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IPP Pockets DB Banker

Nadeem Nisar, director in the natural resources group at **Deutsche Bank**, has been hired by **FORTISTAR** as a managing director covering M&A.

See story, page 2

At Press Time

NRG/UI Unit Readies Conn. Mandate 2
Spanish Solar Sub Preps
Ariz. Financing 2

In The News

RBS Signs Up Trio For IPA Debt 3
JV Partner Sought For Ohio Wind 3
New Harbor Exec Tapped By CIT 3
RBS Names Head For EMEA 3
WestLB Preps Dokie Wind Launch 4
National Wind Hunts Equity 4
RBC Mandated For U.K. Offshore Sale 4
Financing Closes For Peru LNG 4
Oregon Tender Call Draws
Ridgeline Bid 5

Corporate Strategies

Midstream Co. Mulls Acquisitions 5
Duke Unit Goes Local With Solar 5
NYPA To Take Out Auction-Rate Debt 6

Departments

Project Finance Deal Chart 7
Generation Auction & Sale Calendar 8
News In Brief 11

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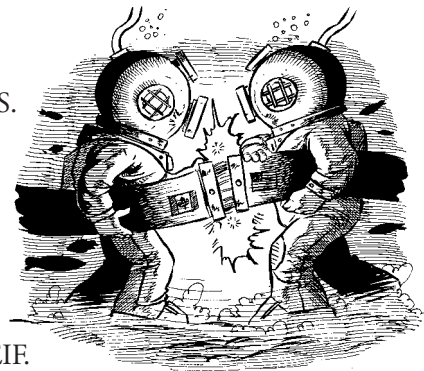
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EIF-BACKED CABLE CO. EYES LENDERS, INVESTORS

A \$450 million unregulated cable project between the U.S. and Canada, sponsored by **Energy Investors Funds**, will likely need debt financing and additional equity by the end of this year.

The Juan de Fuca line is a joint venture between renewable concern **Sea Breeze Power Corp.** and **Boundless Energy**, the developer of Long Island's Neptune Regional Transmission System, also backed by EIF.

(continued on page 11)



A Taxing Search

DEVELOPER SEEKS PARTNER FOR \$750M N.M. WIND PROJECT



Michael Moretz

Renewable developer **Infinite Energy Resources** is in talks with potential equity partners to finance the first project in its 1.6 GW pipeline: the \$750 million, 300 MW Arabella wind farm in Santa Rosa, N.M. "We're open to many discussions at this point," says **Michael Moretz**, founding partner in Fredericksburg, Va. "We can't utilize the [production tax credits]. That's what we would look for in a partner." He declined to name the firms with which it is in talks, but says that he wants to have financing in place as soon as possible and will likely have a partner lined

(continued on page 12)

PERRY MANAGER TO RESURFACE WITH NEW FUND

Tye Schlegelmilch, former head of industrials and energy investments at New York hedge fund **Perry Capital**, has left to launch a long/short equity fund targeting the industrials, energy, merchant power and natural gas sectors.

The fund, **Sonterra Capital**, will launch next quarter with Schlegelmilch as its managing partner. It will seek to deliver returns of 15-25% net of fees and hold positions for 12-18 months, according to a marketing brochure. A key focus will be coal-fired power, where the fundamentals look "exceptionally strong," it reads. Schlegelmilch declined to comment.

The fund has also entered into a strategic relationship with an investment vehicle, managed by an affiliate of **Goldman Sachs Asset Management**, which plans to invest \$100 million at Sonterra's inception and advise on strategy post launch. Goldman is also one of the

(continued on page 12)

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



At Press Time

FORTISTAR Taps Deutsche Banker For M&A

FORTISTAR has hired Nadeem Nisar from Deutsche Bank as a managing director covering M&A. Mark Comora, president of the IPP in White Plains, N.Y., says, "There's a lot of opportunity out there. We're looking at additional acquisitions. The hire will also help the IPP as it looks to expand abroad. 'We haven't had the ability to look anywhere else.'"

Nisar started the new position last Tuesday, reporting to Comora. At Deutsche Bank he was director in the natural resources group. FORTISTAR worked with Nisar while the bank ran the auction of 805 MW Lake Road plant in Dayville, Conn. FORTISTAR was chasing the asset, but lost out to BG Group.

NRG, UI Joint Venture Nears Mandate

GenConn, a 50/50 joint venture between NRG Energy and United Illuminating, expects to hand out a mandate by September for financing its \$200 million, 194 MW peaking facility in Milford, Conn. "We've made various contacts with the banks that deal with UI and NRG, but we have not chosen or named a partner yet," says Joseph Ballantine, v.p. for business strategy and development at UI in New Haven. "The project structure will be project financing and the debt will be held by our joint ownership partner," he says, declining to reveal bank names.

The company will arrange construction bridge financing initially for the entire cost of the plant before replacing that with 50% long term debt and 50% equity when the plant comes online June 1, 2010. One or more lenders could be mandated for the bridge, long term debt or both, says Ballantine.

GenConn has an eye to reach financial close three to four months after the contracts are finalized August 1 with the Department of Public Utility Control, which awarded GenConn a 30-year PPA late last month.

Abengoa Readies Solar Financing

Abengoa Solar expects to come to market in the next couple of months to arrange debt and tax equity financing for its 280 MW Solana solar generation project in Gila Bend, Ariz., with a cost of more than \$1 billion. "Right now we are putting together a bidding package in order to release it to the market for tax equity and also for debt," says Asier Aya, financial director of the U.S. arm of Spanish conglomerate Abengoa in Denver. "We're going to try to structure a deal with tax equity investors and then we will bring the debt," he says, noting at least 50% of the cost will be project financed.

The timing will ultimately depend on whether federal investment tax credits for solar are extended. "It's a risk that I think is delaying the industry, not only us," Aya says. The company landed a 30-year PPA worth some \$4 billion with Arizona Public Service in February, but the project needs the tax benefits to be economical. Soon, the sponsor needs order components with long lead times to remain on schedule to come online by 2011. "Those are big down payments and without having the ITC, it's a risk," he says, noting the cost of commodities like steel and heat transfer fluid—which is indexed to the price of oil—are rising.

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**Institutional
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INTELLIGENCE FIRST

Three Join IPA Syndication

Three banks have signed up to the wholesale syndication of \$508 million in financing for **International Power America's** \$856.4 million purchase of four merchant peakers. **HSB Nordbank** and **ING** each committed over \$100 million as the first two documentation agents, while **Helaba** has scored a senior managing agent title with a \$60 million buy-and-hold stake.

Being syndicated is a \$400 million term loan and a \$108 million working capital revolver—both with seven-year tenors and priced at 325 bps over LIBOR. **Royal Bank of Scotland** launched retail syndication with a bank meeting in New York (PFR, 6/27). Roughly 20 of the buyer's relationship banks and project financiers either attended in person or were on the conference call. Tickets of \$25 million, \$40 million and \$50 million were offered with upfront fees of 62.5, 87.5 and 125 basis points, respectively. Commitments are due July 25, and more banks may still join on the top tier.

