

# Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

## ● MERGERS & ACQUISITIONS

## ● PROJECT FINANCE

## ● PEOPLE & FIRMS

### PSCo acquires gas-fired project

**Public Service Company of Colorado**

has bought and resuscitated a previously shuttered gas-fired project. [Page 6](#)

### Solar ABS appeals to investors post-Covid

**Mosaic's** foray into the recently opened solar ABS market was well received by investors. [Page 8](#)

### Pine Gate, Silver Creek launch solar JV

**Pine Gate Renewables** and **Silver Creek Energy** have teamed up to finance and build US solar projects. [Page 12](#)

## Summer of solar sales heats up with latest auction launches

The pace at which solar assets are being put on the market shows no sign of slowing down, as auctions for substantial portfolios of development-stage and operational assets continued to be launched in June.

These are no cookie-cutter transactions, thanks in part to the multiplicity of revenue streams made available in the various states and in part to the ingenuity of the originators who go out in search of power purchase agreements and hedges.

**SunEast's** development pipeline in Upstate New York, for instance, is largely a play on **New York State Energy Research and**

**Development Authority** renewable energy credit agreements, whereas **Constellation's** sale of its solar business could be more of a bet on the scope for growth in the commercial, industrial, and municipal solar market.

Those auctions will serve as an additional distraction to investors already considering **Heelstone Renewable Energy's** portfolio of assets in Maryland and Georgia, **Cypress Creek Renewables'** portfolio of contracted projects in North Carolina, and several other packages previously put on the block.

[SEE PAGE 5 FOR IN-DEPTH COVERAGE OF THE LATEST SOLAR AUCTIONS »](#)

### Latest round of solar M&A auctions

Seller	Codename/Project name	Adviser	Capacity	State(s)
<b>SunEast Renewables</b>	Project Sabre	Nomura Greentech	275 MW	New York
<b>Constellation</b>	Sunbeam	BofA Securities	365 MW	Various
<b>Heelstone Renewable Energy</b>	Project Solstice	Scotia	428 MW	Maryland, Georgia
<b>Cypress Creek Renewables</b>	Various	None	44.6 MW (DC)	North Carolina
<b>Invenergy</b>	Titan solar	Marathon Capital	800 MW	Texas
<b>Apex Clean Energy</b>	Angelo solar	Fifth Third Securities	195 MW	Texas
<b>Hanwha Q Cells</b>	Dodgers	Paragon Energy	250 MW	Texas
<b>Copenhagen Infrastructure Partners</b>	Greasewood solar	CohnReznick Capital	255 MW	Texas

Source: Power Finance & Risk

## Tax equity scopes out carbon capture tax credits

Taryana Odayar

The carbon capture and storage (CCS) industry has received detailed guidance on its section 45Q tax credits from the US **Treasury Department** and **Internal Revenue Service**, after a two-year wait. But with more clarity than ever on how the credits will work, traditional tax equity investors

remain coy about whether they plan to leap into this potentially lucrative sector.

Section 45Q has been in the US tax code since 2008, but it was not until the **FUTURE** (Furthering carbon capture, Utilization, Technology, Underground storage and Reduced Emissions) Act was passed in 2018 that it became a potentially game- [PAGE 9 »](#)

## Southwest to finance Mankato acquisition with project bond

Taryana Odayar

**Southwest Generation** has circled financing in the private placement market for its acquisition of the 760 MW Mankato Energy Center combined-cycle gas-fired project in Minnesota.

Southwest agreed to buy the plant from **Xcel Energy** for \$680 million in April, just months after Xcel had bought it from **Southern Power** for \$650 million (**PFR**, 4/6).

The US **Federal**

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## Ibèreólica, EDF close financing for Chile wind

Carmen Arroyo

**Grupo Ibèreólica** and **EDF Energies Nouvelles** have reached financial close on a deal to fund the expansion of a jointly-owned wind asset in Chile.

**DNB** led the structuring of the debt package, which closed on June 25.

The deal comprises a \$210 million 18-year term loan and a \$19 million letter of credit with the same tenor, says a [PAGE 11 »](#)



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## ● THE BUZZ

# Political risk and cyber security

Last week, we published a case study on the uncertain fate of **Engie** and **Tokyo Gas's** Golden Eagle renewable energy portfolio in Mexico in the context of President **Andrés Manuel López Obrador's** controversial energy policy (PFR, 6/25). But political risk is not confined to Latin America, and project finance bankers may do well to consider the risks in the US, too.

In January, political risk advisory firm **Eurasia Group** placed US domestic politics as its top risk for 2020. "We've never listed US domestic politics as the top risk, mainly because US institutions are among the world's strongest and resilient," wrote **Ian Bremmer** and **Cliff Kupchan**, the consultancy's president and chairman, respectively. "This year, those institutions will be tested in unprecedented ways."

They were thinking primarily about the election in November and the possibility that the outcome could be contested or declared illegitimate, whichever party wins.

For the power and renewable energy industry, the more immediate risk is that posed by President **Donald Trump's** May executive order banning the use of equipment from countries designated as "foreign adversaries"

in the US bulk power system (PFR, 5/1).

The wording of the order gives the government wide leeway in how to enforce the new rules, if and when it ever does.

Some market participants have taken the order more seriously than others, according to **Norton Rose Fulbright** partner **Keith Martin**, who notes in a recent article that some tax equity investors, but not all, are requiring sponsors to set aside funds to cover the potential cost of replacing "foreign adversary equipment."

Meanwhile, some construction lenders are asking sponsors to perform cyber-security audits, the results of which they can show to any government agency that takes an interest in the project down the line.

"You can break it down into technical risk and political risk," says a project finance banker. "Political risk is not something you can control, but on the technical side, you can structure something so that whenever that executive order is put to use, you can confidently say that we have a compliant project that should not concern you in terms of hacking."

