

# power finance & risk

The exclusive source for power financing and trading news

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## Advisors Tapped For \$1.4B Pipeline Financing

**Goldman Sachs** and **Sumitomo Mutsui** have been selected as advisors for the financing of **Conduit Capital Partners' Kuntur Transportadora de Gas** pipeline in southern Peru.

*See story, page 2*

## At Press Time

Leads Lasso Banks For IWPP 2

## In The News

IP Looks To Flog Euro Plants 4

NY Co. Hunts Funds 4

RBS Syndicates First Wind 4

EDF, Calyon Create JV 4

Banks Wrap Chilean Hydro 5

African Developer Targets Project Close 5

Renewable Co. Looks To Launch Financing 5

Great River Issues Renewables RFP 5

## Corporate Strategies

Advisor Coaxes LADWP To Market 6

Kinder Morgan Taps Market For Revolver 6

Sempra Ups Bond Offer To \$750M 7

## Departments

Generation Auction & Sale Calendar 7

Project Finance Deal Book 9

News In Brief 11

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## AES SHOPS LATAM ASSETS

AES is reportedly in talks to sell Latin American assets. The Arlington, Va., company owns roughly 11 GW of generation in the region as well as utility assets. Included in the portfolio are:

- 3,516 MW and two utilities in Argentina
- 3,290 MW and two utilities in Brazil
- 2,559 MW in Chile
- 1 GW in Colombia
- 988 MW in the Dominican Republic
- four utilities in El Salvador and
- 482 MW in Panama.



*(continued on page 12)*

## EL PASO SCOUTS ADVISORS FOR \$3B PIPELINE



El Paso is auditioning advisors for a \$3 billion financing of its Ruby Pipeline. Due to the size of the deal, some bankers are skeptical whether it will make it through a market plagued by the credit crunch since last year. "They're going to need someone to put pressure on the big banks to get this done," says a project financier. The company is set to choose an advisor in the next few weeks ahead of bringing some portion of the deal to market in the first quarter of next year. **Mark Leland**, cfo, did not return calls.

"The real question out there is whether there's

*(continued on page 12)*

## Recovery Cash

## DoE LOOKS TO UP BANK ROLE FOR FED FUNDING GUARANTEES

The Department of Energy is considering allowing banks, rather than sponsors, to apply for loan guarantees for renewables and transmission projects under the American Reinvestment and Recovery Act. The move is aimed at freeing up a system that under the 2005 \$42.5 billion Loan Guarantee program has produced only a term sheet backing one financing.

Under the revamped system—called the delegated lender program—the DoE would require the banks to submit their due diligence for unfinished project financings to speed up the evaluation process. "It's going to shift the burden from the DoE, who has shown to be incapable of making those decisions on a timely basis... by simplifying the process and

*(continued on page 12)*

Check [www.iipower.com](http://www.iipower.com) during the week for breaking news and updates.



## At Press Time

## Goldman, Sumitomo Bag Peru Mandate

Goldman Sachs and Sumitomo Mitsui have landed advisory roles for the \$1.4 billion financing of **Conduit Capital Partners' Kuntur Transportadora de Gas** pipeline in southern Peru. Goldman is handling the search for strategic partners on the equity side and Sumitomo will look to arrange financing for the debt portion of the construction funding, says a project financier. The sponsor aims to finance the project with 50:50 debt and equity (PFR, 3/20).

A syndication for a portion of the debt may come later this year, pending the amount of financing garnered from multilaterals and export credit agencies, a banker notes, adding strategic partnerships will likely be in place earlier than the debt. The banks aim to have the entire package in place no later than the start of construction in March of next year. The line is slated for operation in 2012.

Conduit's Latin Power Fund III holds the controlling interest in the project, which consists of a 700-mile, 26-inch diameter pipeline stretching from the Camisea gas fields to the port of Ilo. **Scott Swensen**, chairman of Conduit, and bank officials either declined to comment or did not return calls.

## Banks Set To Wrap Al Dur

**Calyon**, **Mashreqbank** and **Standard Chartered** are set to close a \$1.7 billion financing for Al Dur by the end of the month or early next month after lassoing in four more banks. **GDF SUEZ** and **Gulf Investment Corp.** are sponsors for the \$1.7 billion, 1.2 GW/30 million gallons of water per day greenfield independent water and power project in Bahrain.

The banks are expected to join the fifteen banks already committed to the \$1.2 billion, eight-year mini-permanent commercial tranche. The \$300 million Islamic tranche has four banks participating. Ticket sizes range from \$50-100 million, with pricing around the mid-200 basis points over LIBOR range to the mid-300 bps (PFR, 2/27). There is also a \$200 million tranche provided by the **Export-Import Bank of the U.S.** The new banks involved in the financing could not be learned.

Officials at the leads declined to comment or did not respond to a request for comment via email. A spokesman at U.S. EXIM in Washington, D.C., says the financing is under approval, but declined to elaborate. Officials at GIC in Safat, Kuwait, and **Shankar Krishnamoorthy**, executive v.p. at SUEZ in Dubai, could not be reached.

### 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 **Thomas Rains**, managing editor, at 212-224-3226 or [trains@iineews.com](mailto:trains@iineews.com).

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# Looking to move wind projects forward



On behalf of one of our clients, Marathon Capital, LLP, is seeking out entities that may have wind project development rights available for sale. The investor that we represent is willing to pay cash up front with additional success payments to follow if the project is actually built. In these difficult financial times, we could possibly help move your wind project forward.

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MARATHON CAPITAL, LLC



## International Power Looks To Sell Czech Plants

International Power is reportedly aiming to sell three plants in the Czech Republic.

Citigroup and ING are advising on the sale, which includes:

- the 360 MW coal-fired International Power Opatovice,
- a 49% stake in 64 MW coal- and gas-fired Pražská teplárenská and
- a 49% share of 160 MW coal-fired ET plant.

The Opatovice plant is valued at approximately GBP430 million (\$650.5 million), with about GBP270 million in net debt. The PT and ET stakes are together valued at GBP390 million, with net debt of GBP410 million.

A spokeswoman in London at International Power declined to comment. Officials at **Pražská teplárenská Holding**, which owns a 47% stake in PT, did not reply to a request for a comment via e-mail. Officials at the banks did not return calls or requests for comment via e-mail.

## Big Apple PV Start-Up Scouts Capital

New York-based **Just Energy** is looking to raise \$5 million in equity ahead of expanding its development team to handle a 150 MW photovoltaic pipeline. "We're about to embark on a capital raise," says **Matt Rudey**, co-founder and ceo. The company, which will look to secure funds this summer, is after strategic investors like infrastructure funds on the finance side or business development partners that own or control large quantities of real estate.

