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The exclusive source for power financing and M&A news

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Two bidders emerge for AES' Eastern Energy.

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CONSTELLATION REPORTEDLY EYES HOOK-UP

Constellation Energy Group is reportedly looking at offers from several companies about a possible merger. The Baltimore, Md.-based company is working with **Goldman Sachs** and **Morgan Stanley**.

Bids have reportedly come in from several utility holding companies including **AES**, **Exelon** and **MidAmerican Energy Holdings**, bankers say. A pair of Canadian pension funds has also considered teaming up on a bid, notes one banker. Their identity and whether they submitted a bid could not be immediately determined.

An announcement is not expected before the end of



(continued on page 8)

PG&E EYES \$3B+ IN REVOLVER, BOND REDUX



Nick Bijur

Pacific Gas & Electric and its parent are talking to lenders about renewing \$2.88 billion in credit facilities and issuing up to \$750 million in senior notes to replace maturing bonds. PG&E and holding company **PG&E Corp.** are targeting pricing for the three revolvers at 100 basis points or so over LIBOR. PG&E primarily uses its revolvers as commercial paper backstops, with some proceeds directed to energy procurement, says **Nick Bijur**, treasurer. The San Francisco-based utility prefers lenders that can support long-term revolvers—typically five-year terms—and are active in utility sector.

A senior financier in New York says banks eager to win mandates to underwrite bonds and advise on mergers and acquisitions will likely come in with the level of pricing sought by

(continued on page 7)

NEXTERA READIES NATGAS SALE

NextEra Energy Resources is preparing to sell a portfolio of five contracted natural gas-fired facilities that dot the map from the East Coast to southern California. The portfolio totals more than 2.15 GW. Teasers from advisor **Credit Suisse** are expected to go out soon.

Citigroup is said to be co-advising.

The Juno Beach, Fla.-based company wants to take advantage of the appetite for contracted plants after watching rising purchase prices for merchant natural gas-fired plants, which are traditionally less valuable, says an M&A banker. "If you've got contracted assets you have got to be, at least, thinking about putting them on the market," says one banker. The plants are in regions that the company has deemed to be non-core. **LS Power** recently pulled in one of the highest purchase prices of natural gas-fired plants with its sale of 1.15 partially merchant GW to **Highstar Capital** for about \$950 million, or \$815-850 per kW

(continued on page 8)

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



At Press Time

Two Emerge As Frontrunners For AES Coal

AES has shortlisted two bidders interested in four coal-fired plants totaling 1.169 GW in New York under its **Eastern Energy** unit. The two, likely strategic investors, are involved in due diligence.

Sale-leaseback arrangements on two of the larger plants are causing “bumps in negotiations,” says one deal watcher. The \$650 million leases on the 306 MW Cayuga in Lansing and the 675 MW Somerset in Barker were inked in 1999 and are in place until about 2030. The negotiations are expected to continue for several more weeks, says a banker. The identities of the lessees and additional details regarding the sale-leasebacks could not be learned.

Eastern Energy also owns the 105 MW Greenidge in Dresden and the 83 MW Westover near Binghamton. The four plants have short-term offtake contracts in place.

Barclays Capital took in four or five bids from a mostly strategic mix last month. AES put the unit on block in February (PFR, 3/04). The identities of bidders could not be learned. A Barclays spokesman declined to comment and an AES spokesman and an official did not immediately respond to inquiries.

Wind Constructions Grows

More than double the amount of wind capacity is under construction in the U.S. in 2011 than at the start 2010.

Roughly 5.6 GW of wind is under construction in the U.S., up from 2.75 GW at the start of 2010, according to a presentation hosted by the **American Wind Energy Association** at the Wind Power Finance & Investment Workshop at the Crowne Plaza-Times Square in New York on Thursday.

Wind sponsors added 26% of the generation built in the U.S. in 2010, more than all other resources except for gas-fired generation, which represented 40%. Wind represents 2.3% of U.S. power supply, up from 1.8% in 2009. “We’re no silver bullet, but we’re part of the silver buckshot,” said **Denise Bode**, AWEA ceo.

