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NextEra Snags Tax Equity

A **JPMorgan** unit is among the investors in two **NextEra** wind farms in North Dakota.

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ECP SHOPS SOLAR ARM

Energy Capital Partners is looking to sell its solar development arm **NextLight Renewable Power**. NextLight has a 1.3 GW portfolio that could cost around \$5.2 billion (at \$4 million per MW) to build. **Credit Suisse** is running the sale.

The private equity shop is looking for a buyer that won't require any seller financing. Tapping the debt markets for projects approaching \$1 billion is challenging for companies because banks are hesitant to get behind mega-projects. Utility scale solar projects are still seen as risky to finance, bankers in New York say. NextLight is planning to project finance about 1 GW of photovoltaic projects this year (PFR, 10/9). *(continued on page 7)*

New Structure

APS CONSIDERS TAX EQUITY STAKE IN SOLAR PROJECT

Arizona Public Services is in discussions to invest a tax equity stake in a solar project developed by **Abengoa Solar**, from which it is purchasing power. The deal is a new twist in solar development as utilities seek to own their generation and developers seek to solidify their ability to garner financing. It would be the first time such a structure is used.

The idea is that if the utility which is buying the power has skin in the project, then banks might be more willing to lend. *(continued on page 8)*

LS SALE DRAWS KEEN LENDERS

LS Power's planned sale of its Arlington Valley plant has at least a dozen firms vying to finance or advise bidders. Why the sale is creating such a scrum may be simple: "It's the only thing in the market," says one project financier.

The final bids were due last week and a buyer is expected to emerge by month end. **ArcLight Capital Partners**, **Energy Capital Partners** and **Energy Investors Funds** are among the bidders, bankers say. **EQT Infrastructure Funds** and **Southwest Generation** are also thought to be in the mix. *(continued on page 8)*

ORMAT SCOPES REFI ROLLOUT

Ormat Technologies will be in the market to refinance some of its 260 MW of geothermal generation projects worth roughly \$1 billion once they are up and running. The company will be looking at all financing alternatives, says **Dita Bronicki**, ceo, in Reno, Nev.

"We will pay for construction on balance sheet and refinance in the capital markets," Bronicki told *PFR*. "A substantial part [of the projects] are already developed and some have PPAs." Of the 260 MW, 160 MW will be financed with U.S. **Department of Energy** loan guarantees, she adds. Projects will be refinanced as they come online. *(continued on page 2)*

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



At Press Time

NextEra Lands JPM Tax Equity

NextEra Energy Resources has landed tax equity from a unit of JPMorgan and other unidentified investors for two wind farms in North Dakota. The transaction is expected to wrap this week, according to documents filed with the U.S. Federal Energy Regulatory Commission. Neither the names of the additional investors nor the cash amount could be immediately learned.

The JPM Capital-led investors will take a 100% stake in a joint venture, Peace Garden Wind, that encompasses Ashtabula II and Milton II. NextEra will be the managing member and the investors will have a 25% vote in financial decisions.

Minnkota Power Co-op buys about half of 120 MW from Ashtabula II in Griggs and Steele Counties. The FPL Group sub is in discussions for a second off-taker. Basin Power Electric Co-op purchases the power from the other project, the 49.5 MW Wilton II, which was built in 2005 (PFR, 6/23/06). Calls to officials at NextEra in Juno Beach, Fla., and JPMorgan were not returned by press time.

Entegra To Host Shortlisted Bidders

Entegra Power Group will be hosting presentations for the shortlisted Gila River bidders later this month. Final bids will be due to auctioneer Barclays Capital shortly after bidder management visits to the facility near Phoenix, Ariz., a banker says. Calls to Michael Schuyler, ceo at Entegra, and Barclays officials were not returned.

LS Power is one of the companies interested in owning one of the four gas-fired units at its 2.2 GW facility, the banker says. An LS Power official in New York declined to comment. Other companies that plan to attend the presentations couldn't be learned.

The Tampa, Fla.-based company plans to wrap the sale in the second quarter (PFR, 2/25).

ORMAT SCOPES

(continued from page 1)

Ormat has worked with Barclays Capital, Citigroup and JPMorgan on deals in the past.

