

# power finance & risk

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## CFE Delays Wind Tender Deadlines

Mexican utility **Comisión Federal de Electricidad** is pushing back the deadline for developers looking to submit bids for 300 MW of projects.

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## SunPower Purchase Heralds Speedy Growth

SunPower's purchase of European developer **SunRay Renewable Energy** signals its strategy to quickly expand its development pipeline.

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## DETROIT EDISON PREPS MAIDEN WIND PROJECT

Detroit Edison Co. is developing its first wind project, the initial installment of a renewable push that could reach \$1 billion. The subsidiary of DTE Energy plans to have phase one online in Huron County in the Thumb region of Michigan by 2012 and will need to have 150 MW online by the end of 2013 to meet Michigan's renewable portfolio standard.

The utility is planning to erect up to 300 turbines—totaling at least 450 MW—in the next 20 years but will need to have roughly



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## SOLAR CO. HUNTS EQUITY FOR \$2B CALIF. PROJECTS

Solar developer **Stirling Energy Systems** is talking to utilities, independent power producers and financial players with experience in the sector to invest up to \$400 million in two 300 MW capacity in California. The projects will cost \$2 billion in total.

The Scottsdale, Ariz.-based affiliate of Irish renewable developer and waste management company **NTR** expects to close on an investment by the end of the second quarter, says **Jim Barry**, ceo of NTR in Dublin. He declined to identify potential investors.

The company has applied for the U.S. **Department of Energy's** innovative loan guarantee program to cover a remaining 50% of the costs of projects. It will look to relationship lenders such as **NordLB** to arrange debt on the project under a guarantee, Barry adds. The company will look to fund the remaining 30%, \$600 million, of project financing under the

(continued on page 8)

## Rare Bird?

## EASTERN POWER SCOUTS GAS-FIRED DEBT

**Eastern Power** is looking to deploy debt to finance a C\$400 million (\$379 million) natural gas-fired plant in Mississauga, Ontario. **Morgan Stanley** is calling around to banks looking to raise \$200-\$250 million, a figure which makes the deal one of the larger gas-fired loans since **Sithe Global** proposed to finance its C\$1 billion (\$948 million) 800 MW Southdown natural gas-fired power plant in the same city.

The bank has been hitting the phones in the last two weeks to see who is interested in taking commitments. Details such as pricing and tenor could not be learned. **Malone Hart**, a syndications official at Morgan Stanley, declined comment and the firm's precise role could not be determined.

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## At Press Time

### CFE Pushes Back Wind Tender

Mexican utility **Comisión Federal de Electricidad** is pushing back its deadline for developers to submit bids for up to 300 MW of wind projects due to permitting issues at potential project sites in Oaxaca, according to a deal watcher. The deadline for submission will be in mid-March instead of Feb. 19. **Armando Reynoso**, project manager in Mexico City, did not respond to e-mails by press time and details surrounding permitting could not be learned.

Spanish sponsors **Iberdrola**, **Acciona** and **Union Fenosa** are expected to submit bids in the call along with U.S. private equity funds with experience in power development, the deal watcher notes. **Banco Santander**, **NordLB** and **Banco Espirito Santo** have been in discussion with potential bidders to provide financing to the winners of the 25-year PPA on offer, he notes. Bank officials either declined to comment or did not return calls and company spokesmen did not return calls or respond to e-mails.

CFE will announce PPA winners before the third quarter. Proposed projects had been slated for operation in 2011 (PFR, 8/14).

## SunPower Executes Grow Fast Approach

SunPower's planned purchase of European developer **SunRay Renewable Energy** is part of a strategy to expand its pipeline. "The point of the exercise is to grow faster," says **Julie Blunden**, v.p. in San Jose, Calif.

The acquisition offer includes \$277 million in cash, a line of credit and promissory notes and is set to close in March. **JP Morgan** acted as SunPower's advisor, with San Francisco-based **Mark Zanoli** and **Mark Solomon** leading the team.

