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First Solar Nets \$4.5B In Conditional Guarantees

The U.S. **Department of Energy** has offered First Solar \$4.5 billion in loan guarantees backing three solar projects. See story, page 2

Calpine Gas Bids Due

Initial bids for **Calpine Corp.**'s pair of combined-cycle plants are due in mid-July.

See story, page 2

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CHINA EX-IM BANK CIRCLES AMERICAS POWER MARKET

The Export-Import Bank of China is considering entering the power markets in the Americas to finance projects with Chinese developers or manufacturers. Latin American countries with high demand for new generation and the U.S. solar industry are expected to be prime targets.

Project bankers characterized Ex-Im Bank of China's potential move into the U.S. as strategic, if not predictable, as China looks to expand global market share of its solar and wind products. "For solar, a lot of banks won't finance [most] Chinese equipment because they have no track record here so it makes sense that the Ex-Im

(continued on page 8)



EIF EYES SALE OF SOLAR CO. STAKE

Energy Investors Funds is considering selling its stake in **Solar Power Partners**. The Boston and San Francisco-based investment shop is reportedly working with **UBS** on a sale process. The size of EIF's stake could not be immediately learned. An EIF spokesman declined to comment, while **Bob Powell**, ceo of SPP, did not return a call and bank officials could not be reached.

EIF made an investment in SPP in 2008 through its U.S. Power Fund III (PFR, 10/3/08) and the sponsor used an undisclosed amount of equity to develop about two dozen projects totaling 10 MW. At its outset, SPP concentrated on distributed generation, but has shifted its scope to utility-scale projects (PFR, 3/24/10). SPP has partnered with **JCM Capital**, a Toronto-based financial advisory shop, to launch the JCM Ontario Solar Fund I about six months ago with plans to develop and own 200 MW of solar projects in Ontario. The duo plans to start construction on 20 MW this year.

(continued on page 8)

N.J. NEWCOMER READIES SOLAR PUSH



Lou Sabec

National Energy Partners, a reincarnation of real estate developer **Capital Property Investors**, is entering solar development. The leadership of CPI saw growth opportunity in solar and began transitioning its focus from developing business parks over the last few years, says **Lou Sabec**, managing partner of NEP in Mount Laurel, N.J.

NEP is in talks to acquire two utility scale solar projects in New Jersey. Discussions have on been going for the last three to six months and the process is near the end of due diligence. The company intends to have 20 MW online by year-end and have a total of 100 MW online in 2012, including the prospective acquisitions. It is in discussions for several power purchase agreements. Sabec declined to identify the sellers or elaborate on project details.

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Check www.iipower.com during the week for breaking news and updates.



At Press Time

Mid-July For CCGT Bids

Indicative bids for a pair of Calpine natural gas-fired plants totaling 1.2 GW are due in mid-July. A variety of entities are preparing bids, ranging from financial players to strategic investors, including a few that have mostly just bought minority stakes until now, industry officials say. **Barclays Capital** is running the sale.

Calpine is selling the 375 MW combined-cycle Mankato plant in Mankato, Minn., and the 847 MW Broad River combined-cycle plant in Gaffney, S.C. Broad River is fully contracted to sell power to **Carolina Power & Light**, a subsidiary of **Progress Energy**, while Mankato is contracted to sell power to **Northern States Power** until 2026 (PFR, 5/3).

A Barclays spokesman declined to comment while a Calpine spokeswoman didn't respond to an inquiry.

First Solar Snags \$4.5B In Conditional Guarantees

The U.S. Department of Energy has offered First Solar nearly \$4.5 billion in conditional loan guarantees supporting three alternating current thin-film photovoltaic projects in California. Two of the projects fall under the agency's Financial Institution Partnership Program.

The DOE is offering \$1.93 billion in conditional loan guarantees supporting the 550 MW Topaz Solar project in San Luis Obispo County, Calif. **Royal Bank of Scotland** is the lender-applicant under the FIPP. The financing will include a mix of sources, including institutional investors. RBS may decide to model the deal after a \$1.2 billion financing backing **Caithness Energy** and **GE Energy Financial Services'** 845 MW Shepherds Flat wind project in eastern Oregon, says a banker. That deal featured portions that were guaranteed by the DOE and portions that were not backed by the government (PFR, 4/21).

