

Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

By the publisher of GlobalCapital

● PROJECT FINANCE

Vineyard Wind Begins Roadshow

The developer of the 800 MW wind farm off the coast of Martha's Vineyard aims to raise financing against a \$65/MWh PPA. [Page 6](#)

● MERGERS & ACQUISITIONS

California Peakers on the Market

The Carlyle Group has hired Guggenheim Securities to sell its 416 MW Calpeak gas-fired peaker portfolio. [Page 8](#)

● PEOPLE & FIRMS

Deutsche Banker Joins NextEra

Garret Ross Comeaux left Deutsche Bank's power and utilities team to join NextEra Energy in Juno Beach. [Page 12](#)

● MID-YEAR M&A OUTLOOK

Strong Demand for Renewables Pumps Deal Flow

Investors bidding fiercely to deploy capital into a limited supply of North American renewables projects are pushing up valuations and delving into development-stage assets, contributing to a more active mergers and acquisitions market, writes **Taryana Odayar**.

Power and utility M&A deal value in the first half of 2018 is up more than two-and-a-half times year-on-year, owing partly to six large corporate deals totaling over \$1 billion which occurred in the second quarter, according to **PwC's** North American Power & Utilities Deal Insights report for the quarter.

And while the headline figure—which includes some acquisitions outside of the power sector, such as gas distribution and water utilities—was boosted by large corporate acquisitions, asset sales also increased in number and value,

both quarter-on-quarter and year-on-year.

Eleven power and utility asset sales totaling \$5.8 billion closed in the second quarter of the year, adding to the seven totaling \$3.2 billion that closed in quarter one.

"We aren't surprised," says **Jeremy Fago**, U.S. power & utilities deals leader at PwC in Denver, Colo., who had expected activity to hot up again in 2018 after a quieter 2017.

The lull in 2017 was in part a response to what Fago described as a "magnificent" 2016, in which M&A deal value exceeded the previous three years combined.

"A lot of the folks that did announce deals in 2016 were really focused on executing the strategy for those acquisitions, integrating those acquisitions and the like," says Fago.

The fast pace of [PAGE 9 »](#)

Buyer Emerges for GE Project Debt Biz

Richard Metcalf, Shravan Bhat

GE Capital has found a buyer for its **GE Energy Financial Services** project finance debt business, including a team of employees.

Starwood Property Trust has signed an agreement to buy the debt book, which includes 51 senior loans secured on conven-

tional and renewable generation assets and midstream projects, mostly in the U.S., for \$2.56 billion.

MUFG, Credit Suisse and **Citi-group Global Markets** have provided \$2.3 billion in acquisition financing to support the deal.

As well as the loan book, a team of about 20 project finance originators, syndica- [PAGE 11 »](#)

Sale of California Solar Assets to Chinese Co. Called Off

Richard Metcalf

Recurrent Energy has cancelled the sale of a portfolio of operational solar projects in California to a Chinese investor after the deal failed to obtain required regulatory approval in time.

Shenzhen Energy Group Co., which had signed an agreement to acquire the 300 MW portfolio for \$232 million in October, revealed that the [PAGE 8 »](#)

BAML Injects Front-levered Tax Equity into Vivint Deal

Richard Metcalf

Vivint Solar was able to maximize the proceeds of its latest \$327 million residential solar project financing by structurally subordinating **Bank of America Merrill Lynch's** tax equity commitment to a tranche of senior secured, privately placed debt.

The transaction, which Vivint described as a "multi-party forward flow funding" [PAGE 5 »](#)



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● STRATEGIES

Wheelabrator Seeks Approval for IPO

Energy Capital Partners' waste-to-energy portfolio company **Wheelabrator Technologies** has sought approval to float 49% of its shares on either the **New York Stock Exchange** or **Nasdaq**.

The independent power producer filed a confidential S-1 form with the **U.S. Securities and Exchange Commission** on July 2, according to paperwork filed with the **Federal Energy Regulatory Commission** on Aug. 2.

ECP acquired the business from **Waste Management** for \$1.94 billion in 2014 and had been looking for a buyer since last August (PFR, 8/15/17).

Details around the date of the offering and investment banks running the deal could not immediately be learned. A spokesperson for Wheelabrator in Portsmouth, N.H., did not respond to an inquiry.

Wheelabrator owns a 767 MW portfolio of contracted operational projects in the U.S. ■

Entergy Sub Sells FMB to Fund Louisiana Gas-fired Pair

Entergy Corp.'s regulated utility subsidiary in Louisiana priced a \$600 million first mortgage bond on Aug. 8, listing construction of two gas-fired plants totaling more than 1.9 GW among the uses of proceeds.

Bank of America Merrill Lynch, BNP Paribas, Citi, MUFG and **U.S. Bank** were the bookrunners on the 30-year offering, the tenor of which roughly matches the expected life of the plants.

Initial price thoughts were in the area of 120 basis points over Treasuries, tightening to 110 bp at launch and staying there to produce a final yield for investors of 4.211%.

Entergy Louisiana's FMBs have A2 and A ratings, both with stable outlooks, from **Moody's Investors Service** and **S&P Global Ratings**.

The company plans to use about half of the proceeds to repay existing FMBs that are due to mature in September, leaving some \$300 million for the construction of the two gas-fired combined-cycle plants.

The company broke ground on the first of them in January. The 980 MW St. Charles Power Station in Montz, about 30 miles from New Orleans, is due to be online in June 2019. Entergy expects to spend \$869 million on it.

