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Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

By the publisher of GlobalCapital

TransAlta Poised For Second Asset Dropdown To YieldCo

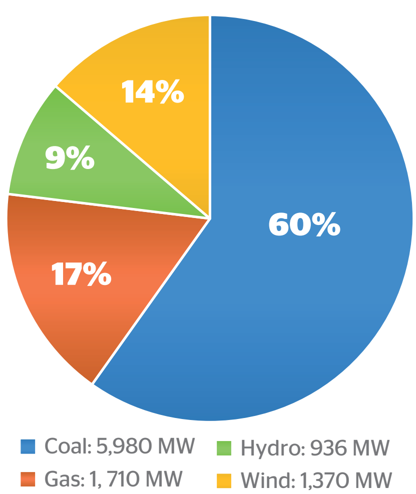
Nischinta Amarnath

TransAlta Corp. could drop a pair of recently acquired wind farms totaling 108 MW in Canada into its yield company, **TransAlta Renewables**, which deal watchers say would enable the Calgary, Alberta-based sponsor to meet its debt reduction target for the year.

TransAlta signed an agreement with Canadian oil sands producer **Suncor Energy** last week to sell its 376 MW Poplar Creek gas-fired cogeneration facility near Fort McMurray, Alberta, in exchange for Suncor's 20 MW Kent Breeze facility in Ontario and a 51% interest in its 88 MW Wintering Hills project in Alberta. Analysts expect TransAlta to drop both wind farms to TransAlta Renewables after they are acquired, along with some hydro assets that TransAlta owns.

The potential dropdown of the wind assets from Suncor comes less than three months after TransAlta Renewables purchased a roster of operating assets from TransAlta's Australian subsidiary in a $1.78 billion deal. That acquisition included a 43% stake in a 167.7 mile (270 kilometer) gas pipeline and a 100% ownership of four gas-fired assets totaling 425 MW as well as the 150 MW combined-cycle gas-fired South Hedland project, currently under construction near Port Hedland in Western Australia.

TransAlta Corp.'s Generation Mix



Note: Trans Alta could lose its investment grade rating, according to a deal watcher, because of its obsolete coal-fired plants, which account for more than half of its generation mix.

Source: TransAltaCorp.

TransAlta will use the cash proceeds from its yieldco dropdowns to retire its outstanding debt. The power generator, which had accumulated a total long-term outstanding debt of $4.1 billion by December last year, has already paid down roughly $300 million with proceeds from the dropdown of its Australian assets. Its target for the year is to retire up to $500 million in total.

"They will hit their target with this [second] dropdown—possibly by September or October of this year," says a deal watcher.

TransAlta Renewables was floated on the **Toronto Stock Exchange** in an initial public offering led by **CIBC World Markets** and **RBC Dominion Securities** in 2013, and now PAGE 6 »

Amazon Breathes Life Into Shelved N.C. Wind Project

Richard Metcalf

Amazon Web Services has signed an agreement with **Iberdrola Renewables** to revive a years-old plan to build the first ever utility-scale wind farm in North Carolina.

The 208 MW Amazon Wind Farm U.S. East project is the first phase of the potential 300 MW Desert Wind project, which the Portland, Ore.-based developer has been working on since 2009.

Under the agreement, the wind farm will supply electricity to the grid that powers Amazon Web Services' data centers.

Advances in turbine technology since the project was first proposed have helped make the wind farm economically viable, and by signing an offtake agreement with a company that wants to get its electricity from renewables, Iberdrola Renewables has sidestepped the difficulty of obtaining a power purchase agreement with a local utility company.

"The utilities in that area have an older fossil fleet PAGE 8 »

● **POWER UP:** CHECK OUT A SELECTION OF THE WEEK'S POWER AND UTILITY NEWS ON TWITTER PAGE 9

IN THIS ISSUE

THE BUZZ

A Small Step For Wind

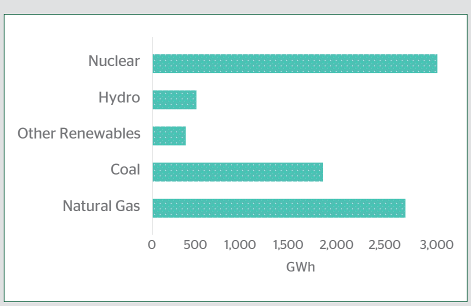
The announcement this week of the first utility-scale wind project in southeastern U.S., thanks to an offtake agreement with **Amazon Web Services**, is a small step forward for a region which has lagged behind the rest of the country in the development of wind generation (see story, page 1). But a combination of permitting uncertainty, competition from incumbent fossil fuel generators, and the lack of a concerted legislative push to incentivize wind generation means such projects are likely to remain the exception and not the norm for a little while yet.

A person familiar with the project hinted that the developer, **Iberdrola Renewables**, would use cash from its balance sheet to fund the construction of the project, as it has in the past. But had it sought project finance, the chances are that it would have been leapt on by the banks.

Ample liquidity means that sponsors seeking construction loans are able to secure tight pricing, as **Pattern Development** proved when it sealed seven-year financing with a club of seven banks, although **BayernLB** declined to participate in the deal (see story, page 5).

Meanwhile, yieldcos continue to line up assets across North America, and not just generation projects but transmission assets, too. **TransAlta** is readying the second drop-down of assets into **TransAlta Renewables** (see story, page 1), while **Abengoa Yield** has added a transmission line between California and Arizona to its right of first offer list, after a joint venture between its Spanish parent company **Abengoa S.A.** and private equity house **Starwood Energy** won a tender competition held by **CAISO** (see story, page 6).

North Carolina - Generation By Source



Source: Energy Information Administration - April 2015

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

Feel free to contact **Richard Metcalf**, editor, at (212) 224-3259 or richard.metcalf@powerfinancerisk.com

