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The exclusive source for power financing and trading news

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(See story, page 3)

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(See story, page 3)

## In The News

Ore. Geothermal Shop Seeks Partner	3
New Boutique Scopes Energy Bankers	3
Falcon Gas Syndication To Wrap	4
Entegra Close To Completion	4
N.Y. Eyes Infrastructure Partner	4

## Corporate Strategies

Minn. Coop Readies \$1.1B Refi	4
Cash, Asset Sales Fund Alliant Buyback	5
Enbridge Shops Shares	5
CenterPoint Refis Notes	7

## Departments

Financing Record	7
Project Finance Deal Book	8
Generation Auction & Sale	11
Weekly Recap	14

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## EXXON TARGETS GOLDMAN'S WIND UNIT

**Exxon Mobil Corp.** is closing in on **Horizon Wind Energy**, the prized renewables outfit being shopped by its owner **Goldman Sachs**. CEO **Rex Tillerson's** opening address at the **CERAWeek 2007** conference in Houston last Tuesday suggests the oil and gas major, which has courted controversy over its rejection of climate change, is changing its tune in light of political support for alternative energy resources.

The full list of contenders is understood to include **Babcock & Brown**, **Shell**, **Exelon Corp.** and **Iberdrola**, which has an impending acquisition of 2 GW of U.S. wind capacity in **ScottishPower** subsidiary **PPM Energy**. **Enel** also showed an interest, one banker says, but is not planning to submit an offer.

Teasers on **Horizon** were dispatched late last year to a targeted list of strategic players (PFR, 12/04), and valuations are said to be in the \$2 billion range. Calls to **Brian Bolster**,

(continued on page 16)

## CALPINE COURTS PRIVATE EQUITY

**Calpine Corp.** is working on a number of options to emerge from bankruptcy, including selling equity to third parties. The San Jose, Calif.-based IPP, which has more than \$17 billion in debt, has approached several private equity firms, including **Goldman Sachs-backed Energy Capital Partners**, **Tenaska Power Fund**, **US Power Generating Co.**, **LS Power** **The Blackstone Group** and a unit of **General Electric**.

One deal tracker says the IPP is appealing to outside equity sources because there has been a run-up in energy and power valuations in the U.S. "The company is pursuing



(continued on page 16)

## Leads Needed

## INTERGEN READIES \$2.5B CORP LEVEL REFI

**InterGen** is planning a \$2.5 billion parent-level refinancing to pay off loans at three project subsidiaries in the U.K. and a portion of the acquisition financing obtained by joint venture owners **AIG Highstar Capital** and **Ontario Teachers' Pension Plan**. The duo bought the IPP two years ago (PFR, 4/29/2005).

**InterGen** spokeswoman **Corbie Kiernan** in Singapore did not respond to a query about the refinancing and cfo **Martin Rees** in Burlington, Mass., did not return a call.

Observers say **Credit Suisse**, **Deutsche Bank** and **HSBC** are possible leads, but officials at the banks either declined comment or did not return calls. **Royal Bank of Scotland** and **Barclays Capital** originally led a \$1.075 billion acquisition financing (PFR, 10/21/2005) but are not expected to have a role. Calls to structured financed officials **James McKellar** at

(continued on page 16)

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## At Press Time Leads Plot Syndication For Calpine Ontario Loan

Leads BMO Capital Markets and Bank of Tokyo-Mitsubishi are looking to launch general syndication of a construction loan supporting **Calpine Corp.** and **Mitsui & Co.**'s Greenfield project in Ontario. Syndication is scheduled in four to six weeks, but may have to wait for Calpine bankruptcy issues to be resolved, notes a banker following the deal.

Calpine's status is a concern, notes another banker considering taking a slice of general syndication, but not a prohibitive one, as there is confidence in the market that the company will exit bankruptcy this year.

The leads are in the process of choosing sub-underwriters. According to bankers, leads are pitching 125 basis points, ramping up to 200 by the end of the life of the 18-year loan. The 1 GW gas-fired facility is backed by a 20-year PPA with **Ontario Power Authority**.

Sources close to the deal say leads will choose three or fewer sub-underwriters and are looking for pieces of \$75 million. Further details about the syndication could not be ascertained. The financing totals \$500 million (PFR, 10/16). An official at Bank of Tokyo declined to comment. Calls to a BMO official were not returned.

## Sithe To Shop Permitted Pa. Coal Project

**Sithe Global Power** is putting the development rights to a proposed 290 MW coal-fired plant on the auction block. The River Hill Power project, which is fully permitted and primed for construction, is in Karthaus Township, Pa., approximately 125 miles east of the Ohio/Pennsylvania state line. The plant is expected to run on waste coal and will operate clean using a specialized combustion technology.

The hoped-for sale price for the project, which likely will run as a merchant operation, could not be determined. Sithe is looking to unload the asset because it cannot fully take advantage of some \$600 million in tax-exempt debt being offered by the **Pennsylvania Economic Development Financing Authority** in support of its construction. The construction costs could not be determined.

**Credit Suisse** is running a two-stage marketing campaign, with first-round indicative bids slated to be collected in April. Early marketing materials have been submitted to handful of parties. **Jeremiah Sheehan**, general counsel in New York at Sithe, was unable to comment when reached and executives at auctioneer Credit Suisse declined comment.

The main issue for Sithe is the financing offered by the authority is more suited for a rated utility than a privately-held developer, says one official. For this reason, utilities and IPPs are expected to be the most suitable bidders, the official adds.

The project consists of a single atmospheric circulating fluidized bed combustor. The CFB technology runs clean because the process of burning the waste coal involves mixing it with limestone, which absorbs emissions including sulfur. The plant site comprises almost 1,000 acres and has been developed to allow expansion by the addition of a second fluidized bed combustor and turbine generator to a total of 580 MW.

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## Ore. Geothermal Shop Seeks Partner

**Vulcan Power Co.**, a geothermal developer based in Bend, Ore., is seeking a private equity partner and is looking to land strategic and financial players via Dallas financial advisory boutique **Silveron Capital Partners**.

The firm is in a binding arbitration process with one of its joint venture partners **Davenport Power** but the details of that dispute could not be learned. Exactly how much in equity the firm is seeking also could not be learned. CEO **Steve Munson** declined to comment on its arbitration or its equity search.

Vulcan has three 120 MW projects in its pipeline, according to a November report by the U.S. **Geothermal Energy Association**, but none that are operational. These include the Military Pass project on Mount Shasta, Calif., the first 30 MW of which is contracted to **Pacific Gas & Electric** for 20 years, and a further 90 MW of which is being explored.

A parallel project is under way with co-owner Davenport at Newberry Volcano, Ore., the first 60 MW of which is contracted for 20 years to PG&E and rights to a further 60 MW secured. Also planned is a 120 MW facility known as Aurora in Nevada, which is contracted for 20 years to **Southern California Edison**.

## Belgian Developer Taps Dexia For Offshore Wind Funds

**Dexia Crédit Local** is arranging a circa EUR100 million (\$131 million) financing to bankroll phase-one construction of a 300 MW development being undertaken by Belgian renewables outfit, **C-Power**. The project will be sited about 30 km into the North Sea on the Thornton Bank.

