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Tenaska Seeking Funds For \$3B Clean Coal

Tenaska will come to market next year to fund its \$3 billion clean coal plant in Nolan County, Texas.

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BARCLAYS SCOPES RBS AS CO-LEAD FOR CON-ED SALE FINANCING

Royal Bank of Scotland is in talks with Barclays Capital about co-leading the circa \$1 billion financing supporting AllCapital and Industry Funds Management's \$1.48 billion acquisition of a 1.7 GW portfolio from Consolidated Edison Development.

As first reported by PFR last Tuesday, RBS has not yet officially signed up, but is understood to have verbally committed to underwriting roughly 40% on the right of the deal. Left lead Barclays originally weighed a club format



(continued on page 12)

MORGAN STANLEY-BACKED WIND CO. EYES PARTNERS

Third Planet Windpower, a San Ramon, Calif., developer backed by Morgan Stanley, has hired Marathon Capital to advise it on finding a joint development partner on late-stage projects or alternative source of capital to support its aggressive growth strategy. The aim is to align itself with larger players on a project-by-project basis to compete against rivals such as Iberdrola, FPL Energy, Energias de Portugal and E.On.

Richard Goff, cfo, says a capital infusion is preferable to leveraging up at the project level, where there is currently no debt. "If a sale [of a project] occurred that would be acceptable. But we're actually looking for companion capital and we're interested in seeing what the market will offer. If we can't get what we consider to be an attractive offer, we will continue to fund ourselves." A decision is expected before the end of next quarter. Ted Brandt, ceo of

(continued on page 12)

CANADIAN SOLAR SPECIALIST SEEKS \$1.3B

Solar Utilities, a Calgary-based developer of alternative energy cogenerating systems, is seeking \$1.3 billion for a series of multi-phased projects. About \$100 million is needed immediately for land acquisition and start-up infrastructure and the rest will need to be drawn consecutively over the next two years. Edward Boldt, one of six principals at Solar Utilities and ceo of engineering consultancy Boetec Consultants, says, "[Project financing] couldn't come soon enough."

Price WaterhouseCoopers is advising but at least two other intermediaries had been working to secure financing. The first was Loveland, Colo.-based real-estate broker Graco Mortgage, which is eager to advise on more power project financings after being involved in finding construction funds for an unidentified 125 MW project in California two years ago, according to Ray Grant, a principal at the firm. The second was privately held Alberta-based

(continued on page 12)

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



At Press Time

Boone Pickens Developer Preps 4GW Wind Financing

Mesa Power, a subsidiary of T. Boone Pickens-owned private equity firm BP Capital Management, is preparing to line up turbine supply financing ahead of construction on its estimated \$7 billion, 4 GW wind farm in the Texas Panhandle. "We'll be ordering turbines in the very near future and we will consider turbine acquisition financing," says Mike Boswell, v.p. at BP Capital Management in Dallas. "For an order the size we're talking about we will probably have to go to more than one [turbine] supplier," he adds.

Equity could also be sought for the project. "I'd imagine as we go forward we would consider bringing in some partners," adds Boswell, explaining the farms will be financed with a blend of equity, debt and tax equity that is yet to be determined. Mesa will build, own and operate the farm—its first—while BP Capital will provide the initial funding. Boswell names UniCredit HVB as a potential financier but says the developer has been in discussions with just about all banks that handle wind project finance.

The developer is already in talks with several undisclosed suppliers and construction is set to begin in 2010 in Roberts, Gray, Hemphill and Wheeler Counties on the first of four 1GW phases, with turbines to be delivered in the latter half of that year. The project will be built on land above the Ogallala Aquifer containing 320,000 acre-feet of water, the rights of which have been acquired by BP Capital and Mesa Water. Transmission lines would be built along the same route and power will be sold into ERCOT.

Tenaska Plots Funding For \$3B Clean Coal



David Fiorelli

Tenaska will come to market around the middle of next year to arrange project financing for its \$3 billion carbon dioxide-sequestering 600 MW coal-fired Tenaska Trailblazer Energy Center in Nolan County, east of Sweetwater, Texas. "We'll go out in earnest with a plan of financing during the second half of 2009," says David Fiorelli, president and CEO of business development in Arlington, Texas, noting the amount of debt to be sought will depend on state and federal carbon restrictions.

Fiorelli declined to discuss what banks could be in the running, noting the company has numerous relationship banks from previous deals and will have to decide whether it wants to go with a loan or bond financing first. Last summer, BNP Paribas and Calyon led a refinancing of Tenaska Gateway, an 845 MW gas-fired combined-cycle plant in Rusk County, Texas, in which Tenaska holds a 30% stake (PFR, 5/11). Credit Suisse and Lehman Brothers are also relationship banks.

"We believe the likelihood of federal climate legislation is fairly high, and rather than wait until the legislation has actually passed and wish we had started working on something a couple of years earlier, we went ahead and started working on this project," explains Fiorelli, noting Tenaska is not looking for government loan guarantees. Construction on the plant would begin late next year.

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New York IPP To Acquire Biomass Portfolio

FORTISTAR has agreed to purchase an interest in a 119 MW portfolio of biomass projects from **Primary Power International**. The acquisition, slated to complete in 30 days, will bring the White Plains, N.Y. IPP's North American renewable portfolio to 310 MW and expand its reach into Canada. "Canada's been quite active in renewables and we've got lots of people up in Lockport, so it's a natural fit for us," says **Mark Comora**, president of FORTISTAR, referencing the company's 200 MW combined-cycle cogenerating plant in upstate New York.

The purchase price was not revealed but **Trust Company of the West** will provide the financing, having been the lender to Primary Power. The assets were underperforming, explains Comora, so TCW sought someone to buy out Primary's interests, as well as those of certain partners in the Canadian assets, and fund upgrades to two of the units. A call to **Brian O'Connor**, v.p. in energy and infrastructure at TCW, was not returned.

