveland, Texas; PPA with East Texas Electric Cooperative
- 3.8 MW Toyon Canyon in Los Angeles, Calif.; PPA with Los Angeles Department of Water & Power

Montauk, a subsidiary of South African firm Hosken Consolidated Investments, is currently developing five landfill gas-to-energy projects around the country, including the 20 MW Bowerman project in Irvine, Calif. The development pipeline also consists of four projects smaller than 5 MW, according to a

document filed Dec. 23 with the U.S. **Federal Energy Regulatory Commission**. Montauk owns the 10 MW Monmouth facility in Tinton Falls, N.J.

Viridis also owns the 7 MW Penrose facility in California; whether that project is on the market could not be learned.

Martin Ryan, v.p. and general counsel of Montauk, declined to comment. A Macquarie official declined to comment and a Viridis official wasn't immediately available to comment.

NextEra To Buy Invenergy Project

NextEra Energy Resources has agreed to buy a 150 MW wind project currently under construction in McLean County, Ill., from **Invenergy**. The companies plan to close the transaction this quarter, according to documents filed with the U.S. **Federal Energy Regulatory Commission**. The purchase price could not be learned.

Invenergy had been talking to lenders about arranging roughly \$300 million in debt to support the project (PFR, 11/1). The **Tennessee Valley Authority** has a power purchase agreement with White Oak, which is scheduled to be online next January.

Whether either company used an advisor could not be immediately learned. An Invenergy spokeswoman in Chicago directed inquiries to the company Web site and a NextEra spokesman in Juno Beach, Fla., did not immediately return calls.

People & Firms

MetLife Hunts Director

MetLife Investments is looking to hire a director to oversee its tax equity investments in renewables. The Morristown, N.J.-based affiliate of **MetLife Financial** is looking for at least 10 years of experience in originating and structuring debt or equity energy financings and has a strong preference for someone with a track record in renewables and project finance. The search for director started last month.

MetLife had also been looking for an associate for its project finance group as of last month. **Jeetu Balchandani**, head of leasing in MetLife's private placement group, was not immediately available to comment and **John Tanyeri**, head of project finance and energy private placements, and a spokesman did not return calls. Whether the positions are newly created slots could not be learned.

MetLife Financial has participated in several tax equity transactions including deals backing **Pattern Energy's** 101 MW Hatcher Ridge project (PFR, 12/16) and **enXco's** 201 MW Lakefield wind farm (PFR, 12/13). It also participated in a \$300 million project financing backing **Hannon Armstrong** and **Catalyst Renewables** 49 MW Hudson Ranch project (PFR, 5/21).

Corporate Strategies

Texas Muni Eyes Bonds For Constellation Plant

High Plains Diversified Energy Corp. is planning to issue about \$325 million in municipal bonds by the end of March as it looks to finance its \$185.5 million purchase of a combined-cycle plant in Texas from **Constellation Energy**.

High Plains, a municipal utility based in Lubbock, will tap **JPMorgan** as bookrunner and look to bring co-managers on board for the issuance, says a spokeswoman. High Plains is expected to enter the market opportunistically; no timeline is set for the bonds. Constellation bought the 550 MW Quail Run near Odessa as part of a two-plant portfolio from **Navasota Energy Partners** in April for \$365 million (PFR, 4/16). The company decided, however, that the facility was too far from its customer load, according to a release on Constellation's Web site. JPMorgan ran the original auction. Proceeds from the sale will be used to finance future acquisitions in either Texas or around the country.

How the co-managers will be selected or how the remaining proceeds from the bond issuance will be used could not be learned. Spokesmen at JPMorgan and Constellation couldn't immediately comment and **Scott Collier**, chairman at High Plains, was unavailable to comment.

