

Power Finance & Risk

The weekly issue from **Power Intelligence**

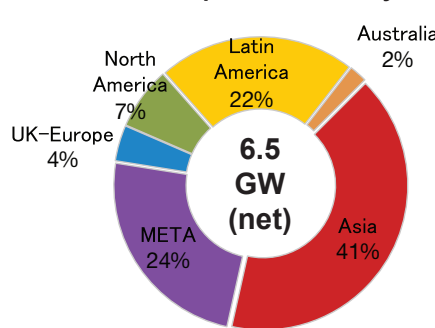
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GDF Mulls North American Asset Sales

GDF SUEZ North America is considering selling about 300 MW of operational wind assets in Canada. The Houston-based company has been in touch in recent weeks with investment banks and requested pitches for the sale that could also include some gas-fired assets in the U.S., say industry officials. Bankers recently started preparing their proposals.

GDF, through its affiliation with **International Power**, owns five wind farms totaling 287 MW of operational wind assets in Canada. GDF currently owns 70% of

IPR-GDF Development Assets By Region



Source: Power Intelligence via International Power

International Power and is pursuing a transaction that would buyout the remaining shares, giving it sole ownership later this year. Proceeds from the sale of the wind assets would be used toward financing the latest stake in International Power, bankers say.

Under the existing relationship the two have been increasingly operating as a single entity in the U.S. The duo under affiliate **IPR-GDF Suez North America** bought out **Sea Breeze Power's** 99 MW Cape Scott

(continued on page 8)

THE BUZZ

Access to transmission capacity has been the Achilles heel for many a wind project. More than 200 GW of projects are sitting in interconnection queues across the country, according to the **American Wind Energy Association**, as proposed lines slowly wind their way through complex local, state and federal permitting processes. And while a slew of transmission deals with guaranteed rate recovery in Texas' Competitive Renewable Energy Zones cleared the market last year, the deals have been relatively scarce in 2012.

Despite the odds, or perhaps because of the opportunity, **Clean Line Energy** continues its work on an equity private placement via **Lazard Capital** to fund early stage development of several thousands of miles of proposed transmission lines across the U.S.

For PI's take on this trend and the rest of the market, see page 2.

CS, SG Launch \$2B Cheniere Package

Leads **Credit Suisse** and **Société Générale** have launched syndication of a \$2 billion financing backing **Cheniere Energy Partners'** acquisition of a gas pipeline and also providing lending capacity to its planned liquefied natural gas project Sabine Pass. The deal hit the market Wednesday in New York and commitments are expected to roll in during the next two weeks, bankers say.

The package consists of a \$750 million piece at the Cheniere Energy Partners holding company level and a \$1.25 billion term loan at the Sabine Pass project level. The holdco piece is priced at LIBOR plus 550 basis points and has a six-and-a-half-year tenor, while the term loan is priced at LIBOR plus 425-450 bps and has a seven-year tenor. The package has an OID of 95 and a pricing floor of 125 bps. **Bank of Tokyo-Mitsubishi UFJ**,

(continued on page 8)

CS Bankers Step Up

A pair of managing directors at **Credit Suisse** have been tapped as co-heads of power and utilities at the lender this week.



See story, page 7

New Project Finance Loans

We've added updates to the live project financings. Check out our round-up of the latest project finance deals in the Americas, with details on projects, sponsors and debt.

See Deal Book, page 4

Generation Sale DATABASE

Get the rundown on the latest asset trades in PI's weekly calendar, compiled from our exclusive Generation Sale Database.

See calendar, page

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THE BUZZ

Potential investors in **Clean Line Energy's** private placement are game for project ownership and development, according to President **Michael Skelly**. The Houston-based company, which includes several former **Horizon Wind Energy** staffers, is working on several thousands of miles of lines across four projects. It received the green light this month from the U.S. **Federal Energy Regulatory Commission** to begin negotiating service agreements for its 500-mile Rock Island project between Iowa and Illinois.

The bottleneck also hasn't deterred **BP Energy** and **Sempra U.S. Power & Gas** from moving forward with their 419 MW Flat Ridge 2 wind project in Kansas. The sponsors are a familiar couple to lenders, which recently submitted financing proposals for Flat Ridge. The pair is also working on financing its 141 MW Mehoopany wind project in Pennsylvania.

