

# power finance & risk

The exclusive source for power financing and trading news

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## TXU REPORTEDLY ADVANCES ONCOR, LUMINANT PARTNER SEARCHES

Energy Future Holdings, formerly TXU, has reportedly drawn up a shortlist of potential acquirers of a 20% stake in its **Oncor Electric Delivery Co.** unit, with a view to taking final bids next month (PFR, 9/7). Simultaneously, its generation subsidiary **Luminant** has resuscitated plans to sell 50% of two plants—545 MW Sandow 4 in Milam County, Texas, and the planned 581 MW Sandow 5—to **Sumitomo Corp.**-owned **Perennial Power Holdings**.

**Credit Suisse**, which is advising EFH, took indicative bids last month for Oncor after approaching a raft of infrastructure and private equity players in November. One strategic company likely to have taken an interest is **Hunt Transmission Services**, which is backed by

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## Moving Quickly

## STORAGE CO. LOOKS TO LINE UP LENDERS FOR BAMA PROJECT

**Arcapita**-backed **Falcon Gas Storage** is shooting to launch early next month a \$300-350 million financing for a 50 billion cubic feet per day storage project. A bank shortlist has been drawn up, says **Edmund Knolle**, executive v.p. and coo of subsidiary **MoBay Storage Hub**, which is developing the facility in Mobile County, southern Alabama. He declined to identify firms. As first reported in *PFR Daily* last Tuesday, the aim is to begin construction in May and close on the financing by June.

State and federal construction permits have been obtained, except for a **Federal Energy Regulatory Commission** notice to proceed on an offshore well, which is expected to be granted next month. MoBay closed on a storage lease Jan. 30 from the state of Alabama and

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## BIOMASS DEVELOPER SEEKS ACTIVIST BANK

Biomass developer **Rollcast Energy** is in discussions with lenders about financing its \$170 million, 50 MW Greenway Renewable Power project in Heard County, Ga. **Penn Cox**, ceo in Charlotte, N.C., told *PFR*, "We're focused on banks that have experience in renewables and appetite for biomass," noting the company is "trying to get as much debt as [it] possibly can."

As reported on *PFR's* Web site last Wednesday, the chosen financier would play an active role in discussing the plant's fuel supply. "We're really looking at the bank as a more important part of the development process than we might if we were doing a gas combined-cycle plant," says Cox. "A bank obviously would love to see all the fuel supply locked up under a long-term contract. But in today's world in biomass supply, that's not realistic for all

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Check [www.iipower.com](http://www.iipower.com) during the week for breaking news and updates.



## At Press Time

### PG&E Taps Former Calpine Exec

PG&E Corp. has tapped **Brian Harenza**, formerly v.p. of finance at **Calpine**, as senior director of strategic development. He is based in San Francisco and reports to

**Richard Rollo**, v.p. of corporate strategic planning and development. Harenza's hiring was announced to employees on Feb. 5 via an internal e-mail, according to an official at the company. Spokespeople at both companies did not return calls.

## First Reserve Borrows \$420M For Oil Storage Acquisition

First Reserve Corp.'s pending acquisition of the **Bahamas Oil Refining Company** (Borco) oil storage terminal in Freeport, Bahamas, from **Petróleos de Venezuela** (PDVSA) will be supported by \$420 million in senior secured credit facilities.

The purchase price on the deal, announced last Thursday and set to wrap next quarter, was not disclosed.

**ABN Amro** has underwritten the financing and, as first reported by *PFR* last Tuesday, hopes to bring in **WestLB** as a co-lead arranger on the right of the deal, as well as another unnamed bank in a senior role yet to be determined. The package consists of:

- a \$325 million, 10-year term loan
- an \$85 million working capital facility and
- a \$10 million, 10-year revolver for debt service reserve

A bank meeting is scheduled for sometime next month in New York and may be supplemented by a meeting in London. Calls to ABN and WestLB officials were not returned.

**Thomas Sikorski**, managing director at First Reserve in London, declined to talk specifics on the financing, but says a minority equity stake is being syndicated to an unnamed operating partner. He says the acquisition of the 20 million barrels per day terminal—the Caribbean's largest—could serve as a springboard for additional assets in the region and Southeastern U.S. "There are no refineries from Wilmington, Del., to the Gulf Coast in Houston, but this takes deep water ships and is very flexible," he explains, adding that the plan is to expand it by 25-50%, or 5-10 million barrels, as soon as practically possible with additional financing from ABN. **Citigroup** advised PDVSA on the sale, which bought Borco from **Chevron** in 1990 but has other storage options in the region. Calls to Borco were not returned.

The existing facility stores gasoline (25%), crude (25%) and fuel oil (50%). Its largest customer is PDVSA, but First Reserve is in discussions with several potential new counterparties, including **Royal Dutch Shell**, and expects to have the facility fully leased by the closing of the acquisition. "We pursued [this asset] with a [memorandum of understanding] with Shell and that helped the financing," says Sikorski.

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### EDITORIAL

**TOM LAMONT**  
Editor

**STEVE MURRAY**  
Deputy Editor

**PETER THOMPSON**  
Executive Editor [Chicago]  
(773) 439-1090

**KATY BURNE**  
Managing Editor  
(212) 224-3165

**THOMAS RAINS**  
Reporter  
(212) 224-3226

**KATIE HALE**  
Associate Reporter  
(212) 224-3293

**STANLEY WILSON**  
Washington Bureau Chief  
(202) 393-0728

**KIERON BLACK**  
Sketch Artist

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(212) 224-3785

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(212) 224-3212

### PUBLISHING

**ELAYNE GLICK**  
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**MIKE FERGUS**  
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**AMANDA CATERINA**  
Associate Marketing Manager  
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Senior Operations Manager  
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**Customer Service:** PO Box 5016,  
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Tel: 1-800-715-9195. Fax: 1-615-377-0525  
UK: 44 20 7779 8704  
Hong Kong: 852 2842 6910  
E-mail: customerservice@iinvestor.com

**Editorial Offices:** 225 Park Avenue  
South, New York, NY 10003.  
Tel: (773) 439-1090  
Email: pthompson@iinvestor.com

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**Institutional Investor NEWS**  
INTELLIGENCE FIRST

## Empire State IPP Offered To Buy Mirant Plant

Ogdensburg, N.Y.-based **Alliance Energy Group** recently offered to buy Mirant's 183 MW coal- and gas-fired Lovett Generating station in Tompkins Cove in the Hudson Valley last month. A spokeswoman for Alliance said the offer was made with the understanding the facility was targeted for closure in 60 days but was withdrawn a week later when Mirant did not respond. The size of the offer could not be learned.

Last year, Mirant offered to install costly environmental controls on the two coal units, after state authorities alleged nitrogen and sulfur dioxide emissions from the plant violated clean air regulations. Its plans for the unit could not be determined and a spokeswoman for Mirant declined to comment. Alliance planned to run the facility on clean fuel.

Separately, Alliance subsidiary **Alliance Energy Renewables** plans to unveil an acquisition that will double its hydro capacity in New York State. In May it closed on a portfolio of 28 MW of hydro and two gas peakers—a 51 MW unit in Hillburn and 44 MW unit known as Shoemaker in Middletown—from Mirant for \$5.1 million (PFR, 5/25). The company is now conducting a feasibility study into a kinetic energy project in the St. Lawrence River.

