

# Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

## ● MERGERS & ACQUISITIONS

### Buyer emerges for Upper Peninsula Power Co

A buyer has emerged for **Upper Peninsula Power Co**, the Michigan electric utility owned by **Basalt Infrastructure Partners**. *Page 5*

## ● PROJECT FINANCE

### GenOn launches PJM peaker raise

**GenOn Energy** has launched a project financing for a pair of dual-fuel peaking power plants in PJM Interconnection. *Page 7*

## ● PEOPLE & FIRMS

### Kinder Morgan energy transition group

Kinder Morgan has formed a new division to pursue commercial opportunities in the low-carbon energy transition. *Page 12*

## Investors look for exits amid Mexico's counter-reform

Carmen Arroyo

As the Mexican government pushes through its counter-reform of the energy sector, some investors are preparing to leave the country while others attempt to navigate the uncertainty.

In its latest move to shift the balance away from the private sector, the government of President **Andrés Manuel López Obrador** (AMLO) won Senate approval on March 2 for legisla-

tion that will modify the country's Electric Industry Law. The law change will alter dispatch rules, scrap competitive power auctions, limit the value of Clean Energy Certificates (CELs) and cause legacy self-supply contracts granted to older projects (*proyectos legados*) to be revoked.

Power developers responded with a flurry of legal activity aimed at reversing the *PAGE 10 >*

## I Squared launches TLB for take-private of Atlantic Power

Richard Metcalf

**I Squared Capital** has launched a \$405 million term loan B package as part of the financing of its \$961 million acquisition of publicly-listed independent power producer **Atlantic Power Corp**.

**RBC Capital Markets** is left lead on the loans, which will only be used to refinance Atlantic Power's thermal generation

projects. The company also owns a portfolio of hydro assets that will be "separately capitalized," according to a person familiar with the situation.

The senior secured term loan B financing package, to be issued through an entity called **Tidal Power Holdings** and an affiliated Canadian *PAGE 7 >*

## Auction underway for distributed gas-fired fleet in Texas

Taryana Odayar

An infrastructure fund manager is preparing to auction off its interests in what is said to be the largest dispatchable distributed generation fleet in Texas.

**Basalt Infrastructure Partners** is looking to sell its stake in **Texas Microgrid**, a joint venture that it established in 2016 with UK-listed microgrid operator **Enchanted Rock**. Basalt has hired **Barclays Capital** to market its stake *PAGE 6 >*

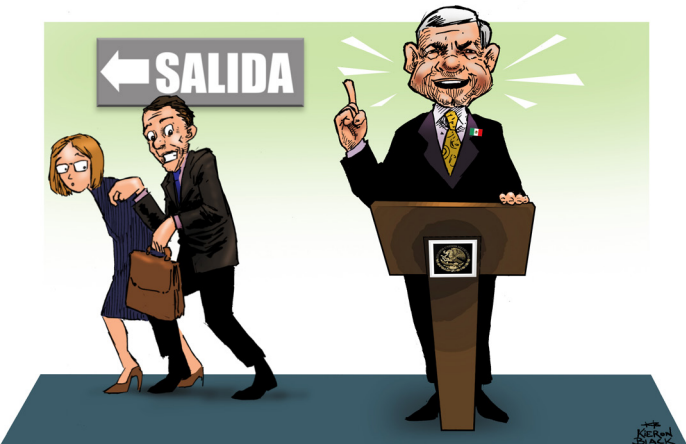
## NextEra prices FRN over SOFR

Richard Metcalf

**NextEra Energy** has priced a floating rate note (FRN) offering over SOFR rather than Libor for the first time, becoming one of the first non-financial corporate bond issuers to do so.

The Florida-based utility holding company launched the \$500 million two-year FRN at 54 bp over SOFR on March 15, with **BofA Securities**, **Barclays**, **Credit Suisse** (billing and delivering) and **Mor-** *PAGE 9 >*

"...nepotism! ...corruption!"



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## ● ERCOT DISPATCH

### NRG DITCHES 2021 FINANCIAL GUIDANCE DUE TO URI

**NRG Energy** has scrapped its 2021 financial guidance due to uncertainty over the full impact of February's winter storm Uri in Texas, which it expects will be more significant than it had previously reported.

The company issued updated financial guidance for the year on March 1 but has since withdrawn it after new information from Ercot became available and amid uncertainty in over proposed regulatory changes in Texas.

The proposed regulatory changes include potential repricings, adjustments to commercial and industrial meter and settlement data and the handling of customer and counterparty risk.

At this stage, NRG expects a \$750 million loss compared to its previously issued guidance. The company also says that its debt reduction program may have to be extended into 2022.

"Based on the new information available to us today, we are unable to provide financial guidance due to the unprecedented and unpredictable market outcomes resulting from winter storm Uri," said **Mauricio Gutierrez**, NRG's president and CEO.

The new information released by Ercot since NRG's last earnings call includes resettlement data, the latest system-wide default of \$3.1 billion, increased uplift charges to load and ancillary and other estimates including results in other regions.

"Details matter here and it will take time to fully understand the positive and/or negative impact of potential changes in the market," said Gutierrez on a March 17 investor call. "This unprecedented event and negative financial impact are disappointing to everyone at NRG."

The unprecedented cold winter weather in Texas in February resulted in power outages and an estimated all-time peak demand of 77 GW (without load shed).

NRG says it called on its residential customers to conserve electricity and initiated demand response programs to curtail loads for its residential, commercial and industrial customers. It also maximized available generating capacity and brought in additional resources to supplement in-state staff with technical and operating experts from the rest of its US fleet.

As of March 15, NRG had \$3.3 billion of liquidity available to support its operations.

**S&P Global Ratings** has placed its BB+ issuer credit rating on NRG on credit watch with negative implications. The agency anticipates a financial impact in the range of \$250 million to \$300 million, according to a March 17 report.

"ERCOT shortfalls that would be socialized and energy allocations to load have since increased," said S&P in the report. "NRG estimated its residential, and commercial & industrial (C&I) load based on ERCOT's initial settlement statements, which has turned out lower than actual meter readings. ■

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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 **Richard Metcalf**, editor, at (212) 224-3259 or richard.metcalf@powerfinancerisk.com

## GENERATION AUCTION &amp; SALE CALENDAR

These are the current live generation asset sales and auctions, according to Power Finance and Risk's database.

