Institutional Investor

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Exclusive Insight on Power M&A and Project Financing

Power Finance & Risk

The weekly issue from **Power Intelligence**

www.powerintelligence.com

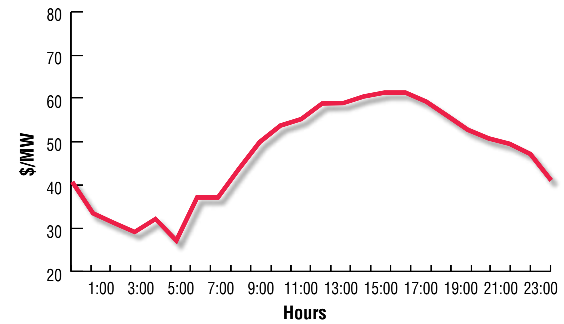
Developer Shops For N.Y. CCGT Investor

Advanced Power NA is looking to bring in an equity partner into its roughly $1.4 billion, 1 GW combined cycle facility in Dover, N.Y. The planned project has been bid into the **New York Power Authority** request for proposals.

Advanced Power is working with boutique investment bank **Whitehall & Co.**, with **Jon Cody**, managing partner, leading the equity sale. It currently owns 40% of the project alongside early investors **GE Energy** and **Marubeni Power** and anticipates remaining a co-owner. "We'd like to remain as big a shareholder as we can handle," says **Bob De Meyere**, project manager, referencing the hefty project equity commitment that accompanies a 40% stake.

The company started the project on the merchant path with the intent to arrange a hedge. But, when NYPA began to put together a contingency plan for replacing the Indian Point nuclear plant, which is opposed by the Governor

(continued on page 12)



Source: NY-ISO

Pemex Gas Pipeline Fuels Developer Interest

The third phase of a natural gas pipeline, between Texas and Mexico, has a raft of developers and financiers circling the request for proposals issued by **Pemex**. The section up for tender has a $1.8 billion development price tag.

Among them, a consortium led by **GDF Suez** has appointed **BNP Paribas** as the financial advisor for its bid and **Sempra Energy**, which is constructing the second phase of the pipeline in a joint venture with Pemex, is weighing a bid. The tender is being managed on behalf of Pemex by subsidiary **MGI Supply**. A decision on the winner is expected Aug. 15, according to Pemex documents, although it may come later, notes an observer.

"Financial institutions are extremely interested in the sector in Mexico [and] there are a lot of companies also

(continued on page 11)

Blackstone Spin-Out Raises $1B+ For Debut Fund

Stonepeak Infrastructure Partners, a New York-based private equity shop spun out of **The Blackstone Group**, has topped $1 billion for its debut fund. The infrastructure investment shop is expected to shop for long-term contracted assets across the broader infrastructure space, including power, renewables, utilities, energy and water sectors around North America.

The firm has hit $1.1 billion of a $1.5-2 billion target, according to a filing with the U.S. **Securities and Exchange Commission** on June 27. The team is headed by **Michael Dorell** and **Trent Vichie**, who were senior managing directors at Blackstone and previously were at **Macquarie Group**. About $350 million raised under the Blackstone brand carried over when it spun out in 2011 to become an independent firm. It registered with the SEC in October when it had raised $773 million.

(continued on page 12)

Generation Call Calendar

Check out the latest tenders and power purchase agreements on offer in this quarterly feature tracking calls in the U.S., Canada and Mexico.

See calendar, page 10

New Project Finance Loans

We've added updates to our weekly round-up of the latest project finance deals in the Americas, with details on projects, sponsors and debt.

See Deal Book, page 4

Generation Sale DATABASE

Get the rundown on the latest asset trades in *PI*'s weekly calendar, compiled from our exclusive Generation Sale Database.

See calendar, page 3

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THE BUZZ

Mezz Debt Takes Center Stage

A couple of mezzanine debt deals grabbed financier interest last week. **PensionDanmark** inked a mezzanine loan backing the high profile Cape Wind facility and landed a 14% price, while **K Road Power** tapped **Ares Management** for a mezzanine tranche backing its Moapa solar facility (see stories, page 5).

K Road is still looking to corral a group of tax equity investors for the project. Syndication of tax equity tranches is becoming more common as those tranches grow in size alongside bigger projects. **Enel Green Power** and **GE Energy Financial Services** secured $260 million from a four-firm tax equity syndicate backing the 250 MW Buffalo Dunes facility in Kansas (see story, page 5).

Investors keen to get in on the ground floor of gas-fired generation in PJM and New York have had a number of options. Developers such as **EmberClear** and **Moxie Energy** have had greenfield combined cycle projects in Pennsylvania up for grabs (PI, 4/1 & 4/2). Now a request for proposals from **New York Power Authority** is tipped to shine the light on similar projects in the Empire State. **Advanced Power NA**, the U.S. subsidiary of **Advanced Power Systems** is looking to bring a fourth investor into its 1 GW Cricket Valley project in Dover (see story, page 1).

Sponsors are on the sidelines of the B loan market waiting for price volatility to calm, bankers say. The white hot institutional lending market cooled in the last month after a speech by **Federal Reserve** Chairman **Ben Bernanke**. **LS Power** shelved its LSP Madison deal while **Riverstone Holdings** restructured and downsized its package (PI, 6/24). Interest, however, is not dead, arrangers say, noting that several deals are in the wings and are expected to launch before Labor Day. "Hopefully," says one banker, who doesn't want to see the prep work turn out to be for naught.

TELL US WHAT YOU THINK!

Do you have questions, comments or criticisms about a story that appeared in ***PFR***? Should we be covering more or less of a given area? The staff of ***PFR*** is committed as ever to evolving with the markets and we welcome your feedback.