Alliance otherwise has four gas plants in central and western New York—80 MW Ogdensburg, which it plans to run on biodiesel, 56 MW Batavia, 65 MW Sherrill and 58 MW Sterling. Its 79 MW Massena plant was sold to U.K. IPP **Renewable Power & Light** last year and now runs on biodiesel with an output of 85 MW.

## Leads Tweak HoldCo Pricing On Puget Financing

**Barclays Capital** and **Dresdner Kleinwort** have raised pricing on part of the \$3.575 billion backing a **Macquarie Infrastructure Partners**-led consortium's move to take **Puget Energy** private (PFR, 10/27). As first reported by *PFR Daily* last Tuesday, pricing on \$2.425 billion in new, non-recourse debt at the holdco was flexed to 225 over LIBOR, up from the original 200 at launch (PFR, 1/24).

The holdco debt now in wholesale syndication consists of a \$1.425 billion senior term loan and a \$1 billion line for capital expenditures. That portion is expected to receive a Ba2 rating from **Moody's Investors Service** and a BB+ from **Standard & Poor's**. At the opco will be a new \$400 million senior facility for capex, a \$400 million revolver and a \$350 million tranche for hedging



purposes all priced at 100 and expected to be rated Baa3/BBB-. Ratings will be official near financial close in September.

Wholesale commitments on the entire package are expected to be in by the middle of this week, a short delay on the original deadline of Feb. 15. An agent title is on offer for slugs of \$300 million and a senior managing agent title for \$200 million. The higher level comes with fees of 50 basis points plus an additional 60 on final allocation. The lower level pays 30 basis points and another 50 for what is allocated. Retail tickets should be on offer later this month.

## Fortis' Kraft Exits

**Rainer Kraft**, senior v.p. of loan syndications and debt capital markets at **Fortis Capital**, has left the firm. The reason for his departure could not be learned. Kraft's voicemail at Fortis says he is no longer with the bank and calls to a forwarding number were not returned. A Fortis spokeswoman did not return calls.

Kraft joined Fortis in the summer of 2005 after leaving the project and structured finance group at **DZ Bank** in New York (PFR, 7/1/2005). Most recently during his time at the bank, Fortis and **BBVA Securities** closed syndication of financing for the 164 MW initial phase of **NedPower Mount Storm**, a planned 264 MW wind facility sponsored by **Shell WindEnergy** and **Dominion** (PFR, 1/18).

## Leads Prep Upsized Invenergy Financing

**Dexia Crédit Local** and **NordLB** are looking to launch syndication by later this week of \$249 million in financing underpinning construction of **Invenergy's** 129 MW **Forward Energy** wind farm in Dodge and Fond du Lac Counties, Wis. Pricing and ticket sizes are yet to be set, but commitment levels of \$25 million and \$40 million are being considered. No bank meeting is planned.

The leads will seek participation from five or six of Invenergy's relationship banks, a banker says, noting the leads want to keep a healthy separation between this deal and **UniCredit HVB's** upcoming launch of financing for Invenergy's 150 MW **McAdoo** farm in Dickens County, Texas, and 99 MW **Grand Ridge** farm in Ottawa, Ill. (PFR, 1/25). Officials at Invenergy and Dexia did not return calls and Nord declined to comment.

Both the output and financing for **Forward**—originally 99 MW with a \$197.3 million financing (PFR, 10/26)—were upsized due to the risk of production tax credits expiring at year-end. Power will be sold under offtake agreements with **Wisconsin Public Service**, **Wisconsin Power & Light**, **Madison Gas and Electric** and **Wisconsin Public Power**. Tax-equity will come from **GE Energy Financial Services**.

## BoTM Lands Project Finance Banker

**Bank of Tokyo-Mitsubishi UFJ** has hired **Beth Waters** as a v.p. of business development and project finance in New York. She joined Jan. 14, reporting to **Takeshi Takahashi**, head of structured finance also in New York, focusing on renewable and conventional power project finance as well as infrastructure. Waters says she most recently worked for **Australia New Zealand Bank Group**, but left in April 2006 to pursue other endeavors she declined to identify.

## Chilean LNG Sponsor Shortlists Potential Lenders

**GNL Quintero**, the sponsor of what will be Chile's first liquefied natural gas receiving and regasification terminal, has shortlisted lenders for financing construction of the facility in Quintero Bay. The company is expected to award mandates within a matter of weeks.

Potential bidders are said to include **Fortis Capital**, **Caja Madrid**, **Calyon**, **Mizuho Corporate Bank**, **ING Capital**, **ABN Amro**, **WestLB**, **Scotia Capital** and **BNP Paribas** (PFR, 10/12).

**HSBC** is advising on the \$940 million project, backed by **BG Group** with 40% and **ENAP**, **Metrogas** and **Endesa Chile** each with 20%. It will have an annual capacity of 2.5 million tons—1.7 million of which will be contracted to BG for 21 years when construction is complete next year. An official at GNL Quintero in Santiago declined to comment.

## Alaskan Utility Dance May Result In Generation Merger

A trio of Alaskan utilities is leaning towards a merger of their generating portfolios, after considering a raft of alternatives, including acquiring one another outright (PFR, 9/7). City of Anchorage-owned **Municipal Light & Power**, cooperative **Chugach Electric Association** and fellow co-op **Homer Electric Association** were set to meet Friday to discuss potential financing and governance in the event they combine their generation.

Energy consultant **Navigant Consulting** recommended at a Feb. 7 hearing that merging plants would be more cost effective than a tie-up at the corporate level. Within the next two weeks, the utilities plan to discuss how merging generation could work, says **Fred Boness**, an independent consultant for the utilities and a former city attorney. Over the next 60 days, ML&P and Chugach are required to report back to an independent panel how they might put any savings generated to use for ratepayers. Homer is not required to report back, having only recently

become involved in the discussions.

The utilities began reviewing their options with the realization they are limited to the size of generation they can build because of Anchorage's location on an earthquake fault line and isolation from other state grids, says Boness. ML&P has 381 MW, Chugach 530 MW and Homer 56 MW.

## Babcock Adds EUR430M To Corporate Line

**Babcock & Brown Wind Partners** has added a EUR430 million (\$626.4 million) facility to its existing EUR1.26 billion corporate credit line for wind developments in Spain and Australia, according to a banker. Syndication of the new facility is set to close later this month but details could not be learned. A call to **Ian Harding**, an official at Babcock in London, was not returned.

**Banco Espírito Santo de Investimento**, **Dexia Crédit Local**, **Halifax Bank of Scotland** and **Millennium BCP Investimento** lead the debt (PFR, 4/13), after arranging the original EUR1.03 billion facility (PFR, 8/24) and a EUR230 million add-on that closed in November for U.S. and Spanish farms (PFR, 12/7). Participant lenders in that facility have been invited into the new facilities, as well as other relationship banks of Babcock. The firms that signed up previously were **Westpac**, **Bank of Australia**, **Bank of Ireland**, **Royal Bank of Scotland**, **Natixis**, **Banco Santander Central Hispano**, **Société Générale**, **DEPFA**, **Deutsche Pfandbriefbank**, **IKB Deutsche Industriebank**, **KBC Bank** and **KfW Bank**.

## FPL Participations To Come In Two Sizes

**UniCredit HVB** and **Mizuho Corporate Bank** are offering \$35 million and \$25 million tickets in the syndication of a pre-funded, \$250 million back-leveraged loan for **FPL Energy's** 600 MW Northern Frontier wind portfolio. Commitments are due Feb. 21.

