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Banks To Grab Tickets For EME

Three banks are set to take $50 million slugs of the financing for an **Edison Mission Energy** wind portfolio.

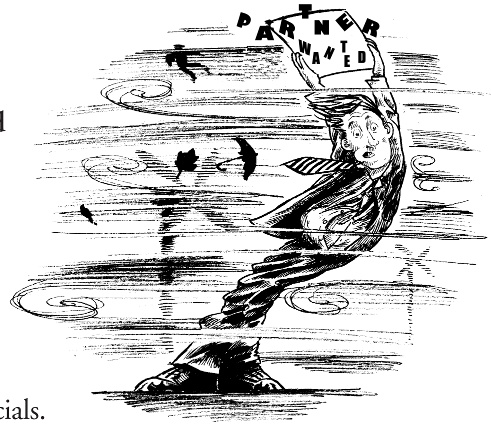
See story, page 2

PG&E Ups Issue To $900M

Pacific Gas & Electric and its parent boosted two bond offerings to $900 million from $700 million to ensure liquidity.

See story, page 6

AES SEEKS JV PARTNER FOR WIND BIZ



AES is seeking a joint venture partner for **AES Wind Generation** as it struggles to fund a capital-intensive development pipeline. The company is developing 410 MW of wind in Bulgaria, China, France and Scotland. Wind's estimated cost is $2 million per megawatt to build.

EdF Energies Nouvelles affiliate **enXco**, **FPL Group** and private equity firms are logical partners. Officials there did not return calls, nor did AES officials.

(continued on page 8)

CALYON, WestLB SELECTED FOR ASTORIA PROJECT

Calyon and WestLB have been selected by **Astoria Energy II** to lead financing of its $1.1 billion, 500 MW gas-fired project in Queens with commitments said to be more than $100 million each.

Project finance banks submitted bids several weeks ago to join the top tier of the coveted deal for the project with a 20-year power purchase agreement from the **New York Power Authority**. The sponsor is still in talks with other banks interested in joining the lender group. The French and German banks join **Natixis**, which signed up to the deal late last year but is taking a smaller role. A broader retail syndication is planned for later this year, but deal trackers note that could be wishful thinking.

"It's a pretty amazing number, especially in this market," says one banker in New York.

(continued on page 8)

DEVELOPER HUNTS FINANCING FOR AFRICA PROJECT

Developer **CIC Energy** is talking to lenders and potential equity investors to raise $3 billion for its 1.2 GW Mmamabula coal-fired project in Mahalapye, Botswana. The company has retained **Rothschild** as financial advisor and is talking to international lenders, export credit agencies and international development banks for $2.4 billion in debt, says **Warren Newfield** ceo and founder of the Toronto-based **Tau Capital** subsidiary. The project is slated for operation in 2013, and CIC wants funding in place by year-end.

CIC will seek to fund remaining costs with equity, Newfield says. "We're looking for investors with a long-term view that recognize the significant growth potential for energy projects in southern Africa, a region that is forecast to have energy shortages for the next 20 years," Newfield explains. He declined to identify potential lenders or investors.

(continued on page 8)

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

At Press Time

Banks Line Up On Edison Wind Portfolio

BNP Paribas, **Royal Bank of Scotland**, and **WestLB** are expected to take roughly $50 million commitments each in **Edison Mission Energy**'s roughly $220 million wind portfolio. The sponsor is still negotiating pricing and covenants. No mandate letter has been signed and the group could still change, say deal trackers.

Two more banks will likely join in addition to the trio, says one tracker. **Dexia Crédit Local**, **HSH Nordbank** and **Société Générale** were considering the deal (PFR, 2/20), but SG has since backed away, says a banker familiar with the process. Officials at the banks either declined to comment or did not return calls, and **Randolph Mann**, investment director at EME, declined to comment.

The portfolio includes a 161 MW Wildorado, Texas, project and others in New Mexico and Nebraska, specifics of which could not be learned. It includes a blend of turbine-brands, including **Clipper**, which has worried some bankers due to the company's lack of an operating track record.

