

Power Finance & Risk

The weekly issue from **Power Intelligence**

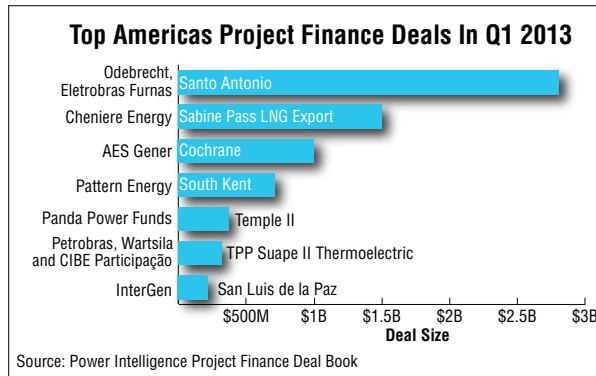
www.powerintelligence.com

Project Finance Deal Wrap Q1: LatAm Continues PF Streak

Power project finance in Latin America accounted for 63% of the \$7.83 billion of deals wrapped in the Americas during the first quarter. The dollar figure for Latin America is more than double the last quarter of 2012, when \$1.914 billion in transactions closed in the region.

North America dollar volume was strong as well, though the number of deals remained stagnant. Dollar flow jumped by roughly 33% in the first quarter, with \$2.87 billion in financings closed versus \$1.9 billion of deals closed in the region in Q4 last year. The number

was buoyed by **Cheniere Energy's** \$1.5 billion bond deal backing its Sabine Pass liquefied natural gas facility.



The number of deals quarter to quarter in North America remained flat at a half-dozen during each period. Q1 deal volume this year also barely topped the \$2.838 billion that arrangers booked in the first quarter last year in North America, according to data from *PI's* Project Finance Dealbook and its sister operation **Dealogic**. In Latin America, the number of deals increased to eight,

(continued on page 11)

THE BUZZ

Bond Flow Booms

Bond markets continued to see plenty of action last week, seemingly brushing aside nervousness over the U.S. Federal Reserve liquidity program. **Pacific Gas & Electric** issued \$750 million in notes to take out old debt, (see story, page 9). The thinking is to act fast while the pricing is so attractive.

In project bonds, **MidAmerican Energy Holdings** was able to tighten the coupon on its notes backing Antelope Valley, landing a 5.375% coupon after approaching the market with 5.5% (see story, page 6). The pricing shows the attractiveness of this paper for investors. Also in the market was **Duke Energy's** local Brazilian arm. It fired up a local road show looking to sell R\$500 million (\$233 million)

(continued on page 2)

ECP Puts Up Texas CCGT

Energy Capital Partners is aiming to sell its 1 GW combined cycle facility in Odessa, Texas. ECP bought the plant two years ago from **PSEG Power** for \$335 million after a municipal utility couldn't arrange the financing. Teasers are out for the plant, say observers. **Goldman Sachs** is running the sale.

Odessa attracted strategics with existing retail businesses in the original auction and similar sets of eyes may well be interested again, say observers. Financial players are snooping around Texas for investments because of the power shortage forecast in the short-term and are expected to take a look but all trades within the last 18 months have gone to strategics (see chart, page 12). ECP had been weighing a sale of the plant for some time to focus on other regions, says an observer.

Power asset holders have largely been opting to refinance gas-fired generation in the last year to take advantage of the

(continued on page 12)

REFF Wall Street

Check our website and follow us on **Twitter** @power_intel for news and updates from the annual rendezvous at the Waldorf Astoria in New York.

Visit www.powerintelligence.com

New Project Finance Loans

We've added updates to our weekly 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 3

IN THIS ISSUE

PROJECT FINANCE

- 5 | AEP Sub. Launches Wind RFP
- 5 | Innergex Lengthens Credit Facility
- 6 | PPA Signing Kicks Off EDP Fund Search
- 6 | MidAmerican Scores Low Price On Project Bonds

MERGERS & ACQUISITIONS

- 7 | Mexico Shop Scouts Wind Investors
- 7 | Corona Hunts Debt/Equity For Conversion
- 8 | EME, Lessors Seek Extensions

- 8 | MetLife Takes Lessor Role On EDF Wind Project

STRATEGIES

- 8 | BGE Prices \$300M in Bonds
- 9 | Duke's Brazilian Sub. Starts Bond Road Show
- 9 | PG&E Issues Bonds To Tap Low Rates

DEPARTMENTS

- 3 | Generation Auction & Sale Calendar
- 4 | Project Finance Deal Book
- 12 | Alternating Current

THE BUZZ

(Continued from page 1)

in bonds to repay short-term debt (see story, page 9). On other financing fronts, **EDP Renewable Energy** is in the early stages of lining up financing for a 200 MW wind farm in Indiana (see story, page 6). The company normally relies heavily on tax equity and the project should provide a good litmus test as to where that tax equity market is at the moment.

With demand growth flat in most areas of the U.S., some developers are upping efforts south of the border. They're tapping a power market forecast to need 33.2 GW more capacity on the grid in the next 13 years. Among them, **Mexico Power Group**, founded by **Gerald Monkhouse**, formerly of **Cannon Power Group**, is looking to bring in investors in its first two wind projects that are slated to line up construction financing by year-end (see story, page 7). The two are the first in a 700 MW pipeline and frontrunners of what bankers and investors see as a burgeoning location for experienced developers looking to get turbines in the ground.

Investors keen to pick up a portfolio of assets may still get the chance to take a run at **Edison Mission Energy's** fleet. The company is expected to select an advisor soon to offer up its generation portfolio as one avenue out of bankruptcy (see story, page 8). Several investment banks pitched for the mandate at the end of April, but the process has been held up over talks with the lessors on a pair of coal-fired plants in Illinois.

TELL US WHAT YOU THINK!

Do you have questions, comments or criticisms about a story that appeared in **PFR**? Should we be covering more or less of a given area?

The staff of **PFR** is committed as ever to evolving with the markets and we welcome your feedback.

Feel free to contact **Sara Rosner**, managing editor, at (212) 224-3165 or srosner@iintelligence.com.

