

# power finance & risk

The exclusive source for power financing and trading news

www.iipower.com

A PUBLICATION OF INSTITUTIONAL INVESTOR, INC.

JUNE 8, 2009  
VOL. XII, NO. 22

## Santander Snagged For Astoria

**Grupo Santander** has joined the financing to construct **Astoria Energy's** second 500 MW gas-fired plant in Queens, N.Y.

*See story, page 2*

## At Press Time

Developers Plot Transmission Financing 2

## In The News

enXco In Talks For Midwest Wind 3  
Ormat Scopes Solar Development 3  
Oglethorpe Ponders Biomass Funding 3  
Southern Seeks Debt For Ga. Plant Conversion 4  
Virgin Fund Scouts New Investments 4  
Clipper Hires Wind Turbine Financier 4  
Noble V.P. Jumps To Hudson Venture 4  
Canadian Co. Hunts Biomass Financing 5

## Corporate Strategies

FPL Anticipates Share Uptick 5  
NRG Issues To Cut Sleeve 5

## Departments

Generation Auction & Sale Calendar 7  
Project Finance Deal Chart 10  
News In Brief 10

**COPYRIGHT NOTICE:** No part of this publication may be copied, photocopied or duplicated in any form or by any means without Institutional Investor's prior written consent. Copying of this publication is in violation of the Federal Copyright Law (17 USC 101 et seq.). Violators may be subject to criminal penalties as well as liability for substantial monetary damages, including statutory damages up to \$100,000 per infringement, costs and attorney's fees. Copyright 2009 Institutional Investor, Inc. All rights reserved. ISSN# 1529-6662

For information regarding subscription rates and electronic licenses, please contact Dan Lalor at (212) 224-3045.

## DOLE AFFILIATE GETS INTO WIND

Real estate developer **Castle & Cooke** is breaking into renewables on sister company **Dole Foods** properties, starting with a \$1.5 billion Hawaiian wind facility. "It's not a one-off deal," says **Harry Saunders**, president of the company's Hawaii operations on Oahu.

Both companies are owned by **David Murdock**. Dole Foods holds roughly 26,000 acres of property in Hawaii, 40,000 acres in Costa Rica, 37,000 acres in Honduras, 8,000 acres in Ecuador and 1,900 acres in Chile. The company also owns property in Arizona, California and Thailand. C&C is



*(continued on page 12)*

## B-B-Back!

## BARCLAYS FIRES UP B LOAN ON CIT, CALPINE PLANTS

**Barclays Capital** has launched a \$275 million term B loan refinancing for two Calpine operated plants owned by CIT. The deal, launched Wednesday, is the only power deal in the B loan market, which has shown signs of its own green shoots in the last two weeks.

Barclays and CIT pitched the deal to a group of mutual funds, hedge funds and insurance companies, among others, via a conference call. The existing debt matures next month and needs to be refinanced. The deal is replacing what was left of a second refinancing for \$312 million in 2006 that covered the debt portion of a leveraged lease that CIT originally negotiated with Calpine in 2001. That 2006 deal was priced at 300 bps plus LIBOR with a three-year tenor.

*(continued on page 12)*

## INDIA'S GMR TARGETS LION CITY DEBT DEAL



*Ranjit Murugason*

GMR is looking to debt finance a chunk of a SGD1.2 billion (\$832 million) plant in development in Singapore. The Indian infrastructure group is aiming to land between 60-70% via project finance and is hoping to wrap the deal in the second half of next year, says **Ranjit Murugason**, ceo at subsidiary **GMR International** in London.

The company has a large group of relationship banks, including **Punjab & Sind Bank**, **Royal Bank of Scotland**, **Citigroup** and **Abu Dhabi Commercial Bank**. It also plans to reach out to **HSBC** and **Standard Chartered**. "We really do need to do better at telling them our story," Murugason says, noting the attraction of the banks' expertise in developed and developing markets.

"The Singapore debt markets are very deep," he says, of choosing to borrow in Singapore

*(continued on page 12)*

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



## At Press Time

## Santander Joins Astoria Financing

Grupo Santander has joined the \$1.1 billion financing backing Astoria Energy's second 500 MW natural gas fired plant in Astoria, Queens. The Spanish bank committed \$75 million, according to an official. The project, which has a 20-year PPA from the New York Power Authority, is expected to begin operating in 2011.

Natixis is leading the deal along with Calyon, Export Development Bank of Canada, Société Générale and WestLB. "The process is still ongoing," says one Natixis official, declining to comment on whether Santander has joined. "We're still wrapping up syndication." The official would not say how much it is looking to raise in syndication, but notes the deal is expected to close soon. Roughly \$865 million of the financing is committed, notes another project financier familiar with the deal. The initial banks have each made \$125-135 million commitments, which consists of a \$970 million mini-perm facility with a five-year tenor and \$110 million in letters of credit (PFR, 4/17).

Helaba and BNP Paribas were also said to be looking at the deal. Helaba declined comment and an official at BNP says it has approval to commit up to \$75 million but could not confirm that it has done so.