The portfolio being acquired includes stakes in three plants in Michigan—100% of a 19 MW unit in Hillman, 20% of a 36 MW unit in Grayling (**CMS Generation** holds 50% and **Decker Energy** holds 30%) and 50% of 35 MW Genesee in Flint (CMS owns the balance). Rounding out the portfolio are two facilities in Alberta—100% of 17 MW Dapp Generating in Westlock and 50% of 12 MW Valley Power in Drayton Valley (the co-owner could not be identified). Most are contracted. Principals at Ithaca, Mich.-based Primary Power could not be reached.

Lone Star IPP To Take Bids On Peaker

Houston-based **Signal Hill Power** has set a March 17 deadline for indicative offers on its 77 MW merchant peaker in Wichita Falls, Texas. **Frost Cochran**, a co-owner in Signal Hill alongside business partner **Clay Spears**, says the company is happy to retain the asset, but "will entertain a process...and if it is more valuable to someone else, will [sell]." **Miller Buckfire** was recently engaged to run the two-stage auction.

A number of would-be acquirers had approached Signal Hill, Cochran says, identifying them as the usual ERCOT suspects as well as regional wholesale power marketers. The plant's attractions, he adds, include the operational flexibility it provides if run in tandem with other assets. "The more we run it, the more we understand it's in some ways more valuable to other operating companies that can use it to fill gaps in an integrated set-up, rather than as a standalone asset." It is the only combined-cycle unit run as a seasonal peaker, he continues, and

is located near the boarder of the north and west zones of ERCOT, selling power into the Dallas/Fort Worth area. Additionally, it has so-called black-start capability, meaning it can be used to start larger baseload generators nearby.

Since May 2006, when Signal Hill purchased the plant for an undisclosed sum from **Mirant**, it has spent \$5.2 million on turbine maintenance and upgrades. It subsequently conducted feasibility and engineering studies into the first 150 MW of a possible 500 MW expansion. Cochran and Spears bought the plant because it was a familiar asset from their days in power development at **Destec Energy**, later bought by **Dynegy**, and **Enron**. "It was a fixer-upper. We had to do all the maintenance [Mirant] had put off." The pair is actively seeking acquisitions or non-controlling equity stakes in similar generating facilities, either through Signal Hill, or in Cochran's case via his energy-focused private investment firm **Post Oak Energy Capital**. Spears did not return calls.

Rockland Sets Deadline For Partner In PJM Plant

Rockland Capital Energy Investments has set a March 4 deadline for indicative bids from parties interested in co-investing in its 447 MW B.L. England generating facility near Atlantic City in Cape May County, N.J., according to **Jim Maiz**, director in Houston.

JPMorgan is advising on the search, aimed at helping to finance a planned \$400-600 million repowering in response to an order from the **New Jersey Department of Environmental Protection** (PFR, 12/10). Rockland plans to remain the majority owner, alongside minority investor **Energy Investors Funds**, and to project finance the upgrades once air permits are obtained next year.

Commitments Come In For Puget Buyout Financing

Five to six lenders have taken commitments totaling more than \$1 billion in the **Barclays Capital** and **Dresdner Kleinwort**-led syndication of \$3.575 billion backing a **Macquarie Infrastructure Partners**-led consortium's privatization of **Puget Energy**.

The leads are talking to 10 more and expect three to four of them to join before the deal wraps by the end of this week. Potential participants could not be learned.

Retail syndication is slated to launch the week of March 10, with tickets ranging from \$50 million to \$125 million. There is still a deep investor pool the leads have not yet tapped, according to one market watcher, who notes a handful of lenders could take retail-size tickets early while the deal is still in phase one of

syndication. Commitments on offer in primary syndication are \$300 million for an agent title and \$200 million for a senior managing agent title (PFR, 2/15). Calls to Barclays and Macquarie were not returned and Dresdner declined to comment.

The financing consists of a \$1.425 billion senior term loan and \$1 billion line for capital expenditure at the holdco, with pricing newly flexed to 225 basis points over LIBOR from 200 (PFR, 2/15). At the opco is a new \$400 million senior facility for capex, a \$400 million revolver, and a \$350 million tranche for hedging, all priced at 100.

Olympus Biomass Refi Wraps

DZ Bank and Union Bank of California have closed a \$52.47 million debt package refinancing Olympus Power's 39.6 MW wood-burning Cadillac Renewable Energy Center in Cadillac, Mich. The 17.5-year package consists of a circa \$47 million term loan and a \$5 million letter of credit. Pricing and fees could not be learned.

The joint leads were tapped by the privately held IPP early this year (PFR, 1/11) and wrapped the deal just before Presidents Day weekend. No syndication is planned.

Cadillac came online in 1993 at a cost of \$60 million with financing provided by General Electric and has a 35-year PPA in place with Consumers Energy. John Twomey, director of finance at Olympus in Morristown, N.J., confirmed the deal has closed, declining to comment further. DZ and UBoC declined to comment.

Biogas Developer To Tap Debt For Expansion

Canadian developer StormFisher Biogas plans to debt finance its C\$350 million (\$344.9 million) portfolio of biogas generation projects under development in Ontario and North America. The developer recently landed an undisclosed commitment from private equity firm Denham Capital Management.

Ryan Little, co-founder and v.p. of business development at StormFisher in Toronto, says the aim is to score greater than 50% debt to equity for each project. Scotia Capital would be among its go-to banks, he added, after Thomas Kurfurst, a managing director, introduced StormFisher to Denham and brokered their partnership. Principals at Boston-based Denham declined to comment.

The developer has 30 planned projects, consisting of 2-5 MW power facilities in areas where food processing is sufficient for reliable fuel supply and a series of gas projects delivering between 150,000 and 350,000 million Btu per year. The first three projects are set to break ground in Ontario this year, at which point they will be contracted to the Ontario Power Authority.

