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KKR Plots $10-15B Infrastructure Foray

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LONGVIEW MAY HIT THE BLOCK

The owners of **Longview Power**, a 695 MW supercritical pulverized coal plant under construction in Maidsville, W. Va., south of Pittsburgh, are considering selling the project. Energy private equity firm **First Reserve Corp.**, which owns 90% through its $7.8 billion fund XI, and developer **GenPower**, which owns 10%, are reportedly being tempted by recent valuations landed for assets in the Northeast and also driven by FRC's increasing focus on renewable and alternative energy.

PPL EnergyPlus has signed a five-year PPA to draw 300 MW from the plant, which is expected to reach commercial operation in spring 2011 with a guaranteed heat rate of 8,564

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RENEWABLE DEVELOPER READIES C$4B PIPELINE

Thomas Schneider

Toronto-based renewable energy concern **Schneider Power** plans to seek non-recourse financing for about 75% of its 1.7 GW wind and solar pipeline, costing roughly C$4.2 billion ($4.12 billion), and is preparing to float on the **Toronto Stock Exchange** in the next two to three months to raise expansion capital. "There will be future common stock offerings, additional private placements and equity raisings on the corporate side," says **Thomas Schneider**, president. **Water Capital**, a shell company, will acquire Schneider through the exchange's Capital Pool Program allowing

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Going For Green

NEW HARBOR TO LAUNCH COAL BUYOUT FUND

Boutique investment bank New Harbor is putting together the Green Coal Fund to buy up to 1 GW of coal-fired generation. The fund will target older, hairier assets of 400 MW or less, which it could pick up on the cheap. The green twist is that it would then try to convert to them to biomass.

Jay Beatty, managing director in New York, says private equity is increasingly driven by environmental concerns and pressure from investors worried about owning coal. Buying

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LEHMAN MINTS ALTERNATIVE ENERGY GROUP

Lehman Brothers has reallocated resources from its U.S. power and energy group to form a bi-coastal alternative energy investment banking practice, focusing primarily on project finance, mergers and acquisitions and initial public offerings in renewable energy. As first reported on *PFR*'s Web site last Tuesday, **Todd Guenther**, managing director in power, is co-heading the team, created about a month ago, out of New York. **Amy Smith**, senior v.p. in the technology group, in Menlo Park, Calif., is the other co-head. She will focus specifically on solar.

Calls to Guenther and **Joe Sauvage**, co-head of global power, were not returned and Smith and a Lehman spokeswoman declined to comment. Lehman has been an active tax

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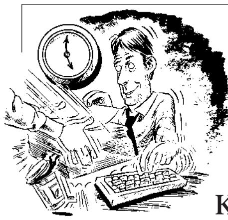

At Press Time

KKR To Raise $10-15B For Infrastructure

Kohlberg Kravis Roberts is planning to raise $10-15 billion for a global infrastructure fund and has hired **George Bilicic**, head of global power and energy investment banking at **Lazard**, to run it. It is unclear when Bilicic is set to leave, but for the moment he is helping out with the transition and continuing to manage client relationships.

Ken Jacobs, ceo of North American investment banking at Lazard, has assumed leadership of the power and energy effort for North America, supported by Managing Directors **Jonathan Mir** and **Darryl Sagel**. **Bruce Bilger**, recently appointed head of global energy in Houston (PFR, 1/11), will retain his role, as will **John Rutherford**, head of North American energy.

Neither Bilicic, Jacobs nor a Lazard spokeswoman would comment on the reshuffle. Bilicic joined the firm in 2002 from **Merrill Lynch** (PFR, 3/15/02) and was instrumental in two of the largest utility deals to date: the buyout of **TXU**, now **Energy Future Holdings**, by KKR, TPG and **Goldman Sachs Capital Partners** and the merger between **KeySpan Energy** and **National Grid**.

RBS Set To Lead Black Hills IPP Acquisition Financing

Royal Bank of Scotland is set to lead a roughly $450 million acquisition financing supporting Aussie infrastructure fund **Hastings Funds Management** and **IIF BH Investment**'s $840 million acquisition of 974 MW of contracted power generation from **Black Hills Corp.** As first reported by *PFR* last Wednesday, the bank may also tap **Union Bank of California** as a co-arranger.

The acquisition is Hastings' first power deal in the U.S. The fund, whose involvement in the auction was first reported by *PFR* (PFR, 1/25), was advised by **Lehman Brothers**. IIF is an open-ended investment fund affiliated with **JPMorgan Asset Management** and was seen as a good partner for Hastings because both like to hold assets over the long term. **Paul Prager**'s **Beowulf Energy** (PFR, 4/22) and **GE Energy Financial Services** reportedly were the runners up in the auction, run by **Credit Suisse**.

Black Hills has not stated what its net proceeds from the transaction will be. But the deal is expected to eliminate its need to issue new equity to finance the acquisition of certain utility assets from **Aquila**. In the event that transaction with Aquila does not go ahead, Black Hills retains the right to own one of the assets it auctioned: 240 MW Fountain Valley in Colorado Springs, Colo., which represents $240 million of the total purchase price.

The other assets being acquired are:

- 130 MW Arapahoe, a combined-cycle gas turbine plant in Denver;
- 80 MW Valmont, a simple-cycle plant in Valmont; Colo.;
- 53 MW Las Vegas I and 224 MW Las Vegas II in Nevada;
- 98 MW Harbor, a combined-cycle gas plant in Long Beach, Calif.; and
- 149 MW Valencia near Albuquerque, N.M., which is under construction.

Dale Jahr, director of investor relations at Black Hills, declined to comment, as did officials at Hastings. Calls to JPMorgan, RBS and UBoC were not returned.

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Astoria Wins NYPA RFP

The board of the **New York Power Authority** has selected **Astoria Energy** as the winning bidder into its November RFP for 500 MW of new in-city capacity. **Charles McCall**, ceo in Queens, says the special purpose vehicle is planning to project finance the estimated $1 billion gas plant, which will serve the load. "We're deciding the optimal bank financing strategy and evaluating all options," he says. As reported in *PFR Daily* last Tuesday, talks are under way with a host of banks, including **Calyon**, which refinanced debt tied to an existing 500 MW plant on site.

Astoria Project Partners is the holding company for Astoria Energy and it is co-owned by **SCS Energy**, **Energy Investors Funds**, **SNC-Lavalin**, **AE Investor** and **CDP Capital-Americas**, a unit of **Caisse de Dépôt et Placement du Québec**. **Suez Energy North America** is set to buy 30% of the existing 500 MW unit (PFR, 3/16/07).

The new plant will have a 20-year PPA with municipal customers in all five boroughs of New York City. That contract still needs to be finalized, according to a NYPA spokesman. "[Our] customers unanimously supported the selection…after a competitive review process," he adds, noting the project was evaluated on the basis of its economics, probability of timely completion, improvements to regional air quality and city-wide reduction in energy costs. "Having a contract with NYPA improves our ability to project finance the second power block and complete construction," says McCall.

The new facility at the Bowery Bay/Steinway industrial complex in Astoria is set to come online by the summer of 2011 and is intended to act as a substitute when the 885 MW Charles Poletti plant in Queens is retired in 2010 (PFR, 4/25).

Siemens, Partner To Project Finance Mass. Greenfield

Siemens Financial Services and Swiss-owned **Advanced Power North America** are planning to project finance the 350 MW combined-cycle Brockton Clean Energy Project in Brockton, Mass. "We're considering the various options available in the financial market for this project, but have not yet determined the final structure," says **Jeff Cain**, senior v.p. at the Siemens financing unit in Iselin, N.J. Siemens acquired a 25% stake in the project from Advanced Power last week.

Brockton Power, a company formed by **Dennis Barry** of **Hallamore Trucking** and the late commercial real-estate developer **George Baldwin**, had secured permits to build the plant, but financing fell through, says **Amy Lambiaso**, a spokeswoman for Brockton Power. "We're here to stay. A solid partner like Siemens has come on board," she says.

Financial close is targeted for year-end and the plant is expected to come online in 2011.

This is the fourth joint venture between Siemens and Advanced Power, who are also developing:

- a 400 MW combined-cycle gas plant in Tessenderlo, Belgium, along with chemical group **Tessenderlo Chemie**
- a 400 MW combined-cycle gas plant in North-Rhine Westphalia, Germany, and
- a 1.1 GW combined-cycle project in Mérida, Spain.

"Siemens has a long-standing relationship with Advanced Power in Europe and is expanding this relationship to North America," says Cain.

Edison Sub Seeks Financing For Calif. Project

Edison Mission Energy, the IPP subsidiary of **Edison International**, will look to line up project financing in the next few months to support construction of its $220-280 million, 479 MW Walnut Creek Energy Park facility in the City of Industry, Calif.