Power Intelligence

EDITORIAL

Peter Thompson
Executive Editor (Chicago)
(773) 439-1090

Sara Rosner
Managing Editor
(212) 224-3165

Nicholas Stone
Senior Reporter
(212) 224-3260

Holly Fletcher
Senior Reporter
(212) 224-3293

Oliver West
Contributor (Bogota)

Andrea Innis
Data Associate

Kieron Black
Sketch Artist

PRODUCTION

Dany Peña
Director

Deborah Zaken
Manager

Melissa Figueroa,
James Bambara
Associates

Jenny Lo
Web Production &
Design Director

ADVERTISING

Patricia Bertucci
Associate Publisher
(212) 224-3890

PUBLISHING

Emmanuelle Rathouis
Marketing Director

Vincent Yesenosky
Head Of U.S. Fulfillment
(212) 224-3057

Nina Bonny
Customer Service Manager
(212) 224-3433

SUBSCRIPTIONS/
ELECTRONIC LICENSES

One Year \$3,147 (In Canada add \$30 postage, others outside U.S. add \$75)

Ken Lerner
Account Executive
(212) 224-3043

REPRINTS

Dewey Palmieri
Reprint & Permission
Manager (New York)
(212) 224-3675
dpalmieri@institutionalinvestor.com

CORPORATE

Richard Ensor
Chairman

John Orchard
Managing Director,
Capital Markets Group

Customer Service

PO Box 4009, Chesterfield, MO 63006-4009, USA
Tel: **1-800-715-9195**
Overseas dial: **1-212-224-3451**
Fax: **212-224-3886**
UK: **44 20 7779 8704** Hong Kong: **852 2842 8011**
E-Mail: customerservice@iintelligence.com

Institutional Investor Hotline

(212) 224-3570 and (1-800) 437-9997 or Hotline@iintelligence.com

Editorial Offices 225 Park Avenue South, New York, NY 10003

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 ©2013

Institutional Investor, LLC ISSN# 1529-6652

Copying prohibited without the permission of the publisher.

COPYRIGHT NOTICE: All materials contained in this publication are protected by United States copyright law and may not be reproduced, distributed, transmitted, displayed, published, broadcast, photocopied or duplicated in any way without the prior written consent of Institutional Investor. Copying or distributing this publication is in violation of the Federal Copyright Act (17 USC 101 et seq). Infringing Institutional Investor's copyright in this publication may result in criminal penalties as well as civil liability for substantial money damages. ISSN# 1529-6652

Postmaster

Please send all undeliverable Mail and changes of addresses to:
PO Box 4009 Chesterfield, MO 63006-4009 USA

Institutional Investor
Intelligence

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
ArcLight Capital Partners	Various (2.8 GW Gas)	Georgia	Citigroup, Barclays	Funds make out the bulk of entities in the second round (PI, 5/6).
	Juniper Generation (Cogen portfolio)	Various, California	McManus & Miles	First round bids due July 11 for Juniper and SEGS assets (PI, 6/17).
	50% Stake (SEGS VIII 80 MW Solar Thermal)	Harper Lake, Calif.		
	50% Stake (SEGS IX 80 MW Solar Thermal)	Harper Lake, Calif.		
BP Wind Energy	Various (Wind portfolio)	Various	None	Has had initial chats with suitors, may bring in advisor later (PI, 5/20).
Capital Power	Tiverton (265 MW CCGT)	Tiverton, R.I.	Morgan Stanley	Buyers have entered the second round of due diligence (PI, 6/17).
	Rumford (265 MW CCGT)	Rumford, Maine		
	Bridgeport (520 MW CCGT)	Bridgeport, Conn.		
Competitive Power Ventures	Stake (725 MW Shores Gas)	Woodbridge, N.J.	TBA	ArcLight, Toyota Tsusho are taking majority stakes (PI, 6/10).
Corona Power	Stake (Sunbury, 900 MW Repowering)	Shamokin Dam, Pa.	Perella Weinberg	An equity investor search will precede financing of the coal-to-gas-fired project (see story, page 7).
Edison Mission Energy	Various (7.5 GW Coal, Wind, Gas)	Various	TBA	Remains in discussions on hiring an advisor while negotiating with coal-fired lessors (see story, page 8).
EmberClear	Good Spring (300 MW Gas)	Good Spring, Pa.	CCA Capital	Likely to sell a nearby development in addition to Good Spring (PI, 4/8).
Energy Capital Partners	Empire Generating (635 MW Gas)	New York	Deutsche Bank	Teasers went out recently (PI, 6/10).
Energy Capital Partners	Odessa (1 GW CCGT)	Odessa, Texas	Goldman Sachs	Teasers are out (see story, page 1).
Energy Investors Funds	Stake (550 MW Astoria Energy II)	Queens, N.Y.	Barclays	Teasers are out (PI, 12/10).
FirstEnergy	Various (1,181 MW Hydro)	Ohio, Virginia, Pennsylvania	Goldman Sachs	Teasers are out (PI, 5/13).
GE Energy Financial Services	Stake (800 MW CPV Sentinel Gas)	Riverside, Calif.	GE EFS	Initial bids due early June (PI, 6/10).
GDF SUEZ Energy North America	Armstrong (620 MW Peaker)	Pennsylvania	Bank of America	BoA is prepping teasers (PI, 5/27).
	Troy (609 MW Peaker)	Ohio		
	Calumet (303 MW Peaker)	Illinois		
	Pleasants (304 MW Peaker)	West Virginia		
LS Power	Doswell (708 MW CCGT) (171 MW Peaker)	Ashland, Va.	Citigroup, Credit Suisse and Morgan Stanley	Teasers went out in mid-April (PI, 5/6).
Maxim Power Corp.	CDECCA (62 MW Gas)	Hartford, Conn.	Credit Suisse	First round bids due between 2/18-2/15 (PI, 2/11).
	Forked River (86 MW Gas)	Ocean River, N.J.		
	Pawtucket (64.6 MW Gas)	Pawtucket, R.I.		
	Pittsfield (170 MW Gas)	Pittsfield, Mass.		
	Basin Creek (53 MW Gas)	Butte, Mont.		
Mexico Power Group	Stakes (250 MW Wind)	Various, Mexico	Marathon Capital	The shop is looking for late stage equity in the run up to construction financing (see story, page 7).
NextEra Energy Resources	Wyman (796 MW Oil)	Maine	Marathon Capital	Indicative bids due by end of June (PI, 6/17)
Pattern Energy	Various (1 GW Wind)	North America	Morgan Stanley	Process iced for run at Toronto Stock Exchange listing (PI, 5/27).
PPL Corp.	Various (604 MW Hydro)	Various, Montana	UBS	The utility holding company is selling its unregulated Montana operations (PI, 11/12).
	Colstrip (529 MW Coal)	Colstrip, Mont.		
	Corette (153 MW Coal)	Billings, Mont.		
Philip Morris Capital Corp.	Lessor Stake (192 MW Sidney Murray Hydro)	Vidalia, La.	Energy Advisory Partners	Teasers went out this month with an end Q2 timeline (PI, 4/29).
Project Resources Corp.	Ridgewood (25 MW Wind)	Minnesota	Alyra Renewable Energy Finance	PRC is looking to sell up to 50% of its lessee position in the farm (PI, 2/18).
Ram Power	Geysers (26 MW Geothermal)	Healdsburg, Calif.	Marathon Capital	In talks with several buyers amid a reorganization (PI, 2/4)
Semptra U.S. Gas & Power	Mexicali (625 MW Gas)	Mexicali, Baja California, Mexico		The Semptra Energy unit is talking with prospective advisors (PI, 10/22).
	Copper Mountain 1 (58 MW Solar)	Boulder City, Nev.		
	Copper Mountain 2 (150 MW Solar)	Boulder City, Nev.		ConEd has bought 50% stakes of Mesquite and Copper Mountain (PI, 6/3).
	Mesquite 1 (150 MW Solar)	Arlington, Ariz.		
U.S. Power Generating	Astoria Generating (2.3 GW Oil, Gas)	New York	Goldman Sachs, Morgan Stanley	The company is in talks with a handful of parties (PI, 4/22).

