

Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

By the publisher of GlobalCapital

● MERGERS & ACQUISITIONS

● STRATEGIES

● PEOPLE & FIRMS

Gestamp to Reclaim Stake in Solar Project

Madrid-based Gestamp is acquiring an interest in a solar project which it used to own.

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Moody's Rates EFH Debt Amid Battle for Oncor

Moody's Investors Service has assigned a rating to DIP facility for **Energy Future Holdings**.

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Simmons Emerges at Boutique Investment Bank

Marathon Capital has hired **Robert Simmons**, formerly of **Panda Power Funds**.

Page 8

Budding IPP to Acquire NRG Wind Assets

Fotios Tsarouhis

NRG Energy is selling 80 MW of Minnesota wind assets that were once slated to be dropped down into its yield company to a fledgling renewable independent power producer.

Longroad Energy, which has offices in San Francisco and Boston, will acquire the 50 MW Jeffers wind project in Cottonwood County and the 30 MW Community Wind North project in Lincoln County, according to a July 14 filing with the

U.S. Federal Energy Regulatory Commission.

NRG Yield received a right-of-first-offer for the projects in December 2016, but announced in February that it would not acquire them.

The purchase price could not immediately be established. Representatives of NRG in Princeton, N.J., and Longroad in San Francisco did not respond to inquiries.

The Community Wind North project, whose full output is committed to **Northern States Power**, has been online since 2011. The Jeffers

project came online in 2008 and sells its output spot.

NRG acquired its 99.9% stakes in the two projects from **Edison Mission Energy** as part of a larger wind portfolio in April 2014. The sale agreement came about during the **Edison International** subsidiary's bankruptcy proceedings, after the company filed for Chapter 11 protection at the end of 2012.

An entity named **Cottonwood J20 Holdings** has been listed in FERC filings going back to October 2013 as the owner **PAGE 5 »**

Deutsche Vet to Build Team at Nomura

Olivia Feld

Vinod Mukani, who served more than seven years as a director at **Deutsche Bank**, is looking to expand the new power group at Nomura, having moved there earlier this summer.

Mukani is building an infrastructure and energy business at Nomura covering both project finance and mergers and acquisitions, according to market sources. Recruiting for the new group is underway, adds one of the sources.

Mukani and a spokesperson for Nomura in New York both declined to comment.

The banker, who was head of infrastructure and energy finance at Deutsche Bank, started as a managing director at Nomura in New York in June (PFR, 6/21).

PFR revealed that Mukani had left the European firm in April. He started at Deutsche Bank as a senior v.p. in the project and capital advisory group and **PAGE 8 »**

Q2 League Table: Project Bonds Fill MUFG's Sails as Wind Slows

Richard Metcalf

MUFG retained its number one spot in the North American power project finance mandated lead arranger league table for the first half of 2017, as gas-fired deals attracted institutional capital, while wind financing hit a lull.

The Japanese bank's roles in 15 deals have kept it ahead of the pack, while **ING** is in second place, according to data provided by **Dealogic**. **Sumitomo Mitsui Banking Corp.**, **Crédit Agricole** and **CoBank** are third, fourth and fifth, respectively.

Gas-fired project loans totaled

\$8.1 billion in the first half of the year, up from \$6.4 billion over the same period in 2016, and several involved project bonds.

Among them were two transactions backed by rare contracted gas-fired assets in California—**NRG Energy**'s Carlsbad facility and **AES Corp.**'s Southland portfolio—both of which included a substantial project bond alongside a commercial bank loan (PFR, 5/19, PFR, 7/6). The Southland deal, which **PAGE 5 »**



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● PROJECT FINANCE

Morgan Stanley Pays off Gas-fired Project Debt

Morgan Stanley has repaid debt associated with a gas-fired project it recently acquired in **PJM Interconnection** as it seeks to make the asset produce a dependable yield.

The bank repaid a series of project bonds that were due to mature in November 2019 when it closed its acquisition of the 830 MW Red Oak project in Sayreville, N.J., from **The Carlyle Group** on June 30, according to a report issued by **S&P Global Ratings** on July 14.

"Morgan Stanley intends to make these upfront investments so that the project becomes a more stable, cash-flowing asset that produces regular yield," reads the report. A spokesperson for Morgan Stanley in New York did not immediately respond to a request for comment.

AES Corp. developed the Red Oak project and financed its construction with two series of senior secured bonds issued in 2000. The facility has been online since 2002.