Pricing is 112.5 basis points over LIBOR with an upfront fee of one basis point per million, but the larger tickets have been offered by invitation only. Mostly relationship banks were targeted at a Jan. 31 bank meeting in New York (PFR, 1/30). Officials at the leads declined to comment and FPL did not return calls.

The deal structure works like a cash sweep, with distributable cash going to the sponsor for the first five to seven years to repay project debt, followed by funds being channeled to tax equity investors **Morgan Stanley** and **JPMorgan Capital** until they achieve a pre-determined yield. For the full list of sites in the portfolio, head to [www.iipower.com](http://www.iipower.com).

## Alliant Sub Eyes Minn. Wind, Wraps Iowa Purchase

Alliant Energy subsidiary **Interstate Power and Light** (IP&L) is looking to acquire an unnamed wind farm in southern Minnesota similar to the 300 MW Whispering Willow farm near Hampton, Iowa, it recently bought from **Iowa Winds**.

**Kim Zuhlke**, v.p. of new energy resources at Alliant in Madison, Wis., says IP&L looks for farms that provide for excellent wind flow, access to reliable transmission and have existing agreements with cooperative landowners.

Cedar Rapids-based IP&L also owns the 200 MW Buffalo Creek farm in Franklin County, Iowa, now dubbed Whispering Willow West. The Minnesota farm under consideration is in an earlier development project, says Zuhlke, adding the company chooses not to build from scratch because of the time it takes and complexity of conducting wind resource analysis.

Construction will begin first on Whispering Willow East due to transmission system upgrades needed at Whispering Willow West. A turbine supplier will be chosen this fall with roughly half of the financing coming from bank loans, says Zuhlke. Fellow Alliant subsidiary **Wisconsin Power and Light** broke ground on the 68 MW Cedar Ridge Wind Farm in Fond du Lac County in October, Alliant's first fully owned and operated wind farm.

## Leads Prep Syndication Of \$1B Package For Aussie Energy Co.

Lead arrangers on \$1 billion equivalent in underwritten credit facilities for Australian integrated energy company **Origin Energy** held a bank meeting in Sydney last Wednesday to launch syndication. **Australia and New Zealand Bank**, **Commonwealth Bank of Australia**, **Deutsche Bank**, **JPMorgan** and **National Australia Bank** are joint leads. Syndication is expected to be complete next month, according to **Sean Joseph**, director of syndications at ANZ.

The three-year, A900 million (\$806.3 million) package is structured on a senior unsecured basis and consists of a A200 million term loan and A700 million revolver. Rounding out the deal is a USD\$200 million revolver. The credit supplements an existing A900 million facility underwritten by NAB last March and will help fund a series of capex projects, including the 630 MW Darling Downs plant near Dalby in Queensland. Calls to Origin were not returned.

Participants in the original facility—ANZ, NAB, **Bank of America**, **Bank of Tokyo-Mitsubishi**, **Mizuho Corporate Bank**, **BBVA**, **Citibank**, **Deutsche Bank**, **Société Générale**, **Toronto-Dominion Bank** and **WestLB**—were invited to the meeting,

along with a number of additional lenders, says **Stephen Boyd**, director of loan origination and syndication of NAB in Sydney. Ticket sizes are A50 million, A75 million and A100 million split across both tranches, adds **David Graham**, head of syndicated and leverage financed at JPMorgan. Commitments are due early next month.

## Commitments Due In Retail For Mexican Hydro Deal

Sole bookrunner **WestLB** and seven mandated lead arrangers are accepting commitments in retail syndication of the \$910 million construction financing tied to **Empresas ICA's** 750 MW La Yesca hydro project in Mexico (PFR, 8/31).

Two undisclosed banks have joined the deal with slugs of \$100 million while one has joined with \$75 million, and several Mexican banks are expected to sign up shortly. "If you want to invest in the energy space in Mexico, you have to have a relationship with ICA," one deal watcher notes. Predominantly relationship banks of the **Comisión Federal de Electricidad**, Mexico's state utility, have been approached.

**DnB NOR Markets** joined the deal early in retail as a lead arranger with \$50 million, while **Citibank/Banamex**, **HSBC**, **BBVA Bancomer**, **Grupo Santander**, **NordLB**, **Scotia Capital** and **Natixis** all joined as mandated lead arrangers last fall (PFR, 11/21).

The tenor on the construction loan is four years and nine months. Rounding out the financing is an \$80 million revolver provided solely by WestLB. Pricing is rumored to be in the range of 50 basis points over LIBOR. Officials at the lead and MLAs either declined to comment or did not return calls.

## Canadian Renewable Developer Plots Refinancing

**Canadian Hydro Developers** is planning an approximately C\$80 million (\$80.2 million) private bond offering in the next six months to refinance debt stemming from its acquisition of the 99 MW Le Nordais wind farm on the Gaspé Peninsula in Québec. That deal closed Jan. 10.

**Ann Hughes**, executive v.p. in Calgary, says there would not be a formal request for proposals but the company "would go out to tender to a select group of corporate finance people." **Scotia Capital** and **Toronto-Dominion Bank** led the developer's last two bond offers, putting them in the running for any in future, says Hughes, adding, "They would certainly be among the top people that we could look at, but not exclusively." The offering could include investors in the U.S. as well as Canada and the notes will likely have a tenor of 10 years or more. "We've had U.S. investors in the past. It all depends on the appetite in the

market,” she says.

Canadian Hydro acquired Le Nordais from **KW Gaspé** for C\$109.7 million, plus the assumption of C\$6.3 million in debt (PFR, 11/30). Toronto-Dominion and **Bank of Nova Scotia** led a 12-month unsecured C\$72 million bridge for the acquisition and a separate C\$42 million one that went undrawn. Le Nordais consists of a 57 MW farm at Cap-Chat and a 42 MW farm at Saint-Ulric-de-Matane, both of which have PPAs through 2033 with **Hydro-Québec**.

Separately in the middle of next year, the developer plans to refinance debt tied to a \$285 million, 132 MW wind project under construction in the Amaranth and Melancthon townships in Ontario, set to come online Nov. 30. Bank of Nova Scotia and Toronto-Dominion led the debt, which is held at the parent.

## EnergyCo. Names Development Head

EnergyCo., the joint venture between **PNM Resources** and **Bill Gates’** private investment vehicle **Cascade Investment**, has appointed **Wendy Carlson**, PNM’s v.p. of treasury and taxation, to succeed **Mark Kubow**, president of generation strategy and development.

Kubow, who is based in Chicago, departs this Friday and is evaluating several options, including starting his own firm and working for a financial sponsor or strategic player. He says the vision ultimately outlined for EnergyCo. differed from his own, declining to talk specifics. “We both agreed it was best to go in different directions.” Kubow joined last March from **BG Group North America**.

EnergyCo.’s portfolio comprises two facilities—the 614 MW CoGen Lyondell in Channelview, Texas, and 305 MW coal-fired Twin Oaks. Carlson will be replaced by **Terry Horn**, v.p. of corporate strategy and development at PNM.

## Corporate Strategies

### PECO Boosts Capex Budget

PECO, an **Exelon** subsidiary providing electricity and natural gas to southeastern Pennsylvania, has increased its capital investment plan by \$50 million to \$394 million for this year and plans to fund part of it via two bond offerings. The rest will come from operating revenue. “Across the industry I think you’ll see a large spike in capital spending and a lot of that timing is based on when [infrastructure] was put into the ground,” says **Matthew Giesecke**, director of finance.

