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Hello Wisconsin!

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Goldman Official Set To Land At JPMorgan

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LIBERTY OWNERS EYE SWITCH FROM AUCTION TO RECAP

Owners of the 568 MW Liberty generating facility in Eddystone, Pa., appear to be backing away from a sale in favor of a recapitalization. The creditor group that controls the unit has been tracking improved capacity payments in the PJM Interconnection and now believes a leveraged recap will provide cash for a distribution to owners, without ceding control of the asset. Officials at auctioneer **JPMorgan Chase** did not return calls.

Revenues from PJM generation are expected to improve as federal regulators approved a so-called reliability pricing model in December. The new arrangements are meant to promote competition and investment by providing clearer price signals for capacity sold forward three years and also pay more where supply is scarcest, says PJM spokesman **Ray**

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EDF TO SELL 2GW MEXICAN GENERATION PORTFOLIO

Électricité de France International is looking to offload its 1,984 MW net ownership in combined-cycle generation in northeast Mexico. **JPMorgan Chase** has been tapped to run the auction.

On the block is 248 MW Central Saltillo in Ramos Arizpe, in the State of Coahuila; 495 MW Central Anáhuac, also known as Rio Bravo 2, in Valle Hermoso, Tamaulipas; 495 MW Central Lomas de Real, or Rio Bravo 3, also in Valle Hermoso; 500 MW Central Valle Hermoso, or Rio Bravo 4, nearby; and a 51% stake in 495 MW Electricidad Aguila de Altamira—a joint venture with **Mitsubishi Corp.**—in Altamira.

Each plant is managed and operated by EDFI subsidiary **Comego** (Compania Mexicana de Gerencia y Operacion), which also is up for sale, alongside the holding

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MLPs LOOK TO TAP HYBRIDS

Hybrid securities are entering the crosshairs of more midstream master limited partnerships. To date the only deal in the sector was a \$500 million offering from Houston-based **Enterprise Products Partners** (PFR, 7/11). But EPP is looking at issuing more and other players such as **Boardwalk Pipeline Partners** are scoping the market.

"We're sizable and having hybrids in the capital structure reduces the cost of capital in the long-term," explains EPP Treasurer **Randy Fowler**. As cash distributions to unitholders increase, he says, a higher percentage of the distribution goes to the general partner, and having equity in the capital structure becomes more expensive.

Enterprise issued its hybrids, featuring a 60-year tenor with a 10 year fixed rate-period, as a way to manage overall cost of capital in the future. The hybrids, with a 8.375% coupon, are more expensive than equity on day one of that 10-year, fixed-rate period. But in EPP's

(continued on page 8)

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



At Press Time

Astoria Owners Zero In On Sale

Owners of the 500 MW Astoria Energy generating facility in Queens, N.Y., including **Energy Investors Funds Group** and developer **SCS Energy**, are in advanced stage negotiations to sell their interests. The owners began fielding reverse enquiries from a handful of investors last year (PFR, 9/29).

On March 1, **SUEZ Energy Development**, a unit of **SUEZ Energy North America**, filed a motion with the **Federal Energy Regulatory Commission** to acquire a 30.5% stake from SCS. EIF also is evaluating offers, according to someone who has spoken with the firm. "It's a sellers' market," he said. A call to EIF senior partner in New York, **Andrew Schroeder**, was not immediately returned. EIF increased its 18.5% stake by 31% last year.

Goldman MD Set To Head For JPMorgan

Ian Connor, a managing director in energy investment banking at **Goldman Sachs** in New York, is to join **JPMorgan**. Connor will serve three months' gardening leave and join as a managing director in the power team in New York. An official at JPMorgan confirmed the hire, and a spokeswoman at Goldman declined comment. At Goldman, Connor advised **Xcel Energy** in the restructuring and divestiture of **NRG Energy**, and advised **Duke Energy** on its merger with **Cinergy** and its spin-off of **Spectra Energy Corp.**

Integrys To Seek Leads On \$120M Bond

Integrys Energy Group will look for leads on a planned \$120 million long-term bond offering later this year. The bulk of the proceeds will be used to trim borrowings tied to utility subsidiary **Wisconsin Public Service Corp.**'s construction of the 500 MW Weston 4 plant near Wausau, Wis., says CFO **Joseph O'Leary**.