Additionally, StormFisher is expanding its team to nine by the end of this week and to 15 by the end of next month, adding a v.p. of development, analysts and engineers.

Barclays Taps Merrill Director

John Bills, a director in energy commodities at Merrill Lynch in New York, has left to join Barclays Capital in an unidentified energy commodities and project finance role. An assistant confirmed his departure, effective last week. Calls to Roy Piskadlo, managing director and head of commodities structuring at Merrill, and spokespeople at Merrill were not returned. He is set to join Barclays at the end of next month. A spokeswoman at the firm declined to comment.

B Of A's Rosen To Exit Amid Downsizing

Thomas Rosen, a managing director in M&A at Banc of America Securities focusing on power and utilities, is set to leave the bank amid a downsizing and refocusing of the power team, headed by Peter Kind in New York.

Calls to Kind were not returned and Rosen and a spokesman declined to comment, but Rosen is still working on several projects for BofA for a short period, including advising Iberdrola on its \$4.5 billion acquisition of Energy East, which is pending New York state approvals.

Scott Medla, a managing director focusing on power in the natural resources group, exited the bank late last year after joining last March from New York boutique New Harbor. His destination could not be learned.

Final Bid Deadline On Ravenswood Soft-Circled

Merrill Lynch has tentatively set March 20 as the deadline for final offers on National Grid's 2.4 GW Ravenswood Generating facility in Queens, N.Y. LS Power and Energy Capital Partners are reportedly in the hunt, but market watchers say AllCapital—which had shown an interest—may have dropped out, having its hands full closing its deal with Consolidated Edison Development (see page 1). First-round bids were taken Jan. 24.

The staple financing on offer from Merrill is \$1.9 billion, of which \$1.5 billion is funded debt (PFR, 2/8). The funded portion will consist of \$600 million in unsecured notes and a \$900 million first-lien term loan. Rounding out the package will be \$400 million in ancillary facilities—a \$100 million revolver, a \$150 million letter of credit and a \$150 million interest reserve facility. The structure is predicated on clear forward capacity

payment guidance for Zone J, New York, from the **Federal Energy Regulatory Commission**. When this is firmed up, there may be a small adjustment to the staple.

NordLB Weighs Syndication Strategy For Costa Rican Wind

NordLB is considering whether to tap commercial banks to take pieces of the 50 MW La Gloria wind farm under development by an **Econergy International**-led consortium in Costa Rica. An official at the bank says the syndication may target supranational development banks, such as the **Inter-American Development Bank**, which are more familiar with the sovereign credit, rated Ba1 by **Moody's Investors Service**. "There's still a possibility to syndicate, but the best option is to use supras," he says, noting several have expressed interest.

NordLB landed a mandate to arrange the \$125 million financing consisting of a term loan and letter of credit for the project in the Guanacaste Province last fall (PFR, 10/26). Legal documentation with local parties may not be finalized for several months, however. The sponsor consortium also includes **juwi** and family-owned **Saret de Costa Rica**. The project has a 20-year build, own and operate contract with local utility **Instituto Costarricense de Electricidad**.

Dutch Energy Supplier Refinances EUR1B Revolver

ENECO Holding, a Dutch integrated energy company, has refinanced its EUR1 billion (\$1.48 billion) five-year revolving credit facility with a new, EUR1.5 billion facility—upsized from a planned EUR1.25 billion due to oversubscription. The deal, led by joint bookrunners **ABN Amro**, **Barclays Capital**, **Fortis Bank**, coordinator and facility agent, and **Société Générale**, drew eight banks in syndication.

BNP Paribas, **Deutsche Bank Luxembourg** and **ING Bank** were mandated lead arrangers. **Citibank** came in as a senior lead arranger. And **N.V. Bank Nederlandse Gemeenten**, **Dexia Bank Belgium**, **Lloyds TSB Bank** and **Intesa Sanpaolo** were lead arrangers, each with a EUR75 million slug. Tickets taken by the others could not be learned.

The opening margin on the facility is 20 basis points and is tied to a ratings grid. Commitment fees are 32.5% of the applicable margin. ENECO will pay five basis points for what is drawn over and above 50% of the facility, which will be used for letters of credit and natural gas inventory, says **Cor de Ruijter**, a spokesman for ENECO. Additionally, the credit will provide liquidity to both ENECO's distribution and generation business, which will be unbundled in accordance with Dutch legislation beginning in July, a feature that is unique according

to **Bas Marteijs**, managing director of energy and utilities at Fortis in Rotterdam.

ENECO has a long-term credit rating of A from **Standard & Poor's**.

Bidders Vie For U.K. CCGT

Six bidders are lining up to submit final offers for **Goldman Sachs'** and **CarVal Investments'** 1.875 GW power station in Teesside, northern England. Last Monday was soft-circled as a deadline, but bids are still trickling in, according to one deal tracker.

Preliminary bids were taken shortly before Christmas by **Rothschild**, according to **Rupert Trefgarne**, a spokesman for the firm. The owners plan to begin exclusive talks with a preferred bidder later this month (PFR, 1/18). First-round bids were in the range of £350-550 million (\$685.7-979.6 million) but, with most of the contenders eschewing leverage, some of the offers may come in lower.

Teesside is 30% directly owned by Goldman and 70% indirectly by CarVal, whose stake originates from old loans it extended to the plant's original owner/offtaker **Enron** (PFR, 11/16). The plant's 15-year PPA expires in March, at which point if it is not sold, the owners will toll it out. Officials at the owners did not return calls.

German Developer Taps Dexia For Solar Financing

German solar specialist **Conergy** has mandated **Dexia Crédit Local** as lead arranger of financing for an unidentified solar photovoltaic project. Specifics of the asset, its location and the debt could not be gleaned, but the deal is being actively structured and syndicated to a handful of lenders, according to one market watcher.