Astoria Project Partners is co-owned by AE Investor, CDP Capital Americas, GDF Suez and SNC-Lavalin

## Trio Mulls Wind Transmission Financing

Power companies Absaroka Energy and Rocky Mountain Power and Spanish engineering firm Elecnor are planning on financing the Wind Spirit transmission project in the Western U.S. with a combination of debt and equity.

"There's absolutely no questions there will be multiple investors and players in developing something of this size," says Carl Borquist, president of joint venture Grasslands Renewable Energy in Bozeman, Mont., declining to give a cost but comparing the project to others in the \$3 billion-range. The company will finalize financing details in the next 12-18 months.

The project consists of roughly 1,300 miles of 230 kV line which would connect various wind projects with a combined 3 GW capacity in Alberta, Montana, North Dakota, Saskatchewan and Wyoming to markets in California and Nevada. Grasslands is talking to developers to contract capacity on the lines and plans to begin the permitting process next year. The lines are scheduled for operation between 2014 and 2018. The company is also in discussion with several hydro developers across the northern plains for generation that would compensate for the intermittency of wind, Borquist notes. He declined to identify the developers involved in discussions.

The company was set up in 2008 and has a number of transmission executives. Jan van Egteren, v.p. of energy marketing is the former v.p. of marketing for the Montana Alberta Tie line (PFR, 12/11) and Lorry Wilson, v.p., is the former ceo of the Power Pool of Albert. Lee Lodge, cfo, has worked for Rocky Mountain Power and other renewables developers.

## power finance & risk

The exclusive source for power financing and trading news

### EDITORIAL

TOM LAMONT  
Editor

STEVE MURRAY  
Deputy Editor

PETER THOMPSON  
Executive Editor [Chicago]  
(773) 439-1090

JEANINE PREZIOSO  
Reporter  
(212) 224-3226

KATIE HALE  
Reporter  
(212) 224-3293

SARA ROSNER  
Reporter  
(212) 224-3165

STANLEY WILSON  
Washington Bureau Chief  
(202) 393-0728

KIERON BLACK  
Sketch Artist

### PRODUCTION

DANY PEÑA  
Director

LYNETTE STOCK, DEBORAH ZAKEN  
Managers

MELISSA ENSMINGER,  
JAMES BAMBARA, DOUGLAS LEE  
Associates

JENNY LO  
Web Production & Design Director

### ADVERTISING AND BUSINESS PUBLISHING

JONATHAN WRIGHT  
Publisher  
(212) 224-3566

PAT BERTUCCI, MAGGIE DIAZ,  
LANCE KISLING  
Associate Publishers

BRIAN GOLDMAN  
Advertising Production Manager  
(212) 224-3216

### PUBLISHING

NICK FERRIS  
Publisher  
(212) 224-3507

LAUREN O'DONNELL  
Marketing Associate  
(212) 224-3609

LAURA PAGLIARO  
Renewals Manager  
(212) 224-3896

VINCENT YESENOSKY  
Senior Operations Manager  
(212) 224-3557

DAVID SILVA  
Senior Fulfillment Manager  
(212) 224-3573

### SUBSCRIPTIONS/ELECTRONIC LICENSES

One year \$2,975 (in Canada add \$30 postage, others outside US add \$75)

DAN LALOR  
Director of Sales  
(212) 224-3045

KEN LERNER  
Account Executive  
(212) 224-3043

### REPRINTS

DEWEY PALMIERI  
Reprint & Permission Manager  
(212) 224-3675  
dpalmieri@institutionalinvestor.com

### CORPORATE

GARY MUELLER  
Chairman & CEO

CHRISTOPHER BROWN  
President

STEVE KURTZ  
Chief Operating Officer

ROBERT TONCHUK  
Director/Central Operations & Fulfillment

**Customer Service:** PO Box 5016,  
Brentwood, TN 37024-5016.  
Tel: 1-800-715-9195. Fax: 1-615-377-0525  
UK: 44 20 7779 8704  
Hong Kong: 852 2842 6910  
E-mail: customerservice@iinews.com

**Editorial Offices:** 225 Park Avenue  
South, New York, NY 10003.  
Tel: (773) 439-1090  
Email: pthompson@iinews.com

**Power Finance & Risk** is a general circulation newsweekly. No statement in this issue is to be construed as a recommendation to buy or sell securities or to provide investment advice.

**Power Finance & Risk** ©2009  
Institutional Investor, Inc. ISSN# 1529-6652

Copying prohibited without the permission of the Publisher.

**Institutional Investor NEWS**  
INTELLIGENCE FIRST

## enXco Hunts Hoosier Wind Funds

enXco is talking to bankers for financing its 106 MW Hoosier Wind farm near Fowler, Ind. “We have a good core of relationship banks and we’re always looking to build new relationships,” says **Jim Peters**, director of project finance in Burlington, Vt., adding the sponsor will look to secure financing for Hoosier by mid-summer.