Officials at RBS declined to comment and calls to the sponsor and other banks were not returned.

Developer Seeks Partner For Ohio Wind

BNB Renewable Energy, an Exton, Pa.-based developer, is looking for a partner to build a wind project in an undisclosed location in Ohio. It is in talks with **Eurus Energy Holdings**, says founder **Jonathan Butcher**, since the pair is already developing 180 MW Bull Creek in Gail, Texas, slated to come online later this year.

BNB was founded by Butcher, who simultaneously heads up Granville, Ohio-based oil and gas exploration concern **Butcher Energy Corp.** Butcher says the size of the farm has not yet been determined and declined to elaborate on the cost of the project or financing options. **Orlando Puig**, v.p. at Eurus in La Jolla, Calif., declined to comment.

Midwest Wind Financier Plots New Fund

Midwest Wind Finance is privately raising \$10 million for a new fund that will finance mid-stage development capital for community wind projects. The fund would take a minority equity stake in 10-50 MW farms and exit once they are ready to come online. According to one venture capital investor, the twist being marketed is that it will allow developers and landowners—who are typically forced to sell out to secure development capital—to stay in control of their projects.

Jeff Wright, president in Minneapolis, said the firm is planning to raise money from institutional investors, but otherwise declined to comment. The new venture would be the firm's second fund.

Last October, it closed on \$5 million from high-net-worth investors for its debut, *Wind Renewable Fund*, which provides developers with short-term bridge loans for down payments on turbines.

CIT Adds New Harbor Hire

CIT Energy has hired **Steven Casey** as a director in New York. He started the new position last Monday, joining from boutique investment bank **New Harbor**, where he served as a senior v.p. "The group is expanding," says **Scott Medla**, managing director at CIT Energy in New York. "Our focus will be a broad approach," he says, explaining that the group will start to focus on smaller deals that are "under cultivated by big firms."

Casey reports to Medla, who was appointed to the position in March (PFR, 3/14), after leaving his role as managing director in the natural resources group at **Banc of America Securities** (PFR, 2/22). Medla and Casey worked together for four years at New Harbor. "CIT focuses on the middle market and that's something I focused on at New Harbor," says Casey. At CIT, he will focus on originating middle-market deals up and down the value chain in energy.

Casey started at New Harbor in 2000, where he worked on certain buy-side advisory assignments for **Progress Energy** and sold generation for **Air Products and Chemicals**. Before New Harbor he worked in power marketing at **Sempra Energy Trading**.

RBS Anoints EMEA Power Head

Philip Roberts, senior director of power project finance at **Royal Bank of Scotland** in London, has been promoted to head of power project finance for Europe, Middle East and Africa. He replaces **Alan White**, who left the bank June 17 to start a wine bar (PFR, 4/11).

Roberts will continue to report to **Andrew Jameson**, managing director, head of energy and energy and natural resources project finance in London.

In other moves **Siobhan Smyth**, a senior director in the power project finance team, recently left the bank and RBS is looking to fill another senior director slot, after **Bill Morris** retired in June. Among the deals Morris worked on were IVPC Power 3 and IVPC Power 8, a combined EUR197.5 million (\$311.3 million) limited-recourse project financing of Italian wind farms. Morris could not be reached but his position will be filled once the bank's merger is complete with **ABN Amro**, says a spokeswoman.

Roberts has advised sponsor **Qatar Petroleum** on Ras Laffan C plant in Qatar and a variety of Middle East mandates. Smyth worked on the financing for **International Power's** EUR302 million (\$506.6 million) acquisition **Trinergy** (PFR, 4/11). Calls to Jameson were not returned and White and Roberts could not be reached for comment.

Meeting Set For Dokie Wind Launch

WestLB will hold a bank meeting Wednesday in Toronto to launch syndication of \$212 million in financing supporting **EarthFirst Canada's** 144 MW Dokie I wind farm in north British Columbia. The meeting will be 10 am at Le Méridien King Edward Hotel.

Tickets of around \$25 million will be offered as WestLB seeks to sell down roughly \$150 million.

The project has a 20-year PPA with **BC Hydro** and is scheduled to come online next year ahead of the 2010 Winter Olympic Games in Vancouver (PFR, 6/6). It is sited in the foothills of the northern Rocky Mountains and has immediate access to the grid due to its location adjacent to W.A.C. Bennett Dam. Officials at the lead declined to comment and calls to the sponsor were not returned.

National Wind Locks In Equity For 500 MW



Jack Levi

Community wind developer National Wind is in early talks with cash and tax equity investors to project finance two \$500 million, 250 MW farms in southern and eastern Minnesota. It will look to lever up 50% of the projects' value after commercial operation.

"So far we've done our deals unlevered, but that may change in the future," says **Jack Levi**, co-founder and co-chairman in Minneapolis. "We like to start with just equity because it's a bit tricky to involve debt players. You reduce the risk by leveraging it later." Leveraging would come during the first few months of operation, after the Root River project in Fillmore County and Lake Country project in Meeker and Kandiyohi Counties come online in three to five years.

The developer partners with institutional investors—such as utilities or banks—who have a tax appetite and turbine reservations to finance their projects. "We have both the financial muscle to get through the development cycle and the skills to do that, but the investors we're bringing have the project financing muscle, which we frankly don't have," Levi says. The company hopes to have financing in place anywhere from six to 24 months from now for Root River and Lake Country, depending on how quickly development progresses. Initial funding is sought from investors in the farms' local communities, who then own up to 70% of the project after tax benefits are realized.

The company has 630 MW of construction-ready farms and 1 GW that will be ready for construction by 2011. It has one farm, a 50 MW project in Cottonwood County, Minn., online so far (PFR, 6/20).

Scottish and Southern To Sell Offshore Wind Stake

Scottish and Southern Energy has mandated **RBC Capital Markets** to sell a 50% stake in its GBP1.3 billion (\$2.59 billion), 504 MW Greater Gabbard offshore wind farm in the Thames Estuary near London. RBC also has been asked to arrange non-recourse project financing and will approach lenders in a couple of weeks for an undetermined amount of loans supporting its construction, according to an RBC official.

SSE recently purchased a 50% stake from Greater Gabbard's EPC contractor **Fluor** for GBP40 million (\$79.7 million). The utility's subsidiary, **Airtricity**, was planning on obtaining project financing during or after construction, but has advanced its plans for reasons that could not be learned. Construction is expected to begin next summer and complete in 2011. SSE is planning to keep 50% of the output and has not yet determined whether it will sell to a third-party that will use the remainder of the capacity, or market it outsiders, says spokesman **Justin Smith** in Perth, Scotland. **Ian Marchant**, ceo at SSE in Perth, was not available and **Niamh Grath**, an Airtricity spokeswoman, was unable to comment.