GENERATION AUCTION & SALE CALENDAR

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

Generation Sale DATABASE

Seller	Assets	Location	Advisor	Status/Comment
Bankers Commercial Corp.	Rising Tree I (79 MW Wind)	Kern County, Calif.		An affiliate of Slate Street is buying tax equity stakes in the projects (PFR, 6/21).
	Rising Tree II (19 MW Wind)			
Brookfield U.S. Renewable Power Holdings	Coram (102 MW Wind)	Kern County, Calif.		RET Capital has bought the facility (PFR, 7/13).
Caithness Energy	Long Island Energy Center (350 MW Gas)	Brookhaven, N.Y.	BNP Paribas	Caithness has taken first-round bids last week (PFR, 6/8).
● Campbell County Wind Farm Holdings	Campbell County Farm (95 MW Wind)	South Dakota		ConEdison is acquiring the project (see story, page 5).
Cia Positiva de Energia	Various (1.2+ GW Gas, Biomass)	Brazil		Barclays' private equity unit will buy a stake in the company (PFR, 6/15).
Cielo Wind Power	Salt Fork (200 MW Wind)	Donley and Gray counties, Texas		EDF Renewable Energy is acquiring the project (PFR, 6/28).
Clean Energy Future	Lordstown (800 MW Gas)	Lordstown, Ohio	Whitehall & Co.	The sponsor expects to wrap the deal by September (PFR, 6/8).
Enercon	Niagara (230 MW Wind)	Ontario		Boralex has bought a buy/sell option for a 25% stake in Niagara (PFR, 6/15).
GCL Solar, SolarReserve	Portfolio (140 MW Solar)	California		Con Ed has acquired the portfolio (PFR 5/18).
GE Capital	Saranac (251 MW Gas)	Plattsburg, N.Y.		BHE Renewables is buying a 5% partnership interest in Saranac (PFR, 6/15).
Genesis Power, Ares EIF Management	Keys Energy Center (755 MW Gas)	Brandywine, Md.		PSEG Power is buying the project (PFR, 6/21).
● Infigen Energy	Portfolio (1.1 GW Wind)	U.S.	UBS	ArcLight Capital is buying the portfolio for $272.5M (see story, page 6).
	Portfolio (Roughly 95+ MW Solar)		Greentech Capital Advisors	The solar pipeline was sold for $37.9M. The buyer is a global solar developer, but its identity remains unknown (see story, page 6).
Integrys Energy Group	Portfolio (23 MW Solar)	U.S.		TerraForm is acquiring the portfolio (PFR, 6/15).
Invenergy	Portfolio (930 MW Wind)	U.S., Canada		SunEdison and TerraForm Power are buying the portfolio (PFR, 7/13).
	Sandringham (13 MW Solar)	Kawartha Lakes, Ontario		TerraForm Power has agreed to buy both assets (PFR, 5/25).
	Woodville (12 MW Solar)			
Mesoamerica Power, Actis Capital	Portfolio (650+MW Wind, Solar)	Central America		SunEdison is buying the portfolio (PFR, 6/21).
Oak Creek Renewable Energy	Tres Mesas Phase 3 (up to 240 MW, Wind)	Tamaulipas, Mexico		The Marubeni affiliate plans to sell a stake in the project (PFR, 7/6).
Petrobras	Portfolio (1.5+ GW Thermal)	Brazil		The portfolio could be in the market soon, according to a source (PFR, 6/21).
Pristine Sun	Portfolio (572 MW Solar)	U.S.	Whitehall & Co.	The sale launched on June 11. No timeline has been determined for bids (PFR, 6/15).
Renova Energia	Portfolio (830 MW Solar, Wind, Hydro)	Brazil		SunEdison is acquiring the assets and a 15.7% stake in Renova's shares (PFR, 7/13).
Soligent Holdings	Portfolio (60 MW Solar)	California		Duke Energy subsidiary REC Solar acquired the portfolio (PFR, 7/6).
● Suncor Energy	Kent Breeze (20 MW Wind)	Ontario		TransAlta will have a 100% ownership of Kent Breeze (see story, page 1).
	Wintering Hills (88 MW Wind)	Alberta		TransAlta is purchasing a 51% stake in Wintering Hills (see story, page 1).
● TransAlta Corp.	Poplar Creek (376 MW Gas)	Fort McMurray, Canada		Suncor Energy is buying the plant in exchange for two of its wind farms (see story, page 1).

● **New or updated listing**

The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed.

PROJECT FINANCE

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

Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
● 8minutenergy Renewables, D.E. Shaw Renewable Investments	Springbok (133 MW Solar)	Kern County, Calif.	A syndicate comprising KeyBanc, OneWest Bank, CoBank and Siemens Financial Services	Term Loan A	$160M	7-yr	The deal has closed since it was originally reported in June (PFR, 6/15).
			U.S. Bank	Tax Equity	TBA	TBA	The deal could be worth between $125M and $127M (PFR, 6/15).
Alterra Power, Starwood Energy	Shannon (204 MW Wind)	Clay County, Texas	Citi, Stantander, RBC	Construction, Letters of Credit	$287M	TBA	The loan is backed by $219M of tax equity from Citi and Berkshire Hathaway (PFR, 7/6).
Caithness Energy	Long Island Energy Center (350 MW Gas)	Brookhaven, N.Y.	Investec	Mini-perm, holdco loan	$200M	7-yr	Caithness is in the market for debt (PFR, 7/6).
Clean Energy Future	Lordstown (800 MW Gas)	Lordstown, Ohio	TBA	TBA	TBA	TBA	The deal is expecetd to close in December (PFR, 6/8).
Competitive Power Ventures	Valley Energy Center (720 MW Gas)	Orange County, N.Y.	MUFG Union Bank, Crédit Agricole	Mini-perm	$985M	TBA	The deal has closed (PFR, 6/22).
	Fairview (980 MW Gas)	Cambria County, Pa.	TBA	TBA	Debt, Equity	TBA	The sponsor will be in the market for debt when the deal launches in Q3'16 (PFR, 6/15).
EDP Renewables North America	Rising Tree South (99 MW Wind)	Kern County, Calif.	MUFG, JPMorgan	Tax Equity	$117 million	TBA	MUFG unit Bankers Commercial Corp. has joined JPMorgan in the financing (PFR, 7/13).
Genesis Power, Energy Investor Funds	Keys (735 MW Gas)	Brandywine, Md.	Natixis, MUFG Union Bank	TBA	TBA	TBA	Price talk is 325bp over LIBOR (PFR, 5/25)
Innergex	Big Silver Creek (40 MW Hydro)	British Columbia, Canada	Manulife, Caisse de Dépôt et Placement du Québec	Construction /Term	C$198M	25-yr, 40-yr	The deal has closed (PFR, 6/28).
Invenergy	Lackawanna (1.3 GW Gas)	Lackawanna County, Pa.	TBA	TBA	TBA	TBA	Invenergy is in the market for debt (PFR, 5/18).
Moxie Energy	Freedom (900 MW Gas)	Luzerne County, Pa.	TBA	TBA	TBA	TBA	The project's construction costs are pegged at $900M (PFR, 6/8).
NTE Energy	Middletown (525 MW Gas)	Butler County, Ohio	BNP Paribas, Crédit Agricole	Debt	TBA	TBA	NTE Energy is in the market for debt. Each project is pegged at $400M+ (PFR, 6/1).
	Kings Mountain (475 MW)	Cleveland County, N.C.	MUFG Union Bank, ING	Debt	TBA	TBA	
Panda Power Funds	Hummel (1 GW Gas)	Snyder County, Pa.	TBA	TBA	TBA	TBA	The developer is considering a term loan B or other structure (PFR, 5/25)
● Pattern Development	Meikle (180 MW Wind)	British Columbia, Canada	Crédit Agricole, National Bank of Canada, Sumitomo Mitsui, RBC Capital Markets, Siemens Financial Services, BMO Capital Markets, Société Générale	Construction Loan	$304M	7-yr	The deal has been sealed (see story, page 5).
Power Evolution	One project (40 MW Solar)	Utah	TBA	Term loan B, RCF	Up to $13M	10-yr	Deal expected to wrap in six months (PFR, 5/25)
	Three projects (30 MW Solar)	Louisiana, New Jersey, New York	TBA	TBA	TBA	TBA	
● Sky Solar	Portfolio (70 MW Solar)	Uruguay	Inter-American Development Bank, China Co-Financing Fund, Canadian Climate Fund	Debt	$85M	TBA	The deal has wrapped (see story, page 5).
Soriana, GEMEX	Le Mesa (49 MW Wind)	Mexico	North American Development Bank, BANCORTE	Construction /Term	$130M	TBA	The deal has closed (PFR, 6/15).
	Victoria (49 MW Wind)	Mexico			$130M	TBA	
SunEdison	Bingham (185 MW Wind)	Maine	KeyBanc Capital Markets, KeyBank National Association	Construction /Permanent	$360M	10-yr	The deal has closed (PFR, 7/13).