In M&A, **Tenaska Solar Ventures** is taking the route of other solar developers such as **NRG Energy** as it tries to bring in a minority owner for up to 49.9% of its **CSolar Development** unit. CSolar is developing a 130 MW project in Imperial County, Calif. Selling minority ownerships is a popular route for developers looking to raise financing among entities that have tax appetite.

Similar structures have included **MidAmerican Energy Holdings Co.** and **GE Energy Financial Services** as the tax equity investor and minority owner, respectively.

A pair of auctions in the generation M&A market hit milestones recently. Two crops of bidders—those vying for the 2.6 GW of coal-fired assets owned by **Exelon** and the 636 MW Klamath cogeneration facility in Klamath Falls, Ore., owned by **Iberdrola Renewables'**—recently submitted first round offers.

Meanwhile, **Credit Suisse** looked to its own ranks—**John Cogan** and **Ahmad Masud**, both managing directors—to fill vacancies left by the departure of three senior bankers. Cogan and Masud, formerly the head of power M&A, started in their new roles, co-heads of the U.S. power and utilities team, this week.



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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.

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GENERATION AUCTION & SALE CALENDAR

These are the current live generation asset sales and auctions, according to *Power Intelligence's* database. A full listing of completed sales for the last 10 years is available at www.powerintelligence.com/AuctionSalesData.html

Seller	Assets	Location	Advisor	Status/Comments
Alcoa	Calderwood (140.4 MW Hydro) Cheoah (118 MW Hydro) Chilhowee (52.2 MW Hydro) Santeetlah (40.4 MW Hydro)	Little Tennessee River, Tenn. Little Tennessee River, N.C. Little Tennessee River, Tenn. Cheoah River, N.C.	JPMorgan	Indicative bids due in early April (PI, 4/2).
Bicent Power	Hardin (120 MW Coal) San Joaquin (48 MW San Joaquin Gas)	Billings, Mont. Lathrop, Calif.	Moelis & Co. Scotiabank	Creditors are circling the plants in a pre-pack bankruptcy (PI, 4/30). San Joaquin will be included in the sale of CalPeak assets (PI, 5/28).
BVP Property	Big Valley (7.5 MW Biomass or development)	Bieber, Calif.	Barrier Advisors	NexBank foreclosed on the asset in Q1 and is looking to sell it (PI, 5/21).
Calpine	Riverside (600 MW Gas)	Beloit, Wis.	TBA	WPL is paying \$393 million for the plant (PI, 5/21).
Capital Power	Miller Creek (33 MW Hydro) Brown Lake (7.2 MW Hydro)	British Columbia British Columbia	CIBC	The owners has 60.56% equity stakes in the projects (PI, 4/9).
Cascade Investments	Altura (600 MW Cogen) Twin Oaks (305 MW lignite-fired) Cedar Bayou 4 (275 MW natural gas-fired)	Channelview, Texas Bremont, Texas Chambers County, Texas	TBA	Cascade has been listening to sell-side pitches (PI, 3/19)
▶ Energy Investors Funds	Loring BioEnergy (70 MW gas-and diesel-fired project)	Maine	Pierce Atwood	A jet fuel pipeline is for sale along with the cogeneration project (see story, page 6).
