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Pushing \$1B

RES AMERICAS BIDDERS EMERGE

Non-binding bids for Renewable Energy Systems Americas were due last Monday and contenders were said to be lining up offers approaching \$1 billion. As first reported on PFR's Web site, in the hunt are strategic players Pacific Gas & Electric, Sempra Generation and SUEZ Energy North America, as well as financial sponsors First Reserve Corp. and a private equity affiliate of General Electric.

Australian infrastructure fund Hastings Funds Management had taken an interest, but

(continued on page 12)

STORAGE VENTURE HUNTS FUNDING

Martin Resource Management Corp. and Energy Capital Partners are seeking \$455-520 million in debt to finance five gas storage facilities they are planning to construct over the next five years via their newly formed joint venture, Cardinal Gas Storage Partners. "We're looking to come to market in about a year," says Ken Beckman, senior v.p. at Martin Resource Management in Houston. "It would be nice if the markets would firm up and we could get more leverage."

Cardinal is seeking to build storage facilities in eastern Texas, between



Ken Beckman

(continued on page 12)

EIF TESTS INTEREST IN MAINE PROJECT



Michelle Brauner

Energy Investors Funds' United States Power Fund is looking to sell its interests in, or round up new investors for, a recommissioning of the Loring BioEnergy jet fuel pipeline between Winterport and the Loring Commerce Center in Maine. The fund is aiming to convert the pipeline to natural gas service and develop a 70 MW gas-fired cogeneration project nearby for an aggregate cost of \$100 million. Michelle Brauner, v.p. in Needham, Mass., says, "[EIF] is witnessing apparent changes for gas transmission in Maine...and activity around LNG that can bring a lot

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HYDRO-QUÉBEC RFP WINNERS GO NON-RECOURSE

St-Laurent Énergies, a consortium that last Monday landed 954 MW worth of PPAs from Hydro-Québec, will look to project finance more than 80% of the roughly C\$2 billion (\$1.96 billion) cost of the projects. "A Hydro-Québec PPA is a credible contract," says one official at the consortium, who declined to be identified. "You can lever them up pretty well."

The consortium is led by EDF Énergies Nouvelles (60%) and includes Québec IPP Hydroméga Services (20%) and Renewable Energy Systems Canada (20%) (PFR, 5/5). The PPAs for the projects with Hydro-Québec Distribution will last 20 years and will be

(continued on page 12)

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



At Press Time Complete Set To Unveil Sale Agreement

Complete Energy Holdings is understood to be in the final stages of negotiating a purchase and sale agreement for its 1,450 MW generating portfolio. An unidentified buyer is offering in the range of the \$1.3 billion originally offered by **KGen Power**. As reported on *PFR's* Web site last Thursday, an announcement is expected within days, according to industry sources. **Rhonda Hollier**, a spokeswoman for Complete in Houston, declined to comment.

KGen backed out of its deal for unknown reasons (*PFR*, 10/5). It is unclear if the Houston IPP paid the \$50 million break-up fee. Following the termination of that agreement, Complete put the portfolio—a 60% stake in 1,022 MW La Paloma in McKittrick, Calif., and a 96.3% stake in the 837 MW Batesville in Mississippi—back out to market via **JPMorgan** (*PFR*, 11/9). **Kelson Energy** took an interest in Batesville, but dropped out to pursue other acquisitions.

JPMorgan was separately set to underwrite a \$110-120 million bridge financing, proceeds from which would take out \$100 million of mezzanine debt tied to the acquisition of Batesville provided by **Trust Company of the West**, which also owns a sizeable stake in La Paloma. Calls to JPMorgan were not returned.

ArcLight Renewables Unit Taps GE For Finance Exec

Terra-Gen Power, a renewable energy affiliate of Boston-based **ArcLight Capital Partners**, has hired **John Carson** in the newly created position of senior v.p. of finance. As first reported by *PFR* last Thursday, his hire follows the recruitment of **James Pagano**, ceo of Terra-Gen, who joined Jan. 28 after serving as president of **LS Power Development** (*PFR*, 2/8).

Carson will start in the New York position on Wednesday, reporting to Pagano. He previously served five years as a senior v.p. at **GE Energy Financial Services** in Stamford, Conn., specializing in renewable energy. Before GE, he was an associate in **Lehman Brothers'** natural resources group. "He has worked on a lot of renewables transactions with GE and has a lot of renewables experience, especially with tax equity-driven deals," says Pagano. Carson and a GE spokesman declined to comment.

Terra-Gen is expanding its geothermal footprint and is planning to repower existing wind projects. It is the holding company for ArcLight's interests in 824 MW of renewable generation acquired from New York IPP **Caithness Energy** in December. Terra-Gen is also planning to hire a general counsel, says Pagano.

Tell Us What You Think!

Do you have questions, comments or criticisms about a story that appeared in *PFR*? Should we be covering more or less of a given area? The staff of *PFR* is committed as ever to evolving with the markets and we welcome your feedback. Feel free to contact **Katy Burne**, managing editor, at 212-224-3165 or kburne@iinews.com.

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**Institutional
Investor NEWS**
INTELLIGENCE FIRST

SUEZ Sells Wash. Plant

SUEZ Energy North America subsidiary TNA Merchant Projects has signed an agreement to sell its 520 MW gas-fired Chehalis Power generating facility in Lewis County, Wash., to PacifiCorp for an undisclosed sum. The five-year-old plant is interconnected to the transmission system of the Bonneville Power Administration and its output is subject to a call option agreement PacifiCorp entered into March 1.

As reported in *PFR Daily* last Wednesday, PacifiCorp is buying the plant to offset a shortfall in its load obligations. Details of the MidAmerican Energy Holdings Co. subsidiary's financing plans could not be learned and a spokesman had no comment.