● **New or updated listing**

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PROJECT FINANCE

Pattern Nets Tightly Priced Club Deal

Pattern Development has sealed C$393 million ($304 million) in financing for the 180 MW Meikle wind project in British Columbia.

Crédit Agricole, **National Bank of Canada**, **Sumitomo Mitsui Banking Corp.**, **RBC Capital Markets**, **Siemens Financial Services**, **BMO Capital Markets** and **Société Générale** were joint lead arrangers. **BayernLB** was asked join the club deal but declined the invitation, according to a deal watcher.

The seven-year loan is priced similarly to the deal backing Pattern's Armow project in Ontario, which broke through the post-financial crisis industry floor for a wind construction financing at 162.5 basis points over LIBOR (PFR, 5/23/14).

Many of the same banks—including BayernLB—acted as JLAs or participated in the deal for the 180 MW Armow project which closed in late 2014 (PFR, 10/28).

The Meikle project, which will have 61 **General Electric** turbines, has a 25-year power purchase agreement with **BC Hydro**. The facility is slated to be online in the fourth quarter of 2016.

The project is on **Pattern Energy**'s right of first offer list. The yield company announced in June that it would expand its presence in New Mexico and Japan by adding four wind projects and two solar projects to its ROFO list of projects from Pattern Development. The ROFO list stands at 14 projects with 1.3 GW of total owned capacity. San Francisco-based Pattern Development has a 5.9 GW project pipeline.

A spokesperson for Pattern did not comment on the terms of the deal. A spokesperson for BayernLB in Munich did not immediately respond to inquires. ■

Hong Kong Sponsor Seals Debt For Uruguay Solar

Sky Solar has obtained loans totaling $85 million to finance the development of 70 MW of solar facilities in Uruguay.

The **Inter-American Development Bank** will provide a $55.7 million loan, while the **China Co-Financing Fund** and the **Canadian Climate Fund**, both administered by the IDB, will lend $19.3 million and $10 million respectively, according to company announcements.

The debt will finance the construction, operation and maintenance of the Casablanca and Giacote projects, which consist of six photovoltaic facilities in the departments of Paysandu and Rio Negro.

The projects are being developed by Hong Kong-headquartered solar sponsor Sky Solar and local developer **Lafemir** at an estimated total cost of $139 million.

Long term power purchase agreements for the projects are in place, but the identities of the offtakers are not known.

Sky Solar had 92.7 MW of generation assets in operation at the end of March this year, and a further 1.3 GW of projects in its global pipeline, of which 639 MW was in Latin America. ■

MERGERS & ACQUISITIONS

ConEd Buys S.D. Wind Project

Consolidated Edison Development has agreed to acquire a 95 MW wind farm under construction in Campbell County, S.D. for an undisclosed amount.

The construction of the wind farm, estimated to cost $180 million, began in December 2014, without project financing in place, after the project company acquired turbines from **General Electric** in order for the project to qualify for the wind production tax credit, which expired at the end of that year.

Whether ConEd is talking to lenders to finance the project could not immediately be learned.

ConEd is acquiring the entire project from **Campbell County Wind Farm Holdings**, which is jointly owned by the principals of the Aberdeen, S.D-based developer **Dakota Plains Energy**, the Granite Falls, Minn.-based EPC contractor **Fagen Inc**, and an unnamed private equity investor.

The developer had originally planned to divest the project before the turbines were acquired, but the expiry of the PTC at the end of 2014 forced it to buy 5% of the turbines and begin construction so that the project would still qualify.

"The fact that the PTC expired and was reinstated twice, and **Congress** waited until the last minute after expiration or right before to renew, it's not good for the wind industry at all," said a source familiar with the project. The source also noted that uncertainty around the incentive program had led to constrained wind turbine supply in 2015.

After the PTC expired at the end of 2013, it took until December 2014 for Congress to extend the measure to the end of the year. As a result of that legislation, any project on which construction is deemed to have started by the end of 2014 still qualifies for the incentive.

The **Senate Finance Committee** is said to be working on measures to extend the tax credits.

The Campbell County project has a 30-year power purchase agreement with **Basin Electric Power Cooperative**, and has an interconnection with the **Western Area Power Administration**. The project is slated to be online by the end of the year.

Troutman Sanders is ConEd's legal advisor on the acquisition, and **Akin Gump** is advising the seller. ■

ConEd Development's online wind portfolio

Project	Location	Capacity	Notes
Broken Bow II Wind	Custer County, Neb.	75 MW	Has a 25-year PPA with Nebraska Public Power District
Oak Tree Energy Wind	Clark County, S.D.	20 MW	Has a 20-year PPA with NorthWestern Energy

Source: Consolidated Edison Development, Power Finance & Risk

MERGERS & ACQUISITIONS

TransAlta Poised For Second Asset Dropdown To YieldCo

« FROM PAGE 1 has a yield of nearly 6%—higher than any U.S.-listed yieldco.

"TransAlta is the least attractive," a second deal watcher says. "TransAlta is not backstopping growth like the parent companies of other yieldcos." The deal watcher adds that investors are wary of the yieldco's management structure, as some members of its senior management also sit on the management board at TransAlta.