The company is also developing an energy conversion project utilizing temperature differentials to create energy from a liquefied natural gas project in Spain. That project will cost \$16-\$20 million and will be developed on balance sheet. Ormat may also look to the U.S. to develop such projects.

Bronicki would not disclose the price Ormat paid for the recent acquisition of Energy Investors Funds Hot Sulphur Springs II geothermal project in Elko County, Nev. (PFR, 3/11). She said the company is "looking at other opportunities" for acquisitions.

—Jeanine Prezioso

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**Institutional
Investor NEWS**
INTELLIGENCE FIRST

Good Energies Invests In Calif. Solar Co.

Good Energies has made a \$13.2 million investment for a stake in utility-scale solar generator **Agile Energy**. Agile will use the funds to cover operating expenses and develop its 400 MW pipeline of utility-scale solar projects across the U.S., Mexico and Canada.

The company is keeping its eye on states with a lot of sunshine which have also embraced renewable portfolio standards. “Those two things are together in the southwest and California and correspondingly we are developing projects there,” **Glen Davis**, ceo and one of the founders of Agile in San Bruno, Calif., told *PFR*.

Agile plans to develop ground-mounted photovoltaic or concentrating photovoltaic solar projects of about 5 MW each. As projects get to the project financing stage, the company will decide on a case-by-case basis whether to sell or develop them, Davis adds.

Calif. Geo Project Lands Loan

Catalyst Renewables and **Hannon Armstrong** have landed a roughly \$300 million loan from four banks to develop its 50 MW Hudson Ranch I geothermal project in Salton Sea, Calif.

WestLB, **ING**, **Société Générale** and **Helaba** are the leads. Details of the loan are still being worked out. Bank officials either declined comment or did not return calls.

The price tag of the project is thought to be roughly \$380 million (*PFR*, 11/25).

Eric Spomer, president of Catalyst in Dallas, Texas, and **Jeff Eckel**, president and ceo of Hannon in Annapolis, Md., were unavailable for comment.

enXco Hunts PPA, Sale To Revive Minn. Project

enXco is likely looking for a new offtaker for its planned 201 MW Lakefield wind project in southwestern Minnesota, as the company prepares to dispute **Indianapolis Power & Light Co.**'s termination of its 20-year offtake agreement March 1. IPL backed out because provisions in the **Indiana Utility Regulatory Commission** order approving the contract made “the agreement unacceptable to IPL,” says an IPL spokeswoman. She declined further comment because enXco is considering how to dispute the decision.

The cancellation halts the financing process, says a banker familiar with the deal. Calls to officials at IPL, a sub of **AES**, were not returned. “How do you resurrect this? You got to find a new offtaker,” says the banker. enXco, a unit of **EDF**, is

reportedly trying to sell the project but landing a buyer without a PPA is just as unlikely as arranging financing right now, bankers in New York say.

The **EDF** unit was working with four banks—**CoBank**, **Dexia Credit Local**, **Banco Santander**, **Société Générale**—to arrange financing for the 201 MW project (*PFR*, 2/19). Calls to enXco officials in Vermont and California were not returned. Officials at the banks either declined to comment or did not return calls. A spokeswoman at the **IURC** in Indianapolis declined to comment.

Fla. Biomass Co. Probes Financing Options

Florida Biomass Energy is exploring financing options for its maiden 60 MW biomass project near Port Manatee, Fla. The developer plans to have financing in the bag for the \$180 million project by year end, says **Richard Jensen**, president in Bradenton.

“We’re investigating a number of ways to finance it,” Jensen says, adding that construction loans, equity and bonds are all being considered. Private equity shop **Imperium Capital** and **Macquarie Capital** are interested in investing in biomass developments in the southeast, where solar and wind resources are light (*PFR*, 10/20).

The 60 MW Manatee project will be on a farm that grows special vegetation, called e-grass, for a continuous fueling, in addition to burning waste wood. It is scheduled to be online by the end of 2012. A 20-year offtake agreement with **Progress Energy** starts in January 2013. **FB Energy** is financing development with private funds from individual investors, Jensen says. He declined to name backers.