Since the plant came online in Oct. 2003, SUEZ decided it wanted to own power plants that overlap with its energy services and marketing operations in the Northeast and Texas (PFR, 1/19/04). "The Pacific Northwest is a non-core region for SUEZ. We're focused on New England, New York, PJM and ERCOT," says a spokeswoman, adding proceeds would be put towards acquiring and developing other generating assets.

J-POWER Pockets Birchwood Stake



Birchwood

J-POWER USA Development Co. has acquired a 49.5% stake in the 242 MW coal-fired Birchwood facility near Fredericksburg in King George County, Va., via a fully underwritten B loan from Sumitomo Mitsui Banking Corp. A purchase price was not disclosed. Seller GE Energy Financial Services will retain

50.5% and continue to operate the plant, but J-POWER has an option to buy another 0.5% stake in a year.

As first reported by *PFR* last Thursday, the financing consists of \$80 million in mezzanine debt, with 1% of principal scheduled to amortize annually alongside fixed-percentage cash sweeps. The debt matures in 2021 to match the plant's PPA with Virginia Electric and Power Co. "We have a very good relationship with GE. If we're bidding on an asset, they know we can close quickly," says John Salyer, ceo of the joint venture between J-POWER and John Hancock Financial Services in Schaumburg, Ill. "The U.S. dollar is devalued and we are primarily owned by Japanese and Canadian money, plus we still have the ability to put mezzanine financing in place," he adds.

The deal is J-POWER's fourth acquisition in the U.S. and its first coal-fired investment. "As a company we're very interested in coal-fired assets. About 50% of our generation in Japan is coal," says Salyer. "Our view with this project is it's one of the most

efficient coal-fired assets in the U.S. in terms of its performance, heat rate and emissions." The venture also recently bought 795 MW Green Country in Jenks, Okla., from GE and Tyr Energy. Mizuho Corporate Bank led the financing for that purchase, but SMBC took a piece of the debt in syndication (PFR, 1/4). Dexia Crédit Local advised J-POWER on Birchwood.

Canadian IPP Cfo To Depart



Kim Hubick

Kim Hubick, executive v.p. of finance and cfo of Calgary, Alberta-based IPP ENMAX Corp., will leave his post at the end of this month for unknown reasons. In an e-mail to *PFR*, Hubick said he was unsure of his next step and that Giselle Branget, principal of Branget Strategic Consulting in Ontario, will join the company to assume his role. He declined to

elaborate and did not return further requests for comment.

Hubick joined ENMAX in Oct. 2005, after previously serving as v.p. and controller of AltaGas Income Trust. Branget was previously v.p., treasurer and cio of Ontario Power Generating, a company wholly-owned by the province of Ontario. She could not be reached for comment and an ENMAX spokeswoman declined to comment.

FORTISTAR To Acquire Landfill Gas Projects

FORTISTAR has agreed to purchase a 99% interest in two landfill gas-to-energy projects in Texas and Idaho from private developer G2 Energy, which will retain the remaining 1% stake. Mark Comora, president at the IPP in White Plains, N.Y., says Caterpillar Financial Services is providing an undisclosed amount of debt to fund the acquisition, set to close in a month.

Being acquired is a 1.6 MW project in Fort Worth, Texas, and a 3.2 MW project in Boise. FORTISTAR is separately providing equity and construction management for three landfill gas projects totaling 8 MW in California, Texas and Florida under construction by G2. "We're building our natural gas portfolio and Texas is an area we want to grow in," Comora says. Calls to Nicholas King, managing member at G2 in Atlanta, and Mitchell LeMasters, a renewable energy account manager at Caterpillar in Chicago, were not returned.

In the next year FORTISTAR will look to commit at least \$100 million to new landfill gas-to-energy projects. "We're looking to expand. If you look at the Renewable [Portfolio] Standards, you need a lot more projects," says Comora, "Wherever the [Renewable Portfolio Standards] are, we will go." The IPP owns 50 such projects throughout the U.S.

Developers Hunt Lender For 35 MW Canadian Solar

SunPower Corp. and Canadian solar outfit Helios Energy are set to mandate a bank within the next 90 days on a planned non-recourse financing for their 35 MW solar photovoltaic project in Amherstburg, Ontario. “We did a quiet approach to several targeted parties and we’re in the process of locking [loans] up,” says **Winston Bennett**, director at Helios in Toronto. “It’ll likely be a sole mandate.” He would not disclose the banks being considered or details of the equity to be committed. A call to **David Eisenbud**, director at SunPower, was not returned.

The 35 MW solar PV complex will comprise three 10 MW units and one 5 MW unit. It will benefit from a 20-year contract with the **Ontario Power Authority**, whose Standard Offer Program offers a fixed price of C\$0.42 (\$0.41) per kWhr produced, says **Jim MacDougall**, manager of distributed generation at the OPA in Toronto. The solar park is set to become operational in 2010.

Siemens Adds Junior Capital Financing



Kirk Edelman

Siemens Financial Services has expanded its energy financing to include second-lien financing and mezzanine debt because of the growing difficulty to complete deals within the traditional capital structure.

Kirk Edelman, senior v.p. and general manager at Siemens in Iselin, N.J., says the decision to add these solutions to its existing secured first-lien financing base is aimed at distinguishing the firm from competition in a tough lending environment. “It’s been hard to get deals done,” he says. “We can behave a lot like a commercial bank or an institutional investor. We can finance investment-grade debt and non-investment grade debt now.” Siemens will be looking to tap middle-market investors that are dependent on private equity funds for financing. “Where we can add the most value is the middle market,” he adds.