Nearly \$1.9 billion in loan guarantees would back the roughly \$3 billion, 550 MW Desert Sunlight photovoltaic project in Desert Center, Calif. **Goldman Sachs** is the lender-applicant under the FIPP program; **Citibank** is the co-lead arranger.

Finally, a \$680 million DOE guarantee would support the 230 MW Antelope Valley Solar Ranch 1 project, roughly 80 miles north of Los Angeles. Whether the **Federal Financing Bank** is funding Antelope Valley couldn't be learned.

Details such as the size, structures, pricing and tenors of the Topaz and Desert Sunlight financings couldn't be learned. A First Solar spokesman in Tempe, Ariz., and an FFB official in Washington, D.C., didn't return calls. A DOE spokeswoman in Washington, D.C., declined to comment. Bank officials and spokespeople declined to comment or didn't return calls.

Pacific Gas & Electric and **Southern California Edison** have 25-year offtake agreements for 300 MW and 250 MW, respectively, of Desert Sunlight's generation. PG&E will also buy generation from Topaz and Antelope Valley.

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**Institutional
Investor NEWS**
INTELLIGENCE FIRST

Project Finance

Cheniere Scouts Equity For Export LNG

Cheniere Energy has begun speaking to potential equity investors for the first \$3.2 billion phase of its roughly \$6.4 billion export liquefied natural gas facility in Sabine Pass, La. The firm hopes to land equity from third-party investors by year-end, says **Meg Gentle**, cfo in Houston.

The Houston-based sponsor is looking to fund the project with a 70:30 debt-to-equity ratio and would deploy some of its \$170 million cash-on-hand (PFR, 6/10). Cheniere is hunting roughly \$2.24 billion in debt

backing the export LNG project. Financial close is also targeted for year-end. **Société Générale** is the financial advisor to the project.

Gentle declined to identify investors and the size of commitments sought. A bank official in New York also declined to comment.

Cheniere has inked eight non-binding memoranda of understanding with companies to purchase the liquid gas produced at the facility, including **Gas Natural Fenosa**, **Sumitomo Corp.** and a subsidiary of Chinese company **Enn Energy Trading Co.** Cheniere is also working with **Morgan Stanley** to trade the gas.



Cheniere Energy

Calpine, GE EFS Close \$844.5M Gas Financing

Calpine Corp. and **GE Energy Financial Services** have wrapped an \$844.5 million non-recourse financing backing their 619 MW Russell City combined-cycle plant. **MUFG Power & Utilities Group**, **ING Capital**, **Lloyds Bank Corporate Markets**, **BMO Capital Markets** and **CoBank** arranged the deal. It closed last Monday.

A construction loan will convert to a 10-year term loan when commercial operations begin, likely in mid-2013. The financing has an initial pricing of LIBOR plus 2.25% (PFR, 5/18).

The pricing step-ups and ticket sizes couldn't be learned. Whether other banks are participating in the financing also couldn't be learned. A Calpine spokeswoman in Houston declined to make **Todd Thornton**, treasurer, available for comment. Bank officials and spokespeople declined to comment or didn't return calls.

A Calpine affiliate has a 75% stake in Russell City, with GE

EFS holding the balance. GE EFS has stakes in the two largest U.S. thermal deals closed this year: the Calpine financing and a roughly \$800 million financing supporting **Competitive Power Ventures'** 800 MW Sentinel simple-cycle project in Riverside County, Calif. (PFR, 5/31). GE EFS is looking to upsize its portfolio of early-stage gas-fired, renewables and midstream projects (PFR, 6/24).

Construction of Russell City, in Hayward, Calif., is underway. **Pacific Gas & Electric** has a 10-year offtake agreement for the project.

Sharyland CREZ Deal Wraps

Royal Bank of Canada, **Royal Bank of Scotland** and **Société Générale** have wrapped a \$400-500 million financing supporting **Sharyland Utilities'** greenfield transmission lines in West Texas. The deal closed June 20.