Construction on the simple-cycle peaker is set to begin by the second quarter of next year, according a spokesman, who confirmed the company is seeking project financing but declined to make any officials available.

After being awarded a 10-year offtake agreement in March with fellow Edison subsidiary **Southern California Edison**, the plant would connect to the grid at SCE's Walnut substation directly south of the project site via a 230 kV transmission line. It is slated to come online in June 2013.

Mass. Developer Hunts Biomass Financing

Boston-based **Energy Management** (EMI), the developer of the storied 420 MW Cape Wind project off the coast of Cape Cod, is in talks with banks to finance as much as 60-80% of the cost of a portfolio of utility-scale biomass projects across the country as it bids for PPAs.

EMI plans to lining up financing as soon as the third quarter for the first of no fewer than three projects. That project company, **Nacogdoches Power**, is a joint venture between EMI and privately held **BayCorp Holdings**, and once complete the facility will represent 100 MW of wood-fired capacity in Sacul, Texas, at a cost of $330 million.

Specifics of subsequent plants—said to be at least 50 MW each—could not be learned, but EMI is said to want financing in place for the second plant by the middle of next year. No formal RFP has been launched, say deal trackers, who note the amount of financing would depend on terms of any PPAs signed.

EMI has developed six gas-fired plants totaling 860 MW and a 15 MW wood-fired plant in Alexandria, N.H. In 2000 it began focusing exclusively on renewable projects. BayCorp owns and operates a 4.3 MW hydro facility known as Benton Falls in Benton, Maine (PFR, 1/14/05). It also has a majority stake in **HoustonStreet.com**, an online energy trading exchange. Calls to EMI and BayCorp were not returned.

Goldman Kicks Off Kleen Retail

Goldman Sachs launched retail syndication last Thursday morning at a St. Regis Hotel bank meeting in New York of the $1.015 billion financing supporting **Kleen Energy Systems**' 620 MW baseload plant in Middletown, Conn. As reported on *PFR*'s Web site, tickets of $50 million and $25 million are on offer with fees of 75 basis points for the larger ticket and 35 bps on the lower ticket. Commitments are due May 22 with an eye to closing the deal by May 30.

BNP Paribas, **Dexia Crédit Local**, **HSH Nordbank**, **ING Capital**, **Natixis**, **Scotia Capital**, **Union Bank of California** and **WestLB** all joined the deal as joint lead arrangers, according to deal trackers. Goldman is serving as the administration agent, while Natixis is syndication agent and BNP, ING and UBoC are documentation agents. Calls to Goldman were not returned.

The sub-underwriters were said to have committed $150-200 million apiece but will be scaled back to $75 million (PFR, 4/25). The funded deal consists of:

- a $450 million term loan A with an eight-year tenor post commercial operation in mid to late 2010 and priced at 175 basis points over LIBOR;
- a $315 million B loan with a 14-year tenor post construction priced at 250; and
- an unfunded, $250 million revolver and letter of credit facility that is substantially utilized via posted LCs, also priced at 175.

Investec Taps GE For Power Chief

Investec Capital Markets has hired **Jamie Manson**, senior v.p. of power at **GE Energy Financial Services**, for the new role of head of power in North America. As reported in *PFR Daily* last Monday, he started April 29 in the firm's Toronto office, reporting to **John Casola**, head of project and infrastructure finance for North America. "It's always been part of the plan to get someone senior and well-entrenched in the power sector," says Casola. "North America is a huge market with tons of potential."

Manson will oversee origination, execution and marketing, focusing on renewable energy, and be responsible for debt, equity and advisory mandates for the U.K bank in North America. The Toronto project and infrastructure finance team was established in June and this hire makes the team eight people strong. "The focus for me and why I was hired is to really grow the [bank's] mezzanine investing in renewable energy and power," Manson says. He joined GE in 2005, and previously was head of capital markets at **Republic Financing Corp**.

First Reserve Swoops For More Solar


Anastasia Deulina

First Reserve Corp. is looking to invest EUR600 million ($938.7 million) in renewable energy in southern Europe over the next four years. The plan comes as the Greenwich, Conn., private equity shop closed the acquisition of Spanish solar equipment specialist **Gamesa Solar** and simultaneously announced the purchase of **Ener3**, a Milan-based solar photovoltaic developer and engineer.

"As time goes on we will be looking in Greece and Portugal," says **Anastasia Deulina**, v.p. at First Reserve in London. After examining the Greek, Portuguese and French solar markets, Italy was seen as attractive because it "has a lot of development opportunities and growth opportunities and consolidation has not taken place," she adds.

Ener3 has a 105 MW pipeline, with about 50 MW set to come online in Spain and 2-3 MW under development in unidentified locations across Italy this year. Together with Gamesa, its pipeline will give First Reserve the capability to deliver 400 MW over the next four years. "This is our first solar platform acquisition in Europe and we're very keen on development. We will be putting more equity dollars in it."

Both acquisitions will be financed with equity from the firm's Fund XI, but the plan is to back leverage the deals. First Reserve shelled out EUR261 million ($408.4 million) for Gamesa Solar, including the assumption of EUR53 million in Gamesa debt (PFR, 2/29). A purchase price for Ener3 was not disclosed.

Denham Scopes European Solar

Denham Capital Management has agreed to provide a $200 million commitment to Maltese solar outfit **SunRay Renewable Energy**. The injection backs a plan to bring 300 MW online within the next four years across Europe. With related financing, the portfolio it hopes to amass is expected to be in excess of EUR1.2 billion ($1.85 billion) once complete.

The initial projects under development are located in Spain, Greece and Italy, where land rights have already been granted and permits are being filed. "We're very confident the development of the industry in Spain and look forward to confirmation of the terms of the new tariff," says **Giles Clark**, cfo of SunRay unit **SunRay Management UK**. "In Italy, the solar industry is at an earlier stage than Spain and there are fewer megawatts installed.

And in Greece my understanding is they have a lot of coal power they need to retire, hence there's strong support for development of wind and solar," he adds.

The plan is also to ramp up development in France, the Czech Republic and Israel. "The pure amount of sun hours [in Israel] per year is off the charts," says **Scott Mackin**, senior managing director at Denham in Short Hills, N.J. Neither Denham nor SunRay would disclose the size of their pipeline in each country. The venture is already in talks with banks in the separate host countries, according to Clark. He declined to identify any firms in the running.

SunRay was founded by **Yoram Amiga** and came across Denham's radar through **Louis van Pletsen**, managing director, who joined Denham in London from **Nomura International** late last year (PFR, 10/5). "We're seeing a lot of opportunities in renewables and had been looking for ripe opportunities in solar. Domestically it's not as straightforward because of the heavy reliance on tax credits, so Europe became a natural focus," says Mackin. He says the fund may commit more equity to SunRay in due course. "Right now the target plan is standard solar photovoltaic, which isn't lumpy. But if they get into solar thermal, we will take another view at the time."

CalPERS CIO Eyes Co-Investors For Clean Tech Firm

Russell Read

Russell Read, outgoing cio of the **California Public Employees' Retirement System**, plans to partner up with institutional investors and industrial companies to raise money for his new clean tech fund. "In all likelihood we will be looking to raise funds for a venture capital or private equity effort, but also to provide a clearing house for information," he says. "This will require a co-investment mindset."

The fund's mandate and name will not be firmed up until the end of next month, when Read is slated to leave CalPERS. But he anticipates announcing his business partners in the weeks following his departure. The fund will be based in both California as well as Cambridge, Mass., to be near researchers at **Harvard University** and the **Massachusetts Institute of Technology**. "I anticipate that there is an important need to bring together the disparate efforts of a wide range of scientists, investors and industrial companies who deal with environmental technologies. The shift in basic research has been recent, but dramatic."

Read began looking at alternative energy as far back as his high school days, where he focused on a project involving amorphous silicon photovoltaic technology with **NASA**. "My passion began from a scientific perspective." That led him to create the first mutual fund based on commodities, the *Oppenheimer Real Asset Fund*. During his two years as cio of CalPERS, he oversaw a range of efforts to provide seed funding for developers of new clean technology, none of which he would name. That tranche of investing was primarily executed through CalPERS' private equity arm and in partnership with investment consultant **Pacific Capital Group**, through which it has allocated close to $1 billion for environmental-related initiatives. The sector is rapidly growing, though still emerging, Read says, so he doesn't think his venture would have been conceivable two years ago. Neither would it be possible in two years' time, he adds, because by then the best people would have been snapped up.