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Institutional Investor Intelligence

Generation Sale DATABASE

GENERATION AUCTION & SALE CALENDAR

These are the current live generation asset sales and auctions, according to *Power Intelligence*'s database. A full listing of completed sales for the last 10 years is available at www.powerintelligence.com/AuctionSalesData.html

Seller	Assets	Location	Advisor	Status/Comment
▶ Advanced Power Systems	Cricket Valley (1 GW CCGT)	Dutchess County, N.Y.	TBA	Looking for equity (see story, page 1).
ArcLight Capital Partners	Various (2.8 GW Gas)	Georgia	Citigroup, Barclays	Bidders wait to hear results from final round (PI, 7/1).
	Juniper Generation (Cogen portfolio)	Various, California	McManus & Miles	First round bids due July 11 for Juniper and SEGS assets (PI, 6/17).
	50% Stake (SEGS VIII 80 MW Solar Thermal)	Harper Lake, Calif.	McManus & Miles	
	50% Stake (SEGS IX 80 MW Solar Thermal)	Harper Lake, Calif.	McManus & Miles	
BP Wind Energy	Various (Wind portfolio)	Various	None	Has had initial chats with suitors, may bring in advisor later (PI, 5/20).
Capital Power	Tiverton (265 MW CCGT)	Tiverton, R.I.	Morgan Stanley	Buyers have entered the second round of due diligence (PI, 6/17).
	Rumford (265 MW CCGT)	Rumford, Maine		
	Bridgeport (520 MW CCGT)	Bridgeport, Conn.		
Corona Power	Stake (Sunbury, 900 MW Repowering)	Shamokin Dam, Pa.	Perella Weinberg	An equity investor to precede financing of the coal-to-gas-fired project (PI, 6/24).
Edison Mission Energy	Various (7.5 GW Coal, Wind, Gas)	Various	JPMorgan, Perella Weinberg	Retained JPM to sell plants alongside Perella (PI, 7/1).
EmberClear	Good Spring (300 MW Gas)	Good Spring, Pa.	CCA Capital	Likely to sell a nearby development in addition to Good Spring (PI, 4/8).
Energy Capital Partners	Empire Generating (635 MW Gas)	New York	Deutsche Bank	Teasers went out recently (PI, 6/10).
	Odessa (1 GW CCGT)	Odessa, Texas	Goldman Sachs	Teasers are out (PI, 6/24).
Energy Investors Funds	Stake (550 MW Astoria Energy II)	Queens, N.Y.	Barclays	Teasers are out (PI, 12/10).
FGE Power	FGE Texas (726 MW CCGT)	Westbrook, Texas	Houlihan Lokey	Equity offers to come in by Labor Day; finalizing final permits (PI, 7/8).
FirstEnergy	Various (1,181 MW Hydro)	Ohio, Virginia, Pennsylvania	Goldman Sachs	Teasers are out (PI, 5/13).
GE Energy Financial Services	Stake (800 MW CPV Sentinel Gas)	Riverside, Calif.	GE EFS	Initial bids due early June (PI, 6/10).
GDF SUEZ Energy North America	Armstrong (620 MW Peaker)	Pennsylvania	Bank of America	BoA is prepping teasers (PI, 5/27).
	Troy (609 MW Peaker)	Ohio		
	Calumet (303 MW Peaker)	Illinois		
	Pleasants (304 MW Peaker)	West Virginia		
Global Infrastructure Partners	Channelview (856 MW Cogen)	Channelview, Texas	Credit Suisse	Seller looking to take advantages of ERCOT interest; teasers not yet released (PI, 7/8).
LS Power	Columbia (20 MW Solar)	Pittsburg, Calif.	Marathon Capital	Process is in the second round of due diligence (PI, 7/1).
	Doswell (708 MW CCGT)	Ashland, Va.	Citigroup, Credit Suisse and Morgan Stanley	Teasers went out in mid-April; includes a 171 MW peaker (PI, 5/6).
▶ Longview Power	Longview (695 MW Supercritical Coal)	Maidsville, W. Va.	Lazard	Talking a potentail pre-pack with creditors (see story, page 6).
Maxim Power Corp.	CDECCA (62 MW Gas)	Hartford, Conn.	Credit Suisse	First round bids due between 2/18-2/15 (PI, 2/11).
	Forked River (86 MW Gas)	Ocean River, N.J		
	Pawtucket (64.6 MW Gas)	Pawtucket, R.I.		
	Pittsfield (170 MW Gas)	Pittsfield, Mass.		
	Basin Creek (53 MW Gas)	Butte, Mont.		
Mexico Power Group	Stakes (250 MW Wind)	Various, Mexico	Marathon Capital	The shop is looking for late stage equity in the run up to construction financing (PI, 6/24).
NextEra Energy Resources	Wyman (796 MW Oil)	Maine	Marathon Capital	Indicative bids due by end of June (PI, 6/17)
Pattern Energy	Various (1 GW Wind)	North America	Morgan Stanley	Process iced for run at Toronto Stock Exchange listing (PI, 5/27).
PPL Corp.	Various (604 MW Hydro)	Various, Montana	UBS	The utility holding company is selling its unregulated Montana operations (PI, 11/12).
	Colstrip (529 MW Coal)	Colstrip, Mont.		
	Corette (153 MW Coal)	Billings, Mont.		
Sempra Energy	Energias Sierra Juarez (156 MW Wind)	La Rumorosa, Mexico	TBA	Will start a process to find a JV partner replacing BP Wind (PI, 7/8)
U.S. Power Generating	Astoria Generating (2.3 GW Oil, Gas)	New York	Goldman Sachs, Morgan Stanley	The company is in talks with a handful of parties (PI, 4/22).