Wind sponsors in the U.S. snagged \$2.7 billion in tax equity across 20 transactions and sponsors landed \$8.4 billion in debt across 29 deals. **NextEra Energy Resources** has the most wind assets in the U.S., at over 8 GW; **Iberdrola** and **Horizon Wind Energy** round out the top three. IPPs own roughly 85% of utility-scale wind capacity, with utilities claiming the rest. Among utilities, **Xcel Energy** is the largest consumer of wind capacity in terms of assets owned or contracted, with more than 3.4 GW.

Bode and **Elizabeth Salerno**, chief economist for AWEA, also highlighted wind development in the Southeast, a region historically lacking in installed capacity. While only Tennessee delivers wind generation, farms are planned in multiple states. **Wind Capital Group** is developing a farm in Florida, Bode said, and **Iberdrola Renewables** reportedly is plotting a \$600 million, 300 MW wind farm near Elizabeth City, N.C. All but 12 states in the U.S. have wind farms.

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**Institutional
Investor NEWS**
INTELLIGENCE FIRST

Project Finance

Gestamp Lands Neb. Wind Funds

Rabobank, La Caixa and Banco Sabadell have wrapped an \$81 million term loan backing Gestamp Wind's 60 MW Flatwater wind farm in Richardson County, Neb. Rabobank is administrative and document agent.

Deal details, including pricing and tenor, couldn't be learned. Alejandro Burgaleta, cfo, and Kiran Gill, director of financing for Gestamp Wind, worked on the deal. Gill and Burgaleta did not return calls. Bank spokespeople couldn't be reached for comment.

The Omaha Public Power District is the offtaker for Flatwater, which initiated operations in December.

Gestamp Wind is an affiliate of Spanish developer Gestamp Corp., which also has a solar division. Gestamp Solar is looking to wrap two portfolio financings in the third quarter backing 60-80 MW of photovoltaic in Southern California and the Central Valley of California (PFR, 3/25).

Brookfield Pings BoTM For Tehachapi Wind

Bank of Tokyo-Mitsubishi UFJ is participating in a financing backing Brookfield Renewable Power and Coram Energy's \$235 million, 102 MW wind farm in Tehachapi, Calif. Financial close is expected before the end of the quarter, says a deal watcher. Closing had been targeted for last quarter (PFR, 1/31).

BoTM co-led a financing backing Brookfield's roughly \$322 million Comber Wind project in Essex County, Ontario (PFR, 10/5). Whether other lenders are working on the financing for the joint venture partners and the reasons for the delay couldn't be immediately learned. Brian O'Sullivan, president of Coram in Tehachapi, declined to comment. Donald Tremblay, Brookfield cfo in Gastineau, Quebec, and a spokesman in Toronto didn't return calls by press time. A BoTM official also didn't return a call.

Pacific Gas & Electric is the offtaker for the farm, which is slated to be on line before year-end.

Recurrent Mulls Smaller Solar Deal

Recurrent Energy is considering downsizing a financing backing a portfolio of small solar photovoltaic plants in Ontario.

The San Francisco-based company had been talking to WestLB and CIBC World Markets about the deal and was considering a bond component (PFR, 1/31). The latest iteration of the deal, however, may feature short-term construction debt without bonds, deal watchers say. The reason for a potential downsize in debt, the status of talks with lenders and the

financing timeline couldn't be learned.

Arno Harris, Recurrent ceo in San Francisco, declined to discuss the structure and nature of the financing. "Nothing has been decided," he said. Bank officials also declined to comment.

The Ontario Power Authority has offtake agreements for 170 MW across 19 projects, which are expected to be completed next year. Recurrent, which is owned by Sharp Corp., agreed to buy 180 MW of PV modules from Canadian manufacturer Celestica last month for projects in the province.

Mitsubishi Unit, Partner Snag Wind Funds

Mitsubishi subsidiary Diamond Generating has wrapped a \$175 million non-recourse financing backing an 80 MW wind farm in Idaho that it is developing with joint-venture partner Ridgeline Energy. Bank of Tokyo-Mitsubishi UFJ, Mizuho Corporate Bank and Sumitomo Mitsui Banking Corp. are the mandated lead arrangers on the deal that wrapped in March.