The company is focusing on inside-the-fence projects between \$1-25 million in the Northeast and mid-Atlantic regions, with its debut 3 kW installation at **Wesleyan University** in Middletown, Conn., set for operation next month. "We're starting to put together a pipeline of projects with approximately two thirds of our projects focused on the educational, municipal and government-related markets and one-third focused on commercial real estate," Rudey says. Developing PV projects costs roughly \$5-8 per watt, translating into \$5-8 million per megawatt. The Wesleyan installation could be expanded up to 750 kW, he adds. The company plans to finance its projects with mixes of debt and tax equity and also to monetize state solar renewable energy credits where available, such as in New Jersey.

Additionally, Just Energy is looking to fill several positions in its financing, legal and business departments by the third quarter. "To get really good key senior people, it takes time to find them and time to build a good rapport to where they get

comfortable. Most of the people we're talking to are people who have senior positions in financial institutions and are taking a fairly big life change and risk in a start up venture," Rudey adds.

Rudey, the founder of a real estate-focused financial analysis company **Global Realty Outsourcing**, started Just Energy with **John Nordeman**, president and formerly of hedge fund **Eagle Capital Partners**, in 2007. Private equity fund **GTCR** bought Global in 2006.

## RBS Preps First Wind Retail Round

**Royal Bank of Scotland** launched retail syndication last Thursday morning of \$376.4 million in financing for First Wind's 203 MW Milford Corridor wind project in Utah.

Tickets of \$15 million and \$25 million with upfront fees of 125 and 150 basis points, respectively, were offered. The debt is priced at 325 basis points over LIBOR and matures in March next year. The bank does not have a target amount it is looking to raise. Eight banks joined the book runner and made commitments in the first round that wrapped up April 22 (PFR, 4/17).

The project has a 20-year power purchase agreement with **Southern California Public Power Authority**, which includes an arrangement for the authority to buy the facility if the sponsor does not line up tax equity takeout. An official at RBS declined to comment and request for comment to First Wind were not returned.

## EDF, Calyon Partner On Trading Biz

**EDF Trading** and Calyon have agreed to create a trading business focused on the European gas and power market and global coal market in order to access new segments of the industry. "It's a new development opportunity for EDF Trading which enables us to link with the new flow of activity enabled by Calyon's expertise, standing in the market and client base," says an EDF spokeswoman in London. The company selected Calyon because of a strong relationship with the bank and its lending activity in the energy sector, she says.

Calyon will now offer risk management services using EDF Trading's wholesale market capabilities. The proposed range of products will include simple hedging instruments and tailored solutions employing futures and options. The partnership will be based in London and be aligned with the bank's commodities business within its capital markets and investment banking division. The transaction is subject to merger control approval in Germany and discussions with the U.K. **Financial Services Authority** and **Commission Bancaire** in France.

## Leads Wrap Pacific Hydro Debt

**Calyon, DnB Nor, Société Générale, and WestLB** are in the process of finalizing the financing for **Pacific Hydro's** 106 MW Chacayes hydro project in Chile. The banks closed the deal last Wednesday though several issues remain that will be taken care of by this week, says a deal tracker. Each of the four banks took similar allocations of the \$172 million.

The debt will fund next year, and the deal tracker notes that the amount of debt could be increased to roughly \$205 million if another bank decides to join the deal. **ING** was previously in the deal, but dropped out in a larger pullback from the region (PFR, 4/17). Officials at the banks either declined to comment or did not return calls, and the sponsor did not return a request for comment.

Chacayes has a 20-year power purchase agreement with **Chilectra** and is scheduled to come online in 2010 on the Upper Cachapoal River in southern Chile.

## Advisor Preps Biomass Teaser

Boutique advisor **Bodington & Co.** is planning to release information memoranda within the next week for a 32.5 MW biomass facility in Scotia, Calif., south of Eureka. The facility is being sold by **Town of Scotia Co.**, a company that runs the mill town developed by now defunct **Pacific Lumber**.

The sale will not be a formal two-step auction process, says a deal watcher, though further information about the plant or sale could not be learned. An official at Town of Scotia Co. directed calls to **Jeff Bodington**, president at Bodington in San Francisco, who declined to comment.

## South African Developer Aims To Wrap Financings

**Denham Capital**-backed **BioTherm Energy**, a South Africa-based developer, is targeting financial close for four projects by year-end. The company's roughly 85 MW build out consists of waste heat and waste gas recovery projects as well as biomass and cogeneration, says **Charles Liebenberg** ceo in Johannesburg. BioTherm is also negotiating to build other projects, he says, declining to elaborate.

The company is looking to structure the financings with 70:30 debt to equity and is in talks with local firms and banks for the debt. "We don't view project finance as a major issue," Liebenberg says, noting the South African market still has liquidity. He declined to disclose project costs.

Denham invested about ZAR1.5 billion (\$174.96 million) in the company last fall. "They cannot differentiate a green megawatt from any other megawatt. They need power as soon as they can get it," says **Riaz Siddiqi**, managing partner at Denham in Houston,

on South Africa's need to secure energy supply. The developer is not seeking anymore corporate level equity now, but if it should need any down the line will look to Denham first, says Liebenberg.

## Alt Energy Co. Pencils In Financing Timeline

**Caletta Renewable Energy** and **Banc of America Securities** will likely launch financing in the summer for the sponsor's three alternative energy projects in New England and the Rust Belt totaling \$900 million. The company has pushed back financing plans as it waits to land necessary permits.

"We're a couple of months from air permits for Mass. and Penn. We've got it for Ohio," says **Victor Gatto**, principal and coo of the Canton, Mass.-based company. The company is building the 90 MW tire-burning **Erie Renewable Energy** plant in Erie, Pa., the 90 MW waste-burning **Jefferson Renewable Energy** plant in Alliance, Ohio, and the 35 MW wood-burning **Palmer Renewable Energy** plant in Springfield, Mass. (PFR, 2/6).

The total cost for all three plants is around \$900 million, Gatto says, noting that B of A will handle the funding for all three but will likely bring in other banks. Calls to the bank were not returned.

## Great River Calls For Renewables

Maple Grove, Minn.-based **Great River Energy** has issued a request for proposals for 1.6 gigawatt hours of renewable generation. "The demonstrated experience of the developer is important. A developer who is doing this as their first project is not going to carry the weight of a developer who has a track record of projects and that's huge," says **Glen Skarbakka**, manager of resource planning. Proposals are due next month.