EDP Unit Nears $1.2B Financing

Energias de Portugal subsidiary **Energias do Brasil** is close to securing $1.2 billion in long-term financing for a coal-fired plant in the northern Atlantic state of Ceara, Brazil. EDB is developing the 720 MW Pecem I project within a 50/50 joint venture with Brazilian generator and distributor **MPX Energia** and is looking to have the financing in place before the end of next quarter, deal trackers say. **Luiz Otavio Assis Henriques**, v.p. of generation at EDB, and **Paulo Monteiro**, operations director for MPX, did not return calls. The project is scheduled to go online in 2011.

A group of European banks will provide a 13-year, $180 million B Loan and **Banco Nacional de Desenvolvimento Econômico e Social** will supply a $963 million loan for the project. Rounding out the financing is a 17-year, $147 million A loan supplied by the **Inter-American Development Bank**. The loans are pending approval from credit committees, an IDB spokesman says. Bank officials and spokesmen declined to comment or did not return calls. No other information was available.

Part of the loans will take out a $270 million bridge loan led by **Citibank** with **Banco do Brasil**, **Banco Espírito Santo**, **Grupo Banco Comercial Português**, **ING** and **WestLB**. Citibank is advising EDB and MPX on financing for their 360 MW coal-fired Pecem II, and led a $133.7 million 15-month bridge loan for that facility last month with **Banco Itau Holdings Financeira**, **Banco Bradesco**, **Santander** and **Grupo Votorantim** participating. Pecem II is slated for operation in 2013.

Tell Us What You Think!

Do you have questions, comments or criticisms about a story that appeared in *PFR*? Should we be covering more or less of a given area? The staff of *PFR* is committed as ever to evolving with the markets and we welcome your feedback. Feel free to contact **Thomas Rains**, managing editor, at 212-224-3226 or trains@iinews.com.

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Tick-Tock

El Paso Seeks Commitments For Elba

El Paso is looking for commitments by March 31 from relationship banks interested in joining the $350 million financing for its Elba Express pipeline. **Barclays Capital** and **Union Bank of California** have each taken $50 million tickets for joint lead titles in the sponsor's self-arranged deal. **Calyon**, **UniCredit HVB**, **Société Générale** and **WestLB** are said to be working to join the deal. Officials at the banks either declined to comment or did not return calls, and **Bill Baerg**, director of investor relations at El Paso, declined to comment.

El Paso will close the deal around month-end with the commitments it has, says a deal tracker, noting that the company does not want the recapitalization to drag on. The sponsor has funded most of the $590 million project cost with equity and is seeking to put some debt on it to recover some of the cost, the tracker explains.

The 190-mile, 1.2 billion cubic feet per day pipeline is set to come online next year (PFR, 1/27). It is part of El Paso's Elba III project, which also includes a 9.4 bcf expansion of the 900 mcf Elba Island LNG terminal on Elba Island, Ga. The pipeline will carry gas from the terminal to interconnection points with **Transcontinental Gas Pipe Line**'s pipeline in Anderson County, S.C., and Hart County, Ga.

Carlyle Downsizes Target For Middle East Fund

The Carlyle Group cut its $750 million fundraising goal for its first Middle East and Northern Africa fund to $500 million due to global economic difficulties. "It's a tough funding environment, so we are pleased to raise that much," says **Chris Ullman**, principal in Washington, D.C.

The private equity firm established a MENA team in March 2007 and began fundraising for Carlyle MENA Partners about a year ago. The firm closed the fund March 6 and will make its first energy sector investment in the region through it. "We believe there is opportunity in the region to help companies grow and improve," says Ullman. The fund will also look to invest in the financial services, healthcare, industrial, infrastructure, technology and transportation sectors.

Investors include public pension funds, sovereign wealth funds and high-net-worth individuals. "The good thing is, we don't require a lot of leverage in this fund," Ullman says, noting the fund has made only one investment—an undisclosed investment for a 50% stake of a Turkish shipbuilder. "The prices have been significantly over-inflated over the past year leading up to the bubble bursting, and now we have almost the whole fund to invest," he adds, noting most of the investments will be made with a nominal amount of debt. Ullman wouldn't elaborate on specific investments in the energy sector or targeted investment size. The fund must deploy investments within five years and has a 10-year life.

Canadian Shop Preps Offshore Energy Fund

Creststreet Asset Management will launch an offshore fund before the month is out which will mirror the strategy of its flagship long/short market-neutral *Creststreet Alternative Energy Fund*. The Toronto firm has seen demand for the strategy from offshore investors, **Mike Hammond**, international business development, tells *PFR* sister publication *Alternative Investment News*. The fund returned 142.1% last year and is up 2.9% this year through February.

