

Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

By the publisher of GlobalCapital

● PROJECT FINANCE

Terra-Gen Seals Bank Finance for Wind Projects

Crédit Agricole, KeyBanc Capital Markets and Commonwealth Bank of Australia arranged the deal.

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● LATIN AMERICA

Duo Seals LatAm's Biggest Gas-fired Project Financing

Golar Power and **Ebrasil** closed \$1.34 billion in debt for their 1.5 GW Porto de Sergipe LNG-to-power project.

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● PEOPLE & FIRMS

M.D. Leaves Hannon Armstrong

Christopher Smith has left the Annapolis, Md.-based infrastructure firm he joined as a managing director and treasurer in March 2015.

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● Q1 LEAGUE TABLES

Key Chalks Up Strong Quarter

Richard Metcalf

KeyBanc Capital Markets' Cleveland-based project finance team had its most successful first quarter since 2015, rising to the top of the North American power P.F. league table as lenders vied for deals.

The bank inked five North America power project loans for league table credit totaling

\$359 million, according to data firm **Dealogic**.

Business in the sector appears to have been much slower than in the same period last year, even accounting for late league table submissions.

Dealogic has recorded just \$1.77 billion of loans up to the end of March, compared with the \$3.9 billion reported by *PFR* in April of last year (*PFR*, [PAGE 2](#) »)

North America Power, Renewable & Wind PF Loan Ranking Q1 2018



Pos.	MLA	Deal Value \$m	No of issues	Share %
1	KeyBanc Capital Markets	359	5	20.2
2	SunTrust Robinson Humphrey	170	1	9.6
3	HSBC	169	1	9.6
4	Banco Santander	169	1	9.6
5	CIT Group	114	2	6.4
6	BNP Paribas	103	2	5.8
6	Crédit Agricole	103	2	5.8
8	Commonwealth Bank of Australia	90	1	5.1
8	Rabobank	90	1	5.1
10	Mizuho	81	1	4.6
Total		1,773	14	100.0

All bookrunners, data to April 20, 2018

CCGT Project Debt Deal Awaits PJM Clarity

Shravan Bhat

Advanced Power is said to have priced a debt package for a quasi-merchant gas-fired project it is developing in Ohio, but the deal is unlikely to close until more is known about market reforms proposed by **PJM Interconnection**.

The debt for Advanced Power's 1,100 MW South Field project in Columbiana County is priced at 325 basis points over Libor, say bankers. The sponsor had begun seeking financing for the project last year, targeting financial close by the third quarter of 2017.

However, the [PAGE 5](#) »

● PPA PULSE

Small Businesses Enjoy Growing Menu of Renewable Purchasing Options

Shravan Bhat

As the giants of the corporate world fill up on renewables, a Seattle-based company has a plan to open up wind and solar procurement to smaller companies.

Apple announced that its global facilities, including retail stores, offices, data centers and co-located facilities in 43 countries, were powered entirely [PAGE 7](#) »

P.E. Firms Launch Sale of Transmission Asset

Fotios Tsarouhis

Ares-EIF and **Starwood Energy Group Global** are selling their majority stake in a transmission line that connects New Jersey with New York City.

Goldman Sachs is running an auction for the firms' joint stake in the high-voltage, direct current 660 MW Hudson transmission line, [PAGE 9](#) »



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● Q1 LEAGUE TABLES

Key Chalks Up Strong Quarter

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4/20/17). The figure for the first quarter of 2017 has since grown to \$5.3 billion as more data has trickled in.

The relative quiet is due to a slowdown in wind transactions and a lack of quasi-merchant gas-fired closings in **PJM Interconnection**, as the pace of solar activity has remained strong in spite of concerns around tariffs.

"Northeast states have announced programs on the distributed generation side and smart

metering," says **Andy Redinger**, managing director and head of utilities and alternative energy at KeyBanc. "That's really driving a lot of activity in the marketplace. I think the New Jersey legislation around SRECs is going to drive more activity as well."

In PJM, meanwhile, investors and financiers are awaiting clarity around the grid operator's capacity market reforms and potential retirements of nuclear and coal-fired generation (see story, page 1).

"It's prudent right now to be selective if you are going to provide capital to a new build," says Redinger of the PJM quasi-merchant market. "There is uncertainty, especially around the **First Energy Solutions** announcement and what exactly happens there, because that's a lot of generation in PJM," he adds, referring to the company's March 31 Chapter 11 filing (PFR, 4/2).

Meanwhile, Redinger is among a group of bankers who are optimistic that, despite intense lender competition, loan pricing may have reached its nadir.

"It clearly has gone lower, but I think it's found the floor," he says. "Even with increased competition, I wouldn't be surprised if we see a reverse in that trend." ■

Latin America Power,
Renewable & Wind PF
Loan Ranking Q1 2018

dealogic

Pos.	MLA	Deal Value \$m	No of issues	Share %
1	Bradesco BBI	279	7	17.2
2	Banco Santander	270	4	16.7
3	SMBC	187	3	11.6
4	MUFG	166	2	10.2
4	Natixis	166	2	10.2
6	Arab Banking Corp.	121	1	7.4
6	Banco do Brasil	121	1	7.4
6	Citi	121	1	7.4
9	CaixaBank	35	1	2.1
10	ABN Amro	30	1	1.8
Total		1,621	12	100.0

All bookrunners, data to April 20, 2018

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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 & SALE CALENDAR ●

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

A full listing of completed sales for the last 10 years is available at <http://www.powerfinancerisk.com/AuctionSalesData.html>