## Generation Sale DATABASE

Seller	Assets	Location	Adviser	Status/Comment
Avenue Capital, Bardin Hill, Corre Partners, Voya	Coso (135 MW Geothermal)	California	Cantor Fitzgerald, Houlihan Lokey	Atlantica Sustainable Infrastructure to buy for \$170m. Deal announced on March 1 (PFR, 3/8).
Basalt Infrastructure Partners	Upper Peninsula Power Co	Michigan	Moelis & Co	Axiom Infrastructure has agreed to buy the company as of the third week of March. FERC approval is expected for May 12 (see story, page 5).
	Texas Microgrid	Texas	Barclays Capital	The sponsor was preparing an auction to sell its stake as of the third week of March (see story, page 6).
Belltown Power Texas	Portfolio (870 MW Solar, Wind)	Texas		The sponsor was marketing the portfolio as of February (PFR, 2/15).
Blue Sol Participações	Blue Sol Participações (40%)	Brazil		EDP Energias do Brasil closed the purchase of the stake in the third week of March (see story, page 11).
Brookfield Infrastructure Partners, Kinder Morgan	Natural Gas Pipeline Co of America (Gas, Storage)	US	RBC Capital Markets	ArcLight has struck a deal to buy a stake in the company as of late February (PFR, 3/1).
Castleton Commodities International	Mount Storm (264 MW Wind)	West Virginia		Clearway signed a sales and purchase agreement for the asset on February 10 (PFR, 3/15).
Castlelake	Summit (57.5 MW Wind)	Alameda County, CA	FTI	Greenbacker seeking approval for acquisition by March 22 (PFR, 3/8).
Colbún	Colbún Transmisión	Chile	JP Morgan, BTG Pactual	Ferrovial presented a bid as of the first week of March (PFR, 3/15).
Colombia	Interconexión Eléctrica (51.41%)	Colombia	HSBC, Bancolombia	Ecopetrol signed an exclusivity agreement to buy ISA's stake on February 12 (PFR, 2/22).
Duke Energy	Duke Energy Indiana (19.9%)	Indiana	JPM, Centerview, Barclays	GIC Private Limited agreed to purchase the stake as of February (PFR, 2/8).
Enel Americas	Enel Americas (10%)	Chile		Enel is seeking to buy up to 10% of Enel Americas' shares between March 15 and April 13 (see story online).
Enel	Enel Green Power Americas	LatAm	Morgan Stanley, BTG Pactual	Enel will finalize the merger of most of the renewable energy businesses of its LatAm subsidiary and Enel Americas on April 1 (PFR, 3/15).
EIG Global Energy Partners	Patriot (756 MW Gas, 50%)	Pennsylvania		The Carlyle Group is buying the stake in the assets as announced on February 19. It is expected to be approved by April 20 (PFR, 3/1).
	Liberty (765 MW Gas, 50%)			
Hecate Energy	Portfolio (1,500 MW Solar-plus-storage)	US	Cantor Fitzgerald	The sponsor is looking for a buyer as of January (PFR, 1/18).
ISM Solar Development	Portfolio (47 MW Community Solar)	Maine		Nautilus Solar Energy bought the assets as of the second week of March (see story online)
Key Capture Energy	Key Capture Energy	US	OnPeak	The auction for the company was in the final round of bidding as of February (PFR, 3/1).
LS Power	EvGo (Electric Vehicle Infra)	US	BofA, Credit Suisse	Merger with Climate Real Impact Solutions (a SPAC sponsored by PIMCO) announced on January 22 (PFR, 2/1).
Northleaf Capital Partners	South Branch (30 MW Wind, 49%)	Ontario	NBF	Teasers circulated in first week of February (PFR, 2/8).
NRG Energy	Generation Bridge (4.85 GW Gas, Oil)	California, Connecticut, NY	Credit Suisse (buyer)	Purchase agreement with ArcLight Capital Partners signed on February 28 (PFR, 3/8).
Origo Power	Portfolio (484 MW (DC) Solar, 200 MWh Storage)	US	OnPeak	Origo was seeking a buyer as of February (PFR, 3/1).
PSEG Power	Portfolio (468 MW Solar)	US	Goldman Sachs	Teasers circulated in November (PFR, 1/18).
RIC Energy (RIC Energy Group)	Portfolio (49 MW Community Solar)	New York		Goldman Sachs Renewable Power agreed to purchase the portfolio as of the second week of March (PFR, 3/15).
Rockland Capital	PH Robinson (360 MW Gas)	Texas	Thorndike Landing	Financial adviser appointed as of February (PFR, 2/8).
Southeast PowerGen (Carlyle Group)	Sandersville Facility (680 MW Gas)	Washington County, GA		Harbert Management Corp is buying a stake in the company as of February. The deal is to be approved by April 13 (PFR, 3/1).
Southern Power	Partin Solar (50 MW Solar)	North Carolina		The sponsor has recirculated teasers for the project as of the second week of March (PFR, 3/15).
	Portfolio (160 MW Storage)	California		AIP Management had agreed to invest in the battery storage pair as of February (PFR, 2/15).
Western Generation Partners	Portfolio (1,502 MW Gas)	US, Trinidad and Tobago	Cantor Fitzgerald	The purchase closed on February 18 (see story, page 5).
Wheelabrator Technologies	Shasta (56 MW Biomass)	Shasta County, CA		Trinity River Lumber Co is expected to close at the end of Q1, 2021 (PFR, 3/8).
Unknown	Portfolio (13 MW (DC) Community Solar)	New York		Catalyze purchased the assets as of the third week of March (see story, page 6).

### New or updated listing

The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed.

To report updates or provide additional information on the status of financings, please call Taryana Odayar at (212) 224 3258 or e-mail taryana.odayar@powerfinancerisk.com

## PROJECT FINANCE

Deal Book is a matrix of energy project finance deals that Power Finance & Risk is tracking in the energy sector.

### Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Deal Type	Loan Amount	Tenor	Notes
ArcLight Capital Partners	Generation Bridge (4.85 GW Gas, Oil)	California, Connecticut, NY	Credit Suisse	TBC	TBC		Financing for acquisition of portfolio from NRG Energy, which was signed on February 28 (PFR, 3/8).
Blackstone Group	Frontera (526 MW Gas)	Texas	PJT Partners, Alvarez & Marsal, Houlihan Lokey	Restructuring	\$944m		The debt will be converted into equity as a result of the Chapter 11 protection the firm filed for on February 3 (PFR, 2/15).
Casa dos Ventos	Santa Martina 01, São Januário 23 (121.8 MW Wind)	Rio Grande do Norte, Brazil	BNDES	Loan	R\$417m		Deal announced on March 2 (PFR, 3/8)
Cox Energy America	Sol de Vallenar (308 MW (DC) Solar)	Chile					The sponsor is looking for debt for the asset as of February 12 (PFR, 2/22).
Equinor, BP	Empire Wind (816 MW)	New York (offshore)		Debt			Société Générale appointed as financial adviser (PFR, 11/30).
				Tax equity			
GenOn Energy	Chalk Point (1.6 GW Gas, Oil)	Maryland	Investec	Term loan A	\$305m	5-yr	The sponsor launched the financing as of the third week of March and expects to close by late March or early April (see story, page 7).
	Dickerson (312 MW Gas, Oil)						
Interchile	Cardones-Polpaico (Transmission)	Chile		Bond refinancing	\$1bn		The sponsor has sent out RFPs to banks (PFR, 10/19).
Invenergy, Teavlov	Cardal (Transmission)	Uruguay	IDB Invest	Construction loan	\$51m		The deal, disclosed in February, is expected to be approved by April 8 (PFR, 3/1).
Invenergy, BW Gas	BW Tatiana (FSRU Gas)	El Salvador	IDB Invest	Term loan	\$128.3m	15-yr	The deal closed as of the third week of March (see story, page 8).
Inversiones de Generación Eléctrica	Jilamito (14.8 MW Hydro)	Honduras	IDB Invest	Term loan	\$20.25m		Debt package approved in December (PFR, 12/14).
I Squared Capital	Atlantic Power portfolio (1,160 MW Gas, Biomass, Coal)	US	RBC Capital Markets, MUFG	Term loan B	\$360m	6-yr	The banks met on March 18, with commitments due on April 1 (see story, page 1).
				Ancillary facilities	\$45m		
Key Capture Energy	Portfolio (250 MW Storage)	Texas					The sponsor is conducting pre-marketing for debt as of February (PFR, 2/15).
Lightsources BP	Portfolio (163.5 MW Solar)	Brazil	Superintendency for the Development of the Northeast	Construction loan	\$75.98m		The sponsor obtained the funds as of the third week of March (see story, page 11).
Macquarie Infrastructure and Real Assets	Wheelabrator Technologies, Tunnel Hill Partners	US	Credit Suisse	Term loan	\$1bn	7-yr	The sponsor is combining and refinancing the portfolio companies, with commitments due on March 19 (PFR, 3/15).
				Ancillary facilities	\$400m	5-yr	
Mainstream Renewable Power	Copihue (100 MW Wind)	Chile		Term loan	\$160m		The bank sent an RFP to banks in January (PFR, 2/8).
Momentum Energy Storage Partners	Momentum Energy Storage Partners	US	Leyline Renewable Capital				Leyline invested in the company as of February (PFR, 2/8).
Nexamp	Portfolio (380 MW Community Solar, Storage)	US	MUFG	Credit facility	\$440m		The sponsor secured the financing as of the second week of March (PFR, 3/15).
NRG Energy	Astoria Replacement Project (437MW Gas)	New York	Crédit Agricole	Term loan	\$280m	C+5yr	The debt raise is ongoing, with the bank group meant to be finalized on January 15 (PFR, 2/1).
Oaktree	Seaside LNG (50% of JAX LNG)	Florida	Investec	Term loan (holdco)	\$122m	C+5yr	The deal is set to close on the first week of March (PFR, 3/1).
				Ancillary facilities	\$25m	C+5yr	
Omega Geração	Chui (600.8 MW Wind)	Brazil	BTG Pactual	Debentures	\$183m		The sponsor is preparing to issue the debentures to refi the complex as of the second week of March (PFR, 3/15).
Pine Gate Renewables	Pine Gate NC Portfolio (Solar, Storage)	North Carolina	Crestmark	Term loan			Deal announced on January 14 (PFR, 1/25).
			US Bank	Tax equity			
Savion	Westoria Solar (200 MW Solar)	Brazoria County, Texas	CIT Bank, ING Capital	Term loan	\$79m	C+5yr	The sponsor is working on the financing as of February (PFR, 2/22).
				Tax equity	\$95m		
				Ancillary facilities	\$38m		
Starwood Property Trust		US	MUFG	Securitization	\$500m		The bank bundled project finance and infrastructure loans in a new CLO class asset as of the second week of March (PFR, 3/15).
TexGen Power	TexGen Power (2.2 GW Gas-fired)	Texas	Cantor Fitzgerald (adviser)	TBC	TBC	TBC	Proposals sought from potential arrangers in November 2020 (PFR, 1/25).

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## NORTH AMERICA MERGERS &amp; ACQUISITIONS ●

# ContourGlobal purchases 1.5 GW US, Caribbean portfolio

British power producer **ContourGlobal** has closed its \$837 million acquisition of a portfolio of gas-fired assets in the US and Trinidad and Tobago, including combined-heat-and-power plants.

ContourGlobal acquired the assets from **Western Generation Partners**, a three-way joint venture between **Harbert Management Corp**, **UBS Asset Management** and **Northwestern Mutual Life Insurance Co**.

The acquisition of the 1,502 MW portfolio closed on February 18. The transaction had been announced in December ([PFR, 12/8/20](#)).

**Cantor Fitzgerald** was ContourGlobal's financial adviser on the deal and **Latham & Watkins** was legal counsel.

"The critical point about this transaction is that it is an extremely good fit for the way we like to grow through M&A," said **Joseph Brandt**, president and CEO, on a December 11 call with investors. "We like to grow by leading with operations. We

view this as one of the key strategic tenets of the company, which is to look for acquisitions where we can add material value through better operations."

## ACQUISITION FINANCING

The \$837 million purchase is split between a \$627 million cash consideration and the assumption of \$210 million of project debt.

To finance a portion of the cash consideration, the company obtained an up-to-\$460 million loan, which it intends to refinance with borrowings either at the parent company or the project level or both.

"We'd expect, on average, the weighted average cost of the interest at that weighted level to be something around Libor plus 300," said **Alice Heathcote**, senior vice president, corporate strategy and investor relations, on the same December 11 call.

## THE PORTFOLIO

Two of the three major assets in the portfolio are located in Texas and New Mexico, while the third is in Trinidad and Tobago and is

the largest independent power asset in the Caribbean nation, according to ContourGlobal.

The assets in the portfolio have an average weighted remaining contract life of nine years. This is expected to be pushed out to 10 years following the implementation of certain re-contracting opportunities.

The contracts are structured as capacity payments, restructured fuel pass throughs and tolling agreements.

"When we think about these contracts and the way they're structured, they really are the standard bread and butter of ContourGlobal," said Heathcote. "So virtually no demand risk, very, very little cost input risk, and no pricing risk."

The power offtaker of the Borg-er plant in Texas, **Southwestern Public Service Co**, has a purchase option or right of first refusal over the project written into its PPA, which runs through 2024 with a defined 10-year extension through 2034 at the present offtake terms.

The plant's steam is contract-

ed through 2024 with the **Borg-er Refinery**, which is owned through a 50:50 joint venture between **Phillips 66** and **Cenovus Energy**.

The Californian assets are grouped into two clusters called Five Brothers and Three Sisters, and have resource adequacy contracts with pricing comparable to or in excess to their PPAs, according to ContourGlobal.

The Five Brothers cluster, located in Bakersfield, are each about 46 MW in size, while the Three Sisters, another peaker portfolio in Bakersfield, are each about 47 MW in size.

In 2016, **MUFG** and **Macquarie** financed the Western Generation Partners' acquisition of the portfolio from **First Reserve** with a \$305 million deal comprising a seven-year term loan B and letter of credit facilities and a five-year revolver ([PFR, 11/1/16](#)). The term loan was priced at 400 bp over Libor. The 2016 sale followed an auction process run by **Goldman Sachs** ([PFR, 9/22/16](#)). ■

# Buyer emerges for Basalt's Uppco

A buyer has emerged for **Upper Peninsula Power Co** (Uppco), the Michigan-based electric utility owned by **Basalt Infrastructure Partners**.

**Axiom Infrastructure** has agreed to acquire the utility, which serves retail customers residing in the Upper Peninsula of Michigan.

The utility also owns and operates seven hydro plants totaling about 34.2 MW in Michigan as well as an oil-fired peaking facility in the state.

The sale is the result of an auction process launched for Basalt

in fall 2020 by **Moelis & Co**. A spokesperson for Moelis declined to comment.

The change in ownership will support Uppco's plans to develop new renewable energy resources that will benefit its customers and the region, said **Jim Larsen**, the utility's CEO.