The utility expects its capex to increase again next year. Giesecke notes that more than \$200 million is earmarked for upgrading transmission substations and building new ones supporting growth in Philadelphia’s central business district. Also on the drawing board are repairs on five 230 kV transmission lines

traversing Bucks and Montgomery Counties and the extension of a line across the Delaware River with the **PJM Interconnection**.

PECO had \$2.8 billion in long-term debt as of Dec. 31 and a debt-to-equity ratio of around 50:50, says Giesecke. Last March it sold \$175 million in 5.7% first mortgage bonds maturing in 2037 to refinance short-term debt in a transaction led **RBS Greenwich Capital** and **JPMorgan Securities**. Giesecke declined to speculate on which banks would lead the new offering.

## EdP Preps IPO For Growth Plan

**Energias de Portugal** will float a 20-25% stake in its renewables division, **EDP Renováveis**, later this year via an IPO to help fund a EUR11.1 billion (\$16.1 billion) growth plan. “It’s an attractive way of financing growth. EdP is putting a lot of capital into the renewables sector over the next several years and has an aggressive growth plan. We don’t want to restrict the business through restrictions on our balance sheet,” says **Miguel Stilwell d’Andrade**, corporate development head in Lisbon.

The IPO, which will be placed on the **Euronext Lisbon**, offers greater visibility for the company and more transparency for investors than a private equity placement. Stilwell d’Andrade would not specify how much it is targeting to raise when it launches later this year.

Of the total spend forecasted between 2007 and 2010, EUR3.3 billion was allocated for this year and EUR3.1 billion for next year, with 63% overall going towards new hydro and wind. A portion of those funds will be debt-funded, says Stilwell d’Andrade, declining to elaborate. “Given the growth opportunities that exist in the renewables sector, we think a combination of debt and equity is the best way to continue to grow the business,” he says. Last fall, EdP privately placed \$2 billion in senior notes to refinance roughly \$3-3.5 billion in leverage that helped it acquire **Horizon Wind Energy** from **Goldman Sachs** (PFR, 11/9).

**Morgan Stanley**, **UBS**, **Citigroup**, **Banco Espírito Santo**, **Caixa Banco de Investimento** and **Millennium BCP Investimento** will underwrite the IPO. “We met with a lot of banks over the course of the last several months and the ones we selected seemed to be the ones that had the best credentials and the best terms,” says Stilwell d’Andrade.

As a result of the Horizon transaction, EdP is the third largest wind developer in the U.S. and the fifth largest worldwide by megawatts installed. It aims to grow its wind portfolio to 7.6 GW by 2010 from 3.8 GW last year—spending EUR2 billion this year, EUR1.8 billion next and EUR900 million in 2010. In North America, its wind portfolio is expected to mushroom to 3.4 GW from 1.6 GW and its European wind arm **NEO** to grow to 4.2 GW from 2.2 GW.

## 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

- Hedge fund **Harbinger Capital Partners** and private investment firm **SPO Partners**, two of **Calpine's** biggest shareholders, have boosted their stakes via open-market purchases less than a week after the IPP emerged from Chapter 11 (*The Deal*, 2/13).
- **Jim Rogers**, ceo of **Duke Energy**, says his company won't build any more coal plants unless they have the potential to capture and sequester carbon emissions (*Associated Press*, 2/11).
- **Exelon Nuclear** is looking to build a plant in Victoria County, Texas, with an online date between 2015 and 2016 (*McClatchy-Tribune Regional News*, 2/11).
- **CPS Energy**, San Antonio's public utility, could become a 50-50 partner with **NRG Energy** in an expansion of the South Texas Project nuclear plant if Austin decides not to take the 16% ownership stake to which it is entitled (*San Antonio Express-News*, 2/11).
- **Suez Energy International** and **Codelco**, Chilean state copper giant, won environmental approval for a planned liquefied natural gas terminal in Mejillones, northern Chile, which will have the capacity to send out 5.5 million cubic meters of gas per day (*Reuters*, 2/11).
- Canadian IPP **TransAlta** plans to design, build and operate a 66 MW wind project near Fort MacLeod in southern Alberta, known as Blue Trail, costing an estimated \$115 million (*MarketWire*, 2/13).
- A special purpose vehicle under **CenterPoint Energy** issued \$488 million in transition, or securitization, bonds with an effective annual weighted average interest of 4.8% (*FOX Business*, 2/13).
- **RWE**, Europe's sixth-largest gas player by volume sold, agreed to buy 50% of U.S. liquefied natural gas terminal developer **Excelerate Energy** (*Houston Chronicle*, 2/14).
- **Blue Source**, an aggregator of greenhouse gas emission offsets and carbon capture and storage developer, has acquired **Baseline Emissions Management**, a Canadian emissions offset marketing and consulting group, creating **Blue Source Canada** (*Reuters*, 2/13).

### Europe

- **Iberdrola's** Deputy Chairman **Juan Luis Arregui** has said he will defend the company from any break-up bid (*Reuters*, 2/10). Meanwhile, **Iberdrola Renovables** has signed a contract with **Eolica Dobrogea Schweiz**, a subsidiary of Swiss engineering group **NEK** and Romania's **Rokura**, to acquire a portfolio of

approximately 50 wind projects totaling around 1,600 MW located in the Dobrogea region of eastern Romania (*Forbes*, 2/12).

- **Npower** has announced it is working with **Marine Current Turbines** on a tidal project off the north-west coast of Anglesey, Wales (*The Aberdeen Press and Journal*, 2/11).
- **British Energy** is in talks with 10 potential partners for the construction of nuclear reactors and hopes to sign at least one deal in the next few months (*Financial Times*, 2/14).

### Asia/Pacific

- **Macquarie Group** is in talks to buy asset manager **Allco Finance Group** (*Bloomberg*, 2/11).
- **Abu Dhabi Future Energy Co.**, also known as **Masdar**, has agreed to work with **Emirates CMS Power Co.** to spend \$22 billion in developing a carbon-neutral city (*Bloomberg*, 2/10).

## —PFR ANNUAL AWARDS—



*Power Finance & Risk* will announce nominees for its fifth annual power

project finance awards on **March 28** and announce winners **April 11**. We are seeking nominations from our readers for the best and worst deals of last year.

### YOU CAN MAKE YOUR 2007 AWARDS NOMINATIONS UNDER THE FOLLOWING PROJECT FINANCE CATEGORIES:

- ☐ Best North or Latin American Deal
- ☐ Best European/Middle Eastern Deal
- ☐ Best Renewable Energy Deal

**Nominations must reach PFR by March 21.**

**power finance & risk**

All project finance nominations must be based on **non-recourse** financing to the **power** sector. Beyond that the selection criteria is up for grabs. However, you may want to nominate deals based on:

- size
- innovative structure or syndication
- speed of execution
- ability to overcome market challenges

When making your nominations please explain **why** you are making these choices.

Please send your nominations to **Katy Burne**, managing editor at [kburne@iineews.com](mailto:kburne@iineews.com)



## Generation Auction & Sale Calendar

Following is a directory of ongoing generation asset sales. The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed. To report new auctions or changes in the status of a sale, please call Katy Burne, Managing Editor, at (212) 224-3165 or e-mail [kburne@iinews.com](mailto:kburne@iinews.com).