Creststreet aims to launch the fund with at least $25 million and will be hard-closed when it reaches $100 million because of limited investment opportunities in the sector, said Hammond. The strategy can invest in non-carbon-emitting technology globally, such as solar, wind, hydro, nuclear, geothermal and tidal as well as biofuels.

The onshore offering, which is structured as a mutual fund and targeted at Canadian high-net-worths, launched in November 2007. The offshore fund will target family offices, funds of funds and other institutions in the U.S. and Europe. The investment management team is headed up by Founder **Robert Toole**. **Steve Martin** is the portfolio manager. The domestic fund holds $27 million and has $75 million capacity. **Scotia Capital** is the prime broker.

Norwegian Tidal Co. Fishes For Investors

Hvalstad, Norway-based **Langlee Wave Power** is seeking investors in London and Scandinavia for its first tidal project, set to begin this fall. The NOK30 million ($4.34 million), 63 kW half-scale project will be installed at an undisclosed location six to 12 miles off the coast of Norway, says **Julius Espedal**, founder and ceo.

Langlee Tidal Project

Espedal says new investors are needed for about 25% of the project cost, and the company is planning to secure funding by June. A new government program for ocean energy projects is expecting to fund up to 50% of the project cost and existing investors—Swedish private investment company **Färna Invest** and Swedish public renewable company **Borevind**—are expected to fund the balance, Espedal says. Langlee is also partnering with an undisclosed Norwegian energy company for the debut. **Michel Cederborg**, managing director at Borevind in Göteborg, Sweden, declined to comment, and a number for Färna could not be located.

Down the line, the company is planning to install a NOK60 million, 250 kW full-scale project 25 meters by 25 meters in size and plans to place the technology near offshore wind turbines to utilize existing infrastructure. In five to 10 years, Langlee is planning to scale up the technology to multiple megawatts, says Espedal.

Energy Fund Plots Expansion

New Energy Fund, a sustainable energy and technology-based hedge fund, is targeting $500 million for its renewable energy vehicles between the next three to 10 years. "We would love to find a partner that would boost us to $500 million right now, but we will have to do that on the basis of our performance laurels, which we expect to start improving this year," says **Mark Townsend Cox**, who founded the fund about five years ago in New York.

NEF has around $4 million under management, down from about $10 million prior to the market meltdown. The group has a small cap, mostly private equity portfolio partly technology focused. It separately has a mid cap highly liquid portfolio that is more technology and management focused, says Cox. Targeted returns are between 15-20%. Investors include family offices, high-net worth individuals and institutional investors.

The fund invested more than $500,000 in Staten Island, N.Y.-based **Solar & Environmental Technologies Corp**. in December 2007 and is considering a further investment in the company, which develops utility scale solar projects with a storage component. Officials at SETC could not be reached.

Utility Execs: Renewable Standards Costly, Unrealistic

Utilities say renewable portfolio standards are unlikely to be met in the near-term, and charge that the cost to meet those goals, including a cap-and-trade system and new infrastructure, is not fully understood by regulators. That was the consensus of a panel of utility executives at the **Standard & Poor's** 16th Annual Utilities Conference 2009 at the **McGraw-Hill Companies** in New York last Tuesday.

"This is goofy," said **Wayne Leonard**, chairman and ceo at **Entergy**. "We're starting first with the most expensive technology. Let's put a price signal out there and not hamstring it with artificial have-tos." Leonard added that the cost of renewables is high, especially when factoring in needed infrastructure. "Most of the cost of renewables is hidden. We pile on top of that transmission … The numbers add up pretty fast," he said, noting that smart grids will cost $80-100 billion.

"We don't have a single technology that allows us to obtain these objectives," said **David Ratcliffe**, chairman and ceo at **Southern Co**., noting companies should be given reign to choose what technologies work best for them.

Bill Johnson, chairman and ceo at **Progress Energy**, agreed. "The early targets are probably a challenge," he said, noting that the company's territory does not have a high degree of renewable resources. "We should focus on what we can do in each state," added Johnson.

The three utilities are developing nuclear facilities but see federal funding as a necessity to get the plants to commercial operation. "The fact that the **Obama** administration has not done anything to expand nuclear guarantees is troubling," Ratcliffe said. Leonard proposed implementing clean coal technology. "It's going to take a $150 [a ton] price on carbon for these plants to shut down, and that's not going to happen. Fixing them is going to be the only answer," he said, noting the cost of retrofitting the facilities is half that of any alternative solution.