RBC, UBoC Syndicate PNM Sub Acquisition Financing

RBC Capital Markets and **Union Bank of California** are syndicating a $650 million financing supporting **Continental Energy Systems**' $620 million purchase of **PNM Resources**' natural gas utility operations. RBC is left lead and administration agent and UBoC is joint lead and syndication agent on the deal, which will separately see PNM acquire Continental's Texas electric delivery and transmission business, **Cap Rock Energy**, for $202.5 million.

The debt has a five-year tenor and consists of a $300 million term loan at the holding company level and $350 million at the operating company, **New Mexico Gas**, comprising a $100 million revolver and $250 million term loan. Details of the wholesale syndication could not be learned. But tickets on offer in retail are $30 million on the opco piece, talked at 150 basis points over LIBOR and sold pro-rata, and $20 million on the holdco piece, talked at 225. Commitments are due in mid May and the deal is slated to fund and close late in the third quarter or early in the fourth quarter once regulatory approvals are granted. **JPMorgan** advised PNM on the sale (PFR, 11/9).

E.On Seen Placing $3B For Airtricity Financing

German utility **E.On** recently completed a $3 billion private placement of 10- and 30-year bonds, reportedly to put permanent financing in place supporting its $1.4 billion purchase of **Airtricity North America**.

"It's been a long time since they have issued U.S. dollar denominated debt," said one investor, adding, "The cfo said they would not issue U.S. debt to fund their European operations, so this is not a treasury play. It matches that U.S. acquisition." A call to E.On spokespeople in Louisville, Ky., was not returned. Nor were calls and emails to **Graham Wood**, head of capital markets at the utility in Germany.

The sale, which launched April 15 and closed April 22, comprised $2 billion in 10-year notes and $1 billion in 30-year notes, all priced at 225 over Treasuries. It was underwritten by **Banc of America Securities**, **Deutsche Bank**, **Goldman Sachs** and **JP Morgan**. Spokespeople at the banks either declined to comment or did not return calls.

Merrill Exec Departs To Launch Fund

Carter Page, coo of energy and power investment banking at **Merrill Lynch**, left the firm April 22 to start an alternative investment fund focused on oil and gas in frontier emerging markets. His principal partner in the new venture is **James Richard**, who until recently ran the private equity operations of New York-based hedge fund **Firebird**.

"We're currently evaluating a range of specific opportunities in the frontier markets while at the same time crystallizing our execution strategy," says Page, adding, "We see this as an opportune moment to access selected countries based in part on fundamental export market demand drivers, as well as attractive political dynamics." He declined to disclose the fund's focus markets. Richard had no additional comment.

Page spent seven years at Merrill, four in London and three in Moscow. While in Europe, he helped advise **Gazprom** on its $7.45 billion acquisition of a 50% stake in Sakhalin II—the largest oil and gas export project in the world—from existing shareholders **Shell** (27.5%), **Mitsui** (12.5%) and **Mitsubishi** (10%). He also served as a global consultant to **RAO UES** on its issuance and placement of additional shares in their wholesale generating companies (OGKs) and territorial generating companies (TGKs), including the sale of a 25% stake in OGK-5 to **Enel** and a sale of 38% in OGK-3 to **Norilsk Nickel**.

He returned to the New York office six months ago, reporting to **Parker Weil**, head of energy, among others. Page will be replaced by **Traci Baskin**, formerly business manager for Latin America, according to a Merrill official.

First Round Bids Due On Kelson Canada

Harbinger Capital Partners subsidiary **Kelson Canada** took non-binding offers last Wednesday on a portfolio of contracted, gas-fired generation it is auctioning via **UBS**. Japanese trading houses are believed to be among those chasing the assets.

As first reported by *PFR*, up for sale are the:

- 300 MW Calgary Energy Center in Alberta, contracted to **BC Hydro** through 2022;
- 270 MW Island Cogen in Duncan Bay, B.C., contracted to **ENMAX** through 2026; and
- a participating loan interest served by distributions from the 50MW Whitby Cogeneration facility in Ontario, which is contracted to the **Ontario Electricity Financial Corporation** through 2018.

A 25-year leasehold interest in a 120 MW plant in King City, Calif., was taken off the block for reasons that could not be determined. **Calpine** is the lessor of that facility.

The assets were acquired about a year ago when Harbinger affiliate **HCP Acquisition** bought **Calpine Power Income Fund** (PFR, 3/26). Harbinger is taking bids on individual assets or the portfolio in its entirety. A call to **Howard Kagan**, managing director at Harbinger in New York, was not immediately returned. Nor was a call to UBS.

KEPCO Hunts Lenders For Azerbaijani IPP

Korea Electric Power Corp. is seeking to line up lenders within the next few months for a $1.2 billion construction financing. The deal will support a 798 MW gas- and oil-fired plant near Baku, Azerbaijan—the nation's first independent power project. The **Azerbaijan Investment Company** is taking a 25% equity stake in the facility.

HSBC is financial advisor to KEPCO on the deal and **BNP Paribas** is financial advisor to the Azerbaijani government. The financing is expected to consist of a **Korean Export-Import Bank** tranche, a multilateral tranche and a commercial bank tranche. The structure of the financing could not be learned. KEPCO is expected to sign final EPC and financing agreements this month and construction is slated to begin this summer. Officials at the banks and sponsors either declined to comment or did not return calls.

Hancock Scopes Clean Energy Funds

John Hancock Financial Services is considering investing in a handful of clean energy funds for the first time, enamored by growing momentum in the renewable and alternative energy space. It has not yet committed any capital, but is thought to be in talks with Teaneck, N.J.-based **Hudson Clean Energy Partners** (PFR, 3/28) and looking at New York-based **Carlyle/Riverstone** (PFR, 3/7), Santa Monica, Calif.-based **US Renewables Group**, San Francisco venture capital firm **Nth Power** and Norwalk, Conn.-based **MissionPoint Capital Partners**. Up to $100 million could be committed to any one fund.

The rationale for investing in a pure play renewables fund could not learned, and officials at John Hancock declined to comment. But market watchers speculate that it wants to delve deeper into the sector because the technology is becoming more reliable, there is increasing consumer demand for renewable-generated power, the economics compare favorably with those of coal- and gas-fired generation and there is solid investor support.

The insurer has a $3 billion renewable and energy efficiency platform in North America, part of which consists of hydroelectric utility bonds, standalone project investments in solar, biomass, geothermal and wind. It was the sole lender to the 15 MW solar photovoltaic facility at Nellis Air Force Base near Las Vegas last year (PFR, 10/12).

Ze-gen Anoints Finance Chief

Boston alternative energy developer Ze-gen has named board director **George McMillan**, former president and ceo of technology and strategy consultancy **The Palladium Group**, as coo and cfo. He is the first to fill the newly created roles, effectively immediately.

The company is at the stage where creating the roles allows it to accelerate funding and growth says McMillan. Ze-gen was founded in 2004 to develop technology converting biomass—primarily from construction and demolition waste—into synthetic gas that could be used to generate power with low emissions (PFR, 1/25). "We're now at the juncture that we're moving from demo plant to commercialization and application," says McMillan, referring to its planned test facility in New Bedford, Mass.

Prior to his time at Palladium, which he helped found, McMillan was ceo and cfo of supply chain management concern **CMGI**.

Swiss Re Sub Appointed To Manage Carbon Fund

Conning Asset Management, a unit of **Swiss Re**, has been tapped to manage a new EUR 125 million ($194 million) fund that will buy and trade carbon credits. The credits will be produced by projects set to reach commercial operation after the Kyoto protocol expires. "Entering into an agreement to sell [the credits] will likely enhance their ability to get financing to go ahead and develop the project," says **Walter Blasberg**, managing director at Conning in Hartford, Conn., noting the credit could be slated for delivery as far out as 2022.

The Post 2012 Carbon Credit Fund is the first fund of its kind and is backed by five AAA-rated banks: the **European Investment Bank** (EUR 50 million), **Caisse des Dépôts** (EUR 25 million), **KfW Bankengruppe** (EUR 25 million), **Nordic Investment Bank** (EUR 15 million) and **Instituto de Crédito Oficial** (EUR 10 million). It is also the first time Conning has managed a carbon credit fund. Its investment advisor is **First Climate**. The consortium was appointed after EIB launched an RFP for a manager last summer.

Conning and First Climate will source projects capable of generating credits for the fund, conduct due diligence on them, execute an emissions reduction purchase agreement, and then sell the credits on to buyers qualified under Europe's Emission Trading Scheme. "We're a AAA buyer so there's no credit risk," says Blasberg.