The firm has tripled its commitment to energy and plans to open an office in the next two months in Calgary, Alberta, primarily due to the thriving oil and gas sector. “It’s the Houston of Canada—we think it’s time we had a permanent office there,” says Edelman, noting the company is looking to hire a senior originator in the new location. **John O’Brien** and **Steve Kanaplue** joined as analysts in the Iselin office in the last few weeks from **KeyBanc Capital Markets** and **CIT Energy**, respectively. Additionally, the firm continues to look for expansion opportunities beyond the U.S. and Canada. “Latin America remains interesting to us.”

Developer Taps Pair For Nevada Geothermal Financing

Vancouver, B.C., renewables developer **Nevada Geothermal Power** has tapped **Morgan Stanley** and **Glitnir Bank** to underwrite a \$140 million financing supporting construction of its flagship project, 35 MW Blue Mountain Faulkner I, in Humboldt County, Nev. The debt recently launched into syndication, with a view to closing at the end of this month, but participant lenders have not been given a commitment deadline.

Andrew Studley, cfo at the sponsor, was not available for comment. Officials at Morgan did not return calls and Glitnir officials declined to comment.

Groundbreaking on Blue Mountain by EPC contractor **Ormat Technologies** is set to begin at the end of June, with commercial operation slated for the fourth quarter of next year. Once complete, a \$140 million chunk of tax equity from Morgan will take out the project financing, provided production tax credits are still in place. Proceeds from a C\$15 million (\$14.8 million) private placement of common shares underwritten by **Dundee Securities** will provide additional equity. That bought deal is set to close by May 15.

As well as Blue Mountain, which has a 20-year PPA with **Nevada Power Co.**, NGP holds 100% leasehold interests in: Pumpernickel, east of Winnemucca, with potential for 20-30 MW; Black Warrior in Washoe and Churchill Counties, with potential for 100 MW; and Crump Geyser east of Lakeview, Ore., which has potential for 40-60 MW.

Cheniere Weighs Sale Of Freeport LNG Stake

Cheniere Energy is contemplating the partial or outright sale of its 30% interest in Freeport LNG on Quintana Island near Freeport, Texas. “We feel it’s a good opportunity to explore what’s out there. We feel our stock does not show the true value of the terminal,” a spokeswoman told *PFR*. The move comes after it signaled in February that it is exploring similar options for Sabine Pass LNG in Cameron Parish, La., via **Credit Suisse**. The spokeswoman declined to say if CS is also advising on Freeport.

Cheniere owns a 30% stake in Freeport after selling a 60% interest to the **Smith Entities**, which subsequently sold a 15% limited partner interest to **The Dow Chemical Co.** for an undisclosed sum. Cheniere separately sold a 10% limited partner interest to **Contango Oil & Gas Co.**, which subsequently sold its share to **Osaka Gas** for \$63 million (*PFR*, 2/8). Cheniere owns Sabine via its 91% holding in master limited partnership **Cheniere Energy Partners** and does not need approval from the other 9% of CEP shareholders to evaluate strategic options on the facility.

Sabine Pass became operational April 21 and has 20-year

contracts beginning next year—\$256 million of revenue per year from **Total** and \$256 million from **Chevron** for 1 Billion cubic feet per day each (PFR, 3/30/07), as well as \$250 million from subsidiary **Cheniere Marketing** for 2 Bcf per day on a take-or-pay basis. Freeport is still under construction but **ConocoPhillips** is contracted for 1 Bcf per day and **Dow Chemical** for 500 million cubic feet per day.

Good Energies Taps Clean Tech Exec



George Coelho

Good Energies, a renewable energy investor, has hired **George Coelho**, co-founder and partner at clean tech venture capital firm **Balderton Capital**, as managing director and head of venture capital in Zug, Switzerland. He started last Monday, reporting to **Richard Kauffman**, ceo in New York, and will oversee the firm's European solar efforts as well as venture capital

deals in eco-construction and clean tech. "I was seduced by their vision," he says. "A lot of [companies] are looking at clean tech."

Coelho replaces **Sven Hansen**, managing director and chief investment officer, who will solely assume cio responsibilities going forward. **Good Energies** is adding staffers at the analyst and director level and may be opening an office in Asia, according to **Alexander Rohde**, spokesman. The firm has more than \$7 billion in investments, mostly in the solar space. It recently increased its stake in Chinese solar photovoltaic cell and module manufacturer **Solarfun Power Holdings** to 34.7% from 6.3% (PFR, 12/7).

Leads Launch Starwood Acquisition Financing

WestLB and **Sumitomo Mitsui Banking Corp.** launched syndication via conference call last Monday of \$215 million in financing for **Starwood Energy Group Global's** pending \$207.2 million acquisition of **Thermo Ft. Lupton**, a 272 MW combined-cycle plant northeast of Denver (PFR, 4/25). The deal will also retire \$31.9 million of existing debt tied to the plant.

Tickets of \$25 million to \$35 million are on offer for the debt maturing in June 2019, when the plant's tolling contracts also are set to expire with **Public Service Company of Colorado** and the **Tri-State Generation and Transmission Association**. Commitments are due May 23 with an eye to closing by the end of this month, says **Brad Nordholm**, ceo at the Starwood unit in Greenwich, Conn. He confirmed the launch into syndication, but declined to discuss pricing. Officials at the banks declined to comment.

The package consists of a \$141.2 million senior term loan, priced at 150 basis points over LIBOR, stepping up by 12.5 bps every four years and a \$21.8 million junior term loan, priced at

325. Both are being sold pro-rata. Rounding out the financing are a \$6 million working capital facility, a \$33.8 million performance-based letter of credit and a \$12.2 million LC for debt service reserve.