The parties to the deal have requested US **Federal Energy Regulatory Commission** approval by May 12. The sale will also require the approval of the **Michigan Public Service Commission**.

Uppco's hydro assets in Michigan are:

- The Dead River Hydroelectric Project located on the Dead River in Marquette County, which comprises the 3.4 MW Hoist and 8.5 MW McClure facilities
- The 2 MW Prickett Hydroelectric Project located on the Sturgeon River in Houghton and Baraga Counties
- The Bond Falls Hydroelectric Project located on the west branch of the Ontonagon River in Ontonagon County, which comprises a 12.2 MW

facility called Victoria

- The Escanaba Hydroelectric Project located on the Escanaba River in Delta and Marquette Counties, which comprises the 4.1 MW Boney Falls, 1.6 MW Escanaba 1 and 2.5 MW Escanaba 3 facilities

The Escanaba hydro plant sells its output to paper mill company **Verso Corp**.

Uppco also owns the 22.6 MW oil-fired Gladstone peaking facility in Delta County.

The utility's customers reside in the Michigan counties of Alger, Baraga, Delta, Houghton, Iron, Keweenaw, Marquette, Menominee, Ontonagon and Schoolcraft. ■

## ● NORTH AMERICA MERGERS & ACQUISITIONS

# Catalyze adds to DG portfolio with community solar projects

Private equity-backed solar and storage company **Catalyze** has grown its distributed generation portfolio with the acquisition of two community solar projects totaling 13 MW (DC) in Upstate New York.

There is still some development work to be done on the two projects before Catalyze begins construction in spring 2020. One of the projects, located in Erie County, is 6.4 MW in size, and the other, in the Capital Region, is 6.6 MW.

Catalyze says its proprietary software platform, REenergyze, gives it an edge in bringing commercial and industrial solar projects from origination to operations.

"These projects are perfect examples of how we work with renewable energy development partners to accelerate co-development and project acquisitions



*"These projects are perfect examples of how we work with renewable energy development partners to accelerate co-development and project acquisitions by leveraging REenergyze."*

**Steve Luker**, Chief Executive Officer, Catalyze

by leveraging REenergyze," said CEO **Steve Luker**. "It provides a platform for us and our partners to access and share site analysis, economic modeling, integrated system design tools and more while also automating proposal development."

The company ramped up its acquisition efforts in mid-2020, hiring **Kenton Harder** as vice president of corporate development from **Quinbrook Infrastructure Partners** ([PFR, 9/22/20](#)).

At the time, the company had

an operational portfolio of solar and storage projects totaling 37 MW and a 300 MW development pipeline.

Catalyze's private equity backers, **EnCap Investments** and **Yorktown Partners**, are better known for their investments in oil and gas, but have been branching out into renewable energy in recent years.

### MAINE EVENT

In other community solar news, **Nautilus Solar Energy** has bought a 47 MW (DC) portfolio in

Maine from **ISM Solar Development**.

Located in Cumberland, Knox, Oxford and York counties, the projects qualify for Maine's Net Energy Billing program. Construction is due to begin in the third quarter of 2021.

"This acquisition significantly expands our renewable energy presence in Maine, and symbolizes Nautilus's pledge to provide equitable, affordable access to community solar for all Mainers," said **Jim Rice**, co-founder and co-CEO of Nautilus. ■

## Auction underway for distributed gas-fired fleet in Texas

«FROM PAGE 1 in the JV, which operates a fleet of gas-fired generators spread across greater Houston and Dallas Fort Worth that provide back-up power to commercial and industrial customers.

The microgrid assets comprise the largest dispatchable distributed generation fleet in Texas, according to Basalt, which at the time of the equity financing was operating under its old moniker **Balfour Beatty Infrastructure Partners**.

Enchanted Rock was responsible for the design, installation, and commissioning of 225 MW of the generation assets, as well as field and market operations of

reliability sites with a capacity of 167 MW.

The microgrid assets [reportedly](#) had contracts with an average term of 15 years as of 2016. They also earn additional revenues through the sale of electricity and ancillary services in ERCOT.

Basalt's equity investment in Texas Microgrid was its second investment in North America.

The first was regulated electric utility **Upper Peninsula Power Co** in Michigan, which Basalt bought from **Intergys Energy Group** in 2014 and sold earlier this year to **Axiom Infrastructure** following an auction ([PFR, 3/11](#)). ■

## Ridgewood inaugurates JV targeting MUSH sector

**Ridgewood Infrastructure** has formed a new joint venture with **Sustainability Partners** to own sustainable water, energy efficiency, transportation, communications and other infrastructure in the US.

The JV is called **Environmental Infrastructure Partners** (EIP) and will work primarily with municipalities, universities, schools, and hospitals (MUSH) says **Ryan Stewart**, managing director of Ridgewood.

Stewart is a former **JP Morgan** analyst and was a managing director at **Fortress Transporta-**

**tation and Infrastructure** before joining Ridgewood. He left Fortress shortly after shepherding the financing of the company's Long Ridge Energy Generation project – also known as Hannibal Port Power – across the finish line in 2019 ([PFR, 9/8](#)).

"Within this MUSH market, there is a large and growing need to replace, renew, and enhance infrastructure that provides a range of essential services," he said. "We look forward to working together with SP to help these MUSH customers meet their critical sustainable infrastructure needs." ■

## NORTH AMERICA PROJECT FINANCE

## GenOn launches PJM peaker financing

**GenOn Energy** has launched a project financing in the bank market for a pair of dual-fuel peaking power plants in PJM Interconnection.

The \$305 million five-year loan will refinance the 1.6 GW Chalk Point plant and the 312 MW Dickerson facility, both in Maryland, through a borrower called **GenOn Lanyard**.

**Investec** is acting as sole bookrunner on the term loan A and is working with lenders to

close a deal by the end of March or early April. **Latham & Watkins** is advising the lenders.

The deal, understood to be the first quasi-merchant gas-fired project financing this year in PJM, is said to have a "conservative" structure ([PFR, 1/9](#)).

Chalk Point is located on the Patuxent River in Aquasco, Prince George's County, while Dickerson is on the Potomac in Montgomery County. The sites are home to several decades-old

coal-fired units as well as the gas- and oil-fired peakers, but the former are in the process of being mothballed and are not included as part of the financing.

GenOn began deactivating the three coal-fired units at Dickerson last May. The units date back to 1959, 1960 and 1962.

In August, the company announced that it would retire the two coal-fired units at the Chalk Point site by June 1, 2021. They have served Maryland and the

surrounding region since 1964 and 1965.

The remaining units at Dickerson will be its two 147 MW dual-fuel units, which have been online since 1992, and its 18 MW distillate fuel oil unit, which dates back to 1967.

At Chalk Point, the surviving units are two gas-fired turbines with capacities of 596 MW and 585 MW as well as six smaller units that run on a combination of distillate fuel-oil and gas. The oldest of these units was commissioned in 1967 and the most recently installed have been operational since 1991. ■

## I Squared launches TLB for take-private of Atlantic Power

«FROM PAGE 1 co-borrower, **APLP Holdings Limited Partnership**, comprises a \$360 million six-year term loan B and \$45 million five-year revolving credit facility.