Carbon Consultancy Taps Economist For U.S. Expansion


Jürgen Weiss

Norway's **Point Carbon** has hired energy economist **Jürgen Weiss** to the newly created position of managing director of advisory services for North America, with an eye to preparing the consultant's clients for carbon restrictions in the U.S. "Point Carbon has had a lot of success in Europe in power, gas and carbon markets," says **Per-Otto Wold**, ceo in Oslo, to whom Weiss reports. "Our interest in Jürgen and his expertise is linking [our] experience in Europe in carbon trading with Jürgen's many years of experience in power markets in the U.S."

Weiss started last Monday and will be based in Boston until a location is decided upon for the North American consulting firm he is charged with creating for Point Carbon. With a background in valuing power plants—both independently and with **The Brattle Group** and **Booz Allen & Hamilton**—Weiss will be advising potential investors or developers on the economics of new facilities and their carbon footprint. Weiss previously worked as a director at expert services firm **LECG**.

Fortis Taps Two For MD Slots

Fortis Energy Marketing and Trading has hired **Bruce Sukaly**, v.p. of **Constellation Energy Commodities Group**, to the newly created role of managing director of asset management, and named **Lloyd Jackson** managing director of power trading—a role he has filled on an interim basis since February. "Bruce's new role represents an opportunity for FEMT to push the business forward," says **Adrian Reed**, director of strategic planning in Houston, adding that Jackson has a "personal ability to trade and personal ability to lead traders."

Sukaly begins in the first half of this month, while Jackson's new role is effective immediately. Both report to **Luc Machiels**, president of FEMT and deputy head of the global energy and commodities group in Houston. Sukaly will work to expand the contractual asset portfolio, which includes generation, gas transportation and storage assets. At Constellation, he oversaw gas, power, coal and LNG merchant assets. "He's demonstrated in the many roles he's had across his long career the ability to identify opportunities," says Reed. Previously, he was with **Foothills Energy Ventures** for a stint, after serving as chief commercial officer for **Cinergy Marketing and Trading** between 2001 and 2005.

Jackson succeeded **Jack Farley** (PFR, 2/8), and was previously head of Midwestern power trading at Fortis. Before joining the firm in 2006, he was managing director of Midwest power trading for Cinergy beginning in 2002, and prior to that was a senior power trader and asset manager at **Dynegy**.

Blue Source Unveils Carbon Offset Sales

Blue Source Canada, formerly **Baseline Emissions Management**, registered and sold 158,000 tons of carbon emission offsets in the inaugural compliance period of North America's first regulated carbon trading market—unofficially referred to as the Alberta Carbon Offset Market.

The company, which is backed by Greenwich, Conn., private equity outfit **First Reserve Corp.**, sold the offsets for $10-13 each, because buyers incur more delivery and financial risk than when buying offsets from the Alberta government, which sells them for $15, says **David LaBarre**, president of Blue Source Canada in Calgary. The offsets were identified from a biomass carbon reduction project, eliminating methane creation, and from certain agricultural projects, where farmers agree to employ no-till or reduced till systems, preventing the release of carbon dioxide from the soil.

The aim of the market, resulting from the Climate Change and Emissions Management Act introduced last March, was to reduce emissions from every industrial facility emitting 100,000 tons of carbon or more per year, targeting an average reduction of 12% in emissions from their 2003 to 2005 levels between July to December last year. Official figures were not released until now due to a government review.

To comply, emitters either paid for every ton of carbon over the 100,000 ton limit into the Alberta Climate Change and Emissions Management Fund. They also had the option of investing in projects that physically reduce emissions or purchasing offsets on a registered market. Fines of $200 per ton were imposed for non-compliance. "You can gain experience in offsets [now] in the market," says LaBarre. "All of this will change when we hit the federal system," he adds, referring to the government's call for a maximum of 70% of offsets to be purchased from the government fund starting in 2010. The remaining 30% of offsets will have to be either purchased or the equivalent emissions physically reduced.

Corporate Strategies

Supply Constraints Drive Nevada Power To Buy Bighorn


Bill Rogers

Nevada Power agreed to acquire **Reliant Energy**'s 598 MW Bighorn generation station near Primm south of Las Vegas because it has had short-term power purchase agreements with Reliant since the plant came online in 2004, and badly needed the supply. **Bill Rogers**, cfo of parent **Sierra Pacific Resources**, says the utility's peak demand in southern Nevada is close to 6 GW but its generation fleet is well short of that. "Our own resources will comprise two thirds of that need."

Bighorn had been auctioned by Reliant last summer as part of a 2,488 MW portfolio. Nevada Power took a look at the asset (PFR, 8/10) but dropped out of the race because Reliant wanted to sell all its assets to a single buyer, says Rogers. The portfolio never sold, so the utility made an unsolicited offer for Bighorn, which Reliant accepted.

Replacement value for just the 498 MW CCGT portion of the asset is roughly $1,000 per kW. The remaining 100 MW of the plant is composed of duct burners, the replacement value of which is unknown. "We got a fair deal," says Rogers. Nevada Power will fund the $500 million acquisition, expected to close in the fourth quarter, via a combination of debt and equity, Rogers says, declining to elaborate. "We want to maintain the balance sheet as is." Nevada Power's debt to equity ratio is 51:49.

Goldman Sachs advised Nevada Power on the transaction because of its experience in evaluating assets, says Rogers. **JPMorgan** advised Reliant and ran the original auction. Calls to **Rick Dobson**, cfo, and **Rogers Herndon**, senior v.p. at Reliant in Houston, were not returned.

S.C. Muni Takes Out Variable-Rate Debt

The **Piedmont Municipal Power Agency** plans to issue $337 million in fixed- and variable-rate electric system revenue bonds primarily to get out of old variable-rate debt insured by downgraded bond insurers. "The worst we saw was 10%," says **Steve Ruark**, finance director in Greer, S.C., of the interest rate of variable-rate debt insured by **FGIC**, **Ambac Financial** and **MBIA**. Pricing on those bonds has averaged around 6% since early February, after typically tracking around 2-3.5%, he says.

Some $89 million of the roughly $144.8 million series 2008A will be used to refinance variable-rate debt, while $39 million will go towards the refurbishment of corroded pipes at the 2,258 MW Catawba Nuclear Station near Lake Wylie, in which Piedmont owns a 286 MW interest. "We're hoping to get in below 5%," says Ruark of the expected pricing. Series 2008B, consisting of $193 million in variable-rate notes insured by **Assured Guaranty**, will refinance the same amount in other variable-rate debt once the issue wraps around May 22. The company expects the variable-rate pricing to track the **Securities Industry and Financial Markets Association** Municipal Swap Index, says Ruark.

Goldman Sachs will lead the deal as senior manager. **Citigroup** is co-senior and **Lehman Brothers**, **Merrill Lynch**, **JPMorgan** and **Wachovia** are co-managers. "These are banks we've had great relationships with," says Ruark, adding, "We picked the ones who have worked the hardest for us in the last few years." Piedmont has about $1.1 billion in total debt outstanding as of year-end.

Pricing Prompts Orlando Utility To Change Tack On $200M Sale

The **Orlando Utilities Commission** changed course from its original plan of issuing $200 million in fixed-rate, 22-year revenue system bonds to issue the same amount with a variable-rate, and then fix it via a swap, due to higher than expected pricing in the market. "We did a synthetic fixed, because we got a better deal," says **Linda Howard**, director of fiscal services in Orlando, referring to a swap structured by **Goldman Sachs**, which fixed the coupon at an average of 4.559%. "We would have done fixed if the rates had been lower," she adds, noting that fixed rates at the time were 90 to 100 basis points higher than variable rates.

The offering, planned several months ago, was executed to cover urgent capital expenditures. "It was not necessarily a good time, but we needed the money," says Howard. "If we could have waited longer we would have." Proceeds will partially fund work on the 300 MW gas-fired Stanton Energy Center slated to come online in 2010 at a cost of roughly $300 million, as well as expand the utility's transmission system and fund upgrades at its water production and distribution operations (PFR, 1/4).

Goldman also led the note sale, which closed April 17, and **Merrill Lynch**, **Loop Capital Markets** and **Samuel A. Ramirez & Co.** were the co-underwriters. "We have a pool of underwriters and do a rotation and selection based on the things they present to us," says Howard. Loop and Ramirez are minority-owned firms new to the OUC's underwriting slate, she adds. At the end of March, the utility had a debt-to-equity ratio of 62:38, which Howard says it is trying to get to around 40:60.