However, the banker noted that not all of his peers seemed to be quite as concerned. "People are not thinking about how critical this issue really is." ■

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1120 Avenue of the Americas, 6th Floor, New York, NY 10036  
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Institutional Investor, LLC ISSN# 1529-6652  
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## GENERATION AUCTION &amp; SALE CALENDAR ●

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

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

## Generation Sale ■ DATABASE

Seller	Assets	Location	Adviser	Status/Comment
● AES Corp	Itabo (Coal, Gas)	Dominican Republic		Grupo Linda has agreed to acquire the 50% stake in the project (see story, page 10).
Apex Clean Energy	Angelo (195 MW Solar)	Texas	Fifth Third	Auction launched in June (PFR, 6/22).
	Rivanna (12.5 MW Solar)	Virginia		Investors contacted in March (PFR, 6/22).
BNDES	AES Tietê (25.89%)	Brazil	BR Partners	Sale process launched (PFR, 6/22).
BP	Whiting (525 MW Cogen, 80%)	Indiana		Bids were due June 15 (PFR, 6/22).
Castlelake	Summit Wind (57.5 MW Wind)	Alameda County, CA	FTI	Auction launched in May (PFR, 5/18).
Castleton Power	Portfolio (400 MW Gas)	Texas	Cantor Fitzgerald	An equity raise is in the works (PFR, 6/1).
● Constellation	C&I Solar platform	US	BofA Securities	Auction launched in June (see story, page 5)
● Community Energy	St Martin (100 MW Solar)	St Martin Parish, Louisiana		The sponsor put out marketing materials in June (see story, page 6).
Copenhagen Infrastructure Partners	Greasewood (255 MW Solar)	Pecos County, Texas	CohnReznick	Auction relaunched this month (PFR, 6/15).
Cypress Creek Renewables	Portfolio (35 MW Solar)	North Carolina		The sale was launched this month (PFR, 6/29).
Ecoplexus	Sage (150 MW Solar)	North Carolina	CCA Group	Second round bids due late July (PFR, 6/22).
GenOn	Heritage (2.4 GW Gas)	PJM Interconnection	Jefferies	Auction launched this month (PFR, 6/15).
Grasshopper Solar	Green Light (150 MW [DC] Solar)	Canada, US	Onpeak	Auction launched in May (PFR, 6/8).
HPS Investment Partners	Spruce Finance (Solar)	US	Onpeak	Auction launched in May (PFR, 6/1).
Invenergy	Titan 1 (800 MW Solar)	Texas	Marathon Capital	Bids due July/August (PFR, 6/22).
Johnson Development Associates	Pinson (20 MW Solar)	South Carolina	EOS Capital Advisors	Marketing materials distributed this month (PFR, 6/29).
Kyushu Electric Power, Sojitz Corp of America	Birdsboro (485 MW Gas)	Berks County, Pennsylvania		A Japanese trio bought the stakes (PFR, 6/29).
Petrobras	Portfolio (578 MW Oil)	Brazil	Goldman Sachs	Teasers issued by May (PFR, 5/18).
	Portfolio (172 MW Gas, Oil, Hydro)	Brazil	Crédit Agricole	Teasers issued this month (PFR, 6/15).
	NTS (Pipeline, 10%)	Brazil	Santander	Teasers issued in May (PFR, 5/26).
Petrobras, Wobben	Mangue Seco III & IV (52 MW Wind)	Brazil	Crédit Agricole, DNB Markets	Sale process in binding phase (PFR, 6/22).
PNE USE	Chilocco (167 MW Wind)	Kay County, Oklahoma	Marathon Capital	Auction launched in May (PFR, 6/8).
RWE Renewables	Portfolio (861 MW Wind)	US	Marathon Capital	Auction in second round (PFR, 6/8).
Shell New Energies	Silicon Ranch (Solar)	US	Morgan Stanley	Auction launched in May (PFR, 6/1).
● SunEast Renewables	Portfolio (275 MW Solar)	New York	Nomura Greentech	The developer has launched the sale (see story, page 5).
Solterra Partners, Leyline Renewable Capital	Wilkes (75 MW Solar)	Wilkes County, NC		Initial bids had come in by May (PFR, 5/11).
● Southwest Generation	Valmont (80 MW Gas)	Colorado		Public Service Company of Colorado completed the acquisition on June 23 (see story, page 6).
Sphera Energy	Portfolio (150 MW Chile)	Chile		An equity investor is sought (PFR, 6/1).
Starwood Energy	Stephens Ranch (376 MW Wind)	Texas	Marathon Capital	Auction launched in April (PFR, 5/18).
Swift Current	Castle Gap (196 MW Wind)	Texas	Lazard	Auction was launched in May (PFR, 6/8).
● Xcel Energy	Mankato Energy Center (760 MW Gas)	Minnesota		Southwest Generation is financing the acquisition through a private placement (see story, page 6).

### ● 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 Taryana Odayar at (212) 224 3258 or e-mail [taryana.odayar@powerfinancerisk.com](mailto:taryana.odayar@powerfinancerisk.com)

## PROJECT FINANCE

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

### Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Deal Type	Loan Amount	Tenor	Notes
Arroyo Energy	El Arrayán (115 MW Wind)	Chile	SMBC, Crédit Agricole	Debt	\$140M	7-yr	Closing delayed until August (PFR, 6/8).
Atlas Renewable Energy	Pimienta (400 MW (DC) Solar)	Campeche, Mexico	DNB, IDB Invest, Bancomext	Private Placement	\$200M		Closing is expected by early June (PFR, 5/18).
	Juazeiro (187 MW Solar)	Brazil	IDB Invest	Debt	\$90M		Negotiations are underway (PFR, 5/26).
Basalt Infrastructure Partners, DCO Energy	Detroit Thermal (Gas)	US	MUFG, SMBC	Term loan	\$75M	5-yr	The refinancing closed on May 12 (PFR, 6/29).
				Ancillary Facilities	\$10M		
Bright	Portfolio (8 MW Resi Solar)	Mexico	IDB Invest	Term loan	\$15M	13-yr	The deal was disclosed on June 29 (see story, page 11).
Capital Dynamics	Ventura (100 MW/400MWh Storage)	California		Debt			Korean investors are working on a deal (PFR, 6/1).
Capstone Infrastructure Corp	Grey Highlands (18.5 MW Wind)	McIntyre, Ontario	MUFG, BayernLB	Term loan	\$66.09M	4-yr	The sponsor closed the refinancing on June 17 (see story, page 6).
				Ancillary Facilities	\$2.75M		
Castleman Power Development	Portfolio (400 MW Gas)	Texas	ING Capital	Term loan	\$160M	7-yr	Price talk was said to be 325 bp before the Covid-19 outbreak (PFR, 4/13).
				Ancillary Facilities	\$20M		
Competitive Power Ventures	Three Rivers (1,250 MW Gas)	Grundy County, Illinois	MUFG, BNP Paribas	Construction debt	\$750M	7-yr	Deal relaunched on June 16 (PFR, 6/22).
				Ancillary Facilities	\$50M		
EnfraGen	Portfolio (200 MW Distributed Solar)	Chile					The financing is expected to close before the end of the summer (PFR, 4/13).
Fisterra Energy	Tierra Mojada (875 MW Gas)	Jalisco, Mexico		Bond refinancing			Morgan Stanley is understood to be pursuing the mandate (PFR, 5/4).
GenOn Energy	Portfolio (1,570 MW Gas)	California		Refinancing			The sponsor has approached the market (see story, page 7).
Grupo Ibereólica, EDF	Cabo Leones 1 (175 MW Wind)	Chile	DNB, Caixabank, ICO	Ancillary Facilities	\$19M	18-yr	The deal closed on June 25 (see story, page 1).
				Term loan	\$210M		
Grupo Ibereólica, GPG	Cabo Leones 2 (204 MW Wind)	Chile	Crédit Agricole	Construction Debt			Cred Ag has won the mandate (PFR, 5/26).
IEnova, Saavi Energia	Sierra Juárez II (108 MW Wind)	Baja California, Mexico	NADB	Term loan	\$170M	21.5-yr	The sponsors are nearing financial close (PFR, 6/29).
			SMBC, Mizuho	Term loan		18-yr	
Key Capture Energy	Portfolio (1.5 GW Storage)	US		Capital Raise			The sponsor is in talks with investment banks (PFR, 5/4).
OPDEnergy	Portfolio (150 MW Wind, Solar)	Chile	SMBC	Debt			Close expected in June (PFR, 6/8).
Recurrent Energy	Maplewood (250 MW Solar)	Pecos County, California	NordLB	Construction debt			The sponsor is preparing to close the deal (see story online).
	Pflugerville (144 MW Solar)	Travis County, Texas		Debt, Tax Equity			The deal is in the market (PFR, 6/1).
Solar Frontier	Pioneer (110 MW Solar)	Adams County, CO	CIT, CoBank	Tax equity	\$38.86M	7-yr	The identity of the tax equity investors has been revealed (see story, page 7).
				Construction debt	\$38.64M		
				Ancillary Facilities	\$2.11M		
Standard Solar	Portfolio (Distributed Generation)	US	Fifth Third Bank, IberiaBank	Tax equity	\$105M		The sponsor has closed the financing (see story online).
Stonepeak, MPLX, Whitewater	Whistler (Gas Pipeline)	Texas	MUFG, SMBC	Private placement	\$424M	11-yr	Global Infrastructure Partners has emerged as one of the investors (see story online).
					\$400M	10-yr	
Sunenergy1	Portfolio (100 MW Solar)	US	CIT, ING Capital	Construction Debt			Financing close is months away (PFR, 5/26).
Sunrun	Portfolio (Resi Solar)	US	SVB, Investec	Debt	\$270M	7-yr	Deal launched June 16 (PFR, 6/22).
Vivint Solar	Portfolio (185 MW Resi Solar)	US		Tax equity	\$300M		The sponsor has secured the financing (see story online).

