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Leads Take Wire Deal Commitments

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DEVELOPER READIES MORE NASCENT WIND PROJECT SALES

Wind Revolutions, a Denver-based developer, is looking to sell a slug of early-stage wind projects, including the 700 MW Chalk Mountain project south of Casper, Wyo., and 300 MW Beaver Divide project south of Riverton, Wyo. **Cy Esphahanian**, managing member in Denver, says the sales could be as early as this quarter, declining to discuss the target prices or potential bidders.

This month the company agreed to sell Wheatland Wind in southeastern Wyoming to **GreenHunter Energy** subsidiary **GreenHunter Wind** for an undisclosed sum through an independent bid process. Neither party used a financial advisor. The transaction is slated to close next month. "They've been great folks," he says, but notes Wind Revolutions would *(continued on page 12)*

Down To The Wire

SPAIN'S ACCIONA LOOKS TO TAP U.S. WIND FINANCING

Acciona Energy North America is looking to land financing by next month for its roughly \$270 million, 130 MW Red Hills farm—a rare deal in the sector as most players are in a holding pattern to see whether federal production tax credits will be renewed before they expire Dec. 31.

The Spanish-owned player is aiming to have the farm in Roger Mills and Custer Counties, Okla. online before year-end eliminating the tax risk, as only plants operating before any sunseting qualify for the PTCs.

"Now that they have their turbines, they want to show off," says one deal tracker, referring to the company's West Branch, Iowa, wind turbine production plant that began *(continued on page 12)*

FIRST EURO TARIFF SECURITIZATION HITS MART

The maiden European securitization of surcharges to repay a shortfall in power tariffs has been placed and it's expected to pave the way for more. The EUR200 million (\$317 million) **Bliksem Funding** is backed by a multi-year government repayment contract awarded to utility companies in Spain to make up the shortfall between power generation and delivery costs and the consumer price set by regulators, according to *PFR* sister publication *Total Securitization*.

More deals are expected because the deficit regularly occurs in Spain, according to **Erwin VanLumich**, corporate finance analyst with **Fitch Ratings**.

Bliksem, which was being wrapped by **BNP Paribas** and **Banesto** last week, holds 5.75% of a EUR3.8 billion (\$6 billion) government-granted repayment scheme formerly owned by *(continued on page 11)*

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



At Press Time Renewable Developer Plots Wind Financing

Developer Penn Wind will look to arrange financing next summer for 150 MW of wind projects across the Midwest coming online over the next three years. "In some cases we will look for project financing," says Sean Purdy, v.p. of land acquisition in Sunbury, Pa. "We can outsource it for project financing, or sometimes we'll do it in house," he says, adding that the decision about any debt financing will be made on a project by project basis. "It could be all of [a farm's cost]; it could be part of it," he says of the potential of project level debt, declining to elaborate on costs.

The company will look for knowledge of the wind market in potential lenders, Purdy says, noting the company has undisclosed relationship banks. Penn has 20-30 farms in its 1.5 GW pipeline averaging 50-75 MW each—and one additional 250 MW farm. Sites are located in Maryland, New York, Pennsylvania, Texas, Virginia, West Virginia and in New England. Its first 15 MW project is set to come online in Northumberland County, Pa., in the first or second quarter of next year, and an additional 800 MW are slated for the next five to 10 years. Purdy says the firm will use various turbine brands for its farms, but declined to specify any manufacturers. The firm's sister company PA Solar has 10 MW of thin film solar projects under development in Pennsylvania.

Penn and PA were formed in 2006 by juwi Wind US, the U.S. unit of German developer juwi International, and DGP Power, a local investor group consisting of Purdy, Penn and PA CEO Justin Dunkelberger and other local investors.



Sean Purdy

Commitments Due In Allegheny Wire Syndication

Commitments are due next week in the retail syndication of \$550 million in financing for Allegheny Energy's Trans-Allegheny Interstate Line Co. Citigroup and BNP Paribas launched the broad syndication July 17, offering tickets of \$50 million, \$35 million and \$20 million to predominantly project finance and utility bankers.

The seven-year financing package includes a \$530 million term loan and a \$20 million revolver with pricing said to be 175-200 basis points over LIBOR (PFR, 7/18). TrAIL is developing a 180-mile portion of a 500-kV transmission line across the Appalachian Mountains costing \$820 million. Construction is set to begin in the fourth quarter for the line to reach commercial operation by mid-2011.

When complete, the line it will extend from the Prexy Substation in southwestern Pennsylvania's Washington County through Grant County, W.Va. and end at the Meadow Brook Substation in northern Virginia. There, it will connect to a 65-mile line under development by Dominion—and financed at its corporate level—that will extend into the D.C. suburbs of Loudon County, Va. Officials at BNP directed calls to Citi on the left, which did not return calls. Allegheny declined to comment.

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**Institutional
Investor NEWS**
INTELLIGENCE FIRST

CS Tweaks Tres Palacios Pricing, Old

Credit Suisse has flexed up pricing of financing for **NGS Energy's Tres Palacios Gas Storage** development in Matagorda and Wharton Counties, Texas, to 375 basis points over LIBOR from 325 and moved the original issue discount to 98 from 99.

No specific ticket sizes were requested when the firm launched syndication June 27. The \$310 million financing includes a long-term facility of around \$138 million and a \$170 million term loan (PFR, 6/27). The final size and breakdown of the senior secured credit are dependent on gas prices over the next year and a half as the underground salt-dome caverns are filled. CS is lending 85% of the hedged price of gas.

Calls to **Laura Luce**, president of NGS in Westport, Conn., were not returned, and an official at CS declined to comment.

LS, GIP See TransAlta As Long Term Play

LS Power Equity Advisors and **Global Infrastructure Partners** are seeking a long term investment in **TransAlta** with their C\$8 billion (\$7.98 billion) bid to take the company private. "Our partners are a great fit for long term investors. In terms of the company's prospects, when we took a hard look at them, it was the right time given everything we had in front of it," **Jim Bartlett**, president of LS Power Equity Advisors, told *PFR*. Bartlett adds that the investors' want existing management to stay in place.

