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## El Paso Set To Refi Ruby

**El Paso Corp.** is expected to refinance a \$1.51B loan backing its Ruby project.

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Congress has re-jiggered the U.S. **Department of Energy** loan guarantee programs.

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## Global Power Markets Conference

Check out what was hot in Las Vegas.  
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## SCANDI SOLAR UNIT HUNTS BUYER, INVESTOR FOR U.S. PROJECTS

Scatek Solar, a subsidiary of Norwegian renewable shop Scatek SA, is looking for a strategic investor or a buyer for a 156 MW of photovoltaic projects in the U.S. The cost of bringing the three projects on line is roughly \$550 million.

The company has been sending out teasers in the last month and several potential bidders and investors are going through due diligence work, says **Brad Albright**, managing director of Scatek advisor **NorthWind Advisors** in Harrison, N.Y. "We want to try to keep the conversation open to accommodate interested buyers," he says, noting that there is



*(continued on page 12)*

## Global Power Markets Conference

### COAL TO CREEP INTO M&A, FINANCING



Larry Kellerman

Coal-fired plants are expected to trickle into the financing and mergers and acquisitions markets as developers get more clarity on regulations from the U.S. **Environmental Protection Agency**. Coal, particularly clean coal, will remain a key component of the country's generation fleet for years to come, even with the potential shutdown of thousands of megawatts over the next decade under the EPA guidelines. "We have the technology to make it cleaner," **Jerry Crouse**, vice chairman and ceo at **Tenaska**, told attendees at 26th Annual Global Power Markets

Conference in Las Vegas.

The coal-fired plants that are affected by the impending EPA regulations—between 31-75

*(continued on page 11)*

### NRG SCOPES SOLAR SECURITIZATION

**NRG Energy** is in the early stages of an initiative to securitize portions of the revenue from its solar portfolio as a way to diversify its access to capital. The plan is to package portfolios of utility scale, distributed and retail solar projects to sell to investors looking for a green place to put their money, **Christian Schade**, cfo, said at the **Platts 26<sup>th</sup> Annual Global Power Markets Conference**.

Securitizing portions of the revenue from its contracted solar fleet will provide the company with cash to make additional investments, Schade said. "There is a growing appeal for such securitizations," he said, noting that the low risk associated with solar technology, particularly photovoltaic, would make it attractive to investors.

The program is in its infancy and will pick up speed once the company starts bringing

*(continued on page 12)*

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## At Press Time

**Congress Trims, Shuffles DOE Loan Programs**

The U.S. Department of Energy's loan guarantee programs have survived a 2011 Congressional budget bill, albeit with smaller allocations and some different rules. Congress approved the bill that includes legislation pertaining to the programs Thursday.

The legislation slashes \$18.183 billion from the DOE's Sect. 1703 program designed initially for innovative renewables projects, says **Ken Hansen**, partner at **Chadbourne & Parke** in Washington, D.C. That cut leaves \$29 billion in program coffers, with \$18.5 billion earmarked for two nuclear projects. The smaller program budget will mostly affect innovative renewables sponsors that are seeking loan guarantees under Sect. 1703, Hansen adds.

The bill adds \$1.18 billion to the loan programs office, which oversees Sect. 1703 and the Sect. 1705 program, which backs commercially viable projects. Roughly 80 projects are in the due diligence queue of Sect. 1705, which is set to expire on Sept. 30. Under the bill, the additional funds are now available to developers looking to apply to Sect. 1703 projects and to Sect. 1705 projects beyond Sept. 30. "This means a basket of projects... don't have to worry anymore about the Sept. 30 deadline," Hansen says. The Sect. 1703 program has no sunset date.

Also, project sponsors that applied for Sect. 1705 loan guarantees before Feb. 24 are now eligible for Sect. 1703 funds, says a bill watcher.

Congress has also appropriated \$170 million to fund credit subsidy costs for qualifying projects under both of the programs. Credit subsidies are essentially required insurance on loan guarantees—or loans, if the U.S. **Federal Financing Bank** funds them—and had been only available under the Sect. 1705 program, not under the Sect. 1703 initiative.

A DOE spokeswoman in Washington, D.C., declined to comment and an FFB official, also in Washington, didn't return a call.

**El Paso Eyes Refi Of \$3B Ruby Pipeline**

Bankers are expecting **El Paso Corp.** to refinance a \$1.5 billion loan backing its Ruby Express Pipeline before pricing on a the seven-year loan steps up to 375 basis points over LIBOR from 300 bps.

"The original financing was structured to encourage a refinancing in the capital markets," says a managing director, citing the mini-perm structure of the 2010 deal (PFR, 5/10). Lenders anticipate El Paso targeting a bond deal or 144A private placement for long-term financing, which it will likely put together after the project goes into operation this summer. The schedule for step-ups on the loan could not be learned.