Clemens Thoma, a spokesman for Conergy renewables subsidiary **Epuron**, declined to comment but said Conergy has photovoltaic projects under development in Spain, Korea and the U.S. Officials at Dexia declined to comment.

Last June, Conergy tapped **Dexia Crediop**, Dexia's Italian branch, to finance four solar photovoltaic systems with a total output of 2.7 MW across Italy, being built by Conergy's Italian subsidiary **SunTechnics Impianti Energetici**. Also last year, it scored EUR81 million (\$119.2 million) for an 8 MW solar project in southern Spain via **WestLB** (PFR, 9/21). **Natixis** was invited to participate, alongside **La Caixa**, **Banesto** and **BBVA**.

Conergy is positioning itself as a player in the solar equipment supply space, according to **Alexander Leinhos**, a Conergy spokesman in Hamburg.

Corporate Strategies

Market Overlap Makes NiSource Assets Fit For Until

Northeast utility holding company Until's agreement to buy **Northern Utilities** and **Granite State Gas Transmission** from NiSource will expand its service area into Maine and grow its customer base by 40%. **George Gantz**, a spokesman in Hampton, N.H., says Until will finance the \$160 million transaction with a combination of debt and equity yet to be determined, and a separate \$25 million outlay for natural gas storage inventory and working capital via a short-term instrument.

Until was advised by **RBC Capital Markets** and NiSource by **The Blackstone Group** (PFR, 11/6). **Karl Brack**, a spokesman for NiSource, said the sale will be "mildly accretive" to NiSource's earnings, on the order of one cent per share beginning in 2009, and will provide cash to pay down debt and maintain its investment-grade rating. NiSource acquired Northern Utilities and Granite State Gas Transmission in 1999 as part of its larger acquisition of **Bay State Gas Company**, which serves Massachusetts. It now plans to focus on expanding its gas pipeline and storage business, as well as roughly \$1 billion in capital expenditures per year for the next several years.

Northern Utilities is a distribution utility serving customers in Maine and New Hampshire. Granite is an interstate gas company that serves Northern Utilities. Until projects the subsidiaries will add a combined \$135 million in operating revenues to its annual revenues of \$261 million. The transaction is slated to close by the fourth quarter.

CenterPoint Sub Wraps Transition Securitization

A subsidiary of **CenterPoint Energy Houston Electric** has wrapped a \$488 million securitization related to the costs of transitioning Texas to a competitive generation market. The notes have an annual weighted average interest rate of 4.8% and will reduce the charges on customer's bills from around 10%. "The proceeds have to be used by [CEHE] to reduce debt or equity investment," says **Mark Kilbride**, v.p. and treasurer in Houston, noting that future cash flow from the transition charges will fund the interest payments on the bonds.

Funds from the sale were used to reduce the equity CEHE's parent, **CenterPoint Energy**, holds in its subsidiary, as required by state law.

The lower transition charge will save CenterPoint customers more than \$100 million. "As we recover that portion of the bill, that amount goes into a trust that is then used to pay the

debt service on the transition bonds," Kilbride says. The securities are backed by the state, allowing them to carry lower interest rates than typical corporate bonds, generating big savings (PFR, 8/24).

The bonds were issued from special purpose vehicle **CenterPoint Energy Transition Bond Company III**, which upstreamed the proceeds from the sale to CEHE and subsequently to CenterPoint Energy, reducing the parent's equity holdings in CEHE. The company settled on the amount by following guidelines set by Texas' deregulation law that was updated last summer and a financing order late last year from the **Public Utility Commission of Texas** that allowed for the securitization.

Citigroup, **Credit Suisse**, **Morgan Stanley** and **DEPFA First Albany Securities** were bookrunners on the deal. "We went through a very lengthy process, and those were the ones we selected in the end," says Kilbride, declining to elaborate but noting that the company worked closely with the Public Utilities Commission in choosing the firms and structuring the deal.

Fla. Muni Set To Issue Bonds For CCGT

Jacksonville Electric Authority is weighing an electric revenue bond issue in the next three weeks and another in April to fund environmental upgrades for the 1,280 MW St. Johns River Power Park in Jacksonville, Fla., of which it owns 80%.

Helen Kehrt, director of treasury services, says details such as size and tenor are still being hammered out because the utility is focusing on its current \$66 million sale of 30-year subordinated revenue bonds, set to price as early as March 3. Proceeds from that issue will help JEA buy a combined-cycle combustion turbine for the 335 MW Kennedy Generating Station, also in Jacksonville, says Kehrt, noting the turbine will add 191 MW in winter capacity to meet the 2-3% per year demand growth.

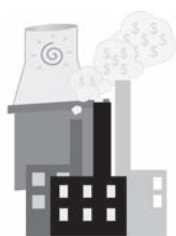
Public Financial Management is advising on the \$66 million issue and the follow-on offerings, after being on retainer for five years with JEA. The current bond is expected to land a 4.65% coupon and is rated AA- by **Fitch Ratings** because, according to **Karl Pfeil**, a ratings analyst in New York, the utility maintains its advantage by passing costs onto customers, has one of the youngest generation fleets in Florida and a diversified fuel mix. JEA last came to the market in January with \$100 million in variable-rate debt. Its debt-to-equity ratio is 90:10.

