

# power finance & risk

The exclusive source for power financing and trading news

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## Credit Suisse To Lead MACH Gen Refi

Credit Suisse has scored the mandate on a refinancing of the 4 GW portfolio's second-lien debt.

*See story, page 2*

## Leads Tee Up Tenaska Gateway Refi

BNP Paribas and Calyon are set to launch a bond offering refinancing the 845 MW ERCOT natural gas-fired plant.

*See story, page 3*

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## GOLDMAN SALE TO FEATURE FLORIDA, NEW JERSEY PROPERTIES



Among the plum properties put on the block last week by Goldman Sachs in its Cogentrix Energy asset sale are a 330 MW facility in Martin County, Fla., which can support another 500 MW onsite, and a 218 MW cogenerating unit in Logan Township, N.J., with the option to build a further 300 MW.

The decision to sell marks a turning point in Goldman's strategy but officials there aren't talking as to what triggered the shift and Larry Kellerman, president of Cogentrix, declined comment.

*(continued on page 8)*

## Seems Like Old Times

## CALPINE BANKS READY \$950M IN NON-RECOURSE SYNDICATION

Lead arrangers are set to pitch project financing backing 1.6 GW of generation being built by Calpine, the first traditional non-recourse deals from the San Jose, Calif., company since its pre-bankruptcy heyday. The company, which was once a mainstay of the project finance market, has closed on a \$377 million loan for its Otay Mesa Energy Center in California and is nearing financial close for Calpine and Mitsui & Co.'s C\$650 million (\$585 million) Ontario Greenfield financing. Brian Harenza, v. p. of finance at Calpine, declined to comment.

ING Capital and BayernLB are planning to roll out syndication of the Otay paper by month-end, according to deal watchers. Expected pricing could not be determined, but the

*(continued on page 8)*

## FRENCH INDUSTRY GROUP SEEKS \$5.4B TO SECURE POWER PAYMENTS

A consortium of French industrial offtakers is looking to borrow EUR4 billion (\$5.4 billion) to finance forward payments for baseload power to be supplied by EdF Group. Natixis affiliate Ixis Corporate Investment Bank is advising the group known as Exeltium and retains the option to arrange if it can match the best pricing and terms of any offer from a rival bank.

Royal Bank of Scotland had been advising on the debt financing when Exeltium approached the market last October before the agreement with EdF was finalized. It could not be determined whether RBS was formally replaced, but market officials expect it to pitch for an arranger role. Other banks preparing to submit commitments to Ixis by May 23

*(continued on page 8)*

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## At Press Time

## U.S. Generation Guarantee Proposals Generate Buzz

Nuclear specialists are buzzing about the U.S. new proposals for loan guarantees for generation technologies unveiled Thursday. The **Department of Energy** proposals, subject to public comment for a period of 45 days before Congress decides whether to enact them, were the product of detailed discussions with financial institutions such as **Credit Suisse** and **Lehman Brothers**, **Dennis Spurgeon**, assistant secretary for nuclear energy at the DoE, tells *PFR*. "We recognize the importance of loan guarantees in spurring [power generation] and we are acting accordingly," he says.



Dennis Spurgeon

The proposals should foster commercial-scale nuclear generation, among other projects. But the guidelines need to be properly deciphered before it is clear how helpful they will be, says **Thomas O'Neill**, v.p. for new plant development at **Exelon Corp.** in Chicago. "New nuclear build depends on having the right incentives in place for private lending," he cautions.

Under Title XVII of the Energy Policy Act of 2005, the DoE has the authority to award \$4 billion of loan guarantees this financial year to eligible U.S. projects, defined as those employing technology either in commercial use in the U.S. for fewer than five years, or those being used in fewer than five projects. They will cover 90% of any debt instruments used to finance those projects, so long this does not exceed 80% of the total project cost. Applicants are required to make a "significant" equity contribution, though what dollar or percentage amount this constitutes has not been defined. The government has the right to the property as collateral in the event of default.

## Credit Suisse Scores Mandate On MACH Gen Refi

Owners of 4 GW MACH Gen have appointed Credit Suisse to lead the planned refinancing of its second-lien debt. The structure of the refi is yet to be ironed out, but will involve retooling the \$850 million tranche, priced at LIBOR plus 750 basis points, possibly shaving this by up as much as 200 basis points (*PFR*, 3/23).