**Jérôme Guillet**, a director of energy projects at Dexia in Paris, says the bank, which has been one of a few lenders offering funds for offshore deals, set out to explore new types of renewables transactions amid thinning margins and weakening covenants in onshore wind deals. "We saw an opening because a lot of people are reticent to take construction risk," he notes, adding, "Not all contractors [for offshore projects] are very strong financially."

Phase one of C-Power involves a pilot test of a 30 MW facility which, if approved by the Belgian government, could see the full 300 MW site become operational in 2010. To complete the project, additional capacity will need to be added in 90 MW increments, says Guillet, financing for which is yet to be arranged and mandates yet to be awarded. The total investment for the full 300 MW is about EUR500 million.

C-Power is a project vehicle owned by a consortium comprising **EDF Energies Nouvelles**, a unit of **Électricité de France**; **Dredging International**, a Belgian marine engineering firm; **Interelectra**, operator of the first and largest wind turbine park in Belgium at Zeebrugge; **SRIW Ecotech Finance**, a cogeneration and renewable

energy specialist; and local utility **Socofe**.

Dexia also completed on a EUR379 million, non-recourse financing for the 120 MW Q7 wind facility in October alongside **Rabobank**. The development, located off the Dutch coast near Ijmuiden, was the first offshore wind park to be project financed.

## Newly Minted Energy Shop Scopes Energy Bankers

**Goldman Sachs** veteran banker **Bobby Tudor** and analyst **Dan Pickering** plan on hiring eight to 10 mid- to senior-level investment bankers for their new energy boutique **Tudor, Pickering & Co**. The Houston investment bank that last week combined **Pickering Energy Partners** and the recently formed **Tudor Capital** hope to add staff, including midstream gas sector analysts, over the next six months.

Tudor felt Pickering's firm could help accelerate the startup he founded about a year after retiring from Goldman, Pickering explains, and Pickering's research shop had been looking to enter the investment banking sector. The combined shop will continue its focus on equity capital for oil and gas exploration and development, while moving into the midstream gas sphere and providing structured and project financing in both areas over the next year.

Pickering says competition will range from other small shops to the deal teams at the white shoe banks. "The market is driven by smart people giving good advice" he says, explaining that a smaller firm can manage its relationships in a way bigger operations cannot.

## BMO Capital Hires Energy Banker

**Tod Benton** has joined **BMO Capital Markets** as managing director and head of the U.S. energy and power group in Houston. He began running the 35-person group at the beginning of the month. He joined from a similar position at **Deutsche Bank** in Houston.

**Charlie Prioleau**, former head of the energy group, has been appointed vice chair for BMO Capital Markets. A Deutsche Bank spokesman declined to comment on Benton's departure or replacement.

**Dom Petito**, co-head of investment banking at BMO, says the bank continues to focus on the middle market of the U.S. power sector—smaller utilities, gas and coal power projects and renewable projects. He notes that since the late 1990s, BMO has expanded in the U.S. power sector from a commercial lender to a full-service investment bank with merger and acquisition and leveraged finance capabilities.

"The overriding reason [for my hire] was to provide leadership



in managing an office and work with a growing platform," Benton says. He explains that his role will be to oversee the relationship managers in each of the group's different areas.

The bank is currently a co-lead on **Calpine and Mitsui's & Co.** Ontario gas-fired project and **Repsol and Irving Oil's** Canaport LNG terminal. Last year, it advised on **Petrohawk Energy's** \$1.9 billion merger with **KCS Energy**.

## Falcon Gas Syndication To Wrap Imminently

Syndication of a \$335 million financing package for **NorTex Gas Storage**, a unit of **Arcapita-owned Falcon Gas Storage Co.**, is expected to wrap imminently. Appetite was strong for the loan, with a 35% oversubscription.

Leads **WestLB** and **Barclays Capital** drew orders from about 40 banks, half of whom will be allocated slugs of \$15 million or \$25 million. Larger chunks were awarded to documentation agent **ING Bank**, senior managing agent **Citigroup**, and up to four more institutions, whose identities could not be learned.

The NorTex package, which will bankroll the expansion of existing facilities and a new pipeline, comprises a \$280 million, seven-year term loan and a \$55 million working capital facility. Pricing on the loan starts at LIBOR plus 250 basis points but steps up to 275 during years one and two of operation and to 300 thereafter (PFR, 1/15). Officials at the leads declined to comment.

## Entegra Nears Wrap Of \$1.33B Recap

**Entegra Power Group** is close to inking \$1.33 billion of fresh debt to refinance loans tied to its 2.3 GW Gila Power Station near Phoenix and 3 GW Union Power Station in El Dorado, Ark. Shareholders of the merchant generation outfit met Feb. 15 to approve the refinancing, led by **Credit Suisse**, **Lehman Brothers** and **Goldman Sachs**, and have been asked to signal their support by Feb. 27 with a view to completing the transaction by March 23.

Proceeds will be used to repay the existing tranche A debt plus accrued interest, with the remainder distributed to its hedge fund and private equity owners. "The investment thesis is that as the demand for energy continues to grow in these markets, the value of these assets will approach replacement cost," says **Joff Mitchell**, ceo of Entegra and partner of restructuring firm **Kroll Zolfo Cooper** in New York, underscoring the improved valuation of the assets. Debt in the plants has been trading in the context of 181-182, up from 120 on Oct. 31, according to a trader.

The new debt will complement an existing \$350 million first-lien letter of credit for supporting trading activity, underwritten by **Citigroup** last year, (PFR, 3/20). The second lien consists of a seven-year, \$30 million revolver for working capital, and a seven-year \$450 million cash-pay facility. Rounding out the package is an

eight-and-half-year, \$850 million payment-in-kind tranche. Syndication of the debt is expected to be launched Feb. 28. Officials at the arrangers either declined comment or did not return calls.

The original financing for Entegra, formerly **TECO-Panda**, involved \$1.675 billion in non-recourse loans. Both Gila and Union are merchant facilities, with the exception of about 25% of the output from Gila, which is sold under a 10-year contract to **Arizona Public Service**.

## N.Y. Eyes Energy Infrastructure Partner

The \$107 billion **New York State Common Fund** is considering seeking infrastructure partnerships in the energy sector for a \$75 million first time allocation. **Thomas McGrath**, senior investment officer, says he and his colleagues expect energy to become a mainstream investment for public pension funds due to increasing energy consumption in North America. "We would be thrilled to engage with an operator for energy transmission," he says at **Financial Research Associates' Alpha-Bets** conference in New York on Feb. 13. "We would prefer energy generally, such as pipelines and natural storage." Infrastructure provides a stable source of income, he adds.

## Corporate Strategies

### Minn. Coop \$1.1B RUS Refi

Minnesota cooperative **Great River Energy** plans to tap the capital markets to refinance \$1.1 billion of borrowings from the U.S. Department of Agriculture's **Rural Utilities Service**, a provider of low-cost financing to generation and transmission cooperatives.

The coop is attempting to get out of its RUS status and the new debt would help it accomplish this. A buyout, or essentially a refinancing of its RUS debt, would prevent Great River Energy from relying on federal coffers to fund its seven-year, \$2 billion capital expenditure program if it began servicing communities of more than 5,000 people. **Curtis Anderson**, deputy administrator at the RUS in Washington, says the entity may resubmit for RUS status if it can re-establish that it is a rural utility.