▶ **New or updated listing**

*The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed. To report updates or provide additional information on the status of financings, please call Senior Reporter **Holly Fletcher** at (212) 224-3293 or e-mail hfletcher@iiintelligence.com.*

PROJECT FINANCE DEAL BOOK

Deal Book is a matrix of energy project finance deals that Power Intelligence is tracking in the energy sector. A full listing of deals for the last several years is available at http://www.powerintelligence.com/projectfinancedeal.html

Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
BrightSource	Hidden Hills (500 MW Solar)	Hidden Hills, Calif.	TBA	TBA	TBA	TBA	The company is in the market looking for equity, before finalizing the debt financing (PI, 4/29).
	Palen (500 MW Solar)	Riverside County, Calif.	TBA	TBA	~$1.6B	TBA	Sponsor is looking to close the deal by Q4 this year (PI, 3/25).
Cameron LNG	LNG Export Facility	Hackberry, La.	TBA	TBA	~$4B	TBA	Sponsor sells three equity stakes to offtakers (PI, 5/27).
▶ Cape Wind Associates	Cape Wind (454 MW Wind)	Nantucket Sound, Mass.	BTMU	TBA	TBA	TBA	The sponsor was able to secure a tightly priced mezzanine tranche from PensionDanmark (see story, page 5).
Cheniere Energy	Sabine Pass Trains 3 & 4 (Trains)	Sabine Pass, La.	TBA	TBA	$4.4B	TBA	Sponsor ups the original bank loan to $4.4 billion and taps Korean entities for a further $1.5 billion (PI, 6/3).
Competitive Power Ventures	Shore (663 MW Gas)	Woodbridge, N.J.	GE EFS	Term Loan	$585M	TBA	CPV is looking to wrap the deal, despite still facing a legal battle over the PPA (PI, 5/27).
Corona Power	Sunbury Generation Facility (900 MW Gas)	Shamokin Dam, Pa.	TBA	Term Loan A & B	TBA	TBA	The financing will be dictated by the equity investor the company is looking to secure (PI, 6/24).
Coronado Power	Edinburg (700 MW Gas)	Edinburg County, Texas	TBA	TBA	$650M	TBA	The new shop will fire up the financing after some of the final permits are issued (PI, 12/3).
EDF Renewable Energy	Rivière-du-Moulin (350 MW Wind)	Quebec, Canada	TBA	TBA	TBA	TBA	The total investment needed for the project will be $800 million (PI, 3/11).
EDP Renewables North America	Headwaters (200 MW Wind)	Randolph County, Ind	TBA	Tax Equity	$350-400	TBA	The sponsor is looking to secure both equity and tax equity investment (PI, 6/24).
EmberClear Corp.	Good Spring (300 MW Gas)	Schuylkill Country, Pa.	CCA Capital	TBA	$400M	TBA	Sponsor taps Boston-based CCA Capital to manage both the debt and equity sale (PI, 12/24).
▶ Enel Green Power	Buffalo Dunes (250 MW Wind)	Grant, Finney and Haskell Counties, Kan.	JPMorgan	Tax Equity	$260M	TBA	Sponsor secured a four-lender tax equity syndicate (see story, page 5).
Energy Investors Funds	Pio Pico (300 MW Gas)	San Diego County, Calif.	SocGen	TBA	$300M	TBA	Sponsor is re-launching financing efforts (PI, 6/10).
FGE Power	FGE Texas (726 MW Gas)	Westbrook, Texas	TBA	TBA	TBA	TBA	The first-time developer is looking for both debt and equity partners (PI, 3/18).
Genesis Power	Keys Energy Center (750 MW Gas)	Brandywine, Md.	TBA	TBA	TBA	TBA	EIF is taking an equity stake in the project (PI, 3/4).
Gauss Energia	Various (3 x 30 MW Solar)	Mexico	TBA	TBA	TBA	TBA	The sponsor is looking to finance another three projects after the succesful closing of the Aura Solar facility (PI, 7/1)
Innergex	Three projects (153 MW Hydro)	B.C., Canada	TBA	TBA	$590M	40-yr	Innergex wrapped on one of its hydro facilities, the 17.5 MW Northwest State River (PI, 6/3).
▶ Invenergy	Stony Creek (95 MW Wind)	Orangeville, N.Y.	Rabobank, Union Bank	Construction	TBA	TBA	Sponsor closed a construction loan and letter of credit backing the facility (see story, page 6).
	Goldthwaite (148.6 MW Wind)	Mills County, Texas	Morgan Stanley	Construction	TBA	TBA	Sponsor closed a construction loan backing the facility (see story, page 6).
▶ K Road Power	Moapa (350 MW Solar)	Clark County, Nev.	TBA	TBA	$1B+	TBA	Ares will provide a mezzanine tranche for the deal (see story, page 5).
Moxie Energy	Moxie Liberty (850 MW Gas)	Bradford County, Pa.	TBA	TBA	$800M	TBA	Pricing, timeline emerge on Liberty term loan B (PI, 5/27).
OCI Solar Power, CPS Energy	Alamos I - V (400 MW Solar)	Texas	TBA	Term	~$500M	TBA	Sponsor heads straight back into the market looking to fund the next two phases (PI, 3/18).
Pattern Energy	Panhandle (322 MW Wind)	Carson County, Texas	BayernLB, Crédit Agricole, NordLB	Bridge to Tax Equity	$500M	2-year	The sponsor has mandated three leads for the bridge loan, as pricing emerges (PI, 3/25).
Samsung Renewable Energy	Grand Renewable (100 MW Solar PV)	Haldimund County, Ontario	TBA	TBA	TBA	TBA	The sponsor is talking to banks looking for debt for the project (PI, 5/27).
SolarReserve	Rice (150 MW Solar Thermal)	Blythe, Calif.	TBA	TBA	$450M	TBA	Sponsor is looking to become the first entity to back a solar thermal project without a DOE loan (PI, 2/4).
Strata Solar	Warsaw (100 MW Solar PV)	Duplin County, N.C.	TBA	TBA	~$250M	TBA	This will be the largest project that the sponsor has looked to finance (PI, 2/25).