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 hffletcher@powerintelligence.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
BrightSource	Hidden Hills (500 MW Solar)	Hidden Hills, Calif.	TBA	TBA	TBA	TBA	The company is in the market looking for equity, before finalizing the debt financing (PI, 4/29).
	Palen (500 MW Solar)	Riverside County, Calif.	TBA	TBA	~\$1.6B	TBA	Sponsor is looking to close the deal by Q4 this year (PI, 3/25).
Cameron LNG	LNG Export Facility	Hackberry, La.	TBA	TBA	~\$4B	TBA	Sponsor sells three equity stakes to offtakers (PI, 5/27).
Cheniere Energy	Sabine Pass Trains 3 & 4 (Trains)	Sabine Pass, La.	TBA	TBA	\$4.4B	TBA	Sponsor ups the original bank loan to \$4.4 billion and taps Korean entities for a further \$1.5 billion (PI, 6/3).
Competitive Power Ventures	St. Charles (660 MW Gas)	Charles County, Md.	TBA	TBA	\$500M	TBA	Financing on hold as sponsor works on Shore deal.
	Shore (663 MW Gas-fired)	Woodbridge, N.J.	GE EFS	Term Loan	\$585M	TBA	CPV is looking to wrap the deal, despite still facing a legal battle over the PPA (PI, 5/27).
Corona Power	Sunbury Generation Facility (900 MW Gas)	Shamokin Dam, Pa.	TBA	Term Loan A & B	TBA	TBA	The financing will be dictated by the equity investor the company is looking to secure (see story, page 7).
EDP Renewables North America	Headwaters (200 MW Wind)	Randolph County, Ind.	TBA	Tax Equity	\$350-400	TBA	The sponsor is looking to secure both equity and tax equity investment (see story, page 6).
Energy Investors Funds	Pio Pico (300 MW Gas)	San Diego County, Calif.	SocGen	TBA	\$300M	TBA	Sponsor is re-launching financing efforts (PI, 6/10).
Fiera Axium, Starwood Energy	Unknown (34 MW Solar)	Ontario	BTMU, NordLB, Natixis	TBA	\$140M	TBA	Sponsors working with a trio of banks on the deal (PI, 5/6).
FGE Power	FGE Texas (726 MW Gas)	Westbrook, Texas.	TBA	TBA	TBA	TBA	The first-time developer is looking for both debt and equity partners (PI, 3/18).
GSR Energy	GSR Energy (36 MW Biomass)	Orange Walk, Belize	TBA	TBA	\$205M	TBA	Sponsor is looking for debt and equity to build the project (PI, 5/13).
Innergex	Three projects (153 MW Hydro)	B.C., Canada	TBA	TBA	\$590M	40-yr	Innergex wrapped on one of its hydro facilities, the 17.5 MW Northwest State River (PI, 6/3).
Invenergy	Stony Creek (95 MW Wind)	Orangeville, N.Y.	TBA	TBA	TBA	TBA	Sponsor fires up financing search after PTC extension (PI, 4/15).
K Road Power	Moapa (350 MW Solar)	Clark County, Nev.	TBA	TBA	\$1B+	TBA	The sponsor has tapped Banco Santander and Prudential to do a bank/bond financing (PI, 4/22).
MidAmerican Solar	Antelope Valley (579 MW Solar PV)	Kern & L.A. Counties, Calif.	Goldman Sachs	144A	\$700M	TBA	Pricing talk has emerged on the bonds (see story, page 6).
Moxie Energy	Moxie Liberty (850 MW Gas)	Bradford County, Pa.	TBA	TBA	\$800M	TBA	Pricing, timeline emerge on Liberty term loan B (PI, 5/27).
OCI Solar Power, CPS Energy	Alamos I - V (400 MW Solar)	Texas	TBA	Term	~\$500M	TBA	Sponsor heads straight back into the market looking to fund the next two phases (PI, 3/18).
Pan-American Hydro	Chiacte (31 MW Hydro)	Guatemala	TBA				Sponsor is looking for \$223 million in debt and equity (PI, 5/6).
	Amalia (8 MW Hydro)	Guatemala	TBA				
	Mopa (5 MW Hydro)	Guatemala	TBA				
	Platanos (14 MW Hydro)	Guatemala	TBA				
	Verde Cluster (37 MW Hydro)	Mexico	TBA				
Pattern Energy	Panhandle (322 MW Wind)	Carson County, Texas	BayernLB, Crédit Agricole, NordLB	Bridge to Tax Equity	\$500M	2-year	The sponsor has mandated three leads for the bridge loan, as pricing emerges (PI, 3/25).
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).
Samsung Renewable Energy	Gran Renewable (100 MW Solar PV)	Haldimund County, Ontario	TBA	TBA	TBA	TBA	The sponsor is talking to banks looking for debt for the project (PI, 5/27).

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 Nicholas Stone at (212) 224-3260 or e-mail nicholas.stone@powerintelligence.com.

PROJECT FINANCE

AEP Unit Calls For 200 MW Of Wind

American Electric Power subsidiary **AEP-PSO** has issued a [request for proposals](#) for up to 200 MW of wind generation in Oklahoma. The Tulsa, Okla.-based utility is looking for the facility, or facilities, to be online by Dec. 31, 2015. Winning projects must also qualify for production tax credits.

Proposals must have a minimum capacity of 80 MW and are due July 1. AEP is administering the RFP on behalf of the **Public Service Company of Oklahoma** and **Joe Karrasch**, RFP manager at AEP, will be handling the process. Officials at both companies declined comment on the RFP. A shortlist for the RFP will be announced on July 12. The winner will be announced on August 30 and will secure a 20-year power purchase agreement with the Oklahoma PSC.

The extension of the PTC has given utilities renewed impetus to issue RFPs this year to replace facilities that are coming to the end of older contracts in order to add wind at lower prices, says an observer. AEP-PSO has a 10-year PPA with the Blue Canyon II wind farm near Lawton, Okla., that will terminate at the end of this year. The company is looking to replace that 151 MW and

potentially add more.