In a letter to TransAlta CEO **Steve Snyder** made public last Monday morning, LS and GIP have proposed negotiating a consensual transaction to acquire all outstanding common stock of the Canadian IPP for roughly C\$6 billion in equity and C\$2 billion in debt. The debt facility would include a C\$1.5 billion backstop credit facility to refinance the company's commercial bank facility and \$500 million in senior notes issued in May (PFR, 5/16). Debt would be provided by **Credit Suisse**, which is also serving as financial advisor. The offer, valued at C\$39 per share, pays a premium over the 52-week high of C\$37.60 on July 2 and is a 21% increase over Friday's closing price. LS and its affiliates own roughly 9% of TransAlta's outstanding common stock. Last winter, **Luminus Group**, formed by LS and **Luminus Management**, pushed for the replacement of four members of TransAlta's board and a more aggressive capital structure (PFR, 2/8). It dropped the attempt in March.

Bankers see opportunity in the deal. "It's a pretty conservative capitalization, so as long as they structure it right with appropriate covenants and coverage, I think it will be well received in the bank market... There is certainly room for some M&A activity," says one senior banker at a European project

finance bank. "[TransAlta has] pretty good assets in Alberta, which would form the basis of the financing," says another who is familiar with the company. Bartlett declined to comment on bringing any other banks into financing for the deal.

Calls to **Brian Burden**, cfo of TransAlta in Calgary, and officials at CS were not returned. **Jack Cowell**, a spokesman for GIP, referred questions to LS Power.

Barclays Taps Sagent For MD

Barclays Capital has hired **Thomas Rosén**, managing director on the energy and power team at **Sagent Advisors**, for a new managing director slot in investment banking.

He joined in New York last Monday, reporting to **Mike Brennan**, head of energy for the Americas. Barclays will continue to look to expand the team, says Brennan, declining to disclose specifics.

Rosén joined boutique Sagent Advisors (PFR, 6/27) after leaving his post as managing director and head of natural resources at **Banc of America Securities** amid a downsizing (PFR, 2/22). "He brings a valuable maturity and he's been in the strategic box for some time," says Brennan. Rosén is perhaps best known for originating a buy-side mandate on **Iberdrola's** \$4.5 billion acquisition of **Energy East** while at BofA.

Curt Launer, managing director at Sagent, declined to comment.

Leads Ready Guatemala Coal Financing

BNP Paribas, **Mizuho Corporate Bank** and **Scotia Capital** along with the **Inter-America Development Bank** and the **International Finance Corp.** are arranging some \$500 million in long term financing for the \$600 million, 275 MW coal-fired project under development by AEI's **Jaguar Energy** in Escuintla, Guatemala. The exact amount and breakdown of financing has yet to be determined, notes one deal watcher, adding the banks are looking to arrange it as soon as possible after being mandated earlier this month. **Runabir Dutt**, v.p. of finance and treasury, confirmed the mandates.

The project will be located 80 miles south of Guatemala City. It is set to come online in 2012 and construction begins later this year (PFR, 6/6). It has a 15-year PPA for 200 MW with **Union Fenosa's** distribution subsidiaries **Distribuidora de Electricidad de Occidente** and **Distribuidora de Electricidad de Oriente**. The other 75 MW will be sold wholesale either in Guatemala or to nearby countries.

Jaguar won the rights in May to build, own and operate the plant through a tender run by the country's regulator, **Comisión**

Nacional de Energía Eléctrica. **Puerto Quetzal Power**, another subsidiary of the company formerly **Ashmore Energy International**, operates a 234 MW gas-fired plant in Puerto Quetzal. Officials at the banks either declined to comment or did not return calls.

Russian Power Fund Bounces Back

Halcyon Advisors, a Moscow-based fund firm that invests solely in the Russian power sector, is up 331 basis points for June after being down nearly 600 in May with its \$110 million *HH Generation* fund. The returns are due primarily to the end of the first phase of the Russian power reforms which began with the break-up of **Unified Energy Systems**, the government held monopoly that combined all aspects of generation, distribution, transmission, sales and service companies. According to its June newsletter, HH Generation made gains on the spin offs of UES.

Arminé Guledjian, v.p., says the reform is putting Halcyon in a good position for the coming months and there are a number of companies trading way below their fundamental value. She adds that the fund has investments in **Federal Grid Company**, which is responsible for transmission. When UES broke up and disbanded, it was removed from utilities indices. The formation of Federal Grid and several other billion dollar power companies in its place will create significant change in the market when these companies are added to the indices and index funds begin investing in them.

Halcyon's flagship fund, *Halcyon Power Investment Company*, closed in May with \$250 million and no redemptions until 2011. There is still over-the-counter trading on shares in the fund.

Wind Developer Seeks Tax Equity, Strategic Partners



Richard Amato

Venti Wind, a subsidiary of Austin, Texas-based renewables developer **Venti Energy**, is looking for tax equity for a 60-100 MW wind project in development in an undisclosed location in Texas. Capital expenditures for the project are estimated at \$1.2-1.8 million per MW, says **Richard Amato**, president and CEO in Austin. It has jointly partnered with an undisclosed oil and gas company for the project.

Venti Energy is backed by Danish real estate company **Modus Invest**. Venti Wind is also actively pursuing 10-12 other wind projects in Texas and surrounding states, he says, noting strategic partners "looking to get a toehold in Texas" will be sought for those projects. Once the projects reach commercial operation, Venti is looking to sell a majority interest. "We have aligned ourselves with international partners interested in long-term ownership." But he notes, "we're not simply trying to flip a

project." The 60-100 MW project expected to come online in 2010, will be the company's first operational asset. A second expansion phase is possible for the project in three to five years, he says.

Venti Wind is also a 50:50 partner with **Texas Wind Works** in **Peak Wind**, a wind development company. "It's really a nice marriage. Our strengths and weaknesses complement each other well," he says of Texas Wind Works' founder **Cliff Etheredge's** land expertise and Venti's financial expertise. The joint venture is looking at opportunities in Wyoming, South Dakota and Kansas.

Rijnmond Refi Set For Syndication

Calyon has reached financial close on a refinancing just over EUR500 million (\$791.9 million) for **InterGen's** 420 MW Rijnmond I plant in Rijnmond, Netherlands. The firm is planning to syndicate the debt at the end of the month or early next month.

BayernLB, **Export Development Canada**, **Fortis**, **ING**, **National Australia Bank** and **Société Générale** joined in as co-mandated lead arrangers with Calyon, which has been warehousing the debt. Ticket sizes and pricing could not be learned.