Following a bank meeting on March 18, RBC floated price talk at 400 bp to 425 bp over Libor with a 1% Libor floor and an initial idiscount of 99.

The proposed terms also include soft call protection at 101 for 12 months.

Commitments are due on April 1.

**MUFG** is also involved as lead arranger, on the right.

**Moody's Investors Service** has given the loans a Ba2 rating, which is the same as the rating on Atlantic Power's existing senior secured loans.

### FOSSIL COLLECTION

The collateral on which the term loan B will be secured is made up of full or partial ownership stakes in eight gas-fired projects, six biomass plants and a coal-fired asset, which are located in the US and Canada. The portfolio has a net capacity of 1,160 MW.

The assets are contracted with 16 off-takers but the off-take agreements have a weighted average remaining life of just four years, according to a report from Moody's.

Atlantic Power is in the process of selling one of the gas-fired assets, the 300 MW Manchief peaker in Colorado, to its off-taker, **Public Service Co of Colorado**, for \$45.2 million ([PFR, 5/28/19](#)). The proceeds of this sale will be used to pay down a portion of the term loan B.

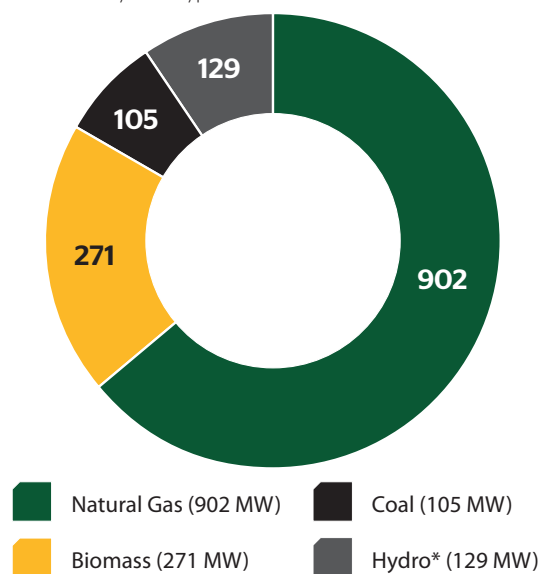
Two of the assets in the portfolio – the coal-fired Chambers Cogeneration plant in New Jersey and the Cadillac biomass project in Michigan – have their own project-level debt, but Moody's notes that both have comfortably serviced their debts and provided distributions to their parent.

### PRIVATE PASSIONS

I Squared struck a deal to acquire Atlantic Power in January for \$961 million, a figure that represented a 48% premium over the company's share price at the time ([PFR, 1/15](#)). RBC is acting as buy-side financial adviser.

### Atlantic Power Corp

Generation Assets by Fuel Type



\*The hydro assets are not included in the collateral package for the Tidal Power term loan B.  
Source: Atlantic Power Corp

While there is enthusiasm in the public equity market for hot energy infrastructure assets such as renewables, battery storage, fuel cells, green hydrogen and electric vehicles, conventional thermal generation is "unloved by the public markets," notes an investment banker.

Besides the thermal generation

assets being financed through Tidal Power, Atlantic Power owns a portfolio of hydro assets totaling 129 MW in British Columbia, Washington and New York.

"The hydro assets would be a good candidate for the private placement market," says an investment official at an insurance company. ■



## ● NORTH AMERICA PROJECT FINANCE

# Sunrun prices Vulcan resi solar, battery securitization

**Sunrun** has priced a \$201 million securitization of leases and power purchase agreements, which it says has the lowest spread out of any Sunrun or **Vivint Solar** asset-backed security (ABS) issuances to date.

The single-tranche deal, dubbed "Vulcan," has a coupon of 2.46%, implying a cost of debt 172 bp below the average of Sunrun's previous securitizations.

The coupon translates into a 135 bp spread over swaps, which is a roughly 40 bp improvement on Vivint's September 2020 securitization, which at the time was the lowest spread achieved so far by either of the two solar ABS issuers ([PFR, 9/22](#)).

The notes have an average weighted life of 6.3 years. They are due to be repaid on July 31,



*"Our strong performance over the last year has allowed us to enjoy yet another step down in capital costs."*

**Ed Fenster**, Sunrun co-founder

2028 and have a final legal maturity of January 30, 2052.

**Kroll Bond Rating Agency** gave the notes a preliminary A- rating on March 5.

**Credit Suisse** was sole structuring agent and bookrunner on the offering, which was slated to close by March 17. **Truist Securities** is co-manager.

### LIVE LONG AND PROSPER

The initial \$201 million balance of the Vulcan deal represents an 80% advance rate. The notes are backed by a portfolio of 16,686 rooftop solar systems located in 17 US states and Washington, DC, across 52 utility service territories.

The weighted average customer FICO score is 749, according to KBRA.

"The market increasingly

recognizes the high quality of residential solar assets and our industry-leading performance," said **Ed Fenster**, Sunrun co-founder and executive chairman. "Our strong performance over the last year has allowed us to enjoy yet another step down in capital costs and enhances our ability to raise capital at increasingly attractive rates."

The aggregate discounted solar asset balance (ADSB) is about \$279.6 million, with a securitization share of about \$251.3 million. The portfolio is 84.7% PPAs and 15.3% lease agreements by asset balance or 83.9% PPAs and 16.1% leases by number.

The tenor of each underlying contract is 256 months and the weighted average remaining term is 246 months. ■

## ● LATIN AMERICA PROJECT FINANCE

# IDB Invest closes debt package for El Salvador FSRU

**IDB Invest** has closed a debt package which will support the acquisition of an LNG tanker in Singapore and its subsequent conversion into a floating storage and regasification unit in El Salvador.

The \$128.3 million 15-year loan will finance **Invenergy** and **BW Gas**'s acquisition of the LNG tanker, called BW Tatiana, from **Shell**.

The debt package is divided into two portions – \$85.8 million provided by IDB Invest and \$42.5 million arranged by the Chinese Co-financing Fund for Latin America and the Caribbean. The fund is administered by the IDB with contributions from **People's Bank of China**.

The tanker, which is docked in Singapore, will be converted to a floating storage and regas-

ification unit (FSRU) before it is moved to Acajutla, El Salvador.

There, the FSRU will become part of the larger 378 MW Energia del Pacifico LNG-to-power project in the Port of Acajutla, within the department of Sonsonate. A consortium of investors led by Invenergy is developing the project, which is due online by the end of 2021.

IDB disclosed that it was working on the FSRU financing in November 2020 and the first disbursement took place on March 11 ([PFR, 11/2/20](#)).

**Clifford Chance** acted as legal counsel to the lender on the deal.

"I am pleased that we have been able to guide our long-time client on this complex transaction, which will have long term positive impact on El Salvador's energy sector," said Clifford

Chance partner **Kate McCarthy**.

The \$877 million Energia del Pacifico project is owned by **ICPES**, a consortium of investors led by Invenergy, which owns an 85% stake, and **Quantum Energy**, which owns a 15% stake.