Siemens Sub Reviews Renewable Lender Pitches

Siemens Building Technology is in talks with as many as 20 lenders that submitted proposals into its RFP for financing up to 16 small-scale renewable projects being developed across the U.S. for around \$200 million. "It's a nice little portfolio of different projects that are coming into play in the next 18-20 months," says **Clark Wiedetz**, manager of alternative energy in Atlanta. The plants range from 4-10 MW and are a mixture of solar, landfill gas, biomass, waste-to-energy and biomass facilities (PFR, 2/15).

"Instead of going out project by project we want to use the same people [for all of them]," Wiedetz says. The operating subsidiary of Siemens formally launched an RFP six to eight weeks ago and received proposals early this month. It will draw up a short list of banks over the next two months with a view to mandating two or three by late summer. "There's enough business for us to have two entities," adds Wiedetz.

The developer has already lined up financing for all of this year's projects, including funding from undisclosed financing institutions for a portion of the roughly \$10 million, 5.25 MW landfill gas **Manatee Green Power** project near Bradenton, Fla. That plant has a 15-year PPA with **Florida Power & Light** and is a joint development venture with Boston-based **Bostonia Partners**.

SkyPower, BrightSource Enter Israeli Solar RFP

Canada's **SkyPower Corp.** and Oakland, Calif.-based **BrightSource Energy** are separately bidding into an RFP for up to 250 MW of solar thermal capacity and up to 30 MW of solar photovoltaic capacity being tendered in the Negev desert in southern Israel.

Kerry Adler, president and ceo at **Lehman Brothers-** and **HSH Nordbank-**backed **SkyPower** in Toronto, confirmed the company is bidding into an RFP in Israel with partners, declining to elaborate. The developer, which is better known for wind, recently teamed up with **SunEdison** to develop the 19 MW **First Light** facility in Stone Mills, Ontario (PFR, 8/24).

Charles Ricker, senior v.p. of marketing and business development at **Morgan Stanley-** and **JPMorgan-** backed **BrightSource**, confirmed the company's Israeli subsidiary **Luz II** is involved in the RFP but also would not talk specifics.

The tender is for a pair of 80-125 MW solar thermal power and a 15 MW photovoltaic unit that can be expanded by 15 MW,

says **Hezi Kugler**, director general at Israel's Ministry of National Infrastructures in Jerusalem. The solar thermal projects would each constitute an investment of at least \$200 million and the photovoltaic unit circa \$100 million, he adds. Pre-qualifying bids are due July 1 and second-round bids in November, with a preferred bidder expected to be selected in February.

WestLB Wraps EUR150M Spanish Solar Deal

WestLB has closed syndication of a EUR\$150.8 million (\$234.2 million) loan funded late last year to **AIG Financial Products** and **360 CORPORATE** to support construction of their 15 MW Olivenza solar photovoltaic project in Extremadura, Spain. **AKB Bank**, **Helaba**, **KfW Bankengruppe** and **Rabobank** took roughly equal slugs of the deal during syndication, but their allocations and pricing could not be learned.

AIG is taking an 80% stake in the project and 360 is taking 20%, according to an official at the Spanish energy and infrastructure investment company in Madrid.

The deal consists of a EUR122.8 million term loan, a EUR17.7 million VAT facility and EUR10.3 million in mezzanine debt. The tenor of the loan is construction plus 21 years. A spokeswoman at Helaba confirmed the bank's involvement, but officials at the other banks and AIG either declined to comment or did not return calls.

Bids Submitted In Jordan IPP Tender

Final bids were received late last month for Jordan's second IPP tender. The project, known as Al Qatrana, will be a 280-400 MW combined-cycle gas plant in Amman and is sponsored by Jordan's Ministry of Energy and Mineral Resources.

Proposals were filed by:

- a joint venture between **International Power** and **Saudi Oger**
- another venture between **Korea Electric Power Corp.** and Saudi Arabia-based **Xenel Industries**
- a consortium comprising **Gama Energy**, **Mitsubishi** and **Energy Arabia** (ENARA), and
- a venture between **AES Oasis** and **Mitsui & Co.**

ENARA is itself a consortium comprising **Malakoff Corp.**, **Jordan Dubai Energy** and Greek engineering company **Consolidated Contractors Co.** A preferred bidder is expected to be chosen in July.

Munir Misirlioglu, deputy general manager at Gama Energy in Ankara, Turkey, says the cost of the project will be around \$600 million. The Gama consortium is looking to U.S. and Japanese multi-lateral financing institutions and Japanese commercial banks for debt, he says, declining to elaborate. Last year Xenel and

Gama were runners up in the tender for Jordan's first IPP—a 370 MW combined-cycle gas turbine facility at Almanakher near Amman. But AES and Mitsui won (PFR, 2/23).

A spokeswoman at International Power said Al Qatrana is a project of interest to the company, but declined to comment otherwise and officials at the other companies either could not be reached or did not return calls. The original shortlist of bidders, unveiled by the Ministry last September, also included: **SUEZ Energy International**, **Unión Fenosa Generation**, **Siemens**, **Marubeni Corp.** and **GE Infrastructure**.

Abengoa To Beam Up Financing For Spanish Solar

Abengoa Solar is taking bids for financing to support construction of its 50 MW Solnova 4 project under development near Sevilla in Sanlúcar la Mayor, Spain. The mandate is expected to be awarded at the end of this month or the beginning of next, according to deal watchers. In the mix are **Calyon** and **Natixis**, among others, but the sum of financing being sought could not be learned.