The series 'A' bonds that Morgan Stanley repaid in June originally totaled \$224 million, and had amortized so that \$58.4 million was outstanding at the end of last year, according to the rating agency report.

The other series of bonds totals \$160 million and is due to begin amortizing in 2020 before maturing in 2029. S&P upgraded the bonds

from B+ to BB- in response to the debt reduction, noting in its report that the project's debt service coverage ratio is expected to increase to above 2x in the next 12 to 18 months.

The terms of the remaining bonds do not allow the project to take on additional debt, according to the rating agency report.

The Red Oak facility has a tolling agreement, which is owned 85% by **TAQA Gen-Ex**, an affiliate of Morgan Stanley's commodities trading group, and 15% by Morgan Stanley, which expires in 2022, leaving a seven-year merchant tail.

Despite having an offtake contract in place, the project had not paid an equity distribution to its previous owner, Carlyle, for a few years because of its aggressive capital structure, according to the S&P report.

"They haven't been compensated for generation based upon the heat rate quite the way they expected initially," says a deal watcher.

Morgan Stanley is the project's fourth owner. AES sold it to **Energy Capital Partners** for \$143 million in 2012 following an auction run by **Citigroup** (PFR, 2/23/12). Less than two years later, Carlyle bought the project from ECP (PFR, 9/10/13). Morgan Stanley agreed to buy the project from Carlyle in May (PFR, 5/9). ■

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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	Adviser	Status/Comment
8minutenergy Renewables	Mount Signal (328 MW AC)	Calexico, Calif.	BAML (seller)	Capital Dynamics has acquired the project (PFR, 7/17).
Ares-EIF	Newark (705 MW Gas)	Newark, N.J.	Citi	Indications of interest are expected by late July or early August (PFR, 7/3).
	Plum Point (670 MW Coal)	Osceola, Ark.	Citi	Bids for the portfolio were due the first week of June (PFR, 5/30).
	Carneys Point (262 MW Coal)	Carneys Point, N.J.		
	Logan (219 MW Coal)	Logan Township, N.J.		
	Morgantown (62 MW Waste coal)	Morgantown, W.Va.		
Ares-EIF, I Squared Capital	Oregon Clean Energy Center (869 MW Gas)	Lucas County, Ohio	Barclays, Credit Suisse	The two banks are running a sale process for the project (PFR, 5/15).
Apex Clean Energy	Portfolio (12 GW, mostly Wind)	U.S.	CohnReznick Capital	The company is looking to sell itself to a strategic investor (PFR, 5/1).
BTG Pactual Infraestructura II, Pátria Investimentos, GMR Group	Latin America Power (114 MW Hydro, Wind)	Chile, Peru	BTG Pactual, Morgan Stanley	Several bidders have been shortlisted in the sale of the company, which also owns an 803.9 MW development pipeline that includes its first solar asset (PFR, 2/13).
Canadian Solar	Portfolio (703 MW DC Solar)	U.S.		Canadian Solar has taken second-round bids for its U.S. portfolio (PFR, 6/12).
● Clean Energy Collective, Engie	Portfolio (22.1 MW Solar)	Massachusetts		Key Equipment Finance, a division of KeyBank, has financed a portfolio of community solar facilities through a sale-leaseback agreement (see story, page 7).
Dynergy	Lee (625 MW Gas)	Lee County, Ill.		Rockland Capital is acquiring the project (PFR, 7/17).