"We've worked with them before and they gave us the best terms on the deal," says Dennis Meany, president of Ridgeline in Seattle on the decision to work with the lead arrangers. He declined to specify pricing or tenor on the deal. Elizabeth Waters, v.p. of structured finance, and colleague Takaki Sakai worked on the deal for BoTM. Bank officials did not return calls by press time.

The project in Power County has a 25-year power purchase agreement with Idaho Power and is slated for operation later this year. It will use Vestas V100, 1.8 MW turbines.

Citi To Bat For Tenaska Solar



Greg Van Dyke

Tenaska Solar Ventures has selected Citigroup as lender-applicant for a federal loan guarantee it is seeking under the U.S. Department of Energy's Financial Institution Partnership Program.

The guarantee will support the 130 MW Imperial Solar Energy Center South in Imperial Valley, Calif. The Tenaska affiliate is eyeing financial close before FIPP expires on Sept. 30, says Greg Van Dyke, Tenaska cfo and treasurer in Omaha, Neb.

Tenaska is also seeking a loan guarantee for the 150 MW Imperial Solar Energy Center West under the DOE's Sect. 1703 program for innovative projects. Thin-film technology will be used at that plant. Financial close is expected by year-end.

Tenaska is targeting \$700-800 million in debt backing two

PV plants, (PFR, 11/12). **San Diego Gas & Electric** has 25-year offtake agreements for the projects.

Citi is also preparing two large solar thermal financings that are expected to include DOE loan guarantees (PFR, 3/24). A Citi official declined to comment. A DOE spokeswoman in Washington, D.C., didn't return a call by press time.

Calpine Targets Trio For Calif. Gas

Calpine Corp. is expected to tap at least three lenders to lead a financing supporting the retrofitting of the Los Esteros Critical Energy Facility in San Jose, Calif.

Crédit Agricole and **WestLB** are discussing Los Esteros with Calpine, though nothing has been finalized, deal watchers say. Calpine is targeting financial close by year-end, after it wraps a deal backing its \$600 million, 850 MW Russell City gas-fired plant in Hayward, Calif. (PFR, 3/31).

The cost to retrofit Los Esteros from a 188 MW simple-cycle plant to a 300 MW combined-cycle plant is pegged at roughly \$400 million (PFR, 1/7). The size of the financing and other deal details, including pricing and tenor, couldn't be learned. **Zamir Rauf**, Calpine cfo in Houston, didn't return a call seeking comment. A Calpine spokeswoman and bank officials declined to comment.

Pacific Gas & Electric has a 10-year offtake agreement for Los Esteros that will commence upon project completion. Operation is expected in 2013.

Mergers & Acquisitions

LS Scoops Tenaska Plant

Tenaska Capital Management has agreed to sell its 300 MW simple-cycle facility south of Chicago to **LS Power**. The transaction for the University Park plant is expected to be complete by the end of May.

Barclays Capital is advising Tenaska on the sale as well as two other simple-cycle sales—the 250 MW Wolf Hills in Bristol, Va., and the 300 MW Big Sandy in Kenova, W.Va. (PFR, 2/10). The status of the sale of the other two plants could not be learned.

The purchase price and how LS Power is financing the acquisition could not be immediately learned. This is LS Power's first acquisition since it bought a portfolio of nine natural gas- and coal-fired assets from **Dynegy** in the fall of 2009 (PFR, 9/18/09).

Joe Esteves, cfo of LS Power in New York, did not immediately respond to a message and a spokeswoman for

Tenaska in Omaha declined to comment. A Barclays spokesman declined to comment.

Cogentrix To Sell Remaining Calypso Stake To EIF

Cogentrix Energy has agreed to sell its remaining interest in **Calypso Energy Holdings** to **Energy Investors Funds**. EIF is buying out 20% of Cogentrix's stakes in three facilities in Colorado and Idaho and the remaining minority stakes in eight other plants. The companies anticipate closing this quarter; the purchase price could not be learned.

EIF currently owns 80% of each of the 115 MW Plains End I natural gas-fired plant in Arvada, Colo.; the 118 MW Plains End II natural gas-fired plant in Arvada and the 301.4 MW Rathdrum combined-cycle plant in Rathdrum, Idaho. Rathdrum has a power purchase agreement with **Avista Corp.** Whether or not the Plains End plants have offtake contracts could not be learned.