The original Ruby financing, which wrapped last year, was nearly double over-subscribed. **Banco Santander**, **Bank of Montreal**, **Crédit Agricole**, **Royal Bank of Scotland**, **Scotia Capital**, **Société Générale** and **UniCredit** were among the banks that took \$187.5 million tickets. The pipeline is also backed by \$700 million in equity from **Global Infrastructure Partners**, a fund operated by **Credit Suisse** and **General Electric**.

The 675-mile natural gas pipeline will stretch from the Opal Hub in Wyoming to Malin, Ore. It will have a capacity of 1.5 billion cubic feet per day. El Paso financiers declined to comment through a spokesman in Houston. Bank officials and spokespeople either declined to comment or didn't return calls.

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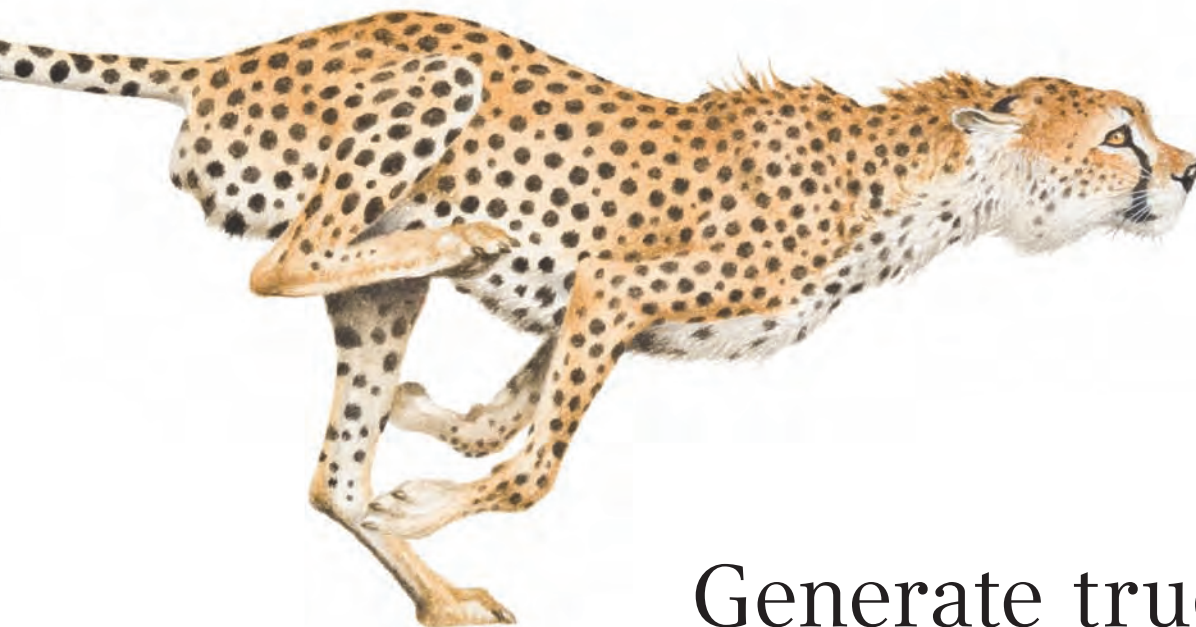
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## Project Finance

### Developer Seals Mo. Wind Refi

Banco Santander, BayernLB, NordLB, Rabobank and Union Bank have wrapped a more than \$240 million refinancing backing Wind Capital Group's 150 MW Lost Creek farm in Dekalb County, Mo.

The five lenders also financed the project's original deal, a \$240 million mini-perm supporting the development (PFR, 10/26/09). Pricing on the original Lost Creek deal started at 300 basis points over LIBOR.

Deal details of the refi, including pricing, tenor and size, couldn't be learned. Ciaran O'Brien, Wind Capital ceo in Chicago, didn't return a call by press time. Bank officials declined to comment or didn't return calls.

### SunPower Lands Conditional Federal Loan

The U.S. Federal Financing Bank has awarded a \$1.187 billion conditional federal loan to SunPower Corp. for a planned 250 MW photovoltaic solar plant in San Luis Obispo County, Calif. The project qualifies for the loan under the U.S. Department of Energy's loan guarantee program.

SunPower is designing and building the California Valley Solar Ranch project, which it is selling to NRG Energy subsidiary NRG Solar (PFR, 12/1). NRG is planning to contribute \$450 million in equity toward the project over the next four years. Spokeswomen at NRG in Princeton, N.J., and SunPower in San Jose, Calif., didn't return calls seeking comment by press time. The status and timeline of the acquisition could not be learned.

Most FFB loans for renewables projects have priced between 37-37.5 basis points over LIBOR (PFR, 1/5). Pricing and tenor on the SunPower loan couldn't be learned. A DOE spokeswoman in Washington, D.C., declined to comment.