At the same time, the creditors are positioning the portfolio for a sale, according to deal trackers. CEO of MACH Gen, **Ned Kleinschmidt** at **Capstone Advisory Group** in Saddle Brook, N.J., declined comment on both processes, as did officials at Credit Suisse.

**Morgan Stanley**, **Bear Stearns** and **Deutsche Bank** led a refinancing of debt tied to the generation earlier this year (*PFR*, 1/26), and are not expected to have a role in this round. Supporting the second lien is a first-lien portion comprising a \$100 million revolver priced at 225 over, a \$580 million first-lien term loan priced at 200, and a \$60 million synthetic letter of credit also at 200.

MACH Gen is managed by **Competitive Power Ventures** and comprises 360 MW Millennium in Massachusetts, 1.08 GW Athens in New York, 1.2 GW Covert in Michigan and 1.1 GW Harquahala in Arizona.

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Managing Editor  
(212) 224-3165BEN MILLER  
Associate Reporter  
(212) 224-3226STANLEY WILSON  
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Sketch Artist

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## CORPORATE

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Brentwood, TN 37024-5016.  
Tel: 1-800-715-9195. Fax: 1-615-377-0525  
UK: 44 20 7779 8704  
Hong Kong: 852 2842 6910  
E-mail: customerservice@iinvestor.comEditorial Offices: 225 Park Avenue  
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## Ex-Beal Official Lands At Deutsche Bank

**Doug Sherman**, an energy banker recently let go from **Beal Bank** affiliate **CSG Investments**, has landed as a director at Deutsche Bank in New York. He will originate middle-market transactions and invest in high-yield corporate bond and bank debt across all sectors. Sherman, who will be reporting to Managing Director **Anthony Casciano**, could not be reached but a spokeswoman confirmed his hire.

Sherman was one of two bankers affected when CSG decided to mothball its energy and power group earlier this year, citing tightening margins on deals (PFR, 2/23).

## HSBC Project Chief Passes Away

HSBC's newly anointed global head of project and export finance, **Jeremy Thirsk**, died May 5 of a sudden heart attack in London. The 45-year-old ceo is survived by a wife and three daughters, aged between nine and 13 years.

Thirsk was appointed ceo of the unit last month, replacing **Richard Cole**, who is moving to take up a position within the bank's principal investments division (PFR, 4/13). He is most likely to be succeeded by **Mark Lemmon**, deputy ceo of global project and export finance in London. "Work just isn't the same without Jeremy," says one banker. An HSBC spokesman says, "We only told a couple of select people who knew him very well," declining to make additional comment.

## Bank Of Scotland Closes Syndication Of Wind Financing

Bank of Scotland has wrapped syndication of debt bankrolling **HgCapital's** purchase of four wind farms from German developer **ENERTRAG** via commitments from three banks. The exact slugs allocated to **NordLB**, **Natixis** and **Dexia Crédit Local** could not be learned, but they were brought into the deal to encourage reciprocity among renewables focused lenders rather than out of a need to sell down the loan, according to an official at Bank of Scotland. Officials at the participating institutions did not return calls.

HgCapital bought the 47.5 MW of wind capacity, located in the Picardy region of northern France, for EUR66 million (\$89.4 million). Bank of Scotland served as sole lead arranger on the acquisition financing, which Hg closed on last December, having also underwritten EUR21.6 million supporting its acquisition of 25.25 MW Tir Mostyn in Wales in 2004, says **Tom Murley**, Hg director of energy investments.

Murley declined to comment on the ratio of debt to equity in the transaction, but the middle market-focused buyout shop

typically contributes £30 million (\$60 million) of equity on an individual deal. It has a mandate to acquire £1 billion of renewable projects across Europe and already has 110 MW in construction or operation, 400-425 MW under development, and the rights to acquire another 250 MW of to-be-constructed facilities by the middle of this month.

## French Duo Prep \$350M ERCOT Refi

**BNP Paribas** and **Calyon** are set to launch a refinancing of **Tenaska Gateway**, an 845 MW natural gas-fired combined cycle plant in Rusk County, Texas. The deal will come to market by the month end in the form of a circa \$350 million bond offering. Officials at owners **Osaka Gas Energy America Corp.** (40%), **Tenaska** (30%) and **Diamond Generating Corp.** (30%), and at the leads either declined comment or did not return calls.