	Dighton (164 MW Gas)	Dighton, Mass.		Starwood Energy Group Golbal is acquiring the two projects (PFR, 7/17).
	Milford (149 MW Gas)	Milford, Mass.		
Energy Future Holdings	Oncor (Transmission 122,000 miles)	Texas		Berkshire Hathaway Energy has agreed to acquire the company, but EFH creditor Elliott Management Corp. has made a rival bid (PFR, 7/17).
Eversource Energy	Portfolio (1.2 GW Biomass, Coal, Hydro, Oil)	New Hampshire	JP Morgan	The auction for the assets is in a second round and final bids are due in August (PFR, 7/3).
● Exelon Corp.	ExGen Renewables Partners (1,296 MW Wind, Solar)	U.S.		John Hancock Life Insurance Co. closed its acquisition of a 49% stake in the Exelon subsidiary on July 6 (PFR, 4/10).
Hecate Energy	Cherrydale (20 MW Solar)	White Post, Va.		Dominion Energy has acquired the Clarke County project and plans to close its purchase of Cherrydale later this year (PFR, 7/10).
	Clarke County (10 MW Solar)	Kendall Grove, Va.		
Infinity Renewables	(6.6 GW Wind, Solar)	U.S.	CIBC	The company is for sale (PFR, 6/5).
InterGen	Portfolio (2,200 MW Gas, Wind)	Mexico		InterGen is planning to launch a sales process for its Mexican portfolio (PFR, 5/30).
Invenergy	Hardin (175 MW Wind)	Hardin County, Ohio		Appalachian Power is acquiring the two projects (PFR, 7/10).
	Beech Ridge II (52.5 MW Wind)	Greenbrier and Nicholas counties, W.Va.		
Koch Industries	Odessa (1,054 MW Gas)	Odessa, Texas		Vistra Energy, the parent company of TXU Energy and Luminant, is acquiring the project (PFR, 7/17).
Morgan Stanley	NaturEner USA (399 MW Wind)	Montana		Morgan Stanley is selling NaturEner, which owns development wind assets in Alberta as well as the 399 MW operational wind portfolio in Montana (PFR, 5/15).
NRG Energy	Portfolio (6 GW Conventional)	U.S.	Citi, Goldman Sachs, Morgan Stanley	NRG is looking to raise \$4 billion from the sales (PFR, 7/17).
	NRG Yield			
● NRG Energy	Jeffers (50 MW Wind), Community Wind North (30 MW Wind)	Minnesota		Longroad Energy is acquiring the project duo (see story, page 1).
Odebrecht	Chaglla (406 MW Hydro)	Huánuco Region, Peru	Itaú, Scotiabank, SMBC Nikko Securities	Odebrecht is expected to select a buyer within the next two months (PFR, 6/12).
PNE Wind	Vivaldi Springtime (80 MW Wind)	Stillwater, Montana		Pattern Development has acquired the project from Germany-based developer PNE Wind (PFR, 7/17).
● Rockland Capital	Portfolio (983 MW Gas)	Illinois	Barclays	The Carlyle Group closed its acquisition of the portfolio on July 5 (PFR, 3/27).
● Solar Frontier Americas	Midway I (50 MW Solar)	Imperial County, Calif		KKR and Gestamp are acquiring the project (see story, page 6).
● Suncor Energy	Ripley (76 MW Wind)	Ontario, Canada		Suncor has sold its stake in the project to Acciona Energy (see story, page 7).
Terra Firma	EverPower Wind (752.25 MW Wind)	U.S.	Barclays, KeyBanc	Terra Firma is marketing the U.S. wind shop, whose assets also include an up-to-1,759 MW development pipeline (PFR, 3/6).
United Renewable Energy	Portfolio (12 MWh Solar-Plus-Storage)	North Carolina		Cypress Creek has acquired and provided financing for the projects (PFR, 7/10).
Westar Energy	Portfolio (6.3 GW Gas, Coal, Wind)	Midwestern U.S.	Guggenheim (seller), Goldman Sachs, Barclays, Lazard (buyer)	Great Plains Energy, which had its bid to acquire Westar rejected by Kansas regulators earlier this year, has reached a new agreement with the company (PFR, 7/17).