One of the drivers behind the so-called buyout is the constraints being placed on RUS' capacity to lend after a spike in demand for loans to electric cooperatives, notes **Anne Selting**, director at **Standard & Poor's** in San Francisco. "Demand for this money versus what we see as the available funds is limited," she says, adding recent federal budget proposals do not contain appropriations for new funding beyond the existing \$4 billion mark. Others that have executed such a buyout include Alaska's **Chugach Electric Association**, Virginia's **Old Dominion Electric Cooperative** and Indiana's **Wabash Valley Power Association**.

Another driver is the coop's anticipation of steeper principal

payments tied to its 1.1 GW Coal Creek facility near Underwood, N.D., Selting adds. **Therese LaCanne**, Great River Energy spokeswoman in Elk River, says details on the new financing still need to be hammered out, adding, "We haven't selected a type of instrument to use, nor have we selected an underwriter." The new debt is expected to be more costly than existing funds obtained from the RUS, which typically extends loans to coops at 12.5 basis points over comparable Treasuries, according to S&P.

Great River Energy has obtained a \$600 million, five-year credit facility with **JPMorgan Chase**. As of December 31 last year, it had \$1.5 billion in debt outstanding, including \$400 million in short-term borrowings.

## Alliant To Fund Stock Buyback Via Cash, Asset Sales

**Alliant Energy** plans to fund its \$295 million share repurchase program with income it booked last year at its core utility and the \$60 million generated from selling interests in its Laguna del Mar development site in Mexico. By year-end, it will have bought back \$400 million in common stock, says **Patricia Kampling**, treasurer in Madison, Wis.

**Jeanny Silva**, associate director at **Standard & Poor's** in New York, says Alliant has opted to pursue a buyback after creating some cushion in its finances by offloading its international assets and reducing debt. "Their balance sheet is a lot stronger than where they were a few years ago," she says, noting that its adjusted total debt to capital was 63% in 2002, and just 50% as of September last year.

Alliant, parent of **Wisconsin Power and Light** and **Interstate Power and Light**, has decided to concentrate on its regulated utility operations. "We've been focusing on our core utility business, which is quite active because of all the new generation we need," says Kampling. It booked an after-tax gain of about \$150 million from the sale of stock in its New Zealand investments in the fourth quarter, and a further \$51 million from selling its electric distribution and natural gas assets in Illinois.

The company's capital expenditure estimates for the year ahead is \$535 million and \$1.85 billion next year, when it plans to start constructing new baseload capacity in its two service footprints. In Wisconsin, it is deciding between a 300 MW coal plant at the existing Nelson Dewey site in Cassville and an expansion at its co-owned Columbia Energy Center near Portage. In Iowa, it is seeking a partner for a 600 MW facility in Marshalltown, with a view to buying 40% of the output. The \$1.8 billion price tag for the plants will partly be met with the \$475-525 million it expects to net from its sale of its Iowa, Minnesota and Illinois transmission assets to a unit of **ITC Holdings**.

Alliant's stock closed at \$41.28 yesterday, after trading at a 52-week high of \$41.31 and a low of \$30.30.

## Enbridge Pipes Up Via Share Offering

Canadian pipeline operator **Enbridge** has sold 13.5 million common shares to raise C\$523.1 million (\$446.4 million) to repay debt and support the development of pipeline projects in the U.S. and Canada.

The midstream player is in the approval stages on several expansion projects to its gas and oil pipelines, says **Anu Phatak**, investor relations manager in Calgary, Alberta. It needed to raise cash and decided not to incur additional debt. As it stands, debt represents approximately 60% of its capital structure.

Enbridge had initially planned to raise money from the sale of its interest in certain income funds to finance developments, Phatak says, but last year's changes to Canadian laws making such funds taxable made that unrealistic (PFR, 11/22).

The offering was led by **Scotia Bank** and **CIBC World Markets**, with **BMO Nesbitt Burns**, **RBC Dominion Securities**, **TD Securities**, **National Bank Financial**, **HSBC**, **Merrill Lynch**, **Morgan Stanley**, **Canaccord Capital**, **Desjardins Securities** and **FirstEnergy Capital** serving as co-underwriters.

About \$300 million in proceeds, Phatak says, will go towards oil and gas pipeline construction Enbridge has in progress through its subsidiaries. She said the specific allocations have not been decided. It recently received approval to proceed with construction of the \$2 billion Alberta Clipper and \$1.3 billion Southern Lights oil pipeline projects.

Enbridge will also use proceeds to repay \$200 million in short-term commercial paper it used to fund a December redemption of its 7.8% preferred securities issued in 2002.

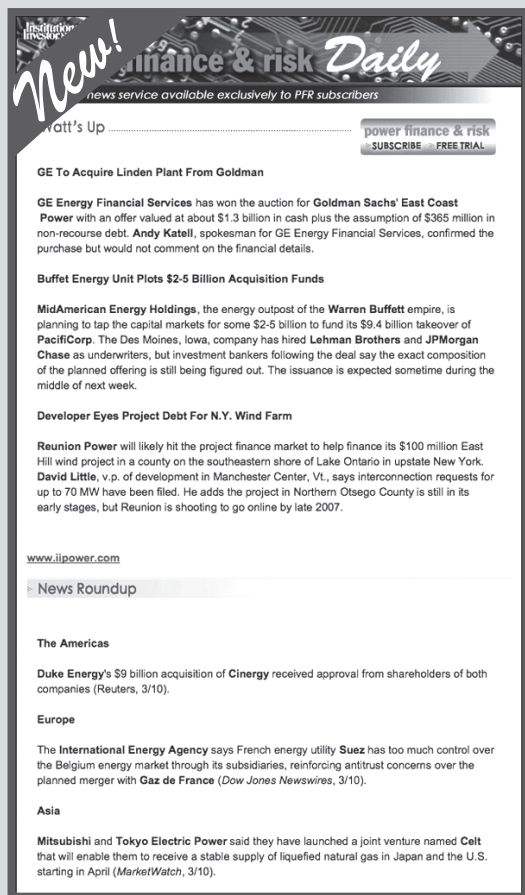
The Enbridge offering price was C\$38.75. Shares closed at C\$38.35 on Feb. 14, with a 52-week-high-and-low of C\$41.48

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## Corporate Strategies (cont'd)

and C\$31.75, respectively. The company now has about 355 million shares outstanding.

### CenterPoint To Refi Via 10-, 30-Year Paper

CenterPoint Energy and subsidiary CenterPoint Energy Resources are planning to sell \$400 million in 10- and 30-year notes. Proceeds will be used to buyback convertibles and refinance short-term debt at its subsidiary, says **Dimitri Nikas**, analyst at **Standard & Poor's** in New York. A CenterPoint official referred calls to a spokeswoman who declined comment.

CenterPoint has approximately \$7.4 billion in outstanding debt at the holding and subsidiary level, according to a public filing. Nikas says the debt level is relatively high but explains much is tied to its spinoff from **Reliant Energy** in 2002.