Ana Cabañas, a spokeswoman at Abengoa Solar in Madrid, was unable to comment on the sponsor's financing plans but confirmed the funding is not yet in place for the project.

Natixis, **Banco Santander**, **Caja Madrid**, **Calyon** and **Société Générale** co-led EUR274.6 million (\$422.8 million) in debt for 50 MW Solnova 1 and 50 MW Solnova 3. That deal launched into syndication in March. Officials at the banks either did not return calls or declined to comment.

Wind Group Highlights Need For Early PTC Renewal

New wind development would slow dramatically, following big increases in installed capacity over the last three years, if Congress does not renew production tax credit legislation by Memorial Day, according to the **American Wind Energy Association**.

"The credits need to be extended by Memorial Day simply because with every month you go beyond that it starts to throw a significant barrier in the face of those companies looking at business in 2009," says **Randall Swisher**, executive director in Washington, D.C., adding lawmakers could still keep to this month's deadline. "It's very likely that it will be extended. There are very significant financial stakes involved."

Installation volumes declined 93%, 73% and 77% when PTCs were not renewed in 1999, 2001 and 2003, respectively, according to AWEA data. In the first quarter of this year, 1.4 GW of new wind projects were installed and another 4 GW are set to come online later this year. That follows 5.2 GW last year, bringing total capacity in the U.S. to about 18 GW.

Corporate Strategies

Minn. Co-Op Makes Room On Revolver To Fund Capex



Susan Brooks

Great River Energy will use \$360 million of proceeds from its sale of \$400 million in 30-year first mortgage bonds, upsized from a planned \$350 million offering, to pay down its revolver. Susan Brooks, treasurer in Maple Grove, Minn., says the revolver—co-led by the National Rural Utilities Cooperative Finance Corp. and JPMorgan—will fund capital

projects, including a \$275 million, 99 MW combined heat and power plant in Jamestown, N.D., and several transmission projects. “We have a fairly significant capital program,” she says.

Bank of America, Goldman Sachs and JPMorgan co-led and underwrote the offering, which priced at 7.23% April 23 and closed May 1. “They were in our last deal and we’ve had a long relationship dealing with them,” says CFO Larry Schmid. Great River Energy will likely come to market again in 12-18 months’ time with about the same amount of new debt to secure additional funding for capital expenditures, Brooks says. The projects will help meet the co-op’s customer growth, expected to be 2% each year through 2013.

Fitch Ratings rated the issue A-. “Great River Energy has very competitive rates and a very solid and experienced management team,” says Yvette Dennis, director at Fitch in New York.

Westar Sub Issues \$150M To Repay Revolver



Tony Somma

Kansas Gas & Electric is planning to use proceeds from a \$150 million private placement to trim its parent company Westar Energy’s \$750 million revolver and fund upcoming capital expenditures. Tony Somma, treasurer at Westar in Topeka, Kan., says the revolver, co-led by Citibank and JPMorgan and priced at LIBOR plus 55 basis points,

had an accordion feature allowing it to be upsized from \$500 million (PFR, 7/27), which Westar exercised in February.

The deal, rated BBB by Fitch Ratings, priced May 1 and is expected to close Thursday. It comprises a \$50 million tranche of 6.15%, 15-year first mortgage bonds and a \$100 million tranche of 6.64%, 30-year bonds. “Generally, we have long-term assets. We prefer to go north of 10 years when doing a financing,” says Somma.

Barclays Capital and BNP Paribas co-led the offering. “They have experience in doing private placements and are on our

existing credit facilities,” says Somma. Westar opted for a private placement because KG&E de-registered from the Securities and Exchange Commission last year to save costs associated with requirements under the Sarbanes-Oxley Act, meaning it can no longer publicly issue debt.

Westar’s capex program includes funding the development of three wind farms—100 MW Flat Ridge in Barber County, 99 MW Central Plains in Wichita County and 96 MW Meridian Way in Cloud County. It also includes a \$40-50 million, 345 kV transmission line between Rose Hill substation southeast of Wichita and Oklahoma Gas & Electric’s Sooner substation northeast of Perry, Okla., as well as the \$330 million Emporia Energy Center, a gas-fired peaker in Lyon County that will be expanded to 600 MW by next summer.

N.C. Muni To Refi Auction-Rate Debt

North Carolina Municipal Power Agency Number 1 is issuing nearly \$525 million in fixed-rate bonds by mid-month to refinance auction- and fixed-rate securities and fund capital improvements at its 2.3 GW Catawba Nuclear Station near York, S.C. “We’ve been paying higher rates than we anticipated, and we also understand that the auction-rate market is not going to function as it is intended,” says Susan Ingram, treasury manager, who was traveling in New York from Raleigh for the offering.

Being refinanced are bonds that are insured by downgraded guarantor Ambac Financial. The rates previously were around 2%, says Ingram, noting they tracked the Securities Industry and Financial Markets Association Municipal Swap Index but have been as high as the low teens since Fitch Ratings downgraded Ambac to AA from AAA on Jan. 18. “As soon as Ambac was downgraded, the rates did nothing but increase,” she says. “They have come down to 5-6% but that is still above where we’d anticipated.” A portion of the new notes will be insured by AAA-rated Assured Guaranty.

Some \$247 million from the proceeds will refinance auction-rate debt, while around \$72 million will be used for capital improvements at the 24-year-old, two-unit Catawba facility. The agency holds a 75% interest in Unit 2 of the plant. The balance will refinance fixed-rate series 1997 and 1998 A bonds. “We don’t refund unless they have at least 3% net present value savings,” says Ingram.