The **EDF Energies Nouvelles** subsidiary recently wrapped financing for its 100.5 MW Wapsipinicon project in Mower County, Minn. **NordLB** is the administrative agent on the \$110 million deal and **CoBank**, **CIC Cr dit Industriel et Commercial** and **Helaba** are participating. The structure is not a mini-perm, Peters says, declining to elaborate further on pricing or tenor. Bank officials either declined comment or did not return calls.

Wind typically costs \$2 million to develop, a banker notes, bringing the price tags of Hoosier and Wapsi to \$212 million and \$201 million, respectively. The developer is looking to **Union Bank of California**, **JPMorgan**, **MetLife** and **Wells Fargo** for tax equity. Peters declined to elaborate on costs or financing specifics, such as the amount of debt or equity in the project.

Hoosier has a 20-year power purchase agreement with the **AES** subsidiary **Indianapolis Power & Light**. The offtaker’s credit ratings could pose a problem for wary lenders in an uncertain market. “If you look at the offtake ratings, it might be a little bit of an issue,” a project financier notes. **Standard & Poor’s** assigns a BB- to the Arlington, Va.-based company’s corporate debt.

## Ormat Looks To Step Into Solar

Ormat is considering developing solar projects in the U.S. and abroad. The Reno, Nev.-based company is investing in research and development for solar thermal and is also considering solar photovoltaic, CEO **Dita Bronicki**, told *PFR*.

Ormat is considering development in the area because it is where the energy sector is headed, notes Bronicki. She declined to elaborate. Ormat was working with **Lehman Brothers** on strategic acquisitions and was thought to be considering purchasing an international solar thermal developer (*PFR*, 8/1). The company is currently installing solar panels on a factory in Israel.

The company finances all projects first on balance sheet and then back levers them with project financing, because it is more cost-effective and construction proves more efficient, says Bronicki. Last month, **TCW Asset Management Co.** provided up to \$42 million to refinance Ormat’s investment in the 20 MW Amatitlan geothermal plant in Amatitlan, Guatemala. Ormat owns 515 MW of geothermal and recovered energy projects worldwide and is developing another 150-170 MW.

## BrightSource Taps Invenergy Project Financier

**BrightSource Energy** has hired **Natalie Schaefer** as v.p. of project and structure finance in Oakland, Calif., as the company works toward financing and building a 2.6 GW solar pipeline over the next eight years.

Schaefer was formerly v.p. of finance at Invenergy and started in the new position May 11, reporting to **Jack Jenkins-Stark**, cfo. Prior to Invenergy, she was a project director at **AES**.

BrightSource has also hired **Brian Yeilding**, as senior financial analyst in Oakland. He formerly worked as an associate at **Jefferies & Co.** in New York.

## Macquarie Set For Ontario Solar Club

**Caixanova Bank**, **Dexia Cr dit Local**, **Lloyds TSB** and **WestLB** are expected to club up for the roughly \$100 million financing supporting **Macquarie Capital’s** 35 MW solar project in Amherstburg, Ontario. The sponsor will likely formally mandate the lenders in the next week, says a project financier in New York, with an aim to wrapping the deal by next month.

The deal will likely consist of a five-year term loan to be taken out with long-term debt at the loan’s maturity. The project was acquired from **Helios Energy** and **SunPower Corp.** last summer (*PFR*, 2/27). **Michael Ziemke**, managing director at Macquarie in New York, directed questions to a spokesman who declined comment. Bank officials declined to comment or directed inquiries to Macquarie.

The project has a 20-year power purchase agreement with the **Ontario Power Authority** under its Standard Offer Program and is slated for operation next year.

## Oglethorpe Keeps Financing Options Open

Tucker, Ga.-based **Oglethorpe Power Corp.** will likely finance two planned 100 MW biomass power plants using Department of Agriculture Rural Utilities Service loans, but it could tap the capital markets if those funds are not available in time. “If they don’t have funds available, or the timing didn’t mesh with our needs, we’d certainly go to the capital markets,” says **Anne Appleby**, v.p. and treasurer. The two plants are slated for operation in 2014 and 2015.

The company says it could add a third plant, though it’s in preliminary stages, and subject to demand from its 38 electricity distributors.

The government loans it would use would have a tenor of



30-35 years and are doled out by the **Federal Financing Bank**, part of the U.S. Department of the Treasury. Pricing on the loans would be calculated by using the Treasury yield curve with a spread of 0.125%, substantially less than bank loans, Appleby notes.

The company issued just under \$1 million in commercial paper last month for 30 days through **Bank of America Merrill Lynch** and **SunTrust** to fund preliminary engineering and land studies, and land acquisition for the projects.

## Southern To Tap Debt For Coal To Bio Conversion

Atlanta-based **Southern Co.** plans to finance a \$134 million conversion of a coal-fuelled plant to biomass with debt and equity at subsidiary **Georgia Power Company**. The company announced in August that it would convert the 155 MW Plant Mitchell near Albany, Ga. to a 96 MW wood biomass plant. The plant is the first conversion from coal to biomass in the state, though at least five other biomass plants have been permitted for greenfield construction, says a spokesman at the **Georgia Department of Natural Resources**. It is expected to begin operations by June 2012.