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DECEMBER 17, 2010

First Wind To Launch Sale, Equity Hunt

First Wind is about to launch a search for capital and a stake sale in its Northeast wind farm fleet as a way to capitalize its development pipeline since deciding to shelve its initial

Boston Business Journal

Labels: Blogs, Premium, Small Business, Video

Three Boston biotech win \$1M

DECEMBER 21, 2010

First Wind seeks \$300M in private funding

First Wind Holdings Inc. expects to raise more money through private financing than it could have through an initial public

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Generation Sales Database

Generation Sale ■ DATABASE

Following is a listing of ongoing generation asset sales from PFR's Generation Sales Database. The entries below are of new sales and auctions or of sales and auctions that have changed in their parameters or status. The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed. To report new sales and auctions or changes in the status of a sale or auction, please call Senior Reporter **Holly Fletcher** at 212.224.3293 or e-mail hletcher@iineews.com. The full database is available at <http://www.iipower.com/GenerationSalePage.aspx>

Seller	Assets	Location	Advisor	Status/Comments
Ameren	Coffeen Power Station (950 MW Coal) Electric Energy (800 MW Coal) Hutsonville Power Station (156 MW Coal) Meredosia Power Station (513 MW Coal) Newton Power Plant (1.15 GW Coal) Columbia Energy Center (140 MW Gas) Elgin Energy Center (460 MW Gas) Gibson City Power Plant (228 MW Gas) Grand Tower Power Plant (511 MW Gas) Joppa (165 MW Gas)	Coffeen, Ill. Joppa, Ill. Hutsonville, Ill. Meredosia, Ill. Newton, Ill. Columbia, Mo. Elgin, Ill. Gibson City, Ill. Grand Tower, Ill. Joppa, Ill.	JPMorgan	Ameren is quietly selling its unregulated generation facilities (PFR, 8/30).
Brick Power	Tiverton (265 MW Natural Gas) Rumford (265 MW Natural Gas)	Tiverton, R.I. Rumford, Me.	Deutsche Bank	A mix of strategic and financial players will submit final bids next month (PFR, 11/22).
Capital Power Income Fund	Various (1.4 GW in U.S. and Canada)	Various	CIBC, Greenhill & Co.	Management presentations for potential second round bidders are underway (see story, page 2).
Complete Energy	Batesville (837 MW natural gas-fired)	Batesville, Miss.		Creditors, including JPMorgan, Monarch Alternative Capital and Stark Investments, are in a foreclosure process (PFR, 12/6).
Constellation Energy	Quail (548 MW CCGT)		No advisor	A Texas municipal is buying the plant for \$185.5 million (see story, page, 5).
Entergy	Vermont Yankee (650 MW Nuclear)	Vernon, Vt.	Morgan Stanley	Existing nuclear operators are expected to be interested in the facility (PFR, 11/15).