Morgan Stanley will underwrite the offering, supported by UBS, Wachovia, Goldman Sachs, Merrill Lynch and First Southwest. First Southwest has a strong presence in South Carolina, says Ingram, and Goldman was an underwriter for one of the series being refinanced. “We felt like since we are taking out their bonds we should add them to the group,” she says.



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
AES	Warrior Run	Cumberland, Md.	180	Coal	N/A	Reportedly reviewing sale options.
Allco Finance Group	Various	Kern County, Calif. Germany, France Australia, New Zealand	3, 100 97 1,600	Wind	Marathon Capital N/A N/A	Company plans to sell either as global portfolio or in regional chunks (PFR, 3/11).
Arroyo Energy Investors	Thermo Cogeneration	Fort Lupton, Colo.	272	Gas	N/A	Starwood Energy Group Global to buy for \$207.2M (PFR, 2/6). WestLB and Sumitomo Mitsui Banking Corp. have launched syndication of a \$215M acquisition financing (PFR, 5/3).
Astoria Energy	Astoria plant	Queens, N.Y.	500	Gas	N/A	Owners fielding offers. Suez acquiring 30% (PFR 9/29).
Black Hills Corp.	Arapahoe Valmont Fountain Valley Las Vegas I Las Vegas II Harbor Valencia	Denver, Colo. Valmont, Colo. Colorado Springs, Colo. Las Vegas, Nev. Las Vegas, Nev. Long Beach, Calif. Albuquerque, N.M.	130 80 240 53 224 98 149	Gas Gas Gas Gas Gas Gas Gas	Credit Suisse	Hastings Funds Management and a unit of JPMorgan Asset Management to acquire for \$840M with RBS Leading the financing (PFR, 4/30).
BTEC Turbines	Southaven Energy New Albany Power	Miss. Miss.	340 390	Gas Gas	JPMorgan	Assets or just the equipment for sale. Teasers dispatched (PFR, 4/3).
Bulgarian Privatization 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. Second-round bids taken 5/5.
Calpine	Texas City Clear Lake	Texas City, Texas Clear Lake, Texas	425 375	Gas Gas	Miller Buckfire	
Catamount Energy	Sweetwater Ryegate Power Rumford	Nolan County, Texas Vermont Rumford, Me.	505 (50%) 20 85	Wind Wood waste Cogen	Goldman Sachs	Unsolicited approaches have been made to financial backer Diamond Castle Holdings (PFR, 8/31).
Central Vermont	Various	Vermont	70 in summer	Hydro	Morgan Stanley	Status unknown (PFR, 5/18).
Connect Energy (Pepco Holdings)	Various	PJM Interconnection	3,700	Various	Credit Suisse	Company reviewing strategic alternatives, including whole or partial sale and merger (PFR, 12/10).
Con Ed Development	CEEMI Newington Energy Lakewood Ocean Peaking Power Rock Springs Genor Ada Cogeneration EverPower Wind	Springfield, Mass. Newington, N.H. Lakewood, N.J. Lakewood, N.J. Rising Sun, Md. Puerto Barrios, Guatemala Ada, Mich. NEPOOL, NY, PJM	185 525 (99.5%) 246 (80%) 339 670 (50%) 42 (49.5%) 29 (48%) 500 planned	Gas, Oil, Hydro Gas Gas Gas Gas Oil 29 (48%) Wind	Morgan Stanley	Industry Funds Management to acquire for \$1.4B. Barclays to arrange \$750M in debt, expected to launch into syndication soon (PFR, 2/11). Not sold. Ada not sold. Partner is Olympus Power. 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 Batesville	McKittrick, Calif. Batesville, Miss.	1,022 837	Gas Gas	JPMorgan	Final bids were received 3/11 (PFR, 3/14). Kelson Holdings no longer bidding.
Corona Power	Sunbury Generating	Shamokin Dam, PA	432	Coal, oil, diesel	Merrill Lynch	Soliciting 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 Various Empire Generating Waterbury	Holyoke, Mass. Conn. And Housatonic Rivers Rensselaer, N.Y. Waterbury, Conn.	146 216 635 96	Coal Hydro Gas Gas	N/A	Considering selling all or part of the portfolio (PFR, 4/21).
Energy Future Holdings (Luminant)	Sandow 4 Sandow 5	Milam Co., Texas	545 (50%) 581 (50%)	Coal Coal	Credit Suisse	Reportedly planning to sell stakes to Perennial Power Holdings (PFR, 2/18).
Entegra	Gila Union	Phoenix, Ariz. El Dorado, Ark.	2,300 3,000	Gas Gas	N/A	Merger talks with KGen stalled (PFR, 1/17).
Entergy Corp.	50% stake in Top Deer Wind Ventures RS Cogen Roy S. Nelson Warren Power Harrison Independence Robert Ritchie	Worth County, Iowa Carsen County, Texas Lake Charles, La. Westlake, La. Vicksburg, Miss. Marshall, Texas Newark, Ark. Helena, Ark.	40 40 212 60 225 335 121 544	Wind Gas Gas/Oil Gas Gas Coal Gas/Oil	New Harbor	Seller wants about \$520M for the assets. Bidders shortlisted to four players: two financial; two infrastructure (PFR, 6/18).
EPCOR	Castleton-on-Hudson	Albany, N.Y.	64	Gas	N/A	Quietly shopping asset (PFR, 4/18).
ESB International	Marina Great Island Tarbert	Cork City, Ireland Wexford Co., Ireland County Kerry, Ireland	115 240 640	Gas Oil Oil	Merrill Lynch	In second round. Winning bidder should be revealed this summer.
Exergy Development Group	Various	Upper Midwest, Northwest U.S.	3,600	Wind	Marathon Capital	Weighing partnership, joint venture, recap or sale (PFR, 12/17).
First Reserve Corp. and Gen Power	Longview Power	Maidsville, W.Va.	695	Coal	N/A	Considering selling plant (PFR, 5/5).
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 Tesla	Stockton, Calif. Tracy, Calif.	44 1,120	Coal/Petcoke Gas/Steam	New Harbor Credit Suisse	Indicative bids due April 11 (PFR, 3/11). Development site. Status unclear.
G2 Energy	N/A N/A	Boise, Idaho Fort Worth, Texas	3.2 1.6	Landfill Gas Landfill Gas	N/A	FORTISTAR to acquire 99% for undisclosed sum and is financing the acquisition via Caterpillar Financial Services (PFR, 5/7)

Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
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 PUREENERGY (PFR, 4/8).
	Birchwood	Fredericksburg, Va.	242	Coal	N/A	J-Power USA has agreed to buy for an undisclosed sum.
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		
K&M International Power	Termovalle	Calif, 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 Cogeneration	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 \$852M (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 \$2.9B (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). Holds interests alongside Constellation.
	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). Nevada Power to buy for \$500M.
	Bighorn	Primm, Nev.	598	Gas		
RES Americas	Various	U.S.	1,000 under construction	Wind	Credit Suisse	Bids around \$1B received 5/5 from Pacific Gas & Electric, Sempra Generation, SUEZ Energy North America, First Reserve and GE (PFR, 5/5).
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	Karthus Township, Pa.	290	Coal	Credit Suisse	Status unclear (PFR 2/16/07).
Temasek Holdings	PowerSeraya	Singapore	3,100	Gas	Credit Suisse, Morgan Stanley	Teasers dispatched 10/15.
	Senoko Power		3,300	Oil		
Tenaska Power Fund	Commonwealth Chesapeake	New Church, Va.	315	Oil	JP Morgan	Tyr to acquire, with GE handling its financing (PFR, 2/19). Hoosier Energy and Wabash Valley Power Association agreed to buy for \$383M (PFR, 4/14).
	Holland Energy	Beecher City, Ill.	665	Gas		
Third Planet Windpower	Various, U.S.	Various, U.S.	3,000 pipeline	Wind	Marathon Capital	Developer looking for joint venture partner.

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

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News In Brief

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

Americas

- The **Long Island Power Authority** has released a request for proposals for 50 MW of solar power to be installed on Long Island, N.Y. Proposals are due June 27 (*Long Island Business News*, 5/8).
- The U.S. Department of Energy has released a plan to spend up to \$1.3 billion on clean-coal plants that will capture carbon emissions (*Houston Chronicle*, 5/7).
- **Calpine** has appointed **Todd Filsinger** interim coo, effective immediately. He previously served as head of commercial operations and will retain his responsibilities as managing partner at **PA Consulting Group** (*Forbes*, 5/2).
- **UPC Wind** has changed its name to **First Wind** to better reflect its strategy of building, owning and operating wind farms (*Mass High Tech*, 5/1)...**Kurt Adams** has been hired as senior v.p. for transmission development. He will assume the position after leaving his role as chairman of the Maine Public Utilities Commission on May 16 (*Central Maine Morning Sentinel*, 5/1).

- **U.S. Geothermal** has acquired two geothermal plants totaling 3.6 MW north of Reno, Nev., from **Michael Stewart** and **Empire Geothermal Power** for \$16.62 million. The acquisition, which closed April 30, involved the San Emidio project in Washoe Co. and Granite Creek, near Gerlach (*CNNMoney.com*, 5/1).

Europe

- German insurer **Allianz** is considering a purchase of German utility **E.ON's** high-voltage power grid (*Financial Times*, 5/7).
- Austria agreed to measures doubling the proportion of alternative energy generated in the country to 15% over the next seven years (*Reuters*, 5/7).

Asia/Pacific

- **Marubeni** has announced plans to sell partial stakes in some of its overseas power plants by March of next year (*Reuters*, 5/8).
- **JSW Group** and **Toshiba** have lined up a \$250 million joint venture to make and sell steam turbines and generators in India (*Reuters*, 5/7).

KGen Shareholders Oust CEO

Gerald Lindner, ceo of **KGen Power Corp.**, has been ousted from the Houston IPP, along with **Ramon Betolaza** and **Joseph Piazza**, board directors. According to a notice sent to investors last Tuesday, activist hedge funds owning 26% of the company motioned for the changes and they were ratified by 76% of its shareholders.

Joining the board as of May 5 are **Gerald Stalun**, newly minted managing director and global head of power at **Trust Company of the West's** energy and infrastructure group (PFR, 4/11), as well as officials from KGen shareholders—**James Jenkins**, managing director at **King Street Capital Management**, and **Jeffrey Stein**, founder and principal of **Durham Asset Management**. In the wake of these elections board directors **William Grealis**, **Harrison Wellford** and **William Rockford**, founder of IPP **Primary Energy Ventures**, resigned. **Daniel Hudson**, cfo of **Navasota Energy Partners**, was named board chairman.

Lindner's last day was April 18 and his ouster was confirmed by a Delaware court April 24. CFO **Richard McLean** was named interim ceo. "The company is pleased to have all these board issues resolved and we are looking forward to getting back to running the business," says **Daniel East**, v.p. of strategic planning and development. KGen is trying to maximize shareholder value via a merger or sale and has received an offer of \$20 per share, reportedly from **ArcLight Capital Partners** (PFR, 4/18).

EIF TESTS

(continued from page 1)

of opportunity to the region."

Bodington & Company is advising on the process. "What they would like to do is diversify their investment and enhance the development effort," explains **Jeff Bodington**, founder of the San Francisco boutique. Information memoranda are set to go out today, he says, with a view to signing a deal in June or July.