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## NORTH AMERICA MERGERS &amp; ACQUISITIONS ●

## Constellation launches sale process for C&I solar platform

**Exelon Corp** subsidiary **Constellation** recently launched a sale process for its commercial and solar development platform, including its 365 MW portfolio of operational and under-construction assets.

**BofA Securities** is running the auction, which was initiated in June.

The assets that are for sale include 116 operational and under construction projects scattered across 14 states and the District of Columbia with power purchase

agreements with an average remaining life of about 18 years.

The business includes projects and personnel associated with **PFMG Solar**, the Californian developer that Constellation acquired from **Spear Point Energy** in 2018 (*PFR*, 10/10/18).

“It is a transformative deal,” says a senior M&A official at a rival developer, noting that the platform might be snapped up by strategics who want to enter the distributed generation space, financial investors eyeing the

potential returns, or alternative investment managers like **Brookfield Asset Management**.

“I think it’s great,” adds the official. “They have an existing platform in major growth markets like Arizona and Maryland and probably a disciplined underwriting process. If everything checks out, this is a great entry point for anyone looking to bring debt into DG. Only question is why are they selling now.”

The projects are contracted with a diverse range of offtakers, with schools accounting for the most megawatts, at 41% of the portfolio. Government entities make up a further 24%, utilities 18% and

private companies 17%.

In terms of geography, the assets are located in the following states, ordered by capacity.

- ◆ California – 24%
- ◆ Arizona – 23%
- ◆ Maryland – 19%
- ◆ New Jersey – 9%
- ◆ Georgia – 5%
- ◆ Other – 19%

BofA has circulated a marketing teaser under the codename Sunbeam without naming the business for sale or its parent companies. A spokesperson for Constellation in Baltimore confirmed that the business for sale was Constellation’s, while declining to comment further. ■

## SunEast hawks 13-project solar portfolio in NY

**SunEast Renewables** has launched the sale of 13 solar projects totaling 275 MW in New York state.

Financial adviser **Nomura Greentech** put the portfolio on the block in June.

The sale process is code-named Project Sabre, according to a confidential information memorandum seen by *PFR*. **Frank Nicklaus**, **Mike Kasper** and **Angus Chan** at Nomura Greentech are running point.

SunEast intends to sign a deal late in the third quarter or early in the fourth quarter

of this year with a single counterparty for the outright sale of the full portfolio.

**Leidos** is acting as independent engineer.

### NY SOLAR PORTFOLIO

The projects are scattered across NYISO Zones A, C, E and F and have 20-year fixed-price unit-contingent **New York State Energy Research and Development Authority** REC agreements ranging in price from \$11.90/MWh to \$18.75/MWh.

Since the projects are all smaller than 25 MW in size, they do not need to go through New York’s Article 10 permitting process, allowing for streamlined local permitting.

Development of the first three projects is expected to be completed by the third quarter of 2020, and the rest between the fourth quarter of 2020 and 2021. The majority of the portfolio is expected to achieve notice-to-proceed by 2021.

The projects are expected to qualify for the 30% investment tax credit through off-site physical work on step-up transformers supplied by **Virginia Transformer** and **Eaton Corp** that took place before the end of 2019.

The process was vetted by **Skadden** and the off-site physical work validated by **Black & Veatch**.

### CASH FLOWS

The sellers claim that the projects are strong candidates for energy hedges, given minimal basis risk concerns and robust liquidity in the New York ISO energy market. SunEast has obtained indicative terms from multiple potential hedge counterparties, according to the CIM.

Potential hedge counterparties include **Royal Dutch Shell**, **Goldman Sachs**, **BP**, **Bank of America**, **Merrill Lynch**, **Morgan Stanley**, **Direct Energy** and Switzerland’s **Axpo**.

The financial model assumes a 10-year hedge of \$32/MWh in Zones A and F and \$28/MWh in Zones C and E.

Alternatively, there is also the potential to originate power purchase agreements with commercial and industrial offtakers by bundling the energy with third-party RECs.

### TIMELINE

SunEast began reaching out to several potential financial advisers last April regarding five of the projects in the portfolio, which had won contracts in NYSERDA’s 2018 renewable energy standard solicitation process (*PFR*, 7/31/19). SunEast had acquired the five projects from **Gardner Capital** in May 2018 (*PFR*, 6/18/18).

The other projects in the portfolio, with the exception of Manchester, won contracts in this year’s NYSERDA solicitation process.