▶ Exelon	Brandon Shores (1,273 MW Coal) H.A. Wagner (976 MW Coal) C.P. Crane (399 MW Coal)	Anne Arundel Co., Md. Anne Arundel Co., Md. Baltimore Co., Md.	Citigroup, Goldman Sachs	Bidders have been notified as to whether they are in the second round (see story, page 7).
First Wind	Steel Wind II (49.9% stake of 15 MW Wind)	Lackawanna, N.Y.	TBA	A minority stake is being put into the JV with Emera (PI, 5/28).
Gamesa Energy USA	Pocahontas (80 MW Wind) Sandy Ridge (50 MW Wind) N/A (Wind) N/A (Wind)	Pocahontas County, Iowa Blair County, Pa.	JPMorgan	Algonquin Power & Utilities a controlling interest in the four projects.
▶ IPR-GDF Suez Energy North America	Various (287 MW Wind)	Various, Canada	TBA	Talking to prospective advisors about a sale (see story, page 1).
▶ Iberdrola Renewables	Klamath (636 MW CoGen)	Klamath Falls, Ore.	Royal Bank of Canada	First round bids are in (see story, page 6).
LS Power	Blythe (507 MW CCGT)	Blythe, Calif.	Credit Suisse	LS is looking to flip the plant it bought in a portfolio in the fall (PI, 4/16).
Luminus Management, CarVal Investors, Fortress Investment Group	Bosque (507 MW Gas)	Laguna Park, Texas	Bank of America	Hope to sell the plant by early summer (PI, 4/30).
MACH Gen	Harquahala (1 GW Gas)	Maricopa County, Ariz.	Goldman Sachs	The sale launched recently (PI, 5/21).
Olympus Power, Metalmark Capital	Brooklyn Navy Yard (Stake, 286 MW Gas-fired)	Brooklyn, N.Y.	Credit Suisse	Teasers went out recently for the stake (PI, 5/28).
Perennial Power	Mid-Georgia (300 MW CoGen)	Kathleen, Ga.	Fieldstone	ArcLight, GE EFS and GIC are buying the facility although Georgia Power has first refusal rights (PI, 5/21).
Silverado Power, Martifer Solar	Various (130 MW Solar)	Various, Calif.	Marathon Capital	The partners are looking to raise capital around the contracted portfolio (PI, 2/13).
Solar Trust of America	Blythe (1 GW Solar PV) Palen (500 MW Solar PV) Amargosa (500 MW Solar PV) Ridgecrest (250 MW Solar PV)	Blythe, Calif. Desert Center, Calif. Amargosa, Nev. Ridgecrest, Calif.	RPA Advisors Marathon Capital	RPA is working with the company; creditor committee with Marathon (PI, 5/7).
Starwood Energy, Tyr Energy, GSO Capital	Vaca Dixon (49 MW Peaker) Panoche (49 MW Peaker) Border (49 MW) Enterprise (49 MW)	Vacaville, Calif. Firebaugh, Calif. San Diego, Calif. Escondido	Scotiabank	The portfolio sale will launch soon (PI, 5/28).
SunPower	McHenry (25 MW Solar PV)	Modesto, Calif.	TBA	K Road has bought the project and lined up financing from three lenders (PI, 5/21).
▶ Tenaska Solar Ventures	Imperial Solar Energy Center South (130 MW Solar PV)	Imperial County, Calif	Royal Bank of Canada	Tenaska is looking to bring in a minority owner that has tax appetite (see story, page 7).
Westmoreland Coal Co.	ROVA (230 MW Coal)	Weldon, N.C.	Gleacher & Co.	Wants to sell the plant by the end of the year (PI, 5/14).
Wind Capital Group	Various (1.3 GW Wind development)	Various	Energy Advisory Partners	Put the pipeline on the block as a way to raise capital (PI, 5/7).