Market observers are estimating single-digit growth figures for TransAlta, which owns nearly 6 GW of aging coal-fired plants, and the company is at risk of having its credit ratings downgraded to junk, according to the second deal watcher.

All three of the main rating agencies, **Moody's Investor Service**, **Standard & Poor's** and **Fitch Ratings**, have assigned TransAlta their lowest investment grade rating, and Moody's has assigned a negative outlook to the company since February 2014.

However, a third deal watcher is more optimistic about TransAlta's creditworthiness. "We expect them [TransAlta] to maintain over 50% of their EBITDA from contacted assets. So, they have cash flow visibility," he says.

The parent company proposes to shut down all of its coal-fired plants by 2030 and will retire some portion of its coal capacity in 2018. The third deal-watcher expects TransAlta to see a decline in its maintenance capital expenditures and obtain better pricing for its assets in 2018 because its contracts with Alberta's local utilities expire that year.

TransAlta has a market share of 25% to 30% in Alberta with nearly 10 GW of coal-fired, gas-fired, hydro and wind assets. Its coal-fired facilities account for 59.8% of its overall generation mix.

Suncor isn't the first entity to purchase a stake in a gas-fired project from TransAlta. Last year, the sponsor sold stakes in three of its gas-fired assets totaling 530 MW across New York, Texas and Arizona to **Geronimo Energy**, formerly **MidAmerican Energy** (PFR 2/24/14). ■

STRATEGIES

Abengoa, Starwood Win Transmission Bid, Plot YieldCo Dropdown

California's independent system operator has selected a joint venture between **Abengoa Transmission & Infrastructure** and **Starwood Energy** to finance, construct, own and operate a 114-mile transmission line between the substations at Delaney, Calif., and Colorado River, Ariz.

The 500 kV transmission line is on the right of first offer list of **Abengoa**'s yield company, **Abengoa Yield**, but will initially be assigned to the sponsor's warehouse vehicle, **Abengoa Projects Warehouse 1** (APW1), before being dropped down into the yieldco at a later date.

During the construction phase, Greenwich, Conn.-based Starwood will own 75% of the project while Abengoa will own 25%, reflecting their stakes in the joint venture, **DCR Transmission**.

The transmission project is scheduled to enter service on May 1, 2020. Once it goes online, DCR Transmission will transfer the project to APW1, which will pay sponsor Abengoa the cost of the project plus a fixed return on investment, a deal-watcher says, adding that Abengoa Yield would eventually be the long-term owner.

CAISO invited bids for the Delaney-Colorado River transmission line last August, according to a report issued by the grid operator on July 10.

Abengoa and Starwood announced their joint venture in February, when CAISO released its shortlist of five developers. The other four shortlisted bidders were:

- **California Transmission Development**, an affiliate of **LS Power Associates**,
- **Duke-American Transmission Co**. in conjunction with **Western Area Power Administration Desert Southwest Region** and **Citizens Energy Corp**.,
- **NextEra Energy Transmission West**, an affiliate of **NextEra Energy**, and
- **TransCanyon DCR** and **Southern California Edison Co**., who submitted a joint bid after initially being shortlisted as separate participants.

CAISO's initial estimate of the project development cost for the transmission line was $300 million. The latest estimate has not been publicly disclosed, but a deal-watcher surmises that it is in the region of $250 million, since the winning bid came in significantly lower than the others.

The project will be financed through a combination of debt and a 50:50 equity investment from Starwood and Abengoa, another deal-watcher says. A company official at Starwood confirmed that the joint venture intended to approach institutional investors as well as U.S. and European banks for construction and/or term loans before construction starts in 2017. He declined to comment on other financing details, such as the equity contribution of each party.

Despite added operational challenges that make the transmission business less attractive to private equity players than renewables generation, Starwood remains on the look-out for potential investments in the sector.

"Starwood is an active investor in the transmission space and will continue to look for further opportunities to invest [along the same lines]," **Himanshu Saxena**, managing director at **Starwood Energy Group** told *PFR* from Greenwich, Conn.

CAISO expects the Delaney-Colorado River project to bring in more renewable generation from Arizona into California, the second deal watcher says. CAISO's solicitation process was an offshoot of its 2013-2014 transmission plan, which identified the need for an interconnection between the two states.

Officials at Abengoa in Madrid could not be reached for comment. ■

MERGERS & ACQUISITIONS

Sydney Developer Exits US Wind Market

Sydney-based **Infigen Energy** is withdrawing from the U.S. wind market with the sale of its portfolio to an affiliate of New York-based **ArcLight Capital Partners** for roughly $272.5 million, after writing down the value of the assets by $255 million.

The sale is the result of a strategic evaluation conducted by **UBS**, Infigen's financial advisor on the transaction, and follows the announcement in June that the developer would be selling its entire U.S. solar development pipeline to an unnamed buyer for $37.9 million. The solar asset deal is slated to wrap in August and the wind project sale in October.

Infigen holds a 1.1 GW stake in 18 wind projects with a total capacity of 1.6 GW across California, Colorado, Illinois, New Jersey, Oklahoma, Oregon, New Mexico, Texas and Pennsylvania, in the form of Class B shares. It also holds Class A shares in nine of the wind farms.

The company will offload its Class A and Class B shares in the projects for approximately $41 million and $231 million respectively, to Arclight subsidiary **Primary Wind Power**.

The sponsor acquired the Class A interests in nine of its wind farms from tax equity investors in 2013 to access cash flows from the projects earlier than it would have by owning only the Class B shares.

The delay in the accrual of future cash flows to Class B shareholders in the projects, and the consequent difficulty the buyer would face in securing debt financing, was one reason for the writedown in the value of the portfolio. Bidders for the assets also had a less favourable view than Infigen on operating assumptions including the long term prices of merchant electricity and renewable energy certificates.

Infigen has been looking to sell its U.S. wind facilities since 2012, according to a banker, who says that the company had been struggling to grow its U.S. business.

Infigen has seen a decline in contracted cash flows because power purchase agreements for some of its U.S. projects are nearing the end of their term. PPAs for two of its wind farms will expire in 2016 and 2017, while offtake contracts for the other 12 projects will terminate between 2020 and 2030. It is not known how many of those facilities are contracted to expire in less than 10 years.

The company's remaining four wind parks are entirely merchant. ArcLight is among a group of private equity players increasingly interested in taking on merchant risk, according to the banker.

The developer has an outstanding global facility debt of roughly $755 million, according to company documents. It will utilize more than half of the proceeds from its sale — $186.3 million — to retire debt drawn under the facility.