Invenergy holds a 76.5% stake in ICPES. The other members of the consortium are supermarket chain owner **Grupo Calleja** with a 17.6% stake and **VC Energy de Centro América** with a 5.9% stake.

The LNG import and power project was financed in 2019 by a club of development finance institutions and export credit agencies ([PFR, 12/23/19](#)). The lenders were:

- **US International Development Finance Corporation (DFC)** – \$350 million



- **International Finance Corp** – \$195 million
- **IDB Invest** – \$115 million
- **KfW IPEX-Bank, Finnish Export Credit**, and Finnish state-owned **Finnvera** – \$142 million

The project has a 20-year power purchase agreement with the government of El Salvador that was awarded in a 2013 tender as well as an LNG supply agreement with Shell.

**Wärtsilä** is the project's EPC contractor. ■



## PPA PULSE ●

**AGGREGATE PPA WITH OFFTAKERS INCLUDING UBER HAILED AS LARGEST EVER**

**Enel Green Power** has signed an aggregated virtual power purchase agreement with a consortium of four non-utility offtakers – including ridesharing company **Uber** – which has been described as the largest contract of its kind.

The four companies will jointly purchase 111 MW from Enel's 350 MW Azure Sky wind farm in Throckmorton County, Texas, which comes with a 137 MW (DC) battery storage system. The project is due to be online in the second half of 2022.

Besides Uber, the offtakers are internet company **Akamai Technologies**, **MilliporeSigma** – the life science business of German chemicals group **Merck** – and Californian software company **Synopsys**.

MilliporeSigma, the largest buyer in the consortium, is taking a 68 MW chunk of the generation, while Akamai will purchase 18 MW, Synopsys 15 MW and Uber 10 MW.

"Akamai has led the way in innovative renewable energy projects since 2018, when we were a part of the United States' first cor-

porate aggregated virtual power purchase agreement," said **Mike Mattera**, director, corporate sustainability at Akamai. "Today we are proud to continue that legacy by participating in the largest aggregation to date."

The vPPA deal was arranged with the help of **Sustainability Roundtable's** Net Zero Consortium for Buyers – a platform for corporations seeking renewable generation.

*Here is the rest of the past week's PPA news.*

**WE'LL ALWAYS HAVE PARIS**

In Wisconsin, **Invenergy** has been busy racking up contracts for its 200 MW Paris Solar-Battery Park in Kenosha County.

**Madison Gas and Electric** has signed up for 20 MW of solar generation and 11 MW of energy storage as it looks to replace capacity from the coal-fired 1,112 MW Columbia Energy Center, which is due to be retired by 2024 ([PFR, 3/9/17](#)).

**We Energies** and **Wisconsin Public Services** are lined up to buy the remaining 180 MW of solar generation and 99 MW of energy storage from Invenergy's Paris project.

If approved, construction would start in 2022 to bring the project online in 2023.

Meanwhile, across lake Michigan, **Invenergy** has secured a 25-year PPA with **Consumers Energy** for its Calhoun Solar Center.

The utility will purchase 140 MW from the 200 MW project once it comes online in 2022, subject to approval by the **Michigan Public Service Commission**.

**HER NAME IS RIO**

Brazilian developer **Casa dos Ventos** has signed a 15-year PPA with **BP** for its Rio do Vento wind farm.

The British energy company's local power trading arm will sell the generation on into the free market when the contract comes into force in 2023.

"Our strong financial balance and credit rating allow us to supply energy from a variety of sources at competitive prices," said **Felipe Quaresma**, head of energy origination at BP.

Located in the state of Rio Grande do Norte, the Rio do Vento wind park comprises two phases – the first totaling 504 MW and the second 534.2 MW.

**O FORTUNA**

**Enel Green Power Panama** has signed a five-year PPA with information technology firm **KIO Networks Panama** for 5,000 MWh/year from the 300 MW Fortuna hydro plant.

The Fortuna project already has other PPAs in place, including a 10-year contract with **Ciudad del Saber**, a private entity that promotes innovation and research, which was signed in December ([PFR, 12/1/20](#)).

It also secured a short-term PPA with Panama's state-owned transmission company **Etesa** running from April 2021 until December 2022. Enel won the contract in an auction launched in November of 2019 ([PFR, 4/2/19](#)).

Argentinian developer **Genneia** has signed a power supply agreement with **Cargill Argentina**, the local subsidiary of Minnesotan agricultural conglomerate **Cargill**.

Under the terms of the contract, Genneia will supply Cargill's plant in the province of Santa Fe with 10 GWh/year from the 54 MW Villalonga, 100 MW Pomona and 26 MW Chubut Norte II wind projects. ■

## CORPORATE FINANCE ●

**NextEra prices FRN over SOFR**

**FROM PAGE 1** gan Stanley as active bookrunners.

It was priced alongside a \$2 billion fixed-rate note of the same tenor, which was launched at 50 bp over Treasuries.

Both of the tranches of senior unsecured bonds were issued through NextEra's usual corporate financing vehicle, **NextEra Energy Capital Holdings**.

The offering comes just weeks after the UK's **Financial Conduct Authority** outlined the timeline for the phase-out of Li-

bor, the widely-used floating-rate benchmark rate, on March 5. The regulator noted that the popular three-month Libor setting in US dollars would no longer be representative of the market from June 30, 2023.

However, the implementation of alternatives to Libor is progressing at different speeds in different markets.

While Libor is still being used in the loan market – including for project finance loans – issuers in the debt capital markets

have been pricing a growing number of FRNs over the proposed replacement benchmark, SOFR, since late 2019, with banks leading the way as issuers.

Non-financial corporations have begun to adjust more recently, but the pace of SOFR-linked issuance is picking up. **Verizon Communications** priced an FRN over SOFR on March 11, just a few days before NextEra.

Although bank loans are still being priced over Libor, lenders are hard-wiring SOFR into loan documentation as a fallback measure, as recommended by the **Alterna-**

**tive Reference Rates Committee**, an advisory group brought together by the **Federal Reserve Board** and the **New York Fed** to ease the transition.

NextEra will use the proceeds of its \$2.5 billion two-year debt offering for general corporate purposes, including the repayment of commercial paper. The senior unsecured bonds are rated Baa1, BBB+ and A- by **Moody's Investors Service**, **S&P Global Ratings** and **Fitch Ratings**. The final pricing on the notes was about 25 bp inside initial price thoughts. ■

## ● LATIN AMERICA

# Investors look for exits amid Mexico's counter-reform

«FROM PAGE 1 changes, but privately many of them are already making exit plans and pitching their assets in the country to other investors that are better able to stomach the political situation, if they can find any.

"Most foreign investors are looking at divesting right now," says a financial adviser in Mexico City, adding: "The willingness to sell is very high. The problem is the lack of opportunities."

The Mexican government has been accused of creating an inhospitable environment for private investors, favoring state-owned companies such as **Comisión Federal de Electricidad** (CFE), whose fleets are dominated by fossil fuel-fired and large-scale hydro assets.

The changes to dispatch rules mean that hydro plants owned by CFE will be prioritized, followed by the rest of CFE's plants, then solar and wind projects – most of which are owned by private investors – and finally privately-owned combined-cycle gas-fired plants.

As a result, several privately-owned projects are expected to experience financial duress.