Bankers working on the deal included **Michael Gaudet**, RBC associate in Montreal, **Jonathan Kim**, RBS director in Stamford, Conn., and **Alejandro Valencia**, SocGen director in

New York. Whether other banks participated in the financing couldn't be learned. Deal terms, including pricing and tenor, also couldn't be immediately ascertained. An official for Dallas-based **Electric Infrastructure Alliance of America**, a real estate investment trust that organized the financing, and a Sharyland spokeswoman in Dallas didn't return calls by press time. Bank officials declined to comment or didn't return calls.

Sharyland's is developing 250-300 miles of transmission across five lines within the Competitive Renewable Energy Zones in West Texas (PFR, 3/29). The lines will use 345 kV conductor wires.

fast fact

► The five transmission lines comprise 250-300 miles within the Competitive Renewable Energy Zones in West Texas

fast fact
► Initial pricing of LIBOR plus 2.25%

DOE Offers Brookfield Conditional \$136M Guarantee

The U.S. Department of Energy has offered **Brookfield Renewable Power** a conditional \$135.76 million loan guarantee backing the 99 MW Granite Reliable wind project in Coos County, N.H. The project will be financed via a private placement.

Leads **WestLB** and **Citigroup** have priced the part of the financing to be guaranteed by the DOE at roughly 105 basis points over Treasuries, while the non-guaranteed portion would be priced at least 300 bps over Treasuries. The tenor is construction plus 19 years. **WestLB** is the lender-applicant for the guarantee, under the DOE's Financial Institution Partnership Program (PFR, 3/18).

The size of the private placement couldn't be learned. A

Brookfield spokesman didn't immediately reply to a request for an interview with **Donald Tremblay**, cfo in Gastineau, Quebec. A DOE spokeswoman in Washington, D.C., declined to comment. Bank officials declined to comment or didn't return calls.

Central Vermont Public Service will buy half of the

generation from **Granite Reliable**, while **Green Mountain Power** is offtaking 32%, both under 20-year power purchase agreements.

Brookfield bought **Granite Reliable** from **Noble Environmental Power** (PFR, 12/7).

Mergers & Acquisitions

PSEG Reels ECP For Odessa Sale

Energy Capital Partners has agreed to purchase the 1 GW Odessa combined cycle plant in Odessa, Texas, from **PSEG Power** for \$335 million after the original buyer had to back out of the sale. The acquisition is slated to be complete in the third quarter, pending regulatory approval.



The agreement with ECP comes after PSEG backtracked to prospective buyers because **High Plains Diversified Energy Corp.** had to back out of the purchase when a judge ruled that the cooperative

didn't have the authority to issue bonds to finance a \$335 million acquisition (PFR, 6/6). ECP—as would have High Plains—has agreed to pay \$335 per kW for the merchant facility.

High Plains planned to issue \$325 million in bonds to support the acquisition of Odessa along with the 550 MW Quail Run CCGT facility from **Constellation Energy** (PFR, 1/7).

Goldman Sachs advised PSEG on both purchase and sale agreements.

Details on how the transaction will be financed or whether ECP used an advisor could not be learned. Spokespeople at Goldman, Energy Capital Partners, and PSEG Power either declined to comment or could not be reached.

fast fact

► ECP is paying \$335 per kW for the merchant facility.

Trina Solar Looks To Build Project Pipeline

Trina Solar, a Changzhou, China-based photovoltaic panel manufacturer, is building a development project pipeline in the U.S. as a way to get its panels onto the ground.

Project development is on its mind and the company is actively looking for ways to grow its pipeline, says the observer. Trina has no plans to own and operate the projects long-term and will flip them to strategic or financial players once they are nearing the start or end of construction, says the observer. The size of the pipeline in terms of projects or MW could not be learned.

The company, which has an office in San Jose, Calif., is working with prospective clients as well as scouting for project opportunities in New Jersey. Trina is interested in other areas of

the country, particularly where there are solar renewable energy credits and attractive government programs.

The company is also open to buying projects or developers, says an observer. Greenfield has an advantage over M&A, says a spokesman, as it reduces the possibility of development conflict with prospective clients. The spokesman confirmed that Trina is looking at development.