The New York-based private equity shop is also acquiring minority stakes in the following facilities:

- 245 MW Cottage Grove combined-cycle in Cottage Grove, Minn.
- 249 MW Whitewater CCGT in Whitewater, Wis.
- 345 MW Selkirk Cogen CCGT in Albany, N.Y.
- 225 MW Logan Generation Co. pulverized coal-fired cogeneration in Logan, N.J.
- 62 MW Morgantown waste coal-fired facility in Morgantown, W.Va.
- 85 MW Scrubgrass circulating fluidized bed waste coal-fired in Scrubgrass, Penn.
- 355 MW Indiantown pulverized coal-fired in Martin County, Fla.
- 240 MW Spruance coal and tire-fired plant in Richmond, Va.
- 285 MW Carney's Point pulverized coal-fired plant in Carney's Point, N.J.
- 115 MW Rocky Mount coal-fired plant in Rocky Mount, N.C.

The Charlotte, N.C.-based Cogentrix will use the proceeds to fund development projects and M&A, says **Tom Bonner**,

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 **Sara Rosner**, managing editor, at (212) 224-3165 or srosner@iinews.com.

president. The sale is a realignment of the company's strategy, which will not include indirect minority ownerships, says a spokesman. Cogentrix is developing several solar projects in the west. **Goldman Sachs**, the owner of Cogentrix, ran the process (PFR, 8/26).

Cogentrix will hold on to a minority interest in the 112 MW Northampton anthracite waste coal-fired plant in Northampton County, Penn.

A spokesman for EIF declined to comment.

First Round Bids For Recurrent Due

Credit Suisse received indicative bids April 6 for **Recurrent Energy's** portfolio of U.S. photovoltaic projects that totals about 40 MW.

Players that can take advantage of the tax benefits are expected to dominate the bidder pool, one deal watcher says. The projects have tax grants from the U.S. **Department of Treasury** and there is accelerated depreciation that can be utilized, the banker adds.

The projects listed below are up for sale:

- 15 MW Bagdad, Ariz., project in Yavapai County that has a 25-year power purchase agreement with **Arizona Public Service**;
- 5 MW Ajo 1 near Ajo, Ariz., that has a 30-year PPA with APS ;
- Five projects totaling 7.5 MW in Cranbury, N.J.;
- 5 MW Sunset Reservoir in San Francisco that has a 25-year **San Francisco Public Utilities Commission**;
- 15 MW of projects in California that have contracts with healthcare provider **Kaiser Permanente**. Each site is roughly 1 MW.

Recurrent, a San Francisco-based subsidiary of **Sharp Corp.** led by **Arno Harris**, ceo, put the portfolio on the block last month and is expected to use the proceeds to fund construction (PFR, 3/9). It is also seeking equity partners for 170 MW of PV projects in Ontario (PFR, 2/24). The company is not using an advisor on that transaction. Spokesmen for Recurrent and Credit Suisse declined comment.

LAST CALL!

Please submit final nominations for *Power Finance & Risk's* **Deal of the Year Awards for Project Finance and M&A** by **Tuesday, April 12**.

To nominate a deal, or for more information, please contact Managing Editor **Sara Rosner** at srosner@iineews.com or 212.224.3165.

Highstar Scouts Term Loan For Acquisition Funds

Highstar Capital is working with a trio of banks to arrange a term loan B to fund a portion of its roughly \$950 million acquisition of 1.15 GW of natural gas-fired plants in Arizona from **LS Power**. **Barclays Capital**, **Citigroup** and **Royal Bank of Canada** are leading the financing, bankers say. The loan is expected to have a seven-year term tenor. Barclays advised Highstar on the purchase.

Sell-side advisors **Credit Suisse** and Citi had joined with **BNP Paribas** and **RBC** to offer a staple financing package but Highstar opted to hunt its own funds.

Details regarding potential pricing and amount, and could not be immediately learned.

The 579 MW Griffith in Kingman and the 572 MW Arlington Valley in Arlington will be owned by



Star West Generation, a new Highstar subsidiary, according to a document filed April 1 with the U.S. **Federal Energy Regulatory Commission**.

The purchase price, between \$815-850 per kW, makes the purchase one of the most expensive acquisitions in several years (PFR, 4/4).