About 80% of CenterPoint's company-wide cashflow is generated from regulated electric and gas utilities, adding to its

stability, a **Fitch Ratings** report says. The notes were rated BBB-, and BBB, respectively, by both S&P's and Fitch.

The debt offering was led by **Banc of America Securities**, **Deutsche Bank** and **JPMorgan Chase**, with **Citigroup**, **Credit Suisse**, **UBS** and **Wachovia Securities** serving as co-managers.

CenterPoint Energy offered \$250 million in 10-year, 5.95%, senior unsecured notes to repay the conversion of 2.875% convertibles in January. CenterPoint exercised its call option in the 2003 offering of the convertible notes. All of the outstanding securities were converted, with the company paying out a total of \$255 million to cover the principal, plus 5.6 million shares of common stock for the premium.

Shares closed at \$17.77 on Feb. 5 after hitting a 52-week high that day of \$17.79. The shares traded at a 52-week low of \$11.62 on April 13.

At the pipeline operating subsidiary level, \$150 million in 6.25% notes were shopped to repay a portion of the \$375 million worth of advances short-term receivable financing facility.

## Financing Record (FEBRUARY 7- FEBRUARY 13)

### Debt

Launched	Issuer	Business Description	Principal(\$M)	Coupon(%)	Type	Maturity	Offered	YTM(%)	S&P	Moody's	Fitch
2/9/07	National Grid PLC	Electric utility, hldg co	390.3	Floats	Mdm-Trm FI Nts	8/20/08	100	Floats	A-	Baa1	NR
2/9/07	Veolia Environment SA	Pvd water, waste mgmt svcs	260.2	Floats FI Nts	Mdm-Trm	8/26/08	100.073	Floats	BBB	A3	NR

### M&A

Announced	Effective	Target Name	Target Advisors	Target Nation	Acquiror Name	Acquiror Advisors	Acquiror Nation	Value(\$M)
2/7/07		Aquila Inc	Blackstone Group LP Lehman Brothers Evercore Group	United States	Great Plains Energy Inc	Credit Suisse Group Sagent Advisors Inc	United States	2,733.40
2/7/07		Aquila Inc-Utility Properties	Blackstone Group LP, Lehman Brothers, Evercore Group	United States	Black Hills Power Inc	Credit Suisse Group ABN AMRO Bank NV	United States	940
2/7/07	2/7/07	Empresa Electrica Corani		Bolivia	Econergy International Corp		United States	20
2/7/07		Foshan Nanhai Jiujiang Water		China	Nanhai Development Co Ltd		China	1.648
2/7/07		Guangdong Xinhui Water Affairs		China	China Water Affairs Group Ltd		Hong Kong	9.524
2/7/07	2/7/07	Shell Ethiopia Ltd		Ethiopia	Kobil Ethiopia		Ethiopia	
2/8/07		Alliant Energy-Laguna Del Mar		Mexico	Undisclosed Acquiror		Unknown	
2/8/07	2/8/07	Tianmen Kaidi Water Svcs Co		China	Wuhan Kaidi Water Svcs Co Ltd		China	8.658
2/9/07		ZE Patnow-Adamow-Konin SA		Poland	KGHM Polska Miedz SA		Poland	
2/12/07		Aquarion Water Co of New York		United States	United Water Inc		United States	28
2/12/07		Aquarion Water Co of Sea Cliff		United States	Aqua New York Inc		United States	7.3
2/12/07		Jinan Wanda New Energy Co Ltd		China	China Direct Inc		United States	
2/12/07		Peoples Govt of Hedong-Ast		China	China Water Industry Group Ltd		Hong Kong	1.549
2/13/07		Gre Energy Co Ltd		Thailand	Evergreen Fibreboard Bhd		Malaysia	4.102
2/13/07		Hubei Energy Group Co Ltd		China	China Yangtze Elect Power Co		China	
2/13/07		Shanghai Water Supply Constr		China	Jiangxi Wannian Silver Dragon		China	3.227

Source: **Thomson Financial Securities Data Company**. For more information, call **Rich Peterson** at (212) 806-3144.



# 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 Mark DeCambre, managing editor, at (212)-224-3293 or e-mail mdecambre@iineews.com.*

## Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
InterGen	La Rosita (1.1GW Coal) Refi	Mexicali, Mexico	BNP Paribas, Calyon, Export Development Canada	Term Loan	\$400M	15 yr	CFE (Mexico), Shell Offtake. Syndicating
	Generation Portfolio Refi	Various	TBA	Senior LOC TBA	\$47M \$2.5B	15 yr	Seeking Lead Banks
Repsol, Irving Oil	Canaport (LNG Liquefaction)	Saint John, N.B.	BMO, Snatander, La Caixa, BBVA, RBOS	Term Loan	\$756M	27 yr	Repsol Offtake. Syndicating. Commitments due 2/16
Iberdrola	Mexico Portfolio (5.5 GW) Refi	Various	Calyon, Citigroup, BBVA	Package	\$1.7B	5 yr 10 yr	Awaiting Close. Syndicating
EdF Energie Nouvelles	La Ventosa (80-100 MW Wind)	Juchitan, Oaxaca, Mexico	TBA	TBA			Choosing Lead Banks
LS Power	Plum Point (665 MW Coal) Refi	Osceola, Ark.	TBA	TBA			Mo. Joint Muni Electric Utility Offtake. Choosing Lead Banks
Calpine, Mitsui & Co.	Greenfield (1GW Gas)	Courtright, Ont., Canada	Bank of Tokyo, Mitsubishi, BMO Financial	Loan	\$500M	18 yr	Ontario Power Authority Offtake. Selecting Sub-underwriters. General Syndication by April.
Airtricity	Sand Bluff (90MW Wind)	Sterling Co., Texas	HypoVereinsbank	Non-recourse Debt	\$140M		Awaiting Syndication
GenPower Holdings	Longview (690 MW Coal)	Maidsville, W.Va.	Goldman Sachs, WestLB	Term Loan	\$900M	7 yr	PPL Energy Plus (43%) and Merchant (53%) Offtake. Syndicating
				Revolver Synthetic LOC	\$100M \$100M	6 yr 7 yr	
Terrawinds Resources	TerraWinds (201 MW Wind)	Rivier-Du-Loup, Quebec, Canada	HSH Nordbank	Senior Secured Construction and Term Debt Facility	C\$300M (\$259M)	TBA	Hydro-Quebec Offtake. Awaiting Syndication
Caithness Energy	Long Island Energy Center (350 MW Gas)	Brookhaven, N.Y.	Citigroup	Privately Placed Bonds	\$450M	TBA	LIPA Offtake. Placement expected by 2/07
Boston Generating	Portfolio (3GW) Refi	Various	Credit Suisse, Goldman Sachs	First Lien Term Loan	\$1.08B	7 yr	Awaiting Syndication
				First Lien Revolver	\$70M	5 yr	
				First Lien Synthetic LOC	\$250M	7 yr	
				Second Lien Term Loan Holding Co. Notes	\$400M \$300M	8 yr 10 yr	
Sumitomo Power	Hermiston Generation Plant (474 MW Gas)	Hermiston, Ore.	TBA	TBA	\$130M	10 yr	Lead banks expected 1Q 2007
NorTex Gas	Various	Various, Texas	WestLB, Barclays, ING, Citigroup	Term Loan	\$280M	7 yr	Closed
				Working Capital Facility	\$55M		
Lodi Gas Storage (ArcLight Capital)	Acquisition Refi		TBA	Secured Loans	\$145M	TBA	Seeking Lead Banks
Noble Environmental Power	Altona, Ellenberg, Clinton and Bliss (339 MW Wind)	Altona, Ellenberg, Clinton and Bliss, N.Y.	HSH Nordbank, Dexia Credit Locale	Non-recourse Loan	\$445M	TBA	Supported by 10 yr. hedges. Syndication expected 1Q2007
Bethel Energy	(100 MW Solar)	Imperial County, Calif.	TBA	Debt and Equity	\$368M	TBA	Looking For Lead Banks
Katabatic Power	(25.5 MW Wind)	Mount Hays, B.C.	TBA	TBA	TBA	TBA	Seeking Lead Banks
Winergy Power	Plum Island (30 MW Wind)	Long Island, N.Y. (Offshore)	TBA	TBA			Seeking For Lead Banks
(Lone Star Wind) FPL Energy	Horse Hollow II and III, Red Canyon (606 MW Wind)	Taylor, Nolen, Brden, Garza and Scurry Cos., Texas	BayernLB, Fortis Capital, Mizuho	Term Loan	\$600M	15 yr	Syndicating
				LOC	\$100M	10 yr	
MachGen	Merchant Portfolio (4 GW) Refi	Various	Morgan Stanley, Deutsche Bank, Bear Stearns	Package	\$1.5B		Syndicating
Borelais Infrastructure	Bruce Power (4.6 GW) Refurbishing	Tiverton, Ont.	TBA	Non-recourse Project Finance Debt	C\$1B (\$846M)	TBA	Choosing Lead Banks