Integrys was created from the merger between **WPS Resources** and **Peoples Energy** on Feb. 21. Wausau is expected to cost the combined entity \$779 million, including coal trains. Of that, **WPSC** will be responsible for \$549 million and project partner **Dairyland Power Cooperative** will fund \$230 million.

Underwriters will be appointed nearer the time of issuance, adds O'Leary, after Integrys has assessed the outcome from the sale of its newly acquired oil and gas production business, **Peoples Energy Production Co.**

Peru LNG Leads To Tap Debt Markets

Sponsors **Hunt Oil Company**, **SK Corp.** and **Repsol** plan to seek financing for their Peru LNG liquefaction terminal next quarter, according to an official at financial advisor **Societe Generale**. About 60% of the \$3.8 billion total cost of the terminal and connecting 400 km pipeline will be project financed. The official declined to comment on a possible tenor for the debt. Officials at the sponsors and did not return requests for comment by press time.

The facility at Pampa Melchorita, 170 km south of Lima, will have a capacity of 4.45 million metric tons per year. Repsol has signed an 18-year agreement for 100% of the output, which is expected to go to regasification terminals in Mexico for use in that country and the U.S.

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Institutional Investor NEWS
INTELLIGENCE FIRST

Entegra Pricing Emerges At 275-700bps

Pricing on a \$1.33 billion recapitalization for **Entegra Holdings** is being pitched at LIBOR plus 275 basis points on the second lien, led by **Lehman Brothers**, and 700 on the third lien, led by **Credit Suisse**. The deal launched at a New York bank meeting (PFR, 3/9) has a trio of joint lead arrangers rounded out by **Goldman Sachs**. Commitments are due March 22 with a view to closing and funding by month-end.

The new debt includes a \$450 million senior term loan and \$30 million revolver on the second lien, both due 2014, which will sit behind an existing \$350 million first-lien letter of credit, due 2012, underwritten by **Citigroup** for hedging purposes (PFR, 3/20). Preliminary ratings on the second-lien obligations were assigned a B+ rating by **Standard & Poor's** and B3 by **Moody's Investors Service**. Rounding out the recap is an unrated, \$850 million payment-in-kind facility on the third lien, due 2015.

Entegra, formerly known as **TECO-Panda**, is the holding entity for a pair of predominantly merchant generating assets in the South: the 2.3 GW Gila power station near Phoenix and the 3 GW Union power station in El Dorado, Ark. Proceeds from the package will refinance \$675 million of existing debt and fund a \$545 million distribution to the equity holders. Debt in the plants has been trading in the context of 178, according to a trader, down from a high of 181-182 in mid February.

Italian Genco Retail Syndication To Close

Retail syndication of a €2 billion (\$2.64 billion) corporate credit facility for Italian genco **Edipower** was set to wrap last week. Proceeds will allow the company to repay ahead of schedule borrowings tied to its €3.8 billion acquisition of **Enel** spin-off **Eurogen** five years ago.

Milan-based **Edipower** refinanced in 2003 the original 18-year, €3.7 billion acquisition bridge loan via **Banca Intesa**, **Royal Bank of Scotland**, **Barclays Capital**, **BNP Paribas**, **Commerzbank**, **Calyon**, **HSBC**, **Interbanca**, **Medio Credito Centrale**, **Mediobanca**, **Société Générale**, **UniCredito Italiano** and **WestLB**.

Two years ago these banks were asked to commit to a waiver reducing the cost of the debt again, in a five-year €2.3 billion package. That deal comprised a €1.6 billion five-year loan, a €100 revolver and a five-year, €600 million facility, reportedly paying between 150 basis points and 195 basis points over LIBOR.

Eight banks are on the new corporate-level facility that will take out the refinanced acquisition debt. On the top tier are: **BNP**, **Calyon**, **Banca Intesa** and **Mediobanca**. On the mid-tier

are: **Medio Credito**, **SocGen**, **UniCredito** and newcomer **Banca Monte dei Paschi di Siena**.