Pattern Energy Acquires Farm It Developed

Pattern Energy, a spin-off of **Babcock & Brown**, has acquired a 283 MW operating wind farm, essentially buying it back from its former parent company.

Pattern was formed last year out of B&B with funding from **Riverstone Holdings** and equity from the Pattern managers to house development assets. This is the first operational wind farm it has purchased, in line with plans to become an integrated venture that will develop, own and operate assets. “We were uniquely placed to acquire it because we developed it and built it and knew it,” **Mike Garland**, ceo of Pattern in San Francisco, says of why it acquired the Gulf Wind project.

The project has 118 turbines in Kenedy County, Texas. Pattern reportedly paid about \$540 million, a discount to the

development cost of \$640 million. **Marathon Capital** advised Babcock & Brown and Pattern did not use an advisor. **Ted Brandt**, ceo of Marathon in Bannockburn, Ill., declined comment.

Pattern plans to expand its wind portfolio by 300-400 MW per year through greenfield development over the next three-five years. It says it is open to other acquisitions. "The board is pretty supportive if we find the right opportunity," Garland says. Apart from its plans for wind, its development pipeline includes eight transmission projects, some solar projects and a few gas-fired projects. Garland says the company expects to begin development on two more wind projects this year, but does not have a timeframe for development for the other generation types.

WestLB Director Exits

Tim Page, executive director, left **WestLB** the week of March 8. The power and energy group is under going some reorganization and several people have left over the last few weeks but **WestLB** does not expect to reduce the size of its team, bankers say.

Page reported to **Manish Taneja**, global head of syndication, and worked primarily in the energy sector as well as public-private partnerships. A spokeswoman confirmed his departure and declined to comment on the reorganization and whether there are other departures.

Details regarding Page's plans or contact information were not available. **Jonathan Cody**, managing director, left earlier this month (PFR, 3/8).

Southern, Turner Scout Contracted Solar

The **Southern Co.** and **Ted Turner's** solar development partnership will scout contracted solar projects to fill out its project pipeline. Projects will need to have a low risk profile and not be on a merchant basis, says a Southern spokesman in Atlanta. The partnership will look at acquisitions and greenfield development. He declined to say whether the duo is eyeing other specific deals or provide the target pipeline size.

The duo bought a 30 MW shovel ready project in New Mexico from **First Solar**. Southern financed its portion on balance sheet, says the spokesman. He declined to give the purchase price. A Turner spokesman in Atlanta declined to comment. Whether either side used an advisor could not be learned.

First Solar will build and maintain the 30 MW photovoltaic Cimarron I project near Cimarron, N.M., near Turner's Vermejo Park Ranch. **Tri-State Generation and**

Transmission Association, which supplies 44 co-ops, has a 25-year offtake agreement with Cimarron I, which will be operational by year-end.

First Solar bought **DT Solar**, Turner's first venture in renewable power, for about \$34 million in Dec. 2007.

Minn. Wind Co. Attracts Foreign JV Interest

Wind Energy America is in advanced talks with several companies about forming a joint venture to build a 250 MW project in Wyoming.

The company is being courted by two foreign developers and a European turbine manufacturer, says **Brian Hill**, chief development officer in Winnetka, Ill. They are coming up with the term sheets now to see how the ventures would be structured under the different partners, he says, adding there is no timeline for wrapping discussions. He declined to disclose the potential partners.

WEA has so far financed the development of **Weston Wind 1** on its own and is looking to bring in a partner with a large balance sheet that can provide equity, Hill says. "We're not one of the 800 pound gorillas in the industry—at least not yet—so sharing makes sense," he explains. The developer has applied for interconnection with **Black Hills Power** and is in early stage talks with utilities for offtake agreements, he says.

The Lane Eden Prairie, Minn.-based company is also developing three projects, a 100 MW project in the MISO queue as well as 50 MW and 20 MW projects, in Minnesota and is commissioning one in Iowa. WEA has is working on a few projects in other areas, it hasn't announced yet, Hill adds.

Terra-Gen Pockets Alta Wind Financing

Terra-Gen Power wrapped a \$394 million financing package for its Alta Wind 1 project last Thursday. The financing consists of a seven-year construction and term loan, a bridge loan and a U.S. Department of Energy cash grant.