The second project is the Lake Charles Power Station, a 994 MW CCGT in Westlake that Entergy says will cost \$872 million to build. It is due to enter service a year later, in June 2020.

Some 3,352 tons of steel will go into the two plants, which Entergy helpfully points out is the equivalent of 167,600 40-pound sacks of crawfish. ■

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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
AES, AIMCo	Portfolio (1.3 GW Wind, Solar)	U.S.	Barclays	The owners of sPower have mandated Barclays to sell a stake in the company's operational portfolio less than a year after acquiring it (PFR, 6/25).
Ares-EIF, Starwood Energy	Hudson (660 MW Transmission)	New Jersey, New York	Goldman Sachs (seller), Barclays (buyer)	The sponsors are selling their majority stake in the project, which was completed in June 2013 (PFR, 4/24).
Blackstone	Frontera (526 MW Gas)	Hidalgo County, Texas	Cantor Fitzgerald, Jefferies, JP Morgan	Morgan Stanley was left lead on a \$700 million seven-year term loan B that was issued in April to refinance the project (PFR, 6/11).
● Carlyle Group	Calpeak Portfolio (416 MW Gas)	California	Guggenheim	Carlyle appointed Guggenheim to sell the six peakers in a two-stage auction process in June (see story, page 8).
Dominion Energy	Fairless Works (1,240 MW Gas), Manchester Street (450 MW Gas)	Pennsylvania, Rhode Island	JP Morgan	Dominion is selling two gas-fired units as it seeks to hit corporate debt reduction targets (PFR, 7/23).
EDF Renewables	Glacier's Edge (200 MW Wind)	Cherokee County near Marcus, Iowa	CohnReznick (buyer)	Dutch pension fund manager PGGM has bought a 50% stake in the EDF Renewables portfolio (PFR, 8/6).
	Valentine Solar (111.2 MW Solar)	Kern County, Calif.		
● Empresas Públicas de Medellín	Los Cueros (109.6 MW Wind)	Chile		The Colombian utility is selling assets in the wake of a natural disaster at its 2.4 GW Ituango hydro plant (see story, page 10).
Engie North America	Live Oak (200 MW Wind)	Schleicher County, Texas	Thorndike Landing	Engie is looking to sell down a stake in the renewables portfolio (PFR, 7/16).
	Solomon Forks (276 MW Wind)	Colby, Texas		
	Portfolio (140 MW Solar)	Various		
GE EFS	Private Equity Portfolio		BAML	BAML began pitching the private equity holdings to potential buyers in May (PFR, 6/11). The project loan book is being sold separately to Starwood Property Trust (see story, page 1).
Hudson Clean Energy Partners	Element Power	U.S.	Evercore	While the bulk of Element's assets are located in Europe, it still owns several projects in the Americas (PFR, 7/9).
● I Squared Capital	Lincoln Clean Energy (513 MW Wind, Solar)	U.S.		Danish energy company Ørsted is buying the firm, which has a 1.5 GW project pipeline (see story, page 9).
IEnova (Semptra Energy)	Termoeléctrica de Mexicali (625 MW Gas)	Baja California, Mexico		The company intends to sell the facility by the end of the year (PFR, 5/14).
LS Power	Aurora (878 MW Gas)	Aurora, Ill.	Guggenheim, BAML	LS Power has again taken bids for the portfolio after adding the Ironwood facility to the group (PFR, 7/30).
	Rockford (450 MW Gas)	Rockford, Ill.		
	Ironwood (765 MW Gas)	Lebanon, Pa.		
	Seneca (508 MW Hydro)	Warren, Pa.	Barclays, PJ Solomon	LS Power is marketing the project four years after it abandoned an initial to attempt sell it (PFR, 3/22).
Macquarie Infrastructure Corp.	Bayonne Energy Center (644 MW Gas)	Bayonne, N.J.	Guggenheim	A Morgan Stanley fund is acquiring the project for about \$900 million (PFR, 8/6).
Noble Environmental Power	Great Plains (114 MW Wind)	Hansford County, Texas		Geronimo Renewable Infrastructure Partners is buying the wind project from Noble (PFR, 8/6).
Noble Environmental Power	Portfolio (500 MW Wind)	New York	Greentech Capital Advisors	The auction for the five upstate projects is in its second round (PFR, 7/2).
● Orion Renewable Energy Group	Portfolio (135 MW Solar)	Pennsylvania, Maryland	Rothschild	Lightsource BP is buying the six development-stage assets in PJM Interconnection (see story, page 7).
Peabody Energy	Navajo Generating (2,250 MW Coal)	Arizona	Lazard	Middle River Power, an Avenue Capital Partners portfolio company, has expressed interest in acquiring the project (PFR, 5/7).
Philip Morris Capital Corp.	Pasadena (781 MW Gas)	Texas	GSF Investors	The investor, a subsidiary of tobacco company Altria Group, is looking to find a buyer for its lessor position (PFR, 6/25).
● Recurrent Energy	Portfolio (300 MW Solar)	California		Shenzhen Energy Group's proposed acquisition was canceled after it did not get CFIUS approval in time (see story, page 1).
Semptra Energy	Portfolio (2.6 MW Wind, Solar)	U.S.		Semptra is selling its U.S. renewable assets (PFR, 7/2).
Siemens FS, other former creditors	Temple I (758 MW Gas)	Texas	Houlihan Lokey	A creditor group that took control of the CCGT plant earlier this year is exploring strategic options that could result in a sale (PFR, 5/7).
● Superservicios	Electricaribe	Colombia	FDN, Lazard, Ágora	Interested parties have until Aug. 17 to bid for Colombia's struggling power distributor (see story, page 10).
TransCanada Corp.	Cartier Énergie Éolienne Portfolio (590 MW Wind)	Québec, Canada	CIBC	Innergex Renewable Energy is buying a 62% stake in the portfolio for \$484 million (PFR, 8/6).