Participants in the general syndication were offered €50 million tickets each. Demand was robust, according to a source at **BNP**, because **Edipower** is seen as a rapidly improving credit.

U.K. Duo Drive At Globeleq Assets

Ashmore Energy International and **International Power** are understood to be teaming up to acquire all or part of a circa 2.5 GW emerging markets generation portfolio owned by Houston-based **Globeleq**. How much the duo has offered for the assets, which are concentrated in Asia and Latin America, could not be learned; nor could their reasons for partnering up.

Ashmore intends to diversify via acquisitions and has just closed on \$1.5 billion in new credit facilities to refinance loans (PFR, 3/12) it used to fund its \$2.9 billion purchase of **Prisma Energy International**. CFO **John Fulton** declined comment on the **Globeleq** auction. **Aarti Singhal**, a spokeswoman for IP, also declined comment but said Asia is one of the company's core markets and it does not yet have a presence in Latin America.

Stephen Morisseau, v.p. of corporate affairs at **Globeleq** in Houston, declined to identify bidders in the running, but said the company is "engaged with a shortlist of credible buyers."

Auctioneer **Lehman Brothers** asked for indicative bids on the 2.5 GW portfolio by Feb. 16, (PFR, 2/9). Since then **Globeleq** has nixed the sale of its sub-Saharan assets, "because the indicative bids did not meet the values we place on the businesses," explains Morisseau. The scaling back involves its 162 MW stake in 190 MW **Songas** in Tanzania; 30% in the 74 MW **Tsavo** in Kenya; 11% in 288 MW **Azito** on the Cote d'Ivoire and **Ememe**, its distribution business in Uganda. **Ben Wilson**, an official at **Lehman** in London, declined comment.

Globeleq is owned by U.K. fund of funds **CDC**, whose investments are managed by **Actis**. The portfolio it is trying to sell comprises 100% of the 683 MW **Sidi Krir** in Egypt; 76% in 450 MW **Meghnaghat** in Bangladesh; 76% in 360 MW **Haripur**, Bangladesh; 50% in 110 MW **NEPC**, Bangladesh; 42% of 157 MW **Kabirwala** in Pakistan; and 29% in both 25 MW **ACE Horana** and 25 MW **ACE Matara** in Sri Lanka.

In Latin America **Globeleq** is selling 100% of a 168 MW gas-fired plant still under construction in **Kallpa**, Peru, and due to come online in June; 14% of 1,469 MW **Edegel** in Peru; 100% of 224 MW **COBEE** in Bolivia; 87% of 141 MW **Nejapa** in El Salvador; 97% in 67 MW **CEPP** in the Dominican Republic; 25% in 234 MW **PQP** in Guatemala; 30% in 71 MW **Corinto** in Nicaragua; 21% in 55 MW **Pedregal** in Panama; and a 16% stake in 60 MW **Jamaica Power** in Jamaica. Final bids are due next quarter.

IP, Partner Seek Lenders On 3.6 GW Africa Project

CIC Energy Corp. and International Power are looking to appoint a syndicate of banks to lead financing for a greenfield coal-fired generation facility in the Mmamabula coalfields near Mahalapye, Botswana, with aggregate capacity of 3.6 GW.

Gregory Kinross, ceo of CIC in Sandton, South Africa, says a beauty parade for international lenders will be launched as early as next month, but did not provide specifics on the process or size of the financing. ABSA Capital, an affiliate of Barclays Capital, already is co-lead arranger in South Africa. Calls to ABSA were not returned.

CIC, a Toronto- and Botswana-listed affiliate of Canadian natural resource financing advisor **Tau Capital**, was formed to undertake feasibility studies into the Mmamabula project. In October it tapped investment bank **Investec** to source additional equity, and brought IP in by selling a 50% stake in its Botswana subsidiary to facilitate the development of phase one—a 2.4 GW facility slated to become operational in early 2011.