The **Australian Securities Exchange**-listed company originally raised approximately $1 billion in holdco debt under its global facility at LIBOR plus 87.5 basis points, which it hedged with an interest rate swap, according to the banker, who notes that as a result, Infigen did not benefit from the subsequent fall in interest rates.

Infigen will use a further $24.2 million of the proceeds from the sale of its Class B interests to clear interest rate swap liabilities, and $10.7 million to pay transaction costs. Another $10 million will be held in escrow to repay debt drawn under Infigen's global facility in the future.

The $40.5 million proceeds from the sale of Infigen's Class A interests will be held as cash to bolster its leverage ratio, so that the company is able to meet the requirements of future leverage ratio covenants, if and when it refinances the global facility.

Skadden, **Arps**, **Slate**, **Meagher & Flom** is legal counsel to Infigen on the sale, and **Latham & Watkins** is ArcLight's legal advisor. **Ernst & Young** is ArcLight's tax and accounting advisor.

An official at Infigen in Dallas was not immediately available to comment, and an official at ArcLight in New York did not respond to inquiries. ■

STRATEGIES

SoCalEd Seeks Rooftop Solar

Southern California Edison has issued a request for proposals for 27 MW of solar generation from independent power producers.

SCE is looking for small-scale rooftop-mounted projects ranging from 500 kW to 10 MW in size. The projects must be in the utility's service territory, which spans central, coastal and southern California. Winning bids will sign 20-year power purchase agreements. Projects need to be online within 18 months of **California Public Utilities Commission** approval.

Prospective bidders must be able to demonstrate experience in developing comparable rooftop solar projects, a spokesperson for SCE tells *PFR*.

A bidders web conference, which will outline the procurement process, was scheduled to take place on July 15. The deadline to submit proposals is Sept. 21, 2015. The successful bidders will be notified on Nov. 3, 2015.

The RFP is the fifth and final round of the utility's solar photovoltaic program, or SPVP, which launched in 2010. The initiative has a procurement goal of 125 MW of solar generation and has already contracted approximately 98 MW in four prior solicitations, most recently in October and July 2014 (PFR, 10/28), (PFR, 7/3).

Developers who have signed PPAs under the SPVP include **NextEra Energy Resources**, **Antelope Valley Solar**, **Borrego Solar Systems**, **Kona Solar** and **SunEdison Utility Solutions**. The PPAs include 25 MW of generation from ground-mounted projects. SCE says it will consider further ground-mounted projects if they replace pre-existing PPAs which expire prior to the RFP deadline in November, the spokesperson adds.

Concord, NH-based **Accion Group** is acting as independent evaluator. ■

STRATEGIES

Amazon Breathes Life Into Shelved N.C. Wind Project

« FROM PAGE 1

that it's tough to compete with," says a source familiar with the project. "Until there's more desire [for renewables] on the parts of utilities, either voluntarily or through legislative incentives, it's tough to get that utility connection."

CORPORATE CASH

Power purchase agreements with non-utilities, and in particular large corporations, have become much more common in the last couple of years, with household names such as **Wal-Mart**, **Procter & Gamble** and **General Motors** all signing contracts for renewables (PFR 4/17).

"That's the latest thing, to seek commercial PPAs," a project finance attorney tells *PFR*.

Corporations signed 1,500 MW of PPAs last year, and the volume of deals is on track to double this year, according to the attorney.

"It's hard to get long term contracts with the utilities, so generators naturally look for other outlets," the attorney explains, adding that sustainability officers at major companies are increasingly well-versed in managing costs when buying renewables.

The attorney points out that many of these contracts are so-called virtual PPAs which service power hedges rather than involving the direct purchase of power. The reason for using such contracts is that some states have laws preventing companies from purchasing power at retail from non-utilities.

Seventeen states and the District of Columbia have implemented retail choice programs that allow customers to buy electricity from competitive suppliers, according to the **U.S. Energy Information Administration**. North Carolina is not one of them.

Paul Copleman, a spokesman for Iberdrola Renewables, would not confirm whether the agreement took the form of a PPA, a virtual PPA, or another kind of contract. Spokespeople at Amazon did not respond by press time.

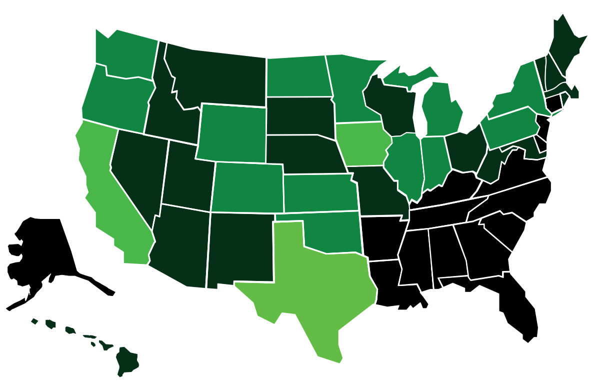
RECENT SUPPORT

The wind farm is not the first renewables project the **Amazon.com** subsidiary has supported as an offtaker. In January, the e-commerce services company announced that it had signed a 13-year PPA with **Pattern Energy** for the output of the 150 MW Fowler Ridge wind project in Benton County, Ind. The project was renamed the Amazon Wind Farm (PFR 2/20).

Then in June, Amazon announced that it had agreed a PPA with **Community Energy** for the output of an 80 MW solar project in Accomack County, Virginia, branded the Amazon Solar Farm U.S. East (PFR 6/18).

Amazon Web Services is set to exceed the target it has set itself to procure 40% of its global energy needs from renewable sources by the end of 2016—in part thanks to such projects.

Installed wind capacity by state: Southeast lags behind



0 to 100 MW | >100 MW to 1 GW | >1 GW to 5 GW | >5GW to 10 GW | >10 GW

Source: American Wind Energy Association

The Amazon Wind Farm U.S. East project is spread across farmland near Elizabeth City, in Pasquotank and Perquimans counties. The developers finally broke ground on the project on Tuesday, and it is slated to be online by the end of 2016.

A source familiar with the deal confirmed that the required funds were in place, but declined to provide further details. Iberdrola Renewables, a subsidiary of Spanish utility **Iberdrola S.A.**, has a history of using balance sheet cash to fund projects without bank lending.

NO FLOOD OF WIND FOR SOUTHEAST

The development of wind assets in the Southeast has been slower than in other regions of the U.S.

Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Virginia have less than one megawatt of installed wind capacity each, while Tennessee has just 29 MW, according to data from the **American Wind Energy Association**.

This is partly due to lower wind speeds, which make wind farms less competitive than conventional or other types of renewable energy.

However, improvements in turbine technology that make possible the use of taller towers and wider blade diameters are enabling wind energy to close the gap.