The owners hope to retool debt tied to the asset to release \$60-70 million of cash trapped at the project level and amortize the debt over a longer tenor. The original financing closed in August 1999 via **Calyon**, **DZ Bank** and **TD Bank** and comprised a \$375 million package broken into a two-year construction loan and 15- and 18-year term loans. **Tenaska Gateway** was developed by **Tenaska**, managing partner and operator, **Mitsubishi Corp.** subsidiary **Diamond** and **Shell U.S. Gas & Power** affiliate **Coral Power**, which has a 20-year offtake agreement. **Osaka Gas** bought **Coral's** stake in April 2004, advised by **Dexia Crédit Local**.

## Black Hills \$1B Aquila Deal Bridge Wrapped

**ABN Amro** has closed syndication of a \$1 billion acquisition credit facility supporting **Black Hills Corp.'s** \$940 million purchase of **Aquila's** power utility business in Colorado and a series of gas utilities across four Midwestern states.

The two-year, senior unsecured equity bridge loan, co-arranged by **BMO Capital Markets**, **Union Bank of California** and financial advisor on the transaction **Credit Suisse**, closed March 7 and has drawn six banks. Precise allocations are set to be announced early next week, but each has committed between \$40 million and \$100 million. An official at the bookrunner declined comment on pricing and the identities of the participating lenders but all are existing lenders on **Black Hills'** revolver. Documentation and final closing is expected within two weeks.

Calls to **Mark Thies**, executive v.p., in Rapid City, S.D., were not returned. Permanent financing to replace the facility and related costs is expected to be provided through a combination of new equity, mandatory convertible securities, unsecured debt at the holding company and internally generated cash.



## Reliant Taps Advisor To Sell 830 MW Cogen

Reliant Energy has begun shopping its interest in 830 MW Channelview, a cogeneration plant in Lyondell, Texas, via restructuring advisor **Houlihan Lokey Howard & Zukin**. The sale is separate from **JPMorgan**'s auction of 2,488 MW of predominantly gas-fired generation for the Houston-based company (PFR, 4/20). Indicative bids on the plant are due early next month.

Reliant had planned to turn the keys over to Channelview's lenders, market watchers say, after breaching loan covenants in late March. But it decided to sell when investors piled into its project debt, which has been trading as high as 108-109 and as low as 104.95-106.15 according to Markit data. Some \$345 million project debt is believed to be outstanding from a \$475 million construction loan arranged by **Bank of America** in 2000.

Power and steam from Channelview is contracted to **Equistar Chemicals**, which has a neighboring plant onsite, and the remainder sold spot. A spokeswoman at the auctioneer confirmed the sale and officials at Reliant were not immediately returned.

## Asian M&A Flurry Set To Continue

Mergers and acquisitions activity in the Asia-Pacific region has reached \$25 billion already this year, an increase of 57% over last year, according to data compiler **Dealogic**. Increasing liquidity and the privatization of markets has helped boost interest from buyers, especially from regional players, many of whom receive backing by the **Japanese Bank for International Cooperation**.

Since the Asian economic crisis at the end of the 90s, the region's utilities have been focused on their balance sheets, explains **Marcus Thompson**, director at energy advisory boutique **Lexicon Partners** in Hong Kong. Now shareholders are demanding growth so there is more capital looking for a home, he says, as seen in the \$3.4 billion **Mirant** fetched in the sale of its Philippines business to a group led by **Marubeni** and **Tokyo Electric Power**. Australia is leading the way in deal volume,

**Dealogic** found, with seven deals valued at an aggregate \$19.8 billion, followed by China with \$2 billion from 34 deals.

## Calyon Plots Senior Syndication Of \$1.3B Qatari Deal

Calyon is preparing to roll out senior syndication of a \$1.3 billion debt package it is arranging for **Marubeni**'s impending construction of a 2GW power project south of Doha in Qatar. **Marubeni** has a 40% stake in the facility, known as **Messaieed**, and the balance is held by **Qatar Petroleum** and the state-run **Qatar Electricity and Water Co.**

The bank is set to approach select lenders in about two weeks, offering circa \$70 million tickets on a take and hold basis. The financing itself comprises a \$1.2 billion senior term loan with a 25-year tenor, as well as a \$40 million working capital facility and \$40 million standby facility for cost overruns. Price guidance and the identities of banks Calyon is lining up could not be learned.