● 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 Taryana Odayar at (212) 224 3258 or e-mail taryana.odayar@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
7X Energy	Lapetus Energy Centre (35 MW Solar)	Andrews County, Texas	CohnReznick (adviser)	Debt, Tax Equity	TBA		Brazos Electric Power Cooperative will purchase the output under the terms of the 20-year deal (PFR, 5/29).
ArcLight Capital Partners, Blackstone	Lightstone Generation (5.3 GW Coal, Gas)	Ohio, Indiana	Credit Suisse	Term Loan	\$300M	6-yr	The portfolio's private equity sponsors will use the proceeds of the incremental debt raise to pay themselves a dividend (PFR, 7/30).
ArcLight Capital Partners	New Covert (1,176 MW Gas)	Michigan	BNP Paribas	Debt	\$500M	5-yr	While the debt grew from \$477.5 million originally telegraphed, pricing remained constant at 300 bp. Whitehall ran the preferred equity raise (PFR, 7/23).
			EIG, Northwestern Mutual	Pref. Shares	TBA		
Ares-EIF	Hill Top Energy Center (620 MW Gas)	Greene County, Pa.		Debt			The project sponsor is targeting the bank market with the aim of reaching financial close in the fourth quarter (PFR, 8/6).
Capital Dynamics	Imperial South, Imperial West (280 MW Solar)	Imperial Valley, Calif.	Hanwha Asset Management	Mezzanine Capital	TBA	TBA	CapDyn used the South Korean acquisition financing to buy minority stakes in the two Tenaska projects (PFR, 7/23).
Capital Power Corp., Harbert Asset Management	York Energy Centre (400 MW Gas)	Ontario, Canada	MUFG (left), Royal Bank of Canada	Term Loan	\$176M	7-yr	The plant has been refinanced in a \$212.7M deal, replacing a 5-yr term loan signed in May 2014 (PFR, 8/6).
				Letter of credit	\$36.5M		
Canadian Solar	Aguascalientes Potencia 1 (63 MW Solar)	Mexico	Natixis	Debt	\$45M	TBA	The project has a 15-year PPA priced at \$47.95/MWh (see story, page 7).
Carlyle Group	Rhode Island State Energy Center (583 MW Gas)	Johnston, R.I.	Investec	Term Loan A	\$363M	7-yr	The financing, priced at L+275 bp with a 99.25% OID and including a "hedge toggle" feature, closed on July 20 (PFR, 7/30).
	Rock Springs (358 MW Gas)	Cecil County, Md.	Morgan Stanley	Term Loan B	\$85M	6-yr	Carlyle Group is adding to its \$650 million Nautilus Power term loan B to acquire units 1 and 2 of the peaker (PFR, 7/30).
Coronal Energy	Latitude (15 MW Solar)	Hardeman County, Tenn.	TBA	Tax Equity	TBA		Tennessee Valley Authority awarded Coronal a 15-year PPA and construction has begun (PFR, 7/23).
Enel Green Power Mexico	Portfolio (992 MW Solar)	Mexico	BBVA, Caixa, MUFG, Natixis	Debt (Commercial Tranche)	\$400M	17-yr	The commercial tranche is priced at 225bp over Libor, stepping up by 25bp every five years (PFR, 6/11).
			Bancomext, EIB, IDB	Debt (Multilateral Tranche)	\$250M	20-yr	
FGE Power	Goodnight (500 MW Wind)	Armstrong County, Texas	Karbone	Tax Equity	TBA		The sponsor has already secured a cash equity commitment for the project from Fortistar (PFR, 5/29).
GE EFS	Shady Hills (573 MW Gas)	Pasco County, Fla.	TBA	TBA	TBA	TBA	GE EFS is aiming to have all the permits in place and reach financial close in December (PFR, 5/21).
Longview Power	Longview (700 MW Coal)	Maidsville, W.Va.	Houlihan Lokey (adviser)				Longview Power has hired Houlihan Lokey for a potential refinancing (PFR, 4/9).
NRG Energy	Canal 3 (333 MW Gas)	Sandwich, Mass.	Natixis	Debt	\$200M	C+7-yr	NRG Energy is selling the project to Stonepeak Infrastructure Partners. Price talk on the debt is L+275 bp (PFR, 5/14).
NTE Energy	Reidsville (500 MW Gas)	North Carolina	Whitehall	Debt, Equity	\$650M	TBA	Whitehall is running the \$100 million equity raise, while lenders have not been chosen yet (PFR, 7/23).
Pattern Energy Group	Grady (220.5 MW Wind)	Curry County, N. M.	TBA	Debt	TBA	TBA	The project has a 25-year PPA with Sacramento Municipal Utility District (PFR, 7/23).
Sempra Renewables	Great Valley Solar (200 MW)	Fresno, Calif.	Wells Fargo	Tax Equity	\$85M		Wells revealed the size of the tax equity investment on Aug. 8 (see story, page 7).
Southern Power (Southern Co.)	Portfolio (1.6 GW Wind)	Texas, Oklahoma, Maine	TBA	Tax Equity	-\$1B		The sponsor aims to raise tax equity on the portfolio by the end of the year (PFR, 6/4).
sPower	Portfolio (Approx. 730 MW Wind, Solar)	U.S.	Citi	Private Placement	\$500M	23-yr (13.8-yr WAL)	The debt for the second half of the portfolio, financed along similar lines to the first, was priced at T+200 bp (see story, page 5).
Starwood Energy Group Global	Compass Power Generation Portfolio (1.2 GW Gas)	Pennsylvania, Massachusetts	Morgan Stanley (left)	Term Loan B	\$744M	6-yr	A pair of banks has been hired for the repricing, which comes about eight months after the loan was last priced (PFR, 8/6).
				Revolving Credit Facility	\$60M	4-yr	
Taaleri Energia	Truscott-Gilliland East (277 MW Wind)	Knox County, Texas	NorthRenew Energy (adviser)	Debt, Tax Equity	\$350M		The Finnish developer is seeking debt and tax equity as it enters the U.S. market (PFR, 2/12).
Talen Energy	New MACH Gen (1,440 MW Gas)	New York, Massachusetts	Beal Bank	DIP Loan	\$20M	6-month	Beal Bank is taking possession of one of the assets in the portfolio in exchange for a debt reduction. The DIP facility is expected to convert into a 5-yr exit loan (PFR, 8/6).
Vivint Solar	Portfolio (95 MW Resi Solar)	U.S.	BAML	Private Placement	\$130M	TBA	Front-levering BAML's tax equity with the senior secured debt helped maximize Vivint's proceeds from the financing (see story, page 1).
			BAML	Tax Equity	\$150M		
			Hannon Armstrong	Cash Equity	\$47M		