Wind accounts for about 15% of AEP-PSO's overall generating capacity. The utility has not added new wind power capacity since December 2010, when **NextEra Energy Resources** built its 99.2 MW Minco facility near Minco, Okla. Calls placed to NextEra officials seeking

comment on the company's intentions for this RFP were not returned by press time. Other sponsors that have developed wind facilities in the state include

AEP-PSO's Wind-Sourced Power			
Owner	Name	Location	MW
NextEra	Weatherford Center	Weatherford	147
Horizon	Blue Canyon II	Lawton	151.2
Edison Mission	Sleeping Bear	Fort Supply	94.5
Horizon	Blue Canyon V	Lawton	99
NextEra	Elk City	Elk City	98.9
NextEra	Minco	Minco	99.2

Source: AEP-PSO

Edison Mission Energy and **Horizon Wind Energy**, which **EDP Renewables** purchased in 2007. Calls placed to EME and EDP were not returned by press time.

Innergex Extends Credit Facility Ahead Of PF Pipeline

Innergex Renewable Energy is extending its C\$425 million (\$416.37 million) revolving term credit facility with a new five-year tenor ending in 2018 as it looks to finance and develop more than a dozen wind, solar and hydro projects in its pipeline. The previous maturity date was August 2016.

The banking syndicate, as well as pricing and other terms on the facility, remains unchanged. **Toronto-Dominion Bank** served as administrative agent and lender, **Bank of Montreal** as syndication agent and lender, and **Canadian Imperial Bank of Commerce**, **Caisse Centrale Desjardins**, **National Bank of Canada**, **The Bank of Nova Scotia** and **Laurentian Bank of Canada** all took tickets in the deal. The Longueuil, Quebec-based company is happy with the relationship it has developed with those banks, says an observer. Pricing details could not be learned by press time. An Innergex official declined to comment on commitment sizes or pricing. Bank officials either did not return calls or declined to comment.

Extending the revolver's maturity provides Innergex with greater certainty regarding its access to capital over the medium term, given its development pipeline, says a company spokeswoman. The revolver serves in part to finance 13 projects under development and to provide a flexible source of capital to fund growth. Following **DBRS'** downgrade to the company's credit rating to BB from BBB in March, Innergex aimed to provide some predictability about capital costs by fixing the spread for a longer period with the extension. The deal also sends a signal to the market that the sponsor's ability to access capital is not impaired,

the spokeswoman adds.

After closing a C\$72 million (\$69.63 million) construction and term loan backing its 17.5 MW Northwest Stave River run-of-river hydro facility British Columbia ([PI, 5/28](#)), Innergex will now focus on the project financing for the Upper Lillooet hydro cluster. Upper Lillooet includes the 81.4 MW Upper Lillooet River facility and the 25.3 MW Boulder Creek in the Pemberton Valley, B.C. The project financing of this cluster will take priority over Innergex' proposed 40.6 MW Big Silver Creek and the 23.2 MW Tretheway Creek facilities north of Harrison Hot Springs, B.C.

Innergex is seeking roughly \$590 million in financing for these hydro projects and will look to secure non-recourse project-level debt ([PI, 3/19](#)). All the facilities have power purchase agreements with **BC Hydro**. The sponsor will provide the equity for Big Silver and Tretheway, while **Ledcor Power Group** holds one-third of the equity stakes in the Upper Lillooet and Boulder Creek projects. Calls placed to Ledcor were not returned by press time.

DBRS downgraded the company due to its "aggressive project financing" policy, according to a DBRS report, adding that Innergex' consolidated leverage of more than 60% is not in line with an investment grade rating. The downgrade will not affect the company's development or financing plans.

The company increased the credit facility to C\$425 million from C\$350 million (\$345.41 million) last July ([PI, 7/19](#)). Innergex issued C\$57.5 million (\$57.92 million) in shares last November to pay down a portion of the credit facility ([PI, 11/26](#)).

EDP Begins Wind Fund Search

EDP Renewables North America is talking to investors to secure equity and tax equity partners for its \$350-400 million, 200 MW Headwaters wind project in Randolph County, Ind. The search is in its early stages. The developer recently signed a 20-year power purchase agreement with **Indiana Michigan Power Company**, an **American Electric Power** subsidiary.

EDP traditionally uses equity partners and tax equity investors, not debt, to fund its projects, and it will look to do the same again here, says a spokesman in Houston. EDP has financed around 50-60% of project costs via tax equity ([PI, 9/5/2008](#)) and the remainder is from its corporate balance sheet. The extension of the PTC this year enabled sponsors to continue to utilize tax equity investors for project financing, although demand for tax equity has always lagged behind supply, note deal watchers.

JPMorgan Capital Corp. has taken tax equity stakes in a

number of EDP projects in the past, most recently when it bought a stake in the Meadow Lake II wind facility in White County, Ind. ([PI, 5/4/2010](#)). **ABN Amro**, **Morgan Stanley**, **GE Financial** and **Wachovia** have also taken tax equity stakes in EDF projects in the past. Calls placed to bank officials were not returned before press time.

The company will solidify the process with investors over the second half of the year, before attempting a financial close before year-end to lock in the production tax credit benefits, which were extended as part of the fiscal cliff negotiations ([PI, 1/3](#)). The project is expected to be complete in 2014, after construction begins by year-end.

EDP Renewables is a subsidiary of Lisbon-based **EDP Renováveis**. The company bought **Horizon Wind Energy** in 2007 from **Goldman Sachs** for \$3 billion ([PI, 7/6/2007](#)).

MidAmerican Pricing Comes In Tighter

Price talk on **MidAmerican Energy Holdings'** subsidiary **Solar Star Funding's** \$700 million of 144A senior secured notes has come in to 5.375% from 5.5%. The deal, which finances construction of its Antelope Valley solar project, is to set to close today. The road show commenced last week in New York ([PI, 6/10](#)).

"They were floating the notes at 5.5%, but were able to tighten that quite considerably," says a deal watcher. "[**Federal Reserve**] announcements haven't had any real impact on the deal and it is going so well that guidance was able to be brought down. You are not seeing the issues with these notes that other parts of the bond markets are seeing."

Barclays, **Citibank** and **Royal Bank of Scotland** are lead book runners ([PI, 4/26](#)). **Mizuho**, **BNP Paribas**, **CIBC**, **Bank of Tokyo-Mitsubishi** and **Sumitomo Mitsui Banking Corporation** are co-managers on the deal. The notes will reportedly have a 14.7-year weighted average life, with a 22-year final maturity.

The pricing backing the \$2.74 billion, 579 MW solar photovoltaic project in Kern and Los Angeles Counties, Calif., is almost half a percent under what the company got just over a year ago for its

\$850 million 144A issuance backing the Topaz solar project. Those notes priced at 5.75% and had a tenor of construction plus 25 years ([PI, 2/24/2012](#)).

Proceeds of the issuance along with an estimated \$575 million of Series B notes expected to be issued next year, will be used to partially finance construction. The bonds will rank *pari-passu* with a \$320 million secured letter of credit facility that has a tenor of construction plus seven years, which **Union Bank** is leading. Five banks will take tickets in the LC of varying sizes and it will reportedly close this month. MidAmerican will provide the equity for the project, which will be funded during the latter part of construction, after the capital raised in the bond market is used.