The DOE's final approval of the loan generally depends on the developer completing certain milestones on the project, such as state and federal permitting. Pacific Gas & Electric has a 25-year offtake agreement for California Valley Solar. Construction is expected to start after the second quarter, with some operations initiated by year-end. The balance of generation is anticipated in 2012 and 2013.

California Valley Solar will use tracking technology and an innovative monitoring system to boost output by an expected 25% over traditional PV structures. The project will be the largest PV plant in the U.S. to use this technology.

### BrightSource Wraps Google-Backed Solar Project Loan

The Federal Financing Bank has closed a \$1.6 billion federal loan supporting BrightSource Energy's 392 MW Ivanpah solar project in Southern California. Google also invested \$168 million in equity in the solar thermal plants—its largest renewables investment to date and its first in U.S. solar.

The loan for the \$2.1 billion project falls under the U.S. Department of Energy's loan guarantee program. Google joins several equity investors in the plants, including NRG Energy, which pledged \$300 million toward the project last fall. Other investors include Alstom Power, a French nuclear manufacturer which is investing \$55 million (PFR, 5/21), as well as the California State Teachers Retirement System, Morgan Stanley and venture capital shops Draper Fisher Jurvetson and VantagePoint Venture Partners.

BrightSource qualified for the loan under the DOE's Sect. 1705 program for commercially viable projects (PFR, 6/18); the FFB is funding the loan.



The BrightSource project appealed to Google because it found the technology "compelling," says a spokesman in Mountain View, Calif. The Ivanpah project will employ series of mirrors to concentrate sunrays onto a receiver in a power tower. The tower will generate steam that will then run through a traditional turbine to make electricity, according to Google's blog. The system, which focuses a large amount of sun onto a small area, produces steam at high pressure and temperatures of 1,000 degrees Fahrenheit.

The DOE has priced most FFB loans for renewables projects at roughly 37.5 basis points over LIBOR (PFR, 1/5). The pricing and tenor on the BrightSource loan couldn't be learned. Rick Needham, Google director of green business operations in Mountain View, wasn't available for comment and Doug Schultz, DOE program officer in Washington, D.C., declined to comment. Spokespeople for BrightSource, the DOE and Google declined to discuss terms of the deals. Gary Burner, FFB cfo in Washington, D.C., didn't return a call seeking comment.

Pacific Gas & Electric and Southern California Edison are the offtakers for Ivanpah, a complex of three plants being built in phases through 2013. Spokespeople at PG&E and SoCalEd declined to comment.

## PNM Issues Renewables RFP

Public Service Co. of New Mexico is calling for renewables generation or renewable energy certificates from operating projects as it seeks to meet the state's renewable portfolio standards.

Per the state's RPS, at least 10% of retail energy must be derived from renewables sources this year. The requirement increases to 15% in 2015 and to 20% in 2020. PNM's request for proposals is open to wind, solar, hydro, geothermal and biofuel generators.

The Albuquerque, N.M.-based utility is targeting one or more projects delivering up to 120-140 MW or 360,000 MWh annually—or for RECs, those renewable projects that have been operating since July 1, 2008. A pre-bid conference is scheduled for April 18. Sponsors considering applying for PNM's RFP must file notices of intent by April 22. Formal bid forms are due June 10. Applicants will be short-listed July 1.

PNM will consider offers proposing asset purchases, power purchase agreements and joint-ownership projects in an effort to satisfy the state's RPS. Applicable projects must be available no later than 2014 such that new projects are operational six months to two years after securing PNM approval.

The utility has no preference among potential renewables

sources and won't necessarily select winners based on price, a PNM spokeswoman in Albuquerque says. New generators are permitted to be transmitted into New Mexico from beyond state lines, says the spokeswoman. Applicants seeking to sell RECs to PNM must sponsor projects within the state, however.

## Pacific Gas & Electric Plans To Scout Renewables

Pacific Gas & Electric is planning to issue a request for proposals in the second or third quarter for new renewables generation. The San Francisco-based utility will offer power purchase agreements to selected applicants.

PG&E has yet to announce how much new generation it will seek, though it is targeting annual increases in renewables generation to satisfy California's renewable portfolio standard of 33% by 2020, says a spokesman in San Francisco. Solar photovoltaic, solar thermal and wind will be among eligible resources.

The utility favors projects within its coverage area, from Bakersfield, Calif., to Eureka, Calif. Also, projects must be operational within 18 months of approval by the California

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**Public Utilities Commission**, the PG&E spokesman adds. Project deadlines have yet to be announced.

PG&E will welcome applicants that lost out in a call for 50 MW of new solar PV in February. Winners of that call will be announced soon and will garner power purchase agreements for 1-20 MW projects. The February request for offers is part of a five-year process to add 50 MW of new PV generation annually (PFR, 4/23/10). Another 50 MW RFO is planned for February 2012, the spokesman says.

**Calpine Corp.**, **NextEra Energy Resources**, **Pattern Energy** and **Radback Energy** are among sponsors of projects that have garnered PG&E offtake contracts. Whether they won contracts via bid processes couldn't be learned.