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BAML Injects Front-levered Tax Equity into Vivint Deal

◀ FROM PAGE 1

arrangement,” will allow the developer to draw on the funds in stages as it brings a 95 MW portfolio of residential solar systems online, generating a similar or better return compared with a straight sale of the assets. The deal closed on Aug. 3.

The capital structure includes \$130 million of project-level debt, a \$150 million levered tax equity commitment from BAML and Vivint’s first cash equity investment, a \$47 million commitment being provided by **Hannon Armstrong**.

The loan is priced at a variable margin over swaps, starting at 190 bp and with a floor of 150 bp, according to paperwork filed with the U.S. **Securities and Exchange Commission**.

“Although difficult to structure it allows us to more efficiently monetize all the tax attributes,” said **Dana Russel**, the company’s chief financial officer, discussing the front-levered transaction on Vivint’s second quarter earnings call on Aug. 7.

“Overall we expect to receive \$3.37/W in upfront proceeds, while retaining approximately 4% of the contract retained value

and 90% of the renewal retained value,” he added.

Adding the “retained value” brings the total aggregate value of the assets to \$410 million over the course of their operational life.

As well as providing the tax equity check, BAML structured the entire transaction and was the placement agent for the cash equity and the institutional term loan.

BAML’s cross asset solutions and strategies team, led by **Omer Farooq** in New York, designed the structure to maximize Vivint’s proceeds and bring the third-party capital in as soon as possible.

Until now, standard practice in U.S. residential solar financing has been to place assets in tax

equity funds and layer in debt above them as “back leverage”.

Placing the debt at the asset level, in a structurally senior position to the tax equity, helped Vivint to maximize its leverage and allowed the loan, the cheapest part of the capital stack, to be in place before anything else.

The loan also has multiple delayed draw features so that debt, tax equity and cash equity can be funded together as and when Vivint drops assets into the financing vehicle.

The availability period under the loan lasts until late 2019, at which point it converts into a term loan with a 20-year tenor, matching the terms of the under-

lying leases and power purchase agreements.

“All the pieces of the capital stack are raised together, they all talk to each other from the beginning, and Vivint gets to focus on delivering the systems,” says **Spencer Hunsberger**, a director in BAML’s renewable energy finance team, who worked on the deal. “It’s an evolution that we, as a bank, have seen in many mature consumer finance asset classes, and we saw this transaction as the next step in making residential solar a mature consumer asset class as well.”

“It does feel like a culmination of a lot of goals we’ve been working on, but as we see the natural roll-off in [investment tax credits] over the next three plus years, I’m sure we’ll see the capital markets adapt again,” Hunsberger adds.

Separately, Vivint has signed a \$50 million tax equity deal with a new, unidentified investor.

At the end of the second quarter of the year, during which it installed 47 MW of systems at a cost of \$3.11/W, the company had \$174 million of cash on its balance sheet and \$375 million available under its aggregation facility. ■



Defying conventional wisdom—putting the debt before the tax equity.

sPower Prices Private Placement in “Constructive” Market

Renewable power producer sPower has closed a \$500 million private placement financing of a portfolio of renewables projects in California and Idaho.

Citi was the placement agent on the deal, reprising the role it played on a similar \$421.4 million deal for the same sponsor last year (PFR, 11/20/17).

The second transaction was reported to be in the works in

June (PFR, 6/21) and is understood to have been priced several weeks ago, but did not close until July 31.

The amortizing notes, which mature in 23 years and have a weighted average life of 13.8 years, were priced at 200 basis points over Treasuries, says a deal watcher.