▶ 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 Senior Reporter **Holly Fletcher** at (212) 224-3293 or e-mail hlfletcher@iintelligence.com.

PROJECT FINANCE DEAL BOOK

Deal Book is a matrix of energy project finance deals that *Power Intelligence* is tracking in the energy sector. A full listing of deals for the last several years is available at <http://www.powerintelligence.com/projectfinancedeal.html>

Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
AES Solar, 8minutenergy Renewables	Mount Signal (200 MW Solar PV)	Imperial Valley, Calif.	TBA	TBA	\$700M	TBA	Mandates expected soon (PI, 5/21).
BP, Sempra	Flat Ridge 2 (419 MW Wind)	Wichita, Kan.	TBA	TBA	TBA	TBA	Lenders submit financing proposals to sponsors (see story, page 5).
	Mehoopany (141 MW Wind)	Wyoming County, Penn.	BTMU, CoBank, Mizuho	TBA	\$200M	18-yr	Pricing, tenor emerge (PI, 4/16).
Cape Wind Associates	Cape Wind (420 MW Wind)	Nantucket Sound,	Barclays	TBA	TBA	TBA	Financing to be re-ignited (PI, 4/16).
Cheniere Energy	Unidentified (Export LNG Facility)	Sabine Pass, La.	Agricole, BTMU, Credit Suisse, HSBC, JPMorgan, Morgan Stanley, RBC, SocGen	Mini-Perm	\$3.2B	7-yr	CS. SocGen launch \$2B package (see story, page 1).
Cogentrix	Portsmouth (110 MW Coal)	Portsmouth, Va.	RBC, Scotia	Refi	\$120M	5-yr	Sponsor tags RBC to lead refi, with Scotia as co-lead (PI, 5/7).
Dalkia Canada, Fengate Capital	Ft. St. James (33 MW Biomass)	Ft. St. James, B.C.	TBA	TBA	TBA	TBA	Sponsors seek roughly \$175 million financing for project (PI, 3/26).
	Merritt (33 MW Biomass)	Merritt, B.C.	TBA	TBA	TBA	TBA	Sponsors seek roughly \$175 million financing for project (PI, 3/26).
Diamond Generating Corp.	Mariposa (200 MW Gas)	Alameda County, Calif.	SMBC, DZ, CoBank, Sumitomo Trust	TBA	\$150M	10-yr	Sponsor mandates four lenders (PI, 5/14).
Duke Energy Renewables	Los Vientos (402 MW Wind)	Willacy County, Texas	TBA	TBA	TBA	TBA	Sponsor circles \$220 million NADB tranche (PI, 5/28).
Elecnor	L'Erable (100 MW Wind)	L'Erable, Quebec	National Bank Financial, Sun Life Assurance	Private Placement	\$250M	21-yr	Deal wraps (PI, 5/28).
enXco	Shiloh 3 (102.5 MW Wind)	Solano County, Calif.	BayernLB, NordLB, Rabo, Union Bank	Mini-Perm	\$150M+	7-year	Sponsor and equity backer tap lenders for back-levered deal (PI, 5/7).
Finavera Wind Energy	Wildmare (77 MW Wind)	Peace River, B.C.	TBA	TBA	\$160M	TBA	Sponsor targets financing, likely from life insurance companies (PI, 4/2).
GCL Solar	Various (77 MW PV)	Puerto Rico	Union Bank, WestLB	TBA	\$200M	TBA	Deal to wrap this week (PI, 5/28).
Inkia Energy	Unidentified (500 MW Hydro)	Cerro del Aguila, Peru	BBVA, Crédit Agricole, HSBC, Scotia, SocGen, SMBC	TBA	\$600M	12-yr	A dozen lenders expected to make commitments (PI, 4/30).
Odebrecht	Chaglia (406 MW Hydro)	Peru	BNP	Term	\$650M	17.5-yr, 20-yr	Two more lenders joint deal (PI, 5/21).
Panda Energy	Temple (600 MW Gas)	Temple, Texas	TBA	TBA	\$1.2B	TBA	Sponsor is looking to line up debt and equity (PI, 5/28).
Pattern Energy	Ocotillo (315 MW Wind)	Imperial Valley, Calif.	TBA	Mini-Perm	\$400M	C+ 7-yr	Sponsor targets \$400 million financing; 10 lenders eye deal (PI, 5/14).
Primary Energy Recycling	Various (Cogen)	Indiana	RBC, Scotia	Refi	\$110M	5-yr	Sponsor tags RBC and Scotia to lead refi (PI, 5/28).
Ridgeline Energy	Meadow Creek (120 MW Wind)	Bonneville County, Idaho	TBA	TBA	\$180-200M	TBA	Sponsor discusses financing with lenders, equity with Diamond Generating Corp. (PI, 5/28).
Rockland Capital, Broadway Electric Co.	Mass Solar (Solar PV)	Massachusetts	TBA	TBA	\$200M	TBA	Sponsors talking to four lenders about financing (PI, 5/14).
Sempra U.S. Gas & Power	Copper Mountain 2 (92 MW PV)	Boulder City, Nev.	TBA	TBA	\$130M	17-18-yr	BTMU, Crédit Agricole and SMBC likely lenders (PI, 5/21).
Solarpack	Various (22 MW Solar PV)	Tacna and Moquega, Peru	TBA	TBA	\$120M	20-yr	Sponsor is talking to lenders for funds for two projects (PI, 4/30).
Standardkessel, Green Energy Team	Unidentified (6.7 MW Biomass)	Koloa, Hawaii	TBA	TBA	TBA	TBA	WestLB exits deal; sponsor tap another bank as lead (PI, 5/21).
SunEdison	Unidentified (20 MW Solar PV)	Picture Rocks, Ariz.	NADB	TBA	\$65M	TBA	Deal wraps (PI, 5/28).

New or updated listing

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PROJECT FINANCE

BP, Sempra Take Lender Bids For Kan. Wind

Lenders have submitted financing proposals backing **BP Energy** and **Sempra U.S. Power & Gas**' \$800 million, 419 MW Flat Ridge 2 wind project near Wichita, Kan. The sponsors released a request for proposals to lenders earlier this month and leads are expected to be selected before the end of June, a banker notes.

FAST FACT

➤ Flat Ridge 2 will comprise 262 **General Electric** 1.6 MW turbines.