PG&E is among several Western utilities looking for renewables generation. **Arizona Public Service Company** issued an RFP last month for new generation for two or three plants that will generate 2-15 MW each (PFR, 3/18). **Public Service Co. of New Mexico** is targeting 120-140 in renewables generation, either from new sources or via renewable energy credits (see story, page 5).

## Corporate Strategies

### Georgia Power Issues Notes For Nuclear, Debt

**Georgia Power** has issued \$250 million in five-year Series 2011B senior notes to help repay \$522 million in short-term debt and fund its construction projects, including two new units at the Vogtle nuclear site near Augusta, Ga. The issue is expected to close Tuesday. **Standard & Poor's** and **Fitch Ratings** rate the **Southern Co.** subsidiary A.

The utility snagged a coupon of 3% for the issue, higher than the historic low rates it secured in the second half of 2010, when investors had big appetites for investment-grade debt (PFR, 9/22). Georgia Power landed a record-low rate of 1.30% for its issue of \$500 million in three-year bonds in that deal, while Southern Co. scored a 2.375% rate for a \$400 million issue of five-year notes, its lowest coupon in over 30 years.

Georgia Power found the market receptive to investors when it priced the notes Tuesday, says a deal watcher, who declined to elaborate. **Meredith Odom**, Southern Co. financial analyst principal in Atlanta, Ga., declined to explain the timing of the issue. Details regarding the short-term debt the proceeds are set to repay could not be learned.

**Barclays Capital**, **Deutsche Bank** and **Morgan Stanley** were the joint bookrunners on the issue. **Crédit Agricole CIB**, **Mizuho Securities** and **The Williams Capital Group** were co-managers. Bank officials and spokespeople declined to comment or didn't reply to inquiries.

## People & Firms

### Loan Co-Chief Exits RBS

**David Nadelman**, co-head of loan syndicate at **RBS Securities**, has left the bank. Nadelman reported to **Victor Forte**, head of syndicate, Americas, and was based out of Stamford, Conn.

Widely known as RBS' point person for power project finance, Nadelman started at the bank in 2001 after stints at **KBC Bank** and **Scotia Capital**. **Mitsubishi UFJ Financial Group** has been planning to buy RBS' global project finance business for roughly GBP4 billion (\$6.4 billion) (PFR, 11/2). The status of that transaction or whether it had any bearing on the departure, could not be learned.

**Simon Walker**, the other co-head of loan syndicate, left the bank in December, roughly one month after starting at RBS. The former head of investment grade loan markets at **UBS**, has returned to UBS' office in Stamford. Walker declined to comment and an RBS spokesman did not return calls. Nadelman could not be reached. Walker's current title at UBS and RBS' plans for Nadelman and Walker's replacements also could not be learned.

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March 29, 2011

**Highstar Nets LS' Ariz. Plants**

**Highstar Capital** has agreed to buy **LS Power's** Arlington Valley and Griffith combined-cycle plants in Arizona.

**Barclays Capital** advised Highstar and **Credit Suisse** and **Citigroup** advised LS power. The price could not be

March 30, 2011

**Highstar To Acquire Combined-Cycle Power Plants From LS Power**

Private equity firm Highstar Capital has entered into an agreement with LS Power to acquire 100% of the equity interests

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## Global Power Markets Conference

*The future of coal, nuclear and natural gas-fired generation and the health of the M&A market created the buzz at Platts' 26<sup>th</sup> Annual Global Power Markets Conference. Bankers, developers, executives and attorneys gathered at The Cosmopolitan in Las Vegas for the event on April 10-12. Senior Reporter Holly Fletcher filed the following stories:*

### Tenaska Tracks Ill. Legislation

**Tenaska** is monitoring whether a bill in the Illinois legislature will put its \$3.5 billion, 600 MW Taylorville integrated gasification combined-cycle project back on track. **Jerry Crouse**, vice chairman and ceo, told *PFR* on the sidelines of the conference that the company intends to meet with state political officials next week to discuss how the Energy Infrastructure Modernization Act will impact the project. "We believe it's possible, this session, to get approval," Crouse said, noting that the process is still "very fluid" and has wide support from activist groups and politicians.

The Illinois Senate rejected in January a proposal that would allow Tenaska to recover its costs from ratepayers, a move that put the future of the project into question. **James Clayborne**, Senate majority leader in Springfield, did not return a call and a timeline for the legislation's approval could not be learned.

The project in Taylorville, Ill., received a \$2.579 billion loan guarantee from the U.S. Department of Energy in 2009. Crouse said that the company had recently confirmed with the DOE that Taylorville is still in good standing for its guarantee.

### CPV Finds Bank Hunger For Sentinel

**Competitive Power Ventures** expects to finalize the \$400 million financing backing its 850 MW Sentinel combined-cycle facility in the middle of next month. "The bank market is very active.