"Projects with highly leveraged capital structures exposed to dispatch, curtailment, or merchant risks are particularly vulnerable to revenue pressures," said **Fitch Ratings** in a report on March 4. "Independent power producers (IPPs) or generators that were awarded legacy bilateral power purchase agreements (PPAs) with CFE under the 1992 Public Service Electricity Law could also be negatively affected."

Among the projects expected to struggle are **Acciona's** 102 MW Oaxaca II and 103.7 MW Oaxaca IV wind projects, noted Fitch. Both were refinanced in 2012 in the bond market for a total of \$332 million ([PFR, 7/30/12](#)). "As IPPs, the projects are also exposed to potential con-

tract renegotiation or termination, particularly as PPA prices are well above current spot prices," reads the Fitch report. **KKR & Co** has a stake in the assets.

### BULL OR BEAR?

Although most private investors are waiting for political and legal certainty before deciding whether to exit the country, some are already looking to implement their exit plans.

British developers **Hive Energy** and **Solar Century** are understood to be among the companies that have decided to call it quits and are quietly looking to sell all their projects. Other sponsors, such as **Mitsui & Co**, are understood to be pitching some of their assets for sale.

However, selling the assets will not be easy. Projects that are under development are still waiting for the government to award final generation permits, says an official at a developer in Mexico City. The operational ones have other problems, starting with increased costs and reductions in valuation. "My personal opinion is that all these assets are sitting on the books and are massively overvalued," says the financial adviser.

"Some investors are used to this type of risk, and they may sit down and negotiate [with the government]," explains **Roberto Aguirre-Luzi**, partner at **King & Spalding's** international arbitration practice. "Others are not ready to go through the work and uncertainty and will sell at a discount, which creates opportunities for those that want to buy and are willing to live in this new and more risky environment."

Those buyers with more risk appetite are expected to express interest in the assets soon.

"There are two categories

of players that might step in," says **Jim Bowe**, energy partner at King & Spalding.

In the first category are local players with political clout who believe that they will be able to get better terms because they are locals, he explains, noting that the measures are aimed primarily at foreign investors.

The second type of buyer would be industrial firms with self-supply arrangements that may be looking for new projects to maintain their self-supply options, notes Bowe. However, the new law means that such projects would not be able to use CFE infrastructure to sell excess power.

But not all foreign investors are trying to leave, and some, such as **AES Corp**, **Invenergy** or **EDP Renewables**, are even understood to be considering buying additional assets.

Developers that stay will fight the counter-reform in court while holding onto their assets with a view to Mexico's growing long-term power needs. "They will bet on staying in the country," says one source.

Either way, the development official says there is unlikely to be much movement on M&A until the next midterm elections, which are scheduled for June 6 and could tip the balance of power in Congress. López Obrador is expected to use his legal battles against foreign investors as campaign fodder, while staving off consumer power price increases until after the election.

### LEGAL FIGHT

Developers have already filed at least 30 legal injunctions – known as *amparos* – with Mexican courts to seek protection from the law change, and they did not have to wait long for results.

On March 12, Judge **Juan Pablo Gómez Fierro** of the Second Dis-

trict in Administrative Matters granted a temporary suspension of the law for all developers after siding with **Zuma Energia**, which had sought relief for its 162 MW (DC) La Orejana solar park. China's state-owned **State Power Investment Corp** owns Zuma, having acquired it in November ([PFR, 11/20/20](#)).

The judge reasoned that the law would hurt competition. He is the same judge who granted developers legal reprieves against government policies last year ([PFR, 10/28/20](#)).

AMLO has since written to the Supreme Court to call for the judge to be investigated. In his letter, the president said that companies and organizations whose "*modus operandi* is corruption and nepotism have negatively impacted the economy and the public finances of all Mexicans, but especially the poorer ones." He pointed to Spanish firm **Iberdrola** as an example, without detailing specific allegations.

Iberdrola has been a favorite punching bag of AMLO's since he took office, note industry insiders. The company canceled an investment of \$1.2 billion in a 1,204 MW combined-cycle gas-fired facility in Tuxpan last summer over a disagreement with CFE.

Looking ahead, sponsors could also seek to avail themselves of protection under free trade agreements.

"There's going to be a point where the *amparos* will stop working, and we will see more international arbitrations," says **Fernando Rodríguez-Cortina**, a senior associate in King & Spalding's international arbitration practice.

In the meantime, investors looking for a more welcoming regime are fleeing to Colombia, which has become – as one source describes it – the "*niña bonita*" of the region. "Everyone is going to Colombia." ■

## LATIN AMERICA ●

## Engie secures wind concession in Peru

Peru's **Ministry of Energy and Mines** has granted **Engie's** subsidiary in the country the concession to develop a 260 MW wind project.

Located in the department of Ica, the Pun Lomitas wind farm will require an investment of \$323 million, according to a ministerial resolution.

**Engie Energia Peru** intends to bring the project online in early 2024. It will inject its output into the grid through a 60 km (37.28-mile) transmission line.

The Peruvian renewables market has been slow for the past two years, with only a few projects being developed and financed. Among them is a solar trio owned by **Solarpack** and **Ardian**, which was refinanced in November ([PFR, 11/12/20](#)).

However, other large sponsors are starting to secure concessions for renewable assets. One is **Enel Green Power**, which received approval from the ministry for a 132.3 MW wind project in December ([PFR, 12/24/20](#)). ■

## Lightsource snags development finance funds for Brazil solar

**Lightsource BP** has obtained loans from a Brazilian regional development finance fund for a group of five solar projects in the state of Ceará.

The Fund for Development of the Northeast, which is managed by the **Superintendency for the Development of the Northeast**, will provide R\$84.5 million (\$15.4 million) for each project, adding up to R\$422.5 million (\$76.8 million) in total.

The projects, named Milagres I to V, won power purchase agreements in an auction in 2019, when they were owned by regional developer **Enerlife** ([PFR, 7/1/19](#)). Lightsource acquired them and brought some of the Enerlife team across the same year.

The projects have a capacity of 32.7 MW each and will cost about R\$141 million (\$25 million) apiece, or R\$705 million (\$125 million) in total. ■

## Metals miner Fortescue mulls green H2 investment in Brazil

**Fortescue Future Industries**, a subsidiary of Australian iron ore miner **Fortescue Metals Group**, has signed a memorandum of understanding with **Prumo Logística** for the development of a green ammonia plant at Prumo's Port of Açu in Brazil.

The agreement sets the stage for feasibility studies to be conducted jointly by Fortescue and Prumo for green hydrogen production at the port, which is the largest privately-owned deep-water port and industrial complex in Latin America. The port is home to a series of

industrial and power plants including the LNG-to-power projects owned by **Gas Natural Açu** (GNA).

The proposed hydrogen plant would use up to 300 MW of renewable energy and could produce 250,000 metric tonnes of green ammonia a year.

It would be developed by Fortescue Future Industries and financed on a non-recourse basis.

The MoU also lays the groundwork for the development of on-site solar and offshore wind development projects in the states of Rio de Janeiro and Espírito Santo. ■

## Peru awards two substation contracts

Peru's **Ministry of Mines and Energy** has awarded two substation contracts in the department of Ica to a subsidiary of the Colombian firm **Interconexión Eléctrica** (ISA).