The pipeline was decommissioned in the late 1990s and LBE plans to connect it to the Maritimes and Northeast Pipeline and recommission about 188 miles of it to deliver gas directly north. Its delivery capacity is 13 million cubic feet per day but it would need two additional compressor stations and capacity of 18.4 MMcf/d to support the planned greenfield project.

Potential customers for the gas have been identified, but no tolling or power sales agreements are signed. Also yet to be obtained is the associated transmission access and financing, a portion of which would be tax-exempt. The Maine Department of Environmental Protection has issued the project an air permit to burn gas or biodiesel 365 days a year, or diesel as a backup for up to 120 days. USPF also has a contract to buy land for the plant and approval to sell electricity into New Brunswick.

EIF has a majority stake in LBE originating from a development loan provided to the project. It also secured equity rights to fund the eventual construction financing for the cogen. —*K.B.*

RES AMERICAS

(continued from page 1)

dropped out to focus on its acquisition of seven power projects from **Black Hills Corp.**

Credit Suisse is running the auction for RES (PFR, 1/4), which originally envisaged the divestiture of just 30% of the U.S. subsidiary. Under consideration now is the sale of RES' entire North American unit, including **RES Canada**, or just its U.S. operation, which is forecast to have EBITDA of \$55 million this year. Calls to RES, CS and the bidders were not returned.

As of March, RES owned 226 MW in the U.S.—60 MW operational and 166 MW under construction in Texas. Bidders may be on the hook for capital expenditures related to those projects, according to one industry source. It also has 3.2 GW in advanced development, with 1.5 GW to come online by the end of 2010, and another 7.9 GW in mid- or early-stage development (PFR, 4/4). As result of being owned by U.K. construction specialist **Sir Robert McAlpine Group**, it also has a prized, third-party construction business, which has built more than 12% of the total installed with capacity in the U.S. —*Katy Burne*

HYDRO-QUÉBEC

(continued from page 1)

firmed up in the next six weeks with the Québec Energy Board, ahead of financing discussions beginning next month. On deck are the following farms:

- 80 MW Aguanish in Minganie Regional County
- 150 MW Massif-du-Sud in Les Etchemins et Bellechasse
- 300 MW Lac-Alfred in La Matapédia et La Mitis
- 350 MW Rivière-du-Moulin in Charlevoix et Le Fjord-du-Saguenay, and
- 74 MW Clermont in Charlevoix-Est

Officials at the sponsors either declined to comment or did not return calls, and a spokeswoman at Hydro-Québec declined to make an official available.

Venterre, a joint venture between **Canadian Hydro Developers** and **TCI Renewables**, separately won PPAs for 116 MW and will look to debt finance 65% of the C\$350 million cost, says **Ann Hughes**, executive v.p. at Canadian Hydro in Calgary. Venterre is planning the C\$190 million, 66 MW New Richmond wind farm and C\$160 million, 50 MW St. Valentin farm, both set to come online in 2012. TCI will complete permitting work on the farms, while Canadian Hydro will build and own them.

3Ci, winner of a PPA for its 156 MW Des Moulins farm set to come online in 2011, will look to debt finance about C\$300 million of the roughly C\$400 million cost. “We’ll partly finance it with our own equity, but we’re going to look at all the avenues in coming months,” says **Robert Vincent**,

president in Montréal.

Calls to other developers who won PPAs under the call for an aggregate 2 GW of wind-generated electricity were not returned. They are: a consortium between **Boralex** and **Société en commanite Gaz Métro**, and **Invenergy Wind Canada**, **Kruger Énergie**, **Enerfin Sociedad de Energia** and **B&B VDK Holdings**, independently. —*Thomas Rains*

STORAGE VENTURE

(continued from page 1)

southeast Oklahoma and Alabama, the Northeast and along the Rockies Express Pipeline at an aggregate cost of \$700-800 million. The 50:50 venture is seeking construction loans that convert to five- to seven-year term loans and is already in discussions with **RBC Capital Markets**. But Beckman says there about a dozen banks that specialize in gas storage, who also may take an interest. “**Scotia [Capital]** is starting to surface as a wannabe player and **Wells Fargo** is playing now. We’re seeing some folks with good credit.”

Pricing on similar deals has been in the LIBOR plus 200-250 basis point range, he says, noting, “We’re looking for a 100 basis point improvement [on that].”

CIT Energy was mandated in November to provide \$125 million of loans for the venture’s first development, the 15.5 billion cubic feet Arcadia Gas Storage facility east of Shreveport, La., (PFR, 4/11) and may be used for future financings, says Beckman. Syndication of the loan was supposed to close at the end of March but the deal’s status is unclear. “I’m not sure [CIT] was particularly pleased,” he says. “The market has been brutal—absolutely brutal. We hit the market at possibly the worst time.” Officials at ECP declined to comment and calls to CIT were not returned. —*Katie Hale*

Quote Of The Week

“We’re looking to come to market in about a year. It would be nice if the markets would firm up and we could get more leverage.” —**Ken Beckman**, senior v.p. at **Martin Resource Management Corp.** in Houston, on the midstream player’s plans to debt finance roughly 65% of a \$700-800 million gas storage rollout (see story, page 1).

One Year Ago In Power Finance & Risk

Goldman Sachs kicked off the auction of its affiliate **Cogentrix Energy’s** 80% interests in a 2,331 MW generating portfolio located across nine states. [**Energy Investors Funds’** United States Power Fund III agreed to buy the portfolio for an undisclosed sum (PFR, 9/21) and used an \$850 million loan underwritten by **Calyon** (PFR, 10/19).]