Generation Sale ■ DATABASE

Seller	Assets	Location	Adviser	Status/Comment
Actis	Atlantic Energias Renovaveis (625 MW Wind)	Brazil		Chinese investors are among the bidders for the fully-contracted wind assets (PFR, 3/22).
ArcLight Capital Partners	Leeward Renewable Energy (1.7 GW Wind)	U.S.	BAML (seller), Wells Fargo (buyer)	Canadian pension fund manager OMERS is acquiring the portfolio (PFR, 3/26).
Ares-EIF, John Hancock Life Insurance Co	Berkshire (289 MW Gas)	Agawam, Mass.	Morgan Stanley	Tenaska has agreed to acquire the project, which has been online since 2000 (PFR, 4/2).
● Ares-EIF, Starwood Energy	Hudson (660 MW Transmission)	New Jersey, New York	Goldman Sachs (seller)	The sponsors are selling their majority stake in the project, which was completed in June 2013 (see story, page 1).
Comexhidro	Los Molinos (171 MW Wind)	Mexico		Thermion Energy has bought the project as part of the company's planned \$2 billion-equivalent investment in renewables (PFR, 4/2).
Conduit Capital Partners	Santa Catarina (22 MW Wind)	Monterrey, Nuevo León, Mexico		Conduit plans to launch a sale process for the contracted, operational asset this year (PFR, 1/8).
● Conti Group	Conti Solar (500 MW Solar)	U.S.		A fund managed by Ares-EIF is acquiring a majority stake in developer Conti Solar (see story, page 9)
Enbridge	Portfolio (-3 GW Wind, Solar, Hydro)	Canada, U.S.		Enbridge is looking to sell about half of its renewable assets (PFR, 1/8).
FirstEnergy Solutions	Bay Shore (152 MW Coal, Oil)	Lucas County, Ohio		Orca Acquisitions, a vehicle 95%-owned by ArcLight and 5%-owned by Olympus Power, is acquiring the project (PFR, 3/26).
GD Solar	Portfolio (260 MW Solar)	Brazil		The firm is seeking equity investors for the portfolio (PRF, 1/22).
GenOn Energy	Hunterstown (810 MW Gas)	Gettysburg, Pa.	Credit Suisse (seller)	Private equity firm Platinum Equity is acquiring the asset. AOS Energy, which consulted Platinum, will co-invest in the asset. Morgan Stanley is arranging acquisition financing (PFR, 3/5).
GenOn Energy	Canal (1,112 MW Gas)	Massachusetts		Stonepeak Infrastructure Partners is acquiring two units at the project for \$320 million (PFR, 4/2).
Hudson Clean Energy Partners	Portfolio (210 MW Hydro)	U.S.	Evercore	Hudson is weighing a sale of its stake in Eagle Creek Renewable Energy, which owns 210 MW of hydro assets throughout the continental U.S. (PFR, 2/26).
Invenergy	Ector County (330 MW Gas)	Ector County, Texas	Guggenheim (seller)	Invenergy has put the peaker up for sale (PFR, 2/26).
Invenergy Renewables	States Edge (2 GW Wind)	Cimarron and Texas counties, Okla.		Two utilities owned by American Electric Power have filed for federal approval to acquire the facility (PFR, 1/16).
Isolux Corsán	Cafayate (80 MW Wind)	Argentina		The sale to Canadian Solar, which closed on March 29, is part of a \$2.1 billion debt restructuring at Isolux (PFR, 4/9).
LS Power	Aurora (878 MW Gas)	Aurora, Ill.	Guggenheim	LS Power acquired Aurora and Rockford from NRG Energy in 2016 before refinancing them last year (PFR, 3/22).
	Rockford (450 MW)	Rockford, Ill.		
	Seneca (508 MW Hydro)	Warren, Pa.	Barclays, PJ Solomon	LS Power is marketing the project four years after it abandoned an initial attempt sell it (PFR, 3/22).
Macquarie Infrastructure Corp.	Bayonne Energy Center (512 MW Gas)	Bayonne, N.J.		MIC is weighing a sale of the project, which powers parts of New York City (PFR, 2/26).
Morgan Stanley	NaturEner USA (399 MW Wind)	Montana	Morgan Stanley	Morgan Stanley is selling NaturEner, which owns development wind assets in Alberta as well as the 399 MW operational wind portfolio in Montana (PFR, 5/15).
NextEra Energy Partners	Portfolio (396 MW Wind)	Ontario	Citi, CIBC	Canada Pension Plan Investment Board is buying the four wind and two solar projects for C\$741 million (PFR, 4/9).
NJR Clean Energy	Two Dot (9.72 MW Wind)	Two Dot, Mont.		NorthWestern Energy is acquiring the project, with which it has a power purchase agreement (PFR, 3/26).
Oak Leaf Energy Partners	Colorado CSG (25.2 MW Solar)	Colorado		Greenbacker Renewable Energy has acquired the portfolio v(PFR, 4/16).
Onyx Renewable Partners	Portfolio (small-scale Solar)	U.S.	RBC, CohnReznick	Onyx has begun marketing the portfolio (PFR, 1/29).
OYA Solar	Portfolio (28 MW (DC) Solar)	Minnesota		NRG is buying projects, all of which are expected to be online this year (PFR, 4/2).
Rockland Capital	Michigan Power (125 MW Gas)	Ludington, Mich.		Osaka Gas has acquired the project (PFR, 4/16).
Rockland Capital	Victoria (290 MW Gas)	Victoria County, Texas	PJ Solomon	Rockland is selling the CCGT, which it acquired from ArcLight in 2016 (PFR, 3/12).
Southern Power	Portfolio (1,760 MW Solar)	U.S.	Citi	Southern Power has hired Citi to sell an up-to one-third stake in the portfolio (PFR, 11/6).
Texas Municipal Power Agency	Gibbons Creek (450 MW Coal)	Grimes County, Texas		The plant is for sale again after an earlier attempt to offload it fell through (PFR, 11/20).

● 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 Fotios Tsarouhis at (212) 224 3294 or e-mail fotios.tsarouhis@powerfinancerisk.com

PROJECT FINANCE

Deal Book is a matrix of energy project finance deals that Power Finance & Risk is tracking in the energy sector. A full listing of deals for the last several years is available at <http://www.powerfinancerisk.com/Data.html>

Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Deal Type	Loan Amount	Tenor	Notes
Advanced Power	South Field (1.1 GW Gas)	Columbiana County, Ohio	GE EFS, CIT, Credit Agricole	Debt	TBA	TBA	Price talk on the debt is 325 basis points over Libor for the \$1.1 billion project (see story, page 1).
Alaska Gasline Development Corp.	Alaska Gasline (20 mtpa LNG)	Alaska	Goldman Sachs, Bank of China	Debt, Equity	\$43B	TBA	The 75:25 debt equity split assumes 20-year debt at a 5% coupon and equity at an 8% IRR (PFR, 4/16).
Ares-EIF	Channelview (856 MW Co-Gen)	Houston, Texas	Morgan Stanley, Investec	Term Loan B	\$275M	7-yr	Price talk is 450 to 475 basis points over Libor with a 1% floor and an original issue discount of 99% (PFR, 4/9).
				Revolving Credit Facility	\$30M		
Ares-EIF	St. Joseph Energy Center (700 MW Gas)	St. Joseph County, Ind.	BNP Paribas	Term Loan B	\$407M	7-yr	Price talk is between 350 and 375 basis points over Libor. The deal will refinance bank debt signed in 2015 (PFR, 3/26).
				Revolving Credit Facility	\$40M	5-yr	
Blackstone Group	Frontera (500 MW Gas)	Mission, Texas	Morgan Stanley, MUFG	Term Loan B	\$675M	7-yr	Price talk is 450 basis points over Libor (see story, page 5).
				Revolving Credit Facility	\$35M	5-yr	
BMR Energy	Unnamed (50 MW Wind)	Honduras		Debt			Virgin acquired BMR from American Capital Energy and Infrastructure, a private equity firm, in 2016 (PFR, 4/9).
Capital Power Corp.	New Frontier (99 MW Wind)	McHenry County, N.D.	CohnReznick (adviser)	Tax Equity	TBA		Tax equity funding will come in when the project is completed in December 2018 (see story, page 6).
Cheniere Energy	Corpus Christi Train 3 (4.8 mtpa LNG)	San Patricio County, Texas	Société Générale	Debt	\$6B	20-yr	Banks have had their orders scaled back after they collectively made bids totaling \$13 billion to participate in the deal (PFR, 4/16).
Enel Green Power	Portfolio (1 GW Solar)	Mexico	TBA	Debt	\$720M	TBA	The European Investment Bank has approved a \$150 million loan to the portfolio as part of a \$700 million limited-recourse financing that is due to close soon (PFR, 3/26).
GE EFS, Ingelec Group	Los Guindos (139 MW Gas)	Chile	MUFG, SMBC, Natixis, Banco BICE	Debt	\$150M	TBA	The sponsors will use the proceeds to add a second turbine to the project, bringing its capacity to 275 MW (PFR, 4/16).
Geronimo Energy	Nordic Solar (60 MW Solar)	Minnesota	CIT	Debt	\$36M		Geronimo has previously sold community solar projects in Minnesota to Berkshire Hathaway (PFR, 4/9).
Georgia Renewable Power	Portfolio (157 MW Biomass)	Georgia, North Carolina		Debt			The projects were financed with debt from Apollo Management and HPS Investment Partners in December (PFR, 4/9).
Invenery	Wind Catcher (2 GW Wind)	Oklahoma	TBA	Debt	\$2B	TBA	The sponsor is aiming to get pricing inside 100 basis points over Libor, say deal watchers (PFR, 4/16).
Jinko Solar	Viborillas (100 MW Solar)	Mexico	Natixis, MUFG, Societe Generale, BBVA, Inesta Sanpaolo, SMBC	Debt	\$134M	7-yr	The 15-year power purchase agreement with Mexico's Federal Energy Commission is priced at \$44.1/MWh (PFR, 4/16).
Leeward Renewables	Mendota Hills (50 MW Wind)	Lee County, Illinois	TBA	Tax Equity			Leeward is seeking tax equity to repower the project, increasing the capacity by 26 MW (PFR, 3/12).
Lightsource BP	Johnson Corner (20 MW Solar)	Stanton County, Kan.	TBA	Debt, Tax Equity	TBA		Lightsource has issued a teaser for the project and is seeking indications of interest for tax equity and debt by March 9 (PFR, 3/5).
Longview Power	Longview (700 MW Coal)	Maidsville, W.Va.	Houlihan Lokey (adviser)				Longview Power has hired Houlihan Lokey as it explores strategic options, including a potential refinancing of its senior secured debt (PFR, 4/9).
Navajo Tribal Utility Authority	Kayenta II (27 MW Solar)	Navajo County, Ariz.	TBA	Debt, Tax Equity	\$45M		NTUA has signed a 30-year PPA with Salt River Project for the project, which is expected to be online by Apr. 1, 2019 (PFR, 2/5).
OCI Solar Power	Lamesa II (50 MW Solar)	Dawson County, Texas	TBA	Debt, Equity	TBA	TBA	San Antonio's municipally-owned utility, CPS Energy, signed a 25-year power purchase for the project in October 2015 (PFR, 3/19).
Platinum Equity, AOS Energy Partners	Hunterstown (810 MW Gas)	Gettysburg, Pa.	Morgan Stanley, Goldman Sachs	Term Loan B	\$375M	7-yr	Price talk for the term loan B to finance the acquisition from GenOn Energy is 450-475 basis points over Libor (see story, page 6).
				Revolving Credit Facility	\$40M	5-yr	
Rockland Capital	Kimura (1052 MW Gas)	Ohio, Indiana	ABN Amro, BNP, CIT, Crédit Agricole, Investec, First Bank System, LBBW	Debt	\$170M	7-yr	The term loan for the \$241 million acquisition from Dayton Power and Light was priced at 300 bps over Libor (PFR, 4/9).
SkyPower Global	Portfolio (29.8 MW (DC) Solar)	Ontario	Nomura	Debt	\$105M		Fitch Ratings has given the term loan notes a BBB- rating, right in the sweet spot for private placement investors (PFR, 4/2).
Starwood Energy Group Global	Excalibur (Portfolio Coal)	Ark., N.J., W.Va.	SunTrust Robinson Humphrey	Debt	\$200M	22-yr	The loan was priced at 400 basis points over Libor (PFR, 4/2).
SunEast Development	Portfolio (700 MW Solar)	U.S.	Whitehall & Co.	TBA	\$33M	TBA	The utility-scale developer is raising capital as it seeks to transform its business model by owning projects (PFR, 2/20).
Taaleri Energia	Truscott-Gilliland East (277 MW Wind)	Knox County, Texas	NorthRenew Energy (adviser)	Debt, Tax Equity	\$350M		The Finnish developer is seeking debt and tax equity as it enters the U.S. market (PFR, 2/12).

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CCGT Project Debt Deal Awaits PJM Clarity

◀ FROM PAGE 1

financing has not yet closed owing to investor uncertainty over PJM's proposed market reforms. Prospective debt and equity investors may also be awaiting the results of the PJM capacity auction before they agree to participate in the financing, says a banker.

PJM has repeatedly called for price formation reforms, most recently in March after a cold snap forced the grid operator to pay hundreds of millions of dollars in so-called "uplift" charges.

"We must enhance market pricing so that prices accurately reflect the cost of serving load including the actions taken by dispatchers," said **Andrew L. Ott**, PJM's

president and ceo, in a statement (PFR, 3/1).