● 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 Fotios Tsarouhis at (212) 224 3294 or e-mail fotios.tsarouhis@powerfinancerisk.com

PROJECT FINANCE

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

Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Deal Type	Loan Amount	Tenor	Notes
Acciona	Puerto Libertad (270 MW Solar)	Sonora, Mexico	TBA	TBA	TBA		Acciona plans to expand the project by 90 MW (PFR, 7/17).
AES Corp.	AES Southland (1.4 GW Gas, Battery Storage)	Los Angeles and Orange counties, Calif.	MUFG, JP Morgan, Citi	Term Loan	\$520M	C+7-yr	The banks were marketing the loan at Libor+175 bps (PFR, 5/30).
				Letter of Credit	\$300M	C+7-yr	
				Private Placement	\$1.5B	22-yr	The private placement was priced at T+215 bps, which includes a 25 bp premium for a delayed draw feature (PFR, 6/26).
Advanced Power	South Field (1.1 GW Gas)	Columbiana County, Ohio	GE EFS	Debt	TBA	TBA	GE EFS is left lead on the debt raise. Other joint lead arrangers will be selected later this year (PFR, 5/1).
Alterra Power Corp.	Flat Top (200 MW Wind)	Comanche and Mills counties, Texas	AMP Capital Investors, Citi, RBC, Santander	Debt	\$308M		Alterra Power Corp. has sealed financing for the project (PFR, 7/3, 1/17).
			BHE, Citi	Tax Equity	\$221M		
American Power Ventures	Renaissance (1 GW Gas)	Greene County, Pa.	Fieldstone (adviser)	Debt, Equity	\$900M		The sponsor has mandated boutique investment bank Fieldstone Private Capital Group to raise debt and equity for the project (PFR, 4/17).
Capital Power Corp.	Bloom (178 MW Wind)	Ford and Clark counties, Kan.	Goldman Sachs	Tax Equity	\$272M		Goldman Sachs closed its tax equity investment in the project on June 13 (PFR, 5/1).
EDP Renewables North America	Meadow Lake V (100 MW Wind)	White County, Ind.	BNY Mellon	Tax Equity	\$370M		All three projects are expected online this fall (see story, page 5).
	Redbed Plains (99.1 MW Wind)	Grady County, Okla.					
	Quilt Block (98 MW Wind)	Lafayette County, Wis.					
EDF Renewable Energy	Nicolas-Riou (224.25 MW Wind)	Bas Saint Laurent, Québec	TBA	Debt	≤\$500M		EDF and its co-owners, groups representing several municipalities and a First Nation, are seeking debt financing for the project (PFR, 7/10).
Iberdrola	Two unknown projects (370 MW Wind)	Santiago and Hermosillo, Mexico	TBA	TBA	TBA	TBA	Construction on the projects is expected to begin late this month (PFR, 7/17).
LS Power Development	Armstrong (603 MW Gas)	Shelocata, Pa.	BNP Paribas, CIT Bank, others	Debt	-\$400		The debt will finance LS Power's acquisition of the projects from Dynegy (PFR, 7/3).
	Troy (584 MW Gas)	Luckey, Ohio					
NRG Energy	Buckthorn (100.5 MW Wind)	Erath County, Texas	RBC Capital Markets	Construction Loan	\$97M	TBA	The project represents John Laing's second U.S. wind project and its first renewables investment in Texas (PFR, 7/17).
				Letters of Credit	\$26.6M	TBA	
				Tax Equity Bridge Loan	\$117.2M		
			John Laing Group	Equity	90.50%		
NRG Energy	Buckthorn (154 MW Solar)	Pecos County, Texas	Crédit Agricole, Santander, Keybank, MUFG, SMBC	Mini-perm	\$140M	C+7-yr	NRG Energy has completed project financing for the facility (PFR, 6/12).
				Tax Equity Bridge Loan	\$55M	TBA	
				Letters of Credit	\$35M	TBA	
Pattern Development	Henvey Inlet (300 MW Wind)	Henvey Inlet First Nation, Ontario	TBA	Debt	TBA		Pattern is seeking debt for the project (PFR, 6/19).
Quantum Utility Generation	Moundsville (643 MW Gas)	Marshall County, W.Va.		Debt	TBA		Quantum could launch a debt financing for the project this year (PFR, 2/6).
			BNP Paribas	Equity			
Sojitz Corp., Shikoku Electric Power Co., Sojitz Corp. of America, Eiffage	Huatacondo (98 MW Solar)	Huatacondo, Tarapacá, Chile	SMBC, Mizuho, Iyo Bank	Debt	\$73.31M	18-yr	Nippon Export and Investment Insurance is insuring \$47.2 million of the debt (PFR, 7/3).
Swift Current Energy	HillTopper (175 MW-200 MW Solar)	Logan County, Ill.		Debt, Tax Equity	TBA		The sponsor plans to finance the project with debt and tax equity (PFR, 2/13).
Terna	Unknown (132-mile Transmission)	Uruguay	BBVA	Debt	\$25M	15-yr	The transmission line, which will stretch from the country's east to northern Uruguay, is backed by a loan BBVA claims is the first project finance "green loan" (see story, page 6).
			Inter-American Development Bank		\$56M	17-yr	
Tyr Energy	Hickory Run (1 GW Gas)	Lawrence County, Pa.	BNP, BAML	Debt	TBA		The deal was expected to come to the market shortly after the announcement of the PJM auction results (PFR, 6/12).
US Solar Corp.	Portfolio (100 MW Community Solar)	Minnesota	North Sky Capital	TBA	TBA		North Sky Capital is being advised by New Energy Capital Partners (PFR, 7/3).

New or updated listing

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To report updates or provide additional information on the status of financings, please call Managing Editor Olivia Feld at (212) 224-3260 or e-mail olivia.feld@powerfinancerisk.com

PROJECT FINANCE

Q2 League Table: Project Bonds Fill MUFG's Sails as Wind Slows

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included a \$1.475 billion bond, just made it into the first half statistics by closing on June 30.