Officials at the firms could not be reached or did not return calls and **Corbie Kiernan**, a spokeswoman for the sponsor in Burlington, Mass., declined to comment.

Timber Co. Unit Readies First Renewable Generation Buy

Westervelt Renewable Energy is in the process of acquiring undisclosed projects that will be able to generate power from biomass and is expected to close on its first acquisition within three months. "It's a matter of doing due diligence," says **Greg Martin**, v.p. of renewable energy in Tuscaloosa, Ala. It is also considering a separate joint venture. He declined to disclose project or investment size for any of the deals.

The Westervelt Co., a land resource and timber company, created the unit last summer as a part of a new strategic direction, including the creation of environmental mitigation company **Westervelt Ecological Services**, after selling a number of paper boxboard facilities in 2005, says Martin. "It's basically that core equity that is funding these new business developments," he says.

Westervelt Renewable Energy has a biofuels project with an undisclosed university. Its Web site says it will focus on biofuels, but Martin says the unit will focus on all types of renewable projects in the U.S. and has looked at solar and wind projects. But he says, "it would make more sense for us to use biomass," noting the company continues to own a paper mill in Alabama.

Barclays Closes IFM Syndication

Nine firms joined the Barclays Capital-led retail syndication of financing supporting Infrastructure Funds Management's purchase of 1.7 GW from Consolidated Edison Development.

Trust Company of the West has taken a \$50 million commitment, while Caterpillar Financial Services joined with \$15 million. CIT, Erste Bank, Landesbank Baden-Württemberg, PT Bank Negara, SE Banken, Siemens Financial Services and US Bancorp all took tickets of \$25 million.

Union Bank of California and HSH Nordbank are joint book-runners (PFR, 6/27). CoBank, Commonwealth Bank of Australia, Dexia Crédit Local, GE Energy Financial Services and ING joined the deal as senior managing agents during wholesale syndication, each committing with \$60 million.

Tickets of \$25 million and \$15 million, with upfront fees of 75 and 50 basis points were offered in the syndication of the \$425 million in financing that launched last month. A \$325 million, eight-year, high-yield bond offering in the works that will come to market next month. Officials at the firms either declined to comment or did not return calls.

JV Hunts Maiden Islamic Investment

Manara Wärtsilä Power is planning to make its first investment in an Islamic country this quarter. The joint venture was formed by Wärtsilä Development & Financial Services, the financing arm of Finnish manufacturer Wärtsilä Corp., and Bahrain-based Manara Consortium, to invest in independent power producer projects in top-tier Islamic countries.

WDFS has committed \$20 million in equity alongside Manara's \$80 million, with Manara committing an additional \$100 down the line, says Markus Pietikäinen, v.p. development and financial services at Wärtsilä in Helsinki. The investment will be transferred to Manara Infrastructure Fund shortly, he says.

The JV is targeting projects with long-term power purchase agreements with a capacity between 50 and 200 MW, says Pietikäinen, noting the projects will use Wärtsilä equipment. He declined to disclose the sweet spot in terms of investment size, but noted that the venture is looking to work with local partners on projects and take a minority equity stake of 49% or under.

WDFS is already active in the region, and has developed and financially closed on more than 2.5 GW of IPP projects globally. "It's an important region for us," Pietikäinen says. "There is great potential in the Middle East for IPPs." Initially, the JV will focus on the growing markets of Saudi Arabia and UAE, where demand for power outweighs supply, he says. "The Middle East is definitely an exciting region. The demand is increasing." It will also look at investment opportunities in Pakistan.

JV Hunts Offtakers, Buyers For Calif. Plants



Brad Nordholm

CP Power Investments, co-owned by Energy Investors Funds-backed Starwood Energy Investors II and Tyr Capital, is requesting proposals for new PPAs for its 49 MW Panoche simple-cycle gas plant near Firebaugh, Calif., and 49 MW Vaca-Dixon simple-cycle gas plant near Vacaville, Calif., due to expiring contracts. Alternatively, the venture is looking to sell the facilities. "Our first objective is to enter into new tolling agreements," says Brad Nordholm, CEO at Starwood Energy Group Global in Greenwich, Conn. "We're quite flexible [on PPA terms]," he says, noting 10-year and over agreements are being sought from utilities, munis and co-ops. He declined to disclose the value of the PPAs being sought, or the targeted sale price of the facilities. CP Power is running an independent process.

The facilities are under PPAs with the California Department of Water Resources, which expire in December 2011 for Panoche and January 2012 for Vaca-Dixon. The facilities at each site are located on land leased from the Pacific Gas & Electric Co. Both leases terminate in December 2011. The regulatory lead time for new agreements is 12-18 months, says Nordholm, giving the venture enough lead time to assess options. Proposals are due Sept. 16, with a shortlist expected to be finalized by Sept. 30. The transaction is expected to be finalized by Oct. 30.

CP Power Investments purchased the plants in a portfolio known as Calpeak Power from Pratt & Whitney (PFR, 3/24/06). A call to Tom Wertz, COO at Tyr Energy in Overland Park, Kan., was not returned.

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Electronic & Algo Trading Report 2008

Issue Date: September 1, 2008

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

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Corporate Strategies

Idaho Power To Take Down CP



Steve Keen

Idaho Power Co. plans to use the proceeds from its issue of \$120 million in 10-year, 6.025% first mortgage bonds to reduce commercial paper. The **Idacorp**-owned utility had been targeting a mid-year issue and watching the market, says **Steve Keen**, v.p. and treasurer in Boise. "The spread on the entire Treasury had widened. The deal curve

had steepened. It was pretty favorable," he says, noting the Treasuries at the time of pricing were 3.875%. The bonds priced July 7 and the deal closed July 10.

As of May, the company had \$201 million in outstanding short-term debt. Idaho Power uses commercial paper to fund ongoing construction projects and most recently funded the \$65 million, 170 MW Danskin peaker plant in Mountain Home it brought online in March.

Joint book-runners for the bonds were **Bank of America**, **JPMorgan** and **Wachovia**. **KeyBanc Capital Markets**, **RBC Capital Markets**, **Wells Fargo** and **Wedbush Morgan Securities** acted as co-managers. The joint book-runners led the utility's last offering of \$100 million in 6.25%, 30-year first mortgage bonds (PFR, 10/26). "We found they work well together," he says.