"It's going to be the usual suspects," the banker says, pointing to banks that have worked on the duo's projects. **Bank of Tokyo-Mitsubishi UFJ**, **CoBank** and **Mizuho** are participating in

a roughly \$150 million deal backing BP and Sempra's 141 MW Mehoopany wind project in Wyoming County, Pa. (PI, 4/11). Bank officials in New York and Denver did not return calls by press time.

Associated Electric Cooperative, **Southwestern Electric Power Company** and a third unidentified utility are offtakers of Flat Ridge 2, which will comprise 262 **General Electric** 1.6 MW turbines (PI, 5/1). Details regarding the terms and size of the

financing could not be learned. A Sempra spokeswoman in San Diego and a BP spokesman in Houston did not respond to inquiries by press time.



GE 1.6 MW Turbine

Courtesy of GE

Transmission Shop Zeroes In On Private Placement

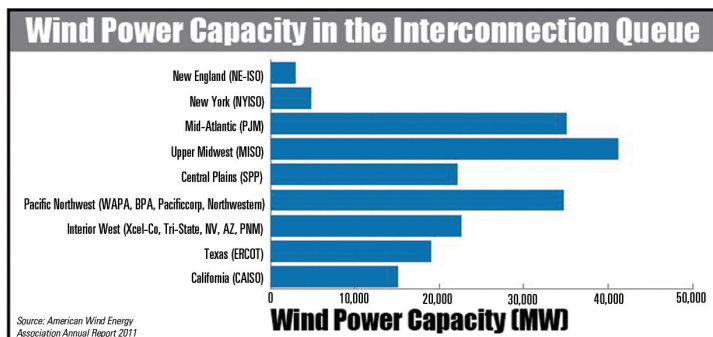
Clean Line Energy is looking to wrap a \$50 million equity private placement this summer backing the development of several billion dollars of transmission lines. "Private equity funds to strategics round out the spectrum," says **Michael Skelly**, president of the company in Houston, of the types of entities that are potential investors in the private placement. **Lazard Capital** is running the deal.

early-stage development of Clean Line's projects, which include:

- Rock Island, a 550-mile line that will connect northwest Iowa to Chicago;
- Grain Belt Express, a 750-mile line linking western Kansas to Missouri;
- Plains & Eastern; another 750-mile line from western Oklahoma to Memphis; and
- Centennial West; a 900-mile line connecting eastern New Mexico to Los Angeles.

The company received approval from the U.S. **Federal Energy Regulatory Commission** to begin negotiating service agreements for entities to take up capacity on the \$1.7 billion Rock Island project earlier this month. Clean Line, which has a team that includes several former **Horizon Wind Energy** staffers, has been in touch with top wind developers to take up capacity on the line, Skelly says. Contracts will likely be nailed down when Rock Island is further along in permitting in a year or two, he adds.

New York-based **Ziff Brothers Investments** is Clean Line's primary backer and investment company **Zilkha & Sons** is another investor. A spokeswoman for Lazard in New York was not immediately available to comment.



"Transmission development attracts interests from funds that ultimately wish to participate in the ownership of a project," Skelly adds of the potential investors. He adds that other potential investors want to get involved in the projects' development. He declined to identify companies that are looking at participating in the private placement.

Funds from the private placement would be used to finance

FAST FACT

➤ The company received approval from the U.S. **Federal Energy Regulatory Commission** to begin negotiating service agreements for entities to take up capacity on the \$1.7 billion Rock Island.

MERGERS & ACQUISITIONS

ECP Unit Circles \$975M Refi

EquiPower Resource Holdings, a portfolio company of **Energy Capital Partners**, is in the market with a \$975 million debt package to refinance an acquisition financing associated with **Milford Power**. The proceeds will also be used to cover debt service reserves as well as a small dividend. **Barclays** is the lead arranger. A bank meeting will be held May 31.

The package includes a \$685 million term loan maturing 2018 that is rated Ba3 by **Moody's Investors Service** as well as a senior secured \$90 million revolver that matures 2017. There's also a second lien secured \$200 million term loan maturing 2019, which is rated B2 by **Moody's Investors Service**.