Moody's Investors Service rated the issuance Baa3, while **Standard & Poor's** assigned a BBB-. The projects have two 20-year power purchase agreements with **Southern California Edison**, with construction slated to begin this year. Officials at the banks declined to comment on the deal or did not respond to inquiries by press time. Officials at MidAmerican in Des Moines, Iowa, also declined comment.

ACCESS MONDAY'S ISSUE ON FRIDAY

Access the most recent issue of *Power Finance & Risk* as a PDF the Friday before it's available in print. Log onto www.PowerIntelligence.com and click on "Download Current Issue PDF" at the top of the page.

To obtain access please contact the subscription hotline at 1 (800) 437 9997 / 1 (212) 224 3570 or hotline@iiintelligence.com

MERGERS & ACQUISITIONS

Mexico Wind Shop Opens Door To Project Investors

Mexico Power Group, the development shop headed by **Gerald Monkhouse**, formerly of **Cannon Power Group**, is beginning to scout for investors in two late-stage development wind projects in Mexico.

Mexico Power Group is looking to bring in an investor for two projects totaling 250 MW that are slated to start the construction financing process in the second half of this year, says a deal watcher. The firm is expected to consider a variety of alternatives ranging from minority stakes to an outright sale. **Marathon Capital** is advising on the sale.

The shop was founded in 2011 by wind industry veteran **Monkhouse**, chairman, with **Brian O'Sullivan**, formerly of **Coram Energy**, as president and managing director ([PI, 8/2/11](#)).

The projects are the first 70 MW phase of the Los Vergeles facility in the state of Tamaulipas and the 180 MW MPG La Bufa project in the State of Zacatecas. The contracted projects are the first of a 700 MW pipeline.

The renewable M&A market in Mexico is nascent and this deal will be an indicator of what types of firms want to get involved. The mandate is one of the earliest forays of a Canada- and U.S.-focused advisory shop south the border, note wind players, who point to an expected boom in generation over the next decade. According to **Comisión Federal de Electricidad**, there is about

52.5 GW of capacity on the grid, which is expected to grow to 85.7 GW by 2026.

The country's generation fleet is primarily oil-fired (56% in 2010) and the Mexican government wants to increase the renewable energy share to 35% by 2024, according to the U.S. **Energy Information Administration** and an **Ernst & Young** report.

The Los Vergeles project has 20-year power purchase agreements with annual pricing escalation with state and local municipalities. The La Bufa project, however, has a 20-year PPA with auto manufacturer **Volkswagen** for 146 MW and 34 MW agreements with state and municipal entities.

The PPA with Volkswagen underscores how industrial companies are looking to secure power under private agreements for more attractive power prices, says a U.S. banker with interest in Mexico. To date, **Macquarie Mexican Infrastructure Fund** and **Mitsubishi Corp.** and **PGGM** are developing a wind project in Oaxaca that has PPAs with subsidiaries of **Coca-Cola FEMSA** and **Cuauhtémoc Moctezuma**, an operating company of **Heineken** ([PI, 2/27/12](#)).

When teasers are expected to be released could not be immediately learned. Officials at Mexico Power Group and Marathon either declined to comment or were not immediately available for comment.

Corona Woos Backers For Sunbury Repowering

Corona Power is holding talks with prospective investors in and lenders to a 900 MW combined cycle repowering of the coal-fired Sunbury Generation plant in Shamokin Dam, Pa.

The independent power producer is aiming to sign on an equity investor and hit financial close by year-end, says a deal watcher. The shop has held conversations with over a dozen banks looking to land the lead arranger spot, although none have been signed-to-date.

The debt-to-equity ratio will be driven largely by the equity investor, says a deal watcher, explaining that different investors in discussions have varying appetites for merchant risk. The repowered facility is expected to have a heat rate call option in place—mostly likely for five years—and no offtake agreement. An investor with tolerance of merchant risk could want to see a lesser hedge that allows for less debt while an investor after more certainty will prefer a greater hedge that supports more debt.

The financing is expected to be a hybrid, comprised of both a term loan A and term loan B. **Perella Weinberg** is the financial advisor on the equity talks as well as the selection of a lead arranger.

The project could be in the neighborhood of \$630 million at a cost of \$700 per kW, given it has a 25-35% discount off greenfield projects, which run roughly \$1,000 per kW in the same area.

Repowerings have been floated as an alternative for other coal-fired plants in PJM and New England—notably **Footprint Power's**

acquisition and conversion plan for the 748 MW Salem Harbor plant in Massachusetts ([PI, 7/6](#))—but face similar challenges to coal-to-biomass conversions, including whether the plant is configured to allow for a new fuel source and the access to that fuel. Sunbury is a 432 MW coal-fired facility.

The project is among the first repowering proposals to come to market and has stoked initial investor interest because of its proximity to a gas pipeline and Marcellus shale and transmission lines, says an observer. Generation runs through a PPL switchyard on the Sunbury site.

The repowered 900 MW gas-fired project is expected to be operational in 2016-2017 and cleared the recent PJM capacity pricing auction for that time period around \$119 per MW-day, says an observer. The pricing scheme came in lower than many forecasts, raising questions about the economics of repowering projects ([PI, 5/31](#)). Lenders will be looking at several variables, including heat rate, in considering whether a repowering will compete with greenfields, says an analyst watching the PJM development pipeline. Sunbury is on track to have a 7000 heat rate.

Corona Power is owned by a consortium of players, including **Robindale Energy**, **ACMI Capital** and **First Reserve**. Corona bought the plant from **WPS Energy Services** for \$34.6 million in 2005 ([PI, 12/20/07](#)).

EME, Lessors Talk Negotiation Extension

Edison Mission Energy is talking with the lessors on its **Midwest Generation** coal-fired plants about extending the negotiation window for their contracts.

EME and the lessors **Citigroup** and **PSEG Resources** are in negotiations about whether EME will assume the existing sale leaseback agreements before July 1, when they are set to expire under a bankruptcy code, or agree to an extension of negotiations, deal watchers say. If an agreement is not reached, then the leases will be rejected.

If the lease is rejected then the lessors will have tax recapture liabilities and certificate holders will see their claims capped. For EME, it would jeopardize Midwest Generation's ability to meet funding needs and likely require more money being spent to fight new creditor claims, say observers. At this point, EME is not prepared to takeover the leases as they are and discussions are turning on whether parties will agree to a Nov. 1 deadline to have an agreement, says a deal watcher. A court hearing will be held June 27.

Midwest Gen is the lessee of the 1,334 MW Joliet coal-fired facility in Joliet, Ill., and the 1,538 MW Powerton coal-fired plant in Pekin, Ill. There is roughly \$350 million outstanding on pass through certificates, or sale leaseback debt, that mature in 2016. It was issued in 2000 when the \$1.367 billion sale leaseback agreements were signed. Powerton is leased until 2034 and Joliet until 2030.