A Southern spokeswoman said that it would be financed as it is being constructed with a combination of debt and equity "from internally generated funds... in accordance with GPC capital structure targets." She declined to elaborate and officials at **Georgia Power** were not available. GPC has regulatory approval to pass along 80% of the total project cost to base ratepayers. The remaining cost would be passed through to its wholesale customers.

## Virgin Green Fund Seeks Investments



Evan Lovell

Virgin Green Fund, a private equity fund focused on investing in supply side renewable energy and resource efficiency, is looking to diversify its portfolio. The fund is seeking investments in the transmission and grid sectors, efficiency arena and small run-of-river hydro, says **Evan Lovell**, partner in San Francisco.

The fund is focused on investments in North America and Western Europe, says Lovell because of growth opportunities in the middle market. Its investments range from \$5-100 million. "The area we continue to like is the efficiency side. We do believe buildings will have to become more efficient," says Lovell, noting the group views the energy efficiency as the "negawatt." Hydro is attractive because it is the most efficient of

all the renewable energies, he says. VGF targets around 30% returns and has a traditional fund life of between 10 and 15 years, he says. He declined to disclose the size of the fund due to ongoing fundraising.

The fund was founded a year and a half ago by Lovell, and Partners **Anup Jacob** and **Shai Weiss**. **Richard Branson's Virgin Group** helped seed the fund, says Lovell, but since then institutional investors have invested.

## Clipper Adds Financing Facilitator Role

Clipper Windpower is aiming to deploy recent hire **Andrew Mathews** to ease the financing process for users of its wind turbines. "The primary goal is to facilitate financing of Liberty turbines by providing timely and updated information to the market," Mathews told *PFR*.

Mathews, a well regarded project financier, joined the Carpinteria, Calif.-based turbine player last month. He was head of project finance origination at **UniCredit HVB** in New York for 12 years and he will stay in the city in his new v.p. of wind turbine financing role. He reports to **Bob Gates**, senior v.p. of commercial operations.

Mathews will serve as liaison between banks, advising them on project finance schemes for the turbines, and the major developers in the U.S. that will build and run the projects. Liberty also plans to expand marketing internationally after hiring the veteran banker to lead the charge. He plans to begin discussions with international firms using export credit agency financing to do some deals. He declined to provide more detail on potential projects, but said he is working on the existing **EdF Energies Nouvelles** project which is looking to finance its 67.5 MW La Ventosa wind farm in Oaxaca, Mexico (*PFR*, 1/30).

## Neptune, Hudson Developer Bags Wood

**Jeff Wood**, a senior v.p. of **Noble Environmental Power**, is joining **PowerBridge**, the parent company of **Hudson Power Ventures** and **Neptune Power Ventures**, as senior v.p. "I've had my eye on him for a long time. It just took me a while to convince him. It was the right set of circumstances at the right time," says **Ed Stern**, ceo in Fairfield, Conn..

Wood will focus primarily on organizing financing for the planned Hudson Transmission line (*PFR*, 3/20). He starts Monday in the new position in Fairfield and reports to Stern.

Prior to Noble, Wood was managing director of project finance at **Société Générale** where he oversaw the \$600 million non-recourse financing for the **Neptune Regional Transmission**

**System** (PFR, 12/01/2006). Wood did not immediately return a call at the Noble office in Essex, Conn.

The eight-mile, 345 kV line will transmit 660 MW of capacity between Ridgefield, N.J. and midtown Manhattan with four miles of line beneath the Hudson river. The company will look to secure financing by September, ahead of the operation next year. The **New York Power Authority** selected the line in tender process for power sources in 2006.

## Biomass Developer Scouts Funding

**Biomass Secure Power** is looking for lenders for its planned 15 MW biomass plant in Merritt, B.C. The company is jointly developing the project with the Lower Nicola Indian Band.

The Abbotsford, B.C.-based developer is in talks with two undisclosed Canadian banks, but has not yet committed to any lender, says **Jim Carroll**, ceo. He declined to disclose the price of the project, but says the company is targeting 65% debt. Equity and grants will make up the remaining financing. Biomass Secure is looking to mandate a lender by the end of the summer, he says, in time for the start of construction in September. **BC Hydro** is offtaker for 10 MW. The remaining electricity supply may provide power for the roughly 1,100 residents on the reservation, says **Teressa Nahanee**, general manager at the band's **NAIK Development Corp.** in Merritt.

Biomass Secure is also looking to develop two projects around 10-15 MW apiece in California. It recently put a 10 MW biomass project in development in Abbotsford on hold because the government was concerned about the facility's emissions levels. The company is looking to revisit that project after the Merritt project comes online in December of next year.

## Corporate Strategies

### FPL Pitches Upside Case With Equity Units

Juno Beach, Fla.-based **FPL Group** is playing on its confidence in future earnings with a \$402 million equity units issue. The units are comprised of 8.375% senior debentures with a forward equity purchase contract that obligates the investor to buy common shares in 2012 with a maximum price approximately 20% above the reference price of \$55.67.