Project Finance Deal Book

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

Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
AES	Termoeléctrico de Penoles (230 MW Petcoke)	Tamuin, Mexico	Calyon	Refinancing	\$227M		Four of six commitments in.
Babcock & Brown Power, Pittsburgh Power	Trans Bay Cable (400 MW, two 200 kV cables)	San Francisco, Calif.	BayernLB	Construction Loan	\$299M	33-yr	Syndication of subordinate tranche launched.
Biomass Group	South Point (200 MW Biomass)	South Point, Ohio	WestLB	Construction Loan	\$188M	7-yr	Syndication expected in April, May.
Borealis Infrastructure	Bruce Power (4.6 GW)	Tiverton, Ontario	Scotia, Dexia HoldCo Loan	TBA	\$265-300M	TBA	Leads considering relaunch in U.S.
Brick Power Holdings	Tiverton (265 MW Gas)	Tiverton, R.I.	Credit Suisse, Merrill Lynch	Recapitalization	C\$750M (\$710M)	TBA	Timeline unclear.
Carlyle/Riverstone	Rumford (265 MW Gas)	Rumford, Maine			TBA	TBA	Timeline unclear.
EarthFirst Canada	Portfolio (1.5 GW Gas)	Various, Texas	Morgan Stanley	TBA	\$900M	TBA	Morgan tapped at end of Jan.
	Dokie I (144 MW Wind)	Peace River, British Columbia	WestLB	TBA	\$212M	17-yr	Syndication to launch within two weeks.
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	4-yr, 9m	Syndication ongoing.
Energy Investors Fund	Hot Springs (48 MW Geothermal)	Elko, Nev.	DZ Bank, Fortis Capital	TBA	\$80M		
ENMAX Energy	Calgary (1.2 GW Gas)	Calgary, Alberta	TBA	TBA	\$120M	TBA	32 MW phase to come online 2009.
EverPower Renewables	2009 Turbine Supply	Various	KeyBanc Capital Markets	Turbine supply	TBA		Timeline unclear.
Excelsior Energy	Mesaba Energy (603 MW IGCC)	Minn.	TBA	TBA	\$130M		Syndication launched 11/28.
Falcon Gas Storage	MoBay (50Bcf Gas Storage)	Mobile County, Ala.	TBA	TBA	TBA	TBA	Barclays advising.
FPL Energy	Northern Frontier (600 MW Wind)	Various	UniCredit, Mizuho	Back-Leveraged Loan	\$300-350M	TBA	Selecting lenders.
GNL Quintero	LNG Receiving/Regasification	Quintero Bay, Chile	TBA	TBA	\$250M		Commitments due 2/21.
Green Rock Energy	Green Rock (Gasification)	St. James Parish, La.	TBA	TBA	TBA	TBA	Lenders shortlisted.
CarVal Investments et al.	Granite Ridge (720 MW Gas)	Londonderry, N.H.	Lehman Brothers, Merrill Lynch	TBA	\$1B	TBA	Selecting lenders.
Invenergy	Forward Energy (99 MW Wind)	Dodge and Fond du Lac counties, Wis.	Dexia Credit Local, NordLB	Construction Loan Equity Bridge Loan	\$300-350M		Timeline TBA.
					\$249M	17-yr	Syndication to launch 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 LC Facility Equity Bridge Loan	\$70M	25-yr	Syndication ongoing.
					\$25M		
					\$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 Letter of Credit	\$145M		Syndication expected this month or March.
				Letter of Credit	\$20M		
					\$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 Term Loan Revolver	\$285M		Retail commitments due 2/26.
					\$100M		
					\$50M		
Noble Environmental Power	Turbine Supply Loan	Various	HSH, 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 financial 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.
Siemens Building Technology	Various (4-10 MW each, Alternative)	Various	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.



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.