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Project Finance Deal Book

*Deal Book is a matrix of energy project finance deals that PFR is tracking in the energy sector. The 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 **Katy Burne**, Managing Editor, at (212) 224-3165 or e-mail kburne@iinews.com.*

Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Babcock & Brown Power,	Trans Bay Cable (400 MW,	San Francisco, Calif.	BayernLB	Construction Loan	$299M	33-yr	Syndication of subordinate
Pittsburg Power	two 200 kV cables)			Construction Loan	$188M	7-yr	tranche ongoing.
Babcock & Brown	2009 Turbine Supply	Various	TBA	Turbine supply	TBA	TBA	Selecting lenders.
	2008 Portfolio (638 MW Wind)	Various	TBA	TBA	TBA	TBA	Seeking tax equity (PFR, 4/4).
Biomass Group	South Point (200 MW Biomass)	South Point, Ohio	WestLB	Construction Loan	$265-300M	TBA	Syndication expected.
Borealis Infrastructure	Bruce Power (4.6 GW)	Tiverton, Ontario	Scotia, Dexia	TBA	C$750M ($710M)	TBA	Leads considering relaunch in U.S.
				HoldCo Loan	$100M	TBA	
BP Alternative, Dominion	Fowler Ridge (750 MW Wind)	Indiana	TBA	TBA	TBA	TBA	Selecting leads (PFR, 3/31).
Brick Power Holdings	Tiverton (265 MW Gas)	Tiverton, R.I.	Credit Suisse, Merrill Lynch	Recapitalization	TBA	TBA	Timeline unclear.
	Rumford (265 MW Gas)	Rumford, Maine			TBA	TBA	
BrightSource Energy	Various (3.5 GW Solar)	Various	TBA	TBA	TBA	TBA	Signed PPAs (PFR, 4/7).
Caletta Renewable Energy	Port Erie (90 MW Tires)	Erie, Pa.	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 3/7).
Carlyle/Riverstone	Topaz (1.5 GW Gas)	Various, Texas	Morgan Stanley, Dexia,	Construction Loan	$615M	6-yr	Syndication
			ING, Natixis	Working Capital facility	$75M	6-yr	launched (PFR, 4/22).
				Letter of Credit	$50M	2-yr	
Competitive Power Ventures	Sentinel (800 MW Gas)	Desert Hot Springs, Calif.	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 3/14).
EarthFirst Canada	Dokie I (144 MW Wind)	Peace River, British Columbia	WestLB	TBA	$212M	17-yr	Syndication expected soon.
Econergy International	La Gloria (50 MW Wind)	Costa Rica	NordLB	Term Loan,	$125M	TBA	Timeline unclear.
Edison Mission	Walnut Creek (500 MW Gas)	City of Industry, Calif.	TBA	TBA	TBA	TBA	Selecting lenders (PFR 5/5).
Empresas ICA	La Yesca (750 MW Hydro)	Nayarit, Mexico	WestLB, Citibank/Banamex,	Construction Loan	$910M	4-yr, 9m	Syndication ongoing.
			HSBC, BBVA Bancomer,	Revolver	$80M		
			Santander, NordLB				
Energy Investors Fund	Hot Springs (48MW Geo)	Elko, Nev.	DZ Bank, Fortis Capital	TBA	$120M	TBA	Timeline unclear.
ENMAX Energy	Calgary (1.2 GW Gas)	Calgary, Alberta	TBA	TBA	TBA	TBA	Timeline unclear.
Eurus Energy Americas	Bull Creek (180 MW Wind)	Borden County, Texas	TBA	TBA	TBA	TBA	Seeking tax equity investors.
EverPower Renewables	2009 Turbine Supply	Various	KeyBanc Capital Markets	Turbine supply	$130M		Syndication ongoing.
Excelsior Energy	Mesaba Energy (603 MW IGCC)	Minn.	TBA	TBA	TBA	TBA	Barclays advising.
Falcon Gas Storage	MoBay (50Bcf Gas Storage)	Mobile County, Ala.	TBA	TBA	$300-350M	TBA	Selecting lenders.
Foothills Energy, High Sierra Energy	Monroe (12 Bcf gas Storage)	Amory, Miss.	Fortis	TBA	$140M	TBA	Syndication launched 4/9 (PFR, 4/7).
Gilead Power Corp.	Ostrander (20 MW Wind)	Prince Edward County, Ontario	TBA	TBA	TBA	TBA	Selecting lenders.
GNL Quintero	LNG Receiving/Regasification	Quintero Bay, Chile	Banesto, BBVA, Caylon,	TBA	$1B	TBA	Leads mandated (PFR, 3/12).
			Fortis, ING, Intesa SanPaolo,				
			Mizuho Santander, WestLB				
Green Rock Energy	Green Rock (Gasification)	St. James Parish, La.	TBA	TBA	$1B	TBA	Selecting lenders.
CarVal Investments et al.	Granite Ridge (720 MW Gas)	Londonderry, N.H.	Lehman Brothers, Merrill	TBA	$300-350M	TBA	Timeline TBA.
Hunton Energy	Freeport (400 MW Gas, Steam)	Freeport, Texas	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 4/2).
Invenergy	Grand Ridge (99 MW Wind)	Ottawa, Ill.	UniCredit HVB	Construction Loan	$189M	6m	Commitments due in May
				Letter of Credit	$20M	6m	(PFR,4/11).
	McAdoo (150MW Wind)	Dickens County, Texas	UniCredit HVB	Construction Loan	$262.3M	6m	Commitments due in May
				Letter of Credit	$38.1M	6m	(PFR,4/11).
J-Power USA	Orange Grove (95 MN Gas)	Orange Grove, Calif.	Royal Bank of Scotland	Construction Loan	$70M	25-yr	Syndication ongoing.
				LC Facility	$25M		
				Equity Bridge Loan	$30M		
Kleen Energy Systems	Middletown (520 MW)	Middletown, Conn.	Goldman Sachs	Term Loan A	$400-450M	10-yr	Retail syndication launched
				Term Loan B	$300-325M	17-yr	(PFR, 5/1).
				Revolver/LC	$250M	TBA	
LVE Energy Partners	LVE Energy Center	Las Vegas, Nev.	Sumitomo Mitsui	Term Loan	$145M		Timeline unclear.
	(16 MW backup power)		Banking Corp.	Letter of Credit	$20M		
				Letter of Credit	$100M		
Martin Resources	Arcadia Gas Storage (15.5 Bcf)	Arcadia, La.	CIT	Construction/Term Loan	$125M	8-yr	Syndication ongoing (PFR, 4/10).
Mesa Power	Mesa Power (4 GW Wind)	Texas	TBA	Turbine Supply Loan	TBA	TBA	Timeline unclear (PFR, 2/22).
Nacogdoches Power	Nacogdoches (100 MW Biomass, 300 MW Gas)	Sacul, Texas	TBA	TBA	TBA	TBA	Looking for debt/equity for $600M project.
NGS Energy Fund	Tres Palacios (36.4 bcf Gas Storage)	Matagorda County, Texas	ING Capital	TBA	TBA		Financing downsized (4/11).
Noble Environmental Power	Turbine Supply Loan	Various	HSH, KeyBanc	Turbine Supply Loan	$460M	3-yr	Pricing flexed up (PFR, 4/8).
	2008 Portfolio	Upstate New York	Citibank, BNP, RBS, HSH	TBA	$757M	TBA	Leads mandated (PFR, 3/4).
	Great Plains (114 MW Wind)	Texas Panhandle	UBoC, Bayern, AIG	TBA	$265M	TBA	Leads tipped last month (PFR, 3/4).
NorthWestern Energy	Mill Creek (120-220 MW Gas)	Anaconda, Mont.	TBA	TBA	TBA	TBA	Seeking project financing for
	Transmission	Montana-Idaho	TBA	TBA	TBA	TBA	50% (PFR, 3/14).
NuCoastal	Lon C. Hill (530 MW Gas)	Corpus Christi, Texas	TBA	TBA	TBA	TBA	Seeking lenders.
OptiSolar Farms Canada	Various (10 MW Solar)	Ontario	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 3/24).
PacificHydro	Chacayes (106 Hydro)	Cachapoal River, Chile	TBA	TBA	TBA	TBA	Lenders to be shortlisted in May.
Perennial Power	Hermiston (474 MW Gas)	Hermiston, Ore.	TBA	TBA	$130M	10-yr	Status unclear.
	and Bliss (339 MW Wind)	Clinton and Bliss, N.Y.					
PeruLNG	PeruLNG (625 mcf per day regas)	Pampa Melchorita, Peru	SocGen, BBVA	Construction Loan	$250M	TBA	Syndication launched (PFR, 4/21).