Spokesmen at the banks and Highstar either didn't reply to inquiries or couldn't immediately comment.

People & Firms

Dexia Taps Ex-SocGen Head

Dexia Crédit Local has hired **Terry Sanabria**, former co-head of credit and structured asset sales and trading at **Société Générale**, as managing director and head of loan sales and trading for North America. Sanabria started at Dexia last month and she leads Dexia's distribution of project and infrastructure financings in the primary and secondary markets.

She reports to **Tom Ceusters**, head of treasury and financial markets in New York. Sanabria has assumed the responsibilities of **Muriel Levi**, v.p. of syndications, who relocated to Dexia's Paris headquarters last year (PFR, 1/18).

"Dexia is completely focused on the project finance market for power, renewables and infrastructure. They're looking to build upon that," Sanabria says.

She had been at SocGen through 2008, when she left for a consulting opportunity in an unrelated market. She declined to elaborate.

Generation Auction & Sale Calendar

Generation Sale ■ DATABASE

Following is a directory of ongoing generation asset sales. The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed. To report new auctions or changes in the status of a sale, please call **Holly Fletcher** at (212) 224-3293 or e-mail hlfletcher@iineews.com.

| Seller | Assets | Location | Advisor | Status/Comments |
|------------------------------------|---|---|--|--|
| 3Ci | Des Moulins (156 MW Wind) | Kinnear's Mills, Quebec | TBA | The developer is looking to sell the project as a way of financing construction (PFR, 4/4). |
| AES | Cayuga (306 MW Coal) Greenidge (105 MW Coal) Somerset (675 MW Coal) Westover (83 MW Coal) Huntington (904 MW Huntington CCGT) | Lansing, N.Y. Dresden, N.Y. Barker, N.Y. Binghamton, N.Y. Huntington, Calif. | Barclays Capital TBA | First round bids have come in (see story, page 2). AES will lease two of the units from Edison Mission Energy under a new sale leaseback agreement so EME can transfer the permit allowances upon the plant's retirement (PFR, 3/28). |
| Ameren Energy Generating Co. | Columbia (75% stake in 144 MW Simple -Cycle) | Columbia, Mo. | TBA | The municipal utility is buying out Ameren's stake for \$45.2 million (PFR, 2/21). |
| Axio Power | Stakes (development PV) | Various | | Has entered exclusive talks with a buyer (PFR, 2/21). |
| Brookfield Infrastructure Partners | Cross Sound Cable (24 mile Transmission) | N.Y., Conn. | TBA | Brookfield is talking to investment banks about a potential sale (PFR, 2/21). |
| Capital Power Income Fund | Various (1.4 GW in U.S and Canada) | Various | CIBC, Greenhill & Co. | Management presentations for potential second round bidders are underway (PFR, 1/17). |
| CH Energy Group | Lyonsdale (20 MW Biomass) | Lyonsdale, N.Y. | TBA | ReEnergy Holdings has agreed to buy the plant (PFR, 4/4). |
| Entegra Power Group | Gila River (340 MW unit in 2.2 GW CCGT) | Phoenix, Ariz. | Barclays Capital | Wayzata Investment Partners has signed a sale agreement and Entegra has launched a go-shop. Bids due April 8 (PFR, 3/28). |