Credit Agricole and **Natixis** are co-bookrunners and structuring leads. Other lenders were **Union Bank**, **Prudential Investment Management**, **Rabobank** and **Banco Santander**. Funds from the deal will take out a \$140 million term financing the **ArcLight Capital Partners**-backed developer used to purchase 100 **General Electric** 1.5 MW turbines (PFR, 3/1). Officials at banks were unavailable or did not return calls and the terms of the deal could not be

immediately learned.

Alta Wind 1 is the initial phase of the 3 GW Alta Wind Energy Center that has a 1.5 GW offtake agreement with **Southern California Edison**. The first 150 MW in Tehachapi, Calif., is slated to be online in 2011.

Ga. Law Firm Expands To Portland

Law firm **Troutman Sanders** will focus on utility reliability and renewable integration issues at its new energy-focused branch in Portland, Ore. The initial staff of three will work with existing utility and renewable development clients in addition to scouting new ones, says **Clifford Sikora**, partner and head of the energy group in Washington, D.C. He declined to name the clients.

The Atlanta, Ga.-based law firm chose Portland because of its proximity to clients and the **Bonneville Power Administration**, which is working on wind integration plans, Sikora says. Managing partner **Lara Skidmore** will head the office which opens next month.

Infigen Rounds Up Final Bids

Final bids for **Infigen Energy's** 1.1 GW wind portfolio were due to auctioneers **UBS** and **Marathon Capital** last Thursday. Bidders include infrastructure funds, strategics and private equity shops, a banker says. Neither the number nor names of prospective bidders could be learned. Calls to Infigen, Marathon and UBS officials were not returned.

UBS is offering a staple financing package. The amount or pricing could not be learned. The former **Babcock & Brown** portfolio of 18 operating farms in nine states went on the block in the fall (PFR, 9/15).

Infigen Energy Assets

| Project | Location | MWs | Offtake Agreement |
|-----------------|---------------------------------|-----|-------------------|
| Allegheny Ridge | Cambria & Blair Counties, Penn. | 80 | contracted |
| Aragonne | Guadalupe County, N.M. | 90 | contracted |
| Bear Creek | Bear Creek, Penn. | 24 | contracted |
| Blue Canyon | Lawton City, Okla. | 74 | contracted |
| Buena Vista | Altamont Pass region, Calif. | 38 | contracted |
| Caprock | Quay County, N.M. | 80 | contracted |
| Cedar Creek | Weld County, Colo. | 300 | contracted |
| Combine Hills | Umatilla County, Ore. | 41 | contracted |
| Crescent Ridge | Bureau County, Ill. | 54 | contracted |
| GSG | Lee & La Salle Counties, Ill. | 80 | merchant |
| Jersey-Atlantic | Atlantic City, N.J. | 7.5 | contracted |
| Kumeyaay | San Diego, Calif. | 50 | contracted |
| Mendota Hills | Compton, Ill. | 52 | contracted |
| Sweetwater 1 | Nolan County, Texas | 37 | contracted |
| Sweetwater 2 | Nolan County, Texas | 91 | contracted |
| Sweetwater 3 | Nolan County, Texas | 135 | contracted |
| Sweetwater 4 | Nolan County, Texas | 240 | contracted |
| Sweetwater 5 | Nolan County, Texas | 80 | merchant |

Corporate Strategies

NSTAR Refis, Pays Down Capex

NSTAR issued \$300 million worth of bonds to pre-fund the refinancing of an upcoming maturity and pay down costs associated with its capex. A \$125 million issuance, carrying a 7.8% coupon, matures in May.

It's unlikely the utility will head to the bond market again this year because there are no more significant maturities on the horizon, says **John Moreira**, director of investor relations in Boston, Mass. "It depends on what's happening, NSTAR is fortunate to have a very strong cash position, it's more than enough to meet a capex and dividend requirements," he notes, adding there are no significant maturities on the horizon.

The 30-year senior unsecured notes carried a 5.5% coupon. They priced 90 basis points over U.S. Treasuries. **Moody's Investors Service** rated the bond A1 and A+ by **Standard & Poor's**. Relationship banks, **Citigroup** and **JPMorgan**, acted as joint bookrunners. Calls to bank officials were not returned before press time.