SunEast is also open to exploring a broader partnership on its roughly 900 MW portfolio of assets in the NYISO, ISO-New England and PJM Interconnection. ■

### SunEast’s assets on the auction block

Project	Size	Location
<b>Highview</b>	17 MW	Wyoming County
<b>Hills</b>	20 MW	Herkimer County
<b>Watkins Road</b>	20 MW	Herkimer County
<b>Dog Corners</b>	20 MW	Cayuga County
<b>Valley</b>	20 MW	Tioga County
<b>Skyline</b>	20 MW	Oneida County
<b>Grassy Knoll</b>	20 MW	Herkimer County
<b>Flat Hill</b>	20 MW	Herkimer County
<b>Fairway</b>	20 MW	Saint Lawrence County
<b>Manchester</b>	20 MW	Ontario County
<b>Clay</b>	20 MW	Onondaga County
<b>Hilltop</b>	20 MW	Rensselaer County
<b>Limestone</b>	20 MW	Fulton County

Source: marketing materials



## ● NORTH AMERICA MERGERS & ACQUISITIONS

# PSCo completes acquisition of gas-fired project

**Public Service Company of Colorado** has completed its acquisition of the previously shuttered 80 MW Valmont gas-fired project from **Southwest Generation** and placed it back in service.

The utility company procured the decommissioned peaker following an all-source request for proposals and signed a purchase and sale agreement with Southwest Generation on May 24, 2019 (*PFR*, 7/25/19).

Under the terms of the deal, PSCo would pay between \$18.5 million and \$19.9 million for the asset, depending on how long it took for the transaction to close.

The purchase price would have been \$18.5 million if the deal closed on or before May 1, 2020, and was set to increase by \$1,918 a day until the latest possible closing date of May 1, 2022.

The transaction closed on June 23 and the facility was brought back into service on June 24, according to a filing with the US **Federal Energy Regulatory Commission**.

Valmont's two gas-fired peaking units were built on the site of the former Valmont coal-

fired plant. They were each fitted with a **General Electric** LM6000 turbine and commissioned in May 2000 and May 2001, producing a total capacity of 82 MW when they were both operational.

They previously served a power purchase

agreement with PSCo but this contract expired in 2012 and the peakers were shuttered and their turbines removed in 2015.

As part of the deal between Southwest Generation and PSCo, the same turbines were reinstalled. ■

## Bids due for Louisiana solar plant

A renewables developer is set to receive expressions of interest for the sale of a 100 MW development-stage solar project in Louisiana this week.

**Community Energy** put out marketing materials in June for the St Martin project, which is located in St Martin Parish within MISO south.

Expressions of interest were due July 1 and the sponsor was expected to select a long list of potential buyers to progress to the next stage on July 3.

Purchase offers are due on July 15 and short-listed bidders will be notified two days later.

Community Energy is looking to close the sale by September 15.

Interested parties have the option of retaining Community Energy to continue development work on the project following an acquisition.

The St Martin project is not yet contracted and Community Energy is asking potential buyers to specify their power purchase agreement price requirements, according to a project marketing materials seen by *PFR*.

Targeted offtakers include **Entergy Corp**, **Cleco Power**, **Lafayette Utilities System** and **Louisiana Energy & Power Authority** as well as corporate customers. ■

## ● NORTH AMERICA PROJECT FINANCE

# Southwest to finance Mankato acquisition with project bond

◀ FROM PAGE 1

**Energy Regulatory Commission** approved Southwest's acquisition of the plant on June 24.

To finance the deal, Southwest is issuing a \$400 million US private placement with a 19-year tenor, matching the remaining life of the project's power purchase agreements with **Northern States Power**, a utility subsidiary of Xcel.

The two PPAs, structured as tolling contracts, have expiry dates of July 2026 (375 MW) and May 2039 (345 MW).

The joint bookrunners on the private placement are **SMBC**, **CIBC**, **Natixis** and **Santander**.

The legal advisers on the deal are:

◆ **Morgan Lewis** – counsel to the private placement investors, the credit facility lenders and letter of credit issuing banks

◆ **Orrick** – issuer's counsel  
**Amy Maloney** and **Brandon Tanguay** are leading the deal for Morgan Lewis, while **Blake Win-**

**burne** is leading at Orrick.

Xcel had originally intended to ratebase the plant but had to rethink the deal to appease Minnesota regulators. The company ended up acquiring it from Southern Power through a new unregulated subsidiary, **MEC Holdings**,

so that shareholders rather than ratepayers would bear the risks and receive any benefits (*PFR*, 1/21).

Southwest Generation is a portfolio company of **JP Morgan Asset Management's** Infrastructure Investments Fund. ■

## Ontario wind refi reaches financial close

A Canadian independent power producer has refinanced a wind farm in Ontario.

**Capstone Infrastructure Corp** closed the refinancing of its 18.5 MW Grey Highlands wind farm in McIntyre on June 17.

The lead arrangers were:

◆ **MUFG** (coordinating lead arranger and admin agent)

◆ **BayernLB**

The debt package comprised:

◆ \$66.09 million four-year term loan

◆ \$2.75 million four-year letter of credit facility provided by MUFG  
**McCarthy Tétrault** served as lenders' counsel while **Torlys** counselled Capstone.

**DNV GL** acted as technical

adviser to the lenders.

MUFG and BayernLB originally financed the project in March 2016 with a \$55.1 million construction-plus-five-year mini-perm loan.

The wind farm has had a 20-year feed-in tariff with the **Ontario Power Authority**. It is fitted with nine **Senvion** 2.05 MW MM92 wind turbines. ■

## NORTH AMERICA PROJECT FINANCE ●

# Tax equity investors for Colorado solar project ID'd

The identities of four tax equity investors participating in the financing of **Idemitsu Renewables'** (formerly **Solar Frontier Americas**) 110 MW Pioneer solar project in Colorado have been revealed.

**CIT Bank** and **CoBank** provided a \$79.61 million debt package for the project on May 21, including a \$38.86 million tax equity bridge loan (*PFR*, 6/17).

**RBC Capital Markets** is providing the tax equity through a fund that is being syndicated out to four tax equity investors, *PFR* has learned.

The investors are:

- ◆ **Hershey Co** – 35%
- ◆ **Western Alliance Bank** – 27%
- ◆ **USAA Casualty Insurance Co** – 25%
- ◆ **First Financial Bancorp** – 14%

The investors, which represent a wide range of industries, have all participated previously in RBC syndicates.

First Financial, for instance, has invested

more than \$10 million in renewables, all of it as a member of RBC syndicates. The regional bank's funding commitment for Pioneer is supported by a letter of credit from the developer's parent company, **Idemitsu Kosan Co.**

Confectioner Hershey, meanwhile, has invested more than \$315 million in renewables, of which \$208 million has been as part of RBC syndicates, and Western Alliance has invested \$160 million in renewables, of which \$20 million has been through RBC tax equity funds.