| First Wind | Various (Wind) | Maine, New York | Credit Suisse Macquarie Capital | Infrastructure players and some pension funds are involved in the first round (PFR, 2/28). |
| GDF Suez Energy North America | Hot Spring (746 MW CCGT) Choctaw (746 MW CCGT) Red Hills (440 MW Lignite) | Malvern, Ark. Ackerman, Miss. Ackerman, Miss. | UBS | GDF wants to divest its assets in SERC (PFR, 4/4). |
| Leucadia National Corp. | Impervial Valley (16.4 MW Biomass) | Imperial Valley, Calif. | Bodington & Co. | Its owners want to exit the power market (PFR, 4/4). |
| LS Power | Bridgeport (460 MW, CCGT) Arlington Valley (572 MW CCGT) Griffith (579 MW CCGT) | Bridgeport, Conn. Arlington, Ariz. Kingman, Ariz. | JPMorgan Credit Suisse, Citigroup Credit Suisse, Citigroup | Capital Power has agreed to buy it for \$355 million (PFR, 3/14). Highstar Capital is buying the plants for about \$950 million and is in the market for a term loan (see story, page 5). |
| Morris Energy Group | York (52 MW CCGT) Pedricktown (132 MW CCGT) Camden (152 MW CCGT) Bayonne (180 MW CCGT) Elmwood (80 MW CCGT) Newark Bay (140 MW CCGT) Massena (85 MW CCGT) Dartmouth (70 MW CCGT) Dartmouth II (25 MW Simple-Cycle) Lowell (29 MW CCGT) | York, Penn. Pedricktown, N.J. Camden, N.J. Bayonne, N.J. Elmwood Park, N.J. Newark, N.J. Massena, N.Y. Dartmouth, Mass. Dartmouth, Mass. Lowell, Mass. | Barclays Capital | Teasers for the 945 MW portfolio went out earlier this quarter (PFR, 2/14). |
| Raser Technologies | Thermo 1 (14 MW Geothermal) Lightning Dock (15 MW Geothermal development) | Thermo, Utah Hidalgo County, N.M. | Bodington & Co. | Raser broadened the sale to include a development project and company (PFR, 3/7). |
| Recurrent Energy | Various (stakes in 170 MW solar PV) Bagdad (15 MW PV) Ajo 1 (5 MW PV) Sunset Reservoir (5 MW PV) Cranbury (7.5 MW Distributed PV) Kaiser Permanente (15 MW Distributed PV) | Ontario Bagdad, Ariz. Ajo, Ariz. San Francisco, Calif. Cranbury, N.J. California | No advisor Credit Suisse | Looking to bring in equity partners for its pipeline (PFR, 2/28). Indicative bids came in April 6 (see story, page 4) |
| Tenaska Capital Management | Wolf Hills (250 MW Simple Cycle) Big Sandy (300 MW Simple Cycle) University Park (300 MW Simple Cycle) | Briston, Va. Kenova, W.Va. Chicago, Ill. | Barclays Capital | The auction for the peakers is in the initial round (PFR, 2/14). LS Power has agreed to buy the University Park facility (see story, page 4). |
| U.S. Power Generating Co. | Astoria Generating (1.28 GW Natural Gas) Gowanus (542 MW Fuel, oil and gas) Narrows (276 MW Fuel oil and gas) | New York City New York City New York City | Goldman Sachs | Looking to refinance the debt in tandem with the sale (PFR, 3/14). |
| Sithe Global Power | Goreway (50% stake in 880 MW CCGT) | Brampton, Ontario | No advisor | Chubu Electric Power Co. and Toyota Tsusho Corp. have bought out Sithe's remaining stake (PFR, 3/14). |