Centerview Partners is advising the lessors and **Perella Weinberg** is advising EME. **Moelis & Co.** represents parent **Edison International**.

Meanwhile EME is still in discussions with investment banks about the possibility of selling its generation fleet, says a deal watcher, noting that no mandate has been signed, contrary to other media reports identifying **JPMorgan** as the sellside advisor. EME took pitches from investment banks in the final days of April about advising on a sale ([PI, 5/3](#)).

The company is expected to bring on an advisor although the outcome of any process is not predetermined, says a banker, explaining that if bids are not high enough for the fleet then EME would look to emerge as a standalone company. **Barclays** and **JPMorgan** are reportedly contenders for the mandate. Whether Powerton and Joliet would be included in the sale will be determined by what happens with the leases by July 1.

Any advisor hiring would need the approval of the bankruptcy court. EME filed for bankruptcy in December in the U.S. Bankruptcy Court Northern District of Illinois. It has \$3.7 billion in debt ([PI, 12/18](#)).

Spokespeople or officials for EME and the advisors either declined to comment or could not immediately comment.

MetLife Signs Leaseback With EDF Wind Farm

EDF Renewable Energy has agreed to bring MetLife into its Chestnut Hills wind farm in Pennsylvania as its lessor.

Under the sale leaseback agreement, MetLife will be the sole lessor for the 38 MW farm and lease the facility to EDF Renewable Energy, according to a filing with the U.S. **Federal Energy Regulatory Commission**.

Chestnut Hills went online in December 2011 and has a power purchase agreement with **Delmarva Power & Light Co.** The farm is in Blair and Cambria Counties, Pa., and was developed and sold by **Gamesa** ([PI, 11/18/11](#)).

EDF Renewable Energy, formerly **enXco**, recently agreed to sell equity and tax equity stakes in its Wapsipinicon farm in Minnesota to a subsidiary of **U.S. Bancorp** ([PI, 5/20](#)). The company plans to use the capital to push back into its development pipeline, say observers.

A MetLife official was not available for comment by press time and an EDF Renewable spokeswoman did not respond to an inquiry.

STRATEGIES

BGE Prices \$300M In Bonds

Baltimore Gas And Electric Co. is issuing \$300 million in bonds to tap low rates and take out existing debt. The 10-year offering has a coupon of 3.35%.

"The transaction went well and the order books were oversubscribed," says a deal watcher, citing a \$1.3 billion order book for the offering. "They were able to get pricing at about 10 basis points tighter than what they went out into the market with."

BGE will use the proceeds to partially repay a \$400 million, 6.125% issue maturing July 1, 2013. The sale is scheduled to close June 17. **BNP Paribas Securities**, **JPMorgan Securities** and **Scotia Capital** are joint book-running managers. **Goldman**

Sachs and **CIBC** were passive joint book-running managers, while **PNC Capital Markets** was senior co-manager and **Loop Capital Markets** and **MFR Securities** co-managers. Bankers either did not respond to inquiries or declined comment.

Recent volatility in the market coming from the U.S. Treasury's potential scale back of its bond buying has led to a 15-30 basis point increase in price on utility paper from one month ago, says a deal watcher. "Buyside really is looking for that cushion now, some volatility protection," he adds.

Some of the proceeds will also be used for general corporate purposes. Officials at BGE were not immediately available for comment due to storms in Baltimore.

PG&E Issues \$750M To Tap Low Rates

Pacific Gas & Electric Co. tapped the senior unsecured note market for \$750 million last week to take out maturing debt nine months early and secure low rates. The issuance was split between a tranche of 10-year, 3.25% notes and another tranche of 30-year, 4.60% notes.

"A lot of issuers are looking to refinance older debt at the moment," says a banker who worked on the deal. "Just look at where the prices are. They took out one-year paper at 4.80%, with coupons at 4.60% and 3.25%. They got a pretty good deal. It was a plain vanilla spread and deal and they got what they were looking for."

The San Francisco-based utility made a cash offer June 12 for \$500 million in 4.8% notes due in March 1, 2014 and received tenders for \$461.4 million of those notes, prompting it to execute the latest issuance.

The lower rates were worth the \$30 early tender premium on each of the existing notes, the banker adds. Rates have been low for a while, deal watchers say, but increasing volatility caused by

the U.S. **Department of Treasury** potentially scaling back its bond buying spree has issuers looking to act now.

BofA Merrill Lynch and **Citigroup Global Markets** were dealer managers for the tender offer. The information agent and tender agent was **D.F. King and Co.** **BNP Paribas Securities**, **CastleOak Securities**, Citigroup and BofA Merrill Lynch were the joint lead managers for the offering. **Great Pacific Securities**, **Kota Global Securities**, **Mizuho**, **US Bancorp** and **Williams Capital** were co-managers on both tranches. The 10-year notes have an issue price of 99.919, while the 30-year notes are at 99.493.

The pricing came 10 basis points inside what **Baltimore Gas and Electric Co.** secured last week for \$300 million in 10-year bonds, part of which it is using to take out maturing debt ([PL 6/13](#)). **Standard & Poor's** rated the PG&E notes BBB, **Moody's Investors Service** gave them a A3, and **Fitch Ratings** assigned an A-. Calls placed to banks and inquiries made with PG&E were not returned by press time.

Duke Brazilian Unit Readies Local Bond Refi

Duke Energy subsidiary **Duke Energy International Geração Paranapanema** is on a road show this week in Brazil touting a proposed R\$500 million (\$233 million) domestic bond issuance to repay short-term debt. **Banco do Brasil** is running the deal for the São Paulo-based power company. The floating rate notes are set to price in the local bond market in two to three weeks.

Duke and Banco do Brasil are aiming for a pair of R\$250 million amortizing tranches with maturities of 2018 and 2023. The 2018 tranche will be indexed to the CDI (interbank certificate) while the 2023 tranche will be linked to the consumer price index. Officials at the Duke unit and Banco do Brasil were not available by press time and why the notes will be indexed to CDI and linked to CPI could not be learned.

While cross-border Latin American bond markets have suffered in recent weeks following the selloff in U.S. Treasuries, the domestic market in Brazil is proving more resilient. Brazil's energy companies generally prefer domestic bonds over cross-border transactions because their real-denominated revenues mean U.S. dollar issuance does not usually make sense.

Duke's peer **AES Tiete** raised R\$498 million of floating rate notes in the domestic market in May, paying 79 basis points over the interbank deposit rate for bonds maturing in 2019.

"Duke is comparable to AES Tiete, because it is of a similar size and capacity and was privatized at the same time, and is also required to expand capacity by 15%," **Jose Soares**, an analyst for

Moody's Investors Service in São Paulo, told *PFR*.