Idaho Power is not planning on coming back to the market this year. "I would say we're on course to use the facility to fund ongoing needs. We don't have any maturities coming up this year," he says, noting debt will not need to be refinanced. The company targets a 50:50 debt to equity ratio, he says.

PNM Fires Up Tender To Meet RPS



Cindy Bothwell

Public Service Co. of New Mexico has issued a renewable tender for 100-350 MW of projects as it seeks to diversify its generation mix and meet the state's renewable portfolio standards. "We're looking for resources not just to meet the RPS, but if we find projects that are cost effective... we will exceed the RPS," says **Cindy Bothwell**, manager of

integrated resource planning in Albuquerque. "Some types of renewable resources could be the most cost effective for our system instead of traditional type resources like natural gas."

New Mexico requires the utility arm of **PNM Resources** generate 6% of its power from renewables—a number that will step up to 10% in 2011, 15% in 2015 and finally 20% in 2020. The RFP calls for wind, solar, geothermal or biofuel projects 1 MW and larger that use proven technologies. "We have less of an interest to be the first to try some new technology because we

are going to rely on it to meet our RPS standard, and we don't want consequences for us not meeting [that]," Bothwell says. The exact number of megawatts needed will ultimately depend on the technologies used to reach the official RFP benchmark of 700 gigawatt hours.

The deadline for proposals is Oct. 15. "There are a lot of [proposed wind] projects that have entered the transmission queue [to connect to the grid]... We have also had some interest from biogas developers," Bothwell says. Natural gas synthesized from cow manure could feed into a gas-fired plant. "It would not displace all of our needs at an individual plant, but we can get the plant partially certified as using renewable fuel." Developers will be responsible for connecting their projects to the grid or pipeline system, but PNM will cover the cost of transmission once connected.

Winners in the RFP—to be notified by Nov. 22—could be awarded five to 20-year PPAs with or without agreements for PNM to acquire the plant after the offtake agreement ends. Alternatively, the utility may purchase projects outright. "It will depend on how it fits into the company's overall portfolio of expenses and investments," Bothwell says.

Midstream Co. Extends Debt During Expansion

Northern Natural Gas has sold \$200 million in 5.75% senior unsecured notes maturing July 15, 2018 to pay off debt coming due as it continues gas storage and pipeline expansions in the Midwest. "Typically it's what we have historically done in terms of refinancing," says **Joseph Lillo**, v.p. of finance in Omaha, Neb., for the **Mid-American Energy Holdings** unit. "We continue to maintain a [similar] debt/equity structure."

The majority of the \$198.65 million in proceeds will pay off \$150 million in 6.75% 10-year senior notes coming due September, with the balance going to the midstream company's various capital programs. "We've got a number of small projects that tend to add up," Lillo explains. The company's Northern Lights expansion to be completed in 2010 consists of 18 miles of extensions and 14 miles of greenfield pipeline as well as the replacement of nearly 23 miles of existing pipeline and construction of a compressor station in Minnesota.

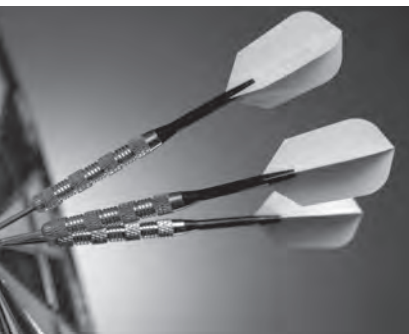
Lillo points to favorable rates as the reason for the 10-year tenor of the offering that closed July 15, but directed further questions on the pricing and how the banks were selected to **Brian Hankel**, treasurer of Mid-American. Hankel, reached at his office in Des Moines, Iowa, declined to comment. **Lehman Brothers** led the deal with **BNP Paribas** and **JPMorgan** serving as joint book-runners.