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 Senior Reporter **Brian Eckhouse** at (212) 224-3624 or e-mail beckhouse@iinews.com.*

Live Deals: North America

| Sponsor | Project | Location | Lead(s) | Loan | Loan Amount | Tenor | Notes |
|--|--|----------------------------|---|-----------|-------------|---------|---|
| Brookfield Renewable Power | Granite Renewable (99 MW Wind) | Coos County, N.H. | Citi, WestLB | TBA | TBA | TBA | Citi, WestLB begin pricing private placement (PFR, 3/21). |
| Brookfield Renewable Power, Coram Energy | Unknown (102 MW Wind) | Tehachapi, Calif. | TBA | TBA | TBA | TBA | Bank of Tokyo-Mitsubishi UFJ joins financing (see story, page 3). |
| Calpine | Russell City (600 MW Combined-Cycle) | Hayward, Calif. | ING, Union Bank | TBA | TBA | TBA | ING and Union Bank tapped for the financing (PFR, 4/4). |
| | Los Esteros (300 MW Retrofit) | San Jose, Calif. | TBA | TBA | TBA | TBA | At least three lenders expected to participate (see story, page 4). |
| Enfinity | Unidentified (33 MW PV) | Quebec | TBA | TBA | TBA | TBA | Developer close to inking roughly \$140 million in debt and equity (PFR, 3/28). |
| GCL Solar | Various (75 MW PV) | Puerto Rico, California | TBA | TBA | TBA | TBA | Sponsor is talking to European banks about financings (PFR, 3/28). |
| Gestamp Solar | Various (60-80 MW PV) | California | TBA | TBA | TBA | TBA | Aims to wrap two portfolio financings in the third quarter (PFR, 3/28). |
| Independence Wind, Wagner Wind Energy | Highland (117 MW MW) | Highland Plantation, Maine | TBA | TBA | TBA | TBA | Financing launch expected next year (PFR, 3/21). |
| LS Power | Cross Texas (230 Miles Transmission) | Texas | TBA | TBA | TBA | TBA | BNP Paribas among lenders eying financing (PFR, 3/28). |
| NextEra Energy Resources | Lone Star (300 Miles Transmission) | Texas | TBA | TBA | TBA | TBA | Sponsor seeks roughly \$400 million in debt (PFR, 4/4). |
| NRG | Roadrunner (20 MW Solar PV) | Santa Teresa, N.M. | TBA | TBA | TBA | TBA | Sponsor hunts financing backing farm (PFR, 3/7). |
| Recurrent Energy | Various (170+ MW Solar) | Ontario | TBA | TBA | TBA | TBA | Sponsor considers downsizing financing (see story, page 3). |
| Sharyland Utilities | CREZ (300 Miles Transmission) | West Texas | RBC, RBS, SocGen | TBA | TBA | TBA | RBC, RBS and SocGen mandated to lead financing (PFR, 4/4). |
| Tenaska Solar Ventures | Imperial Solar Energy Center South (130 MW Solar PV) | Imperial Valley, Calif. | Citi | TBA | TBA | TBA | Citi tapped as lender-applicant for FIPP loan guarantee (see story, page 3). |
| | Imperial Solar Energy Center West (150 MW Solar PV) | Imperial Valley, Calif. | TBA | TBA | TBA | TBA | Sponsor seeks federal loan guarantee (see story, page 3). |
| Terra-Gen Power | Alta Phases 6 and 8 (300 MW Wind) | Tehachapi, Calif. | TBA | Mini-Perm | TBA | C+ 7-yr | Financing expected to begin by early April (PFR, 3/21). |
| | Alta Phases 7 and 9 (300 MW Wind) | Tehachapi, Calif. | TBA | TBA | TBA | TBA | Deal launch expected within year (PFR, 3/21). |
| | Unidentified (Geothermal) | TBA | TBA | TBA | \$60-100M | TBA | Sponsor eyes year-end financing (PFR, 3/28). |
| Western Wind Energy | Unidentified (30 MW Solar) | Yabucoa, Puerto Rico | Manulife | TBA | \$249M | TBA | Rabobank tapped to lead search for tax equity (PFR, 3/28). |
| Wind Capital Group | Unidentified (Wind) | TBA | Banco Santander, BayernLB, NordLB, Rabobank, Union Bank | Refi | \$240M+ | TBA | Closing imminent (PFR, 4/4). |

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

PG&E EYES

(continued from page 1)

PG&E wants. He anticipates the utility will have little difficulty extending its facilities because of its name and lenders' hunger to put money to work. "People will put up big numbers," the financier predicts.

A \$1.94 billion revolver, led by **Citigroup** and **JPMorgan**, matures in February 2012. The utility landed it in February 2007 when credit was especially cheap and it has a margin of 19 basis

points over LIBOR. Also up for renewal is a \$750 million revolver originated last year, which has a price of 155 bps over LIBOR, and a \$187 million holding company revolver originated in 2007. **Wells Fargo** and **BNP Paribas** were the administrative agents on the \$750 million facility and \$187 million facility, respectively.

Pricing for revolvers was high in the immediate aftermath of the collapse—300-350 bps over LIBOR (PFR, 8/28/09)—but has since slipped below 200 bps. **Exelon** and two subsidiaries,

Exelon Generation and **PECO**, for instance, snagged three facilities totaling \$6.4 billion last month, with **Barclays Capital** and **JPMorgan** among the leads. The facilities are priced between 100 and 130 bps over LIBOR, all with five-year tenors.