Since then, the grid system operator has

"We must enhance market pricing so that prices accurately reflect the cost of serving load including the actions taken by dispatchers,"

also filed two capacity market proposals with the U.S. **Federal Energy Regulatory Commission**, effectively asking the federal regulator to decide how supply-side state

subsidies should be addressed in the capacity pricing process.

GE Energy Financial Services was mandated as left lead on the debt raise for South Field early last year. **CIT Bank** and **Crédit Agricole** are also mandated lead arrangers on the deal (PFR, 1/18).

Whitehall & Co. is running the equity raise for the project, which is expected to cost \$1.1 billion and will be outfitted with **General Electric** turbines. **Bechtel** will provide engineering, procurement and construction services.

Representatives of GE EFS in Stamford, Conn., and Advanced Power in Boston did not respond to inquiries by press time. ■

Price Talk Revealed on Blackstone Gas-fired Refi

Details have emerged on a term loan B refinancing for a **Blackstone Group** Texas gas-fired project.

Lead left **Morgan Stanley**, along with **MUFG**, held a lender meeting to refinance debt associated with Blackstone's 526 MW Frontera project in Mission, Texas on April 13.

Price talk for the \$675 million, seven-year term loan B was 450 basis points over Libor with a 1% floor and an original issue discount of 99%. A \$35 million revolving credit facility, maturing in April 2023, backstops a six-month debt service reserve.

Frontera was previously financed alongside several other assets that are held in holding company **Lonestar Generation**, rated B by **S&P Global Ratings** and B2 by **Moody's Investors Service** (PFR, 4/2).

Aside from Frontera, the Lonestar portfolio includes three other assets in Texas—the 540 MW gas-fired Bastrop project near Austin, the 260 MW Paris

gas-fired project in Paris, near the Oklahoma border, and the 310 MW Twin Oaks coal-fired project in Robertson County (PFR, 2/15/17).

Its existing \$675 term loan, which matures in February 2021, was priced at 425 basis points over Libor with a 1% floor and an original issue discount of 98-99 in 2014 (PFR, 11/10/14).

Blackstone will use the proceeds of the refinancing to pay down all debt associated with Lonestar Generation, provide liquidity and pay fees and expenses, according to an April 16 report from S&P. Frontera, preliminarily rated BB, will be taken out of Lonestar and ring-fenced from the other assets, at which point S&P will withdraw its rating on Lonestar.

While the other assets are exposed to downward price pressure in **ERCOT**, Frontera sells all its energy and capacity into the Mexican wholesale power market through a dedi-

cated 230 kV transmission line.

"This asset benefits from a highly unique competitive advantage which allows it to procure low cost gas in the U.S.

"This asset benefits from a highly unique competitive advantage which allows it to procure low cost gas in the U.S. and sell electricity into Mexico"

and sell electricity into Mexico, effectively capturing a greater than \$20/MWh spark spread," said **Kimberly Yarborough**, an associate director at S&P in New York. Meanwhile, spark spreads in ERCOT linger around the single-digit mark.

Because it buys gas in the U.S., Frontera's marginal production cost is lower than that of most

other Mexican generators and S&P expects it to dispatch at well above 90% capacity factors.

Frontera's capacity contract with Mexico's **Comisión Federal de Electricidad** is expected to provide about \$12 million per year to the plant's margin from 2019-2033.

Currency and inflation hedges protect against the risks of selling cross-border into the volatile Mexican power market. The identities of the hedge provider or providers could not immediately be learned.

The 1% annual amortization built into the deal will result in the project sweeping 100% of any excess cash flows that will go toward paying down its debt, as is the case with many other merchant projects in ERCOT (PFR, 5/5/16).

A spokesperson for Blackstone in New York did not immediately respond to an inquiry. Spokespeople for Morgan Stanley and MUFG in New York declined to comment. ■

● PROJECT FINANCE

Leads Set Price Talk for Hunterstown Acquisition Loan

Price talk has been set on a term loan B being marketed for **Platinum Equity's** acquisition of the 810 MW Hunterstown gas-fired project in Pennsylvania from **GenOn Energy**.

Morgan Stanley (left) and **Goldman Sachs** are talking the seven-year trade at 450 to 475 basis points over Libor with a 1% Libor floor and a 99% original issue discount following a lender meeting on April 17.

As well as the \$375 million term loan, the debt package also includes a \$40 million five-year revolving credit facility. Commitments are due May 1.

Platinum agreed to acquire the plant from GenOn for \$520 million in February (PFR, 2/29). The private

equity firm is carrying out the acquisition through a special purpose vehicle called **Kestrel Acquisition**.

Located in Gettysburg, the Hunterstown project is fitted with three 165 MW combined-cycle turbines and a 315 MW steam turbine and has been in service since July 2003.

Moody's Investors Service assigned the acquisition loan a Ba3 rating on April 17, while **S&P Global Ratings** is expected to rate the loan BB.

"Hunterstown's competitive operating position is expected to allow the asset to continue to earn substantial energy margin," wrote analysts at Moody's. "This margin, combined with about \$99 million of capacity revenues expected to be

earned between June 2018 and May 2021 from capacity cleared in [**PJM Interconnection**]'s base residual capacity auction, provides a sound financial profile."

The project has operated at a capacity factor of around 70% and generated energy gross margin of over \$60 million in each of the last three years, notes the Moody's report.

The rating agency's outlook for regional spark spread, at less than \$10/MWh, is considerably more conservative than Hunterstown management's prediction of \$13/MWh to \$15/MWh.

AOS Energy Partners, Los Angeles-based Platinum's consultant on the deal, will co-invest in Hunterstown, with **Latham & Watkins** acting as Platinum's legal counsel.

GenOn's creditors hired **Credit Suisse** to auction off its assets last year after the **NRG Energy** subsidiary filed for Chapter 11 protection and entered a long-awaited restructuring process (PFR, 6/14, 9/20).

Representatives of Goldman Sachs in New York declined to comment. Officials from Morgan Stanley in New York and Platinum in Los Angeles did not immediately respond to inquiries. ■

Sponsor Nets Debt for Wind Project Pair in Texas and California

Terra-Gen has sealed financing from three banks for two development-stage wind projects it owns in California and Texas.

Crédit Agricole, **KeyBanc Capital Markets** and **Commonwealth Bank of Australia** were lead arrangers on the \$244.3 million debt package, which comprises a construction loan and a bridge loan.

Simpson Thacher advised the lender group on the deal.