When Iberdrola Renewables' Desert Wind farm was initially proposed in 2009, the developer was looking at a blade diameter of 90 meters. The turbines that will now be installed have a 114 meter diameter, a 27% increase, which has an exponential impact on the output, according to a source familiar with the project.

But low wind speeds are only part of the challenge facing wind projects in the region, and the source does not expect a sudden flood of similar projects.

North Carolina is the only state in the Southeast with a renewable portfolio standard, a law which requires utilities to meet a certain proportion of their energy needs with renewables or energy efficiency measures.

However, the **North Carolina General Assembly** is considering freezing the target at its current level of 6%, rather than increasing it to 12.5% by 2021 as initially planned, and the state's 35% renewable energy tax credit is set to expire at the end of the year, unless it is extended.

On top of that, the source adds that wind permitting legislation passed by the state legislature in 2013 introduced uncertainty into the permitting process which has put developers off investing.

"Many developers looking at projects in 2012 have left that market," he says. "I would posit that it was due in large part to the unpredictability of the permitting." ■

Q&A: Mona Dajani, Baker & McKenzie

In the second part of this exclusive interview, **Mona Dajani**, a partner in the banking and finance practice at Baker & McKenzie's Chicago and New York offices, talks to *PFR* about the sustainability of the yieldco business model and the consequences of high levels of liquidity in a credit market pepped up by new entrants.

Mona Dajani

PFR: Going off the themes of M&A and consolidation, what's your take on yieldcos?

DAJANI: That's been keeping me very busy. It's really hot right now. There is a lot of pent up demand for yieldcos. Every yieldco has been different to date, and they're changing. Each yieldco transaction is different. In 2015, there will probably be a dozen that will come to market.

There are many other new energy and infrastructure projects being built worldwide, and while we think that the yieldco valuations may fall—and this is debatable—we think it's a sustainable business model. If the valuation multiples come down, and the sustained dividend growth becomes harder, then it will become harder for them to cut dividends. But we've seen master limited partnerships do that. MLPs will cut dividends and then start growing again from the low level. And the availability of U.S. tax credits for U.S. renewable projects seems to make these yieldcos able to make generous distributions through its shareholders.

There are today at least six private equity firms that are building portfolios in advance of a planned initial public offering and some of them are Asian developers, because their cost of capital is lower than the returns on equity that private equity firms expect. It's a great monetization tool for private equity.

Sol-Wind Renewable Power, backed by **40 North Management**, postponed their IPO in February because the pricing came in lower. However, what they had done was interesting. Unlike their predecessors, they bought all of their assets from another developer and they were going to use that as the new structure. While most existing yieldcos are C-corps that own a partnership, Sol-Wind was structured as an MLP, which is interesting. The solar and wind assets do not generate qualifying income for the partnership, but are held indirectly by the MLP through a blocker corporation.

We're also seeing independent power producers, like **Lightbeam Electric**, which has also has taken steps to launch an IPO for a yieldco. There are some existing yieldcos, such as **TerraForm Power**, which is **SunEdison**'s listed yieldco, that have already added distributed generation to their portfolios, and I know SunEdison is planning to launch yieldcos focusing exclusively on emerging markets like Asia and Africa.

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#PowerTweets

For more news and coverage, follow @PowerFinRisk on Twitter, as well as @RichMetcalf, @NishAmarnath and @OliviaFeld.

@TransAlta
Local engineers recently came to our Alberta Coal operations to assist in identifying surplus… https://instagram.com/p/3O67lUlUWl/

@ABBNorthAmerica
Any #solar project comes with challenges. Learn the six stages of solar bankability. Bring us questions @Intersolar http://bit.ly/1TLXj0Y

@SaraReports
Sara Rosner retweeted Noticieros Televisa
More than $9b of #gas #pipeline tenders ahead for @CFEmx #projectfinance #energy #infra

@solardude1
#Senator John Kelly speaking on the #windenergy sector http://dld.bz/djWHz

@alabamapower
How Alabama Power wants to increase usage of #renewables http://alpwr.co/nc405

@SunPower
SunPower's Tom Starr: Storage is game changer, propelling #solar, wind to be future major #energy source @intersolar

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Clients requiring funding for #renewable #energy projects get in touch funding up to £5m #solarfinance #windpower #hydro #energyefficincy

@giobagordo
Great news, finally! RT @SouthillSolar receives planning permission for it's #communitysolar PV scheme!

@CoreDavecore
@ilnewswatch5 Solution: #pipelines landowners work together with @CAEPLA to negotiate #Enbridge contracts respecting ag/propertyrights.

@ethexuk
Would you like to nominate any of Ethex's #CommunitySolar companies for @RegenSW's #GreenEnergyAwards? Get clicking! http://ow.ly/PEmK4

Q&A: MONA DAJANI, BAKER & MCKENZIE

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PFR: Are there other qualities or factors in this next generation of yieldcos that separate them from their predecessors in any way?

DAJANI: The market has become a little too frothy. Market values have become a little too inflated. You're going to see yieldcos from companies that maintain strong development pipelines, and then augment that with acquisitions from third parties. Also, these yieldcos will look at other places for assets—other geographies, and residential solar. I think you'll see a broader mix of assets that will be put into the yieldco. It's a natural evolution. This whole thing with yieldcos is the search for lower costs of capital than can be applied to the ownership of assets that would then result in a lower cost of electricity pricing.

PFR: What is your take on investment appetite for more yieldcos? Do you think that existing investors still have an appetite for more of this type of paper, or will these companies need to tap new pools of investors?

DAJANI: The yieldcos are highly motivated to continuously grow. They are subject to corporate income tax and their shareholders also pay tax on dividends, and the only way to avoid this is that their assets benefit from accelerated depreciations, and they can quickly write down the value of the assets. Some of the renewable incentives, the tax credits, investment tax credit and the production tax credit, can help minimize this. But they have to grow.

The low interest rates have allowed the yieldcos to retain the attention of the equity market, but the interest rates will eventually rise and when they do, yieldcos and other equity vehicles that offer only low stable dividends will become less attractive. Investors are taking low yields right now because debt markets are not giving anything. But when interest rates go up, those yields won't be good enough. The increase in the interest rate will definitely impact it, but right now investor-owned utility performance is highly correlated with interest rates, too, and yieldcos offer substantially higher growth.

People are comparing yieldcos to MLPs. People were very skeptical of MLPs 20 years ago and now they're doing really well. There is a lot of room for yieldcos to grow. At the end of the day, a yieldco is basically an opportunity to invest in an asset class like real estate and it has a lot of similar characteristics to real estate investment trusts today. If you look at the REIT market, REITs have been around for 25 years and they have a current market cap of more than $400 billion. If you compare REIT assets with yieldco assets, yieldcos are a much better asset class. There is a lot of pent up demand for yieldcos in 2015 because yieldcos are very similar to what was done in the REITs base.