In terms of PG&E's expiring bonds, \$500 million in seven-year senior notes matured last month, with \$250 million in one-year senior notes coming due in October, Bijur says. PG&E replaced the \$500 million with commercial paper. The utility generally aims to term out commercial paper with long-term notes. An issuance is not imminent, adds Bijur. **Moody's Investors Service** rates the prospective issues A3, while **Standard & Poor's** rates PG&E and PG&E Corp. BBB+.

Desired PG&E underwriters include those that participate in its credit facilities, understand the utility and the sector and have a good sense of the market, Bijur says. Relationship lenders also include **BNY Mellon**, **Deutsche Bank**, **Mizuho Securities**, **Morgan Stanley** and **UBS Investment Bank**. Bank officials and spokespeople declined to comment or didn't return calls.

—*Brian Eckhouse*

CONSTELLATION REPORTEDLY

(continued from page 1)

the month, two bankers in New York say. Constellation has a market cap of \$6.33 billion as of close Wednesday.

Whether the deal is for the company as a whole or just its utility **Baltimore Gas & Electric** could not be learned. The advisers to the bidders could not be immediately learned.

Spokespeople at Constellation, Exelon, Goldman, Morgan Stanley and MidAmerican declined to comment. A spokesman at AES did not immediately respond to an inquiry.

—*Holly Fletcher*

NEXTERA READIES

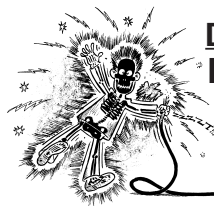
(continued from page 1)

(PFR, 3/30).

The contracted plants are expected to draw a large audience given most thermal plants on the market have been merchant, industry officials say. The unregulated subsidiary of **NextEra Energy**, will be selling the following plants:

- 507 MW Blythe simple-cycle in Blythe, Calif., that has a 10-year offtake agreement with **Southern California Edison** (PFR, 12/22);
- 668 MW Calhoun peaker in Eastaboga, Ala., that has a 12-year PPA with **Alabama Power Co.**;
- 879 MW Doswell simple-cycle in Ashland, Va., that has a PPA for 708 MW. The other 171 MW unit is merchant, according to a 10-K from last year;
- 98 MW Cherokee CCGT in Gaffney, S.C., that has an

Alternating Current



Death & Taxes

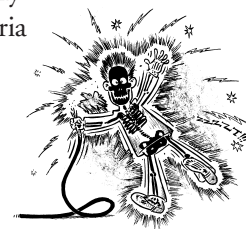
Big Apple Plants Find Tax Loophole

As the April 15 deadline looms to file taxes with the U.S. **Internal Revenue Service**, **NRG Energy** will be reveling in savings.

The independent power producer has declared its 520 MW Astoria Gas Turbine facility in Queens and its 536 MW Arthur Kill gas-fired plant in Staten Island as factories instead of utilities to save on New York City property taxes.

The Princeton, N.J.-based company bought the Astoria facility from **Con Ed** for \$505 million in 1999 and challenged its 2001-2002 tax assessment from the city's **Department of Finance**, arguing that the facility was not a utility because it was deregulated and not owned by a telephone or electric company. New York state's **Court of Appeals** finally ruled in NRG's favor and last year Astoria paid a commercial property tax rate of 10.31% instead of a utility rate of 12.63%.

An NRG spokeswoman did not return a call by press time and the amount of money saved on NRG's tax bill for the two "factories" could not be learned.



offtaker although details could not be learned.

Details regarding the fifth plant, such as size and location, could not be learned.

A NextEra spokesman did not return a call. A Credit Suisse spokesman declined to comment while a Citi spokesman could not immediately comment.

—*Holly Fletcher*

Quote Of The Week

"We're no silver bullet, but we're part of the silver buckshot."—

Denise Bode, *ceo of the American Wind Energy Association* in Washington, D.C., on the growth of wind in the generation mix of new project development in the U.S. at the **Wind Power Finance & Investment Workshop** in New York (see story, page 2).

One Year Ago In Power Finance & Risk

Noble Environmental Power was on the hook for hundreds of millions of dollars in debt coming due. [The Essex, Conn.-based developer agreed to restructure \$305 million in debt with lender **Paragon Noble**, after talking to **MSD Capital**, the family wealth investment vehicle of **Michael Dell** of Dell computers, to restructure a \$277 million turbine loan (PFR, 10/6).]