The financing backs Terra-Gen's 193.5 MW Voyager II wind project in Kern County, Calif., and its 32.7 MW Texas Big Spring in Howard County, Texas.

No power purchase agreements relating to the Voyager II project could be identified by press time. The U.S. **Federal Energy Regulatory Commission** granted the project market-based rate authority in November.

The Texas Big Spring project has a 15-year PPA with **Vistra Energy** subsidiary **TXU Electric** with two five-

year extension options potentially taking the contract out to 2024.

Terra-Gen was one of several developers that secured wind turbine loans in late 2016, locking in the full production tax credit for future projects before the incentive's step-down at the end of that year. **Rabobank** arranged Terra-Gen's \$75 million non-recourse turbine loan (PFR, 1/25/17, PFR, 12/23/16).

The Voyager II project will be fitted with PTC-qualifying 3.6 MW and 4 MW turbines supplied by **Vestas**.

New York-based Terra-Gen, which is owned by **Energy Capital Partners**, owns 25 wind, solar and geothermal projects totaling 1,051 MW, according to its website.

In addition to assets in California and Texas, the firm owns projects in Colorado, Minnesota, Nevada and Wyoming. Its California portfolio includes the Alta V wind project in Tehachapi, to which **Google** and **ING** committed tax equity in 2011 (PFR, 9/28/11). ■

Capital Power Closes In on Tax Equity

Capital Power Corp. is nearing selection of a tax equity investor for its 99 MW New Frontier wind project in McHenry County, N.D.

The Edmonton, Alberta-based developer has hired **CohnReznick Capital** to advise on the tax equity raise and expects to select an investor by the end of this quarter.

Construction on the project has begun and it is expected to be completed by December 2018, at which point the tax equity funding will be funded.

Capital Power does not need bridge or construction financing because it funds project development from its balance sheet.

Turbine orders have been placed with **Vestas** and **Blattner Energy** is providing engineering, procurement and construction services.

The project is being financed on the basis of a 12-year fixed volume hedge provided by **Morgan Stanley** at the P99 output level. While this is the first power hedge the investment bank has provided to Capital Power, it has previously provided financial advisory services and tax equity proposals.

The hedge is a conventional contract like those applied to many wind projects across the U.S., unlike the more novel proxy revenue swap that Capital Power inked with **Allianz Risk Transfer** for its 178 MW Bloom Wind project in Ford and Clark counties, Kan. (PFR, 5/10/16).

CohnReznick also advised on that deal, in which **Goldman Sachs** provided the tax equity (PFR, 4/21/17).

Bloom's proxy revenue swap is said to have met expectations and settlements have occurred quarterly as planned.

The wind resource has been somewhat below average over the past nine months, which means that Capital Power has gained under the Bloom hedge. On the other hand, however, the basis differential between node and hub is higher than what was settled, due to transmission outages in the area, and Capital Power has taken that downside.

Taking basis risk is increasingly becoming the norm for developers as corporate offtakers become savvier (PFR, 4/3). ■

Small Businesses Enjoy Growing Menu of Renewable Purchasing Options

◀ FROM PAGE 1

by renewables on April 9.

However, smaller companies have not thus far been able to procure renewable energy at the same scale, according **Bryce Smith**, founder and ceo of renewable energy marketplace **LevelTen Energy**.

Two things have held back small and medium-sized enterprises from buying clean energy—their small power requirements and the complexity of corporate power purchase agreements.

Smith wants to solve both issues while also eliminating the cost of issuing requests for proposals and shortening the RFP process from months to weeks.

“Most buyers are still shut out of the process because the really economical projects are too large,” says Smith. “You can’t get a project financed by selling 12% of the power.”

The solution is to pool together small-scale buyers so that developers can aggregate enough offtake capacity to get large, economical projects financed.

“Just like mutual funds allowed more types of investors to get into stock market, aggregating investors to buy diversified slices in projects is the way to get more buyers safely into the market,” says Smith.

The second issue, of power purchase complexity, became apparent when some early corporate offtakers were locked into contracts that did not adequately address basis risk.

“Developers were happy to sell the projects—they aren’t wholesale market experts either,” says Smith. “The broker in the transaction didn’t have any incentive to take the risk and a few corporates got burned. Some cfo’s wondered why they were writing cheques instead of cashing them.”

Small companies do not have the risk management and energy trading nous of **Goldman Sachs**, for instance, which signed a PPA with **Nextera Energy Resources** for a 68 MW wind project in Scranton, Pa., and turned to in-house commodities trading group **J. Aron** to manage the energy market risks.

J. Aron signed the deal with NextEra and delivers 90% of the power needed by Goldman’s offices and data centers. Unlike many

corporate offtakers, Goldman took on the basis risk from the project because it felt J. Aron’s commodities trading expertise could manage it.

Over time, non-utilities have become savvier and basis risk is increasingly borne by developers and project financiers, who are better placed to manage it.

“When we started talking about procuring renewable energy in 2015, it was a fairly black and white market—it was either virtual or physical PPAs,” says **Cindy Quan**, vice president and chief of staff for Goldman’s corporate services and real estate division. “Today we have more options.”

An alternative to aggregated PPAs is a green tariff. “Green tariffs cater to customers’ preference for a more direct financial connection to renewable energy projects, ideally within the same service territory or grid distribution area,” reads a February report from the **World Resources Institute**. “Since the first green tariff was proposed by **NV Energy** in 2013, 21 green tariffs in 15 states have been proposed or approved.”

“The conversations around green tariffs didn’t start for us till late 2016, early 2017,” says Quan. “We have spoken with our local utility to understand the green tariff offering for our real estate in New York.”

Here is a round-up of PPAs announced last week:

SOLAR GAMBLE

MGM Resorts International has signed an agreement to purchase the output of a 100 MW solar project to be built by **Invenergy** just north of Las Vegas as part of the casino and hotel operator’s bet on renewable energy.

The project, straightforwardly named **MGM-Invenergy Solar**, will meet the demand of MGM’s 13 properties on the Las Vegas Strip. It is due to be operational by the end of 2020.

MGM and other casino operators made headlines when they began talking about quitting NV Energy’s monopoly as Nevada utility in 2015 (WSJ, 10/4/15). MGM was ultimately charged more than \$80 million in exit fees.

WIND INJECTION

Pharmaceutical giant **Merck & Co.** has inked a virtual PPA with **Invenergy** for 60 MW from a wind project in Texas.