"When companies do this type of offering, they're basically saying, 'I feel like I ought to sell stock, but the current price doesn't really value the company.' They think their price is going to go up," says **Ellen Lapson**, managing director of **Fitch Ratings** in New York. The company priced the units May 20 and closed the issue May 26. An equity units issue allows the issuer to deduct taxes that would be incurred under a traditional

convertible bond issue, Lapson explains, adding FPL did a similar issue in 2005. Calls to FPL were not returned.

Proceeds from the issue will pay down \$147 million outstanding under FPL's commercial paper program, which it uses to fund its roughly \$6 billion capital expenditure program for 2009, and for general corporate purposes. FPL's \$7 billion capex is devoted to increasing baseload generation, improving transmission and distribution networks and building natural gas pipeline at subsidiary **Florida Power & Light**, and several renewable projects with **NextEra Energy Resources**.

**Credit Suisse** is the sole underwriter for the issue. FPL has a debt-to-equity ratio of 56.9% as of March 31. Fitch rates the units A.

## NRG Swoops On Strengthening Bond Market



Robert Flexon

**NRG Energy** decided to issue \$700 million in bonds this week as the debt capital markets showed signs of improvement. "We have been in a ready, wait-and-hold position," says **Bob Flexon**, executive v.p. and cfo in Princeton, N.J. "April and May were good months for the high-yield market. We wanted to wait and get on the other side of [General Motors]," he explains on the timing of the issue. The 10-year senior notes priced at 8.5% priced last Tuesday. The deal was expected to close Friday as *PFR* went to press.

NRG is planning to use the proceeds to terminate a credit sleeve—a working capital loan backed by physical assets—agreement with **Merrill Lynch** one year early. NRG purchased **Reliant Energy's** retail business for about \$287.5 million and NRG is terminating the credit sleeve, which it inherited with the acquisition, in order to obtain a more efficient capital structure. "It prevents the free flow of capital. There are contingent capital calls [the credit sleeve] could place on the parent company," he says.

The bond proceeds will satisfy permanent level of capital needed for the retail business. If NRG does not reach an agreement to terminate the agreement early with Merrill, the proceeds will be used for general corporate purposes.

**Morgan Stanley** and **Citigroup** are joint bookrunning managers for the sale, with **Banc of America Securities** as senior co-manager. **BNP Paribas**, **ING Wholesale**, **Natixis**, **Royal Bank of Scotland**, **TD Securities** and **Wedbush Morgan Securities** are co-managers. The bookrunning managers were chosen in particular because they are advising NRG in resisting **Exelon's** hostile bid for the company, says Flexon. He notes that if NRG were acquired, there is a no change of control trigger on the bonds as long as the acquirer has the same or better credit rating as NRG.

# Renewable energy finance and investment in the Western US

Co-Organizers:



**Over 400  
Participants in 2008**

## 2nd annual **REFF** **WEST** ●●● renewable energy finance forum



**The Palace Hotel, San Francisco | September 29-30, 2009**

**PRE-LAUNCH SAVE \$500**

Register by 07/12/2009

**EARLY BIRD SAVE \$200**

Register by 08/14/2009

For more information:

**Visit: [www.reff-west.com](http://www.reff-west.com)**

Email: [energyevents@euromoneyplc.com](mailto:energyevents@euromoneyplc.com) • Phone +1.212.224.3789





## 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 Jeanine Prezioso at (212) 224-3226 or e-mail jprezioso@iinews.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		
	Pléchâtel	Pléchâtel, France	4 (40%)	Wind		
	Various	Bulgaria, China, France and Scotland	410 development	Wind		
	Various	Latin America	TBA	Various	TBA	Tipped that assets are for sale (PFR, 5/18).
AlIG 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 Caterpillar 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 commercial 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		
	Majestic II	near Panhandle, Texas	unknown	Wind		Diamond Castle Holdings in running to purchase (PFR, 4/20).
	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).
Centrica	Lynn and Inner Dowsing	off Lincolnshire coast, U.K.	194	Wind	N/A	Looking to sell once portfolio refinanced (PFR, 6/1).
CarVal Investors et al.	Granite Ridge	Londonderry, N.H.	720	Gas	Merrill Lynch	Second round bids taken, but auction on hold (PFR, 12/1).
Chermac Energy	North Buffalo	Harper County, Okla.	765 development	Wind	NorthWinds Advisors	Sold to Gestamp Wind North America in March (PFR, 5/4).
	Various	Texas, N.M., Okla., Kan.	675 development	Wind		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	Puerto Barrios, Guatemala	42 (49.5%)	Oil		Industry Funds Management did not acquire. Partner is Olympus Power.
	Ada Cogeneration	Ada, Mich.	29 (48%)	Gas		



**emii.com**

Euromoney Institutional Investor Online Network



**Log on to the Euromoney Institutional Investor online network today to access:**

- Over 140 Daily articles – All free to access
- Three regional skins – Americas, Europe and Asia
- Daily emails
- Daily TV
- Free webinars
- The world's first dedicated Hedge Fund search engine
- Career Centre
- And much more!