## Live Deals: North America (cont'd)

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Northern Star Generation	1.5 GW Portfolio	Various	Lehman Brothers, BNP Paribas	Term Loan B Synthetic LOC High-Yield Debt	\$350M \$30M \$500M	TBA TBA 18.5 yr	Awaiting Syndication
Organizacion Soriana, Vientos Del Istmo	(216 MW Wind)	Oaxaca, Mexico	TBA	TBA			Chosing Lead Banks
Entegra	5.3 GW Gila Power Station and Union Power Station (3.3 GW Gas) Refi	Phoenix, Ariz., and El Dorado, Ark.	Lehman Brothers, Credit Suisse, Goldman Sachs	Second lien revolver for working capital Cash-pay Facility Payment-in-kind Tranche	\$30M \$450M \$850M	7 yr 7 yr 8.5 yr	Awaiting Syndication
Kelson Holdings (Harbinger Capital Partners)	Portfolio (4GW) Refi	Various	Merrill Lynch	Mezzanine Loan First Lien Senior Facility Second Lien Senior Facility	\$750 \$1B \$500M	7.5 yr 6 yr 7 yr	Awaiting Syndication

## Live Deals: Europe/Middle East

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
ACS Group	La Boga Portfolio (Wind)	6 sites, Spain	Natexis, La Caixa	Term Loan Tax Facility	EUR 350M (\$462M) EUR 58M (\$77M)		Syndication 1Q 2007
BOT-Elektrownia Belchatow	Belchatow (833MW, Coal)	Rogowicz, Poland	Citibank, ING	Term Loan Standby Facility	EUR250M (\$323.5M) EUR90M (\$119M)	10 yr 8 yr	Syndicating
Babcock & Brown, Eurowatt	Wind Portfolio (120MW)	Various, France	La Caixa, Natexis	Term Loan	EUR183M (\$234M)		Syndication to Launch 1Q 2007
Spanish Egyptian Gas Company	Damietta (LNG) Refi	Damietta, Egypt	TBA	non-recourse loan	\$600M	15-16 yr	Choosing Lead Banks with Advisor RBOS
Suez	Barka II (678MW)	Barka, Oman	HSBC, Sumitomo Mitsui	Senior Term Loan	\$600M	17.5 yr	Oman Power and Water Procurement Company Offtake. Financial close expected 2/07
Marubeni	Messaieed (2GW Gas)	Doha, Qatar	Calyon, Manging Agents TBA	Financing Package	\$1.63B		Syndication 2Q 2007
Gulf Total Tractebel Power	Taweelah A1 (1.35GW Gas IWPP) Refi	Abu Dabi, UAE	BNP Paribas, Calyon	Term Loan	\$880M	22 yr	Abu Dhabi Water and Electric Authority Offtake. Awaiting Close
	Taweelah A10 (221MW Expansion to Gas IWPP)	Abu Dabi, UAE	BNP Paribas, Calyon	Term Loan	\$212M	22 yr	Abu Dhabi Water and Electric Authority Offtake. Awaiting Close
Suez-Tractebel	Marafiq (2.5GW IWPP)	Jubail, Saudi Arabia	BNP Paribas	Financing Package	\$2.5B		Marafiq Power & Water Utility offtake. Awaiting Syndication
ACWA Power	Shuqaiq (850MW IWPP)	Shuqaiq, Saudi Arabia	BayernLB, Gulf International Bank	Financing Package	\$2B		Syndicating. Awaiting Close
Ras Laffan Power Co. (AES)	Ras Laffan A (750 MW IWPP)	Doha, Qatar	TBA	TBA	\$572M		Looking For Lead Banks
NEK	Benelee (1000MW)	Bulgaria	TBA	Corporate Loan	\$250M		Seeking Lenders
GPower	Offshore wind (30MW)	Thornton Bank, NorthSea	Dexia	Financing Package	EUR100M		Leads for full 300 MW still to be appointed

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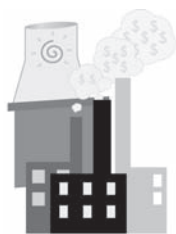
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Entry Date	Fund Name	Assignment	Mandate Size (millions)	Consultant	Comments
6/21/2005	Stanford Management Company	Asia/Multi Asset	N/A	None	SMC has sent its managing directors to Asia for three months to scout out investment opportunities. The managing directors focus on different asset classes. They will return in late August or early September.
6/14/05	Dairy Crest Group Pension Fund	Global/Active Equity	130 GBP	Mercer Investment Consulting	Fund is searching for a global (ex-U.K.) active equity manager. Decisions by autumn.
6/14/05	New York City Board of Education	US/Alternatives/Private Equity	60 USD	Mellon, Human Resources & Investor Solutions	Seeking exposure to a diversified pool of private equity funds across various strategies and vintage years. RFQ will be available at ( <a href="http://www.comptroller.nyc.gov">http://www.comptroller.nyc.gov</a> ) on or about June 17. Deadline is July 1, 2005.
6/13/05	Massachusetts Pension Reserves Investment Management Board	Global/Active Fixed-Income/Inflation-Linked Bonds	720 USD	Cliffwater, LLC	Seeking active global inflation-linked bond manager. RFPs are available at ( <a href="http://www.mapension.com">http://www.mapension.com</a> ). Proposals are due July 1 with selection in Sept. 1, 2005.