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Generation Auction & Sale Calendar

*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 **Katy Burne**, Managing Editor, at (212) 224-3165 or e-mail kburne@iinews.com.*

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Advanced Power North America	Brockton Clean Energy Project	Brockton, Mass.	350	Gas	N/A	Siemens acquired a 25% stake for an undisclosed sum.
AES	Warrior Run	Cumberland, Md.	180	Coal	N/A	Reportedly reviewing sale options.
Allco Finance Group	Various	Kern County, Calif.	3, 100	Wind	Marathon Capital	Company plans to sell either as global portfolio or in regional
		Germany, France	97		N/A	chunks (PFR, 3/11).
		Australia, New Zealand	1,600		N/A	
Arroyo Energy Investors	Thermo Cogeneration	Fort Lupton, Colo.	272	Gas	N/A	Starwood Energy Group Global to buy (PFR, 2/6). WestLB and
						Sumitomo Mitsui Banking Corp. are arranging the financing.
Astoria Energy	Astoria plant	Queens, N.Y.	500	Gas	N/A	Owners fielding offers. Suez Energy acquiring 30% (PFR 9/29).
Bicent Power	Mountain View	Palm Springs, Calif.	67	Wind	Goldman Sachs	AES to acquire (PFR, 1/7).
Black Hills Corp.	Arapahoe	Denver, Colo.	130	Gas	Credit Suisse	Hastings Funds Management and a unit of JPMorgan Asset
	Valmont	Valmont, Colo.	80	Gas		Managementto acquire for $840 with RBS Leading
	Fountain Valley	Colorado Springs, Colo.	240	Gas		the financing (*PFR*, 4/30).
	Las Vegas I	Las Vegas, Nev.	53	Gas		
	Las Vegas II	Las Vegas, Nev.	224	Gas		
	Harbor	Long Beach, Calif.	98	Gas		
	Valencia	Albuquerque, N.M.	149	Gas		
BTEC Turbines	Southaven Energy	Miss.	340	Gas	JPMorgan	Assets or just the equipment for sale. Teasers dispatched
	New Albany Power	Miss.	390	Gas		(PFR, 4/3).
Bulgarian Privitaization Agency	Bobov Dol	Bulgaria	630	Thermal	N/A	Bulgaria's Minna Kompania and Consortium Energia, Belgium's
						Electrabel, Greece's Damco Energy and U.S. joint venture
						Sencap intend to bid.
Calpine	Fremont Energy Center	Sandusky County, Ohio	512	Gas	Miller Buckfire	FirstEnergy won with $253.6M bid (PFR, 2/7). Deal closed 3/5.
	Hillabee Energy Center	Alexander City, Ala.	774	Gas		CER Generation won with $155M (PFR, 2/6). Deal closed 2/14.
	Texas City	Texas City, Texas	425	Gas		Second-round bids taken 5/5.
	Clear Lake	Clear Lake, Texas	375	Gas		
Catamount Energy	Sweetwater	Nolan County, Teaxs	505 (50%)	Wind	Goldman Sachs	Unsolicited approaches have been made to financial backer
	Ryegate Power	Vermont	20	Wood waste		Diamond Castle Holdings (PFR, 8/31).
	Rumford	Rumford, Me.	85	Cogen		
Central Vermont	Various	Vermont	70 in summer	Hydro	Morgan Stanley	Status unknown (PFR, 5/18).
Conectiv Energy	Various	PJM Interconnection	3,700	Various	Credit Suisse	Company reviewing strategic alternatives, including whole or
(Pepco Holdings)						partial sale and merger (PFR, 12/10).
Con Ed Development	CEEMI	Springfield, Mass.	185	Gas, Oil, Hydro	Morgan Stanley	Industry Funds Management to acquire for $1.4 billion.
	Newington Energy	Newington, N.H.	525 (99.5%)	Gas		Barclays to arrange $750M in debt, expected to launch
	Lakewood	Lakewood, N.J.	246 (80%)	Gas		into syndicaton soon (PFR, 2/11).
	Ocean Peaking Power	Lakewood, N.J.	339	Gas		
	Rock Springs	Rising Sun, Md.	670 (50%)	Gas		
	Genor	Puerto Barrios, Guatemala	42 (49.5%)	Oil		Not sold.
	Ada Cogeneration	Ada, Mich.	29 (48%)	29 (48%)		Ada not sold. Partner is Olympus Power.
	EverPower Wind	NEPOOL, NY, PJM	500 planned	Wind		CED sold its 50% stake in Oct. (PFR, 12/9).
ConocoPhillips	Immingham	Lincolnshire, U.K.	730	Gas	Citigroup	Looking at strategic options on the plant (PFR, 1/18).
Complete Energy Holdings	La Paloma	McKittrick, Calif.	1,022	Gas	JPMorgan	Final bids were received 3/11 (PFR, 3/14).
	Batesville	Batesville, Miss.	837	Gas		Kelson Holdings no longer bidding.
Corona Power	Sunbury Generating	Shamokin Dam, PA	432	Coal, oil, diesel	Merrill Lynch	Soliticing equity to complete $250M of upgrades (PFR, 12/24).
DONG Energy	Evia, Karistos and Tourla	Greece	19	Wind	HSBC	Teasers expected later this quarter after IPO (PFR, 1/18).
DTE Energy	East China	East China, Mich.	320	Gas	N/A	Seller exploring options, including outright sale.
EISSL	Various	Catalonia, Spain	630	Wind, Hydro	JPMorgan	Company weighing sale (PFR, 12/24).
Energy Capital Partners	Mt. Tom	Holyoke, Mass.	146	Coal	N/A	Considering selling all or part of the portfolio (PFR, 4/21).
	Various	Conn. And Housatonic Rivers	216	Hydro		
	Empire Generating	Rensselaer, N.Y.	635	Gas		
	Waterbury	Waterbury, Conn.	96	Gas		
Energy Future Holdings (Luminant)	Sandow 4	Milam Co., Texas	545 (50%)	Coal	Credit Suisse	Reportedly planning to sell stakes to Perennial Power
	Sandow 5		581 (50%)	Coal		Holdings (PFR, 2/18).
Entegra	Gila	Phoenix, Ariz.	2,300	Gas	N/A	In talks to merge with KGen (PFR, 1/17).
	Union	El Dorado, Ark.	3,000	Gas		
Entergy Corp.	50% stake in Top	Worth County, Iowa	40	Wind	New Harbor	Seller wants about $520M for the assets.
	Deer Wind Ventures	Carsen County, Texas	40			Bidders shortlisted to four players: two financial;
	RS Cogen	Lake Charles, La.	212	Gas		two infrastructure (PFR, 6/18).
	Roy S. Nelson	Westlake, La.	60	Gas/Oil		
	Warren Power	Vicksburg, Miss.	225	Gas		
	Harrison	Marshall, Texas	335	Gas		
	Independence	Newark, Ark.	121	Coal		
	Robert Ritchie	Helena, Ark.	544	Gas/Oil		
EPCOR	Castleton-on-Hudson	Albany, N.Y.	64	Gas	N/A	Quietly shopping asset (PFR, 4/18).
ESB International	Marina	Cork City, Ireland	115	Gas	Merrill Lynch	In second round. Winning bidder should be revealed this
	Great Island	Wexford Co., Ireland	240	Oil		summer.
	Tarbert	County Kerry, Ireland	640	Oil		
Exergy Development Group	Various	Upper Midwest,	3,600	Wind	Marathon Capital	Weighing partnership, joint venture, recap or sale (PFR, 12/17).
		Northwest U.S				
Fluor	Greater Gabbard	Thames Estuary, U.K.	500	Wind	RBC	Specs went out in late Aug. for Fluor's 40% stake (PFR, 8/17).
Foresight Wind Energy	Various	Arizona, New Mexico	2,000	Wind	CP Energy	Transaction delayed (PFR, 10/8).
FPL Energy	Posdef	Stockton, Calif.	44	Coal/Petcoke	New Harbor	Indicative bids due April 11 (PFR, 3/11).
	Tesla	Tracy, Calif.	1,120	Gas/Steam	Credit Suisse	Development site. Status unclear.
General Electric	Baglan Bay	Port Talbot, Wales	510	Gas	Lexicon Partners	GE re-ignited sale process. Carron Energy interested.
	Panther Creek	Nesquehoning, Pa.	94	Waste Coal	N/A	Looking for buyers (PFR, 2/26).
	Pittsfield Generating	Pittsfield, Mass.	163	Gas	N/A	Maxim Power set to acquire (PFR, 3/17)
	Colton Power	Colton, Calif.	80	Gas	N/A	Selling with help of asset manager PURENERGY (PFR, 4/8).
	Birchwood	Fredericksburg, Va.	242	Coal	N/A	J-Power USA has agreed to buy for an undisclosed sum.

Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Goldman Sachs (Cogentrix Energy)	Southaven Power	Southaven, Miss.	810	Gas	Houlihan Lokey	TVA will acquire for $466.3M (PFR, 4/1).
InterGen (AIG Highstar Capital II, 50%)	Rocksavage	Runcorn, U.K.	748	Gas	Lehman Brothers	Preliminary bids were due 3/26 (PFR, 2/7).
	Coryton	Essex., U.K.	732	Gas		
	Spalding	Lincolnshire, U.K.	860	Gas		
	Rijnmond I, II	Rotterdam, the Netherlands	820, 400	Gas		
	Bajio	San Luis de la Paz, Mexico	600 (306 stake)	Gas		
	La Rosita	Mexicali, Mexico	1,100	Gas		
	Quezon	Philippines	460 (211 stake)	Coal		
	Millmerran	near Brisbane, Australia	880 (228 stake)	Coal		
	Callide	Queensland, Australia	920 (230 stake)	Coal		
Kansas City Landfill Gas (SouthTex Treaters)	Johnson County Landfill Gas Project	Johnson County, Kan.	60 bcf/day	Landfill Gas	Ewing Bemiss	Energy Investors Funds and Enpower purchased on 4/9 for an undisclosed sum (PFR, 4/28).
K&M International Power	Termovalle	Cali, Colombia	220	Gas	JPMorgan	Teasers dispatched (PFR, 3/18).
Kelson Cananda (Harbinger Capital Partners)	Calgary Energy Center	Calgary, Alberta	300	Gas	UBS	First round bids taken 4/30 (PFR, 4/30).
	Island Generation	Duncan Bay, B.C.	230	Gas		
	King City Cogeneration	King City, Calif.	120	Gas		Asset taken off the block for unknown reasons.
	Whitby Congeneration	Whitby, Ontario	50	Gas		
Kelson Holdings	Dogwood	Pleasant Hill, Mo.	620	Gas	Goldman Sachs, Merrill Lynch	Weighing strategic options, including sale/merger (PFR, 10/9). Redbud to be sold to load serving entities for $852 million (PFR, 1/21).
	Redbud	Luther, Okla.	1,200	Gas		
	Cottonwood	Deweyville, Texas	1,200	Gas		
	Magnolia	Benton County, Miss.	922	Gas		
KGen Power	Murray I	Murray Co., Ga.	630	Gas	Credit Suisse	Talks to merge with Entegra stalled due to management disagreements (PFR, 3/24). ArcLight Capital Partners has emerged as likely bidder (PFR, 4/21).
	Murray II	Murray Co., Ga.	620	Gas		
	Hot Spring	Hot Spring Co., Ark.	620	Gas		
	Hinds	Jackson, Miss.	520	Gas		
	Sandersville	Washington Co., Ga.	640	Gas		
LS Power	Sugar Creek	Sugar Creek, Ind.	561	Gas	N/A	Northern Indiana Public Service to acquire (PFR, 11/2).
MACH Gen	Millennium	Carlton, Mass.	360	Gas/Oil	Credit Suisse	Status unknown.
	Athens	Athens, N.Y.	1,000	Gas/Oil		
	Covert	South Haven, Miss.	1,100	Gas		
	Harquahala	Tonopah, Ariz.	1,090	Gas		
Mirant	Lovett Generating Station	Tompkins Cove, N.Y.	183	Coal/Gas	N/A	Alliance Energy offered to buy for undisclosed sum but withdrew offer when Mirant did not respond (PFR, 2/14).
National Grid	Ravenswood Station	Queens, N.Y.	2,450	Gas	Merrill Lynch	TransCanada agreed to purchase for $2.9 billion (PFR, 4/1). Sale being evaluated. Long Island Power Authority has option to purchase some of the units until 5/31 (PFR, 4/11).
	E.F. Barrett	Island Park, N.Y.	311	Gas		
	Far Rockaway	Far Rockaway, N.Y.	100	Gas		
	N/A	Shoreham Nuclear Plant, N.Y.	72	Gas		
	Wading River	East Shoreham, N.Y.	239	Gas		
Navasota Energy Partners	Colorado Bend	Wharton, Texas	825	Gas	JPMorgan	Teasers dispatched (PFR, 2/11).
	Quail Run	Odessa, Texas	825	Gas		
Noble Environmental Power	Various	N.Y., Mich.	385	Wind	Goldman Sachs	Company reportedly looking to IPO.
North American Power Group	Rio Bravo Fresno	Fresno, Calif.	25	Biomass	N/A	In discussion with potential buyers (PFR, 8/31).
	Rio Bravo Rocklin	Roseville, Calif.	25	Biomass		
NorthWestern Energy	Colstrip Unit 4 (30%)	Mont.	740	Coal	Credit Suisse	Exploring strategic options (PFR, 2/8).
NRG Energy	Indian River	Millsboro, Del.	784	Coal	N/A	Seller soliciting offers on plant (PFR, 11/8).
Primary Power International	Hillman	Hillman, Mich.	19	Biomass		Fortistar agreed to purchase an interest in the portfolio. Deal set to close in 30 days (PFR, 2/19).
	Grayling	Grayling, Mich.	36			
	Genesse	Flint, Mich.	35			
	Dapp Generating	Westlock, Alberta	17			
	Valley Power	Drayton Valley, Alberta	12			
Reliant Energy	Channelview	Lyondell, Texas	830	Gas	Houlihan Lokey	FORTISTAR and Global Infrastructure Partners to acquire for $500M (PFR, 4/8). A judge has declined to approve the sale due to existing contracts (PFR, 4/11).
	Bighorn	Primm, Nev.	598	Gas	JPMorgan	Nevada Power to buy for $500M.
RES Americas	Various	U.S.	1 ,000 under construction	Wind	Credit Suisse	Company looking to sell up to 100% (PFR, 1/7).
Ridgeline Energy	Various	Idaho, Ore., Wash.	3.,700 pipeline	Wind	Marathon Capital	Talks nixed with a southern U.S. utility (PFR, 10/8). Back in play.
Ridgewood Renewable Power	Penobscot	West Enfield, Maine	24.5	Biomass	Ewing Bemiss	Constellation Energy, Covanta Energy and EPCOR Power are bidding for the biomass (PFR, 4/18).
	Jonesboro	Jonesboro, Maine	24.5	Biomass		
	Various	Maine, Va., N.Y., Calif.	26.3	Hydro		
Rockland Capital Energy Investments	B.L. England	Cape May County, N.J.	447	Coal, Oil	JPMorgan	Owner seeking strategic equity partner (PFR, 12/10).
Sempra Generation	Catoctin	Frederick Co, Md.	600 development	Gas	N/A	Development project reportedly for sale.
Sierra Pacific Industries	Loyalton	Loyalton, Calif.	20	Biomass	N/A	Renegy agreed to purchase 4/11 for $13M (PFR, 4/16).
Signal Hill Power	Wichita Falls	Wichita Falls, Texas	77	Gas	Miller Buckfire	First-round bids received 3/17.
Sumas	Sumas Cogeneration	Sumas, Wash.	125	Gas	N/A	Puget Sound Energy agreed to buy for undisclosed sum.
Sithe Global Power	River Hill	Karthaus Township, Pa.	290	Coal	Credit Suisse	Status unclear (PFR 2/16/07).
Temasek Holdings	PowerSeraya	Singapore	3,100	Gas	Credit Suisse,	Teasers dispatched 10/15.
	Senoko Power		3,300	Oil	Morgan Stanley	
Tenaska Power Fund	Commonwealth Chesapeake	New Church, Va.	315	Oil	JP Morgan	Tyr to acquire, with GE handling its financing (PFR, 2/19).
	Holland Energy	Beecher City, Ill.	665	Gas	N/A	Hoosier Energy and Wabash Valley Power Association agreed to buy for $383M (PFR, 4/14).
Third Planet Windpower	Various, U.S.	Various, U.S.	3,000 pipeline	Wind	Marathon Capital	Developer looking for joint venture partner.
TransAlta	Campeche	Mexico	252	Gas/Diesel	N/A	InterGen to buy for $303.5M. Calyon, WestLB and EDC are arranging financing (PFR, 4/28).
	Chihuahua	Mexico	259	Gas		
	Binghamton	Binghamton, N.Y.	50	Gas	N/A	Standard Power set to acquire (PFR, 3/12).
TransAlta Cogeneration	Mississauga	Mississauga, Ontario	108 (50%)	Gas	N/A	Quietly shopping portfolio (PFR, 4/2).
	Ottawa	Ottawa, Ontario	68 (50%)	Gas		
	Sarnia	Sarnia, Ontario	575	Gas		
	Windsor-Essex	Windsor, Ontario	68	Gas		
Tyche Power Partners	Brooklyn Navy Yard	Brooklyn, N.Y.	286	Gas Cogen	Credit Suisse	Temporarily iced due to credit crunch.
UPC Wind	Various	North America	3,000 pipeline	Wind	JPMorgan	Market test did not lead to a sale, so company is reportedly weighing an IPO (PFR, 6/8).