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PROJECT FINANCE

Cape Wind Mezz Priced At 14%

PensionDanmark's $200 million mezzanine loan to the 454 MW Cape Wind project has reportedly priced at around the 14% mark—a tight level for mezz, according to observers. It is the first time the Danish pension fund—managed by **Copenhagen Infrastructure Partners**—has provided debt for a wind project in the U.S.

Bank of Tokyo-Mitsubishi UFJ is coordinating the debt financing for the $2.6 billion project and **Barclays** has also been advising the sponsor on financing options.

Mezzanine debt traditionally comes in between 14% and 20%, says a deal watcher. Earlier this year, getting pricing of 15% on a mezzanine tranche was considered tight, but a dearth of opportunities and competition amongst new investors is driving that pricing down, he adds. Pension funds, sovereign wealth funds and fund managers are becoming increasingly active in lending to power and energy projects and are now willing to play that subordinated mezzanine role.

Projects such as Cape Wind provide an attractive opportunity for institutional investors looking for yield when bond yields are low, says **Torben Möger Pedersen**, ceo at PensionDanmark, in a statement. Mezzanine lenders are also looking to differentiate themselves via relationships and with caveats on deals, like eliminating call protection periods or prepayment penalties in order to secure that business.

Jim Gordon, founder of Cape Wind's Boston-based sponsor **Energy Management Inc**., was unavailable for comment. A Cape Wind spokesman declined to comment on the details of the transaction, but confirmed that the company is still aiming for a financial close by year-end. Bank officials either did not respond to inquiries or declined to comment.

Siemens is a major equity backer of the project (*PI, 6/24/2011*). **Nstar** has a 15-year power purchase agreement for 27.5% of the generation, while **National Grid** has a 15-year PPA for 50%. The first phase of Cape Wind is slated to go online in 2015.

K Road Reportedly Taps Ares For Solar Mezz

K Road Power is reportedly lining up mezzanine debt from **Ares Management** for its 350 MW Moapa solar facility in Clark County, Nev. It is also talking with potential tax equity investors, including **State Street** and **MetLife**. **Citibank** is advising the New York-based developer on the financing (*PI, 2/6*).

The tax equity could include up to four investors, says a deal watcher. The size and tenor of the mezzanine tranche and details of the tax equity commitments could not be learned by press time. Ares officials did not respond to calls. A State Street official declined to comment. Bank and MetLife officials either declined to comment or did not respond to inquiries by press time.

"It really depends on the deal size, but we are seeing more tax equity tranches syndicated out these days," says a deal watcher. "With many of them, you need more than one player as most tax equity investors can't write the big checks that a **Google** can. That can make the deal more complicated."

Banco Santander and **Prudential Capital** are providing a $550 million bank loan and bond package for the facility (*PI, 4/19*). Santander is leading the bank tranche and Prudential is underwriting the bonds, with Citi, **Barclays** and **Credit Suisse** as placement agents. New York-based K Road is hoping to secure the financing by the end of the summer, says an observer. The **Los Angeles Department of Water and Power** has a 25-year power purchase agreement with the facility. Inquiries made to K Road officials were not returned by press time.

Enel Snares Buffalo Dunes Tax Equity

A syndicate of tax equity lenders will provide $260 million to **Enel Green Power** and **GE Energy Financial Services**' 250 MW Buffalo Dunes wind project in Grant, Finney and Haskell Counties, Kan. **JPMorgan** led the syndicate, with **Wells Fargo**, **MetLife** and **State Street** rounding out the quartet.

The syndicate is expected to release the funds in the fourth quarter. GE EFS purchased a 51% stake in the project earlier this year (*PI, 4/8*). Stamford, Conn.-based GE EFS is investing up to $230 million to fund construction alongside a $40 million purchase of common equity shares. Having GE EFS involved allows lenders to get comfortable in a project, notes a deal watcher.

Officials at Enel in Rome and Andover, Mass., did not respond to inquiries by press time. Bank officials either did not respond to inquiries or declined to comment.

The syndication of tax equity is becoming more common, note observers, as most players by themselves can't take the tranches that developers are looking to fill. "There is a continued imbalance in tax equity in projects," says an official at a tax equity investor. "There is more demand than there is capacity." **K Road Power** is also lining up a tax equity tranche for its Moapa solar facility in Clark County, Nev., which could see up to four players (see story above).

Buffalo Dunes uses 135 **GE** 1.6 MW turbines and will sell its power to **Alabama Power Company**, a subsidiary of Atlanta-based **Southern Company**, via a 20-year power purchase agreement.