Private equity shop **Denham Capital** will exit as a SunRay shareholder. It agreed in 2008 to invest \$200 million over four years in Valletta, Malta-based company (PFR, 5/2/08). The firm invested just under half of its commitment, says **Scott Mackin**, partner in Short Hills, N.J. "When we closed this deal we thought we'd have a solar IPP, a pure play company that we could IPO, sell to a strategic or break it up by geography," he says, adding that SunRay was not on the market. He declined to say when SunPower approached Denham about the acquisition.

SunRay has a 1.2 GW pipeline of photovoltaic projects in Italy, France, Greece, Spain, Israel and the U.K. It currently has 24 MW online in Montalto, Italy, and expects to expand the site to 85 MW by year end.

SunPower is targeting downstream growth in all of its manufacturing markets and the purchase of the SunRay pipeline similar to its U.S. acquisitions in the last year, Blunden says.

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**Institutional  
Investor NEWS**  
INTELLIGENCE FIRST

## BG Takes 2nd Round Bids For U.S. Assets

BG Group has divided the five plants it has up for sale into U.S. and international portfolios and has taken a second round of bids for the U.S. assets.

The plants for sale include:

- The 805 MW combined-cycle Lake Road plant in Dayville, Conn.
- The 262 MW combined-cycle Masspower plant in Indian Orchard, Mass.
- The 170 MW gas-fired Dighton plant in Bristol County, Mass.

In the U.K. the company is selling:

- A 50% stake in the 1,145 MW Seabank combined cycle plant in Bristol, England.
- The 1,246 MW gas-fired Premier plant in Northern Ireland.

Capital Power is looking at the U.S. assets, as are a handful of private equity shops and one other strategic. A spokesman at Capital Power and did not return a call by press time. A spokeswoman at BG says the company does not comment on speculation. Private equity shop First Reserve also reportedly bid on the assets (PFR, 1/22).

## Banks Seek \$100M Tickets On Ruby Retail

Banks leading the \$1.6 billion financing backing El Paso's Ruby Express Pipeline are looking for lenders to take \$100 million tickets after wrapping up the wholesale portion. Pricing on the retail tickets starts at 250 basis points over LIBOR and step up to 375 bps over the course of the seven-year mini-perm. The retail portion launched on Feb. 2 (PFR, 2/5).

Credit Suisse is advising and Banco Santander, Bank of Montreal, Calyon, Scotia Capital, Société Générale, Royal Bank of Scotland and UniCredit took \$187.5 million tickets on the wholesale level.

The lenders are looking to wrap the deal in the next three to four weeks, a deal watcher notes. Wholesale commitments start at 300 bps over LIBOR and step up to 400 bps over LIBOR. Bank officials either declined to comment or did not return calls and a spokesman for El Paso in Houston declined to comment or make an official available.

The company will fund remaining costs on the 675-mile natural gas pipeline with equity and \$550-700 million stake taken by Global Equity Infrastructure Partners. The line will stretch from the Opal Hub in Wyoming and traverse Utah and Nevada to Malin, Ore. Operation is slated for next year.

## EIF Hunts Landfill Gas Refi

Energy Investors Funds is looking to refinance a portfolio of landfill gas-fired projects and has put out a request for proposals from lenders to lead the roughly \$200 million deal. Bids were due Feb. 11. Details such as pricing, structure and tenor sought on the deal could not be learned.

The private equity shop is likely looking to take a dividend via the deal, a project financier notes. EIF owns 17 landfill gas-fired facilities with a combined 80 MW capacity through its subsidiary EIF Renewable Energy Holdings. The plants, which EIF purchased with partner Enpower Corp., through its U.S. Power Fund III in 2008, are located in nine states and 80% of the electricity produced from the portfolio is under long-term offtake agreements.

Mark Voccola, v.p. at EIF in New York, Alex Sugaoka, cfo of Enpower in San Ramon, Calif., and an EIF spokesman did not return calls by press time.

