

Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

By the publisher of GlobalCapital

● PROJECT FINANCE

● PPA PULSE

● PEOPLE & FIRMS

Cheniere Energy Prices H.Y. Offering

The company is refinancing \$1.5B of debt associated with its Corpus Christi LNG project in Texas.

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Renewables Offtake Agreements Pile Up

Over 1 GW of power purchase agreements were signed in the U.S. in the last two months.

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Head of Americas Exits Solar IPP

An exec v.p. and head of the Americas has departed the solar outfit just over a year after he joined.

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LS Power Refinances, Sells Gas-fired Portfolio

Project	Lead(s)	DealType	Amount	Tenor
Gridiron Generating (3.1 GW Gas)	MUFG	Term Loan	\$1B- \$1.5B	7-yr
	Goldman Sachs	Private Placement		10-yr
Aspen Generating (1.5 GW Gas, Hydro)	ING, BNP, Citi, MS	Term Loan		7-yr
		Private Placement		TBC
Armstrong (753 MW Gas)		TBC		
Troy (770 MW Gas)				

LS Power has closed its Gridiron Generating acquisition finance deal and has another, Aspen Generating, in the market. The Armstrong and Troy projects are next in line.

Richard Metcalf

LS Power has closed a hybrid bank and institutional debt financing for a more-than-3 GW portfolio of merchant and gas-fired projects and sold the assets to a new group of institutional investors.

The transactions, which closed simultaneously on May 15, come as the private equity firm winds down its LS Power Equity Advisors II fund and plots further financings for recent acquisitions to its other funds.

The firm worked with **Citi** and **Morgan Stanley** to sell the gas-fired assets

held by LS Power Equity Advisors II to the new investors, who were advised by **Goldman Sachs** and **Credit Suisse**.

GRIDIRON PARTNERSHIP

The identities of the investors could not immediately be established. The parties to the deal were not required to file for authorization of the sale with the U.S. **Federal Energy Regulatory Commission** because an affiliate of LS Power will be the general partner of the vehicle that has acquired the assets, meaning there is no change of control.

The vehicle, which a

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8minutenergy Plots 1 GW Storage Pipeline

Olivia Feld

California-based **8minutenergy Renewables** speaks to *PFR* about its plans to install 1 GW of storage projects in the next four years.

The privately-owned utility-scale solar developer is targeting the build-out across the U.S., Latin America and Asia, **Steve McKenery**, 8minutenergy's v.p. of storage solutions, tells *PFR* from the Folsom-headquartered company's Los Angeles office. Within the U.S., the sponsor is targeting growth in California, Texas and the Southeast.

McKenery joined 8minutenergy in December from **General Electric**, where he was the western regional sales leader for energy storage in San Diego. He

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BNY to Invest Tax Equity in EDP Wind Trio

Fotios Tsarouhis

Bank of New York Mellon is investing tax equity in three U.S. wind projects that are being built by **EDP Renewables** North America.

BNY has sought approval from the U.S. **Federal Energy Regulatory Commission** to invest tax equity in a portfolio which comprises the 100 MW Meadow Lake V project in White County, Ind., the 98 MW Quilt Block project in Lafayette County, Wis., and the 99.1 MW Redbed Plains project in Grady County, Okla.

Project financing activity for renewables

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● THE BUZZ

Tax Equity Workarounds Mean Deals Get Done

Renewable project sponsors and tax equity investors are beginning to come to terms despite uncertainty over tax reform, allowing financings to trickle through.

President **Donald Trump's** plan to reduce corporate tax rates and simplify the tax code, an ambitious proposition at the best of times, has been overshadowed of late by the administration's other problems, which have been well documented elsewhere.

Nevertheless, the risk that a change to tax rules could undermine the economic rationale for an investment remains a concern. A steady flow of unpredictable headlines has led deal watcher attitudes on tax reform to swing from one week to the next (PFR, 4/6).

"Tax equity investors won't close anything until they know what their return will be," says a New York-based financier at a European bank that mainly looks at contracted assets.

But last month, **Canadian Solar** announced a tax equity commitment for a 73 MW solar project in North Carolina after negotiating

a deal that satisfied the investor, **U.S. Bank** (PFR, 4/25).

CohnReznick Capital advised Canadian Solar on the financing, which also included a tax equity bridge and term loan package provided by **Prudential Capital Group**.

The sponsor "was able to structure an investment with US Bank that mitigates the potential impact of changes in tax law, while preserving strong sponsor economics," the company's chairman and ceo **Shawn Qu** recently told *PFR* via e-mail. "Today, lenders continue to be very active and project financing is available for high quality projects," he added.

And last week, **Bank of New York Mellon** filed for regulatory approval of a tax equity investment in an almost 300 MW wind project portfolio spread across three states (see story, page 1).

Still, renewables bankers are not seeing a ton of deals, and that means it's a borrower's market, says one. The situation is exacerbated, he says, by the refinancing of LNG projects in the capital markets, which frees up banks' balance sheets to lend more.

Cheniere Energy returned to the high yield market on May 15 with a \$1.5 billion deal for its Corpus Christi export facility that will be used to repay bank loans (see story, page 5). ■

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Power Finance & Risk is a general circulation newsweekly.
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Institutional Investor, LLC ISSN# 1529-6652
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Do you have questions, comments or criticisms about a story that appeared in **PFR**? Should we be covering more or less of a given area? The staff of **PFR** is committed as ever to evolving with the markets and we welcome your feedback.

Feel free to contact **Richard Metcalf**, editor, at (212) 224-3259 or richard.metcalf@powerfinancerisk.com