**Marubeni** won the tender after it locked up financing terms with contractor **Iberdrola** that were \$400 million cheaper than **Siemens** offered to rival bidder **Suez-Tractebel** (PFR, 12/01). An official in syndications at Calyon in London declined comment and calls to **Marubeni** were not returned.

## Experts See Galloping Growth In Wind M&A

As wind generation building slows, the top 20 asset owners are expected to up their market stake to 37% from 32% by 2012 via a brisk phase of consolidation. "New inventory has been coming faster than the big guys can buy it," says **Michael Liebreich**, ceo of **New Energy Finance**, noting this volume has so far prevented smaller developers becoming targets. The London consultancy recently released predictions about mergers and acquisitions activity in wind based on analysis of global portfolios.

Owners switch from development to consolidation mode

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when markets become saturated, adds Liebreich, citing Spain as a prime example, where four companies control 70% of operating capacity. The world's top 20 players—including utility **FPL Energy**, **Airtricity** and asset manager **Babcock & Brown**—plan to double their portfolios by 2012, potentially acquiring mid-size developers with 100-500 MW in the ground. Asset valuations already have reached \$2 million per megawatt, he says, and could rise further if the market witnesses a sharp decline in growth.

## Corporate Strategies

### Spanish Renewables Shop Eyes Expansion Funding

**Fersa Energías Renovables** is looking to raise EUR870 million (\$1.2 billion) to fund acquisitions and development projects over the next two years. The Barcelona-based company hopes to generate proceeds of EUR100-150 million via a share offering in June, says **Paco Illueca**, director of finance, and to borrow EUR740 million.

**Banco Santander** has been chosen to underwrite the equity offering next month—Fersa's first on the Madrid stock exchange, after switching from a secondary market in Barcelona May 2 to better accommodate its plans. Illueca declined to talk specifics about why the bank was chosen, or the timetable for locking up new loans.

Driving the need for capital is Fersa's international development pipeline of more than 1 GW, Illueca says. It recently purchased 670 MW of wind farms under development in Italy and Panama, its first forays outside Spain, where it has 52 MW of operating wind capacity. "We're looking at investment all over the world," Illueca says, declining to elaborate other than to say renewable projects in North America are under consideration.

Fersa has 37.8 million shares outstanding, and about EUR47.5 million in long-term debt as of December 2006. Its shares closed Thursday at EUR8.94.

### Epcor Tackles Primary Energy Debt With Preference Shares

**Epcor Power** subsidiary **Epcor Power Equity** plans to use the CAD125 million (\$112.5 million) in proceeds from its sale of cumulative redeemable first preference shares to pay down the equity bridge loan that helped fund its purchase of **Primary Energy Ventures** last November.

**Scotia Capital**, **CIBC World Markets** and **TD Securities** led the bought deal of five million, 4.85% units purchased by a syndicate of seven banks. Each paid CAD 25.00 a share. The underwriters have an option to purchase an additional 750,000 shares to cover over allotments, potentially increasing the

offering to CAD143.75 million by its scheduled closing on May 25.

The Edmonton-based company expects to sell more partnership units and 10- to 30-year debt to permanently refinance the balance of its acquisition costs within the year, says **Stuart Lee**, cfo of **Epcor Power Services**, noting, "We'd like to replace everything."

**TD** and **Royal Bank of Canada** underwrote the \$230 million bridge facility, which Epcor closed on at the same time as completing its \$396 million acquisition of **PEV**. It also tapped its existing line of credit, originally CAD50 million via **BMO Capital Markets**, which was later upsized to CAD200 million by bringing in **RBC**. TD ran Epcor's due diligence on the acquisition. Rounding out the financing was a \$16 million working capital facility and \$70 million in leases attached to three facilities in California that were treated as assumed debt.