Enel Unit Plans Midwest Wind Funding

Enel North America will finance roughly 1.2 GW of wind in development with partner **TradeWind Energy** through tax equity financing. **Michael Storch**, executive v.p. of strategy and development for the Andover, Mass.-based unit of Italian utility giant **Enel**, says the company's strategy of financing construction with equity and lining up tax equity investments on the back-end has worked in the past. **Rob Freeman**, president of TradeWind in Lenexa, Kan., says it does not foresee a problem despite the economic downturn. "It has definitely gotten to be a much tougher market. [But] I don't think we've seen the situation or experienced a situation where tax equity can't be raised. You just have to wring out the best economics you can get to," he says.

Projects under development that are set to come online in 2010 and 2011 include the 200 MW Caney River project in Howard, Kan., two 300 MW projects in Missouri and 150-300 MW projects each in Oklahoma and Illinois. TradeWind plans to bid the projects into utility tenders, such as **Westar**'s request for proposal for 500 MW of renewable energy, says Freeman. Bids are due at month-end, and winners garner a 20-year PPA. Freeman declined to comment on which projects the company will bid into the tender.

The partners are also looking to close roughly $140 million in tax equity for 148.5 MW Smoky Hills II wind farm, with **JPM Capital Corp**., **New York Life Insurance and Annuity**, **New York Life Insurance** and **Union Bank of California** unit **Bankers Commercial Corp**. (PFR, 1/09). Bank officials and spokesmen either declined to comment or did not return calls.

Wind Start-Up Seeks Strategic Partners

Sterling, Va.-based **Generation Energy** is talking to potential strategic partners for a 42 MW wind project in the Oklahoma Panhandle. "We ultimately want to work with an institution that has the balance sheet but also wants to get behind the company for future needs," says **Danny McCrystal**, president and founder. He declined to identify candidates.

The company is looking to line up a partner for the first $80-100 million, 42 MW phase of the 1.5 GW Black Mesa farm this summer, ahead of construction later this year, McCrystal says. Generation Energy will look for tax equity investments for the project, but concrete financing plans will depend on the partner, he adds. The first phase is slated for operation by early next year. The company is in talks with regional utilities to secure PPAs within the next few months.

McCrystal started Generation Energy in 2005 and last year hired as CFO **Bill Fisher**, who previously held the same role at **Wind Capital Group** (PFR, 5/16). Generation Energy sold its first 225 MW project under development in Oklahoma to a large developer last year. McCrystal declined to identify the buyer or comment on the project's details.

Solar JV Preps Funding Search

Joint venture **Gemini Solar** will look to line up non-recourse project financing before the end of this year for its 30 MW photovoltaic solar project near Austin, Texas. The total cost is about $200 million.

Mark McLanahan, senior v.p. of corporate development at JV partner **MMA Renewable Ventures**, says, "Hopefully we get some healthy competition to make sure we get the most competitive cost of capital." It will look to relationship lenders as well as anyone else who is interested. "There is a lot of interest for this scale," he says. MMARV has partnered with **SunTech Power Holdings** for the deal.

Later, MMARV will replace the construction financing with a blend of debt and tax equity permanent financing that will take the form of a single project fund similar to the firm's other five solar investment funds (PFR, 1/30).

Corporate Strategies

Welsh Co. Shifts Focus Amidst Sale

Welsh Power has decided to focus solely on generation after agreeing to sell its 850 MW gas-fired Severn plant in development near Newport, Wales, and the engineering business **Carron Engineering & Construction** to **DONG Energy**. Welsh Power tapped **Lexicon Partners** to sell the entire company late last year (PFR, 11/21). "We want to do large generation, small generation," says **Alex Lambie**, ceo of Welsh Power in Newport. The company will no longer be an integrated company that includes retail and construction operations but will press ahead with plants already in development and may still use Carron as a builder.

"For the shareholders, collateral had dramatically increased," says Lambie, noting collateral had multiplied almost fivefold. "We set out to sell the whole company, but the markets are particularly difficult for everyone," he says. There were parties interested in the other plants besides Severn, but it would have been too difficult to close multiple deals in a short timeframe, he adds. The company has not yet made a decision on whether it will sell its remaining development pipeline and facilities, which include three 850 MW CCGT plants, three 50 MW biomass plants, two 50 MW open cycle plants and a 26 MW coal plant, he says. "We're not desperate," he says.