Entergy La. Takes Down Higher Coupon Debt

Entergy Louisiana sold \$150 million worth of bonds to refinance a 2032 maturity which had a higher coupon. The issuance was originally planned to be \$100 million but the Entergy sub increased it so it could completely buy back the older maturity with a 7.6% coupon, says **Mike Burns**, spokesman in New Orleans, La. "We elected to issue to lock in the interest savings we will obtain," he says. This week's 2032 notes carry a 6% coupon.

The utility might go back to the bond market this year to secure lower coupons for some remaining maturities, says **Dimitri Nikas**, analyst at **Standard & Poor's** in New York. He noted that it had good liquidity and cash at year end so bonds would just be in the interest of saving. Burns declined to comment.

The 30-year first mortgage bonds were sold into the retail market. **Moody's Investors Service** rated them A3 and S&P rated them A-. Relationship banks **Morgan Stanley** and **Wells Fargo** acted as joint bookrunners. **Morgan Keegan** was co-manager.

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Project Finance Deal Book

Deal Book is a matrix of energy project finance deals that PFR is tracking in the energy sector. The entries below are of new deals or deals where there has been change in their parameters or status. To report updates or provide additional information on the status of financings, please call Jeanine Prezioso at (212) 224-3226 or e-mail jprezioso@iineews.com.

Live Deals: North America

| Sponsor | Project | Location | Lead(s) | Loan | Loan Amount | Tenor | Notes |
|---------------------------------------|------------------------------|--------------------------|--|-----------------|-------------|-------|---|
| BP, Ridgeline | Goshen II (130 MW Wind) | Bonneville County, Idaho | TBA | TBA | TBA | TBA | Talking to Fowler Ridge lenders (PFR, 3/8/10). |
| Caithness Energy, GE Energy | Shepherds Flat (909 MW Wind) | Oregon | BoTM, WestLB, Morgan Stanley, Credit Suisse, RBS, Citi | TBA | TBA | TBA | FIPP guarantee expected (PFR, 3/8/10). |
| Catalyst Renewables, Hannon Armstrong | 50 MW Hudson Ranch I (geo) | Salton Sea, Calif. | WestLB, ING, Société Générale, Helaba | | \$300M | | Details are being worked out (see story, page 3). |
| Edison Mission Energy | Cedro Hills (350 MW wind) | Texas | TBA | TBA | TBA | TBA | Banco Espirito Santo and WestLB dropped out of deal (PFR, 3/9). |
| Terra-Gen Power | Alta (150 MW Phase Wind) | Tehachapi, Calif. | Calyon, Natixis | Turbine takeout | TBA | 7-yr | Banks wrap financing (see story, page 4). |

For a complete listing of the Project Finance Deal Book, please go to iipower.com.

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 U.S. Federal Energy Regulatory Commission conditionally approved some requests by the sponsors of **Tres Amigas** for further review. The transmission hub that would link three power grids in Clovis, N.M., is slated to be in operation in 2014 (*Bloomberg*, 3/18).
- **Southern California Edison** released a call for independent power producers to bid rooftop solar projects in the 1–2 MW into its Solar Photovoltaic Program. The utility plans to acquire 250 MW and arrange offtake agreements for an equal amount in the next five-six years (*Recharge News*, 3/18).
- **Duke Energy** operates under the assumption that a national carbon policy and worldwide treaty exist, says **Jim Rogers**, ceo. Despite working within expected regulations, he doubts that a policy will be passed this year (*Bloomberg*, 3/17).
- **Ice Energy** started the initial phase of a 53 MW energy storage project for **Glendale Water & Power**. Ice Energy is backed by several investors, including **Energy Capital Partners**, **Goldman Sachs** and **Good Energies** (*Cleantech Group*, 3/17).
- Two **Entergy** subsidiaries have asked the **Louisiana Public Service Commission** to allow them to continue work on a nuclear generator project. If proved feasible, **Entergy Louisiana** and **Entergy Gulf States Louisiana** estimate the plant could be online in 2024 (*BusinessWeek*, 3/17).
- **Xcel Energy** is experimenting with ways to store wind power, including using sodium-sulfur battery, compressed air-storage and wind-to-hydrogen technologies (*Finance & Commerce*, 3/16).