The utility will award PPAs of varying lengths in December, after culling a shortlist it plans to issue in July. Projects must be greater than 50 MW and in service between next year and 2012. Viable resources include wind, solar, hydro, biomass, landfill gas and municipal waste.

Skarbakka and his five-member team will review the financial strength of the proposals, the projects place in interconnection queues and the cost of generation. "The more they have laid out a specific financing plan, relationships and other attributes, the more credibility we can give. Frankly a lot of it will come to price and the more uncertainty there is with financing the less credibility those pricing proposals have," he notes, declining to specify pricing benchmarks for generations.

**Iberdrola Renewables** landed a PPA from GRE in 2007 for its 100 MW Elm Creek wind farm in Jackson and Martin Counties. **Energias de Portugal** subsidiary **Horizon Wind Energy** also won a PPA in GRE's 2006 renewables call for its 101 MW Prairie Star Wind farm in Mower County (PFR, 10/19/2007).

## Corporate Strategies

### Dear Sir...

## Letter Lands Firm LADWP Bookrunner Slot

The Los Angeles Department of Water and Power tapped De La Rosa & Co. as bookrunner on an issuance of \$172.1 million of power system bonds after the firm proposed the opportunity to the utility. De La Rosa sent a letter to the utility suggesting the offering after looking at LADWP's existing debt profile. "The savings looked great," says Ed De La Rosa, president in Los Angeles.



Mario Ignacio

Mario Ignacio, assistant treasurer and CFO at LADWP, says the proceeds will be used to refund most of its outstanding \$180.84 million of the same type of bonds. Seven co-managers from LADWP's underwriting pool joined De La Rosa on the deal.

The new bonds mature in 2023 and 2024, with coupons ranging from 4-5.25%. "The Department has a 3% net present value savings threshold for current refundings. [The] market presented us over 4% of net present value savings, so we decided to pull the trigger," explains Ignacio. The deal was priced May 6 and is expected to close June 2. Moody's Investors Service assigned an Aa3 rating to the issuance, citing LADWP's solid financial management, unregulated status and competitive rates as contributing factors.

LADWP is expecting to go back to the market after summer upon receiving authorization for debt issuance for the next fiscal year, says Ignacio. Proceeds from the company's next offering will be used for its capital improvement program, he says.

## Maritime & Northeast Pipeline Funds Expansion With Notes

Waltham, Mass.-based Maritime & Northeast Pipeline is funding a natural gas pipeline expansion with a \$585 million private placement. "They were looking to come to market in January, but they didn't get the appetite. Now, prices and rates are coming down and appetite is going up," says Grant Headrick, associate analyst at Moody's Rating Service in Toronto. Moody's rates the notes Baa3. An MNP spokeswoman declined to comment and calls to company owners Emera, ExxonMobil and Spectra Energy, were not returned.

The company plans to double the capacity of the pipeline running from Nova Scotia to Beverly, Mass., to 833 million cubic feet per day to accommodate resources from Repsol YPF and Irving Oil's Canaport liquefied natural gas receiving and re-

gasification terminal in Saint John, New Brunswick. The \$1.2 billion expansion is slated for operation in November. Repsol YPF subsidiary, Repsol Energy North America has a 25-year firm shipping agreement for roughly 80%, or 730 MMcf/d of the pipeline's capacity.

The tenor of the notes is likely a reflection of the markets appetite for shorter-term paper, Headrick says, noting the company has the option to refinance the debt out to 20-years to match the FSA. A portion of the proceeds will also go to lever up the existing first three phases of the line, Headrick adds. Bank of America and Credit Suisse are joint bookrunning managers on the deal. Several details of the transaction remain unclear, such as the identity of entities purchasing the notes, the pricing on the notes and when the private placement is set to close. Repsol did not respond to requests for comment regarding the purchase of natural gas from the line.

## Kinder Morgan Issues Notes For Pipelines

Houston-based Kinder Morgan Energy Partners has issued \$1 billion in senior notes to pay down debt on a \$1.787 billion revolver it uses to fund construction of three pipeline projects. "They probably decided that the capital markets were primed for them to come in. The pricing was very favorable," says Ralph Pellicchia, credit analyst at Fitch Ratings in New York, which assigns a BBB to the notes. The company priced the issue, which consists of \$700 million 6.85% notes due in 2020 and \$300 million 5.625% notes due in 2015, on May 7 and will close it on May 14. The revolver expires in 2010. David Kinder, v.p. and treasurer, did not return calls.

The company has a 51% stake in the \$4.4 billion Rockies Express Pipeline from Wyoming to Ohio, and 50% stakes in the \$1.27 billion Midcontinent Express pipeline from Oklahoma to Alabama and the \$1.3 billion Fayetteville Express Pipeline from Arkansas to Mississippi. Conoco Phillips and Semptra Energy are the remaining stakeholders on REx, while Energy Transfer Partners takes the remaining stake in MEP and FEP. The pipelines are scheduled for operation between 2009 and 2011.

Citi, JPMorgan and Wachovia Securities are the joint bookrunning managers for the deal with \$60 million tranches. Bank of America Securities, Barclays Capital, Commerzbank, Deutsche Bank, Goldman Sachs, Mitsubishi UFJ, Morgan Stanley, Royal Bank of Scotland and Sun Trust Robinson Humphrey are participating with \$12 million tranches. KMEP has a 58:42 debt-to-equity ratio.

## Sempra Raises Bond Offer On Demand

Sempra Energy decided to increase an issuance of \$400 million in bonds to \$750 million due to high investor demand. The seven-year notes priced at 6.5% last Tuesday and the deal closed last Friday.

The company is planning on using the proceeds from the issuance to repay both long-term debt and commercial paper. The commercial paper being repaid has interest rates ranging from 1-4.75%. Markets have improved since the company issued

debt last fall, providing a spread to benchmark treasury yield of about 388 basis points over LIBOR compared to LIBOR plus 650 bps in November, says a spokesman at the company in San Diego. The spokesman declined to make financial officials available for comment.

BNP Paribas, Citigroup and Deutsche Bank were joint book running managers. Mitsubishi UFJ Securities, Wachovia Capital Markets and The Williams Capital Group were co-managers.

Standard & Poor's rated the issuance BBB+ and Moody's Investors Service rated the issuance a Baa1. Sempra's debt to total capitalization ratio was roughly 46% as of March 31.



## 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 Thomas Rains at (212) 224-3226 or e-mail [trains@iineews.com](mailto:trains@iineews.com).