The New Jersey-based drug maker will buy the generation from the 300 MW Santa Rita East wind project in Irion County for 12 years under the terms of the deal.

Merck sourced the PPA through a competitive solicitation run by **Schneider Electric Energy & Sustainability Services**, its global renewables adviser. The **Rocky Mountain Institute’s Business Renewables Center** also worked with Merck.

The Santa Rita East facility, which is expected to be online in 2019, also has a 100 MW PPA with Mexican baker **Grupo Bimbo** (PFR, 4/5).

HYDRO EXTENSION

Canada’s **Sekw’el’was Cayoose Creek Band** and **Innertex Renewable Energy** have renewed their electricity purchase agreement with **BC Hydro** for the output of a 16 MW run-of-river hydro project in British Columbia.

The contract for the Walden North project, which is located near Lillooet, went into effect April 1 with a term of 40 years.

The Sekw’el’was people and Innertex hold their stakes in the project through **Cayoose Creek Power**, a partnership 49% owned by the First Nation and 51% by the developer. They acquired the plant from **FortisBC** for C\$9.2 million (\$6.8 million) in 2016 (PFR, 2/29/16).

The renewed contract is subject to approval by the **British Columbia Utilities Commission**.

TIDAL EXPERIMENT

Nova Scotia’s **Department of Energy** has issued marine renewable energy permits and authorized a PPA for a tidal generation project in the Bay of Fundy.

The permits will allow the sponsor, **Big Moon Power**, to develop a 100 kW prototype for testing before potentially increasing the size of the project to 5 MW. The permit for the second stage expires after five years.

During the first testing phase, which could last for up to 14 months, the project will not be connected to the grid, but thereafter the project will be able to sell its output to **Nova Scotia Power** for C\$0.35/kWh under the approved PPA. ■

● LATIN AMERICA PROJECT FINANCE

Sponsors Wrap Loan for LatAm's Biggest Gas-fired Project

A joint venture between **Golar Power** and **Ebrasil** has reached financial close on its 1.5 GW Porto de Sergipe LNG-to-power project, securing \$1.34 billion of non-recourse project debt.

The financing includes a \$200 million-equivalent Real-denominated 15-year loan from the **International Finance Corp.**

The rest of the debt comprises financing from other multilaterals and export credit agency-insured local currency bonds.

The sponsors have provided around \$400 million in equity contributions, including a

pre-funded \$123 million cash reserve.

"This innovative financing represents a key milestone in the development of Golar Power infrastructure projects globally," said **Eduardo Antonello**, Golar Power's ceo, in a statement, adding that the financing establishes "a precedent for financing in local currency in support of projects receiving revenues in local currency which are adjusted based on inflation".

Golar and Ebrasil own 50% each of the Porto de Sergipe project through **Centrais Elétricas de Sergipe**.

The CCGT is slated to come online on Jan. 1, 2020, when it will begin to deliver generation to 26 distribution companies under a 25-year power purchase program.

Brazilian utility **Light** is due to take the largest portion of the project's output, with 11.5% earmarked for the company, according to the **Norwegian Brazilian Chamber of Commerce**.

The total investment required for the project is pegged at R\$5 billion (\$1.5 billion). It will be the largest gas-fired plant in Latin America when built. ■

Jinko Solar Pins Down Long-term Debt for Argentine Project

China's Jinko Solar has signed a \$60.15 million funding package for an 80 MW solar project in Argentina, in a deal **IDB Invest** has described as the longest loan with commercial bank participation for a project linked to the country's RenovAr program.

IDB Invest, part of the **Inter-American Development Bank** group, is providing a \$10.75

million loan for the project, dubbed San Juan, while international commercial banks are providing \$39.4 million through a mixture of senior and junior loans. The commercial lenders have not been named.

The **Canadian Climate Fund for the Private Sector in the Americas** (C2F), which is administered by IDB Invest, is also providing a \$10 million tranche to

round out the financing. The C2F portion of the deal has the same terms as IDB Invest's senior loan.

The senior debt has a maturity of up to 15 years. IDB Invest claimed that the long tenor Jinko achieved was directly related to its participation in the transaction.

The San Juan project was awarded a 20-year power purchase agreement priced at \$54.10/MWh in the country's

power auction held in November 2016. The auction was round 1.5 of RenovAr—the government's program to encourage renewable project development in the country.

Meanwhile, on April 17, Jinko Solar signed a renewed credit agreement with **HSBC** to increase its line of credit from the bank from \$25 million to \$47 million. ■

● POWER TWEETS

Apex Clean Energy @ApexCleanEnergy Apr 16

Jobs in #cleanenergy are growing faster than any other sector in the United States. Learn how community college training programs are helping workers climb #windturbines to the middle class: <https://nbcnews.to/2HDKASf>

Senator Joe Manchin @Sen_JoeManchin Apr 18

Today I sent a letter to President Trump urging him to invoke the Defense Production Act to save coal-fired power plants & further secure our nation's security

The Hill @thehill April 19

Trump wants to use Cold War-era statute to prop up coal plants: report <http://hill.cm/pQqU7xD>



Senator Jeff Merkley @SenJeffMerkley Apr 20

Natural gas may be the nation's top power source, but as the costs of clean energy continue to fall, Western U.S. states are taking the lead in moving towards more sustainable energy sources. #TodaysClimateFact

CNN @CNN Apr 20

Tired of waiting for electricity in Puerto Rico, this man decided to build his own solar power system <https://cnn.it/2Himniw>

Daniel M. Gonzales @TheDanGonzales Apr 18

"\$26 BILLION of Green Bonds last year at Fannie Mae" - Dan Dresser, at today's IMN Green Investing Conference. Officially the largest Green Bond issuer in 2017!

MERGERS & ACQUISITIONS ●

Algonquin to Buy Rest of Abengoa's Yieldco Stake

Algonquin Power & Utilities Corp. has agreed to acquire **Abengoa's** remaining 16.47% stake in **Atlantica Yield**, a move that will bring the Canadian buyer's shareholding in the yield company to 41.47 %.

Oakville, Ontario-based Algonquin, which acquired an initial 25% stake in the yieldco for approximately \$607 million in a deal that closed last month (PFR, 11/2), will fully replace the Spanish developer as Atlantica's sponsor.

Algonquin is purchasing the 16.47% stake that was left in Abengoa's hands for \$345 million, or \$20.90 per share, a premium of 6.2% over its closing price on April 16.