Peru LNG Financing Wraps

Peru LNG has closed on \$2.25 billion in financing bankrolling its 625 million cubic feet per day liquefaction terminal south of Lima. The banks closed syndication June 26 of the only piece being syndicated—a \$400 million B loan.

Calyon, **ING** and **Mizuho** joined **Société Générale** and **BBVA Bancomer** as mandated leads arrangers, with Calyon and Mizuho also serving as co-syndication agents and ING as a joint book-runner. Additionally, **Sumitomo Mitsui Banking Corp.** joined as a joint book-runner and agent, and **Bank of Tokyo Mitsubishi** took a smaller ticket for a documentation agent title (PFR, 5/23).

Pricing on the 15-year loan provided by the **Inter-American Development Bank** starts at 75 basis points over LIBOR during construction, steps up to 100 at completion in 2010 and climbs 12.5 bps every three years after completion. The package also includes B loans of \$400 million, \$250 million and \$150 million from **U.S. Export-Import Bank**, **SACE** and **KEXIM**, respectively. A loans of \$300 million from the **International Finance Corp.**, \$400 million from **IDB** and \$150 million from **KEXIM** round out the bank loans. Peru's **Banco de Credito** will lead a \$200 million local bond offering at a later date not yet determined. Officials at the banks either declined to comment or did not return calls, and calls to the sponsor were not returned.

Ridgeline Makes Lone Oregon Wind/Hydro Project Bid

Wind developer **Ridgeline Energy** has submitted the only final proposal to the City of Astoria, Ore., to build, own and operate the first combined wind and hydro project in the state. “The most viable [developer of the facility] is Ridgeline—we hope to be able to work with them,” says **Mike Morgan**, a consultant for the city. The company was the only party to submit a proposal by the June 27 deadline for the request for proposals.

Astoria received multiple enquires about the estimated \$8-10 million, 5-8 MW facility in Bear Creek, Clatsop County. But Morgan says the site is difficult because it is on a forested ridge that is not easily accessible. Ridgeline already has an alliance with timber company **Weyerhaeuser**, which owns the surrounding forest. **Steve Vorhees**, ceo of Ridgeline in Seattle, says the company did not

submit a formal proposal to Astoria, but it is exploring its options. “Anything east of the Cascade [Mountains] is attractive,” he says. The developer has separately been exploring strategic financing options via **Marathon Capital** since last year (PFR, 4/5/07).

The City is expected to select a developer by month-end. It is conceivable that another interested party will be selected, but unlikely, says Morgan. If Ridgeline pulls out, the City may run a new process. The winner is expected to secure project loans and a PPA, but Morgan says the city is willing to discuss municipal bond financing. The **Energy Trust of Oregon**, which co-funds renewable energy projects in the state, is another potential funding source, he adds. **Pacific Power** has a single service line near the site that would allow for interconnection, but it may be more economical to connect to the **Bonneville Power Authority**, says Morgan. Construction is slated to begin within a year and once online, the City will receive 3-5% of the project’s revenues.

Corporate Strategies

Midstream Co. Acquisitive With Capital Influx



Bob Phillips

Crestwood Midstream Partners plans to spend the \$350 million in commitments it recently received from **The Blackstone Group** and its hedge fund unit **GSO Capital Partners** on acquisitions. “Basically I’ve loaded my boat up. It’s a great time to be an equity buyer,” says **Bob Phillips**, president and ceo of Crestwood in Houston.

The company is looking at targets in North America, including several development projects offshore in the Gulf of Mexico, the Barnett Shale region in Texas and the Rockies in Canada. Transactions of \$100 million to \$1 billion all along the supply chain will be considered, notes Phillips, adding that pipelines, processing and storage facilities and investments on the delivery side are all attractive. The goal is to generate returns in the mid- to high-teens.

Phillips founded Crestwood last year with private equity firm **Kayne Anderson Capital Advisors**, which made an initial \$150 million investment, says **Danny Weingeist**, co-managing partner at Kayne Anderson in Houston. “I didn’t appreciate the size of some of the deal opportunities,” explains Phillips about realizing afterwards that Crestwood would need more capital to compete.

Phillips had an existing relationship with **Dwight Scott**, senior managing director at Blackstone and head of GSO’s Houston office, when the two worked together years ago at **El Paso**. “[Blackstone] sees a lot of deal flow. They may even see deals before I do,” he says. There is a provision for Crestwood

to call on Blackstone, GSO and Kayne Anderson to provide additional investment, but nothing is fixed. Kayne is fundraising for its fifth energy and is looking to raise \$1.6 billion by November mostly for oil and gas, but some midstream investments will be sought. **David Foley**, senior managing director at Blackstone in New York, referred questions to Phillips.

Duke Targets Solar Paneling To Diversify Resources

Duke Energy Carolinas is investing \$100 million over the next two years on solar paneling in its customers’ homes as part of its plan to use more distributive generation, where energy is generated closer to its point of use. The investment will also help it comply with part of a state renewable portfolio standard, which requires 12.5% of its portfolio to be generated from renewables by 2021.

“Historically central station power generation has been the most cost effective but technology is changing,” says **Owen Smith**, director of regulated renewables strategy in Charlotte, N.C. “[Distributed generation] gives you more security. As you have more locations for generating power the failure at any one of them is less of a risk to the overall system.”

Although solar will remain less than 1% of the utility’s portfolio, the initiative will increase solar output to 20 MW from 300 kW. “So far customers seem to be interested,” says Smith. “We’ve already been contacted by about 100 customers, about half of which are residential.” Customers will receive an undetermined financial incentive for their participation based on the energy produced from their site.

Mass. Coop Mulls Wind Financing

Berkshire Wind Power Cooperative is unsure how it plans to finance the \$43 million cost of constructing a 15 MW wind project on Brodie Mountain, Mass., which it recently bought for \$4 million from **Berkshire Wind Power**. "We're going to have the **Massachusetts Municipal Wholesale Electric Co.**'s treasury department make recommendations and we'll take it from there," says **Brad White** president in Ludlow, Mass. The co-op borrowed \$8 million from **PeoplesBank** of Holyoke, Mass., to finance the acquisition and to begin buying turbines. PeoplesBank is the cop-op's only relationship bank. In 2004, it agreed to buy the power output from the project and last year decided to seek ownership. The seller was a unit of **Distributed Generation Systems**, a pre-construction developer so the sale was "standard procedure," says **Dale Osborn**, president of DISGEN in Lakewood, Colo.

SUEZ Econergy Bid Reflects Renewables Strategy



Jan Flachet

SUEZ Energy South America Participações all-cash offer to acquire **Econergy International** is driven by its strategy to expand its renewable development pipeline in Latin America. **Jan Flachet**, regional manager of Latin America for SUEZ in Florianópolis, Brazil, says SUEZ was "looking around for alternative renewable energy" assets. SUEZ came in with an offer

improving on an existing bid of GBP0.30 per share (\$0.60) from U.K. environmental commodities fund **Trading Emissions**.