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
AES	Warrior Run	Cumberland, Md.	205	Coal	Goldman Sachs	Shopping PJM assets (PFR, 5/21).
	Red Oak	Sayreville, N.J.	832	Gas		
	Ironwood	South Lebanon Township, Pa.	720	Gas		
	Amman East	Jordan	370	Gas	Citi, HSBC	Quietly marketing Middle East portfolio along with a few one-off assets (PFR, 2/23).
	Barka	Muscat, Oman	456 (35%)	Gas		
	Ras Laffan	Qatar	756 (55%)	Gas		
	Lal Pir	Punjab, Pakistan	362 (55%)	Oil		
	Pak-Gen	Punjab, Pakistan	365 (55%)	Oil		
	Cartagena	Cartagena, Spain	1,200	Gas		
	Kilroot	near Carrickfergus, Northern Ireland	560	Coal and Oil		
	Various	U.S.	1,174	Wind	N/A	Looking for joint venture partner for wind business (PFR, 3/16).
	Hulunbeier	Inner Mongolia, China	50 (49%)	Wind		
	InnoVent	France	30 (40%)	Wind		
	Hargicourt	Hargicourt, France	12 (40%)	Wind		
	Hescamps	Hescamps, France	5 (40%)	Wind		
Pl��ch��tel	Pl��ch��tel, France	4 (40%)	Wind			
Various	Bulgaria, China, France and Scotland	410 development	Wind			
AIG Financial Products	Bruce Mansfield	Shippingport, Pa.	830 (80%)	Coal	Commonwealth Capital Advisors	Shopping interest in Unit 1 with sale likely to close before year-end (PFR, 12/1).
Allco Finance Group	Various	New Zealand	538	Wind	N/A	Prepped to sell by end of third quarter (PFR, 6/23).
Allied Waste Industries	Trinity Oaks	Trinity Oaks, Texas	3.2	Landfill	N/A	Fortistar to acquire with financing to be provided by Catepillar Financial Services (PFR, 11/24).
American Shoreline	N/A	Texas, Mexico	3,000 development	Wind	N/A	Spinnaker Energy planning to purchase (PFR, 2/9).
ArcLight Capital Partners	Hobbs Generating	near Hobbs, N.M.	600	Gas	Credit Suisse	Selling newly commerical asset (PFR, 10/3).
	Juniper Generating	near Bakersfield, Calif.	298	Gas	Barclays Capital	Indicative bids taken mid-Sept. for portfolio of nine assets (PFR, 10/3).
Babcock & Brown	South Trent	Nolan and Taylor Counties, Texas	101	Wind	Marathon Capital	First round bids taken March 6 (PFR, 3/2).
	Majestic I	near Panhandle, Texas	80	Wind		Diamond Castle Holdings in running to purchase (PFR, 4/20).
	Majestic II	near Panhandle, Texas	unknown	Wind		
	Butler Ridge	Wisconsin	54	Wind		
	Wessington Springs	South Dakota	50	Wind		
	Gulf Winds	Kenedy County, Texas	238	Wind		
BARD Engineering	BARD Offshore 1	off coast of northwest Germany	400 development	Wind	UniCredit HVB	Looking to sell offshore farm in development (PFR, 2/9).
British Petroleum	N/A	Port Talbot, Wales	870 development	Gas	N/A	Shopping 100% interest in development (PFR, 9/12 ).
BTEC Turbines	Southaven Energy	Miss.	340	Gas	JPMorgan	Assets or just the equipment for sale. Teasers dispatched (PFR, 4/3).
	New Albany Power	Miss.	390	Gas		
Cannon Power	Windy Point	Klickitat County, Wash.	137	Wind	N/A	Agreed to sell first phase to Turlock Irrigation District (PFR, 3/30).
Caithness Energy (DCE)	Shepherd's Flat	Gilliam and Morrow Counties, Ore.	909 development	Wind	Citigroup	Teasers dispatched (PFR, 10/20).
CarVal Investors et al.	Granite Ridge	Londonderry, N.H.	720	Gas	Merrill Lynch	Second round bids taken, but auction on hold (PFR, 12/1).



# Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Chermac Energy	North Buffalo Various	Harper County, Okla. Texas, N.M., Okla., Kan.	765 development 675 development	Wind Wind	NorthWinds Advisors	Sold to Gestamp Wind North America in March (PFR, 5/4). Looking for buyers (PFR, 5/4).
City of Victorville	Victorville 2	Southern California Logistics Airport, Calif.	570 development	Gas/Solar	Goldman Sachs	Teasers dispatched (PFR, 6/30). China Huadian Corp. and other undisclosed parties looking to buy (PFR, 4/6).
Cobisa Corp.	Cobisa-Greenville	Dallas-Fort Worth, Texas	1,750	Gas	Pace Global Energy Services	Auctioneer running a targeted auction (PFR, 5/30). Shortlist drawn up with close unclear.
Colmac Energy	N/A	near Mecca, Calif.	47	Biomass	Bodington & Co.	Sale iced due to financial markets (PFR, 1/19).
Conectiv Energy	Various	PJM Interconnection	3,700	Various	Credit Suisse	Status unclear.
Con Ed Development	Genor Ada Cogeneration	Puerto Barrios, Guatemala Ada, Mich.	42 (49.5%) 29 (48%)	Oil Gas		Industry Funds Management did not acquire. Partner is Olympus Power.
Constellation Energy	Mammoth Pacific	Mammoth Lakes	29 (50%)	Geothermal	N/A	Set to kick off auction in coming weeks. Owned with Ormat (PFR, 12/1).
	West Valley	West Valley, Utah	200	Gas	N/A	Planning to sell to MidAmerican Energy Holdings Co. (PFR, 12/8) even though merger has been canceled.
Complete Energy Holdings	La Paloma Batesville	McKittrick, Calif. Batesville, Miss.	1,022 837	Gas Gas	JPMorgan	Has agreed to merge with GSC Acquisition Co. in \$1.3B deal (PFR, 5/16). Pending shareholder vote.
Coram Energy	N/A	Tehachapi, Calif.	15 repowering	Wind	Marathon Capital	Seeking buyers for portfolio (PFR, 3/9).
	N/A	Tehachapi, Calif.	93	Wind		
	N/A	Knob Hill, Vancouver Island, B.C.	393	Wind		
	N/A	Banks Island, B.C.	525	Wind		
	N/A	Porcher Island, B.C.	198	Wind		
	N/A	McCauley Island, B.C.	233	Wind		
Corona Power	Sunbury Generating	Shamokin Dam, PA	432	Coal, oil, diesel	Merrill Lynch	Soliticing equity to complete \$250M of upgrades (PFR, 12/24/07).
CP Power Investments (Starwood Energy Investors II and Tyr Capital)	Panoche	Firebaugh, Calif.	49	Gas	N/A	Looking for new offtakers or buyers for facilities (PFR, 7/28).
	Vaca-Dixon	Vacaville, Calif.	49	Gas		
DELTA	DELTA Windparken	Playa Kanoa, Netherlands Antilles	9	WIND	N/A	NuCapital acquired for undisclosed sum (PFR, 5/11).
DKRW Wind	Various	U.S.	6 GW development	Wind	Marathon Capital	Looking for strategic partner (PFR, 12/29).
DTE Energy	East China	East China, Mich.	320	Gas	N/A	Seller exploring options, including outright sale.
Dynergy	Sandy Creek	Riesel, Texas	900 (32%)	Coal	Barclays Capital	Company tapped advisor to run sale process (PFR, 3/2).
	Plum Point	Osceola, Ark.	665 (21%)	Coal		
Electrabel	Langerlo	Langerlo, Belgium	556	Coal	N/A	E.ON agreed to acquire plants in asset swap deal (PFR, 12/22).
	Vilvoorde	Vilvoorde, Belgium	385	Gas		
Energy Future Holdings (Luminant)	Sandow 4	Milam Co., Texas	545 (50%)	Coal	Credit Suisse	Reportedly planning to sell stakes to Perennial Power Holdings (PFR, 2/18).
	Sandow 5		581 (50%)	Coal		
Energy Investors Funds and Power Development Corp.	Waterside Power	Stamford, Conn.	72	Oil	Barclays Capital	ArcLight Capital Partners planning to buy (PFR, 2/23).
Entergy Corp.	50% stake in Top Deer Wind Ventures	Worth County, Iowa	40	Wind	New Harbor	Seller wants about \$520M for the assets. Bidders shortlisted to four players: two financial, two infrastructure (PFR, 6/18/07).
	RS Cogen	Carsen County, Texas	40			
	Roy S. Nelson	Lake Charles, La.	212	Gas		
	Warren Power	Westlake, La.	60	Gas/Oil		
	Harrison	Vicksburg, Miss.	225	Gas		
	Independence	Marshall, Texas	335	Gas		
	Robert Ritchie	Newark, Ark.	121	Coal		
		Helena, Ark.	544	Gas/Oil		
E.ON	Lippendorf	Nukieritzsch, Germany	446	Coal	N/A	Signed MOU with EnBW to purchase to increase competition in sector (PFR, 12/22). Electrabel will acquire through asset swap (PFR, 12/22).
	Bexback	Bexback, Germany	79	Coal	N/A	
	Farge	Bremen, Germany	350	Coal		
	Zolling	Zolling, Germany	449	Coal		
	Unknown	Zolling, Germany	20 (50%)	Biomass		
	Trausnitz	Trausnitz, Germany	2	Hydro		
	Tanzmühle	Tanzmühle, Germany	3	Hyrdo		
Exergy Development Group	Various	Upper Midwest, Northwest	3,600	Wind	Marathon Capital	Sale process has been reignited.
First Wind	Stetson	Danforth, Maine	57	Wind	Credit Suisse	Newly operational asset on the block (PFR, 3/2). Hunting buyers (PFR, 3/9).
	Sheffield	Vermont	40 development	Wind		
	Various	North America	3,000 pipeline	Wind		
FPL Energy	Posdef	Stockton, Calif.	44	Coal/Petcoke	New Harbor	DTE is buying through a subsidiary (PFR, 2/2).
	Tesla	Tracy, Calif.	1,120	Gas/Steam	Credit Suisse	
General Electric	Baglan Bay	Port Talbot, Wales	510	Gas	Lexicon Partners	Process to be re-ignited in October.
	Panther Creek	Nesquehoning, Pa.	94	Waste Coal	N/A	Looking for buyers (PFR, 2/26).
	Colton Power	Colton, Calif.	80	Gas	N/A	Sale shelved.

For a complete listing of the Generation Auction & Sales Calendar, visit [www.iipower.com](http://www.iipower.com)