"Although we felt that Abengoa needed to eventually sell its remaining 16.5% interest in Atlantica Yield, we were surprised that Algonquin purchased the remaining interest because it increases Algonquin's total investment in Atlantica Yield to over US\$900 million," wrote **Nelson Ng**, equi-

ties analyst at **RBC Capital Markets**, in a research note on April 17. "That being said, the purchase of the 16.5% interest would give Algonquin more control of Atlantica Yield and a larger international footprint."

Abengoa mandated **Lazard**, **Caixa-Bank** and **Santander** to run an auction for its stake in The **Nasdaq**-listed yieldco, which trades under the ticker 'AY', last year (PFR, 5/5).

The Spanish infrastructure and construction conglomerate, which has divested several assets over the past several years as part of its restructuring process, will use the proceeds of the latest \$345 million deal to pay down debt.

The Seville-based conglomerate sold its 907 MW Norte III gas-fired project in Mexico to **Macquarie Capital** and **Techint Engineering & Construction** last September and its 70 MW Campo Palomas wind project in Uruguay to **Invenergy** in 2016 (PFR, 9/6, 4/1).

Abengoa has also recently sold its bioenergy businesses in the U.S. and Europe, **Bioenergy USA** and **Bioenergy Europe**, as well as its 121 MW Ashalim solar project in Israel and desalination plants in China and Ghana. ■

● ONE YEAR AGO



JP Morgan invested tax equity in two **First Solar** projects the company planned to market to third-party buyers as it reevaluated its relationship with its yieldco (PFR, 4/24/2017).

EDF Renewable Energy acquired the projects, Playa 1 and 2, while **Capital Dynamics** agreed to acquire yieldco **8Point3 Energy Partners** from sponsors **First Solar** and **SunPower Corp.** (PFR, 2/12).]

P.E. Firms Launch Sale of Transmission Asset

◀ FROM PAGE 1

which runs from Ridgefield, N.J., to Manhattan.

The size of each entity's shareholding in the project could not immediately be learned.

Construction on the project, which is located entirely either underground or underwater,

began in May 2011 and was completed in June 2013.

Serving customers of the **New York Power Authority** within New York City, the Hudson line begins in Ridgefield, where it interconnects with a **PSE&G** substation, and runs to nearby Edgewater, N.J., on

the banks of the Hudson River.

The transmission line extends under the Hudson River for approximately 3.5 miles before making landfall near Pier 92 in Manhattan's Hell's Kitchen neighborhood. From there, another stretch of cable runs under the West Side Highway

to a **Consolidated Edison** substation on 49th Street, near 12th Avenue and the Hudson River.

Representatives of Ares-EIF in New York and Starwood in Greenwich, Conn., did not immediately respond to inquiries. ■

Ares-EIF to Acquire Stake in N.J. Solar Shop

A fund managed by Ares-EIF is acquiring a majority stake in developer **Conti Solar**.

Conti Group, an Edison, N.J.-based conglomerate, will retain a minority stake in the company.

The deal is expected to close by the end of this month.

Whether either party used a financial adviser, the purchase price and the size of the stake the private equity firm is acquiring

could not be learned by press time.

Ares-EIF's strategic investment in the company "will enable us to accelerate our growth and pursue additional strategic initiatives," Conti Solar ceo **Matthew Skidmore** said in a statement.

The solar shop has developed and installed over 500 MW of solar generation, according to the statement.

Conti Solar develops and constructs

ground-mounted projects and rooftop and carport systems, as well as arrays situated on landfills. The company also developed and constructed at an 800 kW battery storage project at an **East Penn Manufacturing Co.** water treatment facility in King of Prussia, Pa., in 2016.

Representatives of Conti Solar in Edison, N.J., and Ares-EIF in New York did not immediately respond to inquiries. ■

● STRATEGIES

Wunder Capital Raises C&I Solar Debt Fund

Boulder, Colo.-based **Wunder Capital** has raised \$112 million in equity and debt as part of its Series B funding round, much of which will go into its latest debt fund for commercial and industrial solar projects.

Cyrus Capital Partners led the round with existing investors including Wunder's Series A lead **Techstars Ventures** also participating.

Wunder uses its own underwriting technology to create debt funds that allow investors to back commercial and industrial solar projects.

Around \$100 million of the proceeds of its latest capital raise will go toward Wunder Capital 6, a project-level debt fund, while the rest will be used for company-level equity. Wunder has so far financed about 65 MW and wants to use the new fund to double this figure.

Wunder's lends from its debt funds on a non-recourse basis

and the newly raised debt will be secured against project loans and leases associated with solar assets.

Similar to solar loan aggregator **CleanCapital** (PFR, 4/9), it is banking on its underwriting software to profitably aggregate a number of small loans. "It doesn't make sense to make \$100,000 loan when the legal fees alone are \$50,000," says **Richard Mauro**, director of capital markets at Wunder. He spent seven years at **Deutsche Bank Securities** before joining Wunder last September.

Wunder Capital 6 is different from the firm's previous debt funds because it will be used to lend to projects at a wider variety of tenors and interest rates. The older funds targeted specified loan profiles.

For instance, the Wunder Capital 5 fund typically lends through five-year mini-perms based on a

20-year amortization schedule. Its average loan size is \$348,960, with an average project size of 184 kW. The average investor put \$31,345 into the fund since it launched in October, and the fund says it provides investors with targeted annual returns of 7.5%.

The Wunder Capital 4 fund, which is institutional and middle market-focused, focuses on 10-year debt with an amortization schedule of 10 to 20 years with targeted returns of 8.5%. Mauro says returns from Wunder Capital 6 are expected to be in a similar range—mid- to high single digits.

The funds lend to projects with creditworthy but sometimes unrated offtakers such as municipalities, universities, schools and hospitals. For instance, Wunder lent \$1.1 million over seven years for a 1 MW ground-mounted solar project serving a northwestern Ohio school district at an 8.5% coupon. Wunder's deals take 61

days to proceed from origination to financing on average.

Besides its institutional investor-led capital raises, Wunder also taps accredited retail investors, who invest via the firm's website, and middle-market sources of funds such as family offices, smaller funds and high net worth individuals.

The firm is looking to hire a capital formations director to lead its efforts in the middle-market arena and a financing director as it seeks to grow its 16-strong team to as many as 40.