**emii.com provides news on the following sectors:**

Asset Management | Banking & Brokerage | Capital Markets | Derivatives | Emerging Markets  
Energy | Exchanges & Trading | Hedge Funds

**Log on today.**

emii.com



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

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
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	Soliciting 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		
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	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).
	Deer Wind Ventures	Carsen County, Texas	40			
	RS Cogen	Lake Charles, La.	212	Gas		
	Roy S. Nelson	Westlake, La.	60	Gas/Oil		
	Warren Power	Vicksburg, Miss.	225	Gas		
	Harrison	Marshall, Texas	335	Gas		
	Independence	Newark, Ark.	121	Coal		
	Robert Ritchie	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). Company filed S-1 to IPO as UPC Wind.
	Sheffield	Vermont	40 development	Wind		
	Various	North America	3,000 pipeline	Wind	JPMorgan, Credit Suisse, Goldman Sachs	
FPL Energy	Posdef	Stockton, Calif.	44	Coal/Petcoke	New Harbor Credit Suisse	DTE is buying through a subsidiary (PFR, 2/2). Development site. Status unclear.
	Tesla	Tracy, Calif.	1,120	Gas/Steam		
Gamesa Energy USA	North Allegheny	Blair and Cambria Counties, Pa.	70	Wind	N/A	Duke Energy has agreed to purchase (PFR, 6/1).
Gas Natural	Hermosillo	Sonora, Mexico	250 MW	Gas/Steam	TBA	Looking for advisor for portfolio sale (PFR, 5/25).
	Naco Nogales	Sonora, Mexico	300 MW	Gas/Steam	TBA	
	Tuxpan III and IV	Veracruz, Mexico	1 GW	Gas/Steam	TBA	
	Unknown	Norte-Durango, Mexico	450 MW	Gas/Steam	TBA	
	Central Saltillo	Coahuila, Mexico	248 MW	Gas/Steam	TBA	
	Central Anáhuac/Rio Bravo II	Tamaulipas, Mexico	495 MW	Gas/Steam	TBA	
	Central Lomas de Real/Rio Bravo III	Tamaulipas, Mexico	495 MW	Gas/Steam	TBA	
	Central Valle Hermoso/rio Bravo IV	Tamaulipas, Mexico	500 MW	Gas/Steam	TBA	
Gas Natural, Mitsubishi Corp.	Electricidad Aguila	Altamira, Mexico	495 MW	Gas/Steam	TBA	Gas Natural looking to sell its 51% stake in the JV project (PFR, 5/25).
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 active Generation Auction & Sale Calendar, please go to [iipower.com](http://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 entries below are of new deals or deals where there has been change in their parameters or status. To report updates or provide additional information on the status of financings, please call Jeanine Prezioso at (212) 224-3226 or e-mail [jprezioso@iineews.com](mailto:jprezioso@iineews.com).*

### Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
American Renewables	Nacogdoches (100 MW Wind)	Sacul, Texas	BoTM/Union Bank	TBA	TBA	TBA	BoTM to lead financing (PFR, 6/1).
CIT Energy	Broad River (847 MW Gas) South Point (520 MW Gas)	Gaffney, S.C. Bullhead City, Ariz.	Barclays Capital	Refinancing	\$275M	5-year	Commitments due June 15 (PFR, 6/3).
Duke Energy	Various (Wind)	Various	TBA	TBA	TBA	TBA	Aiming for portfolio financing late 2010 (PFR, 6/1).
FPL Group	Various (Solar)	Various	TBA	TBA	TBA	TBA	Financing planned for Q1-2 2010 (PFR, 6/1).
Starwood Energy	Unidentified (290 MW Solar)	Harquahala, Ariz.	TBA	TBA	TBA	TBA	Talking to lenders about financing \$1B project (PFR, 6/1).

### Live Deals: Europe/Middle East

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Dolphin Energy	Dolphin (226 Mile Pipeline)	Qatar to Abu Dhabi	RBS RBS, BNP Paribas, National Bank of Abu Dhabi, Abu Dhabi Commercial Bank	Refinancing 144A Bond Sale	\$1.5 billion \$750M	10-yr TBA	RBS receives commitments (PFR, 4/20). RBS taps four leads for bond sale (PFR, 6/1).

## 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

- **NRG Energy** is in a stronger position against **Exelon's** hostile bid for the company as natural gas prices have crept up and NRG has been short-listed for loan guarantees for nuclear generation (*Wall Street Journal*, 6/4).
- Investments in the renewable energy sector topped \$155 billion worldwide last year, exceeding spending in convention fossil-fuel generation for the first time, according to the U.N. (*Bloomberg*, 6/3).
- **Spectra Energy** is looking to increase spending on new projects to roughly \$1 billion next year, possibly benefiting from cheaper steel and labor costs, says CEO **Greg Ebel** (*Reuters*, 6/3). The **Nuclear Regulatory Commission** is reviewing operating licenses for **Southern Co.'s** Vogtle plant for an additional 20 years (*Reuters*, 6/3).
- The **Government Printing Office** accidentally publicized a report that gives detailed information about civilian nuclear sites and programs in the U.S. (*Wall Street Journal*, 6/3).
- **Warren Buffet's Berkshire Hathaway** has sold its remaining 6.26% stake in **Constellation Energy Group** after pulling out

from a takeover for the company (*Reuters*, 6/1).