USAA, which is a subsidiary of the **United States Automobile Association**, has invested more than \$254 million in renewables, \$132 million of which was channeled by RBC.

Apart from the tax equity, the remainder of the \$79.61 million debt package for Pioneer comprises:

- ◆ \$38.64 million seven-year construction-to-term loan
- ◆ \$790,000 revolving credit facility

◆ \$1.32 million debt service reserve facility  
Pricing on the debt starts at 125 bp over Libor.

Idemitsu bought the Pioneer project from **GCL New Energy** last year, after a months-long sale process run by **CohnReznick Capital** (*PFR*, 8/20/19).

Located in Adams County, the project is slated to be the second largest solar project in Colorado, second only to **Novatus Energy's** 120 MW Comanche solar plant in Pueblo County (*PFR*, 3/13/17).

Pioneer has an initial 10-year power purchase agreement with **Intermountain Rural Electric Association**, with three optional five-year extensions.

Idemitsu Renewables was known as Solar Frontier until a name change announced on June 22. The rebrand follows the acquisition of the developer's parent company **Showa Shell Sekiyu** by Japanese oil company Idemitsu in 2019. ■

## IPP eyes bank loan for California gas-fired duo

An independent power producer has approached the bank market for financing for a pair of aging gas-fired power plants in California.

The sponsor, **GenOn Energy**, started reaching out to banks in June for a loan to refinance its 1,516 MW Ormond Beach facility in Oxnard and its 54 MW Ellwood facility in Goleta.

The financial terms have not yet been circulated and a financial adviser has not been retained, say deal watchers.

GenOn requested US **Federal Energy Regulatory Commission** approval on June 5 to change the ownership structure of the assets by July 17 in order to be able to "timely close a financing transaction."

The two facilities have been online since the 1970s and are at the ends of their useful lives. The coastal Ormond Beach plant has been slated for retirement previously but required to continue operating for grid stability reasons. GenOn is in talks with California state agencies regarding resource adequacy contracts to allow it to continue operating through 2023. The Ellwood plant is in a similar position.

Meanwhile, GenOn recently launched the sale of **Heritage Power Holdings**, which owns 16 gas-fired steam, combined-cycle and combustion-turbine facilities totaling 2,382 MW (*PFR*, 6/9). **Jefferies** is sell-side adviser for the portfolio, which is located in **PJM Interconnection**. ■

## Copper miner seeks partner for Alaska CCGT

Canadian miner **Northern Dynasty** is seeking input on its plan to develop a combined-cycle gas-fired project in Alaska to supply its Pebble mining operation and the surrounding area.

Northern Dynasty has been seeking to develop the mine for years. It was blocked by the **Environmental Protection Agency** in 2014 but the agency withdrew its veto in July 2019, allowing the permitting process to proceed.

The mine itself will require 270 MW of generation but Northern Dynasty expects the CCGT to provide energy to the wider Bristol Bay area as well.

The company has invited bidders to participate in a request for proposals to develop the power project and lead discussions with local government, utilities, tribal organizations, interested Bristol

Bay residents, state and federal entities, and other regional organizations.

"Our core business is focused on mining and we know we will need help advancing the power conversation in the region from an idea to a realistic plan," said **Tom Collier**, CEO of **Pebble Partnership**, the Northern Dynasty entity developing the mine, on June 25.

The miner expects gas to be delivered via a 188-mile 12-inch pipeline with a flow rate of 50 million standard cubic feet per day. ■

## FAST FACT

# 270 MW

Northern Dynasty will require 270 MW for its Pebble mine in Alaska, assuming that the mining project goes ahead.

## ● NORTH AMERICA PROJECT FINANCE

# Solar ABS appeals to investors as Covid impact muted

Mosaic's return to the securitization market was well received by investors, reaping a multiple-times oversubscribed order book, in part thanks to data that shows the pandemic having a limited impact on solar loans.

The \$280 million deal – Mosaic Solar Loans 2020-1 – was placed with more than 25 investors, including nine that had not previously participated in Mosaic ABS deals.

"Our ability to securitize solar loans in this challenged market environment is a vote of confidence in solar energy as an asset class," said **Billy Parish**, founder and CEO of Mosaic.

The ABS market effectively shut down in March after states began to implement coronavirus countermeasures, with serious consequences for the economy and employment rates.

The dislocation prompted Mosaic rival **Vivint Solar** to withdraw an ABS deal and execute an alternative liquidity strategy. But an improvement in credit market conditions in May encouraged Mosaic and two other securitizers – **Loanpal** and **Sunnova Energy International** – to put new deals in front of

bond buyers (*PFR*, 6/12).

The successful return of the residential solar finance companies to the primary market even in the throes of a pandemic has been taken as a sign of the robustness of solar ABS as an asset class.

"The solar asset class has only existed as a financing vehicle in a benign credit environment, post-financial crisis. How these assets perform in a crisis has not been tested before," says **Robert Sannicandro**, managing director and head of esoteric ABS at **Deutsche Bank**, which led on the Mosaic transaction. "It's hard to think of a more stressed credit environment than heading into Covid in the past few months. But very early on in this crisis, even though you saw a high level of deferral activity in a lot of consumer asset classes, you did not see that in solar."

Solar finance companies – like other consumer lenders – have offered deferrals to customers in response to the crisis. But requests for relief from solar loan borrowers have been low. In the case of Mosaic, extensions had been applied to just 2% of the company's loan book

by May 31.

The muted impact of the crisis on solar loans was one of the reasons, along with a general lack of supply, for the enthusiastic response to the return of solar bonds, says **Alex Kaplan**, senior director of capital markets at Mosaic.

"Investors [...] were by and large looking for high quality assets that had data indicating that there wasn't significant disruption to date as a result of Covid, which we had," he says. "There was a lot of interest and not a ton of supply."

Mosaic's offering was split into four tranches, rated from AA- to BBB+ by **Kroll Bond Rating Agency**. The bookrunners were Deutsche Bank (sole structuring agent), **Royal Bank of Canada** and **BNP Paribas**.

All four tranches were priced about 50 bp inside initial price guidance.

The deal was backed by a \$315 million book of solar loans with a weighted average FICO score of 753. Most of the underlying assets are in California, representing 35.68% of the pool, followed by Florida with 14.93% and Texas at 8.82%. ■

## ● CORPORATE FINANCE

# Details emerge on Northland's EBSA financing

Details have emerged on the non-recourse holdco debt package arranged by **Northland Power** to finance its acquisition of Colombian distribution utility **Empresa de Energía de Boyacá**.

**Sumitomo Mitsui Banking Corp**, **CIBC** and Canada's export credit agency **Export Development Canada** structured the financing, which was arranged as a club deal.