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
American Electric Power	Fort Phantom	Abilene, Texas	362	Gas	N/A	Took final bids Nov. 14. Reportedly negotiating with a single party.
	Abilene Power Station	Abilene, Texas	18			
	Lake Pauline	Quanah, Texas	35			
	Rio Pecos	Girvin, Texas	136			
	Oak Creek	Bronte, Texas	75			
	Paint Creek	Stamford, Texas	218			
	San Angelo	San Angelo, Texas	110			
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	Wayzata Investment Partners reportedly acquired.
Bicent Power	Mountain View	Palm Springs, Calif.	67	Wind	Goldman Sachs	AES to acquire (PFR, 1/7).
Black Hills Corp.	Arapahoe	Denver, Colo.	130	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).
	Valmont	Valmont, Colo.	80	Gas		
	Fountain Valley	Colorado Springs, Colo.	240	Gas		
	Las Vegas I	Las Vegas, Nev.	53	Gas		
	Las Vegas II	Las Vegas, Nev.	224	Gas		
	Harbor	Long Beach, Calif.	98	Gas		
	Valencia	Albuquerque, N.M.	149	Gas		
Bluff Power Partners	McCommas Bluff	Dallas, Texas		Landfill Gas	CRG Partners	Cambrian Energy Development named stalking horse, replacing Montauk Energy Capital (PFR, 10/12).
E/S Solutions						
Calpine	Acadia Energy Center	Eunice, La.	1,016 (50%)	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.
	Fremont Energy Center	Sandusky County, Ohio	512	Gas		
	Hillabee Energy Center	Alexander City, Ala.	774	Gas		
	Texas City	Texas City, Texas	425	Gas		
	Clear Lake	Clear Lake, Texas	375	Gas		
Catamount Energy	Sweetwater	Nolan County, Texas	505 (50%)	Wind	Goldman Sachs	Unsolicited approaches have been made to backer Diamond Castle Holdings (PFR, 8/31).
	Ryegate Power	Vermont	20	Wood waste		
	Rumford	Rumford, Me.	85	Cogen		
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	Southern Calif.	134	Gas	Lehman Brothers	Beowulf Energy and Natural Gas Partners agreed to buy for \$342 million. Lehman Brothers to lead debt financing (PFR, 10/22).
	Palo Verde Power	Southern Calif.	11	Nuclear		
	Hoover Upgrading	Southern Calif.	22	Hydro		
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	Springfield, Mass.	185	Gas, Oil, Hydro	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). RBS may co-lead (PFR, 2/19). Ada not sold. Partner is Olympus Power.
	Newington Energy	Newington, N.H.	525 (99.5%)	Gas		
	Ada Cogeneration	Ada, Mich.	29 (48%)	Gas		
	Lakewood	Lakewood, N.J.	246 (80%)	Gas		
	Ocean Peaking Power	Lakewood, N.J.	339	Gas		
	Rock Springs	Rising Sun, Md.	670 (50%)	Gas		
	Genor	Puerto Barrios, Guatemala	42 (49.5%)	Oil		
	EverPower Wind	NEPOOL, NY, PJM	500 planned	Wind		
ConocoPhillips	Immingham	Lincolnshire, U.K.	730	Gas	Citigroup	Reportedly looking at strategic options on the plant (PFR, 1/18).
Complete Energy Holdings	La Paloma	McKittrick, Calif.	1,022	Gas	JPMorgan	In second round. Shortlist unclear. Final bids due Feb. 28. Kelson Holdings believed to be bidding (PFR, 2/8).
	Batesville	Batesville, Miss.	837	Gas		
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	East China, Mich.	320	Gas	N/A	Seller exploring options, including outright sale. On books at scrap value, decommissioned.
	River Rouge	Detroit, Mich.	240	Gas	N/A	
EISSL	Various	Catalonia, Spain	630	Wind, Hydro	JPMorgan	Company weighing sale (PFR, 12/24).
Energy Future Holdings (Luminant)	Sandow 4	Milam Co., Texas	545 (50%)	Coal	Credit Suisse	Plans to sell to Perennial Power Holdings (PFR, 2/18).
	Sandow 5		581 (50%)	Coal		
Entegra	Gila	Phoenix, Ariz.	2,300	Gas	N/A	Reportedly in talks to merge with KGen (PFR, 1/17).
	Union	El Dorado, Ark.	3,000	Gas		
Entergy Corp.	50% stake in Top	Worth County, Iowa	40	Wind	New Harbor	Seller wants about \$520 million for the assets. Bidders shortlisted to four players: two financial; two infrastructure (PFR, 6/18).
	Deer Wind Ventures	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		
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 Tesla	Stockton, Calif. Tracy, Calif.	44 1,120	Coal/Petcoke Gas/Steam	New Harbor Credit Suisse	Teasers sent (PFR, 12/17). 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.
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 Coryton Spalding Rijnmond Rijnmond II Bajio La Rosita Quezon Millmerran Callide	Runcorn, U.K. Essex, U.K. Lincolnshire, U.K. Rotterdam, the Netherlands 400 development San Luis de la Paz, Mexico Mexicali, Mexico Philippines near Brisbane, Australia Queensland, Australia	748 732 860 820 400 development 600 (306 stake) 1,100 460 (211 stake) 880 (228 stake) 920 (230 stake)	Gas Gas Gas Gas Gas Gas Gas Coal Coal Coal	Lehman Brothers	Two-part auction kicked off late Jan. (PFR, 2/7).
Kelson Holdings	Dogwood Redbud Cottonwood Magnolia	Pleasant Hill, Mo. Luther, Okla. Deweyville, Texas Benton County, Miss.	620 1,230 1,230 922	Gas Gas Gas Gas	Goldman Sachs, Merrill Lynch	Weighing strategic options, including sale/merger (PFR, 10/9). Signed agreement to sell Redbud for \$852 million to consortium of load-servicing entities (PFR, 1/21).
KGen Power	Murray I Murray II Hot Spring Hinds Sandersville	Murray Co., Ga. Murray Co., Ga. Hot Spring Co., Ark Jackson, Miss. Washington Co., Ga.	630 620 620 520 640	Gas Gas Gas Gas Gas	Credit Suisse	Reportedly in talks to merge with Entegra (PFR, 1/17).
LS Power	Sugar Creek	Sugar Creek, Ind.	561	Gas	N/A	Northern Indiana Public Service to acquire (PFR, 11/2).
MACH Gen	Millennium Athens Covert Harquahala	Carlton, Mass. Athens, N.Y. South Haven, Miss. Tonopah, Ariz.	360 1,080 1,100 1,092	Gas/Oil Gas/Oil Gas Gas	Credit Suisse	Considering sale or a merger (PFR, 12/17).
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	Bids due March 20 (PFR, 2/21). About \$1.5 billion of the \$1.9 billion staple is funded debt (PFR, 2/1).
Navasota Energy (Navasota Holding Texas) (Montgomery Energy Partners)	Colorado Bend Quail Run L'Energia Billerica Energy Center	Wharton, Texas Odessa, Texas Lowell, Mass. Billerica, Mass.	1,650 825 84 240-360	Gas (development) Gas (development) Gas (repowering) Gas (development)	JPMorgan	Teasers not yet dispatched (PFR, 2/11).
Noble Environmental Power	Various	N.Y., Mich.	385	Wind	Goldman Sachs	Company reportedly looking to IPO.
North American Power Group	Rio Bravo Fresno Rio Bravo Rocklin Chinese Station	Fresno, Calif. Roseville, Calif. Jamestown, Calif.	25 25 22	Biomass Biomass Biomass	N/A	In discussion with potential buyers (PFR, 8/31).
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.
Primary Power International	Hillman Grayling Genesee Dapp Generating Valley Power	Hillman, Mich. Grayling, Mich. Flint, Mich. Westlock, Alberta Drayton Valley, Alberta	19 36 35 17 12	Biomass Biomass Biomass Biomass Biomass		Fortistar agreed to purchase an interest in the portfolio. Deal set to close in 30 days (PFR, 2/19).
Reliant Energy	Channelview	Lyondell, Texas	830	Gas	Houlihan Lokey	In second round. Fortistar with partner AllCapital 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 March 4.
Sempra Generation	Catoctin	Frederick Co, Md.	development	Gas	N/A	Development project reportedly for sale.
Signal Hill Power	Wichita Falls	Wichita Falls, Texas	77.1	Gas	Miller Buckfire	Teasers dispatched. Bids due March 17 (PFR, 2/20).
Sumas	Sumas Cogeneration	Sumas, Wash.	125	Gas	N/A	Puget Sound Energy agreed to buy for undisclosed sum.
Temasek Holdings	PowerSeraya Senoko Power Tuas Power	Singapore	3,100 3,300 2,670	Gas Oil Steam	Credit Suisse, Morgan Stanley	Teasers dispatched 10/15. Tuas to be sold first (PFR, 10/22).
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).
Third Planet Windpower	Various, U.S.	Various, U.S.	3 GW late-stage 5-7 GW early-stage	Wind	Marathon Capital	Developer looking for joint venture partner.
TransAlta	Campeche Chihuahua	Mexico Mexico	252 259	Gas/Diesel Gas	N/A	InterGen to buy for \$303.5M, funded with equity and non-recourse debt.
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	36W 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.