Trina is supplying the panels for **Fotowatio Renewable Venture's** 35 MW AE Solar project near Austin, Texas. Trina has reportedly looked at buying Fotowatio's U.S. development team, which is being sold by **Credit Suisse** (PFR, 4/1). Whether it has submitted a bid could not be learned.

A Credit Suisse spokesman could not immediately comment.

Co-Op, Duke Sub Purchase NatGas Stake

Duke Energy Ohio, which includes **Duke Energy's** unregulated generation, has agreed to sell its majority ownership in a 640 MW simple-cycle facility in Cayuga, Ind., to the **Wabash Valley Power Association** and a regulated subsidiary of **Duke Energy**.

Duke Energy Indiana and Wabash Valley are buying the 75% stake, or 480 MW, in the Vermillion plant for \$81.6 million, or \$170 per kW, according to a document filed last week with the U.S. **Federal Energy Regulatory Commission**. The sale is expected to be complete by early January, pending regulatory approval.

Wabash is a cooperative in Indianapolis with 30 members and currently owns a quarter of the facility. After the acquisition, it will own 37.5%. Duke Energy Indiana will own 62.5%. Two tolling agreements will be terminated by the transaction.

The co-op originally agreed to buy out the entire stake but brought Duke Energy Indiana in as a partner and negotiated the purchase of the facility after it determined that it did not need the entire 480 MW. Wabash did not disclose the name of the co-buyer to Duke Energy Ohio during the negotiations, according to the filing.

Duke had looked to sell Vermillion along with other merchant facilities as power prices sagged and the company shifts its focus to renewables, according to the filing. Other parties had shown interest in Vermillion but WVPA did not want to divest its stake.

Spokespeople for the companies did not immediately respond

to inquiries. Whether the parties to the transaction used advisors could not be learned.

Enel Dances With Prospective TradeWind Buyer

Enel North America is talking to a potential buyer for its stake in **TradeWind Energy**, which has been on the market for over a year. The discussions, reportedly with a North American strategic looking to grow its toehold in the U.S. wind market, are early stage, according to deal watchers. **Morgan Stanley** is running the sale process, which is likely to be for the whole company, not just Enel's 40% stake.

The sale process was rekindled earlier this year after the initial auction stalled due to a lack of power purchase agreements (PFR, 4/30/10 & 1/28). In the interim, TradeWind lined up PPAs totaling 336 MW: **Tennessee Valley Authority** has a 20-year offtake agreement with the 201 MW Caney River project in Elk County, Kan., and **Western Farmers Electric Co-Op** has a 25-year PPA with the 125 MW Rocky Ridge project in Kowa and Washita Counties in Oklahoma. Both projects are expected to be online in early 2012.

TradeWind has about 1.2 GW of near-term projects in the Midwest, including Caney River and Rocky Ridge. The total

development pipeline is nearing 8 GW according to the company's Web site.

Rob Freeman, ceo at TradeWind in Lenexa, Kan., and an Enel spokesman did not respond to inquiries while a Morgan Stanley spokesman couldn't immediately comment.

People & Firms

Licata Bolts BoTM For JPM

Anthony Licata, senior v.p. at **Bank of Tokyo-Mitsubishi UFJ**, is joining **JPMorgan's** North American project finance team. JPM is returning to project finance after nearly a decade away, under an expanded global commodities umbrella (PFR, 4/29).

Licata will work under **Catherine Flax**, global head of commodity finance, who oversees project finance globally. He is a former **Citigroup** banker who helped lead a \$1.2 billion debt package supporting **Caithness Energy** and **GE Energy Financial Services'** 845 MW Shepherds Flat wind project in eastern Oregon (PFR, 4/21).

Licata's start date at JPM and whether BoTM plans to replace Licata couldn't be learned. A JPM spokeswoman confirmed Licata's hire, but didn't immediately address other questions. Efforts to reach Licata were unsuccessful. A BoTM official didn't return a call seeking comment.