## Biomass Developer Partners

Biomass developer Homeland Renewable Energy is injecting \$1.5 million into a joint venture with Microgy, an Environmental Power Corp. unit. The JV, HMI Energy will advance several of Microgy's projects that derive natural gas from cow waste in California and Colorado. Homeland's cash payments to Microgy will be made in three installments, the first on Feb. 1, with two more payments in March, according to documents filed with the U.S. Securities and Exchange Commission.

Homeland is the 70% partner in the JV, which has the right to first refusal for up to five of Microgy's future projects. Details regarding whether Homeland will use the biogas in its biomass projects could not be immediately learned. Calls to Homeland officials were not returned before press time and EPC officials declined to comment through a spokesman.

Homeland, based in Langhorne, Penn., is in negotiations with Duke Energy about securing PPAs for three poultry waste-fired biomass plants in North Carolina. The biomass developer partnered with Laidlaw Energy Group in September to build wood-fired plants (PFR, 9/25).

Tarrytown, N.Y.-based Microgy has a PPA with Pacific Gas & Electric for 8 million British thermal units of renewable natural gas per day. Microgy is building natural gas deriving plants and biomass plants in California, Colorado, Iowa, Kentucky, Minnesota, Texas, Utah and Wisconsin. Milwaukee, Wis.-based boutique investment bank Ziegler Capital Markets arranged \$60 million in 30-year tax-exempt bonds to finance four renewable natural gas projects in 2007 (PFR, 5/4/2007).



## Wind Developer Scouts Tax Equity Partner

Coram Energy hired Marathon Capital to find a tax equity partner and financing for 22 MW of operational wind farms in Tehachapi, Calif. Coram is shopping for roughly \$20 million in debt and an undisclosed amount of equity, says **Brian O'Sullivan**, president.

The tax equity stake will be attractive to investors because of its existing cashflow and track record, says **Ted Brandt**, ceo of Marathon in Bannockburn, Ill. He aims to wrap the transaction by the summer. Coram is building a 102 MW project near the existing farm with **Brookfield Renewable Power** (PFR, 8/28).

The 16 MW wind farm, which went online in 2004, has six years left of available tax equity. **Southern California Edison** is the offtaker on both farms. The developer's current financial partner **Textron Financial**, the financing unit of industrial manufacturer **Textron**, which makes Cessna airplanes, will be repaid within five years instead of a fixed rate over 10 years since the project outperformed expectations, says O'Sullivan. "I think we were their only wind and it worked out well. In fact, too well," he says. He declined to disclose the fixed rate.

An official at Textron declined to comment.

## AREVA's Solar Jump Tipped As First Of Many

French nuclear power giant AREVA's entrée into the solar energy business with its purchase of U.S.-based concentrated solar power company **Ausra** will be among the first few deals in what is expected to be a flurry this year, says one of the advisors on the transaction.

New York-based boutique **Greentech Capital Advisors** served as financial advisor to Mountain View, Calif.-based Ausra. A team of London bankers at **Deutsche Bank** advised AREVA.

"More and more deals of smaller firms partnering with larger ones will be happening as the larger firms prefer to take a smaller firm's technology and commercialize it," says **Michael Molnar**, partner at Greentech.

The purchase price was not disclosed and the transaction is expected to close in the next few months. AREVA is expected to use the technology to build large-scale CSP plants for utilities, independent power producers and industrial customers in areas like Spain and the U.S. Southwest.

"The acquisition was important for our ambition toward CO<sub>2</sub>-free energy solutions," says a spokesman for AREVA in Bethesda, Md. The company has no public plans for future

acquisitions at this time, he added.

AREVA's interest in the company was for its solar thermal technology, but the market can expect to see more deals in photovoltaic, Molnar adds. He offered a quote from the head of M&A at a large European industrial company about why larger companies prefer to acquire a smaller company for its technology, rather than doing their own research and development. "The idea is that we're not good at taking a company from zero to a few million. We can take it from a few hundred million to a few billion," he recounts the official saying.