Interest in Mmamabula is expected to be robust because Botswana has a sovereign credit rating of A2 by **Moody's Investors Service** and one of the lowest political risk ratings in Africa. Contributing to its attractiveness are its proximity to the South African grid and long-term PPA with South Africa's state-owned utility **Eskom**, which owns a 3.6 GW power station in the neighboring Waterburg coalfield. The Southern Africa Power Pool needs about 1.5 GW in new baseload power each year to meet a projected 6% annual growth in GDP.

BNP Readies Syndication Of \$3.4B Saudi Financing

BNP Paribas, Samba Financial Group and Gulf International Bank will next week launch phase-one syndication of a \$3.4 billion debt package bankrolling construction of a 2.5 GW/800,000 cubic meters of water per day greenfield IWPP in Jubail Industrial City, Saudi Arabia.

The make-up of the debt is still in flux, but is likely to comprise \$2.1 billion in long-term commercial debt, a \$775 million tranche guaranteed by Korean export credit agency **KEIC**, and an equity bridge loan of \$525 million.

The syndication strategy to sub-underwriters is two-fold. Saudi and regional banks will be invited to take tickets of \$110 million, while international lenders will be invited to underwrite \$110 million of long-term debt and \$70 million of **KEIC**-guaranteed debt. Pricing will be pitched at circa 100 basis points, ramping up to 165 over the life of the loan. General syndication will follow closure of phase one, if necessary.

The IWPP is sponsored by **Suez Energy**, which together with

Acwa and the **Gulf Investment Corp.** has a 60% stake in the project. Saudi offtaker **Marafiq** will own 30% and draw power from the facility until 2030, while the **Public Investment Fund** and **Saudi Electric Co.** each will own 5%. Officials at lead sponsor **Suez** and **BNP** declined comment.

Suez won the opportunity to build and own Jubail in a competitive tender process handled by **Citigroup**, after submitting bids about 20% cheaper than its rivals, (PFR, 12/21). Tender documents will soon be drawn up for the next Saudi project at Yanbu Industrial City, which will have an aggregate capacity of about 1.5 GW.

Calyon City Project Financier To Head Italy

Jamie Mabilat, a director of power project finance at Calyon in London, has been promoted to head project finance in Italy. He will be moving to Milan next month, succeeding **Francesca Benucci**, who has moved into a coverage role. A call to Mabilat was not returned.

Among other deals, Mabilat handled the £485 million (\$927 million) refinancing for 1,050 MW merchant plant Rugeley for **International Power** alongside **HypoVereinsbank**, **ING Bank**, **Calyon**, **Royal Bank of Scotland**, **Commonwealth Bank of Australia** and **Mizuho Corporate Bank**, (PFR, 9/25).

Corporate Strategies

Georgia Power Funds Environmental Upgrades

Southern Co. subsidiary **Georgia Power** sold \$250 million in 30-year notes to reduce short-term debt and fund capital projects. Like Southern's other utilities, says **Earl Long**, **Southern Co. Services** assistant treasurer in Atlanta, Georgia Power is in the process of installing coal scrubbing and mercury control technology for existing generation facilities. Southern will spend about \$4 billion in such environmental upgrades at its utilities from 2007 through 2009.

Georgia Power has \$645 million in short-term debt. Long says Southern likes to refinance operating company short-term debt when it enters the \$600-800 million range and 30-years made the most sense. "When we look at the treasury curve and the spreads, the 30-year notes looked best," he says. Low rates and a flat yield curve are best served by a long offering, he explains, while a flat curve and higher rates might prompt a shorter offering.

Banc of America Securities and **JPMorgan** served as joint book-running managers. **Castle Oak Securities**, **HSBC** and **Calyon Securities** were co-managers. Long says Georgia Power

likes to rotate among a group of underwriters, provided each makes its targets when they lead. Georgia Power has \$4.1 billion in long-term debt as of Dec. 31.