PFR: Can you describe some of your more recent transactions and/or clients?

DAJANI: I recently led a team representing **United Airlines** in its equity investment in U.S.-based alternative fuels developer **Fulcrum BioEnergy**, a pioneer in the development and commercialization of converting municipal solid waste into low-cost sustainable aviation biofuel. It is also the single largest investment by a U.S. airline in alternative fuels and sets United apart in the aviation industry in the advancement of aviation biofuels and carbon emissions reductions. In addition to the equity investment, United and Fulcrum have entered into an agreement that contemplates the joint development of up to five projects located near United's hubs, which are expected to have the potential to produce up to 180 million gallons of fuel per year.

I'm working on some deals in conventional power and in renewables — in wind, biomass, solar and geothermal — here in North America and abroad. I'm also working on water infrastructure and water privatization deals, and petrochemical and LNG deals.

PFR: Given the breadth of what you're working on in power and energy, what types of deals are you seeing on the project finance side? Is there anything that stands out to you in the recent past?

DAJANI: It's been robust in the U.S., but globally it's been down with the exception of the Middle East and Africa. The level of activity has been facilitated by significant liquidity in the credit markets.

We're seeing financing available from a wide range of sources, such as development banks and new entrants, such as infrastructure debt funds and investment banks. There has also been a continued participation of Japanese, Canadian and regional U.S. banks that have entered into the market in the wake of a lot of European banks leaving the U.S. market. The Japanese banks were mandated arrangers in many of the largest transactions that closed in 2014, including the **Cameron LNG** and the Astoria power plant financings. We've seen Canadian banks involved in all the sectors in deals for **Atlantic Power** and **Midstates Petroleum**.

PFR: With these new investors and players, what are they looking for in transactions? What's attracting them to this sector now as opposed to several years, or even several months ago?

DAJANI: They all have different strategies. Some infrastructure funds, want to be a direct investor, and that works out to be a direct investor if you have a lot of public and private pension funds and other institutional investors that want to achieve double-digit returns. We're seeing a lot of infrastructure portfolio growth, even though the asset class of infrastructure is relatively new. What they're looking for is to grow their portfolios and diversify, both by sector and by geography.

From a sector perspective, energy usually comprises a majority, or almost a majority, of some infrastructure portfolios. As part of their diversification strategy, these infrastructure companies are open to more economic types of infrastructure like transportation and toll roads, toll bridges, etc., which in the U.S. is a massive opportunity. But they're all different. Infrastructure debt funds are emerging almost as mezzanine lenders, offering another level of debt, more risky but a little more expensive.

We're seeing a lot of European infrastructure debt funds come to the U.S. because they believe that the macroeconomic picture is quite robust compared with Europe. In energy in North America, there has been a significant change with non-conventional oil and gas, really shifting the U.S. from a net importer to becoming self-sufficient and soon to be an exporter. It's creating a lot of interesting opportunities in midstream. They all have different strategies. Some infrastructure funds won't invest in economic infrastructure. Some want to only do power, some only conventional power, some only renewables, some only midstream. ■

Exec Director Exits CIBC

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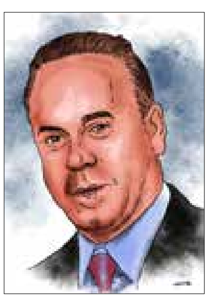
business (PFR, 3/2). **Giovanni Strazzullo** replaced Breeze as executive director in project and infrastructure finance in June, according to an internal memo seen by *PFR*. **Strazzullo** joined CIBC from **Investec** where he was a director in power and renewable energy in the Toronto office. At Investec, **Strazzullo** handled senior debt, corporate and mezzanine financing and equity transactions for projects in Canada and the US.

CIBC has been a joint lead arranger on a number of project financings this year including **Apex Clean Energy**'s 300 MW Kay wind project in Kay County, Okla. (PFR, 4/6), and **Freeport LNG**'s third train at Quintana Island near Freeport, Texas (PFR, 4/28). Kim declined to comment when contacted by *PFR*. ■

Apex Tags Former NextEra Exec To Lead US West

Apex Clean Energy has appointed a former executive at **NextEra Energy** to oversee a new office it is preparing to open on the West Coast, according to a source close to the situation.

Chris Collins, who joined Apex on June 29, is currently based in the company's headquarters in Charlottesville, Va., but will relocate to head up the new office as vice president of development, the source tells *PFR*. The renewables developer is still finalizing a location for the new office.



Chris Collins

At Apex, Collins will take charge of developing large utility-scale wind facilities that will be located west of the MISO market. Further details of his role could not be learned.

Collins, who brings more than two decades of experience developing generation projects and working with electric utilities, hedge funds, private equity players, other investors and governments, has run an energy consultancy firm in Salt Lake City, **mPower Resource Solutions**, as managing director since 2013, according to his profile on **LinkedIn**.

From 2010 to 2013, Collins was executive director of origination at **NextEra Energy** in Juno Beach, Fla., where he worked with municipal utilities and regional water authorities in the western U.S. states. Collins, who began his career as a senior analyst at the **Public Utilities Commission of Texas** in 1988, has also held positions at **Calpine Corp.**, and **Pacific Gas & Electric Energy Services,** among others.

Apex Clean Energy, which has been scouting financing deals for 450 MW of wind assets since earlier this year (PFR, 3/23), sealed nearly $400 million in construction loans from a syndicate led by **BayernLB** and **Rabobank** for its 299 MW Kay wind farm in Kay County, Okla., in April. Apex will sell the project to an affiliate of **Southern Co.**, once construction is completed (PFR, 4/6).

An official at Apex Clean Energy would confirm only that Collins had joined the company. Chris Collins was unavailable when *PFR* attempted to contact him. ■

Director Leaves Citi

Citigroup has lost a director of commodity structuring from its Houston office.

Kenneth Gustafson, who worked at Citigroup for seven years, left the bank in May, a spokesperson told *PFR*. It is not yet known if he is moving to another job elsewhere.

Gustafson led the unit that structures transactions for Citi's North American commodity business, focusing on power, natural gas, LNG and oil, according to his **LinkedIn** profile.

Prior to joining Citigroup, Gustafson worked as vice president and head of deal structuring at **Shell Trading**. In this role, he worked on North American deal structuring and managed marketing and origination for sponsors and utilities. Previously, he held positions at as vp and head of commodity structuring at **Enron** and co-head of energy risk advisory for **Coral Energy**, a joint venture between **Deutsche Bank** and **Bankers Trust**.