- **First Solar** has joined the initial development team of **Desertec**, the solar project planned for the Sahara Desert. Twelve companies have signed on for a piece of the project that is projected to cost EUR400 billion (\$549.9 billion) (*Reuters*, 3/16).
- Legislation in the U.S. Senate would allow rural co-ops to issue bonds to pre-finance residential renewable installments. The bonds would be paid back by on-bill financing (*Cleantechica*, 3/15).

Europe/Asia

- Poland is likely to increase the sale of its stake in **Tauron Polska Energia** from 20% to 25% in the initial public offering planned for June (*BusinessWeek*, 3/17).
- **Morgan Stanley Infrastructure Fund** has led an investment consortium, including **Goldman Sachs** and **General Atlantic**, in injecting \$425 million in to **Asian Genco**. The IPP, which has generation assets in India, plans to build a portfolio of 10 GW by 2012 (*Reuters*, 3/17).
- **Scottish & Southern Energy** submitted a bid with Canada's **Borealis** for EDF's U.K. distribution grid. Others bidders could include **Cheung Kong Infrastructure Holdings** and **National Grid** (*Bloomberg*, 3/17).
- **Pelamis Wave Power** will wrap the sale of a P-2 wave energy converter to an undisclosed large European utility today. Pelamis, a U.K.-based renewable developer, expects to sell a third unit, capable of about 10 MW, to **Vattenfall** later this year (*Dow Jones Newswires*, 3/15).

Conference Calendar

- **EUCI** will host Renewable Biomass for Affordable Power Generation tomorrow and Wednesday at the Hyatt Regency in Minneapolis. To register, visit www.euci.com or call 303.741.0849.
- **Insight Information** will host the 7th Annual B.C. Power Summit Wednesday and Thursday at the Wosk Centre for Dialogue in Vancouver. To register, visit www.insightinfo.com or call 1.888.777.1707.
- **EUCI** will host Renewable Energy Development on Federal Lands March 30-31 at the Pointe Hilton Tapitio Cliffs in Phoenix. To register, visit www.euci.com or call 303.770.8800.
- **Platts** will host the Global Power Markets Conference April 11-13 at the Venetian Resort Hotel in Las Vegas. To register, visit www.platts.com or call 212.904.4358.
- **Insight Information** will host the 4th Annual Cap-And-Trade Forum April 12-13 at the St. Andrew's Club and Conference Centre in Toronto. To register visit www.insightinfo.com or call 416.777.2020.
- **Wind Energy Update** will host the US Wind Turbine Supply Chain Conference April 12-13 at the Wyndham Hotel in Chicago. To register, visit www.windenergyupdate.com or call 011.44.207.375.7577.

ECP SHOPS

(continued from page 1)

Calls to NextLight officials **Brian Kunz**, v.p. of development, and **Nikolas Novograd**, v.p. of finance, and officials at ECP in Short Hills, N.J., and CS were not returned. A timeframe for the sale could not be determined.

Large, independent power producers and other developers will likely be interested in NextLight given the PPAs in its project pipeline, bankers and analysts say. NextLight has eight projects in late stage development, with 620 MW contracted. The 150 MW Boulder City project in Boulder City, Nev., will break ground this year. Projects with offtakers include:

- 50 MW Silver State pv project near Primm, Nev., has a 25-year PPA with **NV Energy**
- 230 MW AV Solar Ranch 1 project in Antelope Valley in Los Angeles County, Calif., has a PPA with **Pacific Gas & Electric**
- 290 MW Agua Caliente solar project in southwestern Arizona, has a PPA with PG&E

The NextLight portfolio is likely to garner more interest than other developers on the block, says one banker. He notes that that the projects are closer to being built and several have offtake agreements, unlike **Axio Power**, which is also on the block but doesn't have any contracted projects in its 600 MW pipeline.