The tendered projects are the 220/60 kV Chinchá Nueva substation and transmission line in the province of Chinchá and the 220/60 kV Nazca Nueva substa-

tion and transmission line in Nazca. ISA won the contracts in December by bidding with the lowest offer.

The bid was \$18.34 million for the two substations and \$678,550 for operations and maintenance. ISA's bid was less than half the highest offer, which was \$39 million.

ISA has in turn selected **Con-**

**sorcio Transmántaro** to develop the projects. Transmántaro is 60% owned by ISA and 40% by **Grupo de Energía de Bogotá**.

The contract covers the design, financing, construction, operation and maintenance of the assets for thirty years from the commercial operations date. At the end of the concession, the

assets will be transferred to the Peruvian state. The contract also includes a 30-month construction period.

The procurement processes were launched in April 2020 ([PFR, 4/20/20](#)).

The country's procurement agency is also in the process of awarding two additional transmission contracts in the north and east of Peru, for a total investment of \$220 million, said the agency in a statement. ■

## MERGERS &amp; ACQUISITIONS ●

## EDP grows DG business in Brazil

**EDP Energias do Brasil** has concluded the acquisition of 40% of the voting shares in **Blue Sol Par-**

**ticipações**, which owns a small-scale solar business in Brazil.

The R\$20 million (\$3.5 million)

deal is part of a broader strategy of investment in distributed solar in the country. EDP is also in the process of buying **AES Corp's** Brazilian distributed energy subsidiary, **AES Inova**, having

signed a deal in the last week of February ([PFR, 2/26](#)).

The Blue Sol deal adds 34 MW of DG capacity to EDP's distributed solar portfolio in the country, doubling its size. ■



## ● PEOPLE & FIRMS

### Kinder Morgan launches energy transition group

Gas pipeline company Kinder Morgan has formed a new division called **Energy Transition Ventures** to identify, analyze and pursue commercial opportunities in the low-carbon energy transition.

The team comprises in-house financial, commercial and engineering professionals led by **Jesse Arenivas** as president of the division and of an entity called **Kinder Morgan CO2**, and **Anthony Ashley**, vice president.

The group will look for opportunities for additional assets and conduct cus-

tomers outreach and business development activities for businesses such as carbon capture and sequestration, renewable natural gas capture, hydrogen production, renewable power generation, electric transmission and renewable diesel production.

"This is an exciting time in the energy sector," said Arenivas. "As public policies, including tax and other government incentives, align with ESG objectives, our unparalleled asset footprint provides a solid footing to facilitate the energy transition." ■

### FinDev Canada appoints new CEO

The development finance institution FinDev Canada, previously known as **Development Finance Institute Canada**, has appointed infrastructure finance expert **Lori Kerr** as its new CEO, replacing the interim CEO **Ken Kember**.

Kerr joins FinDev after two-and-a-half years at the **World Bank's** global infrastructure facility, where she worked as a senior infrastructure finance specialist.

Before that, she spent the bulk of her career at the **Inter-American Development Bank** in Washington, DC, focusing on corporate and structured finance. She has also worked as the senior director at **Climate Finance Advisors**, looking at blended finance solutions to bring private capital to developing markets.

"She has an impressive track record as a specialist and senior manager in many areas of international development fi-

nance," said **Mairead Lavery**, chair of the FinDev's board of directors. "She has worked extensively with private sector developers, international financiers, governments, and development finance institutions to bring about innovative, inclusive, and impactful investments that have made real differences in the lives of poor and marginalized people."

Kerr joins FinDev in June 2021, taking over from Kember, who assumed the position in September 2020.

A subsidiary of Canada's export credit agency, **Export Development Canada**, FinDev has been active in Latin America this past year, providing a \$15 million debt package to non-bank financial institution **Corporación Interamericana para el Financiamiento de Infraestructura** (CIFI), earmarked for 270 MW of solar, wind, and biomass power projects ([PFR, 7/10/20](#)). ■

### IFC picks Mexico manager

The **International Finance Corporation** has appointed **Juan Gonzalo Flores** as country manager for Mexico.

Flores has been with the IFC since 2004 and has worked in several of its offices across Latin America, including Bolivia, Nicaragua, Peru, and Mexico.

His last position was as a senior investment officer in Mexico City, overseeing investments in the retail, tourism, property, agribusiness, and manufacturing sectors.

"IFC has been operating successfully in México for more than six decades. I

am honored to continue promoting the development of the private sector with investments and advisory that contribute significantly to financial inclusion, sustainability, and gender equality in the context of the economic recovery of the crisis produced by Covid-19," said Flores in a statement on March 16.

The IFC has been active in the Mexican power market in the past year, despite the market's legal and political complications. Along with other development banks, the IFC financed a solar portfolio owned by **IENova** in July of 2020 ([PFR, 7/23/20](#)). ■

## ● NEWS IN BRIEF

### ● PROJECT FINANCE

#### HOLDCO DEBT CLOSING FOR FLORIDA LNG PROJECT

**Oaktree Capital Management** has reached financial close on a \$137 million holding company loan to lever up its stake in a small-scale LNG export project in Florida. **Investec** was the initial coordinating lead arranger.

### ● SHAREHOLDER ACTIVISM

#### ICAHN SNAGS FIRSTENERGY BOARD SEATS

**Carl Icahn's** activist fund management firm **Icahn Capital** has secured two seats for **Andrew Teno** and **Jesse Lynn** on **FirstEnergy Corp's** board of directors, weeks after declaring its intention to acquire a stake in the Ohio electric utility.

### ● LATIN AMERICA

#### COLOMBIA TRIUMPHS IN ELECTRICARIBE NATIONALIZATION DISPUTE

The **United Nations Commission on International Trade Law** has ruled in favor of the Colombian government in a dispute over its 2016 seizure of regional utility **Electricaribe** from Spain's **Naturgy Energy** (then **Gas Natural Fenosa**).

#### ENEL SEEKS TO BUY 10% OF ENEL AMERICAS SHARES

Italy's Enel has announced the launch of a public tender offer for 10% of Santiago-listed subsidiary **Enel Americas'** shares, dependent on the closing of the latter's merger with **Enel Green Power** in Central and South America.

#### BRAZILIAN JUDGE HALTS UTILITY PRIVATIZATION AUCTION

A judge has suspended the privatization process for Rio Grande do Sul's electric distribution company, **CEEE-D**. The judge ordered the state to pause the auction in response to questions raised about the privatization model and the fate of the distribution company's tax bill.

## ● PEOPLE & FIRMS

#### IR OFFICIAL LEAVES BLACKROCK ENERGY AND POWER TEAM

**Cathleen Ellsworth**, who was managing director and co-head of fundraising and investor relations for **BlackRock's** global energy and power infrastructure group, has left the firm for a new opportunity. She has joined New York-based private equity and venture capital firm **Lindsay Goldberg** as a partner, overseeing capital raising and investor relations efforts.

*Extended versions of these stories are available to subscribers at [www.powerfinancerisk.com](http://www.powerfinancerisk.com).*