"Project bonds are becoming very competitive with the bank product, so we've seen an upturn and had very good success," says **Alex Wernberg**, Los Angeles-based head of U.S. power project finance at MUFG, which was a bookrunner on both deals. "There's a lot of liquidity out there."

WIND DIES DOWN

Wind financings in North America totaled just \$1.7 billion in the first half of 2017, versus \$5.5 billion in the same period last year, a 70% decline. In contrast, solar deals were just slightly down year-on-year, from \$3.7 billion to \$3.66 billion, despite a pause

as attorneys rewrote tax equity documents amid concerns about potential tax reform (PFR, 6/9).

John Eber, managing director at **JP Morgan**, said in March that a corporate tax cut would have a bigger impact on wind projects that make use of the production tax credit over a 10-year period than on solar deals that benefit from the investment tax credit (PFR, 3/24).

Other market participants, such as **Lincoln Clean Energy** ceo **Declan Flanagan**, have attributed the slowdown to the development cycle, saying that sponsors are in construction mode, building projects that have already been financed (PFR, 4/25).

Wind could make a comeback in the second half of the

year, says **Skip Rankin**, partner at **Baker & McKenzie** in New York, noting that corporations are continuing to sign power purchase agreements with projects under development.

"We just signed a PPA yester-

day for a big project that's going to break ground later this year," he tells *PFR*, noting that the project is in the Midwest but declining to go into further detail. "The banks will not be sitting on their hands." ■

North America Power Project Loan Arrangers First Half of 2017

Pos.	Mandated Arranger	Amount (\$m)	No.	Share %
1	MUFG	913.877	15	11.150
2	ING	605.965	5	7.393
3	Sumitomo Mitsui Banking Corp.	548.207	12	6.689
4	Crédit Agricole	445.143	9	5.431
5	CoBank	401.520	7	4.899
6	GE Energy Financial Services	352.029	5	4.295
7	BNP Paribas	340.958	5	4.160
8	KeyBanc Capital Markets	324.863	4	3.964
9	CIT Group	262.575	3	3.204
10	Bank of America Merrill Lynch	256.300	3	3.127
Total eligible loans		8,195.923	42	100.000

Data as of July 20, 2017

EDP Reveals Size of Wind Tax Equity Deal

Bank of New York Mellon is investing \$370 million of tax equity in an **EDP Renewables North**

America wind project trio totaling nearly 300 MW.

The portfolio comprises the 100

MW Meadow Lake V project in White County, Ind., the 99.1 MW Redbed Plains project in Grady County, Okla., and the 98 MW Quilt Block project in Lafayette County, Wis. (PFR, 5/15).

The Meadow Lake V project is expected to be online in September, while Quilt Block and Redbed Plains are due to follow in October.

The projects are contracted under five power purchase agreements with various regional utility companies.

Meadow Lake V will sell 25 MW of its output to **Wabash Valley Power Association** under a 20-year power purchase agreement. The project will also sell 25 MW to **Hoosier Energy Rural Electric Cooperative** during its first two years of operations and

75 MW for the following 18 years.

Whether the 50 MW that is unaccounted for in the first two years would be sold to another party at a fixed rate or sold into the grid at spot price could not be learned by press time.

Redbed Plains will sell half of its output to **East Texas Electric Cooperative** and half to **North-east Texas Electric Cooperative** under two separate 20-year power purchase agreements, while Quilt Block will sell its output to **Dairyland Power Cooperative** under a 20-year PPA.

The U.S. **Federal Energy Regulatory Commission** approved the tax equity deal on June 29.

Spokespeople for EDP in Madrid and BNY in New York declined to comment further on the transaction. ■

Budding IPP to Acquire NRG Wind Assets

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of the remaining 0.01% stake.

Documents filed with the **U.S. District Court for the Northern District of Illinois** in July 2014 and the **U.S. Bankruptcy Court for the Northern District of Illinois** in September 2013 in relation to EME's bankruptcy list the contact for Cottonwood J20 as **Michael Melone**, v.p. and general counsel for New York-based solar developer **Allco Renewable Energy**.

EME had initially been an equi-

ty investor in the Jeffers facility alongside **National Wind**, which originated the project (PFR, 8/24/07, PFR, 6/20/08).