The transaction price was not disclosed, but Severn is expected to cost about GBP600 million ($832.13 million) to build. The deal closed March 6. **Rothschild & Sons** acted as advisor to DONG. An official at Rothschild declined to comment. A spokeswoman at DONG and an official at Lexicon did not return calls.

FPL Sub Issues Bonds To Pays Down CP

FPL Group financial arm **FPL Capital Group** has issued $500 million in senior notes that will go toward paying down roughly $1 billion in commercial paper. "They use a mixture of financing for their construction. They use CP to fund construction and then bundle it into longer term debt," says **Ellen Lapson**, managing director at **Fitch Ratings** in New York. **Paul Cutler**, treasury manager, did not return calls and Lapson declined to elaborate on the company's plans to pay down remaining CP. Fitch rates the notes A.

FPL Capital priced the 6%, 10-year notes on March 2 and closed the deal last Monday. It chose the tenor to fit with the debt maturity schedule, Lapson says. The subsidiary provides funding for **NextEra Energy Resources**, which has a $4.4 billion capital expenditure program running through 2013. That program includes $2.1 billion for wind, $1.675 billion for nuclear, and $385 million for natural gas facilities. NextEra is talking to banks for $400 million in financing supporting its Midwestern Heartland II wind portfolio (PFR, 2/20).

Barclays Capital, **BNP Paribas**, **Credit Suisse** and **Scotia Capital** are leading the issue with $100 million tranches. **Comerica Securities**, **Daiwa Securities**, **KeyBanc Capital Markets**, **Unicredit Capital Markets** and **U.S. Bancorp** are co-managers with $20 million tranches. FPL has 38 banks on more than $6 billion in revolving credit facilities.

Fear Of The Unknown

PG&E Issues $900M To Ensure Liquidity

Nick Bijur

San Francisco-based **Pacific Gas & Electric** has issued $900 million in unsecured senior notes at the utility and holdco level in the face of uncertain financial markets. "We took more out of the market than we needed due to concerns that the market could deteriorate in the future," says **Nick Bijur**, assistant treasurer at the utility, adding the companies originally aimed to issue around $700 million.

The utility priced $550 million dollars of 6.25%, 30-year notes on March 3 and closed the deal on March 6. Holdco **PG&E Corp**. priced $350 million in 5.75% five-year notes last Monday and closed the deal on Friday. "When we look at how pricings have improved in the past few months, we're extremely happy," Bijur notes, pointing to a 10-year note issued that priced at 8.25% (PFR, 10/31). The tenors were chosen to reflect the life of underlying assets at the utility level and also to fit with debt maturity schedules, Bijur adds. He declined to comment on the companies' decision to issue unsecured notes.

Proceeds from the utility's issue will pay down commercial paper which it uses to funds its $10.3-12.3 billion three-year capital expenditure program. The program includes $4.1-4.4 billion for distribution, $2.25-2.45 billion for transmission, $1.7-$1.75 billion for conventional, and allotments for gas transmission, renewables and plant upgrades. Proceeds from the holdco issue will be used to fund equity in the utility to maintain its 48:52 debt-to-equity structure, Bijur explains.

Underwriters were chosen based on their relationship with PG&E and their experience with the product, Bijur says. "For all of our underwriters we look at three factors: capital they've committed to our various credit facilities, their capabilities within whatever product we're looking at and their relationship and coverage efforts from various bankers at the banks," he explains. **Bank of New York Mellon Capital Markets**, **Citi** and **Goldman Sachs** are leading the $350 million deal and **Samuel A. Ramirez & Co.**, **Utendahl Capital Partners** and **Williams Capital Group**, are co-managers. **Barclays Capital**, **BNP Paribas** and **UBS Securities** are the joint bookrunning managers for the $550 million issue and **Blaylock Robert Van**, **Cabrera Capital Markets**, **CastleOak Capital Markets**, **Mizuho**, **U.S. Bancorp** and **Wedbush Morgan Securities** are co-managers.

News In Brief

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

Americas

• The **Global Wind Energy Council** says the economic crisis will reduce wind growth in the U.S. and flatten growth in Europe for 2009 (*Reuters*, 3/12).