The package is refinancing a trio of loans, which in part financed ECP's acquisition of the 548 MW Milford combined cycle facility in Connecticut in late 2010. There is a \$425 million term loan priced

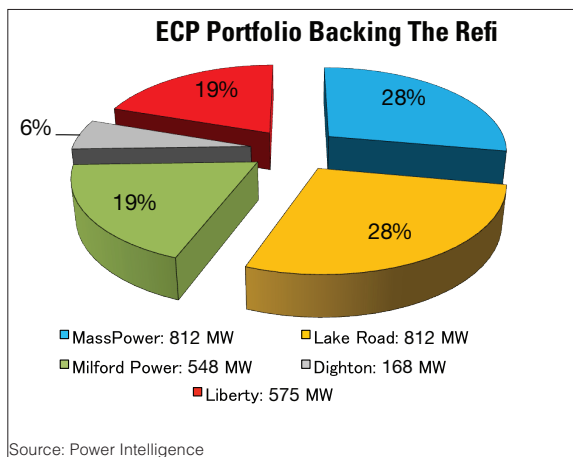
at LIBOR plus 425 basis points that matures in 2018 (PI, 1/19/11). There's also a \$100 million revolver that matures in 2016 and \$570 million outstanding on a \$705 million term loan maturing 2015.

Barclays, **Macquarie Capital**, and **Goldman Sachs** subsidiary **J. Aron** have provided a hedge on Milford's power through 2014.

EquiPower owns four gas-fired plants—812 MW MassPower, 548 MW Milford Power, 812 MW Lake Road and the 168 MW Dighton—in New England. A more recent acquisition, Liberty Power in Eddystone, Pa., will also be included in the portfolio backing the package, according to an analyst report.

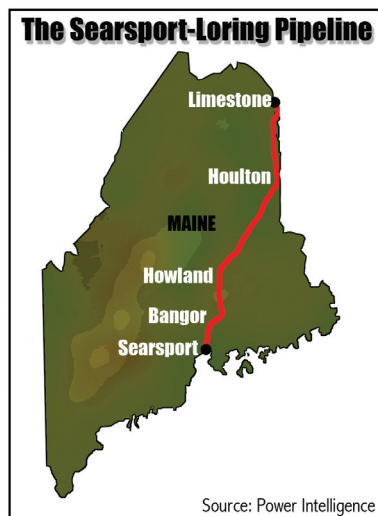
Whether other banks are arranging the package could not be learned by press time. Spokesmen for ECP in

Short Hills, N.J., and Barclays in New York could not immediately comment.



EIF To Auction Maine Pipeline, CoGen Project

Energy Investors Funds is selling a pipeline and accompanying cogeneration project in Maine. The developer, **Loring BioEnergy**, defaulted on a mortgage payment earlier this year. EIF's **United States Power Fund** took over the 188-mile pipeline that runs from Winterport and the Loring Commerce Center in Maine, where the 70 MW gas- and diesel-fired project is planned.



The auction is being run by **Jacob Manheimer**, partner at **Pierce Atwood**, a law firm in Portland, Maine that is representing USPF, and will be held Monday, June 4 at Robert A. Frost Memorial Library in Limestone, Maine. Several parties, some of which have operations in the region, have indicated interest in bidding, says Manheimer, declining to comment on the exact number or identities.

Loring BioEnergy had been trying to recommission

a jet fuel pipeline between Winterport and the Loring Commerce Center in Maine and convert it to natural gas. EIF had tried to sell

its interests or bring in additional investors in Loring in the spring of 2008 (PI, 5/9/08).

Neither the timeline regarding the missed mortgage payment nor how far along development is on the power project could be learned. EIF officials declined to comment on prospective bidders through a spokesman.

Initial Bids Land On Klamath

First round bids have come in for **Iberdrola Renewables'** cogeneration plant in Klamath Falls, Ore. Companies have not yet received word on whether they made it to the next round, according to a deal watcher late last week.

Royal Bank of Canada is running the sale.

The 636 MW Klamath plant sits near the border between Oregon and California and consists of a 536 MW combined cycle plant, which came online in 2001, and 100 MW of simple cycle peaking units.

The plant is in Klamath Falls. A unit of **The Collins Companies**, a wood products manufacturer in Portland, Ore., has an offtake agreement for the steam (PI, 4/10).

The identity of the bidders could not be learned. Spokespeople for Iberdrola Renewables in Portland, Ore., and RBC in New York could not immediately comment.

FAST FACT

► **Royal Bank of Canada** is running the sale.

Exelon Coal Process Moves To Round #2

First round bids came in for Exelon's 2.648 GW of coal-fired plants in Maryland last week and buyers have received notification about whether they moved to the next round.