“It’s still pretty constructive,” says the deal watcher of the pri-

vate placement market. “Investors seem to be consistently under-allocated and the rise in rates has taken some pressure off all-in returns.”

Some 12 investors participated in the sPower deal, says the deal watcher.

CohnReznick Capital was sPower’s financial adviser on the transaction, which was secured on about half of the

sponsor’s operational fleet, arranged under four tax equity structures.

The precise identities of the projects in the portfolio could not be established by press time. Officials at Citi and CohnReznick in New York and sPower in Salt Lake City either declined to comment or did not immediately respond to inquiries. ■

● PROJECT FINANCE

Offshore Wind Project Sponsors Target ITC-based Financing

The sponsors behind the Vineyard Wind offshore wind project off the coast of Massachusetts—whose power purchase agreements were recently put before the state regulator for approval—are planning to finance it next year on the basis of the investment tax credit.

Developer **Vineyard Wind**, which is jointly owned by **Avangrid Renewables** and **Copenhagen Infrastructure Partners**, hopes the project's combination of utility offtakers, capacity payments and tax incentives can lure debt investors to only the second U.S. offshore wind farm, the first being the recently refinanced 30 MW Block Island project (PFR, 5/3).

"We are already engaging with relevant lenders and tax equity investors on a road-show basis," says **Lars Pedersen**, ceo of Vineyard Wind, which won contracts totaling 800 MW for the project in May (PFR, 5/29).

The developer has not yet appointed a financial adviser and is still in the process of selecting a turbine supplier, but is aiming to close tax equity financing by next summer.

"We aim to go to market for financing in early 2019," says Pedersen. "It's a large ticket for tax equity but we feel the liquidity is there."

The reason for structuring the financing on the basis of the ITC rather than the production tax credit, which is more commonly employed for onshore wind projects, is the higher capital expenditure per megawatt installed. Block Island also made use of the ITC.

TWO PHASES

Located near Martha's Vineyard, the Vineyard Wind project is set to be built in two 400 MW phases and will supply eight distribution companies under two 20-year PPAs.

The utilities filed for **Massachusetts Department of Public Utilities** approval of the contracts on Aug. 1.

The PPA for the first phase, due to be online in 2021, is priced at \$74/MWh, while the contract for phase two, expected to begin operations a year later, is priced at \$65/MWh.

The shipping and harbor infrastructure

necessary to support offshore wind is still maturing on the U.S. East Coast, which partly explains the relatively high costs of such projects. Onshore PPA prices are on average closer to \$30/MWh (PFR, 6/11).

The two-phase schedule, meanwhile, is partly the result of the migration patterns of the endangered North Atlantic right whale, which, among other things, constrain construction activity in winter.

The pricing of both PPAs escalates by 2.5% annually until 2043, yielding a levelized net present value price of \$64.97/MWh in 2017 dollars, according to paperwork filed with the Massachusetts DPU.

These revenues, along with capacity payments from **New England ISO** and the 12% ITC, will form the basis of the proposed project financing. The clearing price for NE-ISO's 2018 forward capacity auction was \$4.63/kW-month.

Further details of the proposed financing for Vineyard Wind, such as the amounts of debt and tax equity to be raised, could not immediately be established.

"We estimate that an 800 MW offshore wind project would require a tax equity financing of up to \$600 million—nearly double the size the largest ever completed," wrote fellow

"It's a large ticket for tax equity but we feel the liquidity is there."

offshore wind developer, **Deepwater Wind**, in a June 4 notice to the New York **Public Service Commission**.

RACE FOR PERMITS

To qualify for the 2019 ITC, Vineyard must be fully permitted by August 2019. Permitting and intermittency are seen as key hurdles for offshore wind by U.S.-based project finance bankers.

"I've been working on offshore wind for 15 years—in the early days when the grid faced

intermittency or fault issues, grid operators would ask for the turbines to be shut off," says **Michael Hannibal**, partner at CIP. "Today it's the other way around—they ask turbines to stay online because they offer frequency balancing solutions."

CIP is aiming to bring lessons learned in Europe's relatively mature offshore wind industry—where debt is priced on par with onshore contracted renewables and 70% leverage ratios are common—to the nascent U.S. market.

Despite offshore wind's success in Europe, where debt service coverage ratios hover at

"Getting permitting for overhead power lines for onshore projects can be challenging, especially when they are located near urban centers."

1.25 to 1.3 times, one New York based project finance head told *PFR* he was skeptical of the technology's prospects on this side of the Atlantic, citing "permitting difficulties."

"The main challenge is we are the first private player to go through federal permitting for offshore wind," Pederson acknowledges. "Every agency has to be comfortable with how you apply regulation to a new technology."

Vineyard plans to bury transmission lines six feet below the seabed to link the project to an onshore interconnection point.

While Vineyard's estimated project cost has not been disclosed, it will certainly include the cost of transmission lines.

"It's true that transmission lines for offshore wind often are more complex and expensive than for onshore, but offshore sometimes has the advantage that the power lines are under-sea and therefore not visible," says Hannibal. "Getting permitting for overhead power lines for onshore projects can be challenging, especially when they are located near urban centers."