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Airtricity Holdings	Various	Europe	259 operational	Wind	Credit Suisse	To be acquired by Scottish & Southern Energy for EUR1.08 billion (\$1.59 billion).
American Electric Power	Fort Phantom Abilene Power Station Lake Pauline Rio Pecos Oak Creek Paint Creek San Angelo	Abilene, Texas Abilene, Texas Quanah, Texas Girvin, Texas Bronte, Texas Stamford, Texas San Angelo, Texas	362 18 35 136 75 218 110	Gas	N/A	Took final bids Nov. 14. Reportedly negotiating with a single party.
Arroyo Energy Investors	Thermo Cogeneration	Fort Lupton, Colo.	272	Gas	N/A	Starwood Energy Group Global said to be closing a purchase and sale agreement shortly (PFR, 2/6).
Astoria Energy	Astoria plant	Queens, N.Y.	500	Gas	N/A	Owners fielding offers. Suez Energy acquiring 30% (PFR 9/29).
Barry Bates and Michael Underwood	Thompson River Cogen	Montana	16	Coal, Waste Wood	Energy Advisory	Teasers went out late June. Plant has a 20-year PPA with Avista Utilities.
Bicent Power	Mountain View	Palm Springs, Calif.	67	Wind	Goldman Sachs	AES to acquire (PFR, 1/7).
Black Hills Corp.	Arapahoe Valmont Fountain Valley Las Vegas I Las Vegas II Harbor Valencia	Denver, Colo. Valmont, Colo. Colorado Springs, Colo. Las Vegas, Nev. Las Vegas, Nev. Long Beach, Calif. Albuquerque, N.M.	130 80 240 53 224 98 149	Gas Gas Gas Gas Gas Gas Gas	Credit Suisse	Seller looking for an all-cash transaction. Preliminary bids taken Nov. 20. Bids said to be close to \$800 million (PFR, 12/10). Hastings Funds Management, AllCapital, Beowulf Energy in partnership with Natural Gas Partners, Tenaska Energy, Energy Investors Funds, and EnergyCo. on shortlist to acquire (PFR, 1/28).
Bluff Power Partners E/S Solutions	McCommas Bluff	Dallas, Texas		Landfill Gas	CRG Partners	Cambrian Energy Development named stalking horse, replacing Montauk Energy Capital (PFR, 10/12).
Calpine	Acadia Energy Center Fremont Energy Center Hillabee Energy Center Texas City Clear Lake	Eunice, La. Sandusky County, Ohio Alexander City, Ala. Texas City, Texas Clear Lake, Texas	1,016 (50%) 512 774 425 375	Gas Gas Gas Gas Gas	Miller Buckfire	Sold to Cajun Gas Energy for \$189 million (PFR, 8/6). FirstEnergy won with \$253.6M bid (PFR, 2/7). CER Generation won with \$155M (PFR, 2/6). Teasers went out w/c Nov. 26 (PFR, 11/26). First-round bids deadline pushed back to 1/24.
Catamount Energy	Sweetwater Ryegate Power Rumford	Nolan County, Texas Vermont Rumford, Me.	505 (50%) 20 85	Wind Wood waste Cogen	Goldman Sachs	Unsolicited approaches have been made to backer Diamond Castle Holdings (PFR, 8/31).
CIT Group	RockGen Energy Center	Cambridge, Wis.	460	Gas	Bear Stearns	Lessee Calpine to acquire for an undisclosed sum.
Central Vermont Public Service	Various	Vermont	70 in summer, 86 in winter	Hydro	Morgan Stanley	Believed to be in advanced stages, (PFR, 5/18).
City of Vernon	Malburg Generating Station Palo Verde Power Hoover Upgrading	Southern Calif. Southern Calif. Southern Calif.	134 11 22	Gas Nuclear Hydro	Lehman Brothers	Beowulf Energy and Natural Gas Partners agreed to buy for \$342 million. Lehman Brothers to lead debt financing (PFR, 10/22).
Conectiv Energy (Pepco Holdings)	Various	PJM Interconnection	3,700	Various (merchant)	Credit Suisse	Company reviewing strategic alternatives, including whole or partial sale and merger (PFR, 12/10).
Con Ed Development	CEEMI Newington Energy  Ada Cogeneration Lakewood Ocean Peaking Power Rock Springs Genor EverPower Wind	Springfield, Mass. Newington, N.H.  Ada, Mich. Lakewood, N.J. Lakewood, N.J. Rising Sun, Md. Puerto Barrios, Guatemala NEPOOL, NY, PJM	185 525 (99.5%)  29 (48%) 246 (80%) 339 670 (50%) 42 (49.5%) 500 planned	Gas, Oil, Hydro Gas  Gas Gas Gas Oil Wind	Morgan Stanley	AllCapital and Industry Funds Management to acquire for \$1.48 billion. Barclays Capital to lead the debt, expected to launch into syndication next month (PFR, 2/11). Ada not sold. Partner is Olympus Power.
ConocoPhillips	Immingham	Lincolnshire, U.K.	730	Gas	Citigroup	Reportedly looking at strategic options on the plant (PFR, 1/18).
Complete Energy Holdings	La Paloma Batesville	McKittrick, Calif. Batesville, Miss.	1,022 837	Gas Gas	JPMorgan	In second round. Shortlist unclear. Final bids due Feb. 28. Kelso Holdings believed to be bidding (PFR, 2/8).
Corona Power	Sunbury Generating	Shamokin Dam, PA	432	Coal, oil, diesel	Merrill Lynch	Soliciting equity to complete \$250M of upgrades (PFR, 12/24).
DONG Energy	Evia, Karistos and Tourla	Greece	18.6 MW	Wind	HSBC	Teasers expected later this quarter after IPO (PFR, 1/18).
DTE Energy	East China River Rouge	East China, Mich. Detroit, Mich.	320 240	Gas Gas	N/A N/A	Seller exploring options, including outright sale. On books at scrap value, decommissioned.
EISSL (Esablecimientos Industriales y Servicios)	Various	Catalonia, Spain	630	Wind, Hydro	JPMorgan	Company weighing sale (PFR, 12/24).
Entegra	Gila Union	Phoenix, Ariz. El Dorado, Ark.	2,300 3,000	Gas Gas	N/A	Reportedly in talks to merge with KGen (PFR, 1/17).
Entergy Corp.	50% stake in Top Deer Wind Ventures RS Cogen Roy S. Nelson Warren Power Harrison Independence Robert Ritchie	Worth County, Iowa Carsen County, Texas Lake Charles, La. Westlake, La. Vicksburg, Miss. Marshall, Texas Newark, Ark. Helena, Ark.	40 40 212 60 225 335 121 544	Wind Gas Gas/Oil Gas Gas Coal Gas/Oil	New Harbor	Seller wants about \$520 million for the assets. Bidders shortlisted to four players: two financial; two infrastructure (PFR, 6/18).
Exergy Development Group	Various	Upper Midwest, Northwest U.S.	3600 (176 ready to construct)	Wind	Marathon Capital	Weighing partnership, joint venture, recap or sale (PFR, 12/17).
Fluor	Greater Gabbard	Thames Estuary, U.K.	500	Wind	RBC Capital Markets	Specs went out in late Aug. for Fluor's 40% stake (PFR, 8/17).
Foresight Wind Energy	Various	Arizona, New Mexico	2 GW pipeline	Wind	CP Energy	Transaction delayed (PFR, 10/8).

## Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
FPL Energy	Posdef	Stockton, Calif.	44	Coal/Petcoke	New Harbor	Teasers sent (PFR, 12/17).
	Tesla	Tracy, Calif.	1,120	Gas/Steam	Credit Suisse	Development site. Status unclear.
General Electric	Baglan Bay	Port Talbot, Wales	510	Gas	Lexicon Partners	GE deferred sale. Carron Energy interested.
Goldman Sachs, Cargill	Tesside Power	Tesside, U.K.	1,875 MW	Gas	Rothschild	Shortlist of six bidders. Final bids due Feb. 18 and preferred bidder set to be unveiled shortly after.
Goldman Sachs (Cogentrix Energy)	Southaven Power	Southaven, Miss.	810	Gas	Houlihan Lokey Howard & Zukin	Kelson Energy named stalking horse with \$305 million bid (PFR, 1/9).
InterGen (AIG Highstar Capital II, 50%)	Rocksavage	Runcorn, U.K.	748	Gas	Lehman Brothers	Two-part auction kicked off late Jan. (PFR, 2/7).
	Coryton	Essex., U.K.	732	Gas		
	Spalding	Lincolnshire, U.K.	860	Gas		
	Rijnmond	Rotterdam, the Netherlands	820	Gas		
	Rijnmond II		400 development	Gas		
	Bajio	San Luis de la Paz, Mexico	600 (306 stake)	Gas		
	La Rosita	Mexicali, Mexico	1,100	Gas		
	Quezon	Philippines	460 (211 stake)	Coal		
	Millmerran	near Brisbane, Australia	880 (228 stake)	Coal		
	Callide	Queensland, Australia	920 (230 stake)	Coal		
Kelson Holdings	Dogwood	Pleasant Hill, Mo.	620	Gas	Goldman Sachs, Merrill Lynch	Weighing strategic options, including sale/merger (PFR, 10/9).
	Redbud	Luther, Okla.	1,230	Gas		Signed agreement to sell Redbud for \$852 million to consortium of load-servicing entities (PFR, 1/21).
	Cottonwood	Deweyville, Texas	1,230	Gas		Oklahoma Gas & Electric acquiring 51% stake, Grand River Dam Authority 36%, and Oklahoma Municipal Power Authority 13% in Redbud (PFR, 1/28).
	Magnolia	Benton County, Miss.	922	Gas		
KGen Power	Murray I	Murray Co., Ga.	630	Gas	Credit Suisse	Reportedly in talks to merge with Entegra (PFR, 1/17).
	Murray II	Murray Co., Ga.	620	Gas		
	Hot Spring	Hot Spring Co., Ark	620	Gas		
	Hinds	Jackson, Miss.	520	Gas		
	Sandersville	Washington Co., Ga.	640	Gas		
LS Power	Sugar Creek	Sugar Creek, Ind.	561	Gas	N/A	Northern Indiana Public Service to acquire (PFR, 11/2).
MACH Gen	Millennium	Carlton, Mass.	360	Gas/Oil	Credit Suisse	Considering sale or a merger (PFR, 12/17).
	Athens	Athens, N.Y.	1,080	Gas/Oil		
	Covert	South Haven, Miss.	1,100	Gas		
	Harquahala	Tonopah, Ariz.	1,092	Gas		
Mirant	Lovett Generating Station	Tompkins Cove, N.Y.	183	Coal/Gas	N/A	Alliance Energy offered to buy for undisclosed sum but withdrew offer when Mirant did not respond (PFR, 2/14).
National Grid	Ravenswood Station	Queens, N.Y.	2,450	Gas	Merrill Lynch	First-round bids taken Jan. 24 (PFR, 1/14). About \$1.5 billion of the \$1.9 billion staple is funded debt (PFR, 2/1).
Navasota Energy Partners	Colorado Bend	Wharton, Texas	1,650	Gas (development)	JPMorgan	Teasers not yet dispatched (PFR, 2/11).
	Quail Run	Odessa, Texas	825	Gas (development)		
	L'Energia	Lowell, Mass.	84	Gas (repowering)		
	Billerica Energy Center	Billerica, Mass.	240-360	Gas (development)		
Noble Environmental Power	Various	N.Y., Mich.	385	Wind	Goldman Sachs	Auction did not yield desired results, so company reportedly looking to IPO.
North American Power Group	Rio Bravo Fresno	Fresno, Calif.	25	Biomass	N/A	In discussion with potential buyers (PFR, 8/31).
	Rio Bravo Rocklin	Roseville, Calif.	25	Biomass		
	Chinese Station	Jamestown, Calif.	22	Biomass		
NorthWestern Energy	Colstrip Unit 4 (30%)	Mont.	740 MW	Coal	Credit Suisse	Exploring strategic options (PFR, 2/8).
NRG Energy	Indian River	Millsboro, Del.	784	Coal	N/A	Seller soliciting offers on plant (PFR, 11/8).
PSEG Global	Electroandes	Andean region, Peru	180	Hydro	JPMorgan	Statkraft Power Invest to buy for circa \$390 million.
Reliant Energy	Channelview	Lyondell, Texas	830	Gas	Houlihan Lokey	In second round. Fortistar with partner AII Capital interested, as is Kelson Holdings (PFR, 1/23).
RES Americas	Various	U.S.	1,000 under construction; 10,000 in pipeline	Wind	Credit Suisse	Company looking to sell up to 30% to a financial investor to finance growth (PFR, 1/7).
Ridgeline Energy	Various	Idaho, Ore., Wash.	3,700 in development	Wind	Marathon Capital	Back in play after talks were nixed with a southern U.S. utility (PFR, 10/8).
Rockland Capital Energy Investments	B.L. England	Cape May County, N.J.	447	Coal, Oil	JPMorgan	Owner seeking strategic equity partner with which to finance \$400-600M repowering (PFR, 12/10). Bids due later this month.
Sempra Generation	Catoctin	Frederick Co, Md.	development	Gas	N/A	Development project reportedly for sale.
Sumas	Sumas Cogeneration	Sumas, Wash.	125	Gas	N/A	Puget Sound Energy agreed to buy for undisclosed sum.
Temasek Holdings	PowerSeraya	Singapore	3,100	Gas	Credit Suisse, Morgan Stanley	Teasers dispatched 10/15. Tuas to be sold first (PFR, 10/22).
	Senoko Power		3,300	Oil		
	Tuas Power		2,670	Steam		
Tenaska Power Fund	Commonwealth Chesapeake	New Church, Va.	315	Oil	JP Morgan	Tyr won the auction and Fieldstone Private Capital Group is advising on the purchase and debt financing (PFR, 2/19).
TransAlta	Campeche	Mexico	252	Gas/Diesel	N/A	Company weighing sale. Bids were due late Jan. (PFR, 12/7).
	Chihuahua	Mexico	259	Gas		
Tyche Power Partners	Brooklyn Navy Yard	Brooklyn, N.Y.	286	Gas Cogen	Credit Suisse	Temporarily iced due to credit crunch.
UPC Wind	Various	North America	3GW in development	Wind	JPMorgan	Market test did not lead to a sale, so company is reportedly weighing an IPO (PFR, 6/8).
U.S. Renewables Group	Bottle Rock power project	Geysers area,	55	Geothermal	Goldman Sachs	Preliminary bids due Dec. 17 (PFR, 12/3).
Waterbury Generation	Waterbury Generation	Waterbury, Conn.	96	Gas	N/A	Energy Capital Partners in negotiations to buy development rights (PFR, 8/29).
Wheelabrator Technologies	Shasta	Anderson, Calif.	49	Biomass	ABN Amro	Seller evaluating a sale. Review close to completion.