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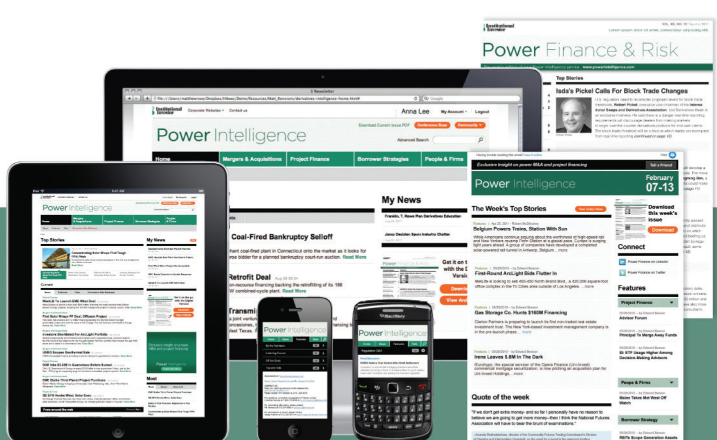

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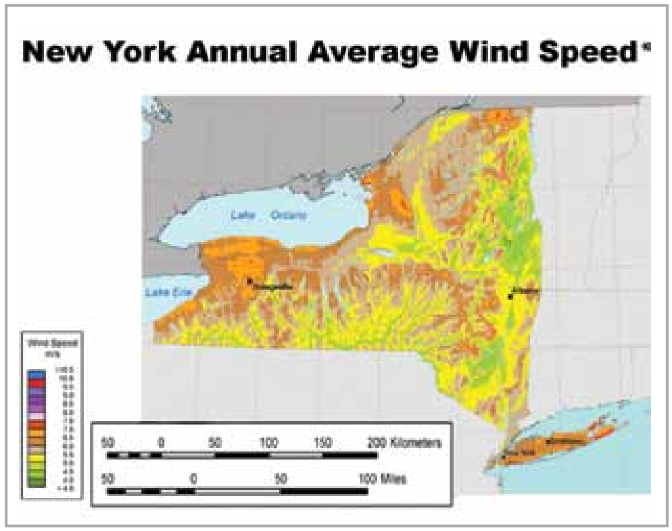
Invenergy Seals Merchant Wind Financings

Invenergy Wind has wrapped financings backing two merchant wind facilities. The Chicago-based developer closed a construction loan and letter of credit backing its 94 MW Orangeville wind farm in Wyoming County, N.Y., and a construction loan for its 148.6 MW Goldthwaite wind project in Mills County, Texas.

"The project finance capital markets are as good as they have been in the past five years," says a deal watcher. "People are looking for higher yields," he adds, noting that lending to merchant and hedged projects is one way of securing a higher return. Orangeville's output will be sold into the wholesale markets managed by the New York ISO and its renewable energy credits will be sold to the **New York State Energy Research and Development Authority**. Goldthwaite will sell wholesale into ERCOT.

Merchant wind projects have been uncommon in the U.S., with banks traditionally unwilling to provide the leverage to facilities without offtake agreements with investment grade entities.



Source: U.S. National Renewable Energy Labortory and AWS Truepower *At 80 meters

A dearth of power purchase agreements and projected rises in electricity prices are pushing more developers to build merchant facilities; while a lack of deals in the pipeline and a search for yield is prompting lenders to finance merchant projects, note observers.

For Orangeville, **Rabobank** is the mandated lead arranger, administrative agent and collateral agent, while **Union Bank** is the syndication agent and joint lead arranger. **Morgan Stanley** was the lead arranger, administrative agent, and issuing bank for the Goldthwaite deal. Invenergy re-entered the market to finance the projects this year following the extension of the production tax credits, after it held up the development due to uncertainty over the future of the credits (*PI, 4/9*). Construction on both facilities is slated for completion later this year.

MERGERS & ACQUISITIONS

Longview Talks Pre-Pack With Creditors

Longview Power has detailed a pre-pack bankruptcy filing proposal with its creditors, deal watchers say.

A banker notes Longview executives referenced an offer that was on the table in its most recent lender call. The company is evaluating whether it would file in West Virginia, New York or Delaware. Longview Power owns a 695 MW supercritical pulverized coal-fired facility in Maidsville, W. Va.

A restructuring plan is expected to emerge in the fall as Longview approaches its next liquidity test at the end of September. The results are not reportable until November, says a deal watcher. The company received approval from lenders to waive the quarterly tests on its roughly $1.1 billion in debt for two quarters (*PI, 6/13*).

Longview

Longview has a $445 million term loan B that matures in February 2014. There is also a roughly $500 million senior secured term loan maturing in 2017 priced at LIBOR plus 575 basis points. The B loan with the 2014 maturity is priced at L+250 bps and is part of a larger package from 2011 that consists of $163 million in a revolver and letter of credit. The revolver and LOC mature in February 2014. **Standard & Poor's** recently downgraded the debt to CCC- from B- on restructuring risk.

In conjunction with the covenant amendment package that waived the quarterly liquidity tests, the company also sold the cash flow from its five-year offtake agreement with **PPL EnergyPlus**, which buys 43% of its capacity. The company has sought ways to alleviate its immediate financial obligations amid low merchant power prices while it addressed operational issues that led to a flirtation with a covenant trip at the end of the first quarter (*PI, 4/5*). The plant has been plagued with operational issues in its two-year lifetime.

First Reserve owns 92% of Longview, which has been advised by **Lazard**. **Houlihan Lokey** is advising creditors, which include affiliates of **KKR**, **Sankaty Advisors**, **Knighthead Capital Management**, **Oaktree Capital Management** and original lenders including **Natixis** and **CIT Group**.

A Longview spokesman did not respond to an inquiry while a First Reserve spokeswoman declined to comment. Bank officials or spokespeople either declined to comment or did not respond to an inquiry.

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Threshold Files IPO Prospectus

Threshold Power Trust has filed its preliminary prospectus to list on the **Toronto Stock Exchange**.

The investment shop backed by **AES**-founder **Roger Sant** is looking to use proceeds from the IPO to fund the roughly $120 million purchase of tax equity positions from **JPMorgan Capital Corp.**, according to the preliminary prospectus. The target price is C$10 ($9.45) per share.

CIBC World Markets, **Scotia Capital** and **National Bank Financial** are the lead underwriters. **Stifel Nicolaus Canada**, **Canaccord Genuity Corp**., **Desjardins Securities**, **GMP Securities**, and **Raymond James** are co-managers.