The proceeds will replace short-term debt and strengthen Duke's cash position. The borrower has R\$186 million of debentures expiring in September 2013 and September 2015 as well as R\$152 million maturing in January 2017. **Moody's Investors Service**

upgraded Duke's national scale rating from Aa1 to Aaa.br ahead of the issue, while assigning a Baa3 rating on a global scale. **Standard & Poor's** rates the borrower brAAA on a national scale and BBB- on a global scale.

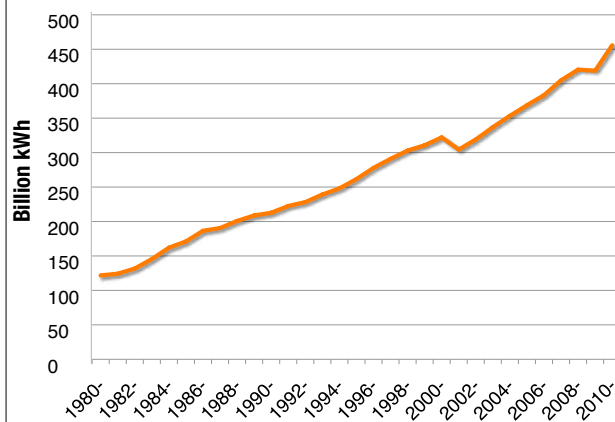
A requirement to expand generation capacity by 15%—part of a privatization agreement signed with the state of São Paulo in July 1999—is one of the principal constraints on Duke's ratings, according to Moody's. Duke is in a legal dispute with the state over the non-fulfillment of this obligation and it is not clear how the company would fulfil the obligation. The borrower justifies its

non-compliance by pointing to a lack of opportunities for greenfield generation projects in the state, and Soares does not see the issue as an immediate problem.

If the borrower did have to expand capacity by 15%, it would likely have to incur additional debt of around R\$1 billion to finance capex, causing some deterioration in credit metrics.

Standard & Poor's expects the legal dispute to be resolved by 2015 at the earliest. Duke Energy Brasil operates plants along the Paranapanema River with a total capacity of 2,241 megawatts.

Brazil Electricity Net Consumption (1980-2010)



Source: U.S. Energy Information Administration

Power Intelligence

Exclusive insight on power M&A and project financing.

generate

News keeps you informed. Intelligence generates business.

Compete

Get beyond the acquisition and financing of power assets to get invaluable intelligence needed to pursue deals.

Advance

Get behind-the-deal analysis pieces and get ahead of the deals being launched with a comprehensive proprietary database of North American generation asset sales and proposed sales.

Lead

Get expert commentary on generation sales and purchase trends in different sectors to raise funds and draw up shopping lists.

Connect

Get the inside track on who is looking for financing; who is looking to sell generation assets; who are the buyers circling in asset auctions so you can position your firm and its offerings.

www.PowerIntelligence.com



3 Easy Ways to Subscribe Today

Visit www.PowerIntelligence.com
Call (800) 437-9997 / (212) 224 3570
Email hotline@iintelligence.com

**Institutional
Investor**

Institutional Investor Intelligence, A Division of Institutional Investor LLC.

Project Finance *(Continued from page 1)*

Q1 from five deals in Q4 last year.

Michael Kumar, managing director and global head of project, commodity and infrastructure finance at **Morgan Stanley**, says the overall market is strong. "It is incredibly robust," he says. "There is an underlying activity there. The first quarter was unnaturally slow, but we see our level of activity heading up to 2012 levels in the next two quarters and that was a record year for us."

Three financings in the Americas involved figures above the billion dollar mark: Cheniere's ([PI, 1/31](#)); **AES Gener** closed a \$1.05 billion financing of its 532 MW Cochrane coal-fired facility in Mejillones, Chile (see Deal Snapshot, below); and a consortium led by **Odebrecht** and **Eletrobras Furnas** secured in excess of \$2.8 billion backing the 3,150 MW Santo Antonio hydro facility ([PI, 3/8](#)).

In Canada, **Pattern Energy** closed a C\$700 million (\$680.93

million) financing backing the 270 MW South Kent wind facility in Chatham-Kent, Ontario ([PI, 3/12](#)). "A big driver of the sector is wind," says Kumar. "It suffered due to regulatory uncertainty. So most of the deals were done last year or they will come later this year. I wouldn't take Q1 as a trend line."

The merchant movement rumbled on, with **Panda Power Funds** tapping the hot B loan market for \$372 million backing its Temple II project in Temple, Texas ([PI, 4/3](#)). Pricing has tightened over the past year for merchant deals, with the sponsor securing LIBOR plus 600 basis points on the loan, around 200 bps less than it achieved for Temple I last summer.

Only a pair of solar facilities secured financing in the U.S. and Canada and both were small scale. New shop **OCI Solar** landed just over \$50 million for its maiden 41 MW phase of the Alamos facilities near San Antonio, with Korean export credit agencies providing the capital ([PI, 3/7](#)).

—**Nicholas Stone**



DEAL SNAPSHOT Q1 2013

A look at the players, the numbers and the outcome of a key deal this quarter.

DEVELOPER: **AES Gener**

PROJECT: 532 MW Cochrane coal-fired facility

LOCATION: Mejillones, Chile

FINANCING: **AES Corp.** subsidiary **AES Gener** closed a \$1.055 billion financing backing the \$1.36 billion project. **AES** holds 60% of the equity and **Mitsubishi Corp.** holds 40%.

COMMITMENT SIZES: The four mandated lead arrangers and the **Korea Finance Corp.** each made \$100 million commitments that were insured by **Nippon Export and Investment Insurance** and the **Korea Trade Insurance Corp.** Export credit agency **Japan Bank for Cooperation** committed \$500 million. **Banco Estado Chile** supplied a \$55 million letter of credit.

UPFRONT FEES: Undisclosed.

ADVISORS: **HSBC**. **Sumitomo Mitsui Banking Corp.** had an initial advisory role.

MANDATED LEAD ARRANGERS: **HSBC**, **Mizuho**, **Bank of Tokyo-Mitsubishi UFJ** and **Sumitomo Mitsui Banking Corp.**

DOCUMENTATION BANK: **Sumitomo Mitsui Banking Corp.**

INTERCREDITOR AGENT: **Bank of Tokyo Mitsubishi-UFJ.**

FACILITY AGENTS: **SMBC** was facility agent for K-Sure and NEXI. **Mizuho** was the facility agent for JBIC.

DURATION OF TRANSACTION: Initial discussions commenced in March 2012. **SMBC** was advising **AES**, but dropped that role as it

was also advising the main offtaker **Sierra Gorda**, a mining company. **AES** hired **HSBC** as the main advisor and brought in **Mitsubishi** as equity partner in June 2012. The mandated lead arrangers were appointed in September, 2012, which kicked off the due diligence process. The deal closed on March 27, 2013.