First Wind	Various (wind)	Maine, New York	Credit Suisse Macquarie Capital	Looking to sell wind farms to raise capital in addition to secure equity (PFR, 12/20).
First Solar	Sombra (20 MW solar photovoltaic) Moore (20 MW solar photovoltaic)	Ontario Ontario	TBA TBA	NextEra Energy Resources is buying the projects as it looks to fill out its development pipeline (PFR, 12/13)
	Agua Caliente (290 MW photovoltaic)	Yuma County, Ariz.	TBA	NRG Solar is buying it and will make up to an \$800 million equity investment (PFR, 12/20).
Invenergy	St. Clair (570 MW, CCGT) Raleigh (78 MW wind project) Le Plateau (138 MW wind) White Oak (150 MW, wind)	Ontario Ontario Ontario McLean County, Ill.		The deadline for the final bids for the natural gas plant is being pushed back (PFR, 12/6). Enbridge is tipped to be the buyer for the two wind projects (PFR, 12/20). NextEra Energy Resources is buying the project that is currently under construction (see story, page 5).
JPMorgan	Triton (550 MW NatGas)	Jackson, Mich.	JPMorgan	JPMorgan is flipping a facility that unit Arroyo Energy Investors just bought from Kinder Morgan (PFR, 10/4).
LS Power	Bridgeport (460 MW, CCGT)	Bridgeport, Conn.	JPMorgan	Management presentations are currently underway (see story, page 2).
Noble Environmental Power	Granite Reliable (99 MW wind)	Coos County, N.H.	No advisor	Brookfield Renewable Power is buying the project that's set to start construction next year (PFR, 12/13).
PSEG	Guadalupe (1 GW, CCGT) Odessa (1 GW, CCGT)	Marion, Texas Ector County, Texas	Goldman Sachs	Bids due Oct. 22 (PFR, 10/25).
Raser Technologies	Thermo 1 (14 MW Geothermal, development assets)	Thermo, Utah	Bodington & Co.	Raser has entered into an early agreement with Evergreen Clean Energy (PFR, 11/8).
Royal Dutch Shell	Shell Wind Energy (stakes in 1.1 GW) 50% Rock River (50 MW) 50% White Deer (80 MW) 50% Top of Iowa (80 MW) 50% Cabazon (41 MW) 50% Whitewater Hill (60 MW) 50% Brazos (160 MW) 50% Colorado Green (162 MW) 50% NedPower Mount Storm (264 MW) European wind (200 MW)	U.S. and Europe Wyoming Amarillo, Texas Joice, Iowa Palm Spring, Calif. Palm Spring, Calif. Lubbock, Texas Lamar, Colo. Grant County, W.Va. Various	Morgan Stanley	Second round bids came in Dec. 10 (PFR, 12/20).
Stark Investments	Wolf's Hollow (730 MW Gas)	Hood County, Texas	JPMorgan	Second round bids coming due (PFR, 11/1).
Terra-Gen Power	Alta 1 (150 MW wind)	Tehachapi, Calif.	No advisor	Initial bids for the first phase of the 3 GW Alta wind project were due earlier this month (PFR, 10/25).
Tessera Solar	Calico (850 MW, solar thermal)	California		K Road Power bought it.
U.S. Power Generating Co.	Astoria Generating (1.28 GW Natural Gas) Gowanus (542 MW Fuel, oil and gas-fired) Narrows (276 MW Fuel oil and gas-fired)	New York City New York City New York City	Goldman Sachs	Sale is postponed to 2011 (PFR, 11/15).