GENERATION AUCTION & SALE CALENDAR ●

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

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

Generation Sale ■ DATABASE

Seller	Assets	Location	Adviser	Status/Comment
Abengoa	Atlantica Yield (1,742 MW Solar, Wind, Gas, 1,099 miles Transmission, 41% stake)	U.S., Mexico, Chile, Brazil, Peru, Uruguay, South Africa, Spain	Lazard, Santander, Caixabank	Abengoa launched a sale process for the yieldco earlier this year (PFR, 5/8).
Apex Clean Energy	Portfolio (12 GW, mostly Wind)	U.S.	CohnReznick Capial	The company is looking to sell itself to a strategic investor (PFR, 5/1).
● ArcLight Capital Partners	Hamakua (60 MW Oil)	Honokaa, Hawaii		Hawaii Electric Light Co.'s acquisition of the project has been backed by the PUC (see story, page 10).
Ares-EIF, I Squared Capital	Oregon Clean Energy Center (869 MW Gas)	Lucas County, Ohio	Barclays, Credit Suisse	The two banks are running a sale process for the project (PFR, 5/15).
Brookfield Renewable Partners	Price (189 MW Wind), Comber (166 MW Wind), Gosfield (51 MW Wind)	Sault Ste. Marie, Lakeshore, and Kingsville, Ontario	Scotiabank, TD Securities (seller)	Brookfield Renewable is selling the three facilities, plus an expansion project, in a portfolio (PFR, 7/18).
BTG Pactual Infraestructura II, Pátria Investimentos, GMR Group	Latin America Power (114 MW Hydro, Wind)	Chile, Peru	BTG Pactual, Morgan Stanley	Several bidders have been shortlisted in the sale of the company, which also owns an 803.9 MW development pipeline that includes its first solar asset (PFR, 2/13).
Calpine Corp.	Washington Parish (360 MW Gas)	Washington Parish, La.		Entergy Louisiana has agreed to acquire the project, which Calpine will finance and construct (PFR, 5/8).
● Cemig	Santo Antônio (3.5 GW Hydro, 18.13%) Taesa (Transmission company, 31.54%)	Brazil		The company is expected to circulate a list of further assets for sale in coming weeks (see story, page 8).
● Consolidated Edison	Upton 2 (180 MW Solar)	Upton County, Texas		Visra has acquired the project (see story, page 6).
Copenhagen Infrastructure Partners	Vineyard Wind (Offshore Wind)	Massachusetts		Avangrid Renewables has acquired a 50% stake in the project (PFR, 5/15).
The Carlyle Group	Red Oak (766 MW Gas)	Sayreville, N.J.		Morgan Stanley Infrastructure has agreed to acquire the project from Carlyle (PFR, 5/15).
Exelon Corp.	ExGen Texas (3,476 MW Gas)	Texas	PJT Partners	Exelon plans to sell the distressed Texas portfolio (PFR, 5/8).
Eversource	Portfolio (1.2 GW Coal, Hydro, Oil)	New Hampshire	JP Morgan	JP Morgan has distributed teasers in preparation for a two-stage auction for the portfolio (PFR, 3/6).
First Solar, SunPower	8Point3 Energy Partners (432 MW Solar)	U.S.	BAML, Goldman Sachs	Bank of America Merrill Lynch is advising First Solar, with SunPower advising Goldman Sachs (PFR, 5/8).
First Solar	Switch Station (179 MW Solar)	Clark County, Nev.		EDF Renewable Energy is acquiring the project (PFR, 5/15).
● LS Power	Riverside (825 MW Gas) Doswell (814 MW Gas) University Park North (540 MW Gas) University Park South (300 MW Gas) Wallingford (250 MW Gas)	Lawrence County, Ky. Ashland, Va. University Park, Ill. University Park, Ill. Wallingford, Conn.	Citi, Morgan Stanley (seller), Credit Suisse, Goldman Sachs (buyer)	A fund managed by LS Power has sold the assets to a group of institutional investors through Gridiron Generating, a partnership also controlled by LS Power, in a transaction that closed on May 15 (see story, page 1).
Morgan Stanley	NaturEner USA (399 MW Wind)	Montana		Morgan Stanley has begun marketing NaturEner, which owns development wind assets in Alberta as well as the 399 MW operational wind portfolio in Montana (PFR, 5/15).
Mercuria	Danskammer (500 MW Dual-fuel)	Hudson Valley, N.Y.	Guggenheim Partners	An auction to sell the project is underway (PFR, 10/3).
Northland Power	Portfolio (1,754 MW Gas, Solar, Wind)	Canada, Europe	CIBC, JP Morgan	Analysts expect the company to make an announcement on a potential sale of the company this quarter (PFR, 5/15).
Panda Power Funds	Liberty (Gas 829 MW), Stonewall (778 MW), Patriot (829 MW)	Bradford County, Pa., Loudoun County, Va., Lycoming County, Pa.	Goldman Sachs	First round bids for the 2.5 GW portfolio were due in November (PFR, 10/31).
Rockland Capital	Eagle Point Power Generating (238 MW Gas)	Westville, N.J.	Barclays	Rockland is still seeking a buyer for the project after agreeing to sell three others to The Carlyle Group in March (PFR, 4/3).
● Scout Clean Energy	Portfolio (1.6 GW Wind)	U.S.		Quinbrook Infrastructure Partners has acquired Scout Clean Energy, along with its development pipeline (see story, page 8).
● Teck Resources	Waneta Dam (496 MW Hydro, 67%)	British Columbia	CIBC World Markets (seller)	Fortis is acquiring Teck's stake in the project for \$1.2 billion (see story, page 8).
Terra Firma	EverPower Wind (752.25 MW Wind)	U.S.	Barclays, KeyBanc	Terra Firma is marketing the U.S. wind shop, whose assets also include an up-to-1,759 MW development pipeline (PFR, 3/6).
York Capital Management Global Advisors	Idaho (54.6 MW DC Solar)	Ada County, Idaho	Whitehall & Co.	York Capital has mandated Whitehall to sell the project (PFR, 4/3).

● New or updated listing

The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed.

To report updates or provide additional information on the status of financings, please call Fotios Tsarouhis at (212) 224 3294 or e-mail fotios.tsarouhis@powerfinancerisk.com