Lenders are hungry," **Doug Egan**, ceo, told *PFR* on the sidelines of the 26th Annual Global Power Markets Conference in Las Vegas. The company has arranged one of the lowest prices on loans in the last couple of years, snagging in the neighborhood of 225 basis points over LIBOR (*PFR*, 3/3).

Separately, the Silver Spring, Md.-based company is looking for capital, including tax equity, to fund a portion of its wind development pipeline on a project-by-project basis.

**ING**, **Royal Bank of Scotland**, **Sumitomo Mitsui Banking Corp.** had been in discussions about joining the financing being led by **Bank of Tokyo-Mitsubishi UFJ**. Sentinel, a project in Riverside, Calif., is expected to be online in 2013 and has a 10-



year power purchase agreement with **Southern California Edison**.

With regards to the tax equity hunt, a process with **Marathon Capital** has been ongoing for about a year. Rumors had swirled around CPV considering selling the wind pipeline, instead of just raising capital. "We're not prescriptive. We let people come to us [with ideas about how to invest]," Egan said, declining to elaborate on specifics in the wind process.

CPV has PPAs with the **Tennessee Valley Authority** for its 165 MW Cimarron project in McIntosh County, N.D., and its 200 MW Ashley project in Gray County, Kan., and is nearing the finalization of a third PPA, Egan said. A Marathon Capital official could not immediately be reached for comment and bank officials either declined to comment or did not return calls.

### New Gas Build Take Backseat To M&A

New natural gas-fired projects will continue to take a backseat to asset M&A as low power demand and pricing signal that new build is not yet required.

New build requires an uptick in power demand which has not occurred outside of the New York City market, says **Donald Kyle**, managing director at **GE Energy Financial Services** at the conference. Without such indications, developers and investors are hesitant to get started with new natural gas-fired projects so acquisitions remain attractive. **Energy Capital Partners** will continue to be on the acquisition hunt, said **Doug Kimmelman**, senior partner at ECP, adding that the difficulty in lining up power purchase agreements hinders the greenfield process. "For us, in today's market, it is not a close call," he said on a panel, of ECP's M&A focus.

The lack of drive for new-build has some observers concerned about a possible dearth in baseload capacity, especially if a number of coal-fired plants are shutdown by 2015 as per regulations under the U.S. **Environmental Protection Agency**. Power companies and planners need to be thinking now about whether new generation will be needed, said **Jerry Crouse**, vice chairman and ceo of **Tenaska**. "If you want a new natural gas plant in 2015 then you better be picking up your phone and getting your permits," he said.

Developers that do decide to forge ahead with projects will be operating in a new environment where projects have multiple offtakers and shorter contracts, said Crouse, adding that he expects that financial tools will be needed to firm up the power

## Global Power Markets Conference

sales. The line-up of projects that do get underway to replace coal are more likely to be simple-cycle than combined-cycle, said **Doug Egan**, ceo of **Competitive Power Ventures**, which currently has several development projects underway.

### Guatemalan Co.s Prep RFP

**Empresa Electrica de Guatemala**, a distribution company based in Guatemala City, is teaming up with two other local distribution companies on an 800 MW request for proposals that will bring in 480 MW of renewable power.

Bids are due to EEG in Guatemala City on Oct. 28; winning proposals are expected to be announced by year-end.

Projects will be vying for 15-year power purchase agreements that start in 2015 and will replace maturing PPAs in addition to meeting new power demand, Empresa General Manager **Jorge Alonso Duarte** told *PFR* at the conference. **Distribuidora de Electricidad de Occidente** and **Distribuidora de Electricidad de Oriente** are also involved.

The companies will first review the technological viability of the projects before considering the economics of short-listed projects, Duarte said. The country is best suited for hydro and biomass, he said. Renewable projects, including wind, solar and geothermal, will need to comprise 60% of the demand. Thermal and coal-fired generation will fill out the rest.

The RFP is open to both domestic and foreign companies that either have operations in the country or are looking for an entrance.

## Safety Concerns, Costs Cut Nuke Push

The nuclear renaissance that was taking hold in the U.S. is expected to be stopped in its tracks—at least temporarily—as a result of the ongoing crisis at **Tokyo Electric Power Co.**'s earthquake and tsunami-battered Fukushima nuclear plant. The conference was abuzz with talk of the repercussions in the U.S. and how long they will persist.

Questions arose over the cost benefit of building a power plant with a price tag in the neighborhood of \$15 billion that carries public safety concerns. "Nuclear for the moment is a four letter word," said **Christian Schade**, cfo of **NRG Energy**, adding that it's difficult to see a path to new development with the current concerns over safety.

Speakers across several panels reinforced **Tenaska** vice chairman and CEO **Jerry Crouse**'s statement that "the effects [of Fukushima] can't be anything, but a slowing or stopping" of nuclear development.