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 Senior Reporter **Brian Eckhouse** at (212) 224-3624 or e-mail beckhouse@iineews.com.*

Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Abengoa Solar	Mojave (250 MW Solar Thermal)	San Bernardino County, Calif.	FFB	TBA	\$1.2B	TBA	DOE offers conditional FFB loan (PFR, 6/20).
Brookfield Renewable Power	Granite Reliable (99 MW Wind)	Coos County, N.H.	WestLB, Citi	TBA	TBA	TBA	DOE offers conditional loan guarantee (see story, page xxx).
Calpine Corp.	Russell City (600 MW Combined-Cycle)	Hayward, Calif.	ING, Union Bank	TBA	\$844.5M	10-yr	Deal closes (see story, page 3).
Enova Energy Group	Plainfield (37.5 MW Biomass)	Plainfield, Conn.	TBA	TBA	TBA	TBA	Sponsor scouts financing (PFR, 6/20).
EverPower	Allegheny (72.5 MW Wind) Twin Ridges (150 MW Wind)	Cattaraugus County, N.Y. Somerset County, Pa.	TBA TBA	TBA TBA	TBA TBA	TBA TBA	EverPower hunts 20% debt for merchant farm (PFR, 6/27). EverPower hunts 20% debt for merchant farm (PFR, 6/27).
First Solar	Desert Sunlight (550 MW Solar PV)	Desert Center, Calif.	Goldman Sachs	TBA	TBA	TBA	Goldman Sachs as lender-applicant for DOE loan guarantee (see story, page 2).
NextEra Energy Resources	Genesis (250 MW Solar Thermal)	Blythe, Calif.	Credit Suisse	TBA	\$1B+	TBA	DOE offers conditional loan guarantee (PFR, 6/20).
Recurrent Energy	Unidentified (60 MW Solar PV)	Calif.	TBA	TBA	TBA	TBA	Recurrent hunts financing supporting at least 60 MW of solar PV (PFR, 6/20).
Sempra Generation	Mesquite I (150 MW Solar PV)	Maricopa County, Ariz.	FFB	TBA	\$359.1M	TBA	DOE offers conditional loan guarantee, to be funded by FFB (PFR, 6/27).
Sharyland Utilities	CREZ (300 Miles Transmission)	West Texas	RBC, RBS, SocGen	TBA	TBA	TBA	Deal wraps (see story, page 3).
Starwood Energy	Unidentified (10 MW Solar)	Sault Ste. Marie, Ontario	NordLB	TBA	\$40M	TBA	Starwood wraps financing (PFR, 6/27).

For a full listing of the Project Finance Deal Book, visit iipower.com

Corporate Strategies

NiSource Nets Savings With \$500M CP

NiSource will use its \$500 million commercial paper program instead of its \$1.5 billion revolver to fund capital expenditure program more cheaply. "They viewed the CP as a cheaper source of financing... There's a slight cost-savings there," says **William Herera**, director in **Standard & Poor's** utilities and infrastructure group in New York.

The Merrillville, Ind.-based company launched the program earlier this month via placement agents **Citibank**, **Barclays Capital**, **Credit Suisse** and **Wells Fargo**. The four-



David Vajda

year revolver has a current margin of 170 basis points over LIBOR. Pricing on the CP could not be learned. **David Vajda**, v.p. and treasurer, worked on the deal. He did not return a call.

NiSource is the parent company of electric utility **Northern Indiana Public Service Co.**, and gas utilities **Bay State Gas Co.** and **Columbia Energy Group**. Of the roughly \$1.1 billion capex, \$660 million will go toward gas transmission and storage and toward its electric utility, and \$491 million will go toward gas distribution.