—*Holly Fletcher*

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APS CONSIDERS

(continued from page 1)

APS signed a 30-year PPA with Abengoa in 2008 to buy power from the 280 MW Solana project near Gila Bend, Ariz. The roughly \$1 billion project is in the market for about \$300 million in equity and needs to begin construction by year-end to qualify for the U.S. **Department of Energy** cash grant. Abengoa is also applying for a DOE loan guarantee to fund the project.

In this case Abengoa would sell the project to a group of tax equity investors, which would include APS, and which would lease the project back to Abengoa.

James Hatfield, senior v.p. and cfo at parent **Pinnacle West Capital Corp.**, APS's parent, has said that the utility plans to beef up its solar generation and partner with developers to that end (PFR, 1/29). Hatfield and **Asier Aya**, cfo at Abengoa in Denver, did not return calls for comment. —J.P.

LS SALE

(continued from page 1)

On the lending side **CoBank**, **General Electric Energy Financial Services**, **Royal Bank of Scotland**, **Union Bank** and **WestLB** are in a club backing a specific bidder. There's also a **Barclays Capital**-led lending trio and **Goldman Sachs** is working with an unknown set of partners, but it was unclear whether it was to finance the deal or as an advisor, bankers in New York say. **Calyon** and **BNP Paribas** are also in the mix, the bankers note. **Credit Suisse**, which is leading the auction for LS, is also offering a financing. "There are too many moving parts to keep track of," one banker quipped.

Pricing on the acquisition loan for the Arlington, Ariz., plant could be in a range of 325–350 basis points over LIBOR, and is likely to go out seven years, bankers say. A \$300 million package was being floated (PFR, 2/5).

Officials at Barclays, CoBank, CS, LS Power, Union and WestLB declined to comment. Calls to officials at potential bidders were not returned. Officials at Calyon, Goldman, GE EFS and RBS could not be reached. —H.F.

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 **Jeanine Prezioso**, managing editor, at 212-224-3226 or jprezioso@iineews.com.

Alternating Current



Prison Break?

Greening Of Alcatraz After The Fact

The U.S. **National Park Service** will be using American Recovery and Reinvestment Act funds toward the greening of an unlikely attraction: Alcatraz. While the prison was in operation no one is said to have ever escaped successfully from it. We're wondering if anyone's ever tried to carve a hole in photovoltaic solar panels.

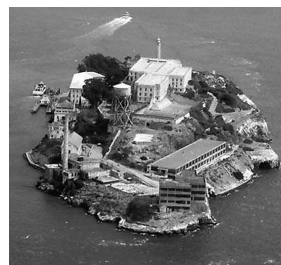
The island 1.5 miles off the coast of San Francisco Bay, immortalized by **Clint**

Eastwood's portrayal of a risky, brilliant escape scheme in *Escape From Alcatraz*, will now foster 1,360 solar panels, according to a press release by the NPS.

One million tourists can start imagining Alcatraz as a place that will promote the national clean energy agenda—not just the home of mobsters like **Al Capone** and **James "Whitey" Bulger**.

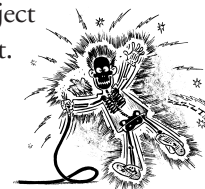
The 285 KW Alcatraz project will generate up to 60% of power demand and replace two diesel fired generators. The project is expected to save the tourist attraction in fuel costs in the long run. Eventually The Rock will be 100% power independent.

San Francisco's **Golden Gate National Recreation Area** is not releasing the estimated cost of the project in order to keep contractor bidding honest. Panels will be installed on the roofs of the main and laundry buildings and will largely be obscured by five-foot walls.



Alcatraz

Photo Credit: Keetsa.com



Quote Of The Week

"We're not one of the 800 pound gorillas in the industry—at least not yet—so sharing makes sense." —**Brian Hill**, chief development officer of **Wind Energy America**, says of being in talks with potential joint venture partners, including a European turbine manufacturer and two foreign developers (see story, page 5).

One Year Ago In Power Finance & Risk

SkyPower restarted the sale, run by **Marathon Capital**, of its wind project portfolio after the **Ontario Ministry of Energy and Infrastructure** announced its feed-in tariffs. [CPV **Canada Development**, a unit of **Competitive Power Ventures**, agreed to buy SkyPower's wind development spinoff **Interwind** (PFR, 1/22).]