The debt package included:

- ◆ C\$450 million (\$329.7 million) two-year term loan
- ◆ C\$15 million (\$10.9 million) debt service reserve facility

The deal has a blended interest rate of 5.3%. The signing of the loan was announced on June 24

(*PFR*, 6/25).

Northland was initially aiming to raise long-term debt but shortened the tenor of the loan to two years in order to obtain better pricing in the wake of the Covid-19 pandemic.

Northland can renew the two-year loan annually, making it effectively "perpetual," says a deal watcher in New York. "They only have to extend and upsize," he says, adding that the structure combines elements of project and corporate finance.

The term loan is split into two tranches – one denominated in Canadian dollars and the other in Colombian pesos. It is expected to close in early July.

Northland will use the proceeds to repay C\$135 million outstanding under a bridge loan it used in January to finance the acquisition of EBSA and refinance associated asset-level debt denominated in Colombian pesos.

The financing comes six months after Northland acquired a 99.2% stake in the utility from **Brookfield Infrastructure** for 2,412 billion Colombian pesos (\$735.29 million).

Advisers on the sale were:

- ◆ **Credit Suisse** – financial to Brookfield
- ◆ **CIBC Capital Markets** – financial to Northland
- ◆ **Latham & Watkins** – counsel to Northland

◆ **Baker McKenzie** – counsel to Brookfield

◆ **Posse Herrera Ruiz** – counsel to Northland

CIBC arranged the C\$1.1 billion (\$844 million) 12-month acquisition bridge loan, which closed in January (*PFR*, 1/15). SMBC also participated in the bridge loan.

The long-term financing plan for EBSA includes a combination of common equity, non-recourse debt financing, cash on hand, and corporate credit facilities (*PFR*, 9/10/19).

Once the permanent financing is put in place, Northland expects to have C\$550 million in liquidity through cash on hand and corporate credit lines. ■



## CASE STUDY ●

# Tax equity scopes out carbon capture tax credits

◀ FROM PAGE 1

changing incentive (PFR, 7/3/19, PFR, 2/20).

The lengthy wait for the detailed rules ended on May 28 with the issuance of a 108-page set of proposed regulations covering recapture provisions, retrofitting equipment, standards for secure geological storage and how captured carbon oxide can be utilized.

Despite the long wait, the timing of the guidance could play in the industry's favor, since it comes as tax credits for solar and wind projects are being phased out, leaving established tax equity investors with appetite for new opportunities.

## SHY INVESTORS

But while developers of CCS projects and other market participants say they expect the big names in renewable energy tax equity to pivot to the new industry, the investors themselves are reticent to discuss the topic publicly.

Banks such as **Goldman Sachs**, **JP Morgan**, **Bank of America**, **Citigroup** and **Wells Fargo** are said to have been focusing resources on the 45Q credit, and smaller banks are likely to come into deals if other banks make the first move. In November 2019, **Morgan Stanley Research** published a report calling for governments to “make CCS attractive to investors” by adopting “policies to incentivize emission reductions.”

Representatives of JP Morgan and Morgan Stanley declined to comment on any plans to invest in carbon capture through tax equity and officials at the other banks did not respond to inquiries.

Non-bank investors such as **Berkshire Hathaway** are also said to be looking into the opportunity and market participants

suggest they may get comfortable with the sector more quickly than some of the banks.

“We are aware of the credits,” a Berkshire spokesperson tells PFR, adding that the company does not have any projects underway that can utilize them.

Meanwhile, investors that favor the investment tax credit are less likely to find the 45Q credit appealing, as it bears more resemblance to the production tax credit. **US Bank**, for instance, is not looking at the CCS credits, says a spokesperson.

## “WAIT-AND-SEE”

Despite the reticence of banks to discuss their plans, other market participants are confident that deals will soon emerge.

“You’ll see investments start to happen before the comment period [for the proposed regulations] is over,” says **David Burton**, a tax partner at **Norton Rose Fulbright** in New York. “People are excited to do transactions and sequester carbon oxide and earn valuable tax credits. People see it as a potentially lucrative endeavor.”

However, they may be delayed by the Covid-19 crisis, which is expected to have an impact on corporate profits and hence the appetite for tax-driven investments.

“We spoke to a major bank and ‘press pause’ was the phrase they used until some of the chaos in oil and gas and other structures have abated,” says **Stephen Johnson**, president of **Illinois Clean Fuels**, which converts municipal waste into fuel while capturing and storing excess carbon.

“Two major tax equity investors view the proposed regulations as resulting in a bankable credit, but they are pausing definitive commitments, which is unfortunate,”

adds **Sam Kamyans**, a partner at **Akin Gump** in Washington, D.C. “Tax equity has modelled the credit, and they are actively evaluating new deals, but remain in wait-and-see mode due to the current pandemic. I don’t think they will make any commitments this year, but hope to be wrong.”

Since traditional project finance banks typically do not get involved in technologies until they have a strong operating track record, projects seeking to utilize the 45Q credits may need to turn to alternative sources of financing, adds **Beth Waters**, managing director, at MUFG.

However, there are projects that investors can look at as precedents.

“One of the underappreciated things about 45Q is there are actually projects already out there that have MRV plans in place that can be looked to as examples for new projects,” says **Brett Logue**, co-founder and managing director of **Grandview Capital**, referring to the monitoring, reporting and verification plans that would underpin qualification for the tax credit.

“Even if there haven’t been any projects finalized under the 2018 revisions to the 45Q regulations, there have been projects done under the previous statute with MRV plans that were approved by the EPA and which the IRS has not taken issue with,” he adds. “That should be good reference point for banks to look at and get comfortable with a structure that’s already in place.”

## PROJECTS UNDERWAY

One of the most recent major announcements relating to carbon capture in the power sector was a deal between **OGCI Climate Investments** and **Starwood Energy Group Global** to co-invest

in large-scale carbon capture at an unidentified gas-fired plant (PFR, 4/3).

The project will be financed on a non-recourse basis, with a view to utilizing the 45Q credits. **Elysian Ventures** and **Starwood** are jointly developing the project.

Toward the end of last year, the **US Department of Energy** also invested in Front-End Engineering Design (FEED) studies to retrofit carbon capture systems on a handful of gas-fired plants, including:

- ◆ **California Resources Corp’s** 550 MW gas-fired Elk Hills Power Plant in Kern County, California, which OGCI is also investing in
- ◆ **Golden Spread Electric Cooperative’s** 480 MW Mustang Station in Denver City, Texas
- ◆ One of two gas-fired **Southern Company** facilities under consideration – either **Alabama Power’s** Plant Barry in Bucks, Alabama, or **Mississippi Power’s** Plant Daniel in Moss Point, Mississippi
- ◆ A gas-fired project that was developed by **Panda Power Funds** in Texas

FEED studies are also being conducted for biomass and LNG projects, including **Clean Energy Systems’** retrofit of an existing biomass facility in Central Valley, California, and a net-zero LNG facility being developed by **G2 Net-Zero LNG** in Cameron Parish, Louisiana.