• **NRG Energy** has blasted rival **Exelon**'s $5.6 billion hostile bid, saying it's too low and pointing to a "troubling" financing plan (*Reuters*, 3/12).

• Standard & Poor's lowered **General Electric Co.**'s debt ratings to AA+ after 50 years with a rank of AAA (*Wall Street Journal*, 3/13). Meanwhile, the company may reduce its profit target for **GE Capital**, which is expected to earn $3 billion less this year (*Bloomberg*, 3/13).

• Democratic senators from the Rust Belt and coal producing states have warned they will not pass cap-and-trade legislation without provisions for protecting manufacturers and mining companies (*Wall Street Journal*, 3/12).

• Long-term storage of nuclear waste remains a problem, despite the global revival of nuclear generation (*Chicago Tribune*, 3/11).

• Utilities are pressing legislators to overhaul proposed climate-change policy and allow more time to revamp operations and greater financial leeway (*Wall Street Journal*, 3/11).

• Credit-default swaps on **Reliant Energy** and **Dynegy** have increased more than 69% in the past month due to lower earnings estimates and electricity prices (*Bloomberg*, 3/11).

• **Minnesota Power** is delaying plans to add 125 MW of wind to its portfolio by 2010 as it expects to sell 40% less power this year due to decreased mining activity (*Duluth New Tribune*, 3/10).

• **Oglethorpe Power** is purchasing land in Warren County, Ga., to develop a pair of $400 million biomass plants (*The Augusta Chronicle*, 3/9).

• **Dale Klein**, head of the **Nuclear Regulatory Commission**, says the economic and credit crises are slowing nuclear expansion (*Reuters*, 3/11).

• Solar, wind and biotech companies made $115 billion in record revenues last year, up from $75.8 billion in 2007 (*Reuters*, 3/10).

• **Idaho Power** is planning to build a $427 million, 300 MW gas-fired plant in Payette County, Idaho, set to come online in December 2012 (*Reuters*, 3/10).

• **NV Energy** is seeking approval from state regulators to build the $470 million One Nevada Transmission Line to connect the northern and southern parts of the state (*Associated Press*, 3/9).

Europe

• Italian utility **Enel** has approved an EUR8 billion ($10 billion) capital increase to lower EUR41 billion in net debt (*Wall Street Journal*, 3/13). Meanwhile, **Fulvio Conti**, ceo, says the company would rather sell a stake in renewable unit **Green Power** than offer public shares (*Reuters*, 3/12).

• Wind and solar could produce 40% of the world's electricity by 2050 if EUR10-20 billion ($12.76-$25.51 billion) in government subsidies are secured in the next 20 years (*Reuters,* 3/11).

• Italy's solar industry is flourishing under some of Europe's most generous government incentives (*Reuters*, 3/12).

• British generator **International Power** says increased U.S. plant output and higher Australian electricity prices have pushed up profits (*Financial Times*, 3/11).

• **EDF** gave **Lehman Brothers** 38 minutes to reach a new contract after it filed for bankruptcy, threatening to shut off the lights in its London office tower (*Bloomberg*, 3/11).

• **Innowattech**, an Israeli start-up, is planning to place generators under roads and highways with a goal of turning energy from passing vehicles into electricity (*Reuters*, 3/10).

Asia/Pacific

• **Babcock & Brown** faces bankruptcy as New Zealand creditors voted down a restructuring plan (*Financial Times*, 3/13).

• Japanese output has fallen more than 15% due to weak industrial demand (*Reuters*, 3/13).

• **Hongkong Electric** is looking to acquire projects in Australia, Canada and China in efforts to offset falling returns in its regulated home market (*Reuters*, 3/12).

• South Korea is in talks to sell a nuclear plant to Jordan through a private deal without a formal bidding process (*Reuters*, 3/11).

Africa

• **Alstom** has won a EUR125 million ($161 million) contract with South African utility **Eskom** to retrofit turbines at two nuclear units (*Reuters*, 3/13).

• Mozambique plans to secure $8.5 billion from foreign investors for its 2009-2013 Energy Strategic Plan to develop hydro projects (*Reuters*, 3/12).