The markets have been jittery over the last few weeks and the underwriters expect to spend time getting investors comfortable with the company, says a banker. The process from filing with SEDAR to listing is quicker than in the U.S. and the stock could price by early to mid-August.

Threshold will have a first right of offer to bid on tax equity stakes in 76 wind farms totaling 10 GW that JPMCC may want to sell over the next two years, giving it access to a tax equity pipeline.

Threshold agreed to buy the tax equity stakes in Texas, New Mexico, Colorado, Illinois, Oklahoma, New Jersey and Pennsylvania projects in late in 2012, as first reported by *PI* (*PI, 1/4*).

Threshold is headquartered in Chicago and headed up by **Susan Nickey**, ceo.

PEOPLE & FIRMS

SolarReserve CFO Takes OPIC Post

Michael Whalen, cfo at solar developer SolarReserve, has taken a position as v.p. of structured finance at the **Overseas Private Investment Corp.** in Washington. He started at the beginning of the month.

Further details regarding the position, such as Whalen's responsibilities, could not be learned. Calls placed to OPIC officials were not returned by press time.

OPIC is the U.S. government's development finance institution that is charged with fostering private sector investment by U.S. companies overseas. Most recently it was considering providing debt to **AES Gener**'s Alto Maipo hydro facility near Santiago, Chile (*PI, 6/29/2012*).

Stephen Mullennix, senior v.p. of operations, is acting as cfo at the company until a replacement can be found, says CEO **Kevin Smith**. "Stephen has strong finance experience from his private equity activities at **US Renewables Group**," he says. "We are in the late stages of our search for a permanent cfo, and expect to select a candidate later in the summer."

Whalen joined SolarReserve in October 2008 and helped oversee the company's growth during that time, including its recent push into Latin America (*PI, 4/22*).

STRATEGIES

Hinckley Shop Readies Novel Land Lease Loan

American Wind Capital, the venture headed by wind veteran **Chuck Hinkley**, is working with **CIT Group** to arrange an innovative loan structure backed by a pool of wind farm land leases.

The loan will be backed by royalties from land leases that American Wind has aggregated over the last several years. The company plans to amass enough land lease royalties—the contracts that are paid to land owners who rent land to wind developers—for a securitization (*PI, 9/16/11*).

Lender interest in the deal is fairly strong, says a banker, noting that it's not too different from financing a contracted wind farm receiving payments from a power purchase agreement. In this case the cash comes from the lease payments that wind developers pay the landowners. CIT is beginning to syndicate the loan. Details on the loan, such as size, tenor and pricing, could not be immediately learned.

Proceeds from the loan will be used to finance the acquisitions of more leases, says a banker, as the company works to hit a critical mass that could be bundled and securitized. It could also use funds to buy wind farms or stakes. The company bought a 9 MW farm in Tehachapi, Calif., in 2011 that came with royalty payments.

The Old Saybrook, Conn.-based shop approaches landowners that have leases with wind farm developers, offering upfront cash to take over the contracts. It's backed by **Barclays Natural Resource Investments** and private equity shop **NGP Energy Technology Partners**.

There was a possibility that the company was going to take its first securitization to market in 2012 after working to amass the leases since 2009 but it's still working to hit an amount to take to market, deal watchers say. "It's tough work but they've hit enough that banks are willing to give them more capital," says a banker.

A call to Hinckley was not immediately returned nor was a call to a CIT official.

GENERATION CALL CALENDAR

The Generation Call Calendar is a feature that *PI* runs on a quarterly basis that tracks ongoing calls for generation in the Americas.