PROJECT FINANCE

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

Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Deal Type	Loan Amount	Tenor	Notes
Acciona Energía México, Tuto Energía	Puerto Libertad (270 MW Solar)	Sonora, Mexico	Istituto de Credito Oficial, TBA	Debt	\$250M	18-yr	Two Mexican development banks, Spanish development bank Instituto de Credito Oficial and a European commercial bank are lining up a loan for the project (PFR, 5/1).
Advanced Power	South Field (1.1 GW Gas)	Columbiana County, Ohio	GE EFS	Debt	TBA	TBA	GE EFS is left lead on the debt raise. Other joint lead arrangers will be selected later this year (PFR, 5/1).
AES Corp.	AES Southland (1.4 GW Gas, Battery Storage)	Los Angeles and Orange counties, Calif.		Debt	TBA	TBA	AES is aiming to reach financial close on the \$2.3B three-project portfolio this year (PFR, 5/15).
Algonquin Power & Utilities Corp.	Deerfield (149 MW Wind)	Huron County, Mich.	BAML	Tax Equity			BAML closed its tax equity investment in the project on May 10 (PFR, 4/3).
American Power Ventures	Renaissance (1 GW Gas)	Greene County, Pa.	Fieldstone (adviser)	Debt, Equity	\$900M		The sponsor has mandated boutique investment bank Fieldstone Private Capital Group to raise debt and equity for the project (PFR, 4/17).
Calpine Corp.	Washington Parish (360 MW Gas)	Washington Parish, La.	TBA	Construction loan	TBA	TBA	Calpine plans to finance the project with debt that will be repaid upon sale of the project to Entergy Louisiana (PFR, 5/8).
Canadian Solar	IS-42 (73 MW Solar)	Bladen and Cumberland counties, N.C.	Prudential	Debt	\$92M	TBA	CohnReznick Capital advised the sponsor on the financing of the project, which has a 10-year PPA (PFR, 5/1).
			US Bank	Tax Equity			
The Carlyle Group	Elgin (844 MW Gas)	Elgin, Ill.	GE EFS (lead), Investec (lead), CIT Bank, SunTrust	Debt	\$280M	7-yr	The debt will back The Carlyle Group's acquisition of the portfolio (see story, page 5).
	Rocky Road (349 MW Gas)	East Dundee, Ill.					
	Tilton (180 MW Gas)	Tilton, Ill.					
Cheniere Energy	Corpus Christi (LNG)	San Patricio County, Texas	RBC	High Yield	\$1.5B	10-yr	The sponsor priced the high yield bond to refinance bank debt associated with the project on May 15 (see story, page 6).
EDP Renewables North America	Meadow Lake V (100 MW Wind)	White County, Ind.	BNY	Tax Equity			BNY Mellon is investing tax equity in the three projects (see story, page 1).
	Redbed Plains (99.1 MW Wind)	Grady County, Okla.					
	Quilt Block (98 MW Wind)	Lafayette County, Wis.					
Goldwind Americas	Rattlesnake (160 MW Wind)	McCulloch County, Texas	Berkshire Hathaway, Citi	Tax Equity	\$130-140		The deal is expected to close once the project is online next year (PFR, 5/8).
Iberdrola	Topolobampo III (766 MW Gas)	Sinaloa state, Mexico	TBA	TBA	TBA	TBA	Iberdrola is close to mandating banks to finance the project's construction (PFR, 4/3).
LS Power	Gridiron Generating (3.1 GW Gas)	Virginia, Illinois, Kentucky, Connecticut	MUFG	Term Loan	\$1B-\$1.5B	7-yr	LS Power has refinanced the portfolio and sold the assets to a new group of institutional investors (see story, page 1).
			Goldman Sachs	Private Placement		10-yr	
LS Power	Aspen Generating (1.5 GW Gas, Hydro)	Pennsylvania, Virginia	ING, BNP, Citi, MS	Term Loan	TBA	7-yr	The deal will finance LS Power's acquisition of the assets from FirstEnergy Corp. (see story, page 1).
			TBA	Private Placement		TBA	
LS Power	Armstrong (753 MW Gas)	Schelocta, Pa.		TBA	TBA		The deal will finance LS Power's acquisition of the assets from Dynegy (see story, page 1).
	Troy (770 MW Gas)	Luckey, Ohio					
NextDecade	Rio Grande (LNG 27 mtpa), Rio Bravo (137-mile pipeline)	Brownsville, Texas	Macquarie Capital, Société Générale	Debt, Equity	TBA	TBA	NextDecade has mandated financial advisers for the LNG export project (PFR, 5/8).
NRG Energy	Carlsbad (632 MW Gas)	Carlsbad, Calif.	Crédit Agricole, MUFG	Term Loan	\$219M	C+10	Price talk on the fully-amortizing bank tranche is Libor+167.5 bps. Bids on the institutional tranche were said to be due on April 20 (PFR, 4/24).
				Project Bond	\$379M	C+20	
Quantum Utility Generation	Moundsville (643 MW Gas)	Marshall County, W.Va.		Debt	TBA		Quantum could launch a debt financing for the project this year (PFR, 2/6).
			BNP Paribas	Equity			
Soltage	Solar (57 MW Solar)	U.S.	Basalt Infrastructure Partners	Equity	\$70M		The deal, which is the second half of a \$140 million investment, closed earlier this month (see story, page 5).
Sunlight Financial	Portfolio (Residential Solar)	U.S.	Technology Credit Union	Loan	\$500M		The financing will back the installation of approximately 20,000 solar systems (see story, page 5).
Swift Current Energy	HillTopper (175 MW-200 MW Solar)	Logan County, Ill.		Debt, Tax Equity	TBA		The sponsor plans to finance the project with debt and tax equity (PFR, 2/13).

New or updated listing

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8minutenergy Plots 1 GW Storage Pipeline

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previously spent 16 years in a number of managerial roles at Southern **California Edison**.

McKenery and **Carl Stills**, v.p., storage integration, both joined 8minutenergy within the last 12 months to spearhead its expansion into the asset class. Stills was previously a portfolio management officer at **Imperial Irrigation District** in the Greater Los Angeles area.

8minutenergy started to look at battery storage projects both as hybrid systems and standalone facilities around a year ago, says McKenery. The falling price of lithium batteries and the widespread proliferation of photovoltaic facilities have both contributed to the timing of the company's entrance to the market.

The electric vehicle industry in particular has helped to drive down the cost of lithium batteries to about half of what they were around 18 months ago, says McKenery. "Batteries have

become so much more useful and costs are so competitive," says Stills. "It's the perfect market," adds McKenery.

The company is yet to build any storage projects but has several planned and intends for all of its under-development utility-scale solar projects to have a storage piece. It says it has been shortlisted with a number of utilities and anticipates breaking ground on its first battery storage facility, which will be attached to a solar project, in the first quarter of 2018.

8minutenergy claims to be the largest independent U.S. solar project developer, with nearly 5.5 GW under development in North America and a further 700 MW of operational solar assets.

FINANCING PLANS

To finance its battery storage projects, 8minutenergy plans to follow the same process it used to fund its solar projects. 8minutenergy's

financing partners have included **D.E. Shaw**, **Bank of America Merrill Lynch**, **Wells Fargo** and **Macquarie**, says McKenery, adding that the developer will look to build on its existing relationships and seek new backers.

The company recently bolstered its financing team with the addition of **Josh Goldstein** as v.p. of finance. Goldstein previously worked at **Recurrent Energy** as senior v.p., finance and capital markets (PFR, 4/4).

8minutenergy declined to give an estimated anticipated capital expenditure for the 1 GW build-out but did say that it is planning to use four-hour usage lithium batteries, which, all costs included, have roughly the same installation cost as photovoltaic panels.

However, as most of the planned projects are hybrid solar-and-storage facilities, the cost is likely to be lower as a result of the shared use of inverters and transformers. ■

BNY to Invest Tax Equity in EDP Wind Trio

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projects in the U.S. was slower in the first half of this year, partly because of uncertainty about potential tax reform under the administration of **President Donald Trump**, but sponsors and tax equity investors are finding solutions.

Canadian Solar inked a tax equity bridge and term loan deal for a 73 MW solar project in North Carolina in April. The Sponsor "was able to structure an investment with **U.S. Bank** that mitigates the potential impact of changes in tax law, while preserving strong sponsor economics," **Shawn Qu**, chairman and ceo of Canadian Solar told *PFR* via e-mail (PFR, 4/25).