Project Finance Deal Book

*Deal Book is a matrix of energy project finance deals that PFR is tracking in the energy sector. The entries below are of new deals or deals where there has been change in their parameters or status. To report updates or provide additional information on the status of financings, please call Senior Reporter **Brian Eckhouse** at (212) 224-3624 or e-mail beckhouse@iinews.com.*

Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Abengoa Solar	Solana (250 CST)	Gila Bend, Ariz.	DOE/FFB	TBA	\$1.45B	12-yr	FFB and DOE finalizes loan, priced at Treasury plus 37.5 bps (see story, page 3).
Alpine Energy	Unknown (16 MW Waste)	St. Croix, U.S. Virgin Islands	BNP	TBA	TBA	TBA	BNP mandated to lead deal (PFR, 12/20).
ArcLight Capital Partners	Various (Gas and Transmission)	TBA	Barclays, Credit Suisse	Term Loan	\$275M	TBA	Leads finalize deal, backing a 1,412 MW operational portfolio (see story, page 3).
BP Wind Energy, Semptra Generation	Cedar Creek II (250.8 MW Wind)	Weld County, Colo.	TBA	TBA	\$400M	10-12-yr	Leads wrap deal (PFR, 12/21).
Caithness Energy, GE EFS	Shepherds Flat (909 MW Wind)	Oregon	BoTM, WestLB, RBS, Citi	TBA	TBA	TBA	Leads close largest wind financing in U.S. (PFR, 12/27)
Catalyst Renewables	Unknown (37-40 MW Biomass)	New York	TBA	TBA	TBA	TBA	Sponsors reaches out to 10 banks about two biomass financings (PFR, 12/6).
Duke Energy	Top of the World (200 MW Wind)	Casper, Wyo.	BoTM, BBVA, SocGen, Caja Madrid	Term Loan	\$193M	18-yr	Sponsor reaches financial close (PFR, 12/13).
EDF EN Canada	St. Isidore A (12 MW Solar PV)	Nation, Ontario	Dexia, Union Bank	TBA	TBA	TBA	Deal closes on first phase (PFR, 1/7/11).
Edison Mission Energy	Various (362 MW Wind)	Neb., N.M., Texas	WestLB	TBA	\$265M	10-yr	More than a dozen lenders mulling participation (see story, page 3).
Energy Answers International, Energy Investors Funds	Arecibo (80 MW Waste-to-Energy)	Arecibo, P.R.	BNP	TBA	TBA	TBA	Sponsors hunting debt for \$500 million project (PFR, 12/20).
enXco	St. Isidore (12 MW Solar PV)	Nation, Ontario	Dexia	TBA	TBA	TBA	Union Bank named a co-lead on deal (PFR, 11/22)
EverPower	Highland North (73 MW Wind)	Krayn, Penn.	TBA	TBA	TBA	TBA	EverPower reaches out to lenders about financing (PFR, 11/29).
First Wind	Rollins (60 MW Wind)	Penobscot County, Maine	Key Bank, NordLB	TBA	\$81M	18-mo	Deal wraps, with JPMorgan taking tax equity stake (PFR, 12/13).
GWF Energy	Tracy (314 MW Combined-Cycle)	Tracy, Calif.	MUFG	Construction/Term	\$305M	10-yr	Deal wraps (PFR, 12/6).
NextEra Energy Resources	Blythe Energy Center (500 MW Gas-Fired)	Blythe, Calif.	Crédit Agricole, Lloyds TSB	TBA	\$305M	7-yr	Deal wraps without SMBC (PFR, 12/22).
Ormat Technologies	Various (80-90 MW Geothermal)	California and Nevada	John Hancock	TBA	TBA	TBA	John Hancock mandated to lead deal (PFR, 12/13)
SkyPower	Various (30 MW Solar PV)	Ontario	Deutsche Bank	TBA	TBA	TBA	Sponsor mandates Deutsche Bank to leading financing (PFR, 11/15).
Tenaska	Various (250 MW Solar PV)	California	TBA	TBA	TBA	TBA	Tenaska scouts debt for two solar plants (PFR, 11/15).
Western Wind Energy	Windstar (120 MW Wind)	Tehachapi, Calif.	Manulife	TBA	\$249M	TBA	Deal closes, with Sun Life participating (see story, page 4).

CALPINE LOOKS TO

(continued from page 1)

quarter. Bankers anticipate the financing will have multiple managers and likely won't be syndicated – given its size. “I’m not sure if Calpine would want to give [a mandate] to just one bank. They have a lot of relationships,” says a syndicator in New York, adding there is sufficient liquidity among project lenders to finance \$700 million in debt. **Crédit Agricole**, **ING**, **Lloyds TSB**, **Union Bank** and **WestLB** are among the banks either talking to Calpine or expected to put their hand up.

A senior originator in New York pegs the retrofit project at

roughly \$400 million, comparing it to **GWF Energy's** \$410 million package that will go toward converting the 169 MW Tracy plant near Stockton, Calif., to a 314 MW combined-cycle facility (PFR, 11/30). **Pacific Gas & Electric** has a 10-year offtake agreement for Los Esteros that will commence upon project completion. Construction is slated to begin next year, with operation expected in 2013.

Lenders say they have little to no reservations about working with Calpine as it has a healthy post-bankruptcy track record of getting financings done. The involvement of **GE Energy Financial Services**, which has a 35% stake in Russell City, also boosts the deal's appeal.

At least one lender eyeing the Russell City financing has a concern: a potential merchant tail. PG&E is buying all the output for 10 years. If Calpine intends to amortize the debt over a longer period, lenders may seek pricing higher than the current market rate of 250 basis points over LIBOR, a banker notes.

Desired pricing and tenor on financings backing Russell City and Los Esteros also couldn't be learned. **Zamir Rauf**, Calpine cfo in Houston, and a spokeswoman didn't return messages seeking comment. A GE EFS spokesman in Stamford, Conn., declined to comment. Bank officials and spokespeople either declined to comment or didn't return calls.