Generation Auction & Sale Calendar

Generation Sale DATABASE

*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 **Holly Fletcher** at (212) 224-3293 or e-mail hlfletcher@iinews.com.*

Seller	Assets	Location	Advisor	Status/Comments
Brookfield Infrastructure Partners	Cross Sound Cable (24-mile Transmission)	N.Y., Conn.	Rothschild	Potential buyers are receiving CIMs right now (PFR, 5/2).
Calpine	Mankato (375 MW CCGT) Broad River (847 MW Simple cycle)	Mankato, Minn Gaffney, S.C.	Barclays Capital	Teasers are out (PFR, 6/13).
CH Energy Group	Shirley (20 MW Wind)	Glenmore, Wis.	N/A	Purchase marks Duke's foray into northern Midwest (PFR, 6/6)
City Water & Light	Stake (550 MW Nelson coal-fired steam)	Westlake, La.	TBA	A unit of Entergy is buying the portion it has a PPA with (PFR, 5/23).
Compass Wind	Spion Kop (40 MW Wind)	Judith Basin County, Mont.	TBA	NorthWestern Energy is planning to put the project into its ratebase (PFR, 6/13).
Constellation Energy	Quail Run (550 MW CCGT)	Odessa, Texas		A sale to High Plains Diversified Energy Corp. was nixed (PFR, 6/13).
Duke Energy Ohio	Vermillion (640 MW Simple Cycle)	Cayuga, Ind.	TBA	Wabash Valley Power Association and Duke Energy Indiana are buying out DEO's 75% stake (see story, page 4).
Entegra Power Group	Gila River (340 MW unit in 2.2 GW CCGT)	Phoenix, Ariz.	Barclays Capital	Wayzata emerges from go-shop as buyer (PFR, 6/13).
First Wind	Various (Wind)	Maine, New York	Credit Suisse Macquarie Capital	Emera and Algonquin are teaming up on a joint venture (PFR, 5/9).
Gamesa Energy USA	Chestnut Flats (38 MW Wind)	Cambria County, Pa.	None	Has lined up a buyer that will bring a PPA for the merchant project (PFR, 5/2).
GDF Suez Energy North America	Hot Spring (746 MW CCGT) Choctaw (746 MW CCGT)	Malvern, Ark. Ackerman, Miss.	UBS	UBS is releasing CIMs to interested parties (PFR, 5/15).
Greengate Power Corp.	Halkirk (150 MW Wind)	Alberta, Canada	No advisor	Capital Power has bought it for \$33 million (PFR, 6.27).
LS Power	Cross Texas Transmission (234-mile project) Great Basin Transmission (230-mile project)	Texas Nevada	Citigroup Citigroup	John Hancock Life Insurance has taken a minority ownership position (PFR, 6/27).
Navasota Energy Partners	L'Energia (80 MW CCGT)	Lowell, Mass.	TBA	EDF Trading North America has agreed to buy the plant (PFR, 5/30).
NextEra Energy Resources	Blythe (507 MW Combined-cycle) Calhoun (668 MW Peaker) Doswell (708 MW CCGT & 171 MW Peaker) Cherokee, (98 MW CCGT) Risec (550 MW CCGT)	Blythe, Calif. Eastaboga, Ala. Ashland, Va. Gaffney, S.C. Johnston, R.I.	Credit Suisse, Citigroup	Teasers went out this week (PFR, 5/9).
NRG Solar	Various (stake in 881 MW solar pipeline)	Various	Credit Suisse	NRG is looking for a minority owner for its solar subsidiary (PFR, 5/9).
PSEG Power	Odessa (1 GW CCGT)	Odessa, Texas	Goldman Sachs	Energy Capital Partners has agreed to purchase it for \$335 million (see story, page 4).
PNM Resources	Stake in Optim Energy Altura (600 MW Cogen) Twin Oaks (305 MW lignite-fired) Cedar Bayou 4 (275 MW natural gas-fired)	Texas Channelview, Texas Bremond, Texas Chambers County, Texas	Morgan Stanley	Teasers are out as Cascade Investments considers exiting (PFR, 5/23).
Raser Technologies	Thermo 1 (14 MW Geothermal) Lightning Dock (15 MW Geothermal development)	Thermo, Utah Hidalgo County, N.M.	Bodington & Co.	A pair of investors have come forward as stalking horse bidders in a Ch. 11 bankruptcy (PFR, 5/23).