JP Morgan had intended to invest tax equity in the Jeffers project and syndicate a portion out to a third party as part of a larger investment in an NRG portfolio (PFR, 9/10/14). However, while the bank closed the tax equity investment in the other projects, the Jeffers deal ultimately did not close, according to a November 2014 FERC filing. ■

● PROJECT FINANCE

Terna Signs 'First Ever' Green Project Finance Loan

Italian transmission line company **Terna** has signed \$81 million in project finance loans to build a 500 kV project in Uruguay, in a deal that **BBVA** is claiming to be the first ever green loan in a project finance format.

The funding is made up of an around \$56 million 17-year loan from the **Inter-American Development Bank** and an around \$25 million 15-year loan from **BBVA**. The Spanish bank worked as structuring and loan coordinator.

The IADB financing pays 235 basis points over Libor, while the shorter **BBVA** tranche is cheaper at 210 bps over Libor.

Terna will use the money to build a 132-mile transmission line between the cities of Melo, in the country's East, and Tac-

uarembó, in the North of the country. Terna raised the loan via its subsidiary **Difebal**.

Uruguay's state-run utility **Administración Nacional de Usinas y Trasmisio-**

"Basically, this is the only difference, that it has the official green certificate."

nes Eléctricas commissioned the project and, once it enters commercial operation, will carry out operation and maintenance, as well as giving Terna a monthly payment for 30-years as part of the leasing conditions.

The funding has been

defined as a green loan by independent assessor **Vigeo Eiris**, which also ranks Terna first for sustainability among the 48 European electric and gas utilities that it covers.

Vigeo Eiris confirms that the financing is a green loan in its analysis.

"Basically, this is the only difference," said a **BBVA** spokesperson on what separates this loan from previous renewables project financings, "that it has the official green certificate."

Green loans will see a similar market growth to green bonds, **BBVA's** head of global finance **Ricardo Laiseca** said in a statement. Over the last five years green bonds have moved from a niche product to an \$81 billion market globally

in 2016, according to the **Climate Bonds Initiative**.

The CBI predicts that green bond issuance will hit \$150 billion this year.

BBVA also claims to have been part of the first green syndicated loan in term loan format in June, when it was part of an 11-strong bank group for a €265 million (\$305 million) corporate finance deal for Spain's **Tradebe**. ■

FAST FACT

\$150B

The predicted size of green bond issuance this year, according to the Climate Bonds Initiative.

● MERGERS & ACQUISITIONS

Gestamp to Reclaim Stake in Solar Asset Alongside P.E. Partner

KKR and **Gestamp** are acquiring a 50 MW solar project in Imperial County, Calif., from **Solar Frontier Americas**.

Madrid-based **Gestamp**, alongside **8minutenergy Renewables**, developed the Midway I project in its early stages and sold it to Solar Frontier in 2015.

Gestamp has agreed to to acquire a 20% stake in the facility, according to a filing with the U.S. **Federal Energy Regulatory Commission** on July 14. **KKR** will acquire the remaining 80% equity interest in the project.

U.S. Bank is investing tax equity in the project, which has a 20-year power purchase agreement with **Pacific Gas & Electric** (PFR, 4/17/14).

Midway I was originated by **8minutenergy**, which began the permitting process in 2010, according to an environmental impact report dated December of that year.

8minutenergy and **Gestamp** announced that Midway I and its sister project, the 30 MW Midway II solar facility, had received requisite permits from the **Imperial County Board of Supervisors** in 2012.

Solar Frontier Americas acquired Midway I, Midway II and a third adjacent project, the 30 MW Midway III solar facility, from **Gestamp** in 2015, according to a statement issued by Solar Frontier Americas at the time (PFR, 3/12/15). The statement made no mention of **8minutenergy's** stake.

Gestamp and **8minutenergy** are listed as co-owners of all three projects in **California Public Utilities Commission** documents from 2014. However, Solar Frontier Americas is listed as the only owner of the projects in filings with the PUC last year. It could not be immediately established when **8minutenergy** sold its stake or the purchase price.

Dominion Energy purchased the Midway II facility from Solar Frontier Americas in a deal that was agreed to late last year (PFR, 12/5). Both the Midway II and the Midway III projects have PPAs with the **Imperial Irrigation District** (PFR, 1/9/15).

Representatives of Solar Frontier Americas in Modesto, Calif., **KKR** in New York and **Gestamp** in Madrid did not respond to inquiries. A spokesperson for **8minutenergy** in San Francisco was not available for comment. ■

FAST FACT

20 years

The length of Pacific Gas & Electric's power purchase agreement with the Midway I project.