The three facilities in the EDP's latest deal are expected to be online this fall, with Meadow Lake V's commercial operation date slated for September and Quilt Block and Redbed Plains to follow in October.

The Meadow Lake V project will

sell 25 MW of its output to **Wabash Valley Power Association** under a 20-year power purchase agreement. The project also has a PPA with **Hoosier Energy Rural Electric Cooperative**, under which it will sell the co-op 25 MW during its first two years of operation and 75 MW for the remaining 20 years. Whether the remaining 50 MW in intervening two years would be sold to another offtaker or into the

grid the could not immediately be established.

Quilt Block has a 20-year PPA with **Dairyland Power Cooperative**. Redbed Plains has 20-year PPAs with **East Texas Electric Cooperative** and **Northeast Texas Electric Cooperative**, each of which will purchase half of the facility's output.

The size and other terms of the transaction could not immedi-

ately be established. Spokespeople for BNY in New York and EDP in Madrid declined to comment.

The deal is not BNY's first with EDP. Last year, BNY and **Bank of America Merrill Lynch** committed \$343 million to a pair of EDP projects—the 250 MW Hidalgo project in Hidalgo and Starr counties, Texas, and the 77.7 MW Jericho Rise project in Franklin County, N.Y.—in a joint tax equity investment (PFR, 9/14, PFR, 12/21).

Additional reporting by Richard Metcalf ■

Carlyle Preps Bank Loan for Peaker Trio

The Carlyle Group has assigned lead arrangers for a debt financing backing its acquisition of a portfolio of gas-fired peakers from **Rockland Capital**.

Investec and **GE Energy Financial Services** are leading the deal as mandated lead arrangers, while **CIT Bank** and **SunTrust** are acting as joint lead arrangers.

Pricing on the \$280 million sev-

en-year loan is 325 basis points over Libor, a deal watcher tells *PFR*.

Carlyle agreed to acquire the three merchant projects from Rockland earlier this year, following a two-stage auction run by **Barclays** (PFR, 3/27).

The projects, all located in Illinois and collectively known as Lincoln Power, are the 844 MW Elgin simple-cycle facility in Elgin,

the 349 MW Rocky Road simple-cycle project in East Dundee and the 180 MW Tilton simple-cycle project in Tilton.

Carlyle agreed to pay around \$400 million for the projects, according to deal watchers.

Officials and spokespeople at Carlyle and the four banks either declined to comment or did not respond to inquiries by press time.

● PROJECT FINANCE

Cheniere Returns to H.Y. Mart for Corpus Refi

Cheniere Energy has priced a \$1.5 billion high yield bond to refinance debt associated with its Corpus Christi LNG facility in San Patricio County, Texas.

The 10-year note was priced at 5.125% on May 15 and sold at par. Initial price talk had been in the area of 5.25% earlier in the day.

As with other high yield offerings backing Cheniere's LNG projects last year, the size of the deal was increased during execution, having originally been announced as \$1 billion.

RBC Capital Markets was left lead on the deal. In total, 17 banks were credited as bookrunners, all of which are associated with the joint lead arrangers on the original \$11.5 billion financing for trains one and two of the project two years ago (PFR, 5/15/15).

Kete Cockrell, m.d. and head of high yield capital markets at RBC in New York, declined to comment on the deal.

Bechtel Oil, Gas and Chemicals is Cheniere's engineering, procurement and construction contractor for the Corpus Christi project, and has begun building trains one and two of the up-to-five train project.

Of the two trains' combined 9 million

tonne per annum capacity, 6.62 mtpa is contracted with various offtakers including **Pertamina, Endesa, Iberdrola, Gas Natural Fenosa, Woodside** and **EDF**.

Cheniere has also signed a contract with **EDP** for 0.8 mtpa from the project's 4.5 mtpa third train, which is still in development.

Moody's Investors Service and **S&P Global Ratings** rate Corpus Christi's senior secured debt Ba3 and BB-, respectively.

SABINE PASS UPGRADE

The Corpus Christi deal came on the same day that Moody's upgraded the debt of another Cheniere LNG facility, the Sabine Pass project in Cameron Parish, La., to investment grade.

The upgrade reflects progress made in the construction of the facility's five liquefaction trains, says Moody's. As with Corpus Christi, Bechtel is the EPC contractor.

The first three trains at Sabine Pass were completed ahead of schedule, Moody's notes in a report explaining the rating change.

Train one became operational in November, bringing the first of the project's six 20-year offtake agreements into effect. The contract, with **BG Energy Holdings**, is

expected to generate fixed revenues of more than \$400 million a year, Moody's notes in its report.

Trains two and three have been operational since September and March, and commercial deliveries from these trains to **Gas Natural SDG** and **Korea Gas Corp.** are slated to begin in August and June, respectively, according to the report. **GAIL, Centrica** and **Total** are also offtakers for the project.

With its new Baa3 rating from Moody's, the Sabine Pass project now has two investment grade ratings, meaning that investors no longer consider it a 'cross-over credit'. S&P upgraded the facility's senior secured debt from BB+ to BBB- in September.

Cheniere had a busy 2016 in the capital markets, refinancing a combined \$5.75 billion of debt at the Corpus Christi and Sabine Pass facilities (PFR, 12/6).

The transactions were nominated for PFR's Americas LNG Project Finance Deal of the Year 2016 award, the results of which will be announced this week in New York (PFR, 2/21).

Spokespeople for Cheniere in Houston did not respond to a request for comment by press time. ■

● MERGERS & ACQUISITIONS

NYSE-Listed Vistra Acquires Texas Solar Asset From ConEd

Fresh from its listing on the **New York Stock Exchange**, **Vistra Energy** has acquired a 180 MW solar project in Texas from **Consolidated Edison**.

Vistra acquired the project, called Upton 2 and located in Upton County, Texas, through **Luminant**, one of its two main operating subsidiaries, this month.

The majority of the project's output—150 MW—is expected to be online in September 2018, according to a filing with the **Texas Public Utilities Commission**. The remaining 30 MW is due to follow in January 2019.

ConEdison acquired the project

in November 2015, according to the company's annual report for that year. The project's original owner could not immediately be identified.

Vistra did not disclose the name of the seller or whether the project is contracted. Spokespeople and officials at Vistra and Luminant did not respond to inquiries. Officials at ConEdison in New York were not available for comment.

Dallas-based Vistra, the rebranded successor company to **Energy Future Holdings**, owns both **Luminant** and **TXU Energy**, which has a retail business serving 1.7 million residential and business customers in Texas. The company began

trading on the New York Stock Exchange on May 10 under the ticker symbol VST.

COAL RETIREMENTS?

There has been speculation that Vistra could reach a decision this year to retire some of its older coal-fired assets in Texas, although the company does not plan to shutter any of its facilities this year.