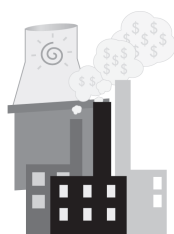
### FirstEnergy To Take Down Pricey OpCo Debt

**FirstEnergy** plans to redeem \$225 million in long-term debt at its **Cleveland Electric Illuminating Co.** and **Jersey Central Power & Light** subsidiaries. Cleveland Electric will repay \$100 million in 9% trust preferred securities with remaining proceeds from a \$250 million March bond issue led by **KeyBank Capital Markets** and **RBS Greenwich Capital** and with funds on hand, says **Matt Richlovsky**, finance manager in Akron, Ohio.

The 30-year, 9% securities being redeemed at Cleveland Electric June 1 were issued in 2001, when the subsidiary had a lot more debt than its present 55-60% level. Despite the high coupon, they were advantageous at the time due to their subordinated place in the capital structure and 25% equity credit with rating agencies. "They were getting balance sheet treatment as stock, but now that matters less," says Richlovsky.

The \$125 million in 30-year, 7.5% **Jersey Central Power & Light** first-mortgage bonds will be redeemed May 14 using available cash and short-term debt. The subsidiary is paying a premium to call the notes at about 2% over par, Richlovsky says, noting interest rates are still low enough to generate savings from the refinancing.

**FirstEnergy** plans to continue taking advantage of low borrowing costs by issuing about \$1 billion in debt from **Jersey Central** and two to three of its Pennsylvania utilities later this year. Proceeds will be used primarily for refinancing existing debt. At the end of last year, Cleveland Electric and **Jersey Central** had long-term debt of \$1.75 billion and \$1.37 billion, respectively.



## Generation Auction & Sale Calendar

Following is a directory of ongoing generation asset sales, which is updated on a weekly basis. 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](mailto:kburne@iinews.com).

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
AES Corp.	Delano	Central Valley, Calif.	57	Biomass	Bodington & Co.	Teasers dispatched early Jan. (PFR, 1/29).
	Mendota	Central Valley, Calif.	25	Biomass		
AIG Highstar Capital (Northern Star Generating)	13 plants	U.S. portfolio, concentrated in Florida and Pennsylvania	2,378 (1,600)	Gas, coal and waste coal	Lehman Brothers	UBS Infrastructure Asset Management unit to acquire AIG's 50% stake for an undisclosed sum.
ArcLight Capital Partners	Crete Energy Venture	Crete, Ill.	203 (50%)	Gas	N/A	Sale options being explored (PFR, 4/23).
	Lincoln Generating	Manhattan, Ill.	656 (90%)	Gas	N/A	
Astoria Energy	Astoria plant	Queens, N.Y.	500 MW; 1 GW permitted	Gas	N/A	Owners fielding offers. Suez Energy acquiring a 30% stake (PFR 9/29).
BayCorp Holdings	Benton Falls	Benton, Maine	4.3	Hydro	Concentric Energy Advisors	N/A
Boralex Power Income Fund	Kingsey Falls	Québec	31	Gas Cogen	Genuity Capital Markets	First round bids due shortly.