For the complete Generation Auction & Sale Calendar, please visit www.iipower.com

Institutional Investor

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Final Bids Due On Calpine Texas Assets

Second-round bids are due today for a pair of merchant gas-fired cogenerating units in Texas being auctioned by **Miller Buckfire** on behalf of **Calpine Corp.** A short list of six has been drawn up from those who submitted first-round bids, says one deal watcher, noting a preferred bidder is expected to be chosen this month.

The first asset is Texas City near Houston, which is 326 MW in baseload mode and 425 MW in peaking mode. It has been operating since 1987 and supplies steam to **Union Carbide Corp**. under a long-term contract. The second is Clear Lake in Pasadena, which is 357 MW in baseload and 375 MW in peaking mode. That plant supplies steam to **Celanese Corp**. and **Old World Industries**.

Calpine is not obliged to sell the units (PFR, 11/26) because it is no longer in bankruptcy, and it is not known what valuation will tempt it to sell. Officials at Miller Buckfire and **Mel Scott**, a spokesman for the San Jose, Calif., IPP, declined to comment.

Dexia Taps Total For Renewables Director

Dexia Crédit Local has hired **Clémentine Tassin**, a finance official from **Total**, as director of renewable energy in Paris. She replaces **Julien Maumont**, a director who left in November to join French independent electricity supplier **Direct Energie** as head of risk management and project finance.

Tassin reports to **Jérôme Guillet** and **Fabrizio Donini Ferretti**, co-heads of energy in Paris, and will focus on wind and solar deals. Among the transactions Maumont handled were the EUR379 million ($620 million), non-recourse financing for the 120 MW, Q7 Dutch offshore wind facility, co-led by **Rabobank** in Oct. 2006. Officials at Dexia declined to comment

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.

North America

• **Florida Power & Light** will replace aging power plants in Brevard and Palm Beach Counties with much larger generators that will run on cleaner-burning natural gas at a cost of about $1 billion each (*Orlando Sentinel*, 5/1).

• Venture capital firm **Kleiner Perkins Caufield & Byers** has raised $500 million to target firms pursuing clean energy projects. Separately, **Kohlberg Kravis Roberts** is teaming up with the **U.S. Environmental Defense Fund** to study the environmental performance of its U.S. holdings (*Wall Street Journal*, 5/1).

• **Otter Tail Power** plans to build a $121 million, 200 MW wind farm in North Dakota by the end of this year. The farm will be operated by an affiliate of **FPL Group** (*CNNMoney.com*, 4/30).

• **Broadwater Energy**, a consortium between **Shell Oil** and **TransCanada Pipelines** planning a $700 million floating LNG terminal in the Long Island Sound, plan to appeal after Connecticut and New York turned down its proposal (*Wall Street Journal*, 4/29).

• **Leaf Clean Energy Co.**, a London-listed company investing in North American clean energy projects and companies, has completed a $17 million series B preferred stock financing in **SkyFuel**, an Albuquerque, N.M.-based solar thermal developer (*Forbes.com*, 4/28).

• Irish renewable energy and waste management company **NTR** has bought a controlling stake in Missouri-based wind developer **Wind Capital Group** for $150 million (*Reuters*, 4/25).

• **Iberdrola** is threatening to drop its $4.5 billion planned acquisition of **Energy East** if state regulators continue to require the sale of wind farms in New York (*Albany Times Union*, 4/24).

• **Portland General Electric** has issued an RFP for up to 218 MW of mid- to long-term renewable energy projects, including—but not limited to—-biomass, wind, geothermal, solar and wave energy (*North American Windpower*, 4/24).

Europe

• Prospective buyers of **British Energy** have until May 9 to submit indicative offers to auctioneer **Rothschild** (*Wall Street Journal*, 4/30) Meanwhile, the Swedish government has demanded that **Vattenfall** halt its efforts to bid for the company (*Reuters*, 4/30).

• **Iberdrola** and **Gas Natural** have become deadlocked in talks over a possible merger because of disagreements over the shape of the resulting company (*Wall Street Journal*, 4/30).

• **Mostecka Uhelna**, the second-largest Czech lignite miner, has offered to buy the 1 GW coal-fired Pocerady plant from **CEZ** for about CZK28 billion ($1.73 billion) (*Reuters*, 4/30).

• **Shell** has pulled out of offshore wind the U.K.'s 1 GW London Array offshore wind project in the Thames Estuary (*Financial Times*, 4/30).

• **Électricité de France** has been given five more days by a court in Bilbao, Spain, to provide information on its intentions toward **Iberdrola** (*Reuters*, 4/29).

LONGVIEW MAY

(continued from page 1)

Btu per kWh. The rest of its output will be sold on a merchant basis into the western PJM market. The plant is expected to cost around $1.82 billion, about half of which was put in place last year in a $1.15 billion construction financing led by **Goldman Sachs** and **WestLB** (PFR, 2/9/07). When the debt is exhausted, about $930 million in equity was set to be funded by the sponsors: $500 million from GenPower and $430 million from FRC.

A call to **Mark McComiskey**, managing director at FRC in Greenwich, Conn., was not returned and **Cathleen Ellsworth**, a managing director, declined to comment. *—Katy Burne*

NEW HARBOR

(continued from page 1)

coal "is like investing in wind five years ago," he says, "You have to be somewhat contrarian in this industry."

The firm has hired "a couple of boiler designers advising on how to change the boilers to use biomass," he adds. He's also hired someone to run the fund, but would not disclose the official's identity.

What New Harbor knows best is the utility business and regulation of the sector, he says, so the fund directors will spend most of their time re-permitting and negotiating power purchase agreements for the revamped portfolio. "We believe converting to biomass, given what we do in the regulatory arena, would make a big difference."

The Green Coal Fund, which does not have a target size, is aiming to have its equity in place by the fall, but finding like-minded investors has not been easy, says Beatty. "We've had conversations with some investors and a number of them took the view that it doesn't matter what the returns are, they just won't do coal." *—K.B.*

RENEWABLE DEVELOPER

(continued from page 1)

it to trade on the top tier of the TSX.

Schneider has 120 MW of wind projects in advanced development and 40 MW of wind under 20-year PPAs with the **Ontario Power Authority**. The company has already arranged C$60 million in financing for the latter, which consists of 10 MW in Providence Bay and three 10 MW units in Innisfil, Arthur and Trout Creek. "What we try to do is have all financing lined up a good six months before we go into construction," says Schneider.

Also on deck are 1,435 MW of wind and solar projects ranging from 10-120 MW across Ontario, Manitoba and Nova Scotia, as well as 300 MW of wind with an undisclosed partner in Texas and the Northeastern U.S. "It's a natural move for us," he explains. On the backburner are roughly 100 MW of solar projects. "We're taking our time with those projects because we believe the price of solar will come down over the next couple of years." The goal is to have all the projects online by 2015.

Schneider is family-owned and traces its roots back to Germany. It began developing renewable projects in 2003 and recently hired five new staffers—including **Mathieu Archambault** of energy consulting firm **Helimax Energy**, to fill the newly created role of head of energy projects. *—Thomas Rains*

LEHMAN MINTS

(continued from page 1)

equity investor in geothermal projects by **Ormat Nevada** (PFR, 4/18) and wind projects by **UPC Wind** (PFR, 3/14). It also controls a majority stake in **SkyPower**, a Canadian wind, solar and hydro developer (PFR, 7/20). *—Katie Hale*

Alternating Current

Whistle Down The Wind

Country crooner **Lyle Lovett** is set to headline at **American Wind Energy Association**'s WINDPOWER 2008 Conference in Houston June 1-4, and we at *PFR* are lovin' the idea of Lovett blowing out those wind pipes. We're not sure what the title of his most recent album, "*It's Not Big, It's Large*," means—maybe a reference to **General Electric**'s latest turbine?

But as the cliché goes, "everything's bigger in Texas," and we're wondering if that'll count for this year's conference attendance, too, as industry folk chinwag about production tax credit and supply chain woes. Either way, it seems Lovett is getting behind green energy, not just the green wad. After testifying before a Congressional committee last year on music royalties, maybe he could lend a favorable wind to the debate on Capitol Hill. After all, he won over **Julia Roberts**...

Lyle Lovett

Quote Of The Week

"There will be future common stock offerings, additional private placements and equity raisings on the corporate side."—**Thomas Schneider**, *president of* ***Schneider Power****, on the Toronto-based company's financing plans for its 1.7 GW wind and solar pipeline and planned listing on the* ***Toronto Stock Exchange*** *(see story, page 1).*