Caller	Capacity	Contracts	Deadlines	Requirements	Notes
AEP-PSO	200 MW (Wind)	20 years	Winner will be announced on Aug. 30, following the announcement of a shortlist July 12.	Winning projects must qualify for the PTC and be online by Dec. 31, 2015. Proposals must have a minimum capacity of 80 MW.	AEP is administering the RFP.
Alberta Electric System Operator	500 kV, 248-280 miles (Transmission)	TBA	The RFP submissions will be due between May and July, 2014, with a decision on a winner slated for September 2014.	The line will travel from a coal-fired plant in Genesee to a new substation in Fort McMurray.	Slated for operation by 2017.
Alliant Energy Corporate Services	100 MW (Wind)	3-year minimum	Proposals were due March 1. The utility recieved several bids and will make a decision by late summer.	The company has a preference for proposals that commence delivery no later than Jan. 1, 2014.	Multiple bidders may win, but nameplate capacity must be no less than 15 MW.
Coyote Springs Investment	As large as feasible. The site could support up to 2,000 MW of solar thermal.	TBA	The company is accepting ongoing proposals.	TBA	The property was formerly leased to BrightSource Energy Group for the development of a 960 MW solar thermal project.
Delmarva Power	No minimum or maximum.	N/A	Accepts bids on an ongoing basis.	The program has been approved until Dec. 31, 2014. All facilities must be operational by then.	The projects proposed will be assessed on a case-by-case basis by Delmarva.
East Kentucky Power Cooperative	300 MW (All sources)	TBA	Bids were due Aug. 30, 2012.	Contracts were for new resources and had to have a minimum of 50 MW for any conventional resource and 5 MW for any renewable resource.	EKPC received over 100 proposals and has now shortlisted the projects. It expects to make a decision in the next few months.
Government of Quebec	800 MW (Wind)	TBA	TBA	The tender includes a 450 MW block open to projects developed by independent power producers and a 150 MW block being developed by Innergex in association with the Mi'gmawei Mawiomi First Nations in the Gaspésie region.	A 300 MW section of the 450 MW set aside for IPPs is for projects in the Gaspésie and Bas-Saint-Laurent regions and the 150 MW section for projects in the rest of Québec. Projects are expected to come online between 2016 and 2017.
Indianapolis Power and Light Company	600 MW (Gas)	20-year minimum	Bids were due Sept. 10, 2012.	Resources must be dispatchable to MISO and deliverable to IPL for a minimum of 20 years.	The RFP process was managed by Burns & McDonnell. It was very competitive and a decision was expected in the second quarter this year.
Los Angeles Department Of Water & Power	200 MW (Solar)	20 years	Bids are due July 19, 2013. Contracts will be awarded Dec. 19, 2013.	Resources must be located at the LADWP's Beacon site in the Mojave Desert and will price at $85 per MWh.	Contracts will be awarded on Dec. 17 this year, with construction to begin Jan. 1, 2015.
New York City Economic Development Corporation	Uspecified MW (Wind and Solar)	TBA	Submissions are accepted on a rolling basis every quarter	The RFP is for the long-term lease of approximately 75 acres of land on, and adjacent to, the former Fresh Kills landfill on Staten Island.	NYEDC will look at the quality of the proposal, experience of sponsor and subcontractor's key staff and demonstrated success in performing similar services.
Northern States Power	200 MW (Wind)	TBA	Proposals were due April 1, with negotiations to take place in June.	Projects must qualify for the PTC.	The RFP process will be managed by parent company Xcel Energy.
Pacific Gas & Electric	50 MW (New Solar PV)	20 years	Bids were due May 3, participants were to be notified of offers July 2 and execution of final PPAs set for Aug. 10.	Projects must be 1-20 MW and within PG&E's coverage area. May also contract up to 34 MW in total for wind.	The RFP is part of five-year process to add 250 MW of renewables to the portfolio.
Pemex	750 Miles (Gas Pipeline)	TBA	Bids due by July 22.	The project must be operational by Dec. 1, 2015.	The RFP is part of a push by Pemex to increase the import of cheap shale gas from the U.S.
Portland General Electric	200 MW (Gas)	TBA	Third party bids due Aug. 8. Final decisions had been expected in early 2013.	The utility is targeting year-round flexible and peaking resources.	PGE received 18 bids. It awarded the contract to Abengoa, which will construct a 440 MW gas-fired facility costing roughly $450 million near Boardman, Ore., and it will be online in 2016.
	200 MW (Gas)	TBA	Third party bids due August 8. Final decisions had been expected in early 2013.	The utility is seeking winter and summer peaking supply generation.	PGE received 18 bids for 8 distinct projects. It awarded the contract to Abengoa, which will construct a 440 MW gas-fired facility costing roughly $450 million near Boardman, Ore., and it will be online in 2016.
	150 MW (Gas)	N/A	Third party bids due August 8. Final decisions had been expected in early 2013.	The utility is looking for winter-only peaking capacity.	PGE received 18 bids for 8 distinct projects. It awarded the contract to Abengoa, which will construct a 440 MW gas-fired facility costing $450 million near Boardman, Ore., and it will be online in 2016.
	100 MW (Renewables)	10 years	A shortlist was set to be announced in February.	The projects must have a 10 MW minimum.	PGE received 64 bids representing 39 generating projects with a combined nameplate capacity of 4,450 MW. The winner was the 267 MW Lower Snake River wind facility being developed by RES Americas Construction.

To report updates or new request for proposals or to provide additional information, please contact Senior Reporter, ***Nicholas Stone*** *at (212) 224-3260 or nicholas.stone@iiintelligence.com.*

GENERATION CALL CALENDAR

Caller	Capacity	Contracts	Deadlines	Requirements	Notes
Public Service Co. of New Mexico	43 MW (Renewables)	TBA	A winner was announced on July 1.	PNM will consider offers for asset purchases, turnkey projects, PPAs, or joint ownership projects in addition to RECs-only bids.	PSNM will buy 23 MW from a new First Solar facility, to be built near Albuquerque. It will also begin purchasing some generation from NextEra Energy Resources' 102.4 MW Red Mesa wind project starting Jan. 1, 2015.
Puget Sound Energy	385 MW (All Sources)	TBA	Bids were due Nov. 1.	Eligible projects must be online between December 2013 and 2015.	PSE has pared the candidate list after an initial screening. A decision is possible this quarter.
San Diego Gas & Electric	250 MW (Renewables)	Up to 20 years	Proposals due Feb. 6.	Generation may be COD December 2016 at the earliest, with preference for 2018 and 2019.	SDG&E is waiting to announce the winners until PPAs have been officially approved.
	250 MW (Renewables)	Up to 20 years	Proposals due Feb. 6.	Generation may be COD December 2016 at the earliest, with preference for 2018 and 2019.	SDG&E is waiting to publicly announce the winners until PPAs have been officially approved.
Southern California Edison	50 MW (New Solar PV)	TBA	TBA	TBA	Utility is planning to issue a call for 50 MW of new photovoltaic generation.
	400-700 MW (New Renewables)	TBA	TBA	Solar, hydro under 30 MW, wind, biomass and geothermal are the only qualifying resources.	RFP possible this fall. Winning bidders would secure PPAs starting later this decade.
Southwestern Public Service Co.	Undisclosed MW (Wind)	10, 15, or 20 years	Power must be delivered after Jan. 1, 2014, but no later than Dec. 31, 2015. Proposals were due April 12, with a decision expected in July.	Projects must qualify for the PTC.	Parent company Xcel Energy will handle the bidding process.
Xcel Energy	200 MW (Wind)	TBA	Bids are due April 1.	Xcel is looking for generation in Minnesota, the Dakotas and Wisconsin.	Xcel launched the RFP after the extension of the PTC.