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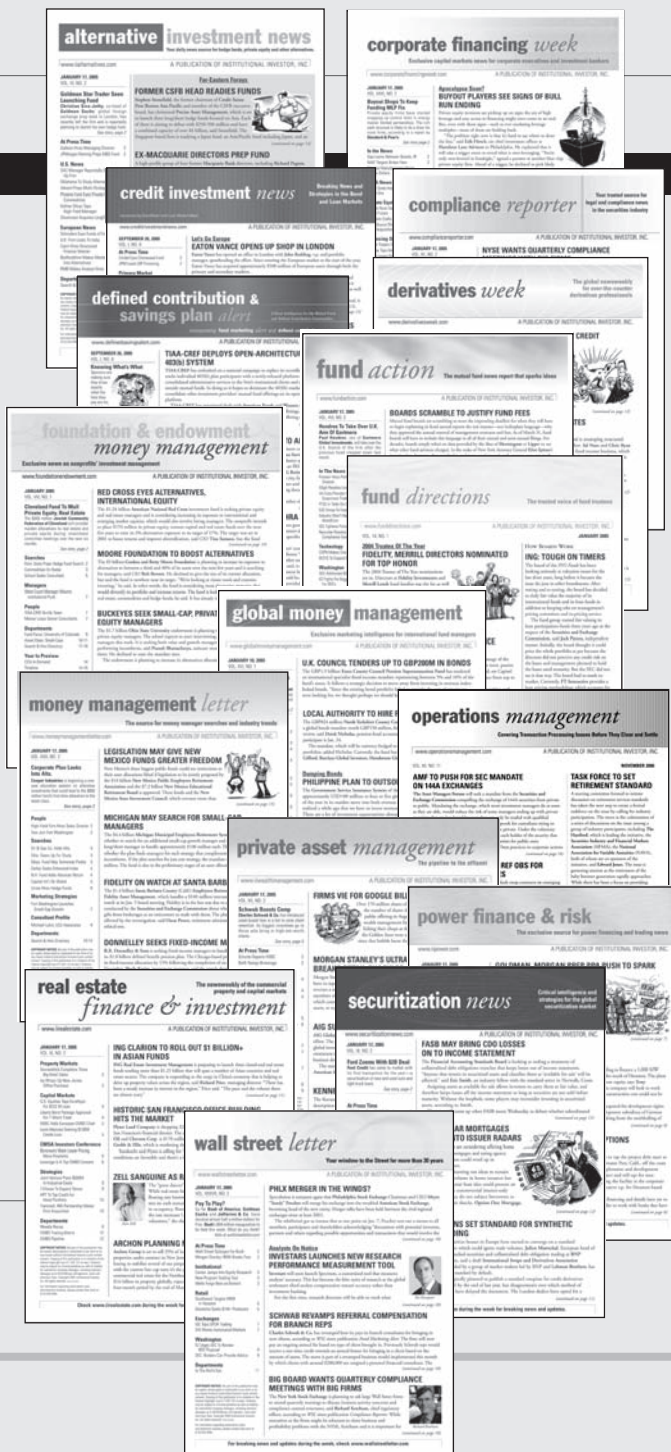


## Generation Auction & Sale Calendar

*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 Mark DeCambre, managing editor, at (212) 224-3293 or e-mail mdecambre@iinews.com.*

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
AES Corp.	Delano	Central Valley, Calif.	57	Biomass	Bodington & Co.	Teasers dispatched early Jan. (PFR, 1/29)
	Mendota	Central Valley, Calif.	25	Biomass		
AIG Highstar Capital	13 plants	U.S. portfolio, concentrated in Florida and Pennsylvania	2,378	Gas, coal and waste coal	Lehman Brothers	50% stake in Northern Star Generating for sale. Ontario Teachers' owns the balance. Two-stage auction begins this month (PFR, 1/29).
Astoria Energy	Astoria Plant	Queens, N.Y.	500	Gas	N/A	The partnership that owns the plant is said to be fielding offers from interested parties.
Atlantic City Electric Co.	B.L. England	Upper Township, N.J.	447	Coal/oil	Concentric Energy Advisors	Rockland Capital Energy Investments offered to buy for \$12.2 million so long as necessary approvals are made by March 31, 2007.
BayCorp Holdings	Benton Falls	Benton, Maine	4.3	Hydro	Concentric Energy Advisors	N/A
Cargill-led investor group	Granite Ridge	Londonderry, N.H.	720	Gas	Morgan Stanley	Second-round bids pushed back from early Jan. Advisor said to be compiling a \$400 million staple financing package (PFR, 1/15).
Complete Energy	Batesville	Batesville, Miss.	837	Gas	Dexia	A wholly owned subsidiary of Complete will purchase the asset for an undisclosed sum. Deal was scheduled to wrap in January.
Desert Power	Desert Power plant	Rowley, Utah	65 installed 100 planned	Gas	N/A	Owners auditioning 25 debt and equity financing counterparties to complete construction by June 1 (PFR, 1/15).
Dominion Resources	State Line	Hammond, Ind.	515	Coal	Credit Suisse	N/A
DPL Inc.	Montpelier Electric Generating Station	Poneto, Ind.	219	Gas	Pace Global Energy Services	N/A
Dynergy	Bluegrass	Oldham County, Ky.	573	Gas	JPMorgan Chase	Seller hopes to fetch between \$200-500 million in asset sales this year, (PFR 2/5).
	Heard County	Heard County, Ga.	539	Gas		
	Lyondell	Channelview, Texas	600	Gas		
EBG Holdings	Mystic 7	Everett, Mass.	560	Gas/Oil	Lehman Brothers	K-Road Power has settled on two potential buyers, (PFR/1/8).
	Mystic 8	Everett, Mass.	832	Gas		
	Mystic 9	Everett, Mass.	832	Gas		
	Fore River	Weymouth, Mass.	832	Gas/Oil		
Entergy Corp.	50% stake in Top Deer Wind Ventures	Worth County, Iowa	40	Wind	New Harbor	Seller wants about \$500 million for the assets. Bidders shortlisted to about 10 financial players, (PFR, 2/8).
		Carsen County, Texas	40			
	RS Cogen	Lake Charles, La.	212	Gas		
	Roy S. Nelson	Westlake, La.	60	Gas/Oil		
	Warren Power	Vicksburg, Miss.	225	Gas		
	Harrison	Marshall, Texas	335	Gas		
	Independence	Newark, Ark.	121	Coal		
	Robert Ritchie	Helena, Ark.	544	Gas/Oil		
GE Energy Financial Services	Green County plant	Jenka, Okla.	795	Gas	N/A	GE said to be fielding offers for its 90% stake. Tyr Capital owns the balance.
	Birchwood	Fredericksburg, Va.	242	Coal	N/A	Tyr said to be interested in acquiring, (PFR, 2/12/07)