Several renewable IPOs are floating around the market. **First Wind** filed with the U.S. Securities and Exchange Commission last month (PFR, 1/15). But as far as raising capital, many companies may look for a buyer or strategic investment before doing an IPO. "You will see some IPOs in the alternative energy space but M&A will be more dominant of an exit for smaller companies," Molnar adds. "It's unclear that people want to bet on a standalone newcomer at this point."

## Ore. Shop Snags Midwest Projects

**Element Power** added to its Midwest wind project pipeline with a 1.4 GW acquisition from **EcoEnergy**. The eight project pipeline is in various stages of development so Element will continue with local and state permitting as well as begin PPA negotiations with area utilities, says **Raimund Grube**, president and coo for North America in Portland, Ore. He declined to disclose how much Element paid.

Chicago, Ill.-based EcoEnergy sold this pipeline to focus on energy storage projects on a 1.3 GW portfolio of projects it sold to **Acciona** in 2007 (PFR, 12/7/07). Element used Chicago law firm **Paul Hastings** as an advisor with **Tim Callahan**, partner, leading. EcoEnergy did not use an advisor.

Element will go to the debt market to fund construction on

### Projects Sold To Element

PROJECT	MEGAWATTS	LOCATION
EcoHarmony West	200	Fillmore County, Minn.
EcoPoint	200	McDonough, Warren Counties, Ill.
EcoLark	150	Carroll County, Ill.
EcoHarmony East	200	Minnesota
EcoMin	150	Winona County, Minn.

**\*\*Note:** Three project names were not available.

a few of the projects in Illinois and the upper Midwest, but not until 2011, says Grube. Element, backed by **Hudson Clean Energy Partners**, will provide some equity for the projects.

The Portland, Ore.-based developer is building out a 4 GW

solar and wind pipeline and is in the market for mid to late stage acquisitions a on case by case basis but prefers greenfield, says Grube.

## London Shop Scouts Financing For European Renewables

**Clean Power Capital**, a boutique advisory firm in London, is working with developers to line up debt and equity capital for renewable project pipelines in Europe, says **Johannes Tynes**, managing partner in London. He declined to disclose details, negotiation timelines or the names of the developers. Clean Power is focusing on deals with equity requirements in excess of EUR20 million (\$27 million), Tynes says, declining to further elaborate.

CPC is targeting hedge funds, private equity shops and institutional investors interested in investing in wind and photovoltaic construction-ready projects, Tynes says. Eastern Europe, particularly Poland, Romania and Bulgaria are attracting wind developers while Italy is a solar hot spot. "We expect there will be a larger volume of transactions this year, although it's missing the leverage that we had two to three years ago," he says. Biomass projects are also steadily being permitted, financed and

built in regions where fuel is widely available, he says.

The London shop advises and arranges capital for existing or construction-ready renewable projects upward of EUR30 million (\$41 million), Tynes says.

## Developer Weighs Canadian Hydro Project

**Columbia Power** will decide on whether to move forward with a \$400 million expansion to its Waneta hydro facility in British Columbia by month-end. It may bring in a partner as well. The developer had put the project on hold because of falling power prices, a spokeswoman notes.

The company and its project partner Columbia Basin Trust are in talks with contractor **SNC-Lavalin**, offtaker **BC Hydro** and **Fortis BC** for possible partnerships in the project, the spokeswoman says. **Gordon Gooding**, cfo in Vancouver, did not return a call.

Officials and a spokesman at SNC and Fortis BC, did not return calls by press time. A BC Hydro spokeswoman declined comment.

The project, which entails a four-year construction period, had been set to come online in 2012.

## Corporate Strategies

### Hydro One Halves Revolver

Canadian transmission and distribution shop Hydro One has secured a three-year CAD500 million (\$468 million) revolver to take out a CAD\$1 billion revolver due to falling power prices. The company uses the facility to fill in shortfalls when it needs to purchase electricity from generators and has yet to receive payments from regulators, notes **Greg Paul**, analyst at **Standard & Poor's** in Toronto. With falling prices and demand those potential shortfalls are much smaller than when the \$1 billion facility was taken out in 2007. The company signed off on the facility on Monday.