News In Brief

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

North America

- Hedge fund **Saracen Energy** suffered heavy losses in natural gas futures last week rumored to be in excess of \$500 million—more than a third of its estimated \$1.3 billion value, forcing it to liquidate some positions. News of the spread collapsing on an unnamed Houston energy fund's futures trades had been percolating the week before (*DealBreaker.com*, 2/15).
- **InterGen Global Ventures** has signed a purchase and sale agreement with **TransAlta** to pay \$303.5 million in cash for the Canadian IPP's Mexican power assets (*MarketWire*, 2/20).
- The **Arizona Public Service Co.** has commissioned **Abengoa Solar** to build the 280 MW Solana Generating Station near Gila Bend, Ariz., to be operational by 2011 (*Associated Press*, 2/21).
- **Tampa Electric** will install five new 60 MW peaking units to serve its growing service territory (*Business Wire*, 2/14).

- **Florida Atlantic University** researchers expect a small turbine to be installed within months to test possibility of generating energy from the current of the Gulf Stream, which rushes by at nearly 8.5 billion gallons per second 15 miles off Florida's coast (*Houston Chronicle*, 2/15).
- **Luminus Group** has nominated **William Rockford**, **Richard Smith**, **Theodore Babcock** and **Jonathan Barrett** to **TransAlta's** board (*StreetInsider.com*, 2/19).
- Costs for **AMP-Ohio's** proposed coal-fired power plant in southeast Ohio have risen by \$400 million, which could make some of its member communities reevaluate their commitment (*Toledo Blade*, 2/20).
- **Myria Acquisition**, a consortium of investors, has completed its purchase of an 80% stake in **MidCon**, a unit of **Knight Inc.**, prompting **Standard & Poor's Ratings Services** to raise Knight's rating to BB from BB- (*Forbes*, 2/21).
- Calgary has approved city-owned utility **Enmax's** C\$1.6 billion (\$1.6 billion) plan to build two power plants capable of supplying more than two-thirds of the electricity needed by the city (*Reuters*, 2/21).

Europe

- **Enel**, Italy's biggest utility, has bought a majority stake in **OGK-5**, a Russian power company, for 24.65 billion rubles (\$1 billion), boosting its stake to almost 53% (*Reuters*, 2/15).
- **ICP Solar Technologies**, a developer, manufacturer and marketer of solar panels and products, has entered a strategic alliance with **Ibersolar Energía**, a leading European distributor and supplier of solar photovoltaic and solar thermal systems (*Earthtoys.com*, 2/19).
- German solar energy group **Conergy** has sold its thermal activities in Belgium and the Netherlands as part of its efforts to return to profitability (*Reuters*, 2/19).
- **Scottish and Southern Energy** has completed its acquisition of Irish wind power producer **Airtricity** for approximately EUR1.1 billion (\$1.6 billion) (*Datamonitor*, 2/20).
- **ENI** and **Enel**, Italy's two largest energy companies, have signed a letter of intent for a feasibility study to capture, transport and store carbon from energy projects (*Reuters*, 2/20).
- **British Gas** parent company **Centrica** is evaluating a potential multi-billion pound increase in investments in renewable energy, largely targeted at offshore turbines (*Reuters*, 2/21).

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FEBRUARY 8, 2008

QUERIES EMERGE ON CONED'S IPP SALE TO AUSSIES

Some industry players are skeptical about the impending financing for **AllCapital and Industry Funds Management's** proposed sale of Northeast generating assets to **Consolidated Edison Development**.

The debt is fully underwritten but bankers say the circa \$1 billion launch into syndication by month aggressively given the current market. Sub-underwriters have been revealed declined to comment. The deal close by the half-year point once

Bloomberg.com

FEBRUARY 15, 2008

Allco Seeks To Exit \$1.48 Billion U.S. Purchase, Review Reports

Allco Finance Group Ltd. is seeking to exit a \$1.48 billion purchase of U.S. power plants from **Consolidated Edison Inc.**, the Australian Financial Review reported, without citing anyone.

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DTE Rethinks Sub Recap

DTE Energy Services, a unit of DTE Energy, recently resumed talks with banks about completing its \$700 million recapitalization of 15 inside-the-fence energy and utility assets. "We've been exploring different debt alternatives, and as a part of that process we're talking with a number of different kinds of lenders, including commercial banks," says **Chris Brown**, ceo of DTE Energy Services and executive v.p. of DTE Energy Resources in Ann Arbor, Mich. This time institutional investors will not be targeted, after the original syndication late October—targeting high-yield buyers—was nixed two weeks after launch (PFR, 11/2).

Morgan Stanley and **Barclays Capital** led the syndication last fall, but are no longer representing DTE, says Brown, adding they may ultimately have some role. He declined to identify which firms the company is in discussions with, or reveal any possible types of structuring being considered. Bankers have suggested the company is looking to line up a relationship banking club.