Luminant's oldest coal-fired plants in the state—the 1,150 MW Big Brown project, the 1,880 Monticello project and the 2,250 MW Martin Lake project—are the most likely to be retired, according to a March 26 equity research note by

UBS analyst **Shelby Tucker**. The three facilities have been online since the 1970s.

Coal made up 48% of Vistra's generating capacity in 2016, according to a recent investor presentation. The company's generation fleet includes over 8 GW of coal-fired assets, upwards of 6.5 GW of gas-fired projects and 2.3 GW of nuclear capacity.

The gas-fired fleet includes two projects—the 1.9 GW Forney Energy Center in Forney, Texas, and the 1.1 GW Lamar Energy Center in Paris, Texas—that the company acquired from **NextEra Energy Resources** in 2015 (PFR, 11/30). ■

MERGERS & ACQUISITIONS ●

LS Power Refinances, Sells Gas-fired Portfolio

◀ FROM PAGE 1

deal watcher describes as “a closed-end special purpose partnership”, is called **Gridiron Generating**.

The portfolio includes one combined-cycle plant and several peakers. The combined-cycle project is the 814 MW Doswell facility in Ashland, Va. The peakers, all simple-cycle facilities, are the 540 MW University Park North and the 300 MW University Park South projects in University Park, Ill., the 825 ME Riverside project in Lawrence County, Ky., and the 250 MW Wallingford project in Wallingford, Conn.

Two of the projects, Doswell and Wallingford, come with expansion projects that are under construction. The Doswell II project is 340 MW in size, while the Wallingford expansion will add 100 MW.

All of the assets are in **PJM Interconnection** except for the Wallingford facility, which is in **New England ISO**.

DUAL-TRANCHE DEBT

MUFG led a group of commercial banks that arranged a seven-year loan to finance the acquisition by the new investors, while Goldman Sachs led on a simultaneous 10-year private placement tranche.

The combined debt financing totals between \$1 billion and \$1.5 billion, says the deal watcher, while declining to disclose the relative sizes of the bank loan and note

offering.

The private placement tranche fits a trend of increasing participation by institutional investors in debt financings for merchant and quasi-merchant gas-fired plants, says a project finance banker.

Within the Gridiron portfolio, the Doswell combined-cycle project has “significant hedges”, while hedges at the peakers are less substantial, says the first deal watcher.

“Institutional investors are being very aggressive,” says the banker. “I think you’re going to see more private placements this year than we’ve seen in the past.”

NEXT UP, ASPEN

LS Power has been active in the debt markets already this year, sealing bank loans, private placements and term loan Bs, but the New York-based firm shows no signs of slowing down.

In February, it refinanced two Illinois peakers that it acquired last year from **NRG Energy** with a \$300 million term loan that attracted interest from South Korean investors, among others (PFR, 3/8).

Then in March, the firm priced a term loan B to finance the acquisition of a 3.9 GW portfolio of assets from **TransCanada**, after increasing the size of the offering from \$1.54 billion to \$1.675 billion (PFR, 3/8).

And the firm’s next deal is already in the market. **ING**, **BNP Paribas**, Citi and

Morgan Stanley are said to be syndicating a seven-year mini-perm to finance LS Power’s acquisition of a more-than-1.5 GW portfolio of assets from **FirstEnergy Corp.**

LS Power agreed to acquire the portfolio, which comprises four merchant gas-fired projects in Pennsylvania and a stake in a hydro facility in Virginia, for \$925 million in January (PFR, 1/20). The firm has named the portfolio **Aspen Generating**.

The firm is considering financing one of the assets, its 713 MW stake in the 3,003 MW Bath County hydro project in Warm Springs, Va., separately from the rest with a private placement, says the first deal watcher. The details of the proposed note offering could not immediately be established.

AND THERE’S MORE

Once the Aspen Generating deal is wrapped up, LS Power will be seeking acquisition financing for a 1,269 MW gas-fired project duo it agreed to acquire from **Dynegy** in February.

The Houston-based independent power producer is selling the Armstrong project in Shelocta, Pa., and the Troy facility in Luckey, Ohio, for \$480 million, according to its fourth quarter earnings report (PFR, 2/27).

LS Power’s cfo, **Joe Esteves**, and spokespeople for Credit Suisse, Goldman Sachs and MUFG in New York declined to comment on the transactions. Spokespeople for

Brazilian Miner to Acquire Stake in U.S. Waste Heat Projects

Brazilian mining company **Vale** is acquiring an approximately 11% interest in **The Mosaic Company**, a U.S. agriculture and fertilizer business which, among its assets, owns a 386 MW generation portfolio of waste heat projects.

The Mosaic Company requires the approval of the U.S. **Federal Energy Regulatory Commission** for the deal to close, and it requested this in a filing on May 11.

The generation assets are located at five fertilizer plants in Florida and two in Louisiana. The Florida waste heat projects are:

- the 88 MW New Wales No. 1 and 35 MW New Wales No. 2 projects in Mulberry,
- the 78 MW Bartow project in Bartow,
- the 70 MW Riverview project in Riverview,
- the 46 MW South Pierce

- project in Mulberry and
- the 41 MW Plant City facility in Plant City.

The Louisiana generation assets are the 12 MW Uncle Sam No. 1 and the 16 MW Uncle Sam No. 2 projects in St. James Parish, La.

About 85% of the projects’ output is used by The Mosaic Company itself, according to the FERC filing. The company sells the excess output of the Florida projects to **Tampa Elec-**

tric and that of the Louisiana projects to **Entergy**. All seven projects are qualifying facilities under the 1978 Public Utility Regulatory Policies Act.

Vale is acquiring the stake in The Mosaic Company in exchange for Vale’s fertilizer business, which owns generation assets in Brazil.

Representatives of The Mosaic Company and Vale could not immediately be reached for comment. ■

● MERGERS & ACQUISITIONS

Investment Manager Acquires Wind Platform

Renewables-focused investment manager **Quinbrook Infrastructure Partners** has acquired wind developer **Scout Clean Energy**, which owns a 1.6 GW development pipeline comprising nine projects, all in separate states.

Quinbrook is planning additional acquisitions of wind projects in North America through the newly-acquired development platform.

The majority of the projects that Scout Clean Energy is developing qualify for the production tax credit, according to a statement issued by Quinbrook on May 17.

Quinbrook plans to obtain permits for the nine projects over the next three years, **David Scaysbrook**, co-founder and managing partner at the firm tells *PFR*. The firm will also seek offtakers, which could be utility or non-utility companies, for the projects, Scaysbrook adds.

The new owner expects to secure tax equity investments for the projects, but most of them are likely to be financed without non-recourse debt. **Allianz, Bank of America Merrill Lynch, GE EFS, Morgan Stanley and Prudential** have committed tax equity to Quinbrook

wind projects in the past.