Generation Auction & Sale Calendar

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

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
AES	Warrior Run	Cumberland, Md.	205	Coal	Goldman Sachs	Shopping PJM assets (PFR, 5/21).
	Red Oak	Sayreville, N.J.	832	Gas		
	Ironwood	South Lebanon Township, Pa.	720	Gas		
Allco Finance Group	Various	Australia, New Zealand	1,600		N/A	Prepped to sell by end of next quarter (PFR, 6/23). AGL Energy to buy Australian wind farms for AUD\$12.5M.
ArcLight Capital Partners	Auburndale	Polk County, Fla.	158 (70%)	Gas, Oil	McManus & Miles	Teasers dispatched in May (PFR, 6/11).
Arroyo Energy Investors	Thermo Cogeneration	Fort Lupton, Colo.	272	Gas	N/A	Starwood Energy Group Global to buy for \$207.2M (PFR, 2/6).
BTEC Turbines	Southaven Energy	Miss.	340	Gas	JPMorgan	Assets or just the equipment for sale. Teasers dispatched (PFR, 4/3).
	New Albany Power	Miss.	390	Gas		
Bulgarian Privatization Agency	Bobov Dol	Bulgaria	630	Thermal	N/A	Consortium Energia MK to buy for BGN100M (\$80.13M).
Calpine	Texas City	Texas City, Texas	425	Gas	Miller Buckfire	Second-round bids taken 5/5. Unsolicited bid for Calpine from NRG Energy said to be delaying the process.
	Clear Lake	Clear Lake, Texas	375	Gas		
CarVal Investors et al.	Granite Ridge	Londonderry, N.H.	720	Gas	Merrill Lynch	Teasers dispatched.
Catamount Energy	Sweetwater	Nolan County, Texas	505 (50%)	Wind	Goldman Sachs	Duke Energy to buy for \$240M and \$80M assumption of debt (PFR, 6/26).
	Ryegate Power	Vermont	20	Wood waste		
	Rumford	Rumford, Me.	85	Cogen		
Central Vermont	Various	Vermont	70 in summer	Hydro	Morgan Stanley	Status unknown (PFR, 5/18).
City of Victorville	Victorville 2	Southern California Logistics Airport, Calif.	570 development	Gas/Solar	Goldman Sachs	Teasers dispatched (PFR, 6/30).
Cobisa Corp.	Cobisa-Greenville	Dallas-Fort Worth, Texas	1,750	Gas	Pace Global Energy Services	Auctioneer running a targeted auction (PFR, 5/30). Bidders to be shortlisted by Sept. with close expected 30 days following.
Conectiv Energy	Various	PJM Interconnection	3,700	Various	Credit Suisse	Company reviewing strategic alternatives (PFR, 12/10).
Con Ed Development	Newington Energy	Newington, N.H.	525 (99.5%)	Gas		Industry Funds Management yet to acquire.
	Genor	Puerto Barrios, Guatemala	42 (49.5%)	Oil		
	Ada Cogeneration	Ada, Mich.	29 (48%)	29 (48%)		
ConocoPhillips	Immingham	Lincolnshire, U.K.	730	Gas	Citigroup	Looking at strategic options on the plant (PFR, 1/18).
Complete Energy Holdings	La Paloma	McKittrick, Calif.	1,022	Gas	JPMorgan	Has agreed to merge with GSC Acquisition Co. in \$1.3B deal (PFR, 5/16).
	Batesville	Batesville, Miss.	837	Gas		
Corona Power	Sunbury Generating	Shamokin Dam, PA	432	Coal, oil, diesel	Merrill Lynch	Soliciting equity to complete \$250M of upgrades (PFR, 12/24).
DONG Energy	Evia, Karistos and Tourla	Greece	19	Wind	HSBC	Agreed to sell portfolio to Mytilineos Holdings for EUR28M.
DTE Energy	East China	East China, Mich.	320	Gas	N/A	Seller exploring options, including outright sale.
Dynegy	Rolling Hills	Wilkesville, Ohio	815 in summer	Gas	N/A	Tenaska Capital Management to acquire for \$386M (PFR, 5/28).
EISSL	Various	Catalonia, Spain	630	Wind, Hydro	JPMorgan	Company weighing sale (PFR, 12/24).
Energy Capital Partners (FirstLight Power Enterprises)	Mt. Tom	Holyoke, Mass.	146	Coal	Credit Suisse	Teasers dispatched (PFR, 5/13). Brookfield Asset Management expected to file a bid (PFR, 6/30).
	Various	Conn. and Housatonic Rivers	216	Hydro		
	Empire Generating	Rensselaer, N.Y.	635	Gas		
	Waterbury	Waterbury, Conn.	96	Gas		
	Turners Falls	Turners Falls, Mass.	6	Hydro		
	Cabot, Mass.	Montague, Mass.	62	Hydro		
Energy Future Holdings (Luminant)	Sandow 4	Milam Co., Texas	545 (50%)	Coal	Credit Suisse	Reportedly planning to sell stakes to Perennial Power Holdings (PFR, 2/18).
	Sandow 5		581 (50%)	Coal		
Entegra	Gila	Phoenix, Ariz.	2,300	Gas	N/A	Merger talks with KGen stalled (PFR, 1/17).
	Union	El Dorado, Ark.	3,000	Gas		
Entergy Corp.	50% stake in Top	Worth County, Iowa	40	Wind	New Harbor	Seller wants about \$520M for the assets. Bidders shortlisted to four players: two financial; two infrastructure (PFR, 6/18).
	Deer Wind Ventures	Carsen County, Texas	40			
	RS Cogen	Lake Charles, La.	212	Gas		
	Roy S. Nelson	Westlake, La.	60	Gas/Oil		
	Warren Power	Vicksburg, Miss.	225	Gas		
	Harrison	Marshall, Texas	335	Gas		
	Independence	Newark, Ark.	121	Coal		
	Robert Ritchie	Helena, Ark.	544	Gas/Oil		
EPCOR	Castleton-on-Hudson	Albany, N.Y.	64	Gas	N/A	Quietly shopping asset (PFR, 4/18).