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

- **Dominion Virginia Power** is seeking approval from the Virginia **State Corporation Commission** to convert the Altavista, Hopewell and Southampton County coal-fired stations, to biomass. The conversion will boost Dominion's renewable capacity by roughly 150 MW (*Energy Business Review*, 6/29).
- **Alta Windpower Development** has pulled its planned 200 MW Pahnamid wind farm in Kern County, Calif., after the project drew the ire of many residents. The project was nixed in the midst of a \$138,000 environmental impact study (*Energy Central*, 6/28).
- **GDF Suez** is reportedly working on an \$18.8 billion, 15 GW deal to unite its Latin American assets with those of **Duke Energy** that would give GDF a 60-70% stake of the joint company. Duke would own the remainder (*Bloomberg*, 6/28).
- The U.S. **Department of Energy** has awarded \$11.3 million to eight geothermal projects in California, Connecticut, Louisiana, Texas and Utah, with an aim of bringing development costs closer to that of other generation resources (*Environmental Protection*, 6/27).

- The **Central Vermont Public Service** board will start merger talks with **Gaz Métro**, the parent of **Green Mountain Power**, this week as Gaz Métro looks to top a \$700 million offer from **Fortis** (*VT Digger*, 6/28).

- **Progress Energy** is planning to spend \$900 million-1.3 billion to repair a concrete structure in its Crystal River nuclear plant that was damaged in 2009. The plant could be operational in 2014 (*Dow Jones Newswires*, 6/27).



Andrew Good

- **Constellation Energy Group** has purchased a stake in **Astrum Solar**, the largest residential solar installer on the East Coast. **Andrew Good**, senior v.p. of corporate strategy at Constellation, says the Astrum stake will allow Constellation to expand its residential solar plans quicker than cultivating an in-house team (*Bloomberg*, 6/27).

- **Dynegy** has hired **Kevin Howell** as chief operating officer and **Clint Freeland** as cfo. Both will start July 5 (*Dow Jones Newswires*, 6/23).

N.J. NEWCOMER

(continued from page 1)

George Diemer, who owned CPI and is now the owner of NEP, hired Sabec in 2008 along with Managing Partner **Jeremy Conner** to lead the solar effort. Prior to NEP, Sabec was a partner at Denver-based mortgage and loan broker **L&M Lending**, where he focused on project financing for technologies backing ethanol, wind and hydrokinetics.

Development costs are funded on balance sheet, but the acquisitions would be financed. The company is using connections from its previous life as a real estate developer to loop in financiers. It's working with insurance companies, pension funds and foreign banks, in particular a Korean bank. NEP is also in talks with several foreign panel manufacturers who see the company as a way to enter the U.S. solar space, he says. The manufacturers are offering to provide panels and construction financing for the projects. He declined to identify potential investors or manufacturers in the running.

Distributed generation for corporate, universities, hospitals and schools and non-profits will be the company's primary focus, but it will seize opportunities to develop utility scale projects in

states where there is cost recovery of transmission upgrades. In New Jersey, the grid upgrades come out of pocket and developers don't get money back, Sabec says. The company is developing projects in Delaware and Maryland and is in talks for projects in Hawaii and Massachusetts.

NEP prefers to maintain ownership of the installations, Sabec says, noting that the company will be flexible in how ownership is structured. If an offtaker or a financial partner wants to enter a joint venture and take a stake, NEP won't turn them down. "In the end, the ownership model just needs to make financial sense," he says.

The shop has eight distributed generation projects with power purchase agreements. It most recently garnered an inside-the-fence contract with offtaker **Siegfried (USA)**, for an 8 MW facility on the company's campus in Pennsville, N.J. Siegfried is a branch of a **Siegfried Group**, a Swiss pharmaceutical company.

It is still developing the fully permitted 1-99 Corridor Business Park in Mansfield, Penn., which sits on an 80-acre parcel over the Marcellus Shale. NEP also owns the mineral and gas rights to that plot.

—Holly Fletcher

EIF EYES SALE

(continued from page 1)

Other investors in the solar shop include **United Commercial Bank**, **Globespan Capital Partners**, **Silicon Valley Technology Group** and **Carrelton Asset Management**. The Mill Valley, Calif.-based developer has about four dozen roof-top solar projects in operation in California, Hawaii and Connecticut. The size of its utility-scale development portfolio or whether any of the other investors are looking to sell could not be learned.