	Senneterre	Québec	34.6	Biomass		
	Dolbeau	Québec	28	Biomass		
	Beauport	Québec	4.5	Hydro		
	Buckingham	Québec	9.9	Hydro		
	Forestville	Québec	12.7	Hydro		
	Rimouski	Québec	3.6	Hydro		
	Saint-Lambert	Québec	6	Hydro		
	Hudson	New York	45.8	Hydro		
Calpine	South Glens	New York	13.9	Hydro	Miller Buckfire	July 30 auction. Co-owner Cleco Corp. is stalking horse with \$145 million agreement.
	Acadia Energy Center	Eunice, La.	1,016 (50%)	Gas		
City of Vernon	Malburg Generating Station	Southern Calif.	134	Gas	Lehman Brothers	Two-stage auction. Assets being offered debt-free, with promise of 15-year PPA with seller.
	Palo Verde Power	Southern Calif.	11	Nuclear		
	Hoover Upgrading	Southern Calif.	22	Hydro		
	Related transmission	Southern Calif.				
Conduit Capital	Various	Latin America Caribbean	939 net ownership	Diverse	BNP Paribas	Final bids due this month (PFR 4/16).
Con Ed Development	CEEMI	Springfield, Mass.	185	Gas, Oil, Hydro	Morgan Stanley	Teasers dispatched mid April.
	CEEMI expansion	Springfield, Mass.	96	Gas, Oil		
	Newington Energy	Newington, N.H.	525 (99.5%)	Gas		
	Ada Cogeneration	Ada, Mich.	29 (48%)	Gas		
	Lakewood	Lakewood, N.J.	246 (80%)	Gas		
	Ocean Peaking Power	Lakewood, N.J.	339	Gas		
	Rock Springs	Rising Sun, Md.	670 (50%)	Gas		
	Genor	Puerto Barrios, Guatemala	42 (49.5%)	Oil		
	Ever Power Wind	NEPOOL, NY, PJM	500 planned	Wind		
Desert Power	Desert Power plant	Rowley, Utah	65 installed	Gas	Miller Buckfire	Set for July 27 auction (PFR, 4/05).
			100 planned			
Dynegy	Bluegrass	Oldham County, Ky.	573	Gas	JPMorgan Chase	Bids due May 10. Seller hopes to fetch between \$200-500 million in asset sales this year (PFR 2/5).
	Heard County	Heard County, Ga.	539	Gas		
	Lyondell	Channelview, Texas	600	Gas		
DTE Energy	Georgetown 4	Indianapolis, Ind.	80	Gas	N/A	Indianapolis Power & Light to acquire Sales process initiated, final bids due Q2 Seller exploring options, including outright sale On books at scrap value, decommissioned.
	Crete Energy Venture	Crete, Ill.	304 (50%)	Gas		
	East China	East China, Mich.	320	Gas		
	River Rouge	Detroit, Mich.	240	Gas		
Electricite de France Internationalunit Controladora del Golfo	Saltillo	Ramos Arizpe, Coahuila	248	Gas	JPMorgan Chase	First round bids due early April (PFR, 4/16).
	Anahuac (RB2)	Valle Hermoso, Tamaulipas	495	Gas		
	Lomas de Real (RB3)	Valle Hermoso, Tamaulipas	495	Gas		
	Valle Hermoso (RB4)	Valle Hermoso, Tamaulipas	500	Gas		
	Electricidad Aguila de Altamira	Altamira	495 (51%)	Gas		
Entergy Corp.	Gasoducto del Rio	54 km pipeline	330,000M Btu/D		New Harbor	Seller wants about \$500 million for the assets. Bidders shortlisted to about 10 financial players, (PFR, 2/8).
	50% stake in Top	Worth County, Iowa	40	Wind		
	Deer Wind Ventures	Carsen County, Texas	40			
	RS Cogen	Lake Charles, La.	212	Gas		
	Roy S. Nelson	Westlake, La.	60	Gas/Oil		

## Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
General Electric	Warren Power	Vicksburg, Miss.	225	Gas	Lexicon Partners	Teasers expected shortly.
	Harrison	Marshall, Texas	335	Gas		
	Independence	Newark, Ark.	121	Coal		
	Robert Ritchie	Helena, Ark.	544	Gas/Oil		
	Offtake Contract	Sam Rayburn Power Agency	50-80			
General Electric	Baglan Bay	Port Talbot, Wales	510	Gas	Lexicon Partners	Teasers expected shortly.
GE Energy	Green County plant	Jenka, Okla.	795	Gas	N/A	Bids due May 2.
Financial Services	Birchwood	Fredericksburg, Va.	242	Coal	N/A	Tyr said to be interested in acquiring (PFR, 2/12/07).
	Lake Benton I	Minnesota	107	Wind	N/A	AES said to be a frontrunner.
	Storm Lake II	Iowa	80	Wind		
Globeleq	Emerging market portfolio	Asia, Africa, Americas	2,082	Mixed	Lehman Brothers	Firms bids due early May. Ashmore Energy and IP said to have partnered up on indicative bid (PFR, 2/9).
Goldman Sachs	Horizon	Houston, Texas		Wind	N/A	Energias de Portugal to acquire for estimated \$2.93B, of which \$2.5B will be debt led by Barclays (PFR, 3/27).
	Wind Energy					
Greenwich Energy Investments	Masspower	Springfield, Mass.	258	Gas	Miller Buckfire	BG North America beat Arcapita to the asset in a deal worth circa \$150 million (PFR, 3/28).
LS Power	Shady Hills	Shady Hills, Fla.	477	Gas/Oil	N/A	GE Energy Financial Services to acquire. Barclays offering a staple financing (PFR, 4/20).
MDU Resources	Brush Power (1&3)	Brush, Colo.	213	Gas	Goldman Sachs	Natrua Gas Partners and industry executive Paul Prager to acquire for \$636 million. Barclays Capital and Goldman Sachs to lead acquisition finance.
IPP unit, Centennial	Hardin Generating	Hardin, Mont.	116	Coal		
Energy Resources	Hartwell Generating	Hartwell, Ga.	310	Gas		
	Mountain View	San Geronio	66.6	Wind		
	Power Partners	Pass, Calif.				
	San Joaquin Cogen	Lathrop, Calif.	48	Gas		
Mirant Corp.	Diverse U.S. assets	PJM, NEPOOL, Calif.	10,650	Various	JPMorgan	Company weighing sale or merger, (PFR 4/5).
Mirant	Curacao Utilities (25%)	Curacao	133	Asphalt	JPMorgan	Marubeni to acquire for \$1.082 billion, including \$350 million in debt, and power purchase obligations of about \$153 million.
	Grand Bahama Power Co. (55%)	Grand Bahama Island	151	Oil		
	Jamaica Public Service Co. (80%)	Jamaica	621	Oil/Hydro		
	PowerGen (39%)	Trinidad & Tobago	1.2 GW	Gas		
	Apex plant	Nev.	527	Gas	JPMorgan	LS Power acquired for \$1.39 billion. Financing launched 3/27 via JPMorgan, Barclays Capital, Credit Suisse, Lehman Brothers.
	Shady Hills	Fla.	469	Gas/Oil		
	Sugar Creek	Ind.	561	Gas		
	Zeeland	Mich.	903	Gas		
	West Georgia	Ga.	613	Gas/Oil		
Mirant (NY-Gen)	Mongaup Generating Plant	Mongaup, N.Y.	4	Hydro	N/A	Being acquired by Alliance Energy for \$5.1 million. Sale to close by September 1.
	Swinging Bridge Generating Plant	Mongaup, N.Y.	12	Hydro		
	Rio Generating Plant	Mongaup, N.Y.	9	Hydro		
	Hillburn	Hillburn, N.Y.	51	Gas/Jet fuel		
	Shoemaker	Middletown, N.Y.	44	Gas/Jet fuel		
Multifuels (Sowood Capital Management)	Freebird	Lamar County, Ala.	9 bcf	Gas storage	N/A	Timeline unclear.
Progress Ventures	Walton	Walton, Ga.	450	Gas	JPMorgan	Seller will fetch \$480 million in sale of generation to ArcLight Capital Partners and contract portfolio to Constellation Energy Commodities Group.
	Monroe Power	Monroe, Ga.	350	Gas		
	Washington County	Washington County, Ga.	600	Gas		
	Effingham County	Effingham County, Ga.	500	Gas		
PSEG Global	Electroandes	Andean region, Peru	180	Hydro	JPMorgan	Seller has received reverse enquiries and is determining wider interest.
			437 miles	Transmission		
Reliant Energy	IndianRiver	Titusville, Fla.	587	Oil/Gas	JPMorgan	Indicative bids were taken April 10. JP Morgan doing a staple financing, said to be in the \$1 billion range (PFR, 2/26).
	Osceola Generating Station	Holopaw, Fla.	470	Gas (peaker)		
	Bighorn Generating Station	Las Vegas, Nev.	598	Gas		
	Choctaw Generating Station	French Camp, Miss.	804	Gas (mothballed)		
	Channelview	Lyondell, Texas	830	Gas	Houlihan LoKey	Bids due early next month.
Tyche Power Partners	Brooklyn Navy Yard	Brooklyn, N.Y.	286	Gas Cogen	N/A	Owners reportedly soliciting interest in 50% stake (PFR, 4/18). Balance held by B-41 Associates.