The larger facility was set to expire in August. Companies in the sector generally want to avoid an expiring credit facility in a 12-month window as it could lower credit ratings which exclude expiring facilities when evaluating available liquidity in that time frame, says **Allan McLean**, analyst for **Moody's Investors Service** in Toronto. The former three-year revolver was set to expire in August.

**Sandy Struthers**, cfo, did not return a call and a spokeswoman in Markham, Ontario, declined to comment. Pricing on the latest facility could not be learned.

The company will use the facility to support its two-year CAD3.8 billion capital expenditure program, which includes significant spending on transmission projects such as the CAD600 million Bruce to Milton project. The 111-mile, 500

kV project will stretch from the 4.7 GW Bruce Power nuclear plant in Kincardine to Milton in the Ontario province. It is slated for operation next year.

**Canadian Imperial Bank** is lead arranger and **Royal Bank of Canada** is administrative agent. **Bank of America Canada**, **Bank of Montreal**, **Bank of Nova Scotia**, **Caisse Central Desjardins du Quebec**, **HSBC Bank Canada**, **Laurentian Bank Canada** and **National Bank of Canada** participated in the deal. Moody's assigns a senior unsecured rating of Aa3 to the company.

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## 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 Jeanine Prezioso at (212) 224-3226 or e-mail [jprezioso@iinvestor.net](mailto:jprezioso@iinvestor.net).*

### Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Arclight Capital	Various (Gas and Transmission)	Various	Barclays, BofA	Term Loan	\$220M	7-year	Pricing cut back to 350 from 375 (PFR, 2/8).
Columbia Power, Columbia Basin Trust	Unknown (435 MW Hydro)	Waneta Dam, British Columbia	TBA	TBA	TBA	TBA	Decision on project's future expected (see story, page 5).
Coram Energy	Various (22 MW Wind)	Tehachapi, Calif.	Marathon Capital	TBA	TBA	TBA	Looking for tax equity, debt (see story, page 4).
CPV	Keenan II (152 MW Wind)	Woodward County, Okla	Union Bank, Helaba	TBA	TBA	TBA	Deal set to wrap oversubscribed (PFR, 2/8).
El Paso	Ruby Pipeline (675-mile)	Wyoming to Oregon	Credit Suisse, Calyon, BMO, Scotia, SocGen, Banco Santander, RBS	TBA	\$1.6B	7-yr	Lenders taking tickets after bank meeting (PFR, 2/8).
EnXco	Lakefield (201MW Wind)	Minnesota	TBA	TBA	TBA	TBA	Taking bids to lead financing (PFR, 2/8).
Invenergy	Vantage (103 MW Wind)	Vantage, Wash.	Dexia, Unicredit HVB	TBA	\$115M	TBA	Deal wrapped (PFR, 2/8).
Vulcan Power	Putua (60 MW Phase I Geo)	Reno, Nev.	TBA	TBA	\$200M	TBA	Will look to p.f. \$200M (PFR, 2/8).
Wind Energy Systems Technology	Unidentified (300 MW Wind)	Galveston, Texas	BofA	TBA	TBA	TBA	In discussions with DOE, BofA for funding (PFR, 2/8).

### Live Deals: Asia/Pacific

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
International Power	Hazelwood (1,675 MW Coal)	Australia	Australia and New Zealand Banking Group, Bank of America, Bank of Tokyo Mitsubishi UFJ, BankWest, BNP Paribas, BOS International, Calyon Australia Ltd., Credit Industrial and Commercial, DBS Bank Ltd., Dexia Credit Local, Fortis, NordLB, Royal Bank of Scotland, Société Générale, United Overseas Bank Limited, West LB and Westpac Banking Corp	Refinancing	A\$445M	2-yr	Deal wrapped (PFR, 2/8).

For a complete listing of the Project Finance Deal Book, please go to [iipower.com](http://iipower.com).