**John Reed**, chairman and ceo of **Concentric Energy Advisors**,

downplayed the backlash against nuclear generation. He expects that lessons will be learned from Fukushima and that support will coalesce around another nuclear renaissance. "Caution is called for. Shutting down all your nuclear power plants is not," Reed told attendees over lunch on Monday.

Reed expects the U.S. **Nuclear Regulatory Commission** to issue new regulations for operation and development after it evaluates the Fukushima incident just as it did after disasters at Three Mile Island and Chernobyl.

For now, industry officials are watching what will happen as regulators and officials look at **Entergy**'s Pilgrim nuclear plant in Massachusetts and Vermont Yankee in Vermont, both of which have a similar design to Fukushima. An early retirement of those or other plants would create dramatic shifts in the power market, said **Doug Kimmelman**, senior partner at **Energy Capital Partners**.

If a new plant gets built after the safety concerns have been addressed, a successful sponsor will most likely be a regulated utility that has the support of its utility commission in addition to a federal loan guarantee, said **Donald Kyle**, managing director at **GE Energy Financial Services**.

### Reporter's Notebook

- "I tweeted everybody at [GE Energy Financial Services]. Actually I didn't. I don't know how to tweet yet."—**Donald Kyle**, managing director at GE EFS, on how he was answering moderator and **Loeb & Loeb** Partner **Gregory Blasi**'s question on what two wishes the panelists would ask of a Genie in a bottle.
- "This is Vegas, man. You can do whatever you want."—One attendee to another on whether smoking cigars in the casino was permitted.
- The guests at **Loeb & Loeb**'s cocktail reception at the Overlook Grill at The Cosmopolitan smoked through the law firm's stash of 150 cigars by 10:15 p.m. on Monday, according to one attendee who arrived after the last one had been lit.
- "By participating you have defined yourself as the non-golfers, the not easily hungover and those without 2 p.m. flights. You set yourself apart as an elite group," **Vince Hahn**, senior v.p. at **SAIC Energy, Environment & Infrastructure** and moderator for the last panel on M&A, told the roughly 100 people who attended the session.
- **Hunter Armistead**, executive director at **Pattern Group**, introduced Pattern to the audience by explaining that "we were a part of **Babcock & Brown**. They completely imploded. That was an enjoyable experience."



# 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 [hfletcher@iineews.com](mailto:hfletcher@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	Two bidders emerge as frontrunners (PFR, 4/11).  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, 3/25).
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).
Cogentrix	Plains End I (115 MW Gas-fired) Plains End II (118 MW Gas-fired) Rathdrum (301.4 MW Combined-cycle) Cottage Grove (245 MW Combined-cycle) Whitewater (249 MW CCGT) Selkirk Cogen (345 MW CCGT) Logan Generation (225 MW Coal-fired) Morgantown (62 MW Coal-fired) Scrubgrass (85 MW Waste coal-fired) Indiantown (355 MW Coal-fired) Spruance (240 MW Coal and Tire-fired) Carney's Point (285 MW Coal-fired) Rocky Mount (115 MW Coal-fired)	Arvada, Colo. Arvada, Colo. Rathdrum, Idaho Cottage Grove, Minn. Whitewater, Wis. Albany, N.Y. Logan, N.J. Morgantown, W. Va. Scrubgrass, Pa. Martin County, Fla. Richmond, Va. Carney's Point, N.J. Rocky Mount, N.C.		EIF buys remaining minority stakes of Plains End and Rathdrum plants to become sole owner. EIF also buys remaining stakes in 10 other plants (PFR, 4/11).
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 (PFR, 4/11).
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).
NextEra Energy Resources	Blythe (507 MW Combined-Cycle) Calhoun (668 MW Gas-fired) Doswell (879 MW Simple-cycle) Cherokee (98 MW CCGT) Risec (550 MW CCGT)	Blythe, Calif. Eastaboga, Ala. Ashland, Va. Gaffney, S.C. Johnston, R.I.	Credit Suisse Citigroup	NextEra looking to take advantage of appetite for contracted assets (PFR, 4/11).
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 (PFR, 4/11)

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Seller	Assets	Location	Advisor	Status/Comments
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 (PFR, 4/11).
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](mailto:beckhouse@iinews.com).*

### Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
BrightSource Energy	Various (1.3 GW Solar)	Southern California	Federal Financing Bank	Federal Loan	\$1.6B	TBA	Federal agencies wrap loan, loan guarantee (see story, page 4).
Brookfield Renewable Power, Coram Energy	Unknown (102 MW Wind)	Tehachapi, Calif.	TBA	TBA	TBA	TBA	Bank of Tokyo-Mitsubishi UFJ joins financing (PFR, 4/11).
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 (PFR, 4/11).
Competitive Power Ventures	Sentinel (850 MW Gas)	Riverside County, Calif.	BoTM	TBA	TBA	TBA	Sponsor eyes May closing (see story, page 7).
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).
Gestamp Wind	Flatwater (60 MW Wind)	Richardson County, Neb.	Rabo, La Caixa, Sabadell	Term	\$81M	TBA	Deal wraps (PFR, 4/11).
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).
Recurrent Energy	Various (170+ MW Solar)	Ontario	TBA	TBA	TBA	TBA	Sponsor considers downsizing financing (PFR, 4/11).
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).
SunPower Corp.	California Valley Solar Ranch (250 MW Solar)	San Luis Obispo County, Calif.	Federal Financing Bank	Federal Loan	\$1.187B	TBA	Sponsor snags conditional loan (see story, page 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 (PFR, 4/11).
	Imperial Solar Energy Center West (150 MW Solar PV)	Imperial Valley, Calif.	TBA	TBA	TBA	TBA	Sponsor seeks federal loan guarantee (PFR, 4/11).
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).
	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	Lost Creek (150 MW Wind)	Dekalb County, Mo.	Banco Santander, BayernLB, NordLB, Rabobank, Union Bank	Refi	\$240M+	TBA	Sponsors close refi (see story, page 4).

## News In Brief

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

### Americas

- **Dynegy** has hired **Lazard** and law firm **White & Case** to advise on a restructuring process and possible asset sales. The company could face bankruptcy later this year if its credit agreements are not eased or if it doesn't sell assets (*Bloomberg*, 4/14).

- **Duke Energy** will work with **Xtreme Power** on developing a \$44 million, 36 MW storage system at the 153 MW Notrees wind farm in west Texas. **Wal-Mart** has a power purchase agreement with the farm (*Bloomberg*, 4/14).

- A group of bipartisan lawmakers have come out in opposition to Connecticut's proposed electricity tax. If enacted, **Dominion Resources** would pay a \$332 million levy on its Millstone nuclear facility (*The Day*, 4/14).

- **Bruce Sohn**, president of operations at **First Solar**, will leave the company at the end of the month. First Solar will not replace his position (*Reuters*, 4/13).

- **NorthWestern Energy** plans to expand the Spion Kop Wind project near Geyser, Mont., to 40 MW from 25 MW. The purchase price is \$77.88 million (*Bloomberg*, 4/13).

- **Jerry Brown**, California's governor, has signed a bill mandating the state's utilities to derive 33% of electricity from renewables sources by 2020. The state had formerly required utilities to get 20% of generation from renewables (*The San Francisco Chronicle*, 4/13).

- **Arizona Public Service Co.** subsidiary **Pinnacle West Capital Corp.** has filed an application with the U.S. **Bureau of Land Management** to build a 38-mile transmission line in the state. The project would connect substations near the cities of Buckeye and Peoria (*Forbes*, 4/13).

- **Sol Orchard**, a Carmel, Calif.-based developer, is planning to build 23 solar projects near substations that will combine to generate up to 50 MW in San Diego County, Calif. **San Diego Gas & Electric** is the oftaker for the farms (*The San Diego Union-Tribune*, 4/12).

- **U.S. Geothermal**, a Boise, Idaho-based developer, has snagged a U.S. **Department of Energy** reservoir certificate needed to build its Neal Hot Springs plant in Malheur County, Ore. The sponsor wrapped a nearly \$97 million federal loan for the project in February (*Bloomberg*, 4/12).

- **PPL Corp.** will sell \$750 million of equity units and 80 million common shares. It will use proceeds from the concurrent offerings to repay a piece of a GBP3.6 billion (\$5.9 billion) bridge loan the utility used to fund its purchase of **E.ON's** Central Networks distribution networks in the U.K. (*NASDAQ*, 4/11).

- Maryland lawmakers will shelve Gov. **Martin O'Malley's** proposed \$1.5 billion offshore wind project until either this fall or next year. State leaders prefer to study the potential ratepayer costs before proceeding with the plan (*The Washington Post*, 4/11).

## COAL TO CREEP

(continued from page 1)

GW, by some estimates—will not be shut down overnight, but decommissioned over time. Plus, ripples from the crisis at Japan's Fukushima nuclear plant, along with uncertainty about how renewables will fare when incentives expire, mean that coal will remain an important baseload resource.

Sellers have held onto plants as potential buyers worked out a strategy that could include adding coal to their portfolio. In order to buy coal plants "one needs to have a view about what one can do with coal plants," **Larry Kellerman**, ceo at **Quantum Utility Generation**, said on a panel. Buyers have appetite for coal, but it's difficult to assign a value to the assets in the absence of more detailed EPA regulations, said **Jim Steggall**, principal at

**ArcLight Capital Partners**. "It's hard to know how to model these plants. When you do model them, you're probably being conservative and not giving these deals a fair shake," he said. Several plants are expected to change hands over the next year-and-a-half.