FirstEnergy To Fund Share Buyback With Leaseback

FirstEnergy has wrapped a \$900 million share repurchase using short-term debt. The eventual plan, says **Ron Seeholzer**, v.p. for investor relations in Akron, Ohio, is to pay for the repurchase with proceeds from the sale of its Bruce Mansfield unit one generation facility. The sale and leaseback of the coal-fired facility near Pittsburgh could be completed sometime this summer, netting proceeds of \$1.2 billion.

Leasebacks aren't as common as they were 10 years ago, Seeholzer says, but this one made sense now. The company had a capital gain it had to realize this year that came from an \$800 million capital loss carry-forward tax write-off it received from the sale of international assets. In the transaction, FirstEnergy will sell the unit to a trust comprised of equity investors who will lease it to the company over 35 years. "We're trading a depreciation expense for a leasing expense," Seeholzer says.

In January, FirstEnergy's board authorized a purchase of up to 16 million shares to complete a buyback plan hatched last year. FirstEnergy used debt available under its revolving credit facilities to fund the buyback of 14.4 million shares, representing about 4.5% of its common stock. "We had an offering of 32 million shares a few years ago, when we were in a bit of trouble. With the repurchase, we can have a more reasonable debt to equity ratio," Seeholzer says. The ratio now is around 55%.

FirstEnergy paid \$62.63 per share. Including an August repurchase, the company has bought back approximately 7.6% of

the 330 million shares outstanding as of the end of second quarter 2006.

Morgan Stanley ran the repurchase. Seeholzer could not say if more shares would be repurchased in the near future. FirstEnergy shares closed at \$62.27 March 9, hit a 52-week high of \$66.29 on Feb. 26 and a 52-week low of \$48.23 on April 17.

PG&E Upsizes On Tighter Spreads

Pacific Gas and Electric Co. upsized a \$500 million offering of 30-year notes by \$200 million. "The deal was a blowout," says **Nick Bijur**, assistant treasurer in San Francisco. "We thought we'd get 120-125 [basis points over Treasuries], but ended up getting Treasuries plus 116."

The 5.8% bonds, which priced March 8, were slated to be issued Feb. 26, but investor reaction to news of the TXU buyout and sharp correction in Chinese stocks pushed the issue back a week. Proceeds will be used to trim commercial paper and make room on balance sheet for \$10-12 billion in distribution, transmission and generation investments over the next five years.

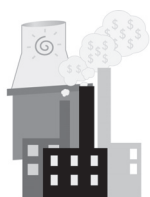
Barclays Capital, **Citigroup** and **Deutsche Bank Securities** were selected to lead the deal—the utility's first since its \$6.7 billion, **Lehman Brothers** and **UBS**-led bankruptcy exit financing in 2004—because of their "capital commitments in [PG&E's] revolver, capability, being seen as a trusted advisor and value-added advice," says Bijur, declining to elaborate. Eight banks pitched to the company in January.

PG&E said it wanted to raise \$1.35 billion this year. It could not issue this all at once, however, because it is required by regulators to maintain average equity levels of 52%.

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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 Katy Burne, senior reporter, at (212) 224-3165 or e-mail kburne@iineews.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 MW; 1 GW permitted	Gas	N/A	Owners fielding offers, with Suez Energy understood to be acquiring a stake, (PFR 9/29)
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	Status of auction unclear.
Con Ed Development, a unit of Consolidated Edison	Con Edison Energy	Springfield, Mass.	185	Coal, hydro	Morgan Stanley	Con Ed looking to sell. Teasers expected shortly, (PFR, 3/12)
	Newington Energy	Newington, N.H.	525	Gas		
	Ada Cogeneration	Ada, Mich.	29 (46%)	Gas		
	Lakewood	Lakewood, N.J.	236 (80%)	Gas		
	Ocean Peaking Power	Lakewood, N.J.	330	Gas		
	Rock Springs	Rising Sun, Md.	670 (50%)	Gas		
	Puerto Barrios	Guatemala	42 (49%)	Oil		
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
Dynegy	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		
DTE Energy	Georgetown 4	Indianapolis, Ind.	80	Gas	N/A	Indianapolis Power & Light to acquire. Sales process initiated, final bids due Q2. Seller exploring options, including outright sale. On books at scrap value, in cold standby.
	Crete Energy Venture	Crete, Ill.	304 (50%)	Gas		
	East China	East China, Mich.	320	Gas		
	River Rouge	Detroit, Mich.	240	Gas		
Electricite de France Internationalunit Controladora del Golfo	Saltillo	Ramos Arizpe, Coahuila	248	Gas	JPMorgan Chase	Auction just launched. Timeline unclear.
	Anahuac (RB2)	Valle Hermoso, Tamaulipas	495	Gas		
	Lomas de Real (RB3)	Valle Hermoso, Tamaulipas	495	Gas		
	Valle Hermoso (RB4)	Valle Hermoso, Tamaulipas	500	Gas		
	Electricidad Aguila de Altamira	Altamira	495 (51%)	Gas		
	Gasoducto del Rio	54 km pipeline	330,000M Btu/D			
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		

Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
GE Energy Financial Services	Green County plant	Jenka, Okla.	795	Gas	N/A	GE said to be fielding offers for its 90% stake.
	Birchwood	Fredericksburg, Va.	242	Coal	N/A	Tyr said to be interested in acquiring, (PFR, 2/12/07).
Globeleq	Emerging market portfolio	Asia, Africa, Americas	2,082	Mixed	Lehman Brothers	Ashmore Energy and IP said to have partnered up on indicative bid, due Feb. 16 (PFR, 2/9).
Goldman Sachs	Horizon Wind Energy	Houston, Texas	1,350 targeted by year end	Wind	N/A	ExxonMobil, Babcock & Brown, Shell, Exelon and Iberdrola said to be bidding
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.
LEP Holdings	Liberty	Eddystone, Pa.	568	Gas	JPMorgan	See story, p1
MDU Resources IPP unit, Centennial Energy Resources	Brush Power (1&3)	Brush, Colo.	213	Gas	Goldman Sachs	First round bids were due this week
	Hardin Generating	Hardin, Mont.	116	Coal		
	Hartwell Generating	Hartwell, Ga.	310	Gas		
	Mountain View	San Geronio	66.6	Wind		
	Power Partners	Pass, Calif.				
	San Joaquin Cogen	Lathrop, Calif.	48	Gas		
Mirant	Curacao Utilities (25%)	Curacao	133	Asphalt	JPMorgan	Seller said to be marketing to Asian buyers, but Global Infrastructure Partners in pole position, (PFR, 2/23)
	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		
	Apex plant	Nev.	527	Gas	JPMorgan	LS Power to acquire, but is already soliciting interest in Shady Hills (PFR, 3/5).
	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		
Mirant Corp., NY-Gen	Mongaup Generating Plant	Mongaup, N.Y.	4	Hydro	N/A	Being acquired by Alliance 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	Seller will fetch \$480 million in sale of generation to ArcLight Capital Partners and contract portfolio to Constellation Energy Commodities Group
	Monroe Power	Monroe, Ga.	350	Gas		
	Washington County	Washington County, Ga.	600	Gas		
	Effingham County	Effingham County, Ga.	500	Gas		
Reliant Energy	IndianRiver	Titusville, Fla.	587	Oil/Gas	JPMorgan	Full marketing material imminent (PFR, 2/26)
	Osceola Generating Station	Holopaw, Fla.	470	Gas (peaker)		
	Bighorn Generating Station	Las Vegas, Nev.	598	Gas		
	Choctaw Generating Station	French Camp, Miss.	804	Gas (mothballed)		
Sithe Global Power	River Hill Power	Karthus Township, Pa.	290	Coal	Credit Suisse	Development rights to the project for sale.

EDF TO SELL

(continued from page 1)

company which houses EDFI's stake in the aforementioned assets, **Controladora del Golfo**. Interest in the company's 54 kilometer, high-pressure natural gas pipeline, **Gasoducto del Rio**, also is being evaluated. The pipe is connected to the **Tennessee Gas Pipeline** in the U.S. and has a maximum daily capacity of 330,000 million Btu per day.