- **Wisconsin Power & Light Co.** has purchased the Neenah Energy Facility in Neenah, Wis., from **Alliant Energy Resources** for \$92 million (*Milwaukee Journal Sentinel*, 6/2).
- **Prairie Wind Transmission** and **ITC Great Plains** have reached an agreement to share in the building of a 765 kV transmission line from Wichita to Dodge City, Kan. (*Kansas City Star*, 6/1).
- **General Electric** and **Plutonic Power** have formed a joint venture to purchase the 300 MW Dokie Ridge wind farm in development near Chetwynd, B.C., from **EarthFirst Canada** (*Reuters*, 6/1).
- **MidAmerican Energy**, a subsidiary of **Warren Buffet's Berkshire Hathaway**, may buy wind assets from **FPL Group** (*Bloomberg*, 6/1).
- **American Electric Power** has issued a request for proposal for up to 1.1 GW of renewables (*Reuters*, 6/1).
- **PPL Corp.** has agreed to sell its Long Island generation assets to **Tokyo Electric Power** subsidiary **J-Power USA Development** for \$135 million (*Dow Jones*, 5/29).

## Bond Managers Chosen For Dolphin Deal

Royal Bank of Scotland has added four leads for the estimated \$750 million, 144A private placement rounding out a \$3.45 billion refinancing supporting the 226-mile, two billion cubic feet per day Dolphin pipeline. Advisor to the sponsor RBS along with BNP Paribas, National Bank of Abu Dhabi and Abu Dhabi Commercial Bank are joint lead managers for the sale which will take place this month.

The total refinancing includes a \$2.6 billion uncovered commercial bank facility, which will be scaled back depending on the size of the bond issue (PFR, 5/08). The placement could range from \$500 million to \$1 billion. The bond RFP was issued to banks that took tickets of \$125 million or greater in the refinancing. In addition to the commercial bank facility, the refinancing includes a \$400 million facility insured by SACE led by Calyon, EuropeArabBank, HSBC, Société Générale and Standard Chartered. The entire refinancing supporting the existing pipeline which extends from Qatar's North Field to Abu Dhabi, United Arab Emirates, is set to close by month-end.

Abu Dhabi's state-owned Mubadala Development owns 51% of project company Dolphin Energy, with oil and gas companies Total and Occidental Petroleum each holding a 24.5% stake. An official at Total and a spokesman for Occidental did not return calls. Officials at Mubadala did not reply to requests for comment. Officials at the banks declined to comment or did not respond to request for comment via e-mail.

## A Mere Truffle? Belwind Sponsor Hunts Equity

Econcern is looking for an equity partner for its 330 MW Belwind offshore wind farm in development 29 miles off the coast of Oostende, Belgium, after an undisclosed shareholder has stepped out.

Financial close for the project was expected for this spring, but stalled after Econcern's credit facility expired in April and the company was unable to secure funding alternatives at the corporate level. The company has filed for suspension of payments, which is similar to Chapter 11. It is in negotiations with parties to purchase a portion of the company or the entire entity, says a spokeswoman for the sponsor in Utrecht, the Netherlands, noting there should be an outcome within weeks.

Leads Dexia Crédit Local and Rabobank have received commitments for Belwind from ASN Bank and the European Investment Bank, which is committing EUR300 million (\$423.86 million) to the project. The senior debt comprises about 70% of the total EUR900 million project cost (PFR, 4/9). Financial close is expected once a new equity partner is secured. The spokeswoman was unable to comment on the Belwind project, but a deal watcher notes the funding for the project will not be affected by the company's financial status. Officials at the banks declined to comment or did not return calls. Construction on the project is expected to begin this summer, with the project slated to come online at the end of next year.

## TRIAL ORDER FORM

www.iipower.com

☐ **YES!** Please begin my no-risk free trial to **Power Finance & Risk** today!

NAME B400101

TITLE FIRM

ADDRESS

CITY/STATE POSTAL CODE/ZIP COUNTRY

TEL FAX E-MAIL

The information you provide will be safeguarded by the Euromoney Institutional Investor PLC group, whose subsidiaries may use it to keep you informed of relevant products and services. We occasionally allow reputable companies outside the Euromoney Group to mail details of products which may be of interest to you. As an international group, we may transfer your data on a global basis for the purposes indicated above.

( ) Please tick if you object to contact by telephone.  
( ) Please tick if you object to contact by fax.

( ) Please tick if you object to contact by email.  
( ) Please tick if you do not want us to share your information with other reputable businesses.