The portfolio—consisting of projects located in Arkansas, Indiana, Iowa, Minnesota, New Mexico, Oklahoma, South Dakota, Texas and Washington state—represents capital investments totaling \$1.7 billion, according to Quinbrook's statement. Scaysbrook declined to disclose the purchase price for the development platform.

Scout Clean Energy was launched by a group of executives at project management and services company **Harvest Energy Services** last year. Harvest's ceo, **Michael Rucker**, also serves

as ceo of Scout.

Under Rucker, Harvest constructed the Mariah Wind project in Parmer County, Texas, which was backed by **Arctas Capital Group**. **First Reserve** acquired **Mariah North** from Arctas and Harvest in 2016 (*PFR*, 2/16/16).

Shawn Cumberland, senior m.d. at Quinbrook in Houston, who helped facilitate the acquisition of Scout, is a co-founder of Arctas who was serving as an m.d. there at the time of Mariah North's development and sale.

A call to Rucker, who is based in Boulder, Colo., was not returned by press time. ■

Cemig Plans Asset Sale to Shrink Debt

Brazil's largest integrated energy company, **Cemig**, plans to release a list of assets in the coming weeks that it wants to sell to reduce its R\$14.728 billion (\$474 million) consolidated debt pile, the company's cfo said in a conference call last week.

The company is in talks to sell its 18.13% stake in the 3.5 GW Santo Antônio hydro project and shares in the transmission company **Taesá**, of which Cemig owns 31.54%, said **Adézio De Almeida Lima** in May 16's quarter one earnings call.

In all, Cemig has a stake in 261 companies and all those that represent small shareholdings or are non-core are potentially on the block, said Lima.

The company is also considering selling international bonds to raise funds, Lima said in the same call.

Cemig posted Ebitda for the first quarter that was 70.53% higher year-over-year at R\$1.1 billion (\$326 million), which the company put down to increased spot prices and a higher volume of supply settled at spot price. ■

Fortis to Acquire Stake in B.C. Dam for \$1.2B

Utility company Fortis has agreed to purchase **Teck Resources'** two-thirds interest in the 496 MW Waneta Dam hydro project and accompanying transmission assets in British Columbia for \$1.2 billion.

Fortis will fund the acquisition from the refinery company with a combination of cash on hand, debt and equity, the St. Johns, Newfoundland and Labrador-based company announced on May 12.

The deal includes the Line 71 transmission line, which allows for U.S. cross-border import and export, and other local transmission assets.

Under the agreement, **Teck Metals** will have a 20-year power purchase agreement for two-thirds of the generation from Waneta for its industrial operations in Trail.

BC Hydro owns the remaining one-third interest in the Waneta project on the Pend d'Oreille River and receives approximately one-third of its generation.

BC Hydro has a right of first offer to the two-third interest and Teck will pay a break fee to Fortis should BC Hydro decide to exercise its right.

Fortis holds a 51% interest in the Waneta Expansion project. Completed in 2015, the project added 335 MW of generation downstream of the dam.

The acquisition is expected to close in the fourth quarter. **CIBC World Markets** is acting as sole financial advisor to Teck Resources. ■

Echoenergia Buys Brazilian Wind Farm Pair

Actis' newly formed wind platform **Echoenergia** has acquired two operating wind farms in northeastern Brazil from developer **Casa dos Ventos**.

The wind farms have a total combined capacity of 346 MW. Financial terms were not disclosed, but in January 2016, Casa dos Ventos sold two wind farms totaling 392 MW in the same region of Brazil to a consortium including **Santander** for R\$2 billion (\$498 million) (*PFR* 1/13/16).

The newly acquired projects both have

20-year PPAs. The larger of the two, Sao Clemente, in Pernambuco state, has capacity of 216 MW, while the Tiangua project in Ceara state is 130 MW in size.

Echoenergia is the fifth energy platform that Actis has created in Latin America. The London-based firm's other operations are in Mexico, Chile and Central America.

With Echoenergia, Actis is hoping to recreate the success of its **Atlantic Energias Renováveis** platform in Brazil, which has 625 MW of fully contracted assets. ■

The Votes Are In! Participation in *PFR* Awards Poll Doubles

The online poll for *PFR*'s Deals and Firms of the Year Awards has closed, after market participants voted for the banks, sponsors, investors and deals they thought were most impressive in 2016. The survey received roughly double the number of votes cast last year.

The winners of the coveted trophies will be revealed at a celebratory event in New York on May 24.

For information about attending the event, please contact **Kevin Dougherty**, U.S. publisher at *PFR*, on 212 224 3445 or kevin.dougherty@globalcapital.com.

The accolades to be awarded are:

Financial Adviser of 2016 for Asset M&A	Financial Adviser of 2016 for Tax Equity	Project Finance Attorney of 2016
Financial Adviser of 2016 for Conventional Generation M&A	Project Finance Borrower of 2016	Tax Equity Investor of 2016
Financial Adviser of 2016 for Renewables M&A	Project Finance Law Firm of 2016	North America Power M&A Deal of 2016
Financial Adviser of 2016 for Latin America M&A	Project Finance Lender of 2016	Latin America Power M&A Deal of 2016
Best Seller of Power Assets 2016	Project Finance Lender of 2016 for Conventional Generation	North America Renewables Project Finance Deal of 2016
Best Buyer of Power Assets 2016	Project Finance Lender of 2016 for Renewables	North America Conventional Generation PF Deal of 2016
Law Firm of 2016 for Power M&A	Project Finance Banker of 2016	Latin America Project Finance Deal of 2016
Yieldco of 2016	Project Finance Sponsor Official of 2016	LNG Project Finance Deal of 2016

● PPA PULSE

PPA Pulse: Renewables Backlog Piles Up

A slow-down in renewables financing in the first half of this year has not stopped 1.3 GW of power purchase agreements from being signed across the U.S. in the last two months, adding to the project finance pipeline.

Most of the contracts inked in that period, about 1,025 MW according to *PFR* data, are for wind projects, while just 264 MW were for solar facilities. Utility companies are the offtakers for about 60% of the contracted capacity, and telecommunications and I.T. firms accounted for most of the remainder.

Among the corporate offtakers are some familiar names, such as **Apple** and **Iron Mountain**, and some less so, such as **Akamai Technologies**, which bills itself as a leading content delivery network and cloud computing services provider.

Here is a round-up of the PPAs signed in since March, first in the U.S., then in Latin America and the Caribbean:

U.S.

◆ **California's Port of Oakland** has signed a 20-year PPA for 17 MW of capacity from a planned expansion of **sPower's** Antelope DSR solar portfolio in Lancaster, Calif. The port will pay \$39/MWh under the terms of the PPA. The project is called

Antelope Expansion 1.