Vineyard Wind represents CIP's second swing at offshore wind in the U.S. The firm provided \$200 million in mezzanine financing for the ill-fated 454 MW Cape Wind facility five years ago (PFR, 7/10/13). ■

PROJECT FINANCE ●

Wells Stumps Up Final Chunk of Tax Equity for Sempra Solar Set

Wells Fargo has funded the final \$85 million of tax equity financing for **Sempra Renewables'** 200 MW Great Valley solar portfolio in Fresno, Calif., the bank announced on Aug. 8.

The final chunk brings the total tax equity invested in the portfolio by Wells to \$190 million. The project began commercial operations in May.

Sempra had already lined the bank up to provide the tax equity for the four-project complex about a year ago, shortly after acquiring it from **Recurrent Energy** for \$124 million (PFR, 8/1/17, 8/8/17).

The projects' output is sold to four offtakers, including one com-

munity choice aggregator, under 20-year power purchase agreements.

Marin Clean Energy, the first CCA to obtain an investment grade credit rating, has a contract for 100MW of the portfolio's output, **Sacramento Municipal Utility District** buys 60MW, **Pacific Gas & Electric** has 20MW and **Southern California Edison** takes 20 MW.

A spokesperson for Wells Fargo in New York declined to comment on the total project cost and debt structure while spokespeople for Sempra in Solana Beach, Calif., did not respond in time for press. ■

Natixis Inks Mexico Solar Project Loan

Natixis has arranged a \$45 million debt financing for a **Canadian Solar** project in Aguascalientes, Mexico.

The 63 MW project, called Aguascalientes Potencia 1, won a 15-year power purchase agreement with Mexico's **Federal Energy Commission** in the country's first post-reform power auction in 2016 (PFR, 6/15/16). The contract is priced at \$47.95/MWh.

Besides the 15-year PPA, the project has a 20-year contract for clean energy certificates.

Martifer holds the engineering, procurement and construction contract for the project.

The tenor and pricing of the debt could not immediately be learned, though similar long-term solar project debt has been priced at 225 basis points over Libor (PFR, 6/6).

A spokesperson for Canadian Solar in Guelph, Ontario declined to comment while officials at Natixis in New York could not be reached.

Natixis's Latin America project finance team has been busy this year, arranging financing for **Glenfarne Group** (PFR, 7/12), **Enel Green Power** (PFR, 6/6) and **EIG Global Energy Partners** (PFR, 5/21) in recent months. ■

MERGERS & ACQUISITIONS ●

Lightsource Snaps Up Development-stage Solar Assets in PJM

Lightsource BP has acquired a portfolio of six development-stage solar projects in **PJM Interconnection** from developer **Orion Renewable Energy Group** as part of its strategy of targeting markets with low solar penetration.

The 135 MW (DC) portfolio comprises assets in Pennsylvania and Maryland. Orion declined to comment on the details of the projects and Lightsource BP did not respond to inquiries by press time.

UNDERSERVED MARKETS

"The acquisition of the largest solar development portfolio in Pennsylvania builds on our proven reputation as a global renewable energy leader," said **Nick Boyle**, ceo of Lightsource BP, in a statement. "We are accelerating the development of

solar with a strong focus on new and underserved markets, as it is an important component of a diverse fuel mix."

"We are accelerating the development of solar with a strong focus on new and underserved markets"

The **Pennsylvania Department of Environmental Protection** recently published a draft plan to grow solar capacity in the state to 11 GW—a steep rise from the 372.6 MW so far installed—in order to achieve the state's target of generating 10% of its electric retail sales from solar by 2030.

Another state that could be said to be "underserved" by the solar industry is Kansas.

In March, Lightsource signed a 25-year power purchase agreement with **Mid-Kansas Electric Co.**, a cooperative affiliated with **Sunflower Electric Power Corp.**, for the output of its 20 MW Johnson Corner solar project (PFR, 3/2).

Despite its modest size, Johnson Corner will be the largest solar facility in Kansas when it is built, almost tripling the state's installed solar capacity.

Lightsource has been in talks with debt and tax equity providers for the project since at least February and aims to reach financial close in the fall (PFR, 2/28).

The sponsor, which bills itself as the largest developer and operator of utility-scale solar

projects in Europe but is a more recent entrant into the U.S. market, rebranded itself Lightsource BP at the end of last year to coincide with the announcement of a \$200 million investment from **BP** for a 43% stake in the business.

Rothschild was Lightsource's financial adviser on the BP deal, with **White & Case** and **Baker & McKenzie** advising on the legal side and professional services advisory firm **Deloitte** also pitching in. ■

FAST FACT

372 MW

Installed solar capacity in Pennsylvania, ranking it 22nd in the U.S. according to **SEIA**.

● MERGERS & ACQUISITIONS

Carlyle Puts Golden State Peakers Under Hammer

The **Carlyle Group** is looking for a buyer for a 416 MW portfolio of gas-fired peakers in California, having appointed an investment bank to run an auction in June.

The portfolio comprises six combustion turbine facilities, which sell their output into the **California Independent System Operator** market and several load serving entities.

Guggenheim Securities is running a two-stage auction process, according to a teaser seen by *PFR*.

The portfolio comprises:

- The 122 MW Midway project in Firebaugh, which came online in 2009,
- the 96 MW Malaga facility in Fresno, which came online in 2005,
- the 49.5 MW Border project in San Diego, which came online in 2001,
- the 49.5 MW Enterprise plant in Escondido, which came online in 2001,
- the 49.5 MW Panoche facility in Firebaugh, which came online in 2001, and
- the 49.5 MW Vaca Dixon plant in Vacaville, which came online in 2002.