There are reportedly fewer than five bidders that moved into the second round, industry officials say. Shops that made an initial offer include **ArcLight Capital Partners**, **Energy Capital Partners**, **LS Power** and **NRG Energy** as well as **New Wave Energy Capital Partners**, a financial player based in Pittsburgh, Pa., according to industry officials. There was also a strategic and financial joint venture. The identity of the five that made the cut could not be immediately determined.

Some bidders dropped out as the first round ended as they couldn't get comfortable with coal-fired generation and what it will be worth in the next few years. Other shops that wanted to score the plants at a low value didn't make the cut into the second round, says a deal watcher. **Citigroup** and **Goldman Sachs** are running the sale for Exelon, which is required to sell the facilities the—1,273 MW Brandon Shores in Anne Arundel Co., the 976 MW H.A. Wagner in Anne Arundel Co., and the 399 MW C.P. Crane in Baltimore County—under its merger agreement with **Constellation Energy** (PI, 3/13).

The combination of low capacity prices coupled with some environmental issues at the Wagner and Crane plants restrained some bidders, says a deal watcher. The recent outcome of the PJM capacity markets that put power at \$167 per MW in the Mid-Atlantic region was a "mild positive" for the plants, he notes. The deadline for bids, originally slated for early May (PI, 4/19), was pushed back to allow bidders to see the outcome of the capacity auction, says one banker.

Citi and Goldman have not yet offered up a staple financing but those in the second round have at least two financing packages to consider: **UBS** is offering a package as well as another undisclosed lender, officials say. The details regarding the financing couldn't be learned.

The buyer that emerges may be a strategic player looking to add generation to its portfolio if financial players aren't confident

they will be able to find a buyer for the plants a few years down the road, says one observer, adding that to get comfortable with these plants a financial buyer wants to know there will be a market for the assets. "Everyone is thinking, 'What's the next life for this asset and who is the natural owner?'," says one banker.

Officials or spokespeople for the advisors, Exelon, prospective bidders and UBS either declined to comment or were not reached.

Tenaska Hunts PV Solar Investor

Tenaska Solar Ventures wants to bring in a minority owner with tax equity appetite for a solar photovoltaic project in Imperial County, Calif. Tenaska wants an investor or co-owner for up to 49.9% of **CSolar Development**, says a deal watcher. **Royal Bank of Canada** is advising Tenaska.

Bankers from RBC have reached out to a select group of investors for the 130 MW Imperial Solar Energy Center South in the last few weeks, deal watchers say, noting that the roster of companies that have interest in investment transactions with a tax equity component are limited. The process is expected to be more streamlined than a typical two-stage auction and will be finalized in several weeks, says one deal watcher.

The structure will be similar to how **NRG Solar** brought in **MidAmerican Energy Holdings Co.**, for a 49% stake in the \$1.8 billion, 250 MW Agua Caliente project.

CSolar is developing the Imperial project, which has a 25-year power purchase agreement with **San Diego Gas & Electric**.

as well as the 130-150 MW Imperial Solar Energy Center West—that is likely to be financed later this year. Whether there is an opportunity to invest in the West solar project in this process could not be learned.

Imperial Solar Energy Center South was financed earlier this year with a \$500 million deal led by **Mitsubishi UFJ Financial Group** affiliates **Bank of Tokyo-Mitsubishi UFJ** and **Union Bank** (PI, 4/9).

A Tenaska spokeswoman in Omaha, Neb., declined to comment while an RBC spokesman did not return a call.

FAST FACT

➤ **CSolar** is developing the Imperial project, which has a 25-year power purchase agreement with **San Diego Gas & Electric**.

PEOPLE & FIRMS

Cogan, Masud Takeover U.S. Power For CS

John Cogan and **Ahmad Masud** have been appointed co-heads of power and utilities in the Americas at **Credit Suisse**. Cogan and Masud, both managing directors, assume the titles immediately, according to an internal memo from inside the bank today.

They report to **Osmar Abib** and **Jamie Welch**, the co-heads of the global energy group. Welch, based out of London, is also the head of investment banking in Europe, the Middle East and Africa.

Abib works from Houston.

Cogan and Masud take over roles vacated two weeks ago when three senior bankers left for **Bank of America** (PI, 5/18). Cogan joined the bank in 2000 when it merged with **Donaldson, Lufkin & Jenrette** while Ahmad, who was until recently the head of power M&A, joined in 1994, according to the memo.

A Credit Suisse spokesman confirmed the contents of the memo, declining further comment.