# 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](mailto:kburne@iineews.com).*

## Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
AES	Termoeléctrico de Penoles (230 MW Petcoke)	Tamuin, Mexico	Calyon	Refinancing	\$227M		Four of six commitments in.
Babcock & Brown Power, Pittsburgh Power Biomass Group	Trans Bay Cable (400 MW, two 200 kV cables)	San Francisco, Calif.	BayernLB	Construction Loan	\$299M	33-yr	Syndication of subordinate tranche launched.
	South Point (200 MW Biomass)	South Point, Ohio	WestLB	Construction Loan	\$188M	7-yr	Syndication expected in April, May.
				Construction Loan	\$265-300M	TBA	Leads considering relaunch in U.S.
Borealis Infrastructure	Bruce Power (4.6 GW)	Tiverton, Ontario	Scotia, Dexia HoldCo Loan	TBA	C\$750M (\$710M)	TBA	
Brick Power Holdings	Tiverton (265 MW Gas)	Tiverton, R.I.	Credit Suisse, Merrill Lynch	Recapitalization	TBA	TBA	Timeline unclear.
	Rumford (265 MW Gas)	Rumford, Maine			TBA	TBA	Timeline unclear.
Carlyle/Riverstone	Portfolio (1.5 GW Gas)	Various, Texas	Morgan Stanley	TBA	\$900M	TBA	Morgan tapped at end of Jan.
EarthFirst Canada	Dokie I (144 MW Wind)	Peace River, British Columbia	WestLB	TBA	\$212M	17-yr	Syndication to launch 2/12.
Econergy International-led consortium	La Gloria (50 MW Wind)	Guanacaste Province, Costa Rica	NordLB	Term Loan, Letter of Credit	\$125M	TBA	Timeline unclear.
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	Syndication to wrap early this month.
Energy Investors Fund	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 launched 11/28.
Excelsior Energy	Mesaba Energy (603 MW IGCC)	Minn.	TBA	TBA	TBA	TBA	Barclays advising.
Falcon Gas Storage	MoBay (50Bcf Gas Storage)	Mobile County, Ala.	TBA	TBA	\$300-350M	TBA	Selecting lenders.
FPL Energy	Northern Frontier (600 MW Wind)	Various	UniCredit, Mizuho	Back-Leveraged Loan	\$250M		Commitments due 2/21.
GNL Quintero	LNG Receiving/Regasification	Quintero Bay, Chile	TBA	TBA	TBA	TBA	Lenders shortlisted
Green Rock Energy	Green Rock (Gasification)	St. James Parish, La.	TBA	TBA	\$1B	TBA	Selecting lenders.
CarVal Investments et al.	Granite Ridge (720 MW Gas)	Londonderry, N.H.	Lehman Brothers, Merrill Lynch	TBA	\$300-350M	TBA	Timeline TBA.
Invenergy	Forward Energy (99 MW Wind)	Dodge and Fond du Lac counties, Wis.	Dexia Credit Local, NordLB	Construction Loan	\$249M	17-yr	Syndication to launch this month.
				Equity Bridge Loan	TBA		Launch expected this month.
				Letter of Credit	TBA		
	Grand Ridge (99 MW Wind)	Ottawa, Ill.	UniCredit	TBA	TBA	TBA	Syndication expected.
	McAdoo (150MW Wind)	Dickens County, Texas	UniCredit	TBA	TBA	TBA	Syndication expected.
J-Power USA	Orange Grove (95 MN Gas)	Orange Grove, Calif.	Royal Bank of Scotland	Construction Loan	\$70M	25-yr	Syndication ongoing.
				LC Facility	\$25M		
				Equity Bridge Loan	\$30M		
Kleen Energy Systems	Middletown (520 MW)	Middletown, Conn.	Goldman Sachs	TBA	TBA	TBA	Timeline unclear.
LVE Energy Partners	LVE Energy Center (16 MW Thermal backup power)	Las Vegas, Nev.	Sumitomo Mitsui Banking Corp.	Term Loan	\$145M		Syndication expected this month or March.
				Letter of Credit	\$20M		
				Letter of Credit	\$100M		
Nacogdoches Power	Nacogdoches (100 MW Biomass, 300 MW Gas)	Sacul, Texas	TBA	TBA	TBA	TBA	Looking for debt/equity for \$600M project.
NGS Energy Fund	Tres Palacios (36.4 bcf Gas Storage)	Matagorda County, Texas	ING Capital	Construction Loan	\$285M		Wholesale commitments due 2/12.
				Term Loan	\$100M		
				Revolver	\$50M		
Noble Environmental Power	Turbine Supply Loan	Various	HSB, KeyBanc	Turbine Supply Loan	\$460M	3-yr	Syndication launched mid-Nov.
	New York 2008 Portfolio	Upstate New York	TBA	TBA	TBA		Selecting lenders.
NuCoastal	Lon C. Hill (530 MW Gas)	Corpus Christi, Texas	TBA	TBA	TBA	TBA	Seeking lenders.
Padoma Wind Power	Sherbino I (150 MW Wind)	Pecos County, Texas	Fortis	Construction/Term Loan	\$280M	15-yr	Reached fiancial close 2/5.
Perennial Power	Hermiston (474 MW Gas) and Bliss (339 MW Wind)	Hermiston, Ore. Clinton and Bliss, N.Y.	TBA	TBA	\$130M	10-yr	Status unclear.
Rollcast Energy	Greenway (50MW Biomass)	Heard County, Ga.	TBA	TBA	TBA	TBA	Selecting lenders.
Shear Wind	Various (300 MW Wind)	Alberta and Nova Scotia	TBA	TBA	TBA	TBA	Selecting lenders.
Starwood Energy Group Global	Midway (120 MW Gas)	Fresno County, Calif.	TBA	TBA	\$100M	TBA	Selecting lenders.
SUEZ Energy International	Central Termoeléctrica	Northern Chile	TBA	TBA	TBA	TBA	Looking for banks for \$500M.
Third Planet Windpower	Various (Wind)	Nebraska; Wyoming; Loraine, Texas	TBA	TBA	TBA	TBA	Will look for lenders in 2Q-3Q of this year.
Transfield Services	Central Kelar (+340 MW Coal)	Antofagasta Region, Chile	WestLB, Calyon, HSBC	TBA	TBA	TBA	Syndication expected in April.
Unigas	Okfuskee Gas Storage (30 Bcf)	Okfuskee County, Oklahoma	TBA	TBA	\$150M	TBA	Barclays advising.

## Siemens Unit Plots Financing For 2009 Portfolio

**Siemens Building Technology** is looking to debt finance its 2009 project portfolio within the next seven months. **Clark Wiedetz**, manager of alternative energy in Atlanta, says bundling loans for disparate projects into one facility would be ideal, but “each project has its own idiosyncrasies and [technology] risks” so a cookie-cutter approach is difficult. He declined to discuss specifics of the portfolio, except that the projects vary in size from 4-10 MW and are a mixture of landfill gas, solar, waste-to-energy and biogas facilities. “[Alternative energy] is a growing business for Siemens and we’re very bullish on opportunities in front of us.”