MERGERS & ACQUISITIONS ●

KeyBank Division Backs Massachusetts Solar Portfolio

Key Equipment Finance, a division of KeyBank, has financed a portfolio of community solar facilities in Massachusetts through a sale-leaseback agreement with the projects' owners.

The 22.1 MW asset bundle comprises 16 projects co-owned by **Clean Energy Collective**, a Louisville, Colo.-based community solar startup, and the Houston-based U.S. arm of French utility **Engie**.

The projects are located in the towns of Clarksburg, Goshen, Kingston, North Adams, Orange, Phillipston, Sutton, Uxbridge, Wareham, West Bridgewater and Williamsburg. The assets, which came

online this year, will serve the **Eversource** and **National Grid** utility territories in Massachusetts.

All the projects have received federal tax equity investments, **Tom Hunt**, senior v.p. for corporate development and chief of staff at Clean Energy Collective, tells *PFR* from Louisville.

Hunt declined to comment on the identity of the investors, the size of the stakes owned by CEC and Engie and how the projects were financed.

Luis Gutierrez, v.p. of energy finance for Key Equipment Finance in Superior, Colo., also declined to comment. ■

Suncor Sells Stake in Ontario Wind Project

Suncor Energy has offloaded its 50% stake in the 76 MW Ripley wind project in Ontario to the owner of the other half of the facility, **Acciona Energy**.

The two companies jointly developed the facility, which is situated approximately 90 miles north of the town of London, near Lake Huron's eastern shore. It has been online in 2007 and is halfway through a 20-year PPA with the province's **Independent Electricity System Operator**.

The deal marks the second time this year that Suncor has sold a stake in an operational wind project in Ontario. The company sold its 50% stake in

the 100 MW Cedar Point II wind project in Lambton and Plympton-Wyoming counties to **Fiera Capital** earlier this year (*PFR*, 1/26).

The purchase price for the Ripley project stake was not disclosed. Representatives of Acciona in Madrid and Suncor in Calgary, Alberta, did not immediately respond to inquiries.

Besides the Ripley project, Acciona owns three other wind facilities in Canada: the 45 MW Laméque project in the province of New Brunswick and the 30 MW Magrath and 30 MW Chin Chute projects, both in Alberta. ■

STRATEGIES ●

Moody's Rates EFH DIP Debt Amid Oncor Wrangling

Moody's Investors Service has assigned a rating to a \$6.3 billion debtor-in-possession facility for **Energy Future Holdings**, amid a tussle over who will own its main asset—**Oncor Electric Delivery Co.**—should it emerge from bankruptcy.

The rating agency has given the DIP refinancing package a rating of Ba3, the same credit score it gave the original \$5.4 billion debtor-in-possession facility obtained by the utility holding company after it first filed for bankruptcy in June 2014.

Moody's cites the "super priority first lien" over EFH's 80% stake in Oncor and its other assets as the main structural protection supporting the rating.

The rating comes as **Berkshire Hathaway Energy** attempts to

acquire EFH and its 80% stake in Oncor for \$18.1 billion, in the face of opposition from activist creditor **Elliott Management Corp.** (*PFR*, 7/12).

EFH hired **Citi** and **Morgan Stanley** to refinance its DIP facility earlier this year as the existing loan approached its maturity.

The banks, with Citi acting as left lead and administrative agent, initially marketed the loan as a \$5.475 billion one-year deal with a possible six-month extension. The initial pricing was 275 basis points over Libor with a 0% Libor floor and an original issue discount of 99.75% (*PFR*, 6/13).

Commitments were due on June 16, but the bookrunners subsequently added an \$825 million delayed draw term loan to

the deal, extended the deadline to June 23 and made the terms more investor-friendly, flexing the pricing to 300 bps over Libor with a 1% floor and a discount of 99.875% (*PFR*, 6/22).

The deal also included step-up provisions should the company's credit ratings not be "refreshed" within 30, 60 or 90 days.

The **U.S. Bankruptcy Court for the District of Delaware** approved the debt package on July 26, the same day the loan was priced, in an order which stated that the lenders "have indicated a willingness to provide financing to the EFH [Energy Future Intermediate Holdings] Debtors," subject to several conditions, including the approval of the court.

The loan was signed and funded two days later, deal watchers

tell *PFR*. **Barclays** and **RBC** also acted as arrangers on the final deal, says one of the sources.

The proceeds will be used to repay the existing \$5.475 billion first lien DIP term loan and \$600 million of make-whole and professional fees, while the remaining \$225 million will be used as "additional liquidity," according to the Moody's report.