With the IRS guidance finally in the bag, identifying and starting construction on projects before the end of 2023 deadline will be the next challenge.

“Now it’s down to a race to the start of construction deadline,” says Johnson. “It’s time to switch to execution mode.”

(An extended version of this article is available online)

## ● LATIN AMERICA MERGERS & ACQUISITIONS

# AES to offload Caribbean thermal plant

**AES Corp** has agreed to sell its stake in the Itabo generation complex in the Dominican Republic, which comprises coal-fired and gas-fired units in the Dominican Republic, to a local conglomerate.

**Grupo Linda**, which is led by businessman **Felix García**, will acquire AES's 50% interest in the project for net equity proceeds of \$110 million.

The Dominican Republic owns the remaining stake in the asset.

The complex comprises:

- ◆ Coal-fired unit – 260 MW
- ◆ Itabo 1 gas-fired unit – 128 MW

- ◆ Itabo 2 gas-fired unit – 132 MW
- AES expects to close the sale by the end of

**“The sale of Itabo will enable us to continue to decarbonize our portfolio, while simultaneously strengthening our relationship with Grupo Linda”**

2020, subject to regulatory approvals.

“The sale of Itabo will enable us to continue to

decarbonize our portfolio, while simultaneously strengthening our relationship with Grupo Linda and reinforcing our commitment to strategic partnerships in the region,” said **Andrés Gluski**, CEO of AES, in a statement on June 30.

Grupo Linda has been a minority shareholder of AES's local subsidiary, **AES Dominicana**, since 2014.

In the Dominican Republic, AES will continue operating the AES Andrés generation complex, which consists of a 319 MW combined-cycle gas-fired power plant, an LNG port, a regasification terminal, and 21.12 miles (34 km) of gas pipelines. ■

## ● LATIN AMERICA PROJECT FINANCE

# Anglo American signs PPA with Brazil's Casa dos Ventos

Miner **Anglo American** has signed the largest long-term corporate power purchase agreement for renewables in Brazil with power producer **Casa dos Ventos**.

The wind project – Rio do Vento – will supply 195 MW under the 20-year contract. As a result, Anglo American's operations in Brazil will be 96% powered by renewable energy in 2022.

The generation will come from three of the eight mini-projects that make up the R\$2.4 billion (\$459 million) Rio do Vento project in Rio Grande do Norte, which is expected to have total installed capacity of 504 MW.

The Rio do Vento project has already two other PPAs, one with technology company **Tivit**, and another with shoemaker **Vulca-**

**bras Azaleia** (PFR, 5/26).

The three projects for Anglo are expected to be online in the second half of 2021. The deal will involve the mining company becoming an equity partner in Rio do Vento and acting as a self-supplier. **Vestas** is the wind turbine supplier.

This is not the first bilateral contract for Anglo American in Brazil.

In January, the company signed a PPA to buy 70 MW for 15 years from an **Atlas Renewable Energy** solar project in Pirapora, Minas Gerais. Atlas expects to invest R\$881 million in the project.

Anglo has also agreed to acquire 70 MW from an **AES Tietê** wind farm for a period of 15 years. The developer investing R\$670 million in the wind farm. ■

# Chile awards transmission contracts

Chile's **National Electric Coordinator** (NEC) has awarded 18 small-scale transmission projects representing a combined investment of \$57.5 million to six companies.

The tenders were for engineering, procurement, and construction contracts for the expansion of 17 substations and the reworking of the Charrúa-Chillán transmission line, between Biobío and Ñuble.

The winners are:

- ◆ Chilean firm **Tecnet** – four substations
- ◆ Spain's **AMETEL** – four sub-

stations

- ◆ **Chilquinta Energía's** subsidiary **Transquinta** – three substations

- ◆ **Kipreos Ingenieros** – three substations and the transmission line

- ◆ **Engie's** subsidiary **CAM Chile** – three substations

- ◆ Consortium **Consorcio Andes del Sur** – one substation

One of the winners, Chilquinta, was recently acquired by China's **State Grid International Devel-**

**opment** from **Sempre Energy** (PFR, 6/24).

The projects are part of a larger effort to improve Chile's electrical services, with the NEC being in charge of the country's transmission infrastructure. ■

## Peruvian gas pipeline company lines up financing

**Gas Natural de Lima y Callao**, also known as **Cálidda**, is working on an up-to-\$100 million loan to fund the expansion of its gas distribution system in Lima and Peru's constitutional province of Callao.

**IDB Invest** is arranging the eight-year unsecured loan.

Besides its gas distribution business, **Cálidda** is also developing gas-fired power projects in Peru through a subsidiary called **Cálidda Energía**. One of them, a

4 MW project in Lima, is expected to supply the capital's Puruchuco mall.

**Cálidda** is rated Baa2 by **Moody's Investors Service**. Its largest shareholder is Colombia's **Grupo Energía de Bogotá**. ■

## LATIN AMERICA PROJECT FINANCE ●

## Mexican renewables win reprieve in latest court ruling

Mexico's **Supreme Court** has granted a temporary suspension of a restrictive government policy on renewable energy development in a case brought by competition authority **Cofece**.

The court suspended the policy on June 29, pending a final ruling. Cofece had filed its lawsuit before the court a week earlier, seeking to nullify a measure introduced by the **Secretariat of Energy** (SENER) that would limit the development of solar and wind energy projects (PFR, 6/23).

The competition authority has asked the Supreme Court to rule

on "the limits of a sector regulator when confronted with the constitutional principles of market competition."

**"At least they have been stopped for now"**

Meanwhile, environmental activist groups **Greenpeace** and the **Mexican Center for Environmental Law** (CEMDA) have obtained an extension of the suspension they were granted in May against the measures in

administrative court.

Judge **Juan Pablo Gómez Fierro** of the Second District in Administrative Matters sided with the environmentalists on June 24 to suspend SENER and grid operator **Cenace's** policy of limiting interconnections of renewable assets to the grid.

The judge had initially ordered a temporary suspension until June 4 while the court evaluated the issue (PFR, 6/1). However, the suspension has now been extended until the matter can be resolved by a trial, which could last from a few months to years.

Developers expect the state to try to overturn the court's decision, says a deal watcher in Mexico City. "At least they have been stopped for now," he says.

SENER revealed new rules limiting the issuance of permits to solar and wind projects and prohibiting new projects in locations with existing generation on May 15 (PFR, 5/13).