# 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 Thomas Rains at (212) 224-3226 or e-mail trains@iineews.com.*

## Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Abengoa Solar	Solana (280 MW Solar)	Gila Bend, Ariz.	TBA	TBA	TBA	TBA	Will seek debt/tax equity (PFR, 7/7).
Acciona	Eurus (250 MW Wind)	Oaxaca, Mexico	BBVA	TBA	TBA	TBA	First 37.5 MW phase to operate in Q1, 1/22.
AEI	Jaguar (275 MW Coal)	Escuintla, Guatemala	BNP, Mizuho, Scotia	TBA	TBA	TBA	Revisiting lenders for financing (PFR, 2/16).
Aeolis Wind Power	Various (1 GW Wind)	British Columbia	TBA	TBA	TBA	TBA	Looking for strategic partners and financing (PFR, 12/15).
AES	Fonseca (250 MW Coal)	La Unión, El Salvador	ABN, HSBC, WestLB	TBA	TBA	TBA	Leads mandated (PFR, 8/4).
	Campiche (270 MW Coal)	Chile	Calyon, Fortis	TBA	\$200M	7-yr	Tenor rolled back to seven years from 10 (PFR, 5/11).
AIMPowerGen	Various (30 MW Wind)	Ontario	TBA	TBA	TBA	TBA	Begin talks with lenders by March (PFR, 1/12).
Alberta Wind Energy	Oldman River (50 MW Wind)	Pincher Creek, Canada	TBA	TBA	TBA	TBA	Seeking JV partners (PFR, 9/15).
Algonquin Power	Amherst Island (200 MW Wind)	Ontario	TBA	TBA	TBA	TBA	Planning for 50-60% debt (PFR, 12/2).
Alliant	Nelson Dewey (300 MW Coal)	Cassville, Wis.	TBA	TBA	TBA	TBA	Looking to finance with debt and equity in 2009 (PFR, 9/22).
	Sutherland (649 MW Hybrid Coal)	Marshalltown, Iowa	TBA	TBA	TBA	TBA	
American Environmental Energy	Unidentified (Wind, Solar, Waste)	Unknown	TBA	TBA	TBA	TBA	Looking for \$39-45 million in financing (PFR, 11/12).
American Renewables, Baycorp Holdings, Energy Management, Tyr Energy	Nacogdoches (100 MW Wind)	Sacul, Texas	TBA	TBA	TBA	TBA	Looking for \$400M in the next couple of months (PFR, 3/30).
Americas Waste-to-Energy	Various (Waste)	Various	TBA	TBA	TBA	TBA	Looking for equity (PFR, 9/8).
Arclight Capital and SGR	Southern Pines (Gas Storage)	Greene County, Miss.	SunTrust	TBA	\$100M	TBA	Financing to close this month (PFR, 9/8).
Astoria Energy II	Astoria II (500 MW Gas)	Queens, N.Y.	BoTM/Union Bank, Calyon, Export Development Bank of Canada, Natixis, SocGen, WestLB	Construction/Term Loan	\$970M	C+5-yr TBA	Two lenders join top tier (PFR, 4/22).
				Letters of Credit	\$110M		
Babcock & Brown	2009 Turbine Supply	Various	TBA	Turbine supply	TBA	TBA	Selecting lenders.
	2009-2010 Portfolio (Wind)	Various	TBA	TBA	TBA	TBA	Seeking project finance (PFR, 9/8)
Babcock & Brown,	St. Joseph (300 MW Wind)	Manitoba	TBA	TBA	TBA	TBA	Looking to select banks by year-end (PFR, 12/1).
BowArk Energy	Kent Centre (150 MW Wind)	Ontario	TBA	TBA	TBA	TBA	Looking to select banks by year-end (PFR, 12/1).
Baha Power, Grupo Garza Ponce	Genermax (142 MW Gas)	Nuevo León, Mexico	TBA	TBA	TBA	TBA	Near close on debt, equity (PFR, 6/16).
Biomass Gas & Electric	Various (195 MW Biomass)	Florida	TBA	TBA	TBA	TBA	Will seek project financing and equity (PFR, 9/22).
Biomass Group	South Point (200 MW Biomass)	South Point, Ohio	WestLB	Construction Loan	\$265-300M	TBA	Looking for \$160M tax equity (PFR, 10/21).
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, Dominion	Fowler Ridge (750 MW Wind)	Indiana	Bank of Tokyo Mitsubishi, BBVA, Société Générale	TBA	\$425-430M	TBA	Restructuring deal as a club, looking for banks to join (PFR, 12/15).
BrightSource Energy	Various (3.5 GW Solar)	Southwest	TBA	TBA	TBA	TBA	Will seek project financing.
	Various (1.3 GW Solar)	Southwest	TBA	TBA	TBA	TBA	Looking for strategic partners (PFR, 2/16).
Caletta Renewable Energy	Port Erie (90 MW Tires)	Erie, Pa.	BoA	TBA	TBA	TBA	BoA arranging syndicate (PFR, 2/9).
	Mahoning (90 MW Waste)	Alliance, Ohio	BoA	TBA	TBA	TBA	BoA arranging syndicate (PFR, 2/9).
	Palmer (35 MW Wood)	Springfield, Mass.	BoA	TBA	TBA	TBA	BoA arranging syndicate (PFR, 2/9).
Canadian Superior Energy, Excalibur Energy	Liberty Natural Gas (2.4 bcf LNG)	Linden, N.J.	TBA	TBA	TBA	TBA	Looking for a financial adviser (PFR, 1/14).
Cannon Power	Windy Point (500 MW Wind)	Klickitat County, Wash	HSH	Construction Loan	\$360M	TBA	In syndication (PFR, 8/25).
Cape Wind Associates	Cape Wind (420 MW Wind)	Nantucket Sound, Mass.	Barclays	TBA	TBA	TBA	Lead structuring financing for the second quarter (PFR, 1/12).
Cavallo Energy	Cross Hudson (700 MW Transmission)	Ridgefield, N.J.-New York	Credit Suisse	Leading equity raise.	TBA	TBA	Mulling \$600M project financing (PFR, 12/22).
Central Maine Power, Maine & Maritimes	Maine Power Connection (150-200 Mile, 345 kV wire)	Maine	TBA	TBA	TBA	TBA	Beginning financing talks (PFR, 6/18).
Columbia Power, Columbia Basin Trust	Unknown (435 MW Hydro)	Waneta Dam, British Columbia	TBA	TBA	TBA	TBA	Tapped RBC Capital as financial advisor (PFR, 2/4).
Conduit Capital Partners	Kuntur Transportadora de Gas (700-mile Pipeline)	Southern Peru	TBA	TBA	TBA	TBA	Goldman Sachs, Sumitomo advising (PFR, 5/13).

## Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Confederated Tribes of Warm Springs	Unidentified (100 MW Wind)	Mutton Mountain, Ore.	TBA	TBA	TBA	TBA	Tribes considering tax equity investment, outside developers and its own equity contributions for the project (PFR, 1/19).
Confederation Power	Various (90 MW Hydro)	British Columbia	TBA	TBA	TBA	TBA	Weighing financing pending PPA award (PFR, 1/12).
CPV	Sentinel (800 MW Gas)	Desert Hot Springs, Calif.	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 3/14).
CPV, ArcLight	Beech Hollow (300 MW Waste Coal)	Washington County, Calif.	TBA	TBA	TBA	TBA	In early lending talks (PFR, 6/23).
Denali Energy, Montgomery Energy	Hartland (2 GW Wind)	North Dakota	TBA	TBA	TBA	TBA	Looking for tax and private equity PFR, (11/3).
DRKW Energy	Various (6 GW Wind)	Various	TBA	TBA	TBA	TBA	Looking for strategic partners (PFR, 12/29)
Duke Energy	Lee Nuclear Station (2.22 GW)	Cherokee County, S.C.	TBA	TBA	TBA	TBA	Looking for partner for \$11B project (PFR, 11/17).
Eastern Power	Greenfield South (280 MW Combined Cycle)	Mississauga, Ontario	TBA	TBA	TBA	TBA	Syndication slated for Q3 (PFR, 511).
EdF Energias Nouvelles	La Ventosa (67.5 MW Wind)	Oaxaca, Mexico	TBA	TBA	TBA	TBA	Looking for a lender (PFR, 2/2).
Edison Mission	Walnut Creek (500 MW Gas)	City of Industry, Calif.	TBA	TBA	TBA	TBA	Selecting lenders (PFR 5/5).
Edison Mission Energy	Portfolio ( 455 MW Wind)	Nebraska, New Mexico and Texas	BayernLB, BNP Paribas, Dexia,	TBA	\$220M	TBA	Banks club up (PFR, 4/27).
Elecnor, Isolux Corsán	Unidentified (366 Miles Transmission)	Vizcarra to Carhuaquero, Peru	TBA	TBA	TBA	TBA	Citi is advising (PFR, 3/9).
Element Markets	Unknown (35 MW Bio)	Alberta	TBA	TBA	TBA	TBA	Talking to lenders (PFR, 12/15).
El Paso	Elba Express (190 Mile Natural Gas Pipeline)	Elba Island, Ga., to Aderson County S.C. and Hart County, Ga	Barclays Capital, UBoC	TBA	\$350M	TBA	Looking for \$50M commitments by March 31 (PFR, 3/9).
Enel, TradeWinds Energy	Smoky Hills II (148.5 MW Wind)	Salina, Kan.	JPM Capital Corp., New York Life Insurance and Annuity, New York Life Insurance, Union Bank of California	Tax Equity	\$140M	TBA	Working on tax equity close.
	Various (1.2 GW Wind)	Midwest	TBA	TBA	TBA	TBA	Looking for tax equity (PFR, 3/16)
	Various (50 MW Geothermal)	Nevada	TBA	TBA	TBA	TBA	Tax equity deal to close in two months (PFR, 1/14).
Emera	Brunswick (145km pipeline)	Canada	TBA	TBA	TBA	TBA	Will line up debt in Q3 (PFR, 8/4).
Energias do Brasil	PECEM I (720 MW coal)	Ceara, Brazil	BNDES	TBA	\$963M	TBA	Deal to close end of Q2 (PFR, 3/16)
			IDB	A Loan	\$147M	17-yr	
			TBA	B Loan	\$180M	13-yr	
Energy Investors Fund	Hot Springs (48MW Geo)	Elko, Nev.	DZ Bank, Fortis Capital	TBA	\$120M	TBA	Timeline unclear.
Energy Management, Nacogdoches Power	Various (Biomass)	Various	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 5/2).
	Nacogdoches (100 MW Biomass, 300 MW Gas)	Sacul, Texas	TBA	TBA	TBA	TBA	Near mandate (PFR, 9/8).
Engineered Systems Wind Power Divisions	Various (80 MW Wind)	Ontario	TBA	TBA	TBA	TBA	In talks with lenders (PFR, 11/17).
Électric	Various (675 MW Wind)	Canada and Mexico	TBA	TBA	TBA	TBA	Looking for a strategic partner (PFR, 3/30).
ENMAX Energy	Calgary (1.2 GW Gas)	Calgary, Alberta	TBA	TBA	TBA	TBA	Timeline unclear.
EPCOR Utilities	Tumbler Ridge (142 MW Wind)	British Columbia	TBA	TBA	TBA	TBA	Considering project finance options (PFR, 12/15).
Eurus Energy Americas	Bull Creek (180 MW Wind)	Borden County, Texas	Mizuho	TBA	\$296.1M	TBA	In syndication (PFR, 7/8).
Everpower Renewables	2009 Turbine Supply	Midwest, Pacific N.W.	KeyBanc Capital Markets	Turbine supply	\$140M		Looking for financing (PFR, 5/23).
	Highland I (62.5 MW Wind)	Cambria County, Pa.	TBA	TBA	\$140M	TBA	Talking to lenders, tax equity investors (PFR, 4/27).
	Highland II (50-70 MW Wind)	Krayn, Pa.	TBA	TBA	TBA	TBA	Looking for debt, tax equity (PFR 2/16).
	Howard (50-63 MW Wind)	Steuben County, N.Y.	TBA	TBA	TBA	TBA	Looking for debt, tax equity (PFR 2/16).
	Buckeye (300 MW Wind)	Ohio	TBA	TBA	TBA	TBA	Looking for debt, tax equity (PFR 2/16).
Excelsior Energy	Mesaba Energy (603 MW IGCC)	Minn.	TBA	TBA	TBA	TBA	Applying for loan guarantee (PFR, 7/11).
Falcon Gas Storage	MoBay (50Bcf Gas Storage)	Mobile County, Ala.	BNP, ING, WestLB, RBS	Construction/ Term Loan	\$400M	7-yr	Club deal on hold (PFR, 11/10).
Finavera Renewables	Various (300 MW Wind)	British Columbia	TBA	TBA	C\$200M	TBA	Selecting lenders (PFR, 7/11).
First Reserve, Gen Power	Longview Power (695 MW Coal)	Maidsville, W.Va.	Merrill Lynch	TBA	\$250M	7-yr	Commitments due (PFR, 10/6).

For a complete listing of the Project Finance Deal Book, visit [www.iipower.com](http://www.iipower.com)

## 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

- **BrightSource Energy** and **Pacific Gas and Electric** have expanded a 900 MW solar development deal to 1,310 MW (*San Francisco Chronicle*, 5/14).
- Boston-based **Advanced Power Services** is looking to build a \$1 billion gas-fired plant on the site of the Mid-Hudson Recycling Park in New York (*Poughkeepsie Journal*, 5/12).
- **Schneider Power** has agreed to purchase **Grand Valley Wind Farms** from parent **EarthFirst Canada** for \$800,000 in cash (*Oilweek Magazine*, 5/11).
- **Epcor Utilities** is spinning off its power generation business into a separate firm called **Capital Power Corp.** and plans to launch an initial public offering for the new unit (*Reuters*, 5/8).
- The Kansas state senate approved a bill Thursday allowing **Sunflower Electric Power** to build an 895 MW coal-fired plant near Holcomb (*The Wichita Eagle*, 5/8).
- Italy-based **Enel** and German renewable energy company **SoWiTec** have agreed to jointly develop up to 850 MW of wind projects in Chile (*Reuters*, 5/8).
- A lack of funding for solar projects is threatening the industry's growth potential (*Reuters*, 5/12).
- Solar developers are delaying construction and solar manufacturers are cutting back as credit tightens and governments slash subsidies (*Wall Street Journal*, 5/11).
- Utilities are joining together to use a communication system that would route customer calls to unaffected peers during power outages (*Wall Street Journal*, 5/11).
- Supporters of transmission proposals from **ITC Great Plains** and **Prairie Wind Transmission** are working on a deal to give each developer a piece of the 765 kV lines in Kansas (*Forbes*, 5/9).
- Venture capitalists have cut spending on renewables by 63% through to \$277 million from \$715.3 million last year (*Houston Chronicle*, 5/11).
- **NPI Wind Power** and **Northland Power Wind** have a signed an agreement with Canadian manufacturer **AAER** to supply 100.65 MW of wind turbines (*Trading Markets*, 5/9).