AES SEEKS

(continued from page 1)

AES Wind owns 10 operating farms in the U.S. with a total capacity of 1,174 MW. Abroad, the company owns a 49% stake in 50 MW Hulunbeier in Inner Mongolia, China; and 40% stakes in a 30 MW InnoVent in France; a 12 MW project in Hargicourt, France; a 5 MW project in Hescamps, France and a 4 MW project in Pléchâtel, France.

In another move to help raise capital, AES recently put its Middle East portfolio on the block via **Citigroup** and **HSBC** (PFR, 2/23). *—Katie Hale*

CALYON, WestLB

(continued from page 1)

"There's no syndication market, so whatever you commit to, you're holding," he adds. That's in contrast to the June syndication of $985 million in financing for **Kleen Energy Systems** 620 MW plant in Middletown, Conn., completed before the credit markets seized up. Eight banks took joint lead arranger titles with commitments of $100 million that were later pared back to around $50-75 million when 13 banks joined in retail syndication. (PFR, 6/20).

Chuck McCall, ceo of Astoria, did not return calls, and officials at the banks involved either declined to comment or did not return calls.

—Thomas Rains

DEVELOPER HUNTS

(continued from page 1)

The company is nailing down a 30-year PPA with South African state-owned utility **Eskom** for 75% of the offtake, says **Jim Emery**, head of strategy for Africa at the **International Finance Corp**. "[Eskom has] always been a very strong utility, and they're backed by the South African government," Emery says. **Botswana Power Corp**. has a 30-year PPA for the remaining capacity.

Botswana and South Africa are among Africa's lowest risk countries, Emery adds. "Botswana is probably the best country in Africa with a well-managed government and non-existent corruption. It's really like a little piece of Switzerland in the middle of Africa, and if Botswana tanks, South Africa will still continue to putter along," he says. The **World Bank** is planning to guarantee the project by backing the Botswana government and Eskom to eliminate offtaker and country risk, Emery explains.

Barclays Capital subsidiary **ABSA Capital** had originally been tapped to co-lead the Mmamabula financing and **International Power** had been a partner on the project (PFR, 3/16/07). Newfield declined to comment on ABSA's participation in the project and says IP is no longer partner. He declined to elaborate on the matter and IP and ABSA officials did not return calls. *—Sara Rosner*

Conference Calendar

- **Platts** will host the 3rd Annual Texas Power Markets Forum March 23-24 at the Crowne Plaza Houston North Greenspoint in Houston. To register, visit www.events.platts.com or call 866.355.2930.
- It will also host 2009 Wind Power Development March 30-31 at the Hilton Suites Chicago Magnificent Mile in Chicago. To register, visit www.events.platts.com or call 866.355.2930.
- Platts' Global Power Markets Conference will be held April 5-7 at the Wynn Las Vegas in Las Vegas. To register, visit www.globalpowermarkets.platts.com or call 866.355.2930.
- **Infocast** will host the Renewable Energy Merger & Acquisition Summit April 15-17 at the Almas Temple in Washington, D.C. To register, visit www.infocastinc.com or call 818.888.4444.
- It will also host Energy Policy in the Midwest April 20-22 at the Sutton Place Hotel in Chicago. To register, visit www.infocastinc.com or call 818.888.4444.
- **GreenPower Conferences** will host Carbon Markets Americas April 23-24 at the Bourbon Convention Center in Sao Paulo, Brazil. To register, visit www.greenpowerconferences.com or call +55.11.2161.2200.
- **Euromoney** will host Renewable Energy Finance Forum-Wall Street June 23-24 at the Waldorf Astoria in New York. To register, visit http://www.reffwallstreet.com.

Quote Of The Week

"It's really like a little piece of Switzerland in the middle of Africa and if Botswana tanks, South Africa will still continue to putter along."—**Jim Emery**, *head of strategy for Africa at the* ***International Finance Corp.****, on the appeal of* ***CIC Energy****'s plans to build a 1.2 GW coal plant in Botswana (see story, page 1).*

One Year Ago In Power Finance & Risk

Allco Financial Group had opted to sell its roughly 4 GW global wind portfolio. [Aussie player **DIF Renewable Energy** picked up five French projects, and **ArcLight Capital Partners** subsidiary **Terra-Gen Power** picked up 3.1 GW in California (PFR, 6/20). The energy team of Allco unit **AllCapital** formed **Abatis Capital** and is now looking to make its debut investments (PFR, 2/13)].