The operating subsidiary of **Siemens** has lined up financing for all of this year’s projects. All are expected to be contracted. It is in the process of finalizing funding for the roughly \$10 million, 5.25 MW landfill-gas Manatee Green Power project near Bradenton, Fla., with undisclosed partners, says Wiedetz. That project, set to come online in January, has a 15-year PPA with **Florida Power & Light** and is a joint venture with Boston-based **Bostonia Partners**. It is also about to bring online its first project, an inside-the-fence landfill gas facility in Aiken County, S.C., that will provide gas to power steam turbines at a **Kimberly-Clark** manufacturing plant.

## Details Emerge on Dokie Wind Syndication

**WestLB** will look for commitments of up to \$40 million and offer an upfront fee of one basis point per million on the roughly \$142 million construction loan helping to finance **EarthFirst Canada’s** 144 MW Dokie I wind farm in northern British Columbia. Syndication is expected to launch in the next two weeks, according to a deal watcher, who notes no exact date has been set for a bank meeting.

Pricing starts at 125 basis points over LIBOR and steps up one eighth of a per cent every four years over the loan’s 17-year

tenor. Rounding out the \$212 million financing are \$55 million in 20-year bonds to be priced in a Dutch-style auction, and about \$15 million in working capital (PFR, 2/1). Officials at the lead declined to comment and calls to the sponsor were not returned.

## Wachovia Wraps \$200M Club For Landfill Gas Buy

**Wachovia Securities** recently closed a \$200 million, three-year bridge loan supporting **Energy Investors Funds** and **Enpower Corp.’s** Jan. 31 acquisition of Wixom, Mich.-based **Landfill Energy Systems**.

Wachovia, sole arranger and bookrunner, syndicated the loan to six banks, with pricing starting at LIBOR plus 125 basis points. **DZ Bank**, administrative agent, took a \$50 million slug, according to **Seth McIntosh**, v.p. of project finance at Wachovia in Charlotte, N.C. **Allied Irish Bank** took \$25 million, **Caterpillar Financial Services** \$25 million, **CoBank**, **ACB** \$25 million, **Comerica Bank** \$20 million and **Union Bank of California** \$25 million. Wachovia kept \$20 million of the loan and an affiliate of its **Wachovia Investment Holdings** unit provided \$90 million in tax equity. Comerica also provided \$10 million in working capital and letters of credit to the buyers. Wachovia will act as a placement agent to find new permanent financing for the entire loan via institutional investors later this quarter, since the acquisition financing as originally envisaged could not be arranged in a timely manner.

**Scott Parkes**, senior associate at EIF in San Francisco, declined to talk specifics on the financing but confirmed the portfolio bought through its **United States Power Fund III** affiliate includes 18 landfill gas-to energy projects across nine states, 96 MW in operation, 9.6 MW under construction and 29 MW in late-stage development. “We are looking for other profitable places to put monies to work, which is sometimes a challenge in renewables,” he added. San Ramon, Calif.-based **Enpower** declined to comment.

**Ewing Bemiss** led the auction.

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## STORAGE CO.

(continued from page 1)

the site is set to be online by October next year. Some 24.9 Bcf of capacity is already contracted to nine shippers, most of which are investment-grade, and the remainder will be tendered next month.

Fellow Falcon Gas affiliate, **NorTex Gas Storage**, which owns 33 Bcf of capacity, borrowed \$335 million last year from **WestLB**, financial advisor, and **Barclays Capital** to fund construction of two units near Dallas-Ft. Worth—Hill-Lake in Eastland County and Worsham-Steed in Jack County (PFR, 12/01/06, 1/12/07, 2/16). Pricing started at LIBOR plus 250, stepping up to 275 in the first two years of operation and rose to 300 thereafter. Some of the same banks in the beauty pageant for NorTex have been invited to pitch on MoBay. Falcon Gas has not determined if it will use an advisor this time.

Arcapita put Falcon on the block late last year via **Credit Suisse** (PFR, 5/18), which took final bids in September. For a brief period, it explored the option of forming a master limited partnership with the storage asset as the inaugural investment, but those plans were recently shelved for reasons that could not be determined. Arcapita did not respond to a request for comment. —K.B.

## TXU REPORTEDLY

(continued from page 1)

**Madison Dearborn Partners** and **AIG Financial Products** and is developing new transmission with Hunt family-owned **Sharyland Utilities**. **Kirk Oliver**, senior v.p. at HTS and former cfo of TXU (PFR, 7/6), declined to talk about Oncor but confirmed the company is focused on acquiring transmission. Other possible strategic contenders include **American Electric Power** and **CenterPoint Energy**.

Logical financial acquirers include **Macquarie Infrastructure Partners**, **Babcock & Brown Infrastructure**, **Citi Infrastructure Investors**, **UBS' Infrastructure Asset Management** and **Global Infrastructure Partners**, a joint venture between **Credit Suisse** and **GE Infrastructure**. The latter was rumored to have taken an interest in Oncor two years ago. Officials at these firms, AEP, CenterPoint and Credit Suisse either declined to comment or did not return calls.

EFH is selling a minority stake in Oncor to an independent third party to ensure it is ring-fenced for regulatory purposes as well as to pay down debt from the buyout and help fund \$3.6 billion in capital expenditures over the next five years. Oncor is the sixth largest transmission and distribution company in the U.S and had EBITDA of \$1.065 billion for the twelve months ended Sept. 30, so a 20% stake is worth

roughly \$2 billion factoring in leverage. Potentially dampening interest, however, is the limited control a fund would have as a non-lead member in a consortium with no seat on the board, and the concurrent move to privatize the Pennsylvania Turnpike, also an attractive infrastructure play.

Further details about Luminant's capital-raising could not be learned. An EFH spokesman declined to comment and a call to Perennial was not returned. **Mike Childers**, former head of generation at **TXU Development**, previously told *PFR* a 50% stake in an unidentified facility was on the block and that 37%, or 634 MW, of to-be-constructed 1.7 GW Oak Grove in Robertson County would likely be sold to electric cooperatives (PFR, 11/10/06). But those plans were iced with the buyout announcement. —Katy Burne

## BIOMASS DEVELOPER

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of your fuel. The question is how you manage [several small contracts] best."

To lower risk, Rollcast is structuring the greenfield project with fuel supply as the only potential risk by nailing down offtake agreements and eschewing new technology. Greenway has a 15-year PPA with **Georgia Power** set to begin when the plant comes online in Oct. 2010, and will use a combination of fuel including logging residue and saw mill residue. The company has a pipeline of eight other biomass plants in early stages of development across the Southeast from Virginia to Eastern Texas. "It is probably the best region in the country for fuel supply, and also a region in which other forms of renewables are not as attractive," says Cox. —Thomas Rains

## Quote Of The Week

*"There are no refineries from Wilmington, Del., to the Gulf Coast in Houston, but this takes deep water ships and is very flexible."*—

**Thomas Sikorski**, managing director at **First Reserve Corp.** in London on the rationale for the energy private equity firm's pending acquisition of the **Bahamas Oil Refining Company** oil storage terminal in Freeport, Bahamas from **Petróleos de Venezuela** (see story, page 2).

## One Year Ago In Power Finance & Risk

**InterGen** was planning a \$2.5 billion corporate-level refinancing to take out loans at its project subsidiaries in the U.K. as well as a portion of the acquisition financing obtained by its joint owners **AIG Highstar Capital** and **Ontario Teachers' Pension Plan**. [Merrill Lynch led a \$1.55 billion refinancing for the IPP (PFR, 2/16/07). AIG is now looking to sell its 50% stake (PFR, 2/8)].