Aside from **AES** looking to sell its four coal-fired plants under **Eastern Energy**, few coal-fired facilities have been on the market in the last couple of years. Other sellers are likely to make a move to the market independently of the outcome of the **AES** process, said **Ahmad Masud**, managing director and head of power M&A at **Credit Suisse**.

As for new build and financing retrofits, credit committees will be looking at EPA regulations, the plant or project's competitiveness in the local market, any scrubbers or other technologies it might need and costs that can be passed through



to ratepayers or other parties under power purchase agreements, he said. "We think coal will be financeable," said **Donald Kyle**, managing director at **GE Energy Financial Services**. *For more conference coverage, see page 7.*

—*Holly Fletcher*

## NRG SCOPES

(continued from page 1)

portions of its 881 MW utility scale pipeline online, Schade told *PFR* on the sidelines, noting that "banks can securitize anything" although there is not a yet a track record for securities like this. He declined to say if the company is talking with specific banks about a future deal.

The company is working to bring a series of nine projects online—including the 21 MW Blythe, 20 MW Roadrunner, 6 MW Avenal, 92 MW Alpine and 250 MW California Valley Solar Ranch—that are likely to be in a securitization. Aggregating a large enough portfolio that has geographical diversity is a challenge for sponsors looking to securitize a solar portfolio (*PFR*, 4/16/10). *For more conference coverage, see page 7.*

—*H.F.*

## SCANDI SOLAR

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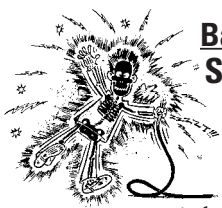
no final deadline to submit bids. Financial companies, utilities, independent power producers and manufacturers have shown interest in either the portfolio or in individual projects in the portfolio, Albright adds. **Ira Greenberg**, managing director of NorthWind, is also working on the deal.

Scatek's plans for financing the projects will largely depend on the input of future investors, notes **Eric Perreca**, president of Scatek in San Francisco. "We're looking for a long-term relationship that could have many different flavors," Perreca says, adding that company is looking for capital and experience in a potential bidder or investor. The identity of potential buyers and investors could not be learned.

The fully permitted projects include a 100 MW project in Stanislaus County, California, a 50 MW project in Utah and a 6 MW project in Oahu, Hawaii. The projects in California and Utah will be split into two separate development phases of 50 MW and 25 MW, respectively. Scatek is negotiating power purchase agreements for the California project with an investor-owned utility in the state and it expects to secure a PPA before year-end. It is also in negotiations with **Hawaii Electric Power Company** for a PPA for the Oahu project and with a municipal offtaker for the project in Utah, Perreca says. A spokeswoman for HECO in Honolulu did not return a call.

Scatek aims to begin construction on the first phases of the California and Utah projects and the Hawaii project this year in order to secure a cash grant from U.S. **Department of Treasury**.

## Alternating Current



### Battle Royale Singer Bjork Puts Pressure On Magma Energy

The government of Iceland is trying to persuade Magma Energy to shorten a lease it has with an Icelandic geothermal company after singer **Bjork** led a campaign against foreign ownership of the power assets.

Vancouver, Canada-based Magma established a Swedish subsidiary, **Magma Sweden**, in 2009 and the subsidiary, in turn, secured **HS Orka** from **Geysir Energy**. Opponents of the acquisition argue that Magma set up the affiliate with the sole purpose of circumnavigating an Icelandic law, which prevents companies from outside the European Economic Area from owning majority stakes in local energy companies. Icelandic municipalities sold Orka to Geysir Energy in 2007.

Since the deal went through, Bjork, an Iceland native who has often cited the country's natural beauty as inspiration, has spearheaded an effort get the purchase revoked. "I can no longer remain silent on the very pressing subject that is the selling off of Iceland's nature," she wrote in a letter to newspaper *The Reykjavik Grapevine*. In addition to a three-day karaoke sing-off hosted by the singer, Bjork started a petition to revoke the deal that has garnered 48,000 signatures in a country with a population of 320,000.

Magma has agreed to shorten a 65-year lease it secured on HS Orka. The negotiations to revamp the deal are ongoing between the government and Magma.

Operation is slated for the beginning of next year. The company has 110 MW of operating solar installations in Italy, the Czech Republic and Germany.

—*Sara Rosner*

## Quote Of The Week

"Nuclear for the moment is a four letter word." —**Christian Schade**, cfo of **NRG Energy**, on increasing concerns arising over U.S. nuclear development the aftermath of the Fukushima disaster in the Japan (see story, page 8).

## One Year Ago In Power Finance & Risk

WestLB and **Crédit Agricole** (née Calyon) were preparing to come to market with a \$300-400 million financing backing the construction of **Pure Energy Resources'** 512 MW gas-fired peaker in Bayonne, N.J. [**GE Capital**, **LBBW**, **Intesa Sanpaolo**, **Investec** and **Société Générale** each took pieces of the loan, which wrapped in September (*PFR*, 9/30).]