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Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
ESB International	Marina	Cork City, Ireland	115	Gas	Merrill Lynch	Second-round bids taken mid-June with winner set to be chosen by mid-July. Endesa has put in a EUR450M bid.
	Great Island	Wexford Co., Ireland	240	Oil		
	Tarbert	County Kerry, Ireland	640	Oil		
Exergy Development Group	Various	Upper Midwest, Northwest U.S.	3,600	Wind	Marathon Capital	Weighing partnership, joint venture, recap or sale (PFR, 12/17).
First Reserve, GenPower	Longview Power	Maidsville, W.Va.	695	Coal	Merrill Lynch	First-round bids taken week beginning June 9. Roughly \$3,000 per kW being sought.
Foresight Wind Energy	Various	Arizona, New Mexico	2,000	Wind	CP Energy	Transaction delayed (PFR, 10/8).
FPL Energy	Posdef	Stockton, Calif.	44	Coal/Petcoke	New Harbor	Indicative bids due April 11 (PFR, 3/11).
	Tesla	Tracy, Calif.	1,120	Gas/Steam	Credit Suisse	Development site. Status unclear.
G2 Energy	N/A	Boise, Idaho	3	Landfill Gas	N/A	FORTISTAR to acquire 99% and is financing the acquisition via Caterpillar Financial Services (PFR, 5/7).
	N/A	Fort Worth, Texas	2	Landfill Gas	N/A	GE re-ignited sale process. Carron Energy interested.
General Electric	Baglan Bay	Port Talbot, Wales	510	Gas	Lexicon Partners	Looking for buyers (PFR, 2/26).
	Panther Creek	Nesquehoning, Pa.	94	Waste Coal	N/A	Maxim Power set to acquire (PFR, 3/17)
	Pittsfield Generating	Pittsfield, Mass.	163	Gas	N/A	Selling with help of asset manager PUREENERGY (PFR, 4/8).
	Colton Power	Colton, Calif.	80	Gas	N/A	TVA will acquire for \$466.3M (PFR, 4/1).
Goldman Sachs (Cogentrix Energy)	Southaven Power	Southaven, Miss.	810	Gas	Houlihan Lokey	GMR Group to acquire stake for \$1.1B (PFR, 6/25).
InterGen (AIG Highstar Capital II, 50%)	Rocksavage	Runcorn, U.K.	748	Gas	Lehman Brothers	
	Coryton	Essex, U.K.	732	Gas		
	Spalding	Lincolnshire, U.K.	860	Gas		
	Rijnmond I, II	Rotterdam, the Netherlands	820, 400	Gas		
	Bajio	San Luis de la Paz, Mexico	600 (306 stake)	Gas		
	La Rosita	Mexicali, Mexico	1,100	Gas		
	Quezon	Philippines	460 (211 stake)	Coal		
	Millmerran	near Brisbane, Australia	880 (228 stake)	Coal		
K&M International Power	Callide	Queensland, Australia	920 (230 stake)	Coal	JPMorgan	First round bids due 7/1 (PFR, 6/12).
	Termovalle	Cali, Colombia	220	Gas		
Kelson Canada (Harbinger Capital Partners)	Calgary Energy Center	Calgary, Alberta	300	Gas	UBS	First round bids taken 4/30 (PFR, 4/30).
	Island Generation	Duncan Bay, B.C.	230	Gas		
	King City Cogeneration	King City, Calif.	120	Gas		
	Whitby Cogeneration	Whitby, Ontario	50	Gas		
Kelson Holdings	Dogwood	Pleasant Hill, Mo.	620	Gas	Goldman Sachs, Merrill Lynch	Weighing strategic options, including sale/merger (PFR, 10/9). Redbud to be sold to load serving entities for \$852M (PFR, 1/21).
	Redbud	Luther, Okla.	1,200	Gas		
	Cottonwood	Deweyville, Texas	1,200	Gas		
	Magnolia	Benton County, Miss.	922	Gas		
KGen Power	Murray I	Murray Co., Ga.	630	Gas	Credit Suisse	Talks to merge with Entegra stalled due to management disagreements (PFR, 3/24). Received \$20 per share offer reportedly from Arclight Capital Partners (PFR, 5/9), but did not recommend to shareholders. Information memoranda to be released shortly (PFR, 7/14).
	Murray II	Murray Co., Ga.	620	Gas		
	Hot Spring	Hot Spring Co., Ark.	620	Gas		
	Hinds	Jackson, Miss.	520	Gas		
	Sandersville	Washington Co., Ga.	640	Gas		
MACH Gen	Millennium	Carlton, Mass.	360	Gas/Oil	Credit Suisse	Pair of Northeast assets set to fetch \$1B (PFR, 5/21). Deal close to being announced.
	Athens	Athens, N.Y.	1,000	Gas/Oil		
	Covert	South Haven, Miss.	1,100	Gas		
	Harquahala	Tonopah, Ariz.	1,090	Gas		
Mirant	Lovett Generating Station	Tompkins Cove, N.Y.	183	Coal/Gas	N/A	Alliance Energy offered to buy for undisclosed sum but withdrew offer when Mirant did not respond (PFR, 2/14).
National Grid	Ravenswood Station	Queens, N.Y.	2,450	Gas	Merrill Lynch	TransCanada agreed to purchase for \$2.9B (PFR, 4/1). Sale being evaluated. Long Island Power Authority has option to purchase some of the units until 5/31 (PFR, 4/11).
	E.F. Barrett	Island Park, N.Y.	311	Gas		
	Far Rockaway	Far Rockaway, N.Y.	100	Gas		
	N/A	Shoreham Nuclear Plant, N.Y.	72	Gas		
	Wading River	East Shoreham, N.Y.	239	Gas		
National Wind (30-40%)	High Country Energy	Olmsted and Mower Counties, Minn.	300 (14%)	Wind	Delphi Financial Corp.	Marketing to state-based residents and businesses (PFR, 6/23).
Navasota Energy Partners	Colorado Bend	Wharton, Texas	825	Gas	JPMorgan	Sale shelved after bids taken June 6 came in higher than expected (PFR, 7/21).
	Quail Run	Odessa, Texas	825	Gas		
New Green Technologies	N/A	N/A	12—16	Waste-to-energy	N/A	Seeking buyers and/or partners for four-plant packages (PFR, 7/14).
Noble Environmental Power	Various	N.Y., Mich.	385	Wind	Goldman Sachs	Company filed S-1 to IPO (PFR, 5/16).
North American Power Group	Rio Bravo Fresno	Fresno, Calif.	25	Biomass	N/A	In discussion with potential buyers (PFR, 8/31). Holds interests alongside Constellation Energy Group.
	Rio Bravo Rocklin	Roseville, Calif.	25	Biomass		
NorthWestern Energy	Colstrip Unit 4 (30%)	Mont.	740	Coal	Credit Suisse	Bicent Power has agreed to buy for \$404 million.
NRG Energy	Indian River	Millsboro, Del.	784	Coal	N/A	Seller soliciting offers on plant (PFR, 11/8).
Primary Power International	Hillman	Hillman, Mich.	19	Biomass		FORTISTAR agreed to purchase an interest in the portfolio. Deal was set to close in 30 days (PFR, 2/19).
	Grayling	Grayling, Mich.	36			
	Genesee	Flint, Mich.	35			
	Dapp Generating	Westlock, Alberta	17			
	Valley Power	Drayton Valley, Alberta	12			
PSEG Global	Turboven Cagua	Venezuela	60 (60%)	Gas	N/A	Assets remaining to be sold as part of an international divestiture program outlined in 2002.
	Turboven Maracay	Venezuela	60 (60%)	Gas	N/A	
	Pillaiperumallur	India	330 (20%)	Gas	N/A	

Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
	Bando d'Argenta	Italy	20 (85%)	Biomass	N/A	
	Crotone	Italy	20 (43%)	Biomass	N/A	
	Strongoli	Italy	20 (43%)	Biomass	N/A	
Reliant Energy	Bighorn	Primm, Nev.	598	Gas	JPMorgan	Nevada Power to buy for \$500M.
RES Americas	Various	U.S.	1,000 under construction	Wind	Credit Suisse	Bids approaching \$1B received 5/5 from Pacific Gas & Electric, Sempra Generation, SUEZ Energy North America, First Reserve and GE (PFR, 5/5). SUEZ dropped out.
Ridgeline Energy	Various	Idaho, Ore., Wash.	3,700 pipeline	Wind	Marathon Capital	Talks nixed with a southern U.S. utility (PFR, 10/8). Back in play.
Ridgewood Renewable Power	Penobscot	West Enfield, Maine	25	Biomass	Ewing Bemiss	Final bids taken 5/15 with Babcock & Brown, Borealis
	Jonesboro	Jonesboro, Maine	25	Biomass		Infrastructure, Covanta Energy, Energy Capital Partners,
	Various	Maine, Va., N.Y., Calif.	26	Hydro		and Epcor Power said to be in the running (PFR, 5/19).
Rockland Capital	B.L. England	Cape May County, N.J.	447	Coal, Oil	JPMorgan	Status unknown.
Energy Investments						
Scottish and Southern Energy	Greater Gabbard	Thames Estuary, England	504 (50%)	Wind	RBC Capital Markets	Seeking buyer for 50% stake (PFR, 7/7).
Sempra Generation	Catoctin	Frederick Co., Md.	600 development	Gas	N/A	Development project reportedly for sale.
Sierra Geothermal Power	Reese River	Lander Co., Nevada	26-58 (50%)	Geothermal	Jacob & Co. Securities	Looking to sell 50% of first five projects (PFR, 7/14).
	Pumpnickel	east of Winnemucca, Nevada	16-40 (50%)			
	Silver Peak	Esmeralda Co., Nevada	15-40 (50%)			
Sierra Pacific Industries	Loyalton	Loyalton, Calif.	20	Biomass	N/A	Renegy agreed to purchase 4/11 for \$13M (PFR, 4/16).
Signal Hill Power	Wichita Falls	Wichita Falls, Texas	77	Gas	Miller Buckfire	First-round bids received 3/17.
Sumas	Sumas Cogeneration	Sumas, Wash.	125	Gas	N/A	Puget Sound Energy agreed to buy for undisclosed sum.
Sithe Global Power	River Hill	Karthus Township, Pa.	290	Coal	Credit Suisse	Status unclear (PFR 2/16/07).
SUEZ Energy North America	Chehalis Power	Lewis County, Wash.	520	Gas	N/A	PacificCorp has agreed to purchase sum (PFR, 5/12).
Temasek Holdings	PowerSeraya	Singapore	3,100	Gas	Credit Suisse,	Teasers dispatched 10/15.
	Senoko Power		3,300	Oil	Morgan Stanley	To be sold before PowerSeraya.
Tenaska Power Fund	Commonwealth	Chesapeake	315	Oil	JP Morgan	Tyr to acquire, with GE handling its financing (PFR, 2/19).
	Holland Energy	Beecher City, Ill.	665	Gas	N/A	Hoosier Energy and Wabash Valley Power Association agreed to buy for \$383M (PFR, 4/14).
	Armstrong Energy	Shelocta, Pa.	625		JPMorgan	International Power America has agreed to buy for \$856.4M
	Pleasants Energy	St. Mary's, W.Va.	313			with RBS set to launch \$434M in non-recourse debt to finance
	Troy Energy	Luckey, Ohio	616			the acquisition (PFR, 5/16).
	Calumet Energy Power Station	Chicago, Ill.	303			
Third Planet Windpower	Various, U.S.	Various, U.S.	3,000 pipeline	Wind	Marathon Capital	Developer looking for joint venture partner.
TransAlta	Campeche	Mexico	252	Gas/Diesel	N/A	InterGen to buy for \$303.5M. Calyon, WestLB and EDC are
	Chihuahua	Mexico	259	Gas		arranging financing (PFR, 4/28).
	Binghamton	Binghamton, N.Y.	50	Gas	N/A	Standard Power set to acquire (PFR, 3/12).
TransAlta Cogeneration	Mississauga	Mississauga, Ontario	108 (50%)	Gas	N/A	Quietly shopping portfolio (PFR, 4/2).
	Ottawa	Ottawa, Ontario	68 (50%)	Gas		
	Sarnia	Sarnia, Ontario	575	Gas		
	Windsor-Essex	Windsor, Ontario	68	Gas		
Tyche Power Partners	Brooklyn Navy Yard	Brooklyn, N.Y.	286	Gas Cogen	Credit Suisse	Temporarily iced due to credit crunch.
UPC Wind	Various	North America	3,000 pipeline	Wind	JPMorgan	Tapped CS, Goldman, JPMorgan and Morgan Stanley to
						underwrite IPO (PFR, 5/16).
U.S. Power Generating Co.	Various	Northeast	5,000	Gas/Oil	Credit Suisse,	In second round.
					Morgan Stanley	
Wheelabrator Technologies	Shasta	Anderson, Calif.	49	Biomass	ABN Amro	Renegy was bidding for the plant (PFR, 4/15).
	Lassen	Anderson, Calif.	43	Gas Cogen		Lakeside Energy and Macquarie are believed to be left in the
	Norwalk	Norwalk, Calif.	27	Gas Cogen		running to acquire (PFR, 4/15). Status unclear.



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Endesa To Purchase Irish Utility Portfolio

Irish Electricity Supply Board has selected Endesa as the preferred bidder for the sale of an 860 MW portfolio of fossil-fired generation. The Spanish utility has reportedly agreed to pay EUR450 million (\$705.7 million) for the portfolio.

Kevin MacDermott, a spokesman for ESB in Dublin, declined to confirm Endesa's agreement to purchase the portfolio, but did say it was among the five undisclosed bidders. Auctioneer Merrill Lynch took first-round bids at the end of October and second-round bids in January (PFR, 2/22). The sale is expected to close in the fall, he says.

The portfolio consists of 240 MW Great Island on the north bank of Waterford harbor in Wexford County, 620 MW Tarbert Generating Station in County Kerry, both oil-fired plants and about a dozen former plant sites in Ireland where there is no infrastructure. The buyer is required to build generation on these sites, says MacDermott.

Javier Fernandez, a spokesman for the Endesa in Madrid, was unable to comment and an official at Merrill Lynch in London did not return calls.

HSH Taps Pepe For New Structuring Slot

HSH Nordbank has tapped Mike Pepe, former structured energy managing director at Ambac Financial, for the newly created role of head of structuring and analysis. In the role he began last Monday, Pepe will structure financings across the power space to ensure consistency. "When you've got a lot of teams delivering financing—solar people, wind people, people doing conventional power—you want to make sure the structure and terms are consistent across the deals. That's where my group will come in," he says.

Pepe left Ambac in March when the firm closed its structured energy group (PFR, 3/28). Previously, he served as a director in Financial Guaranty Insurance Co.'s international and global utilities group after stints at Deutsche Bank, Calyon and Banca Intesa (PFR, 5/19).