The move to divest of its assets is consistent with EdF's strategic development plan, which aims to refocus activities on Europe. In August last year, EdF completed the sale of its 79.4% stake in Brazilian electricity distribution company **Light to RME** (Rio Minas Energia Participações) for \$319.8 million.

Calls to **Daniel Camus**, cfo at parent **EdF Group** in Paris, were not returned. An official at JPMorgan declined comment. —*K.B.*

MLPs LOOK

(continued from page 1)

case, if it kept issuing equity to raise money, its cash distributions during those 10 years would eventually reach a point where having equity is more expensive than paying the hybrids' fixed rate.

What gives hybrids equity credit from the rating agencies is the long tenor and the fact that it is subordinated to senior debt. After the 10-year period expires, Fowler says Enterprise might consider replacing the issue with new hybrids. He wouldn't speculate on how the structure could vary on future offerings, but noted that the market and the ratings agencies like consistency.

Boardwalk Pipeline Partners is considering hybrids along with traditional debt and equity to fund its \$1.1 billion Gulf crossing pipeline and other growth projects, says **Jamie Buskill**, cfo in Owensboro, Ky., declining to comment on negotiations with potential leads.

"We'll see the use of hybrids expand with several new issues this year," says **Steven Taylor**, managing director at **Wachovia** in Charlotte, N.C., which led the EPP offering last summer with **Lehman Brothers**. Taylor says deals are in the works, declining to name potential issuers or how structures might differ from the Enterprise hybrids.

While there may be more, not all MLPs will take the plunge. **Dave Riggan**, v.p. of finance at **Energy Transfer Partners**, has no plans to use hybrids at the moment. "Under the right circumstances we'd consider it," he explains. But ETP's investment-grade rating and ample room for traditional debt under its capital structure would still make it cheaper to issue both traditional debt and equity in its case. He acknowledges it might work for other MLPs that need to raise cash quickly and thinks it will become a trend.

A March 8 **Standard & Poor's** report forecasts MLPs will be

drawn to hybrids mainly for funding the organic growth projects they have started to do more of in recent years.

—*Ben Miller*

LIBERTY OWNERS

(continued from page 1)

Dotter. This is especially true in the eastern PJM, according to a 2005 report by independent research firm **ESAI**, which forecasted payments for the Liberty creditors.

Early last month, **General Electric** appeared to be in the pole position to acquire Liberty in an auction set to fetch as much as \$450 million, (PFR, 2/9). But since second-round bids were received Jan. 26 GE reportedly departed the negotiating table, unable to agree on terms. "The [seller's] expectations of a sale price may have been unrealistic," noted one source, citing the \$685 million **BG North America** paid for 805 MW Lake Road as a valuation unlikely to be seen again for a single asset. A recap would mirror a similar decision taken by **K-Road Power** owned **EBG Holdings**, which took advantage of the lending market in a recent \$2.1 billion recap but preserved its equity upside (PFR, 1/05).

The credit group that controls Liberty, via operating entity **LEP Holdings**, consists of **Strategic Value Partners**, **Harbert Venture Partners**, **Cargill** and private equity firms affiliated with **Bear Stearns** and **Merrill Lynch**. The gas-fired plant is managed by **Competitive Power Ventures**. Officials at these parties either did not return calls or were unable to comment.

—*Katy Burne*

Quote Of The Week

"For us, they work well for any capital investment." —**Randy Fowler**, treasurer at **Enterprise Products Partners** in Houston, on the good fit hybrids have with MLPs (see story, page 1).

One Year Ago In Power Finance & Risk

Entegra Group hired **Citigroup** to boost a letter of credit facility tied to its 4.5 GW generation portfolio. The aim was to increase the facility from about \$200 million to \$350 million and increase a \$30 million working capital facility to about \$50 million, to add debt capacity needed to extend a hedging program from 18 months to 29 or 30 months. [Citigroup syndicated the debt for the holding company which owns the Gila River Power Station just south of Phoenix and the Union Power Station in El Dorado, Ark. (PFR 4/07).] **Credit Suisse**, **Lehman Brothers** and **Goldman Sachs** launched a \$1.3 billion recap for Entegra earlier this month, (PFR, 3/9).