All of the peakers use turbines supplied by **Pratt & Whitney** except for Malaga, which uses **General Electric** turbines.

Officials at Carlyle in New York did not respond to requests for comment on the sale process by press time and an official at Guggenheim declined to comment.

CALPEAK PLUS

Carlyle originally acquired five of the plants, the original CalPeak portfolio plus Midway, from **The Blackstone Group's GSO**

Capital Partners and affiliates of **Starwood Energy** and **Tyr Energy** in 2013 (PFR, 7/22/13), a year after it acquired **Cogentrix Power Management**, the technical and operating platform for Carlyle's power assets, from **Goldman Sachs** (PFR, 7/17/12).

The original CalPeak plants—Border, Enterprise, Panoche and Vaca Dixon—“are all highly responsive and flexible facilities that represent important resources for transmission grid support and providing reliable power during periods of peak demand within California,” said **Robert Mancini**, the now retired Carlyle m.d. and chairman of Cogentrix, in a statement at the time of the acquisition.

The Midway project is contracted with **Pacific Gas & Electric** under a tolling agreement that expires in 2024.

Carlyle added Malaga to its holdings when it acquired it from

“It’s hard to tell if there’s going to be some kind of distress or imbalance in the power system, like a shortfall in supply or massive curtailment, over the next couple of years”

Kings River Conservation District, a Calif.-based resource management agency, in 2015. The Malaga facility used to operate under a power purchase agreement with the **California Department of Water Resources**.

Equity capital for the deals came from Carlyle Power Oppor-

tunities Capital Partners, a managed account, and Carlyle Infrastructure Partners, a \$1.2 billion infrastructure fund.

“Assets like Malaga represent important resources to support the expansion of intermittent renewable generation in the state, providing reliable electricity when renewable generation is not available,” said **Matt O’Connor**, who is now head of Carlyle Power Partners and Cogentrix chairman, in a statement at the time of the acquisition.

DUCK CURVE

Peakers are considered particularly valuable resources in California, where the so-called “duck curve” is very pronounced as a result of the large-scale deployment of solar generation.

The shape of the curve reflects daily spikes in energy demand seen during the morning and evening, combined with high solar generation during the middle part of the day, resulting in steep ramping needs and the risk of over-generation.

Peakers, which increase power system flexibility, “fattening” the duck, are just one of the solutions that have been proposed for the state’s grid reliability issues. “Flattening” the duck by adding energy storage and actively managing demand is another.

“It’s hard to tell if there’s going to be some kind of distress or imbalance in the power system, like a shortfall in supply or massive curtailment, over the next couple of years,” says **PJ Deschenes**, a partner at **Greentech Capital Advisors** in New York. “However, we’re likely to see a much more rapid integration of battery storage over the next couple of years.” ■

Sale of California Solar Assets to Chinese Co. Called Off

« FROM PAGE 1

deal was off in a stock exchange filing on Aug. 8.

Canadian Solar subsidiary Recurrent terminated the agreement after it failed to obtain the approval of the **Committee on Foreign Investment in the U.S.** within the time frame set out in the contract.

Deal watchers had flagged CFIUS as a major hurdle and had recently begun to wonder whether the assets would come back to the market or whether Recurrent had another buyer ready to step in if the transaction fell apart (PFR, 7/10).

“We can’t share further details on the transaction status at this time, but we have received strong interest in these assets from the market,” says a spokesperson for the company in San Francisco, via email.

The portfolio comprises the 100 MW Mustang project in Kings County and 49% interests in the 200 MW Tranquility project in Fresno County and the 200 MW Garland facility in Kern County, which are located not far from several U.S. military bases in the Mojave Desert.

Jones Day was advising Shenzhen on the deal, while **Orrick** was advising Recurrent.

Bank of America Merrill Lynch and **Scotiabank** ran the sale process that produced the deal as well as another agreement to sell three assets to a joint venture between **Korea Electric Power Co.** and a Korean private equity fund (PFR, 10/16/17). The latter deal closed in March. ■

MERGERS & ACQUISITIONS ●

Strong Demand for Renewables Pumps Deal Flow

◀ FROM PAGE 1

activity comes as valuations are being driven up by strong demand, particularly for renewable energy assets, even those that are in the pre-construction phase.

"There appears to be more demand than supply, which can be seen to impact pricing," says **Laurae Rossi**, a partner at **Winston & Strawn** in Los Angeles. "This year, we're seeing more projects getting financed and there's a lot of action in the M&A market in terms of development projects being purchased."

In the last month alone, the announced development-stage asset sales have included a 795 MW portfolio of wind projects in Wyoming, snapped up by **BluEarth Renewables**, and a portfolio of six solar projects in **PJM Interconnection** that **Lightsource BP** has acquired (PFR, 7/24, page 7).

Last week, the latest in a string of renewable project development platform sales was also announced, with Denmark's **Ørsted** stepping up to buy **Lincoln Clean Energy**

(see story, below).

Renewables accounted for 27% of total deal value in the second quarter of the year, according to PwC.

And not only is capital flooding into the space, but it is coming from new directions.

"The flavor of capital has changed over

"It seems there is more capital than deals, which is why we expect M&A activity to continue at this rate or even increase a bit"

the last three-to-four years, with more institutional investors, including pension funds and insurance companies, starting to make more strategic plays in renewables," says **Christopher Gladbach**, a partner at **Orrick's** Washington, D.C., office.