FIRST EURO

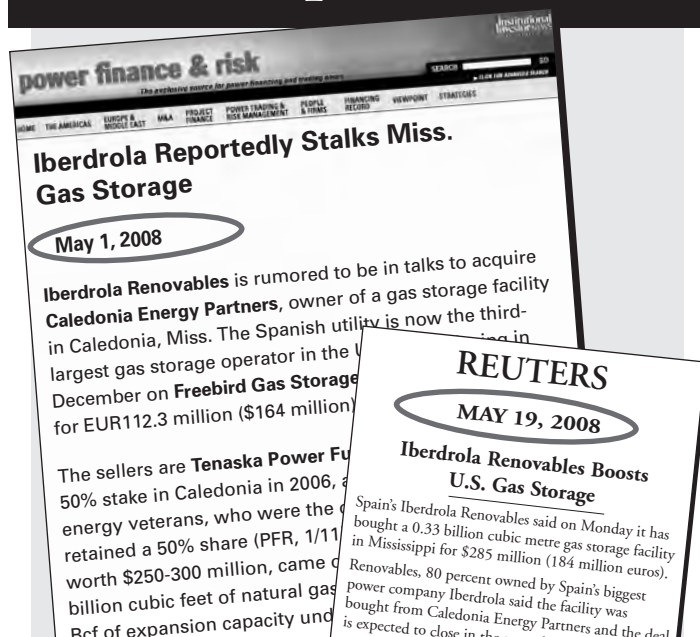
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two electricity companies, Endesa and Elcogas, from a deficit incurred in 2005. The two companies owned 46% of the repayments, which they sold to BNP and Banesto. The banks assigned the rights to future repayments to an SPV called Alectra, which then sold off a percentage to Bliksem.

The Spanish electricity market regularly incurs annual deficits as generation, transmission and distribution prices set by the regulator often fall short of utility costs. Deficits were recorded in 2007 and another is expected to be incurred this year, according to VanLumich. Customers repay those deficits through surcharges over a number of years. In this case, the repayment will be made over 14.5 years.

Most, if not all, of the existing deficit has already been snapped up by banks, said VanLumich. He noted more securitizations based on that deficit could come in the future. Investment banks may need to act fast to securitize these surcharges. "I think that gradually you'll see the elimination of tariffs altogether in Spain

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except for certain segments of the market like lower-income households who need to be protected,” said Van Lumich.

Bliksem is expected to mature in 2021. Officials with BNP, Banesto, Endesa and Elcogas did not return calls by press time.

—*Cristina Pittelli*

SPAIN'S ACCIONA

(continued from page 1)

operations in January. That plant is set to produce 200 AWP 1.5-77 turbines this year before ramping up to 400 next year—allowing the U.S. arm of the Spanish conglomerate to sidestep the turbine bottleneck that has slowed the industry (PFR, 12/20). Calls to **Peter Duprey** and **Susan Nickey**, ceo and cfo, respectively, in Chicago, were not returned.

“They have their five or six relationship banks, so that’s who they went out to,” says one wind banker, noting that tax equity would play a role in the financing. Acciona mandated **BBVA**, **BayernLB**, **JPMorgan** and **Grupo Santander** to handle a \$280 million short-term construction debt for 180 MW Tantanka wind farm in Dickey County, N.D., and McPherson County, S.D., (PFR, 1/11). That debt will be paid off with tax equity investments when the farm comes online later this year. Additionally, Santander, BBVA and **La Caixa** arranged project financing for **Acciona Solar Power’s** \$297 million, 64 MW Nevada Solar One near Boulder City, Nev. (PFR, 4/4).

Red Hills is already under construction and has no offtake agreement in place, say trackers. Officials Santander and Bayern declined to comment, and calls to BBVA, JPMorgan and La Caixa were not returned.

—*Thomas Rains*

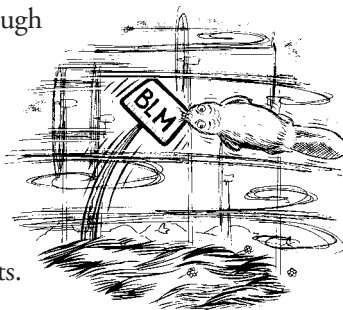
DEVELOPER READIES

(continued from page 1)

not sell all of the projects to GreenHunter. “We’d probably like to spread our situation out a bit. Through the Wheatland bid process, we’ve developed a pretty nice bid list,” he says, noting the company will market the projects to past bidders. “We are fairly open.” He says the company is unlikely to use a financial advisor to sell the projects.

The firm, made-up of seasoned generation veterans, aims to bring projects on **Bureau of Land Management** land to the construction phase. “Having worked in the west, we are very familiar with the BLM process,” he says. “We bring that expertise to the project.”

Further down the pike, the firm will look to offload Little Mountain Wind near Twenty Nine Palms, Calif., late this year



and the Corona Wind Energy project in southern New Mexico next year. Esphahanian declined to disclose the potential capacity of those two projects. Wind Revolutions is also developing the Music Mountain wind project in northwest Arizona, but has found the terrain a challenge and will be targeting only specific buyers for the development.

—*Katie Hale*

Alternating Current

Any Way The Wind Blows

Bored of your plain old stationary condo? Well coming soon to Dubai, stagnant condo syndrome will no longer plague the city’s residents as Italian architect **David Fisher** begins building his 80-story Dynamic Tower, the first building with 80 individually rotating floors. Think **Marriott** rotating restaurant meets DNA double helix structure and you have the Dynamic Tower.

The condos which start at \$4 million feature voice command to change the direction of your rotation and the building even has a car elevator so residents may park their vehicles right in their unit. Some units even feature indoor swimming pools.

And how are they powering all of this? With wind turbines between each floor, of course. The building features 79 wind turbines and solar panels that generate enough electricity to power the entire building and several of the surrounding buildings. So I guess **Bob Dylan** had it right, the answer really is *Blowin’ in the Wind*.



Dynamic Tower

Quote Of The Week

“There is great potential in the Middle East for IPPs.” —**Markus Pietikäinen**, v.p. at **Wärtsilä Development & Financial Services** in Helsinki, on the company’s desire to invest in Islamic countries via its joint venture with **Manara Consortium** (see story, page 5).

One Year Ago In Power Finance & Risk

Constellation Energy Group and **Energy Investors Funds** were invited to submit bids on controlling interests in 2.6 GW of predominantly contracted cogeneration being sold by **Cogentrix Energy**. [EIF purchased an 80% interest from Cogentrix owner **Goldman Sachs** via affiliate **United States Power Fund III** (PFR, 11/15) with **Calyon** leading a \$850 million first-lien debt package to support the acquisition (PFR, 11/30).]