WHY IS THE DEAL NOTEWORTHY?

Activity in Latin America has been heating up, as deal flow dries up in Canada and the U.S. and banks look to get in on deals in order to put capital to work in the region. This deal represents the first JBIC financing in South America. The Japanese export credit agencies were able to come in on the deal on the back of **Mitsubishi's** ownership stake and **Sumitomo Metal Mining Co.'s** part ownership of the offtaker **Sierra Gorda**. The deal is also the largest non-recourse project financing for a power project in Chile.

AT THE NEGOTIATING TABLE:

As JBIC's maiden deal in South America, there was a lot of work to get it comfortable with the transaction. **Ivan Oliveros**, v.p. of project finance for Latin America at **SMBC**, **Guillermo Ortiz**, director of project finance in Latin America at **BTMU**, **Sean Toole**, v.p. project and export finance at **HSBC** and **Misaki Kitoku** from **Mizuho** were the lead bankers working on the lending side. **Jim Kaiser**, director of project and export finance at **HSBC**, led the advisory efforts on behalf of that bank.

On the legal front, **Greg Tan** from **Shearman & Sterling** and **Mark Spivak** at **Vinson & Elkins** were the main attorneys on the deal.

*Deal Snapshot is a quarterly feature in which we focus on significant, interesting deals. For submissions or more information, contact Senior Reporter **Nicholas Stone** at 212.224.3260 or nicholas.stone@piintelligence.com*

PROJECT FINANCE DEAL WRAP SHEET Q1

The following power project finance deals closed between Jan. 1 and March 31.

Sponsor	Project	Location	Lead(s)	Loan	Amount	Tenor
NORTH AMERICA						
Pattern Energy	South Kent (270 MW Wind)	Haldimand County, Ontario	BTMU, Union Bank, Mizuho	TBA	\$714.27M	TBA
OCI Solar	Alamos I (49.5 MW Solar)	San Antonio, Texas	Korea Development Bank	Loan	\$53.4M	16-yr
Cheniere Energy	Sabine Pass LNG Export Facility	Sabine Pass, La.	Crédit Agricole, Credit Suisse, Deutsche Bank, HSBC, JPMorgan, Mitsubishi UFJ, Morgan Stanley, Royal Bank of Canada, Société Générale, Standard Chartered	Bond	\$1.5B	8-yr
NRG	Borrego (26 MW Solar)	San Diego County, Calif.	Sovereign Bank, CIBC, Deutsche Bank	Loan, L/C	\$85.7M	TBA
Panda Power Funds	Temple II (750 MW Gas)	Temple, Texas	Goldman Sachs, Credit Suisse	Term Loan B	\$372M	
Bloom Energy	Diamond State Generation (27 MW)	New Castle, Del.	AXA, CM Life, Glenworth, TIAA Mass. Mutual, Woodmen	Bond	\$144.81M	TBA
LATIN AMERICA						
AES Gener	Cochrane (532 MW Coal)	Mejillones, Chile	HSBC, Mizuho, BTMU, Sumitomo Mitsui	TBA	\$1B	TBA
InterGen	San Luis de la Paz (205 MW Gas)	Zacatecas, Mexico	BTMU, Export Development Canada, HSBC, NordLB, Scotiabank, Sumitomo Mitsui	TBA	\$218M	TBA
Akuo Energy	Polesine Florida (50 MW Wind)	Florida, Uruguay	Proparco	Term Loan	\$88.5M	15-yr
Jealsa	Parque Eólico San Pedro (39 MW Wind)	Chiloe, Chile	Banco Santander	Loan	\$72.9M	TBA
Petrobras, Wartsila and CIBE ParticipaçãoSA	TPP Suape II Thermoelectric (380 MW Fuel Oil)	Pernambuco, Brazil	Banco Itau BBA	Loan	\$323M	TBA
Partner Energy	UTE Pernambuco III (200.8 MW Gas)	Pernambuco, Brazil	Banco Itau BBA	Bridge Loan	\$157M	TBA
Odebrecht, Eletrobras Furnas	Santo Antonio (3,150 MW Hydro)	Rondônia, Brazil	Banco Itau BBA, Banco Santander, Banco Bradesco BBI, Banco do Brasil	Loan	\$1.8B	TBA
			Banco Itau BBA, Banco Santander, Banco do Brasil, BES Investimento do Brasil, Caixa Economica Federal, Banco Bradesco BBI	Bond	\$1.01B	TBA
Ancoa	Línea Ancoa-Alto Jahuel 2x500kV Transmission	Colbún to Santiago, Brazil	BBVA	Loan	\$289M	TBA

Source: Power Intelligence & Dealogic

ECP Puts *(Continued from page 1)*

attractive institutional loan market so fewer CCGTs have been up for grabs. **Calpine** and **NRG Energy** have bought cogeneration facilities in the state in the last nine months although the locations and steam-fired capabilities differentiate the facilities from Odessa.

Recent Trades In ERCOT

Buyer	Asset	Price	Seller	Location	Date
Calpine	800 MW Bosque Cogen	\$432M	Luminus Management-led consortium	Laguna Park	Oct-12
NRG Energy	400 MW Gregory Cogen	\$244M	Rockland Capital-led consortium	Corpus Christi	Apr-13
CPS Energy	800 MW Rio Nogales CCGT	\$521M	Tenaska Capital Management	Seguin	Mar-12

Source: Power Intelligence

High Plains Diversified Energy Corp. had to back out of a sale when a judge ruled that the cooperative didn't have the authority to issue bonds to finance a \$335 million acquisition ([PI, 6/28/11](#)). ECP paid \$335 per kW for the merchant facility, the same amount as High Plains had agreed. Goldman ran that auction as well.

The Short Hills, N.J.-based private equity shop is also in the market with its 635 MW Empire Generating combined cycle plant in Rensselaer, N.Y. ([PI, 6/10](#)). **Deutsche Bank** is running the

sale of Empire.

An ECP spokesman did not immediately respond to an inquiry while a Goldman spokesman declined to comment.

—**Holly Fletcher**

QUOTE OF THE WEEK

"[The market] is incredibly robust. There is an underlying activity there. The first quarter was unnaturally slow, but we see our level of activity heading up to 2012 levels in the next two quarters and that was a record year for us."—**Michael Kumar**, managing director and global head of project, commodity and infrastructure finance at **Morgan Stanley** on the amount of power project finance deals in the market this year (see story, page 1).

ONE YEAR AGO

Renewables developers were scouting new project financing options at the **REFF-Wall Street** conference in New York, in the forms of master limited partnerships, real estate investment trusts and project bonds. [**Hannon Armstrong** listed the maiden clean energy REIT on the **New York Stock Exchange** aiming to sell 13.3 million shares in **Hannon Armstrong Sustainable Infrastructure Capital** at \$12.50 ([PI, 4/19](#)).]