SUEZ's acquisition will be funded on balance sheet as will Econergy's project pipeline, says Flachet. "[Econergy's] main projects are in Latin America, mainly in Brazil, where we're the private operator of project facilities," he says. SUEZ has nine projects under construction on the continent and several online. Econergy has just one plant operational: the 147 MW Corani hydro project in Bolivia. Set to go into construction are:

- 19.8 MW Areia Branca, a hydroelectric project in Branca, Brazil
- 49.5 MW Proyecto Eólico, a wind project in Guanacaste, Costa Rica
- 18 MW Pedra do Sal, a wind project in the state of Piauí, Brazil, and

- 25.6 MW Beberibe, a wind project in the state of Ceara, Brazil.

It also has a 50% interest in Cambria—a carbon capture project stemming from a retired coal mine near Pittsburgh, Pa.

Econergy's board recommended shareholders accept SUEZ's offer of GBP0.45 per share, valuing the company at about \$39.8 million. A spokeswoman for the developer in London says proxy documents are expected to be approved by shareholders in about 28 days. Once approved, the closing will be subject to regulatory approvals in Brazil. Calls to **John Buckman**, v.p. finance at Econergy in Washington, D.C., and to **Simon Shaw**, investment advisor at Trading Emissions in London, were not returned.

Piper Jaffray advised Econergy and **Dresdner Kleinwort** advised SUEZ.

NYPA Clears Auction-Rate Decks

The **New York Power Authority** has opted to issue \$72.1 million in tax-exempt commercial paper in August to refinance auction-rate securities after a series of auction failures dating back to February. The issuance of the short-term notes will absolve NYPA of its "extremely illiquid" auction-rate debt, says **Brian McElroy**, treasurer in White Plains, and will save it about \$721,000 a year in interest expenses.

The securities, which equal 3.3% of outstanding debt, represent series 3 and 4 of a previous four-part subordinate revenue bond series. The interest rate they are assigned post auction, calculated at 125% above the AA commercial paper rate, is higher than the equivalent tax-exempt commercial paper rate. The new debt will likely cost about 100 basis points less, says McElroy.

The refinancing will tap \$72.1 million of the \$206 million left under an aggregate \$450 million that was authorized to NYPA. The tenor on the new debt will likely average between 30 and 60 days, says McElroy, noting, "It provides flexibility in how we redeem them."

Citigroup, **JPMorgan Securities** and **Goldman Sachs** will distribute the notes. Both Citi and JPMorgan expanded their authorization limits by \$50 million due to incumbent bank **UBS** exiting the institutional municipal securities market. In order to compensate for this, as well as **Bear Stearns** being bought by JPMorgan, NYPA will be going out with a solicitation for banks on future offerings. "We want to add additional dealers for more diversification."

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Project Finance Deal Book

Deal Book is a matrix of energy project finance deals that PFR is tracking in the energy sector. 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 Katy Burne, Managing Editor, at (212) 224-3165 or e-mail kburne@iineews.com.

Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Acciona Energia	Eurus (250 MW Wind)	Oaxaca, Mexico	BBVA	TBA	TBA	TBA	BBVA tipped as lead (PFR, 6/2).
Allegheny Energy	TrAIL (180-Mile 500kV wire)	Pa., W.Va., Va.	Citigroup, BNP	TBA	TBA	TBA	Leads mandated (PFR, 6/2).
Babcock & Brown Power, Pittsburgh Power	Trans Bay Cable (400 MW, two 200 kV cables)	San Francisco, Calif.	BayernLB	Construction Loan	\$299M	33-yr	Syndication of subordinate tranche ongoing.
Babcock & Brown	2009 Turbine Supply	Various	TBA	Turbine supply	TBA	TBA	Selecting lenders.
	2008 Portfolio (638 MW Wind)	Various	TBA	TBA	TBA	TBA	Seeking tax equity (PFR, 4/4).
Baha Power, Grupo Garza Ponce	Genermax (142 MW Gas)	Nuevo León, Mexico	TBA	TBA	TBA	TBA	Near close on debt, equity (PFR, 6/16).
Biomass Group	South Point (200 MW Biomass)	South Point, Ohio	WestLB	Construction Loan	\$265-300M	TBA	Syndication expected shortly.
Borealis Infrastructure	Bruce Power (4.6 GW)	Tiverton, Ontario	Scotia, Dexia	TBA	C\$750M (\$710M)	TBA	Leads considering relaunch in U.S.
				HoldCo Loan	\$100M	TBA	
BP, Dominion	Fowler Ridge (750 MW Wind)	Indiana	TBA	TBA	TBA	TBA	Selecting leads (PFR, 3/31).
Brick Power Holdings	Tiverton (265 MW Gas)	Tiverton, R.I.	Credit Suisse, Merrill Lynch	Recapitalization	TBA	TBA	Timeline unclear.
	Rumford (265 MW Gas)	Rumford, Maine			TBA	TBA	
BrightSource Energy	Various (3.5 GW Solar)	Southwest	TBA	TBA	TBA	TBA	Will seek project financing.
Broadway Gen Funding	Various	Ga., Nev.	GE, ING	Term Loan	\$290M	7-yr	Closed 6/19.
				Revolver/LC	\$110M	5-yr	
Caletta Renewable Energy	Port Erie (90 MW Tires)	Erie, Pa.	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 3/7).
Carlyle/Riverstone	Topaz (1.5 GW Gas)	Various, Texas	Morgan Stanley, Dexia, ING, Natixis	Construction Loan	\$615M	6-yr	Syndication wrapped 6/28
				Working Capital facility	\$75M	6-yr	(PFR, 6/30).
				LC	\$50M	2-yr	
Central Maine Power, Maine & Maritimes	Maine Power Connection (150-200, Mile 345 kV wire)	Maine	TBA	TBA	TBA	TBA	Beginning talks for financing (PFR, 6/18).
CPV	Sentinel (800 MW Gas)	Desert Hot Springs, Calif.	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 3/14).
CPV, ArcLight	Beech Hollow (250-300 MW Waste Coal)	Washington County, Calif.	TBA	TBA	TBA	TBA	In early lending talks (PFR, 6/23).
EarthFirst Canada	Dokie I (144 MW Wind)	Peace River, British Columbia	WestLB	TBA	\$212M	17-yr	Bank meeting set for 7/9 (PFR, 6/30).
Econergy International	La Gloria (50 MW Wind)	Costa Rica	NordLB	Term Loan,	\$125M	TBA	Timeline unclear.
EdF Energias Nouvelles	La Ventosa (67.5 MW Wind)	Oaxaca, Mexico	TBA	TBA	TBA	TBA	Near mandating leads (PFR, 6/2).
Edison Mission	Walnut Creek (500 MW Gas)	City of Industry, Calif.	TBA	TBA	TBA	TBA	Selecting lenders (PFR 5/5).
Empresas ICA	La Yesca (750 MW Hydro)	Nayarit, Mexico	WestLB, Citibank/Banamex, HSBC, BBVA Bancomer, Santander, NordLB	Construction Loan	\$910M	4-yr, 9m	Syndication ongoing.
				Revolver	\$80M		
Energy Investors Fund	Hot Springs (48MW Geo)	Elko, Nev.	DZ Bank, Fortis Capital	TBA	\$120M	TBA	Timeline unclear.
Energy Management	Various (Biomass)	Various	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 5/2).
ENMAX Energy	Calgary (1.2 GW Gas)	Calgary, Alberta	TBA	TBA	TBA	TBA	Timeline unclear.
Eurus Energy Americas	Bull Creek (180 MW Wind)	Borden County, Texas	TBA	TBA	TBA	TBA	Seeking tax equity investors.
Everpower Renewables	2009 Turbine Supply	Midwest, Pacific N.W.	KeyBanc Capital Markets	Turbine supply	\$140M		Looking for financing (PFR, 5/23).
	Highland II (50-70 MW Wind)	Krayn, Pa.	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 5/23).
	Howard (50-63 MW Wind)	Steuben County, N.Y.	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 5/23).
	Buckeye (300 MW Wind)	Ohio	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 5/23).
Excelsior Energy	Mesaba Energy (603 MW IGCC)	Minn.	TBA	TBA	TBA	TBA	Barclays advising.
Falcon Gas Storage	MoBay (50Bcf Gas Storage)	Mobile County, Ala.	TBA	TBA	\$400M	TBA	Shortlisting lenders (PFR, 6/23.)
Gilead Power Corp.	Ostrander (20 MW Wind)	Prince Edward County, Ontario	TBA	TBA	TBA	TBA	Selecting lenders.
GNL Quintero	LNG Receiving/Regasification	Quintero Bay, Chile	Banesto, BBVA, Caylon, Fortis, ING, Intesa SanPaolo, Mizuho Santander, WestLB	TBA	\$1B	TBA	Syndication expected (PFR, 6/23).
Green Rock Energy	Green Rock (Gasification)	St. James Parish, La.	TBA	TBA	\$1B	TBA	Selecting lenders.
Hunton Energy	Freeport (400 MW Gas, Steam)	Freeport, Texas	TBA	TBA	TBA	TBA	Selecting lenders (PFR, 4/2).
Kelson Transmission	Canal-to-Deweyville (95-mile wire)	Texas	TBA	TBA	TBA	TBA	Selecting lenders, PFR, 6/30).
Kruger Energy	Port Alma (101.2 MW Wind)	Ontario	Scotia Capital	TBA	TBA	TBA	In syndication (PFR, 5/16).
Liberty Energy	Liberty Energy Ceter (10 MW Biosolid)	Hamilton, Ontario	TBA	TBA	TBA	TBA	In talks with lenders (PFR, 6/30).
	Banning (15 MW Biosolid)	City of Banning, Calif.	TBA	TBA	TBA	TBA	In talks with lenders (PFR, 6/30).
LVE Energy Partners	LVE Energy Center (16 MW backup power)	Las Vegas, Nev.	Sumitomo Mitsui Banking Corp.	Term Loan	\$145M		Timeline unclear.
				LC	\$20M		
				LC	\$100M		
Martin Resources	Arcadia Gas Storage (15.5 Bcf)	Arcadia, La.	CIT	Construction/Term Loan	\$125M	8-yr	Syndication ongoing (PFR, 4/10).
Martin Resources, ECP	Cardinal (Gas Storage)	Southeast	TBA	TBA	TBA	TBA	Looking for debt (PFR, 5/12).
Mesa Power	Mesa Power (4 GW Wind)	Texas	TBA	Turbine Supply Loan	TBA	TBA	Timeline unclear (PFR, 2/22).

For a complete listing of the Project Finance Deal Book, please go to iipower.com



Generation Auction & Sale Calendar

Following is a directory of ongoing generation asset sales. The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed. To report new auctions or changes in the status of a sale, please call Katy Burne, Managing Editor, at (212) 224-3165 or e-mail kburne@iinews.com.