## FRENCH INDUSTRY

(continued from page 1)

include Calyon, BNP Paribas, HSBC, Sumitomo Mitsui Banking Corp., Fortis and BBVA. Officials at the firms either declined comment or did not return calls. Three to four are expected to be given a role with a view to meeting financial close by the end of this quarter.

The structure of the financing still needs to be ironed out, but market watchers say it will essentially guarantee Exeltium's upfront payments under its 24-year contract with EdF's existing plants. EdF will then use part of the funds to finance construction of a new nuclear plant, 1,650 MW Flamanville 3 in the Manche region of northern France, which is expected to cost EUR3.3 billion. "It's a risk-sharing mechanism," says one banker of the partnership, noting the deal is innovative in that it is a virtual power plant financing designed to secure long-term supply of electricity at competitive rates. **Emmanuel Gillet-Lagarde**, an official at Natixis in Paris, declined comment.

Exeltium was formed by the French Ministry of the Economy, Finances and Industry last May and comprises seven founding companies: **Air Liquide**, **Alcan**, **Arcelor**, **Arkema**, **Rhodia**, **UPM-Kymmene** and Brussels-based chemical and pharmaceutical group **Solvay**. **Laurent Chabannes**, president of Exeltium, did not return a call. —**K.B.**

## CALPINE BANKS

(continued from page 1)

10-year credit facility will likely be shopped to a narrow group of relationship banks, given the size of the deal and the number of current Calpine debt holders. Construction on the 596 MW gas-fired plant south of San Diego began this month. It is backed by a 10-year tolling agreement with **San Diego Gas & Electric**, which will supply the gas and retain an option to buy the facility.

Expected to follow in the weeks after is the deal for the Greenfield plant in Sarnia, Ont., led by **BMO Capital Markets** and **Bank of Tokyo-Mitsubishi**. They are targeting a general syndication for early June. Prior to syndication, the leads are set to award sub-underwriting slots to **BayernLB**, **HSH Nordbank** and **NordLB**, said to be around the \$75 million mark. Construction is more than 50% complete on the plant, backed by a 20-year PPA with **Ontario Power Authority** (PFR, 10/13).

Deal watchers expect a healthy appetite for the first deals since the California IPP laid out its plans to emerge from Chapter 11 via a \$5 million debtor-in-possession facility (PFR, 3/30). Overall market demand is high, they say, and the projects limit direct exposure to Calpine.

Officials at the banks declined to comment or did not return calls. —**Ben Miller**

## GOLDMAN SALE

(continued from page 1)

Also up for grabs is:

- a 35% stake in a 245 MW cogenerating plant in Cottage Grove, Minn., which can support an additional 250 MW of combined cycle capacity;
- 35% of a 236.5 MW gas- and oil-fired cogen in Whitewater, Wis.;
- 50% of 85 MW Scrubgrass in Venango County, Pa.;
- 47.2% in a 345 MW, gas-fired cogen in Selkirk, N.Y.;
- 80% of a 110 MW waste coal-fired cogen in Northampton County, Pa.;
- 80% of a 816 MW gas-fired Quachita power station near Sterlington, La.;
- 60% of a 262 MW cogen in Carneys Point Township, N.J.;
- 80% of a 209 MW stoker coal-fired cogen in Richmond, Va.;
- 80% of a 120 MW coal-fired cogen in Rocky Mount, N.C., with the option to expand by 250 MW;
- 15% in a 62 MW waste-to-coal facility in Morgantown;
- 80% of gas-fired 182 MW Plains End I and II in Arvada, Colo.; and
- all 275 MW of a gas-fired, combined-cycle facility in Rathdrum, Idaho.

There are four properties Goldman intends to keep: 258 Cedar Bay in Jacksonville, Fla.; a 120 MW cogen in Hopewell, Va.; another in Portsmouth, Va.; and an 810 MW, gas-fired plant in Southaven, Miss.

Goldman will run a two-stage auction, taking indicative offers next month and binding bids in August. It hopes to close on a sale by November.

Charlotte, N.C.-based affiliate Cogentrix itself is not for sale.

—**Katy Burne**

### Quote Of The Week

*"New inventory has been coming faster than the big guys can buy it."* —**Michael Liebreich**, ceo of **New Energy Finance**, on the volume of new wind build delaying consolidation among wind owners (see story, page 4).

### One Year Ago In Power Finance & Risk

**FPL Group** sought to arrange \$210 million in bonds or a term loan for a pair of wind farms totaling nearly 200 MW in North Dakota and Oklahoma, through **BNP Paribas**.

[Holding company **Bison Wind** sold \$200 million in 20- to 25-year fixed-rate bonds to institutional investors (PFR, 6/22).]