Pemex Gas *(Continued from page 1)*

willing to commit equity, which shows you the confidence in the opportunities," says the director of Latin American project finance at an international bank.

The pipeline is in three phases—Agua Dulce, Los Ramones I and Los Ramones II. Once the entire pipeline is complete, it will run from the Agua Dulce gas hub near Corpus Christi, Texas, to Apaseo El Alto. The current tender is for the 460-mile Los Ramones II, which will be the longest of the three and connect Los Ramones, Nuevo Leon, in the north of Mexico to Apaseo El Alto, Guanajuato. The 1,430 MMcfd capacity of the pipeline will be purchased by Pemex.

NET Midstream won the tender for the first section. Pemex is putting the third section of the pipeline to a public RFP in order to get the most competitive pricing, say observers. Inquiries made to Sempra, NET Midstream and GDF officials were not returned by press time and how they've financed their respective phases could not be learned.

All contracts for the pipeline will be in dollars, which means greater competition for both lenders and equity investors as it opens up the potential pool of international players not seen in peso-denominated deals, notes a deal watcher. Pipeline projects can most easily be financed when there is ensured demand, says a deal watcher, which Los Ramones II has with Pemex as the offtaker for its entire production.

Los Ramones II must be operational by Dec. 1, 2015. The winning bidder must also provide 100% of the investment needed, which will entitle it to a 90% ownership stake in the Pemex subsidiary in charge of the project, while the remaining 10% stake will go to that subsidiary. The winning bidder is also expected to provide construction, operation and maintenance for the life of the project.

Exports of natural gas from the U.S. to Mexico have doubled in the past three years. Over the same period, natural gas production in Mexico has declined 11%. Natural gas exports from the U.S. into Mexico are expected to triple by 2015. Bank officials did not respond to inquiries by press time, while Pemex representatives were unavailable for comment.

—Nicholas Stone

Blackstone Spin-Out *(Continued from page 1)*

It made its initial investments in the last half of 2012, landing solar assets in Ontario from **Canadian Solar** for about $48.4 million in August before inking investments in **Tidewater Holdings** and **Orion Water Partners**, a barge and terminal operator and desalination project, respectively, in December.

The fund has had success in executing its early deals while bringing on limited partners, in part, because of the team's infrastructure pedigree. Signing on investors can be an arduous process right now as investors try to reign in the number of checks they write by deepening relationships with fewer fund managers, say a fund executive and a banker.

Calls to Dorell and Vichie were not immediately returned.

—Holly Fletcher

Developer Shops *(Continued from page 1)*

Andrew Cuomo, Advanced Power revved up the development timeline in order to bid into the RFP. "The economics of the project always worked even with Indian Point online but the RFP quickly became plan A," says De Meyere. The capital from the equity sale would be used to fund construction until the project could reach financial close and it is awarded a PPA.

Independent power producers, financial shops and even competing developers have shown interest in taking a piece of the Cricket Valley project, which is in Zone G and can ship power to New York City. The interested parties have shown a willingness to invest in the project even if it is not awarded a PPA, De Meyere says. The project is awaiting a final response on how it would hook into transmission lines.

De Meyere says the financing route will depend on whether the project lands a PPA. If the project is contracted then the company will turn to project finance lenders for debt but will likely head to the B loan market if it's developed with a hedge in place.

A shortlist is expected from NYPA on Sept. 12 with final power purchase agreement negotiations wrapped up by the end of November. Advanced Power could be ready to proceed with construction not long after, he says. Otherwise, under the company's plan B—arranging a hedge—construction would kick off within the next 12 months.

Cricket Valley is not the only CCGT project in the zone that is up for a NYPA contract. It's about 100 miles away from **Competitive Power Ventures**' $900 million, 650 MW CCGT project in Orange County, N.Y., which also serves New York City from Zone G but from the New Jersey and Pennsylvania direction.

Advanced Power NA is a subsidiary of Swiss combined-cycle plant developer **Advanced Power**. It is also developing the 350 MW Brockton project in Brockton, Mass. GE Energy entered a joint venture with Advanced Power in 2011 (*PI, 5/20/11*).

—Holly Fletcher

ALTERNATING CURRENT

Do Humans Dream Of Renewable Sheep?

Issues surrounding production tax credits may just have become a little hairier. Can human beings qualify for them?

Researchers at **Columbia University** have conducted the first in-depth exploration of kinetic energy harvesting. That is the harvesting of energy produced by our bodies when we use a keyboard, jump, dance or even simply open a door. The act of walking produces 100-200 microwatts of energy. While intentionally shaking an object creates more than 3,000 microwatts or 3 milliwatts. Taller people generate about 20% more power than shorter people. Hardly utility scale, but you have to start somewhere.


Source: **iStockphoto\Thinkstock**

The average human can produce enough energy to power wireless networks, which could revolutionize the way we use mobile devices and wearable computers. It could also mean that your future iPhone won't annoyingly run out of battery just as you are looking up the address for your next deal launch meeting.

Perhaps whether or not humans qualify for RECs all comes down to fuel type. Those that run on predominantly fast food may be lumped into the dirty fuel category and thus won't qualify. While those that dine on quinoa and kale would be classed as cleaner, trade-able, fuel.

Your move, Mr. Obama.

QUOTE OF THE WEEK

"We'd like to remain as big a shareholder as we can handle."—**Bob De Meyere**, project manager at **Advanced Power NA**, on how much of a stake the company wants to retain in the 1 GW Cricket Valley combined cycle project in Dover, N.Y. (see story, page 1).

ONE YEAR AGO

LS Power sealed a $750 million dividend recapitalization for LSP Madison at LIBOR plus 450 basis points. [LS tried to refinance the LSP Madison loan at L+300 but shelved the package due to market volatility (*PI, 6/24*).]