**Institutional Investor NEWS**  
INTELLIGENCE FIRST

**UNITED STATES**  
Tel: 1-212-224-3570  
Fax: 1-615-377-0525  
Email: customerservice@iinvest.com  
Mail: Institutional Investor News  
P.O. Box 5016  
Brentwood, TN 37024-5016

**UNITED KINGDOM**  
Tel: 44 207 779 8929  
Fax: 44 207 779 8619  
Email: jdavies@euromoneyplc.com  
Mail: Julian Davies  
Institutional Investor News  
Nestor House, Playhouse Yard  
London, EC4V 5EX, England

**HONG KONG**  
Tel: 852 2842 6910  
Fax: 852 2543 7617  
Email: enquiries@euromoneyasia.com  
Mail: Edealia Cheung  
Institutional Investor News  
17/F, Printing House, 6 Duddell Street  
Central, Hong Kong



## DOLE AFFILIATE

(continued from page 1)

the owner of the pineapple plantation-turned resort island of Lanai and began considering generation development due to the high cost of power from Hawaii's oil and gas dependent generation.

C&C has been in talks with relationship lenders to finance its proposed 400 MW wind farm and the connecting 70-mile transmission line off the northwestern tip of Lanai. "Financing is sort of like a marriage; you're going to get together and be together for a long time," says Saunders, adding the bank is also open to bids from other lenders. He declined to identify the potential lenders. The farm is slated for operation in 2011.

Banc of America Securities, Deutsche Bank, Goldman Sachs, Rabo Securities and Scotia Capital participated in a \$349 million Dole Foods' bond issue in March. Details, such as the amount of debt and equity in the project will be finalized next year upon completion of the environmental impact study. The company is in talks with Hawaiian Electric Industries to secure a power purchase agreement sometime next year.

—Sara Rosner

## BARCLAYS FIRES

(continued from page 1)

Pricing on the current refinancing is LIBOR plus 450 bps with a 3% floor and it has a five-year tenor. Commitments are requested by next Monday. The deal is scheduled to close June 18. Investors in this refinancing are taking Calpine credit risk as well as that of the plants since recouping the investment is subject to whether Calpine pays its rent under the lease. Calpine's credit is rated B2 by Moody's Investors Service and B by Standard & Poor's. "That spread seems pretty light," says Ryan Flohre, v.p. of loan syndication with Dresdner Kleinwort in New York. "[For a B2 name] I would think it has to be 600 at least, but maybe it has some really good assets."

Stronger equity markets and tighter spreads over U.S. Treasuries have whetted investor appetite for risk. Some 11 high-yield deals, with returns of 8-10%, across all sectors priced last week alone, says a banker.

The borrower is a special purpose vehicle called BRSP, the initials of the two gas fired plants being refinanced —Broad River and South Point. Broad River is an 847 MW power plant located in Gaffney, S.C., which has a long-term PPA from Progress Energy. South Point is a 520 MW merchant plant located in Bullhead City, Ariz. One buysider says that because the rent payments are indirectly paying down the debt, it's as if an investor were taking Calpine's credit risk, which he views as favorable. "I'm less concerned about risk only because I look at it more as taking Calpine risk, not that of the power plants," the buysider says.

—Jeanine Prezioso

## INDIA'S GMR

(continued from page 1)

dollars. GMR will provide the remaining funding via cash on hand.

GMR landed an indirect interest in the 800 MW combined cycle gas-fired Island Power project by acquiring 50% of InterGen last June. Last month, GMR acquired the balance for \$10 million.

There is an engineering, procurement and construction contract option in place for Island Power, which GMR may exercise, says Murugason. Due to rising commodity prices, the alternative could save the company money down the line.

GMR is present in the Philippines through another InterGen plant and separately with other infrastructure projects in Indonesia and Malaysia.

—Katie Hale

## Conference Calendar

- The American Public Power Association will host the Public Power Day of Giving & Public Power Expo June 13-17 at the Salt Palace Convention Center in Salt Lake City, Utah. To register, visit <http://appanet.org> or call 202.467.2941.
  - Platts will host the 2009 Geothermal Power Development Forum June 16-17 at the Westin Casuarina Las Vegas Hotel in Las Vegas. To register, visit [www.platts.com](http://www.platts.com) or call 610.228.4709.
- The Ocean Energy Council is hosting Energy Ocean Conference & Exhibition June 16-18 at the Samoset Resort in Rockport Maine. To register, visit [www.energyocean.com](http://www.energyocean.com) or call 832.242.1969.
- GreenPower Conferences will host the Solar Economics Forum June 16-18 at the Millenium Gloucester Hotel in London. To register, visit [www.greenpowerconferences.com](http://www.greenpowerconferences.com) or call +44 0207.099.0600

## Quote Of The Week

"Financing is sort of like a marriage; you're going to get together and be together for a long time."—Harry Saunders, president of Castle & Cooke's Hawaii operations, on early financing talks with banks about a planned wind project (see story, page 1).

## One Year Ago In Power Finance & Risk

BNP Paribas and Citigroup were mandated to lead financing for Allegheny Energy's \$820 million, 180-mile Trans-Allegheny Interstate Line. [Some 15 lenders took tickets of \$35 million or more in the syndication of the \$550 million, seven-year debt package (PFR, 8/22). The company received approval from Pennsylvania state regulators in November and the line is slated for operation in 2011].