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

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Globaleq	Emerging market portfolio	Asia, Africa, Americas	2,298	Mixed	Lehman Brothers	Indicative bids due Feb. 16
Goldman Sachs	Horizon Wind Energy	Houston, Texas	Owns 237.5	Wind outright Co-owns 130	N/A	Goldman plans to take binding offers at the end of next month (PFR, 1/15).
Greenwich Energy Investments	Masspower	Springfield, Mass.	258	Gas	Miller Buckfire	Six or seven financial players shortlisted. Final bids due mid-month, (PFR, 2/5). Barclays is arranging a \$150 million staple.
KGen Power Partners	Murray Energy	Dalton, Ga.	1,244	Gas	Friedman Billings Ramsey	Private placement completed early Jan. Morgan Stanley arranging a \$400 million credit facility to refinance existing debt (PFR, 1/15).
	Hot Springs	Hot Spring County, Ark.	620	Gas		
	Hinds County	Hinds County, Miss.	520	Gas		
	Enterprise	Clarke County, Miss.	640	Gas		
	Sandersville	Washington County, Ga.	640	Gas		
	Southaven	Southaven, Miss.	640	Gas		
	New Albany	Union County, Miss.	385	Gas		
	Marshall Energy	Calvert City, Ky.	680	Gas	N/A	Being sold to Tennessee Valley Authority
LEP Holdings	Liberty	Eddystone, Pa.	568	Gas	JPMorgan	GE said to be aggressively pursuing, alongside Complete Energy, Conectiv Energy and PPL Corp., (PFR, 2/12).
MDU Resources' IPP unit, Centennial Energy Resources	Brush Power (units 1 & 3)	Brush, Colo.	213	Gas	Goldman Sachs	MDU considering sale of Centennial's generation to help fund acquisitions, e.g. purchase of Cascade Natural Gas (PFR, 1/18).
	Hartwell Generating Station (50%)	Hartwell, Ga.	310	Gas		
	Hardin Generating Station	Hardin, Mont.	116	Coal		
	Mountain View Power Partners	San Geronio Pass, Calif.	66.6	Wind		
	San Joaquin Cogen	Lathrop, Calif.	48	Gas		
Mirant Corp.	Apex plant	Nev.	527	Gas	JPMorgan	LS Power Equity Partners to acquire for \$1.407 billion. JPMorgan tipped to lead financing in form of term B debt, (PFR, 1/22). Deal to close by second quarter.
	Bosque	Texas	546	Gas		
	Shady Hills	Fla.	469	Gas/Oil		
	Sugar Creek	Ind.	561	Gas		
	Zeeland	Mich.	903	Gas		
	West Georgia	Ga.	613	Gas/Oil	JP Morgan	Global Infrastructure Partners left in the race. Early bidders were FPL, Fortis and Emera. Assets could fetch \$1.2 billion (PFR, 1/29)
	Curacao Utilities Co. (25%)	Curacao	133	Asphalt, refinery		
	Grand Bahama Power Co. (55%)	Grand Bahama Island	151	Oil		
	Jamaica Public Service Co. (80%)	Jamaica	621	Oil/Hydro		
	PowerGen (39%)	Trinidad & Tobago	1.2 GW	Gas		
Mirant Corp., NY-Gen	Mongaup Generating Plant	Mongaup, N.Y.	4	Hydro	N/A	Being acquired by Alliant Energy,
	Swinging Bridge Generating Plant	Mongaup, N.Y.	12	Hydro		
	Rio Generating Plant	Mongaup, N.Y.	9	Hydro		
	Hillburn	Hillburn, N.Y.	51	Gas/Jet fuel		
	Shoemaker	Middletown, N.Y.	44	Gas/Jet fuel		
Progress Ventures	Walton	Walton, Ga.	450	Gas	JPMorgan Chase	Bear Stearns unit Arroyo Energy Investors in pole position to acquire, with Starwood Energy also in the running, (PFR, 2/5).
	Monroe Power	Monroe, Ga.	350	Gas		
	Washington County	Washington County, Ga.	600	Gas		
	Effingham County	Effingham County, Ga.	500	Gas		

## Weekly Recap

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

### North America

- **AES** has purchased two 230 MW coal-fired power plants in Mexico for \$190 million, including equity and subordinated debt from units of **Exelon** and **Alstom**. The deal also covers \$421 million in project debt (*Reuters*, 2/12).
- **Bob Maguire**, co-head of **Morgan Stanley's** energy investment banking team, plans to leave after more than 20 years to pursue interests outside investment banking (*Reuters*, 2/12).
- **Alternate Energy Holdings** has agreed to buy 4,000 acres of remote land along the Snake River in Idaho to build a proposed 1.5 GW nuclear power plant (*Associated Press*, 2/12).
- Canada plans on launching a C\$1.5 billion (\$1.3 billion) federal fund to work with the provinces to reduce greenhouse gas emissions (*Reuters*, 2/13).
- The **Oklahoma Department of Environmental Quality**, concerned that the 18 coal-fired power facilities planned for Texas could dirty the state's air, will participate in administrative hearings before the **Texas Office of Administrative Hearings** on the proposed projects (*Associated Press*, 2/13).
- **DTE Energy** plans on preparing a license application for a new nuclear power plant at the site of its nuclear-fueled Fermi 2 plant near Newport, Mich., although it has not yet decided whether it will build it (*Associated Press*, 2/12).
- France's **Alstom** and Spain's **Iberdrola** has won a tender to upgrade Mexico's Laguna Verde nuclear plant with a \$605 million joint bid. Capacity at the Veracruz plant will increase from 1.36 GW to 1.5 GW (*Reuters*, 2/12).
- Directors of the **Renewable Energy Institute** plan to make a permanent home for the nonprofit organization in Austin this spring (*Austin Business Journal*, 2/12).
- **Vestas Wind Systems** is poised to announce the selection of Windsor, Colo., to build its first U.S. manufacturing plant (*The Oregonian*, 2/12).
- **Dynegy** shareholders will meet March 29 to decide whether the company should go ahead with its previously announced acquisition of **LS Power** for \$4.1 billion (*Associated Press*, 2/14).
- **Dominion Virginia Power** has selected an existing power line corridor as its preferred route for a \$210 million 500 KV transmission line in northern Virginia (*Reuters*, 2/13).
- The U.S. Senate introduced legislation requiring individuals that buy and sell energy commodities in the U.S. over-the-counter market to keep records and report large positions for at least five years, as is done on the **New York Mercantile Exchange** (*Reuters*, 2/13).
- The **New York Mercantile Exchange** plans to buy a 10% stake in the **Montreal Exchange**, and launch a joint venture in Calgary to trade energy derivatives. NYMEX will pay about C\$90 million (\$77 million) (*Reuters*, 2/15).
- **Black Hills** plans on reducing debt by \$150 million with proceeds from a 4.17 million private placement of shares (*Reuters*, 2/15).
- **GE Energy Financial Services** will invest \$270 million in six wind farms in California, Illinois, New Mexico and Pennsylvania owned by **Babcock & Brown** (*Associated Press*, 2/15).
- The **Florida Public Service Commission** has adopted rules to encourage the construction of nuclear power plants within the state, permitting investor-owned power companies to request partial recovery of the planning and construction costs of a nuclear plant prior to commercial operation (*Reuters*, 2/15).
- A bill to double renewable energy supplies in Colorado was approved in a committee and is headed for a vote in the state House. The measure would require investor-owned utilities to double renewable energy to 20% by 2020 (*Reuters*, 2/15).
- **American Electric Power** has sold a 7.8% stake in the Oklaunion Power Station near Vernon, Texas, to **Brownsville Public Utilities** for \$42.75 million. Brownsville now has an 18% stake in the coal-fueled generating station and AEP retains a 70% stake through subsidiaries (*Business First Columbus*, 2/14).
- **British Columbia** plans to cut its greenhouse gas emissions 33% by 2020. Among its methods is requiring new coal-fired power plants to run cleaner and have 100% carbon sequestration (*Reuters*, 2/14).