Citigroup's plans for replacing him could not be learned. ■

Senior Exec Quits JPMorgan

A senior executive at **JPMorgan Asset Management** in New York has departed the bank.

Sarah Wu left her senior executive position in the infrastructure debt group in June after just over eight years at the investment bank. Wu is seeking new opportunities in banking and asset management, according to her **LinkedIn** profile.

Wu joined JPMorgan Asset Management in 2007 and co-founded the bank's private infrastructure debt investment strategy, headed by **Bob Dewing** (PFR, 18/11/2011). Wu was previously head of asset management in North America for JPMorgan Asset Management, where she had responsibility for building a global team in strategic asset management of portfolio companies.

Wu was formerly a project finance banker at **Credit Suisse**. In her more than 10 years at the bank she held various executive positions covering an international client base. Wu structured and closed bank loans and refinancings in mature and emerging markets for assets including wind, hydro and fossil fuel projects. Prior to joining Credit Suisse, Wu was a global infrastructure consultant at New York-based engineering firm **Parsons Brinckerhoff**, which was acquired by Canada's **WSP** in 2014.

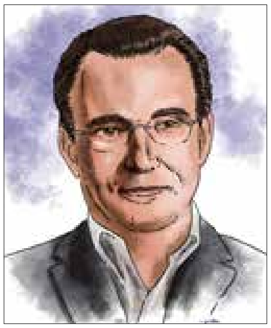
JPMorgan Asset Management, with **Hastings Fund Management**, controls and manages **Southwest Generation**. In December Southwest Gen wrapped a £240.7 million term loan A refinancing (PFR, 12/23). The Denver-based sponsor holds a portfolio of gas-fired projects in Colorado, New Mexico and California.

Wu and a spokesperson for JPM in New York declined to comment. ■

CEO Departs Renewables Shop

The president and ceo of a major renewables project sponsor has left the company.

Martin Mugica resigned from his job as president and ceo of Portland, Ore.-based **Iberdrola Renewables** in May. Mugica left the company to pursue new opportunities, a spokesperson tells *PFR*.



Martin Mugica

Mugica was responsible for leading the development of Spanish utility **Iberdrola S.A.**'s renewable energy businesses in North America. He joined the company in 2002 and played a key role in expanding the company's development into Latin America and launching **Iberdrola Renewable Energies USA**, which merged with **PPM Energy** to become Iberdrola Renewables in 2008.

Frank Burkhartsmeyer has replaced Mugica as president and ceo of Iberdrola Renewables. Burkhartsmeyer has worked at the company for 10 years, most recently as senior vice president of finance. Previously, he worked at **ScottishPower**, which was acquired by Iberdrola and renamed ScottishPower Renewables in 2006. Burkhartsmeyer was responsible for ScottishPower's two U.S.-based businesses, **PacifiCorp** and **PPM Energy**. He has also held positions at **US Bank** and **Wells Fargo**.

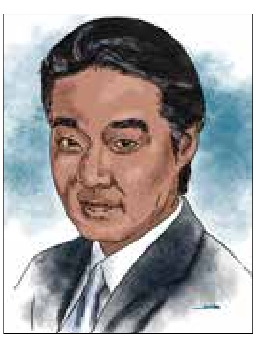
Iberdrola Renewables is planning a partial initial public offering after it completes a merger with Orange, Conn.-based **United Illuminating Holding Co.** UIL is being advised by **Morgan Stanley**. The $4 billion deal is slated to close in December (PFR, 6/25).

Bilbao, Spain-based Iberdrola S.A. has an international total installed capacity of 45 GW. Iberdrola Renewables develops wind, thermal, solar, biomass and gas-fired projects. The shop has a significant proportion of market share in the U.S. with a portfolio of more than 5.5 GW of capacity.

Mugica was not immediately available for comment. ■

Exec Director Exits CIBC

An executive director at **CIBC World Markets Corp**. has resigned from its New York office, just less than a month after a change of leadership in the bank's project finance group in Toronto.



Jonathan Kim

Jonathan Kim left the bank with immediate effect on July 7 and is thought to be joining another bank shortly, according to a source.

Kim was team leader of project finance, infrastructure and corporate banking at the investment banking subsidiary of CIBC. During his just over three and a half years at the bank he was responsible for originating and structuring syndicated and distributed debt financing.

Kim was previously a director in the power and utilities group at **Royal Bank of Scotland**. Prior to that he was a director at **WestLB**.

Kim's departure follows that of **Geraint Breeze**, executive director of project finance at CIBC, who left the Canadian bank in February. Breeze worked closed with **Peter Mastromarini**, managing director and group head of projects and utilities in the Toronto office (PFR, 2/25). Breeze later surfaced at **KPMG** in the direct investments team, an investment and asset advisory PAGE 11 »

● ALTERNATING CURRENT

LEGO Builds Wind Farm

AC

The **LEGO Group** has entered the renewables market by building an offshore wind farm. The 310 MW Borkum Riffgrund 1 project, roughly 55 km (34 miles) off the northwest coast of Germany, is slated to be fully operational later this year. Unfortunately, it is not made of the colorful plastic bricks.

Three Danish companies are building the project as a joint venture: **DONG Energy**, the **Oticon Foundation**'s investment company **William Demant Invest**, and **KIRKBI**.

The holding and investment company KIRKBI, which own 75% of the LEGO Group, invested approximately €400 million ($435 million) in the project. KIRKBI financed the construction of the 78-turbine project itself, a spokesperson for LEGO in Denmark told *PFR*.

The project is part of an initiative by the LEGO Group to become 100% carbon neutral by 2016. The project, which is still under construction, went partially online in February. Once fully operational the turbines will help offset more traditional forms of generation used to power LEGO's factories in Denmark, Czech Republic, Mexico and a factory under construction in China. ■

● ONE YEAR AGO

ArcLight Capital Partners emerged as the stalking horse bidder in the bankruptcy court-run sale of **Optim Energy**'s coal-fired plant in Robertson County, Texas. The private equity shop made an $82 million offer for the 805 MW Twin Oaks coal-fired plant (PFR 7/16/2014). [A subsidiary of **Blackstone Group** eventually acquired the facility with its $126 bid at the auction, held on Aug. 4.]

● QUOTE OF THE WEEK

"Starwood is an active investor in the transmission space and will continue to look for further opportunities to invest [in this area]."

Himanshu Saxena, managing director at **Starwood Energy Group** on StarWood's joint venture with **Abengoa** for the Delaney-Colorado River transmission line project (see story, page 6).