- ◆ **Apple** has identified itself as the company that signed a PPA last fall with **Avangrid Renewables** for the output from the 200 MW Montague wind project in Gilliam County, Ore., which is expected to be online by the end of 2018, and the 56 MW Gala Solar project under construction in Crook County, Ore., near Apple's Prineville data center. **SunPower** developed and is constructing the Gala Solar project, which it has agreed to sell to Avangrid. It is slated to be online by the end of the year.
- ◆ **Akamai Technologies** has signed a 20-year power purchase agreement with **Infinity Renewables** for the output of its 80 MW Seymour Hills wind project near Dallas. The project is expected to be online in 2018.
- ◆ Wireless telephone carrier **T-Mobile US** and the Vinita, Okla.-based **Grand River Dam Authority** have entered into long-term PPAs with **Enel Green Power North America** for 160 MW and 140 MW, respectively, of the output of the 300 MW Red Dirt wind project, currently under construction in Kingfisher and Logan Counties, Okla. The facility is expected to

enter service by the end of 2017.

- ◆ **PacifiCorp.** division **Rocky Mountain Power** has signed a 20-year PPA for the output of the 320 MW, four-project Boswell Springs wind farm complex in Albany County, Wyo., which **Alterra Power Corp.** acquired from **Intermountain Wind** in April. Alterra plans to finance the projects with a construction loan and tax equity and bring them online in 2020 (*PFR*, 4/20).
- ◆ **South Carolina Electric & Gas** has signed long-term PPAs with **Dominion Energy** for the output of two solar projects it is planning to build in Jasper County, S.C. SCE&G will purchase generation from the 71.4 MW **Solvay** solar project and the 10 MW Ridgeland Solar Project under the terms of the contracts. Belgian chemicals firm Solvay will buy the renewable energy credits generated by the Solvay project under a 15-year agreement. Dominion says the 71.4 MW facility, which is expected to be online later this year, will be the largest solar project in the state.
- ◆ **Xcel Energy** has signed a 20-year PPA with **Allete Clean Energy** for the output from its 100 MW Clean Energy 1 wind project

● MERGERS & ACQUISITIONS

Hawaii PUC Blocks Oil-fired Plant Purchase

The **Hawaii Public Utilities Commission** has blocked **Hawaii Electric Light Co.'s** planned acquisition of an combined-cycle oil-fired plant in Honokaa, rejecting the utility's claim that its purchase of the project would be beneficial to its customers.

HELCo's potential acquisition of the facility "presents unreasonable risks to customers", according to the PUC's order denying approval of the sale. The utility had claimed that the deal would

save customers a net \$42 million over the next decade-and-a-half by allowing it to terminate a power purchase agreement with the project.

The PUC deemed the \$84.5 million purchase price for the plant too high, saying that the benefit to HELCo's customers would be negligible and suggesting that the price be revised to \$60 million.

ArcLight Capital Partners agreed to sell the 60 MW Hamakua plant to the utility for \$84.5

million at the end of 2015 (*PFR*, 1/4/16).

The purchase price was below a "fair value" estimate provided to HELCo by valuation firm **Duff & Phelps** in 2016. The estimate was not disclosed.

However, the PUC suggested that the valuation may not have taken into account all of the available operational data on the project such as capacity factors for 2016.

Whether HELCo plans to file

a motion for reconsideration of the deal could not immediately be learned. Representatives of HELCo in Honolulu and ArcLight in Boston were not immediately available for comment.

ArcLight, which acquired the Hamakua project from funds managed by **EIF Management** in 2010, put the plant on the block in July 2015. **Energy Advisory Partners** advised the Boston-based private equity firm on the sale (*PFR*, 7/23). ■

PPA PULSE ●

ect in Morton and Mercer Counties, N.D. Construction is due to begin in 2018 and the project is slated to be online in 2019.

- ◆ Boston-based storage and information services company **Iron Mountain** has signed a 15-year PPA with **NJR Clean Energy Ventures** for 25 MW of output of the 39.9 MW Ringer Hill wind project in Somerset County, Pa. NJR Clean Energy Ventures is a subsidiary of **New Jersey Resources**.
- ◆ **Hawaiian Electric** has signed a 22-year PPA with **NRG Energy** for the generation from a trio of solar projects in Hawaii that the New Jersey-based company acquired through **SunEdison's** bankruptcy proceedings last year. The PPA prices are lower than those previously negotiated by SunEdison, NRG said in a statement. Hawaiian Electric will pay \$109.9/MWh for the output of the 49 MW Kawaiiloa project on the North Shore of Oahu, which is set to be the state's largest solar facility. The PPA, which was announced in April, requires the approval of Hawaii's **Public Utilities Commission**. The utility will also pay \$104/MWh for the output of the 45.9 MW Waipio solar project in Waipio and \$114/MWh for the output of the 14.7 MW Lanikuhana solar project in Oahu under PPAs signed in January. All three projects are scheduled to be online in 2019.
- ◆ A subsidiary of **Island BioEnergy** has reached a tentative agreement with **Hawaii Electric Light Co.** regarding a

30-year PPA for the output of the half-built 21.5 MW Pepeekeo biomass project on the Big Island of Hawaii. **Hu Honua Bioenergy** is offering to sell the project's output to the utility at \$80/MWh, a price which will have to be approved by Hawaii's Public Utilities Commission.

MEXICO

- ◆ Mexican steel company **Deacero** has signed a 20-year PPA with **Sempra Energy** subsidiary **IENova** for the output of its 110 MW Pima Solar project in Caborca, in the Mexican state of Sonora. The project is scheduled to be online in the fourth quarter of 2018. The PPA is the first offtake contract to be signed between a private generator and an industrial group since the country's recent energy market reform, according to IENova.
- ◆ **Grupo Modelo**, the subsidiary of **Anheuser-Busch InBev** that owns the Corona, Modelo and Pacifico beer brands, has entered into a 15-year PPA with **Iberdola** for generation from a 220 MW wind farm in the state of Puebla, Mexico, which is expected to be online in the first half of 2019. The move is part of the brewer's commitment to procure 100% of its generation from renewable sources by 2025.
- ◆ The Mexican **Federal Electricity Commission** has assigned a 25-year PPA to **Iberdola** for the output of the 766 MW combined-cycle Topolobampo III plant, which will be located next to the city of Ahome in Sinaloa. The company has selected banks to finance construction of

the project, which is slated to be online in 2020 (PFR, 3/30).

CENTRAL AMERICA

- ◆ French renewables developer **Neoen** has obtained 20-year PPAs for two 68 MW solar projects in El Salvador through a tender process run by local utility **Delsur**. The projects, which Neoen owns through a subsidiary called **Capella Solar**, will sell their output to Delsur, **AES**, **EDESAL** and **B&D** for \$49.56/MWh and \$49.55/MWh under the terms of the PPAs. The prices are "significantly below the current market average" and "set a new benchmark in Central America," says Neoen.