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## 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.*

### Americas

- The **Los Angeles Department of Water and Power** and **First Solar** are planning to install a 3-5 GW solar project on Owens Lake in California. DWP is pushing to have the first 10 MW installment online in 2011 (*Reuters*, 2/11).
- Analysts see storm damage costs for utilities from an East Coast blizzard last week as a one-off event that likely won't affect stock prices (*The Wall Street Journal*, 2/10).
- Oregon's state House of Representatives passed a bill allowing some biomass-fired and waste-fired plants to be counted toward the state's goals of utilities getting 25% of capacity from renewables by 2025 (*Statesman Journal*, 2/11).
- **NV Energy** has agreed to a 20-year PPA for 32 MWs of capacity from **Ram Power's** Clayton Valley geothermal project in Esmeralda County, Nev. (*Dow Jones Newswires*, 2/10).
- The **Northwest Power and Conservation Council** released a plan that meets most of the increased power demand in Oregon, Washington, Idaho and Montana by increased efficiency, conservation and wind power (*The Seattle Post-Intelligencer*, 2/10).
- Ecuador is in talks with **Noble Energy** to buy the natural gas-fired Machala plant on the country's Pacific coast (*Bloomberg*, 2/10).
- The New Jersey **Board of Public Utilities** delayed a ruling on **PSE&G's** proposal to construct two transmission towers along an existing line due to a snowstorm. The BUP will issue a decision on the \$750 million project Thursday (*The Star-Ledger*, 2/9).
- **Vestas** will supply its V112 3 MW turbines for Canadian developer **Trillium Power Wind's** 420-440 MW wind project in the Great Lakes. The developer will likely use the manufacturer's 5 MW turbine for another three projects planned in the region (*Reuters*, 2/9).
- **EPOD Solar** has agreed to build a 10 MW solar project in Peterborough, Ontario, with **Peterborough Utilities**. Construction on the \$30 million facility is expected to start next month (*TradingMarkets*, 2/9).

- Canadian company **Northland Power** plans to build a 261 MW natural gas-fired plant near North Battleford, Saskatchewan. **SaskPower** has a 20-year PPA with the facility, which is slated for operation in 2013 (*Reuters*, 2/8).
- **NV Energy** reported a profit of \$4.2 million in the fourth quarter, after a prior year loss of \$2.1 million. The change is due to lower fuel and purchased power costs and a rate hike at its southern Nevada utility (*Dow Jones Newswires*, 2/8).
- **Idaho Power** plans to build a 300 MW natural gas combined-cycle generator to balance its increasing reliance on wind power. The utility expects to have about 600 MW of wind power online by 2012 (*The Idaho-Press Tribune*, 2/8).
- The **Alternative Energy Solutions** unit of **Dominion Resources** hopes to have offshore wind projects underway or online off the Virginia coast in the next six to 11 years (*The Virginian Pilot*, 2/8).

### Europe

- A 16% slice of Polish utility **Enea** will be sold to public for \$383 million, about 8% below market price (*Bloomberg*, 2/10).
- Germany's **EnBW** plans to expand its power generation and midstream gas businesses in the country. The company is considering purchasing up to a 48% stake in German natural gas importer **VNG Verbundnetz** (*Dow Jones Newswires*, 2/9).
- A U.K. Parliamentary committee urged the government to press the European Union to change its carbon emission laws. The committee suggests the EU aim to cut emissions 30% below 1990 levels by 2020, instead of 20%, in addition to raising the price of carbon (*Reuters*, 2/8).
- Poland is aiming to add 200-300 MW of wind power this year but the industry faces unclear environmental regulations and a weak power grid (*Reuters*, 2/8).

### Asia

- **China Huaneng Group Corp.**, China's largest IPP, retained **China International Capital Corp.**, **Goldman Sachs**, **Macquarie** and **Morgan Stanley** to arrange the initial public offering of its wind generation unit. The IPO is valued at least \$1 billion (*Bloomberg*, 2/8).