Officials at Calpine have approached bankers before about Russell City (PFR, 4/9/09), but permitting snags delayed the project, a syndicator notes. A construction timeline for the project couldn't be learned.

—*Brian Eckhouse*

TCW SPINOFF

(continued from page 1)

The company will be looking for investments of \$50-200 million in geothermal. "We feel like geothermal is an area that fits," Thomas says. The resource draws on EIG's expertise in drilling from its exploration and production investments as well as its experience in generation. The former TCW group closed a \$180 million loan backing the construction of **Nevada Geothermal's** 49.5 MW Blue Mountain plant in 2008, in addition to geothermal investments in Guatemala and Indonesia.

At least partially contracted gas-fired plants and geothermal projects in development are attractive to EIG, which has some appetite for merchant risk. "Typically, what you would see is an un-contracted portion that gives you a high enough rate of return and a contracted portion that lets you sleep at night," Thomas says. A large supply of gas and low power and gas prices make the areas attractive, he adds, noting that relatively cheaper costs of gas will make subsidies for renewables such as wind and solar, harder to justify. Details of potential investments in the geothermal and gas-fired space could not be learned.

EIG's separation from TCW has been in the works since October 2009. The company took the interim to negotiate with all of its roughly 450 clients to follow the new entity, Thomas notes. Clients were primarily attracted to the group's improved alignment of its earnings and performance as a standalone entity, Thomas says, adding that neither of those factors would now be affected by a much larger parent. He also cites a stricter regulatory environment for larger financial institutions as a primary reason for the group's move to become independent.

EIG is in the midst of fundraising for a \$3 billion fund, its 15th fund to focus on power, energy and infrastructure (PFR, 7/13). That process is set to wrap in the second quarter. The

company has roughly 52 employees and manages assets in 14 countries with offices in London, Sydney and Houston, in addition to headquarters in D.C.

—*Sara Rosner*

ECP TARGETS

(continued from page 1)

The term loan will be used to finance the acquisition and a \$25 million capital expenditure reserve in addition to other expenses, deal watchers say. Expected expenditures under the revolver are an \$18 million debt-service reserve and \$19 million in cash collateral.

The pricing is attractive for that rating—Ba3 by **Moody's Investors Service** and BB- by **Standard & Poor's**—and investors will likely bite if the loan is structured well, meaning merchant exposure is minimized, says a banker. Barclays, **Macquarie Capital** and **Goldman Sachs** subsidiary **J. Aron** have a hedge on the power through 2014 to alleviate merchant exposure, notes another. The structure of the loan could not be learned.

JPMorgan ran the auction of Milford for **BlackRock Real Asset Equity Trust**, affiliates of **Deutsche Bank**, **Merrill Lynch Credit Products**, **Stark Investments**, **Taconic Capital Advisors** and **TIAA-CREF Life Insurance Co.** (PFR, 11/23).

EquiPower is a subsidiary set up to run the quartet of natural gas-fired facilities that ECP bought in the Northeast in the last year.

Paul Parshley, v.p. of investor relations at ECP in Short Hills, N.J., declined to confirm or deny any of the financial details. A call to **Curt Morgan**, president and ceo at EquiPower in Hartford, Conn., was not returned. Officials at Barclays and Credit Agricole declined to comment and a Union Bank official did not respond to an inquiry by press time.

—*Holly Fletcher*

Quote Of The Week

"We're looking at \$100-300 million per investment, which makes us fairly competitive. There aren't many guys out there who can write checks like that." —**Blair Thomas**, ceo of **EIG Global Energy Partners** in Washington D.C., on the company's sweet spot for gas-fired generation investments (see story, page 1).

One Year Ago In Power Finance & Risk

Developers, project financiers and tax equity investors were considering using leveraged lease structures to finance wind and solar projects. [**Mitsubishi UFJ Financial Group** and **MetLife** are making a tax equity investment in **enXco's** 201 MW Lakefield wind farm via a leveraged lease in a deal that is set to wrap this quarter (PFR, 12/13).]