Cenace had already announced an order restricting the interconnection of renewable projects to the grid on April 29, arguing that the grid could otherwise become unstable during the pandemic (PFR, 5/5). ■

## Mexican company finances resi solar portfolio

**IDB Invest** has arranged a \$15 million senior debt package for a portfolio of residential solar projects in Mexico.

The 8 MW Bright Mexico Solar Holdings II portfolio comprises 2,500 systems originated by Mexico City-based start-up **Bright**.

The 13-year financing is denominated in

Mexican pesos.

IDB provided the equivalent of \$10 million from its own funds, with the remaining \$5 million coming from its Canadian Climate Fund for the Private Sector of the Americas.

Meanwhile, Latin America-focused pri-

vate equity group **MGM Innova Capital** has provided a subordinated loan to the portfolio through its MGM Sustainable Energy fund.

**The World Bank's** Clean Technology Fund will provide technical support to the sponsor under the terms of the financing. ■

## Ibereco, EDF close financing for Chile wind

◀ FROM PAGE 1

source close to the deal.

**Caixabank** and **Instituto de Crédito Oficial** also participated in the financing.

The sponsors will use the proceeds to refinance the 115 MW Cabo Leones I project in the Atacama region and fund the construction of a 60 MW expansion, bringing the total capacity to 175 MW (PFR, 5/21).

Cabo Leones I sells its output to 25 distribution companies under power purchase agreements won in a power auction in October 2015.

DNB was among the banks that originally financed the project in November 2016, along with **Sumitomo Mitsui Banking Corp** and **Crédit Agricole** (PFR, 11/22/16).

It was the first phase of the three-project Cabo Leones portfolio. Ibereco co-owns the 204 MW Cabo Leones II project with **Naturgy Energy Group** subsidiary **Global Power Generation** and is the sole owner of the 173.25 MW Cabo Leones III project.

Cabo Leones III was financed in June 2019 with a \$110.8 mil-



"The circle of loans."

lion debt package arranged by SMBC and **Santander** (PFR, 6/27/19), while Cabo Leones II

project is in the process of being financed by **Crédit Agricole** (PFR, 3/15). ■

## ● PEOPLE &amp; FIRMS

## Bracewell hires renewables partner from rival

Renewable energy attorney **Danielle Varnell** has joined **Bracewell's** power practice in Washington, DC, as a partner, having previously worked at **Jones Day**.

Varnell has been with Jones Day for over nine years and had worked at **Sidley Austin** and **Winston & Strawn** before that.

"I'm excited to welcome Danielle to the firm," said Bracewell's managing partner **Gregory Bopp**, Bracewell's managing partner. "Danielle is one of the most highly regarded practitioners in the renewable energy space, and her broad expertise in wind and solar transactions adds further

depth to our preeminent global power practice."

Varnell has advised on the sales, purchases and development of 8 GW of wind projects, 6 GW of solar assets and 4 GW of nuclear generation.

Bracewell had already hired two other partners to the renewable energy team within its power practice this year:

- ◆ **Danielle Garbien** in New York – from **Sidley Austin** (PFR, 3/9)
- ◆ **Martha Kammoun** in New York – from **Starwood Energy Group Global** (PFR, 4/23) ■

## Recurrent hires originator from Candela

**Recurrent Energy** has brought in an origination and structuring expert from rival developer **Candela Renewables**.

**Robert Moore** joined Recurrent in May, after two years as vice president, origination, at Candela – a solar and storage developer launched in 2018 in partnership with **Macquarie Capital's** Green Investment Group.

Moore's new title is senior director, origination and structuring.

He has previously held business development positions at **SunPower Corp** and **Stellar Energy** and energy trading roles at

**The Energy Authority, First New York Securities, AIG, Mirant, TXU Energy, Columbia Energy** and **Southern Company**.

Meanwhile, Recurrent's in-house legal team saw a departure in April when associate general counsel **Ben McReynolds** moved to **DE Shaw Renewable Investments**, where his new title is vice president and counsel.

McReynolds had been with Recurrent for five years, prior to which he held positions at **Topaz Power, McDermott Will & Emery** and **Pillsbury**. ■

## New energy minister in Colombia

Colombia has a new minister of mines and energy after the previous incumbent stepped down from the position on June 25.

**María Fernanda Suárez**, who had held the job since August 2018, cited personal reasons for her resignation. She had joined the government when President **Iván Duque** took office.

**Diego Mesa** – a deputy minister since 2018 – will replace Suárez at the head of the ministry. Mesa joined the government after a five-year stint with the **International Monetary Fund** in Washington DC and a three-year position at consul-

tancy firm **PwC**.

"I take on this challenge and the great responsibility to continue your [Suárez's] energy transition policy and to keep working so that this sector becomes an engine for the Colombian economy," said Mesa in a press conference on June 25.

During Suárez's time at the ministry, Colombia held its first-ever renewable power auction in October of 2019, pushing forward the country's energy transition, reprivatized power distributor **Electricaribe** and expanded its transmission infrastructure (PFR, 10/24/19, 3/23, 5/19). ■

## Pine Gate, Silver Creek launch solar JV

**Pine Gate Renewables** and **Silver Creek Energy** have launched a joint venture to develop, finance and build utility-scale solar projects in the US.

The tie-up, dubbed **Silver Pine Energy Holdings**, is evaluating 22 solar projects totaling 1 GW across the Southeast, which have the potential to come online over the next three years. The projects are concentrated in North and South Carolina.

"With this new partnership, we are able to work on a dynamic new level of innovation in solar energy development and finance," said **Matthew McGovern**, CEO of Silver Creek. "We are looking at the landscape of solar energy across the country and we continue to be enthusiastic about this pipeline. The combination of these projects with the expertise at Pine Gate Renewables is going to yield incredible results."

Silver Creek was created by the founders and former executives of **Cypress Creek Renewables**, namely former CEO McGovern, former president **Mike Cohen** and former chairman **Ben Van de Bunt**, as well as **Kevin Knee** (PFR, 6/3/19).

The new JV will be overseen by McGovern, Cohen and **Ben Catt**, the CEO of Pine Gate.

Asheville, North Carolina-headquartered Pine Gate is a developer, financier, EPC and operator of solar projects across the US, with more than 400 MW of renewable projects in operation and a 4 GW development pipeline. ■

### ● QUOTE OF THE WEEK

#### "It's time to switch to execution mode"

**Stephen Johnson**, president of **Illinois Clean Fuels**, on the newly proposed carbon capture tax credit regulations (see story, page 1).

### ● ONE YEAR AGO



#### Vivint tops up tax equity pool

Residential solar installer **Vivint Solar** secured a \$100 million syndicated tax equity investment arranged by **RBC Capital Markets** (PFR, 7/1/19).

[This week, resi solar financier **Mosaic** returned to the securitization market after it shut to issuance due to Covid-19, reaping a multiple-times oversubscribed order book. (See story, page 8)].