SPP pocketed a \$115 million financing—expandable up to \$215 million—to support projects under 5 MW last spring (PFR, 4/30/10). **U.S. Bank** and **WestLB** provided the funding.

—Holly Fletcher

CHINA EX-IM

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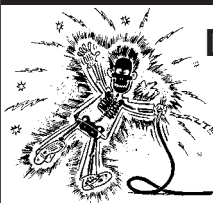
Bank would be looking at the U.S.,” says an originator for a European lender.

The U.S. is also experiencing an influx of Chinese developers and manufacturers including **Trina Solar** (see story, page 4), **Suntech Power**, **LDK Power**, **GCL Solar**, **Goldwind**, **Shenyang Power Group**, **A-Power Energy Generation Systems** and **ENN Solar**. ENN is in discussions with Ex-Im Bank of China about helping finance its projects in the U.S., says **Yunquan Sun**, president of **ENN Group North America** in East Windsor, Conn. He declined to specify potential deal terms. The location and generation capacity of the projects couldn't be learned. ENN previously worked with the **Industrial and Commercial Bank of China** to finance U.S. projects (PFR, 6/22). Officials at the Ex-Im Bank of China in Beijing and company officials either did not return calls or could not be reached.

Moving into the U.S., however, likely wouldn't be seamless for the Ex-Im Bank of China, say observers, pointing to the potential for the bank to offer cheap financing that could give Chinese companies a competitive advantage over developers and manufacturers from the U.S. and Europe. “If they come into the U.S., I can't imagine [their efforts] don't go up the political food chain there,” says a Paris-based official at the **Organization for Economic Cooperation and Development**, the international agency that operates a gentleman's agreement among participating export-import credit agencies to ensure fair market pricing globally.

Ex-Im Bank of China has refused to join the OECD and to demonstrate transparency on deals, the official says. To help win a contract to sell train locomotives to Pakistan in December, the Ex-Im Bank of China offered Pakistan rates that did not comply with OECD standards. The **Export-Import Bank of the United States** ultimately dropped its rates to allow **General Electric**—Pakistan's favored bidder on product, not cost—to win the contract, as is permitted when an export-import credit agency

Alternating Current



DTE To Name Bald Eagle Chicks

DTE Energy is set to name a quartet of bald eagle chicks today after taking a poll for the names on its **Facebook** page on June 24.

More than 500 voters logged on to the page to vote on the five sets of options, which included Amp, Volt, Watt, Ohm, Liberty Justice, Freedom, Courage, and Kilo, Mega, Giga and Tera. Spirit, Freedom, Honor and Grace comprise the leading set of options as of this morning.

A pair of the chicks lives in a cottonwood tree close to the Fermi II nuclear plant's towers near Monroe, Mich., where their parents have nested for the past 15 years.



The other pair resides on the grounds of the coal-fired Monroe plant in Plum Creek, Mich. The chicks hatched this spring, says a spokesman for DTE.

outside the OECD attempts to disrupt the global market.

If an international export credit agency offers rates for a U.S.-based project or initiative that the U.S. Ex-Im Bank believes places a domestic manufacturer at a competitive disadvantage, it can match those terms, pending a finding by the U.S.

Department of Treasury, notes a bank official in Washington.

The Ex-Im Bank of China extended \$45 billion of medium- and long-term export loans globally last year, more than any other export finance agency, estimates the **U.S. Ex-Im Bank** in a recent report. Germany is runner-up, with \$22.5 billion in loans.

—Brian Eckhouse

Quote Of The Week

“In the end, the ownership model just needs to make financial sense.” —**Lou Sabec**, managing partner of **National Energy Partners** in Mount Laurel, N.J., on potentially selling equity stakes in its planned solar project pipeline (see story, page 1).

One Year Ago In Power Finance & Risk

Leads **WestLB** and **Crédit Agricole** sent out teasers peddling \$50-75 million tickets in a \$370 million financing backing **ArcLight Capital Partners'** and **Hess Corp.**'s simple-cycle plant in Bayonne, N.J. [**Intesa Sanpaolo** and **LBBW** were among the banks participating in a \$422 million financing backing the plant that closed last fall (PFR, 9/30).]