- Depleted oil and gas wells, unusable coal beds and salt caverns in Pennsylvania are potential carbon dioxide emissions storage alternatives (*Times-Tribune*, 5/10).

### Europe

- **EDF** is selling a 20% stake in **British Energy** to **Centrica** for EUR2.3 billion (\$3 billion), in a deal valuing the EDF's acquisition of the nuclear company at 6% less than its purchase price last year (*Financial Times*, 5/10). Meanwhile, EDF says it's open to other partners for its nuclear business (*Reuters*, 5/11).
- **Cressida Hogg**, new adviser to **3i Infrastructure**, says the fund is interested in investing in renewable energy and regulated utilities, signaling a possible move for EDF's U.K. grid (*Financial Times*, 5/8).
- **BP** will move more toward oil and gas and away from renewables until technology becomes more advanced, as solar is not able to compete with conventional energy (*Financial Times*, 5/13).
- Russia and Japan plan to sign an agreement on nuclear power that would increase Russia's supply to Japan to 25% from 15% (*Reuters*, 5/10).

### Asia/Africa

- **Abu Dhabi National Energy Co.** is looking to buy power plants and oil and gas assets to increase growth after first quarter profits fell 90% (*Bloomberg*, 5/14).
  - Australian company **Babcock & Brown Power** is in talks with lenders to revise terms of an A\$2.6 billion (\$2 billion) project finance facility to allow for more time to sell assets (*Reuters*, 5/13).
  - The Australian government will invest \$3.4 billion infrastructure development to encourage renewables (*Bloomberg*, 5/12).
  - Kazakhstan and South Korea have signed \$5 billion worth of deals on power, technology and other sectors (*Reuters*, 5/13).
- China Huaneng Group** is in talks with 10 banks to refinance a SGD\$2.25 billion (\$1.54 billion) loan (*Bloomberg*, 5/12).
- Australian company **Santos** plans to raise A\$3 billion in equity to fund its liquefied natural gas project in Papua New Guinea (*Financial Times*, 5/11).
  - **China Resources Power Holdings** will be listed on Hong Kong's **Hang Seng Index** starting June 8 (*Reuters*, 5/8).



## EL PASO

(continued from page 1)

enough market capacity. The market can handle \$500 million deals no problem, but when it gets up past \$1 billion, like **Astoria Energy**, it starts choking,” notes another banker in New York. The \$1.1 billion Astoria Energy II financing has been center stage for many financiers since it came to market late last year (PFR, 4/24). El Paso will likely look to a combination of bank and capital market debt, along with equity, another banker notes.

The 675-mile, 42-inch Ruby natural gas pipeline will stretch from the Opal Hub in Wyoming and traverse Utah and Nevada to Malin, Ore. The company has binding 10-15 year capacity commitments from nine companies, including **Pacific Gas & Electric**, for a combined 1.1 billion cubic feet per day on the 1.5 bcf/d pipeline. Construction is slated for next year, pending permitting, with operation set for March 2011.

Separately, **Barclays Capital**, **ING**, **Morgan Stanley** and **Union Bank of California** are set to close the \$165 million financing for the company's Elba Express pipeline. The self-arranged deal was scaled back from \$350 million and consists of a \$156.75 million construction/term loan, an \$825,000 revolver and a \$7.425 million debt service facility maturing in 2015. Pricing is in the range of 300-350 basis points over LIBOR. Bank officials either declined to comment or did not return calls.

—Sara Rosner

## DoE LOOKS

(continued from page 1)

getting much of the work done before the DoE's involvement,” a banker told *PFR*. The delegated lender program would apply only to the DoE's Loan Guarantee program authorized this year under ARRA, not the projects included in the 2005 program. A spokesman for the DoE did not return calls.

“The DoE wants to go straight to the banks because sponsors have been known to exaggerate the readiness of other parties to go forward in these transactions,” says **Kenneth Hansen**, a partner at **Chadbourne & Parke** in Washington, D.C. He says the program could potentially support \$60-100 billion of renewables and transmission projects and be available to lenders this summer.

Banks will also be required to hold unguaranteed tranches to remain stakeholders in deals, Hansen says. Eligible projects must break ground by September 2011. Other details regarding the program have yet to be resolved, such as the criteria to evaluate a project's eligibility for the program or how much of a project cost the government would guarantee.

**Greengate**, a Washington D.C.-based consultancy hired by the DoE, has been surveying and meeting with dozens of banks

and responses have been mixed. “They don't like the default scenario where the DoE has absolute control over what's to be done,” if a project drops into default, Hansen says, adding that the DoE does not have experience dealing with bankruptcy. But, scarce liquidity in the market and tight credit has pushed banks to be open to an arrangement that would move deals through the market. “From our perspective, this makes a heck of a lot of sense,” the banker notes. **John Ryan**, managing director of **Greengate**, declined to comment.

The **Export-Import Bank of the United States** employs a model similar to the delegated lender program, where the bank pre-approves lenders for providing funds for commercial projects, Hansen says.

—S.R.

## AES SHOPS

(continued from page 1)

It could not be learned if the company has engaged a firm to run the sale or the scope of the assets on offer.

The company's Latin American generation unit revenues decreased by \$315 million to \$891 million for the first quarter against the same quarter last year. The Latin American utilities' division revenues decreased by \$249 million to \$1.2 billion over the same periods. The losses are due mainly to unfavorable foreign currency exchange and increased tariffs, according to a recent company presentation.

**Citigroup** and **HSBC** are already advising on the sale of AES' Oasis portfolio in the Middle East (PFR, 2/20). AES is also seeking a joint venture partner for subsidiary **AES Wind Generation** as it struggles to fund its capital intensive pipeline (PFR, 3/13). Officials at the banks either declined to comment or did not return calls and a spokeswoman at AES declined to comment.

—Katie Hale

## Quote Of The Week

“They don't like the default scenario where the [Department of Energy] has absolute control over what's to be done.” —**Kenneth Hansem**, partner at **Chadbourne & Parke** in Washington D.C., on lenders' skepticism of the DoE's proposed policy under the federal loan guarantee program (see story, page 1).

## One Year Ago In Power Finance & Risk

**First Wind** was preparing to file an S-1 registration for an initial public offering underwritten by **Credit Suisse**, **Goldman Sachs** and **JPMorgan** to back its development pipeline [The developer shelved the offering due to the IPO market shutting down. It turned to project finance instead, including the \$376 million deal for its 203 MW Milford, Utah farm (see story, page 4)].