● **New England Independent Transmission**, chaired by Ed Krapels, is proposing to build a 140-mile underwater electric cable from Maine to South Boston. The Green Line would deliver power generated by wind, hydroelectric and other renewable generation (*Boston Globe*, 2/14).

### South America

● Venezuela expects to ink an agreement with **CMS Energy** to buy a stake owned by the U.S.-based company in local electricity company **Seneca** (*Reuters*, 2/13).

### Asia

● Iran plans to start exporting the liquefied natural gas to China, India and Thailand beginning in 2009 (*Bloomberg*, 2/14).

● **CDC Group's Globelec** unit has sold its stake in a 160 billion rupee (\$3.6 billion) Sasan power project to **Jindal Steel & Power**. It had successfully bid for the 4 GW project in Madhya Pradesh, India with partner **Lanco Infratech** (*Bloomberg*, 2/14).

● France's **Areva** has agreed to a \$5 billion deal to build two nuclear power plants in China weeks after a U.S. rival

**Westinghouse** had appeared to have won the bidding. The agreement covers a total of 3.2 GW of generating capacity in southern Guangdong province (*Reuters*, 2/13).

### Europe

● The investment arms of **Citigroup** and **Cargill** have bought a minority stake in Britain's **Sindicatum Carbon Capital**, a developer of greenhouse gas emissions permits in poor countries (*Reuters*, 2/13).

● Dutch investment firm **Good Energies** has sold its remaining 4% stake in Norwegian solar power equipment maker **Renewable Energy Corp.** (*Reuters*, 2/13).

● Spain's **Iberdrola** has won permission from the European Commission to buy **Scottish Power** for GBP11.6 billion (\$22.8 billion), creating Europe's third-largest utility (*Reuters*, 2/15).

● **GE Energy** plans to sell its 165 MW worth of wind farms in Germany for 5.2 million shares of France's **Theolia**. It also purchased an additional 1.2 million shares of Theolia stock for about \$26 million and has the opportunity to increase its ownership to up to 22% of Theolia (*Associated Press*, 2/15).

## PFR ANNUAL AWARDS



*Power Finance & Risk* will announce nominees for its fifth annual power project finance awards on **April 2** and announce winners **April 9**. We are seeking nominations from our readers for the best and worst deals of last year.

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
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- ☐ Best Renewable Energy Deal

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

Nominations must reach PFR  
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**power finance & risk**

Please send your nominations to Mark DeCambre, managing editor at [mdecambre@iinews.com](mailto:mdecambre@iinews.com)

## EXXON TARGETS

(continued from page 1)

v.p. at Goldman in New York, and Exxon spokesman **Gantt Walton** were not returned.

Horizon aims to have a 1,350 MW wind portfolio installed by the year-end. It recently began construction of its 104 MW Elkhorn Valley project near North Powder in Union County, Ore., expected to cost \$160 million.

—*Katy Burne*

## INTERGEN READIES

(continued from page 1)

Barclays and **Andrew Jameson** at RBS were not returned

The assets—860 MW Spalding in Lincolnshire, 748 MW Rocksavage in Runcorn and primarily merchant 732 MW Coryton in Essex—are in need of capital after spikes in natural gas prices hampered revenue streams from the assets. One facility was placed under so-called lock-up, one banker says, a scenario in which lenders control dividend payments from the asset.

Market watchers say InterGen was initially leaning towards a refinancing of its U.K. fleet, and tapped boutique **Lexicon Partners** as its financial advisor. The London-based financial advisor is still expected to participate but exactly how could not be determined.

InterGen's assets in Europe also include the 820 MW Rijnmond facility in the Rotterdam Botlek region in the Netherlands, which it is expanding by 400 MW in a separate financing (PFR 12/11) on which London-based independent consultancy **Advisorum** is advising.

—*K.B.*

## CALPINE COURTS

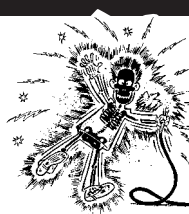
(continued from page 1)

all alternatives to come up with a plan of reorganization," says the tracker.

A Calpine spokesman declined to comment. Officials at the private equity firms either declined to comment or could not be reached. Any plan must be approved by the U.S. Bankruptcy Court in Manhattan overseeing the bankruptcy. A hearing to review plans is scheduled for Feb. 27. **Kenneth Buckfire**, managing director at Calpine's restructuring advisor, **Miller Buckfire**, declined comment.

At the moment, Calpine is seeking a \$5 billion debtor-in-possession facility to pay down its current \$2 billion package, of which about \$1 billion has been tapped. The facility, being arranged by **Credit Suisse**, **Goldman Sachs**, **JP Morgan** and **Deutsche Bank** (PFR, 2/5), will also help the company pay down some \$2.5 billion in pricey project-level debt tied to **CalGen**—a 9.8 GW generation portfolio, which carries interest

## Alternating Current



### I'm The King Of Houston!

After going down with the *Titanic*, **Leonardo DiCaprio** has decided to take us for a ride on another sinking ship: **Enron**. The A-list actor is negotiating with **Warner Brothers** to produce and star in a film based on *New York Times* reporter **Kurt Eichenwald's** book *Conspiracy of Fools*.



DiCaprio is set to play a newcomer who slowly exposes the dubious accounting that brought on the energy giant's bankruptcy. Even with Eichenwald's thriller-like writing, it will take a lot of work to make off-balance sheet funds and mark-to-market accounting sexy. But we'll give Leo credit for putting big power on the big screen where it belongs. The bankruptcy woes of the likes of **Calpine** couldn't even fetch a *Lifetime* movie of the week.

May we suggest **Gene Hackman** as **Ken Lay**? **James Gandolfini** as **Jeff Skilling**? **Vince Vaughn** and **Ben Stiller** as the malicious caught-on-tape California power traders? How about that evil agent guy, **Hugo Weaving**, from *The Matrix* as **Andy Fastow**?

No word on whether **Chewbacca** will make a cameo in support of the arm's-length partnership named in his honor.

rates as high as 900 basis points over LIBOR. The remaining capital would be used for general corporate purposes.

Third-party equity could provide cheaper financing for Calpine, some of whose creditors have groused at the possibility of being paid off without being provided a premium. Calls to Calpine's debtor counsel **Matthew Cantor** and **Edward Sassower**, at **Kirkland & Ellis**, were not returned.

—*Mark DeCambre*

## Quote Of The Week

"We would be thrilled to engage with an operator for energy transmission."—**Thomas McGrath**, senior investment officer at the **New York State Common Fund**, on how energy should become a mainstream investment for public pension funds (see story, page 4).

## One Year Ago In Power Finance & Risk

**American Securities Capital Partners** placed **Oak Brook, Ill.**, unit **Primary Energy** up for sale, and hired **Lehman Brothers** as an advisor. [The sale launched in March (PFR, 3/24), and **EPCOR Partners** acquired the 454 MW worth of generation facilities for \$380 million (PFR, 8/18).]