The loan documentation includes a liquidity covenant that requires EFH to maintain an unrestricted cash balance of at least \$100 million. Failure to do so could lead to a default under the DIP facility.

Officials at Citi, Morgan Stanley, Barclays and RBC in New York and a spokesperson for EFH in Dallas either declined to comment or did not respond to inquiries by press time. ■

● PEOPLE & FIRMS

Banker Exits Canadian Institution's N.Y. Office

A project finance banker has departed a Canadian bank's New York office after a five-year stint.

Darrel Ho, until recently an executive director in U.S. project finance and infrastructure at **CIBC World Markets**, has left the bank.

Prior to joining CIBC in 2012, Ho was a senior v.p. at **GE Ener-**

gy Financial Services from 2008 until 2012 and a v.p. at **Fortis Capital** from 2005 until 2008 (PFR, 3/19/12, PFR, 4/4/08).

He left CIBC in May, according to his **LinkedIn** profile.

Calls to representatives of CIBC in Toronto were not immediately returned and Ho could not be reached for comment by press time. ■

CIO to Exit Brookfield Renewable Partners

The chief investment officer of Brookfield Renewable Partners' North American platform has announced that he is departing the firm.

Dan Benoit announced on July 14 that he is stepping down at the end of the month. He has been in the post since December and is based in Gatineau, Canada.

Whether he is leaving to take up a role elsewhere could not immediately be established. Benoit referred inquiries to a spokesperson for Brookfield in Ottawa, who did not respond to a request for comment.

Having joined Brookfield Renewable Partners in 2009, Benoit was initially director for project and corporate financing. In 2014, he was promoted to v.p. of corporate and project finance and then senior v.p. of capital markets.

Prior to joining Brookfield Renewable Partners, Benoit was an associate director, equity capital markets, at **Scotiabank**.

Under his tenure, Brookfield Renewable Partners sought to sell three operational wind assets and a development-stage

expansion project in Ontario (PFR, 6/14/16). It could not immediately be established whether the auction has been completed, or whether the projects have been sold.

Earlier this month, Brookfield Renewable Partners refinanced its 380 MW White Pine hydro portfolio in Maine with a \$475 million privately placed green bond (PFR, 6/19). The non-amortizing notes are due in 2032 and bear interest at 4.4%.

Brookfield Asset Management holds over 30% of the shares of publicly-traded Brookfield Renewable Partners. ■



Dan Benoit

Simmons Lands at Marathon Capital

Marathon Capital has hired **Robert Simmons** as a senior managing director.

Simmons, known as Bob, was a founder and executive partner at **Panda Power Funds** in New York. *PFR* reported that Simmons left Panda in April, with one source calling his departure "amicable" (PFR, 4/26).

During his 17 years at Panda and its predecessors, Simmons held a number of positions including cfo, treasurer, chief compliance officer and member of the investment and valuation committees, according to a statement issued by Marathon announcing his appointment.

At Panda, Simmons raised \$6 billion for the firm's most recent projects across **PJM Interconnection** and **ERCOT**, adds the statement. Several of these assets are in distress, including the Temple I project in Texas, which filed for

bankruptcy earlier this year (PFR, 4/19). Around the same time, Panda appointed a new head of debt and finance, **Michael Tren-tel** (PFR, 4/19)

At Marathon, Simmons is working on advising owners and operators of power assets, in addition to expanding the firm's work in infrastructure and other asset classes.

Simmons could not immediately be reached for comment. ■



Robert Simmons

Deutsche Vet to Build Team at Nomura

◀ FROM PAGE 1

rose to be group head, working on many renewable and thermal project financings (PFR, 4/24).

Prior to this, Mukani was a senior

director in energy structured finance origination at **NordLB** from 2007 to 2010. Before that, he was a v.p. at **Goldman Sachs** for nine years. ■

Onetto Joins BBVA to Run Chilean Project Finance

Andrés Onetto has joined **BBVA** as head of project finance for Chile, a BBVA spokesperson has confirmed to *PFR*.

Onetto joins the Spanish bank from **Banco de Chile**, where he was a senior v.p. in the bank's energy and infrastructure finance business, a position he held since 2013.

He replaces **Carlos Lopez**

Rabadan, who has moved to Peru to head the Peruvian project finance team, the bank spokesperson said.

Onetto has also held positions at **Citi** in New York, working in renewable energy acquisitions for U.S. utility **Washington Gas** and at law firm **Onetto Abogados** in Argentina. ■