Along with private debt and the extremely competitive bank market, Mauro sees securitization as a possible avenue to drive down the cost of capital in the historically expensive asset class. "We see tailwinds in terms of the spreads offered in this space. We are in the beginning of credit maturation for C&I solar," he told *PFR* in a phone interview from Boulder. ■

LatAm Trio Line up Debt Sales

Two Latin American midstream gas companies and an independent power producer are preparing to tap the fixed income market in the coming weeks.

One of them, Colombia's **Transportadora de Gas Internacional** (TGI), is an investment-grade credit, while the other two, Argentina's **Transportadora de Gas del Sur** (TGS) and Brazil's **AES Tiete Energia**, are limited by the ratings of the respective sovereigns. The AES Tiete deal will finance the construction of a solar project.

TGI

TGI, rated Baa3, BBB- and BBB by **Moody's Investors Service**, **S&P Global Ratings** and **Fitch Ratings**, is looking to raise up to \$750 million of senior unsecured notes due to mature in 2028.

This will extend the average life of the

company's debt to almost 7.4 years, compared with 4.1 years now, according to Moody's.

HSBC and **JP Morgan** have been recruited to run the bond sale, according to London based bond bankers.

The proceeds of the trade will be used to refinance an existing \$750 million bond due to mature in 2022.

TGS

The Argentine company, TGS, is also managing existing liabilities, aiming to place \$500 million of unsecured notes in the market to buy back or redeem a series of bonds maturing in 2020, according to a Moody's report published on April 19.

Moody's rates TGS's unsecured bonds B1 and would not raise the rating without also upgrading Argentina. The tenor of the new

issuance was not disclosed in the rating report.

BOA HORA

In neighboring Brazil, **AES Corp.**'s local subsidiary is planning to issue R\$200 million (\$59 million) of senior secured bonds maturing in 2030 to finance its 91 MW Boa Hora solar project.

The local currency debt will be secured against a pledge of the project's shares, receivables and reserve accounts. Moody's rates the notes Ba2.

The Boa Hora project is expected to begin commercial operations in November this year. The **Brazilian Electricity Clearing House** is the project's sole offtaker with a 20-year supply contract.

AES Tiete bought Boa Hora in August 2017 for R\$75 million from a consortium made up of domestic and international companies. ■

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● PEOPLE & FIRMS

M.D. Exits Hannon Armstrong

A managing director has departed infrastructure firm Hannon Armstrong.

Christopher Smith left the Annapolis, Md.-based company on April 13, according to an announcement on his LinkedIn page.

Smith joined Hannon Armstrong as a managing director and treasurer in March 2015.

During Smith's tenure, Hannon Armstrong has been an active participant in the green bond market, issuing an \$84 million private placement to finance solar generation and energy efficiency projects in March 2017 (PFR, 3/29).

Those 20-year, fully-amortizing, non-recourse bonds were issued at par and bear interest at 4.35%. The deal, arranged by **BlackRock**, was Hannon Armstrong's third green bond offering, following similar transactions in December 2015 and September 2016.

That same month, Hannon Armstrong upped its tax equity stake in **NextEra Energy Resources'** 600 MW wind portfolio to 89.4% by acquiring **Morgan Stanley's** 53.9% share of

the tax equity associated with the projects (PFR, 3/22/17).

Hannon Armstrong, which has traded on the New **York Stock Exchange** under the ticker 'HASI' since 2013, has \$4.7 billion in assets under management.

Prior to joining Hannon Armstrong, Smith was managing director and cfo at **Energy Management**, the Boston-based private equity firm which had been developing the ill-fated Cape Wind project (PFR, 1/7/15).

Smith joined the firm in 2009 after spending two years as director at **Merill Lynch**. He had previously spent three years each as vice president at **Constellation Energy Commodities Group** and as a director at **Enron Corp.**

Whether Smith has moved into a new position elsewhere and whether Hannon Armstrong has lined up a replacement could not immediately be learned.

Representatives from Hannon Armstrong in Annapolis did not respond to an inquiry by press time. ■

SEIA Capital Markets Director Departs

Mike Mendelsohn, senior director of capital markets and project finance at the **Solar Energy Industry Association**, has departed the trade organization.

A spokesperson for the group in Washington, D.C., confirmed that Mendelsohn left SEIA earlier this month but declined to comment on whether a replacement has been hired.

Mendelsohn led SEIA's finance-focused working groups, including the commercial and industrial working group, which aims to open the C&I solar sector for "broad solar deployment through standardization of power purchase agreements and other offtake agreements," accord-

ing to Mendelsohn's LinkedIn profile.

Mendelsohn, who was based in Boulder, Colo., was also a member of SEIA's solar energy finance advisory council.

Prior to joining SEIA, Mendelsohn was a senior financial analyst at the **National Renewable Energy Laboratory**, where he led research focused on solar ABS and credit enhancements.

A 2013 NREL paper co-authored by Mendelsohn recommended securitization as a financing solution for U.S. renewable energy projects, saying it would "lower the cost of investment" and would be "critical to continued industry growth." ■

V.P. Departs Marubeni's New York Office

A vice president at **Marubeni Power International** has departed the Japanese sponsor's New York office.

Hiroki Yamamoto, formerly v.p., business operation, left the company this month to join a company called **TSI Holdings** as the general manager of their U.S. business operation in Tokyo, according to his LinkedIn profile.

Yamamoto, who joined Marubeni in 2013, was responsible for providing "origination support for investment activities as well as post-merger integration," according to the profile.

Yamamoto could not immediately be reached for comment. ■

Banker Exits KfW in New York to Take London Job

A senior banker has left **KfW IPEX-Bank's** New York office to take up a role at another German bank in London.

Armin Brestrich, who was senior director and chief representative for North America at KfW, will join **Landesbank Baden-Württemberg** in London in June.

An export and project finance veteran, Brestrich oversaw KfW's North American business across a wide range of sectors, including renewables, transport, social infrastructure, maritime industries and basic industries.

He previously spent some 15 years at KfW in Frankfurt, leaving the institution to spend two years at **IKB Deutsche Industriebank** in Milan before returning to the KfW fold, this time in London, for seven years starting in 2008.

KfW's Americas energy project finance activity, which is focused on Canada and Latin America rather than the U.S., is led by senior business development

● QUOTE OF THE WEEK

"It's prudent right now to be selective if you are going to provide capital to a new build."

Andy Redinger, managing director and head of utilities and alternative energy at **KeyBanc Capital Markets**, discussing the state of quasi-merchant market in PJM Interconnection (see story, page 1)