GDF Mulls *(Continued from page 1)*

wind project, formerly known as Knob Hill, in British Columbia (PI, 7/5).

GDF has floated the idea of selling the wind assets in the past, says an M&A banker. There is also a pipeline of roughly 184 MW of wind projects under construction in Canada, according an IPR-GDF document from June 2011 on the International Power Web site.

Aside from the Cape Scott wind project, which has a 20-year power purchase agreement with **BC Hydro**, the operational wind farms in Canada include:

- 40 MW Harrow near Essex, Ontario, which is contracted to the **Ontario Power Authority**;
- 99 MW Caribou farm near Bathurst, New Brunswick, that has a 20-year PPA with **New Brunswick Power**; and the
- 99 MW West Cape Wind farm near O'Leary, Prince Edward Island.

International Power entered the Canadian wind market with its acquisition of **AIM PowerGen** from **Renewable Energy Generation** for C\$189 million (\$176.14 million) almost three years ago (PI, 9/30/09).

Details regarding which gas-fired assets could be sold and a timeline for when an advisor may be selected could not be determined. A spokeswoman for GDF in Houston did not immediately return a call.

—**Holly Fletcher**

CS, SG Launch *(Continued from page 1)*

Crédit Agricole, HSBC, JPMorgan, Morgan Stanley and RBC Capital Markets are arrangers.

All eight banks are also the joint lead arrangers on a \$3.2 billion loan backing construction at Sabine Pass originated last month (PI, 5/1). That seven-year mini-perm is priced at LIBOR plus 300 bps. The latest package is reportedly incremental to this deal, bankers say, but the precise relationship between the two deals could not be determined. Bank officials and spokesmen either declined to comment or did not return calls by press time. A spokeswoman for Cheniere in Houston did not return a call by press time.

"I think the bottom line is that it's priced pretty attractively," says a banker considering participating, adding some collateralized loan obligation managers attended the deal's launch.

Proceeds from the holdco piece will be used to fund Cheniere's purchase of the 153-mile Creole Trail Pipeline from **Cheniere Energy Inc.** The natural gas pipeline will connect Sabine Pass in Sabine Pass, La., to several existing interstate and intrastate natural gas pipelines in Louisiana. Roughly 98 miles of Creole Trail have been completed.

Sabine Pass has 16.9 billion cubic feet of capacity and a regasification and send-out capacity of 4 bcf per day. The project has entered into four long-term customer sale and purchase agreements with **BG Gulf Coast LNG**, **Gas Natural Fenosa**, **KOGAS** and **GAIL** that will account for 89% of its capacity.

—**Sara Rosner**

ALTERNATING CURRENT

First Wind Funds Next Generation Of Renewables: Students



First Wind has awarded \$65,000 in the last month to help 16 graduating high school students across the country who live near its wind farms or projects fund their plans to study the environment, energy or science and engineering in college. "We believe that young people recognize the importance of renewable energy and we want to encourage them to pursue education in science and engineering—and ideally in renewable energy," a First Wind spokesman wrote to *PI*.



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Most of the awards are in one-time sums of \$3,000 but the most qualified applicant receives a four-year, \$20,000 scholarship. This year a student from Presque Isle, Maine, near the 42 MW Mars Hill wind farm who plans to go to Massachusetts Institute of Technology received the cumulative award.

First Wind received about 125 applicants from seven states, up from about 30 applicants in 2009 when the program was launched in communities near the Milford project in Milford, Utah. "We try to give one scholarship to a student near each of our projects or advanced development/construction projects," says the spokesman. In Hawaii, which has two spinning farms and two under construction, four students received scholarships. In Vermont: one farm, one scholarship.

The First Wind team contracts with **Scholarship America**, an outside service, on the selection process, the spokesman says, noting the company does not do the selection itself. First Wind has awarded over \$150,000 to 43 students in the last four years.

QUOTE OF THE WEEK

"Transmission development attracts interests from funds that ultimately wish to participate in the ownership of the project."—**Michael Skelly**, president of **Clean Line Energy**, on potential investors in its \$50 million private placement backing thousands of miles of transmission lines (see story, page 5).

ONE YEAR AGO

HSBC affiliate **HSBC Trinkaus** was talking with **WestLB** about buying its structured finance unit. [The bank remains open to selling the unit after talks with HSBC Trinkaus, and later **Sumitomo Mitsui Banking Corp.**, failed to yield a sale (PI, 5/16).]