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
AES	Warrior Run	Cumberland, Md.	205	Coal	Goldman Sachs	Shopping PJM assets (PFR, 5/21).
	Red Oak	Sayreville, N.J.	832	Gas		
	Ironwood	South Lebanon Township, Pa.	720	Gas		
Allco Finance Group	Various	Kern County, Calif.	3,100	Wind	Marathon Capital	Terra-Gen Power to acquire for \$325 million (PFR, 6/17).
		Australia, New Zealand	1,600		N/A	Prepped to sell by end of next quarter (PFR, 6/23).
ArcLight Capital Partners	Auburndale	Polk County, Fla.	158 (70%)	Gas, Oil	McManus & Miles	Teasers dispatched in May (PFR, 6/11).
Arroyo Energy Investors	Thermo Cogeneration	Fort Lupton, Colo.	272	Gas	N/A	Starwood Energy Group Global to buy for \$207.2M (PFR, 2/6).
Black Hills Corp.	Arapahoe	Denver, Colo.	130	Gas	Credit Suisse	Hastings Funds Management and a unit of JPMorgan Asset Management to acquire for \$840M with RBS leading the financing (PFR, 4/30).
	Valmont	Valmont, Colo.	80	Gas		
	Fountain Valley	Colorado Springs, Colo.	240	Gas		
	Las Vegas I	Las Vegas, Nev.	53	Gas		
	Las Vegas II	Las Vegas, Nev.	224	Gas		
	Harbor	Long Beach, Calif.	98	Gas		
	Valencia	Albuquerque, N.M.	149	Gas		
BTEC Turbines	Southaven Energy	Miss.	340	Gas	JPMorgan	Assets or just the equipment for sale. Teasers dispatched (PFR, 4/3).
	New Albany Power	Miss.	390	Gas		
Bulgarian Privitaization Agency	Bobov Dol	Bulgaria	630	Thermal	N/A	Consortium Energia MK to buy for BGN100M (\$80.13M).
Calpine	Texas City	Texas City, Texas	425	Gas	Miller Buckfire	Second-round bids taken 5/5. Unsolicited bid for Calpine from NRG Energy said to be delaying the process.
	Clear Lake	Clear Lake, Texas	375	Gas		
CarVal Investors et al.	Granite Ridge	Londonderry, N.H.	720	Gas	Merrill Lynch	Teasers dispatched.
Catamount Energy	Sweetwater	Nolan County, Teaxs	505 (50%)	Wind	Goldman Sachs	Duke Energy to buy for \$240M and \$80M assumption of debt (PFR, 6/26).
	Ryegate Power	Vermont	20	Wood waste		
	Rumford	Rumford, Me.	85	Cogen		
Central Vermont	Various	Vermont	70 in summer	Hydro	Morgan Stanley	Status unknown (PFR, 5/18).
City of Victorville	Victorville 2	Southern California Logistics Airport, Calif.	570 development	Gas/Solar	Goldman Sachs	Teasers dispatched (PFR, 6/30).
Cobisa Corp.	Cobisa-Greenville	Dallas-Fort Worth, Texas	1,750	Gas	Pace Global Energy Services	Auctioneer running a targeted auction (PFR, 5/30).
Conectiv Energy	Various	PJM Interconnection	3,700	Various	Credit Suisse	Company reviewing strategic alternatives (PFR, 12/10).
Con Ed Development	Newington Energy	Newington, N.H.	525 (99.5%)	Gas		Industry Funds Management yet to acquire.
	Genor	Puerto Barrios, Guatemala	42 (49.5%)	Oil		
	Ada Cogeneration	Ada, Mich.	29 (48%)	29 (48%)		Partner is Olympus Power.
ConocoPhillips	Immingham	Lincolnshire, U.K.	730	Gas	Citigroup	Looking at strategic options on the plant (PFR, 1/18).
Complete Energy Holdings	La Paloma	McKittrick, Calif.	1,022	Gas	JPMorgan	Has agreed to merge with GSC Acquisition Co. in \$1.3B deal (PFR, 5/16).
	Batesville	Batesville, Miss.	837	Gas		
Corona Power	Sunbury Generating	Shamokin Dam, PA	432	Coal, oil, diesel	Merrill Lynch	Soliciting equity to complete \$250M of upgrades (PFR, 12/24).
DONG Energy	Evia, Karistos and Tourla	Greece	19	Wind	HSBC	Agreed to sell portfolio to Mytilineos Holdings for EUR28M.
DTE Energy	East China	East China, Mich.	320	Gas	N/A	Seller exploring options, including outright sale.
Dynegy	Rolling Hills	Wilkesville, Ohio	815 in summer	Gas	N/A	Tenaska Capital Management to acquire for \$386M (PFR, 5/28).
EISSL	Various	Catalonia, Spain	630	Wind, Hydro	JPMorgan	Company weighing sale (PFR, 12/24).
Energy Capital Partners	Mt. Tom	Holyoke, Mass.	146	Coal	Credit Suisse	Teasers dispatched (PFR, 5/13). Brookfield Asset Management to file a bid (PFR, 6/30).
(FirstLight Power Enterprises)	Various	Conn. and Housatonic Rivers	216	Hydro		FirstLight Power Resources portfolio (PFR, 5/13). Brookfield Power in the hunt (PFR, 6/19).
	Empire Generating	Rensselaer, N.Y.	635	Gas		
	Waterbury	Waterbury, Conn.	96	Gas		
	Turners Falls	Turners Falls, Mass.	6	Hydro		
	Cabot, Mass.	Montague, Mass.	62	Hydro		
Energy Future Holdings (Luminant)	Sandow 4	Milam Co., Texas	545 (50%)	Coal	Credit Suisse	Reportedly planning to sell stakes to Perennial Power Holdings (PFR, 2/18).
	Sandow 5		581 (50%)	Coal		
Entegra	Gila	Phoenix, Ariz.	2,300	Gas	N/A	Merger talks with KGen stalled (PFR, 1/17).
	Union	El Dorado, Ark.	3,000	Gas		
Entergy Corp.	50% stake in Top	Worth County, Iowa	40	Wind	New Harbor	Seller wants about \$520M for the assets. Bidders shortlisted to four players: two financial; two infrastructure (PFR, 6/18).
	Deer Wind Ventures	Carsen County, Texas	40			
	RS Cogen	Lake Charles, La.	212	Gas		
	Roy S. Nelson	Westlake, La.	60	Gas/Oil		
	Warren Power	Vicksburg, Miss.	225	Gas		
	Harrison	Marshall, Texas	335	Gas		
	Independence	Newark, Ark.	121	Coal		
	Robert Ritchie	Helena, Ark.	544	Gas/Oil		
EPCOR	Castleton-on-Hudson	Albany, N.Y.	64	Gas	N/A	Quietly shopping asset (PFR, 4/18).
ESB International	Marina	Cork City, Ireland	115	Gas	Merrill Lynch	Second-round bids taken mid-June with winner set to be chosen by mid-July. Endesa has put in a EUR450M bid.
	Great Island	Wexford Co., Ireland	240	Oil		
	Tarbert	County Kerry, Ireland	640	Oil		
Exergy Development Group	Various	Upper Midwest, Northwest U.S.	3,600	Wind	Marathon Capital	Weighing partnership, joint venture, recap or sale (PFR, 12/17).

Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
First Reserve, GenPower	Longview Power	Maidsville, W.Va.	695	Coal	Merrill Lynch	First-round bids taken week beginning June 9. Roughly \$3,000 per kW being sought.
Foresight Wind Energy	Various	Arizona, New Mexico	2,000	Wind	CP Energy	Transaction delayed (PFR, 10/8).
FPL Energy	Posdef	Stockton, Calif.	44	Coal/Petcoke	New Harbor	Indicative bids due April 11 (PFR, 3/11).
	Tesla	Tracy, Calif.	1,120	Gas/Steam	Credit Suisse	Development site. Status unclear.
G2 Energy	N/A	Boise, Idaho	3	Landfill Gas	N/A	FORTISTAR to acquire 99% and is financing the acquisition via Caterpillar Financial Services (PFR, 5/7).
	N/A	Fort Worth, Texas	2	Landfill Gas	N/A	
General Electric	Baglan Bay	Port Talbot, Wales	510	Gas	Lexicon Partners	GE re-ignited sale process. Carron Energy interested.
	Panther Creek	Nesquehoning, Pa.	94	Waste Coal	N/A	Looking for buyers (PFR, 2/26).
	Pittsfield Generating	Pittsfield, Mass.	163	Gas	N/A	Maxim Power set to acquire (PFR, 3/17)
	Colton Power	Colton, Calif.	80	Gas	N/A	Selling with help of asset manager PUREENERGY (PFR, 4/8).
Goldman Sachs (Cogentrix Energy)	Southaven Power	Southaven, Miss.	810	Gas	Houlihan Lokey	TVA will acquire for \$466.3M (PFR, 4/1).
InterGen (AIG Highstar Capital II, 50%)	Rocksavage	Runcorn, U.K.	748	Gas	Lehman Brothers	GMR Group to acquire stake for \$1.1B (PFR, 6/25).
	Coryton	Essex., U.K.	732	Gas		
	Spalding	Lincolnshire, U.K.	860	Gas		
	Rijnmond I, II	Rotterdam, the Netherlands	820, 400	Gas		
	Bajio	San Luis de la Paz, Mexico	600 (306 stake)	Gas		
	La Rosita	Mexicali, Mexico	1,100	Gas		
	Quezon	Philippines	460 (211 stake)	Coal		
	Millmerran	near Brisbane, Australia	880 (228 stake)	Coal		
	Callide	Queensland, Australia	920 (230 stake)	Coal		
K&M International Power	Termovalle	Cali, Colombia	220	Gas	JPMorgan	First round bids due 7/1 (PFR, 6/12).
Kelson Canada	Calgary Energy Center	Calgary, Alberta	300	Gas	UBS	First round bids taken 4/30 (PFR, 4/30).
(Harbinger Capital Partners)	Island Generation	Duncan Bay, B.C.	230	Gas		
	King City Cogeneration	King City, Calif.	120	Gas		
	Whitby Congeneration	Whitby, Ontario	50	Gas		Asset taken off the block for unknown reasons.
Kelson Holdings	Dogwood	Pleasant Hill, Mo.	620	Gas	Goldman Sachs, Merrill Lynch	Weighing strategic options, including sale/merger (PFR, 10/9).
	Redbud	Luther, Okla.	1,200	Gas		Redbud to be sold to load serving entities for \$852M (PFR, 1/21).
	Cottonwood	Deweyville, Texas	1,200	Gas		
	Magnolia	Benton County, Miss.	922	Gas		
KGen Power	Murray I	Murray Co., Ga.	630	Gas	Credit Suisse	Talks to merge with Entegra stalled due to management disagreements (PFR, 3/24).
	Murray II	Murray Co., Ga.	620	Gas		
	Hot Spring	Hot Spring Co., Ark.	620	Gas		Received \$20 per share offer reportedly from ArcLight Capital Partners (PFR, 5/9), but did not recommend to shareholders.
	Hinds	Jackson, Miss.	520	Gas		Portfolio now for sale in whole or in part.
	Sandersville	Washington Co., Ga.	640	Gas		
MACH Gen	Millennium	Carlton, Mass.	360	Gas/Oil	Credit Suisse	Pair of Northeast assets set to fetch \$1B (PFR, 5/21).
	Athens	Athens, N.Y.	1,000	Gas/Oil		
	Covert	South Haven, Miss.	1,100	Gas		
	Harquahala	Tonopah, Ariz.	1,090	Gas		
Mirant	Lovett Generating Station	Tompkins Cove, N.Y.	183	Coal/Gas	N/A	Alliance Energy offered to buy for undisclosed sum but withdrew offer when Mirant did not respond (PFR, 2/14).
National Grid	Ravenswood Station	Queens, N.Y.	2,450	Gas	Merrill Lynch	TransCanada agreed to purchase for \$2.9B (PFR, 4/1).
	E.F. Barrett	Island Park, N.Y.	311	Gas		Sale being evaluated. Long Island Power Authority has option to purchase some of the units until 5/31 (PFR, 4/11).
	Far Rockaway	Far Rockaway, N.Y.	100	Gas		
	N/A	Shoreham Nuclear Plant, N.Y.	72	Gas		
	Wading River	East Shoreham, N.Y.	239	Gas		
National Wind (30-40%)	High Country Energy	Olmsted and Mower Counties, Minn.	300 (14%)	Wind	Delphi Financial Corp.	Marketing to state-based residents and businesses (PFR, 6/23).
Navasota Energy Partners	Colorado Bend	Wharton, Texas	825	Gas	JPMorgan	Teasers dispatched (PFR, 2/11). Bids taken June 6 (PFR, 5/29).
	Quail Run	Odessa, Texas	825	Gas		
Noble Environmental Power	Various	N.Y., Mich.	385	Wind	Goldman Sachs	Company filed S-1 to IPO (PFR, 5/16).
North American Power Group	Rio Bravo Fresno	Fresno, Calif.	25	Biomass	N/A	In discussion with potential buyers (PFR, 8/31).
	Rio Bravo Rocklin	Roseville, Calif.	25	Biomass		Holds interests alongside Constellation Energy Group.
NorthWestern Energy	Colstrip Unit 4 (30%)	Mont.	740	Coal	Credit Suisse	Bicent Power has agreed to buy for \$404 million.
NRG Energy	Indian River	Millsboro, Del.	784	Coal	N/A	Seller soliciting offers on plant (PFR, 11/8).
Primary Power International	Hillman	Hillman, Mich.	19	Biomass		FORTISTAR agreed to purchase an interest in the portfolio. Deal was set to close in 30 days (PFR, 2/19).
	Grayling	Grayling, Mich.	36			
	Genesse	Flint, Mich.	35			
	Dapp Generating	Westlock, Alberta	17			
	Valley Power	Drayton Valley, Alberta	12			
PSEG Global	Turboven Cagua	Venezuela	60 (60%)	Gas	N/A	Assets remaining to be sold as part of an international divestiture program outlined in 2002.
	Turboven Maracay	Venezuela	60 (60%)	Gas	N/A	
	Pillaiperumalnallur	India	330 (20%)	Gas	N/A	
	Bando d'Argenta	Italy	20 (85%)	Biomass	N/A	
	Crotone	Italy	20 (43%)	Biomass	N/A	
	Strongoli	Italy	20 (43%)	Biomass	N/A	
Reliant Energy	Channelview	Lyondell, Texas	830	Gas	Houlihan Lokey	FORTISTAR and Global Infrastructure Partners to pay \$500M.
	Bighorn	Primm, Nev.	598	Gas	JPMorgan	Nevada Power to buy for \$500M.

For a complete listing of the Generation Auction & Sale Calendar, please go to iipower.com

Electronic & Algo Trading Report 2008

Issue Date: September 1, 2008

Materials Deadline: August 6, 2008

Institutional Investor News is proud to announce its second annual **Electronic & Algo Trading Report**, publishing in August 2008. Space is limited on this report, so please contact us as soon as possible to ensure your inclusion.

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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

- Oil major **BP** has agreed to buy the 525 MW Whiting Clean Energy combined-cycle cogeneration plant in Indiana for \$210 million from **NiSource** (*Reuters*, 7/1).
- **Dynegy** and **LS Power's** proposal for Georgia's first coal-fired plant in more than two decades, Longleaf Energy Station, stalled as a judge rejected an air-pollution permit for the \$2 billion project (*Houston Chronicle*, 6/30).
- Spain's **Gas Natural** has reached a deal to sell 15% of its Mexican subsidiary to **Sinca Inbursa**, which is controlled by billionaire **Carlos Slim**, for EUR47 million (\$74.2 million) (*Reuters*, 6/30).
- **NRG Energy** announced it has completed major improvements at its Cos Cob plant in Fairfield County, Conn., that have added 40 MW of clean capacity to the site (*FoxBusiness.com*, 6/26).
- **JEA**, the eighth largest community-owned electric utility in America, is planning to spend \$600 million on a gas-fired plant in Jacksonville, Fla., that would boost the area's power by 17% within the next five years (*Florida Times-Union*, 6/30).

- **Progress Energy** has named **Mark Mulhern** cfo, replacing incumbent CFO **Peter Scott**, who plans to retire in the latter part of the third quarter (*Thompson Financial*, 6/26).