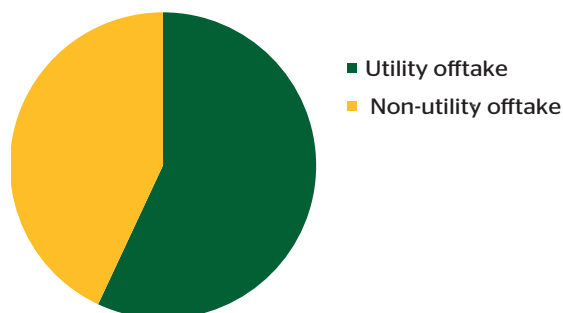
CARIBBEAN

- ◆ **Jamaica Public Service** has signed a 20-year PPA with **Eight Rivers Energy Co.** for the output from a 37 MW solar project in Paradise Park, Westmoreland. Eight Rivers was the winning bidder in a procurement process run by the Jamaican **Office of Utilities Regulation** in 2015 and 2016, with a bid of \$85.40/MWh. The project is slated to be online by mid-2018.

ARGENTINA

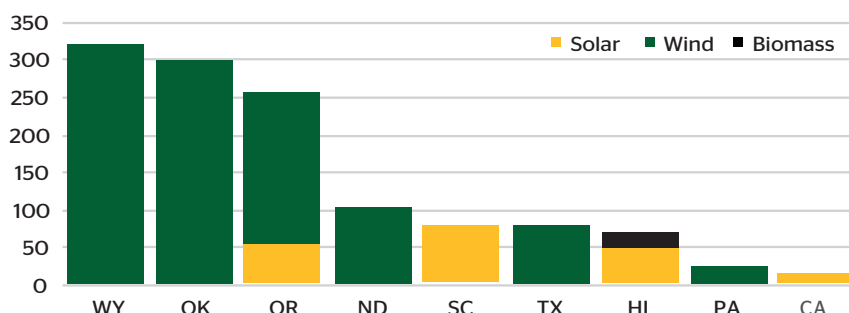
- ◆ Argentina's **Wholesale Electricity Market Administration Company** inked a PPA in April with a subsidiary of sugar company **Azucarera Los Balcanes** for 45 MW of generation from its La Florida biomass plant in Tucuman province, which is under construction. The facility will burn bagasse, a byproduct of sugarcane processing. ■

U.S. PPAs Signed March-April 2017 Offtaker Type



Source: Power Finance Risk

U.S. PPAs Signed March-April 2017 State and Generation Type



Source: Power Finance Risk

● PEOPLE & FIRMS

Head of Americas Departs Solar Outfit

An executive v.p. and head of Americas at a solar independent power producer has left the company just over a year after he joined.

The executive, **Jorge Vargas**, has departed **AMP Solar**, where he covered the U.S., the Caribbean and Latin America from the developer's New York office.

Vargas' appointment at AMP in March 2015 was part of a push into new markets by the Ontario-based sponsor.

He reported to **Paul Ezekiel**, one of the company's two co-founders, along with **Dave Rogers** (PFR, 3/14).

Vargas joined AMP from **Morgan**

Stanley Commodities, where he was co-head of the solar desk in Purchase, N.Y., from 2011 to 2016. The desk sits within the North America power and gas unit in the investment bank's commodities division.

Prior to joining Morgan Stanley, Vargas spent a year as a v.p. at **Rialto Capital Management**, and before that, five years as a v.p. at **Lennar** in Miami.

He started his career with analyst roles at **JP Morgan** and then **Bank of America**.

Vargas was not immediately available for comment. ■

● STRATEGIES

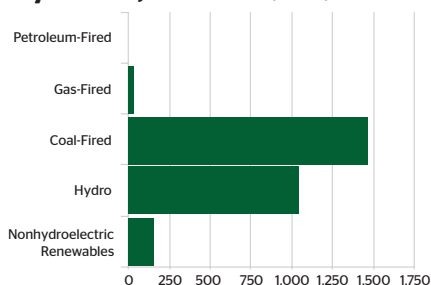
Community Renewable RFP Issued for Montana Generation

NorthWestern Energy has issued a request for proposals for up to 45 MW of generation from community renewable projects.

The utility, which services customers in the upper Midwest and Northwest, is required by state law to procure energy from community projects as part of the Montana renewable portfolio standards.

To qualify, projects must have a slated commercial operation date in late 2018 or late 2019, if approved by the state.

Montana Electricity Generation by Source, Jan. 2017 (MW)



Source: Energy Information Administration, Electric Power Monthly

NorthWestern will consider power purchase agreements and build-transfer arrangements.

Qualifying projects must be in Montana or deliver power to the state. Projects types can include wind, solar, battery, geothermal and hydro.

To be considered a community project, it must be owned by Montana residents, general partnerships of which all partners are Montana residents, small business entities organized under the laws of Montana or have at least 50% of the equity interests, income interests, and voting interests owned by Montana residents.

Proposals are due by June 28, with finalists to be picked on Sept. 8. Contract negotiations are slated for between September and November. **Sapere Consulting** is administering the RFP.

Montana relies heavily on coal-fired projects, its primary energy source, followed by hydro projects, according to data published by the **U.S. Energy Information Administration** in January. ■

● ALTERNATING CURRENT

Alterra Plans to Sell Stake in Icelandic Geothermal Spa



Alterra Power Corp. has hired Icelandic firm **Stöplar Advisory** to explore a sale of its stake in the **Blue Lagoon** geothermal spa in that country.

The spa, known as **Bláa lónið**, is located approximately 24 miles from the capital of Reykjavík.

Bláa lónið, which features a geothermal pool with high levels of silica and sulfur, is located in a lava field in Grindavík on the Reykjanes Peninsula, in the southwestern part of the Nordic country.

Both "significant investor attention" from within, and outside of, Iceland, coupled with the fact that the stake in the spa is not a core part of Alterra's renewables business, have led the company to consider a sale, executive chairman **Ross Beaty** said in a statement issued May 16.

Alterra, which owns a 30% interest in Blue Lagoon, will entertain bids for both a portion, and the entirety of, its stake in the project.

The lagoon is powered by the approximately 75 MW Svartsengi geothermal project, which is adjoined to the property and also provides water to the spa. ■

● ONE YEAR AGO



PFR had unveiled the winners of its 13th Annual Deals and Firms of the Year awards, with **MUFG**, **Santander** and **Recurrent Energy** among the biggest winners (PFR, 5/23/16).

The 14th Annual Deals and Firms of the Year awards will take place this Wednesday May 24 at the Bryant Park Hotel in New York.

● QUOTE OF THE WEEK

"Batteries have become so much more useful and costs are so competitive."

Carl Stills, v.p., storage integration at **8minutenergy Renewables**, discussing the company's plans to install 1 GW of storage facilities over the next four years (see story, page 1).