The new debt would be held at a new holding company, **Energy and Industrial Utilities Co.**, a joint venture between DTE Energy Services and **GE Corporate Lending**, which is buying a 50% equity stake in the entity. Funding from the recap and sale, on which Morgan Stanley advised, would be used to service existing debt on the projects (PFR, 8/17), which produce power, coke and steam for steel and auto facilities, as well as two airports.

"We stopped syndication in the first part of November because the market was just not there," Brown explains. "We found ourselves in the wrong market with the right assets, so we pulled it." Being syndicated was a \$375 million senior-secured term loan and a \$50 million revolver, with pricing pitched at 300 basis points over LIBOR with an original issuer discount of 99. Rounding out the new debt was \$275 million in 10-year senior notes. Calls to officials at the banks were not returned, and a spokeswoman at GE Corporate Lending declined to comment.

Irish Energy Co. Assess Bids On 1GW

ESB International, the unregulated arm of the **Irish Electricity Supply Board**, is reviewing bids for a 975 MW portfolio of fossil-fired generation in Ireland. **Kevin MacDermott**, a spokesman for the company in Dublin, confirmed the company is considering selling. **Goodbody Stockbrokers** is advising.

Invitations went out early fall. First-round bids were due at the end of October and second-round bids were due late last month, notes MacDermott. The company hopes to decide whether to divest within the next two months.

Up for grabs is Marina, a 115 MW combined-cycle gas plant near Cork City, 240 MW Great Island on the north bank of Waterford harbor in Wexford County and 620 MW Tarbert Generating Station in County Kerry, both oil-fired plants.

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.

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

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

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

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

power finance & risk

Please send your nominations to **Katy Burne**, managing editor at kburne@iinews.com

MORGAN STANLEY

(continued from page 1)

Marathon in Bannockburn, Ill., had no comment, nor did an official at Morgan Stanley.

Third Planet—formed 18 months ago—has nine mid-stage development projects amounting to 3 GW across the Western two thirds of the U.S. and another dozen in early development worth 5-7 GW. Next year, three are set to come online: a 325 MW unit in Loraine, Texas, 80 MW Petersburg in Nebraska and 250 MW Reno in Wyoming (PFR, 1/25). —K.B.

CANADIAN SOLAR

(continued from page 1)

Arctic Circle Enterprises.

Solar Utilities specializes in fuel cell-powered cogeneration that uses sun, wind and water to produce emissions-free power. It also makes independent distributed power units for residential and commercial application. So far three projects are on deck: a 40-acre residential development near Calgary costing around \$68 million, a 120-acre green technology business park costing around \$200 million and a 160-acre eco-friendly mega mall with an estimated price tag of \$920 million. —K.B.

BARCLAYS SCOPES

(continued from page 1)

and it planned to sell down its share in \$100-110 million tickets, according to one deal tracker. Syndication, slated for launch next month, will likely target a group of senior managing agents before heading into retail. But some bankers are skeptical of how it may be received by participant lenders because the buyers are new to the U.S. "Many of the banks have never lent to or seen these companies before," said one, reflecting on the fact the Aussies don't have a high U.S. profile. Officials at Barclays and RBS either declined to comment or did not return calls.

There have been questions about AllCapital's ability to complete the transaction. Parent **Allco Finance Group** is responsible for just over one third of the equity in the ConEd transaction and IFM about two thirds. But Allco delayed the launch of its global infrastructure fund (PFR, 2/8) and the release of its half-year results a second time amid a voluntary suspension of trading in its shares. It is not known if IFM would step up and provide a larger equity slug if necessary and requests for comment were not returned. A spokeswoman for Allco declined to comment. Under the terms of the purchase and sale agreement with ConEd, joint acquisition vehicle **North American Energy Alliance** obtained letters of credit from **Commonwealth Bank of Australia** to cover the breakup fee—10% of the base purchase price, according to **Securities and Exchange Commission** filings.

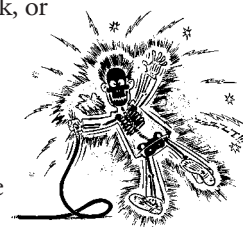
It is unclear if Barclays has negotiated the ability to invoke a material adverse change clause, meaning it could walk away if it could prove the lending climate or the position of one of the buyers had deteriorated materially since it underwrote the financing. A ConEd spokesman says the company is "monitoring developments with Allco." —Katy Burne

Alternating Current

Power Walking, Anyone?

Good news, utility folks. Those of you running plants exhaustively on the margin can boost power production from the comfort of your very own office. Science has your back, or rather knee, in the form of a small brace weighing 3.5 pounds that generates power from the swing of a limb. No, we're not pulling your leg.

Treadmill walkers wearing one of these devices on each knee generated about 5 watts of power in tests, and walking quickly produced 13 watts. Keeping fit never felt so eco-conscious. Imagine how much your operations staff could produce in shifts. It'd also be a canny way for gyms like **Crunch** and **Equinox** to cut their electricity bills. Any solution to keeping those lights on.



Quote Of The Week

"We'll go out in earnest with a plan of financing during the second half of 2009." —**David Fiorelli**, president and CEO of business development at **Tenaska**, on the IPP's plans to debt finance its \$3 billion carbon dioxide-sequestering coal-fired plant in Nolan County, Texas (see story, page 2).

One Year Ago In Power Finance & Risk

Mirant was looking to land Asian buyers for its Caribbean generating fleet. [**Marubeni** acquired it for \$1.08 billion, with **Mirant** landing \$553 million in net proceeds. Acquisition vehicle **Marubeni Caribbean Power Holdings** financed the purchase via a 364-day, \$310 million bridge facility led by **Mizuho** (PFR 8/10)].

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