Europe

- **Babcock & Brown Wind Partners** has acquired four German wind farms with a capacity of 19.6 MW (*TheAge.com.au*, 7/1).
- **Gazprom** is looking into the possibility of implementing power generation in Europe with a total capacity of 3 GW. The Russian behemoth is so far considering 10 projects across Germany, the U.K. and Italy (*rbcnewsline.com*, 6/26).

Asia/Pacific

- India has formed a federal ministry focused on alternative and renewable energy. The ministry is seeking to generate at least 10% of India's power from solar over the next several years (*EE Times*, 7/1).
- **Queensland Gas Co.** has defined more than a third of the required gas reserves it needs for a proposed \$8 billion LNG development with **BG Group** (*Sydney Morning Herald*, 7/1).

EIF-BACKED CABLE

(continued from page 1)

Société Générale is financial advisor. "About 80% is what we're targeting as a base case for financing, but it could be more, depending on the economics of the commercial contracts," says **Chris Moscardelli**, v.p. of project finance in New York. Sea Breeze has no other relationship banks. "This is an open opportunity on the debt side. SocGen has an option on taking some of the [debt] down, but certainly not all of it," says **Paul Manson**, president at the developer in Vancouver, B.C.

SocGen is also advising EIF's *United States Power Fund* on its search for fresh equity. EIF has the option to be the 100% equity investor under the terms of a \$6 million development loan it provided for Juan de Fuca after its successful partnership with Boundless Energy on Neptune. But the firm is considering bringing in a partner for 50% of the equity required. **Herb Magid**, managing partner at EIF in Needham, Mass., declined to talk specifics, but says, "The project has grown in scope and it may make sense to bring in a strategic partner. It'll be a nice path for British Columbia renewable energy to enter the U.S. and

make its way to California."

Debt financing will likely be sought after commercial contracts are signed with end users. "It's quite possible we could be looking for debt participants this year. It's simply not likely this would be built without commercial contracts," says Manson. The option exists to build the line in partnership with a regulatory utility, such as Portland, Ore.-based **Bonneville Power Administration** or Canada's **BC Hydro**, which could then roll a portion of the costs into rate base. "We're in some level of discussions with all these people, the obvious public utilities and private sector parties."

Juan de Fuca will be the first independently initiated and financed international power line. It will consist of a two-way, underwater cable bringing power from Vancouver Island to Port Angeles on Washington State's Olympic Peninsula. At present, the majority of the power bought and sold between British Columbia and the U.S. is done on the I-5 corridor, says Manson. The project scored presidential permits June 12 from the U.S. Department of Energy and got authorization from Canada's National Energy Board in Sept. 2006.

—Katy Burne

PERRY MANAGER

(continued from page 1)

prime brokers the fund will use along with **Morgan Stanley**.

At Perry, Schlegelmilch managed assets in excess of \$1.5 billion. During his tenure, the firm was part of a consortium that tried to take over Drax, the biggest coal-fired generation plant in the U.K. Before joining Perry, he was an associate at Goldman.

Sonterra's second partner and operations chief is **Peter Streinger**, former coo of investment advisors **Magnetar Capital Management** and **Andor Capital Management**, respectively. Previously, he was cfo of **Soros Fund Management** for 10 years.

—K.B.

DEVELOPER SEEKS

(continued from page 1)

up by the end of the third quarter. Any structural decisions, such as financing mix, would be decided with the partner.

The 75 MW phase one of Arabella is set to come online in 2010 with the remaining 225 MW following in 2012 or 2013, unless Infinite changes course. "We have an option to declare part of that 300 MW to be solar," says Moretz, explaining that the decision will depend on interconnection agreements and economics, but about one third of the project would have to be solar to make it economically viable. New Mexico's state-run Renewable Energy Transmission Authority offers financing for renewable energy storage infrastructure—a process that is not yet commercially viable for solar or wind, but likely could be by 2012, says Moretz. The company is in the process of evaluating several RFPs in New Mexico and surrounding states totaling more than 1 GW of power requests.

Also in the near term is a 35 MW first phase of a wind project in eastern New Mexico, which Moretz declined to name, followed by a 150 MW second phase. Further downstream are the bulk of the company's projects in central New Mexico. "It truly is where all these new projects for transmission are pivoting," he explains, noting the company has 80,000 acres under contract. "We see opportunities for both solar and wind on these properties."

The company has a 10-year timeframe for its pipeline, but the pace ultimately depends on the speed of transmission being built to carry power to Arizona and California. The SunZia Southwest Transmission Project, under development by a consortium of **SouthWestern Power Group**, **Salt River Project**, **Tucson Electric Power**, **Energy Capital Partners** and **Shell WindEnergy**, is set to come online in 2013 and stretch 500 miles from Guadalupe County, N.M., south through Las Cruces and ultimately to Phoenix, Ariz. The High Plains Express under development by a consortium of some 10 companies is also set to come online

during that time frame and stretch from California, through Arizona, New Mexico, Colorado and into Wyoming.

—Thomas Rains

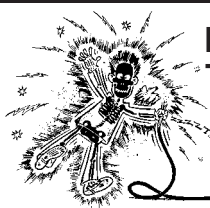
Quote Of The Week

"It's a risk that I think is delaying the industry, not only us." —**Asier Aya**, financial director at **Abengoa Solar** in Denver, Colo., on how the uncertain status of federal investment tax credits for solar generation is affecting the financing for its \$1 billion Arizona project (see story, page 2).

One Year Ago In Power Finance & Risk

TNK-BP, the Russian-British joint venture, and wholesale generating company **OGK-1** were looking to appoint a financial advisor for the first limited-recourse power project financing in Russia. [HSBC is lining up mandated lead arrangers this summer to project finance up to 75% of the \$1 billion, 800 MW gas-fired facility at the Nizhnevartovskaya complex in Siberia (PFR, 4/18).]

Alternating Current



It's A Bird, It's A Plane... It's A Turtle?

Watch out **Goodyear** and **MetLife**!

Valencia, Spain-based **Turtle Airships** is developing what will be the first solar-powered flying aircraft. Named for their amphibious ability to touch down on land or water, the craft has a hardshell aluminum exterior that resembles a blimp.



The airship is expected to reach speeds up to 200 miles per hour. But who ever heard of a fast turtle? Maybe President **Darrell Campbell** has designed his aircraft with solar panels on its hulls with "The Tortoise and the Hare" in mind—slow and steady wins the race. At night, a biodiesel back-up engine would make up for the lack of rays—an addition that would come in handy for all those nighttime bowl games.

The company is planning to raise \$3 billion in an initial public offering by 2015 in order to fund its fleet. The first turtle prototype is being constructed in Singapore ahead of an around-the-world flight next year. As **Leonardo**, **Raphael**, **Michelangelo** or **Donatello** might say, "Cowabunga!"