## EASTERN POWER

(continued from page 1)

The 280 MW Greenfield South combined-cycle plant has a 25-year offtake contract with the **Ontario Power Authority** and is a good credit, says one banker approached. "The OPA has embarked on a major program to get away from coal," the banker says.

Plans to build the plant were delayed in 2006 because of permitting (PFR, 5/8/09). The facility is slated for operation in the third quarter of 2012. **Hubert Vogt**, v.p. of financing in Toronto, for Eastern Power could not be reached for comment.

—*Jeanine Prezioso*

## SOLAR CO

(continued from page 1)

investment tax credit program available under the U.S. Department of Treasury.

**Bruno Mejean**, managing director of structured finance Americas and head of origination at NordLB in New York, did not return calls.

The projects are the first 300 MW phases of the 750 MW Imperial Valley project in Imperial County and the 850 MW Calico project in San Bernardino County. **San Diego Gas & Electric** and **Southern California Edison** are the offtakers, respectively. Construction is set to begin by year-end with operation slated for next year.

Separately, **Michael McNicholas**, ceo of Irish developer **ESB International**, is leaving his post to step up as coo at **NTR** in April. He will oversee operations and performance at Stirling and its sister companies **Wind Capital Group** in St. Louis, Mo., and **Tessera Solar** London. He will work in Dublin, and report to Barry.

—*Sara Rosner*

## DETROIT EDISON

(continued from page 1)

half in place by 2015. Ratepayers pay a \$3 monthly surcharge but much of the costs will be incurred before the surcharge is collected over 20 years. A company spokesman would not comment on financing plans. DTE worked with **Barclays Capital** and **Lehman Brothers** on transactions in the past.

Detroit Edison is working with Overland Park, Kan.-based **Black & Veatch** to gather initial data and plans to work closely with third party developers, says the spokesman. The utility signed a 20-year PPA with Heritage Sustainable Energy's 19 MW Stoney Corners farm near Cadillac, Mich., that came online in January but the spokesman would not say if it is involved on the wind initiatives. Detroit Edison will also need to purchase wind power to meet the RPS.

—*Holly Fletcher*

## Alternating Current

### Vonn? Blah, Blah...What About The Green?

While the headlines in the run up to the Vancouver Olympics focused on the lack of snow and **Lindsey Vonn's** boo-boo on her shin, a well-oiled PR machine has been plying a different angle: the greening of the games. If readers can stay awake for a minute on this one, we can report nine venues teamed up with sponsors, including **BC Hydro**, to build energy-saving features into new buildings and retrofit old ones.

After making promises and changes to the buildings, the Vancouver Olympic Committee realized it didn't know how to calculate the amount of power saved, says **David Helliwell**, ceo of **Pulse Energy**. The Vancouver-based software firm that builds systems for companies to track power usage designed a system and web interface that allows everyone—attending the games or not—to live track how much power is being saved.

At the Richmond Olympic Oval, where speed skating is being hosted, the amount of carbon emissions being reduced is equal to the weight of 4,061 baseballs. "It's pretty interesting to see how much energy it takes to run a speed skating oval," Helliwell says. Olympian fans can log on to <http://www.venueenergytracker.com/home> to follow out how much greenhouse gas and power is being saved by the custom fits on the buildings.

We're guessing that site is unlikely to crash from a deluge of usage.



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### Quote Of The Week

*"You will see some IPOs in the alternative energy space but M&A will be more dominant of an exit for smaller companies. It's unclear that people want to bet on a standalone newcomer at this point."*

**Michael Molnar**, partner at **Greentech Capital Advisors** in New York, on **AREVA** buying concentrated solar power company **Ausra** (see story, page 3).

### One Year Ago In Power Finance & Risk

**EverPower Renewables** had been looking to sell a stake in the company as it looked to line up funding for \$670 million of projects. [British private equity firm **Terra Firma** bought the company from renewables fund **Good Energies** for roughly \$350 million in August. The company had been preparing to approach banks for financing six projects (PFR, 11/3) and also garnered a cash grant for its Highland project in Salix, Pa., from the U.S. Department of Treasury (PFR, 9/1).]