For instance, Dutch pension fund man-

ager **PGGM** signed the second leg of a deal to acquire stakes in contracted renewables projects from **EDF Renewables** at the beginning of the month (PFR, 8/1).

WHAT NEXT?

Deal watchers expect the momentum to remain robust in the second half of the year.

"Our crystal ball looks to be pretty clear for the next six months out and we don't see any let up in the activity," says **Andy Redinger**, managing director and head of utilities, power and renewable energy at **KeyBanc Capital Markets**. "It seems there is more capital than deals, which is why we expect M&A activity to continue at this rate or even increase a bit."

Meanwhile, project owners see the abundance of inexpensive capital chasing after projects as an opportunity to monetize, says **David Burton**, a partner at **Mayer Brown** in New York. "It's healthy for the market, it's good that players are putting money out the door." ■

Denmark's Ørsted Acquires U.S. Wind Developer

Three years after making its first U.S. investment, Denmark's largest energy company, **Ørsted**, has signed an agreement to acquire developer **Lincoln Clean Energy** from infrastructure investment manager **I Squared Capital** and Lincoln's management for \$580 million.

The transaction, announced on Aug. 9, came about as a result of a bilateral negotiation between Ørsted and LCE, with **Ernst & Young** advising Ørsted on tax, accounting, valuation and H.R.-related issues, and **Norton Rose** providing legal counsel, an Ørsted spokesperson told *PFR*.

Representatives of Lincoln did not respond to requests for comment by press time.

The deal is subject to U.S. com-

petition approvals and is expected to close by year end.

Lincoln's management team will continue to run the business, which will be kept separate from Ørsted's existing wind business.

Lincoln has developed over 1.8 GW of renewable projects in California, New Jersey and Texas and was the largest non-utility wind developer in the U.S. in 2017, according to the **American Wind Energy Association**.

It has an operational portfolio comprising 513 MW of recently commissioned wind and solar projects as well as 300 MW of wind projects under construction, primarily in Texas, and over 1.5 GW of development-stage projects located

in **ERCOT**, the **Southwest Power Pool** and **MISO**.

All of the operational and under-construction projects are fully contracted under long-term offtake agreements.

DANISH INVASION

Frederica-headquartered Ørsted had been said to be weighing a substantial acquisition in the U.S. renewables market for some time (PFR, 1/16).

The company first entered the U.S. in 2015 when, together with New England regulated utility holding company **Eversource Energy**, it won the right to develop Bay State Wind, a wind project 25 miles off the Massachusetts South Coast, in an auction run by the U.S. **Bureau of**

Ocean Energy Management.

The following year, Ørsted acquired another offshore wind project, Ocean Wind, from **RES Americas**.

Last year, Ørsted established an office in Austin, Texas, to lead its battery storage and solar development efforts, and signed a deal to build a 12 MW, two-turbine demonstration wind project off the Virginia coast for **Dominion Energy**.

The two companies have also signed a memorandum of understanding giving Ørsted exclusive rights to discuss potential development of up to 2 GW of offshore wind capacity.

Siemens Gamesa will supply the turbines for the Coastal Virginia Offshore Wind demo project under a subcontract with Ørsted that was announced the same day as the Lincoln acquisition. ■

● MERGERS & ACQUISITIONS

Chile Wind Farm Up for Grabs Amid EPM Asset Sale

Colombian municipally-owned utility **Empresas Públicas de Medellín** has put an operational Chilean wind project on the market as it aims to raise \$1.4 billion through asset sales to remain solvent in the wake of a natural disaster at its 2.4 GW Ituango hydro facility.

The 109.6 MW Los Cururos wind farm in Chile and a 10.71% interest in Colombian electric services company **Interconexión Eléctrica** (ISA) are among the assets the company is looking to divest.

EPM's board of directors, which has authorized asset sales of between 3.5 and 4 billion pesos, initiated the process on July 31. The plan is subject to the approval of the city of Medellín.

Besides the Los Cururos wind project and its stake in ISA, EPM is also selling Chilean water company **Agua Antofagasta**.

The fundraising effort was prompted by delays to the massive Ituango hydro project, which was originally expected to be at least partly online by December 2018

and was forecast to supply more than 17% of Colombia's electricity by 2021.

LOS CURUROS

Named after a local species of rodent, the \$228 million Los Cururos wind project, situated in Ovalle in the Coquimbo region of Chile, was EPM's first investment in the country.

Developed through local subsidiary **EPM Chile**, the facility injects its output into the country's Central Interconnected System.

The project comprises 57 **Vestas** wind turbines with a capacity of 1.8 to 2.0 MW each. The Danish turbine supplier was also the engineering, procurement and construction contractor and has a five year operations and maintenance deal.

ITUANGO

Located on the banks of the Cauca River in northwestern Colombia, the Ituango project has faced construction delays due to landslides in April which raised concerns over the site's structural integrity. Severe

flooding in May forced a mass evacuation that left 600 homeless, worsening the situation.

In July, EPM said it may gain control over the dam's recovery by October of this year, but has ruled out plans to start commercial operations by December. A 300 MW unit was meant to be online by then, with the remaining seven generation units coming online sequentially, reaching full capacity in 2022.

EPM has hired Chilean company **Skava Consulting** to investigate the disaster, while Spanish national **Antonio Soriano** will act as an international expert and issue an opinion on the current and future conditions of Ituango's infrastructure stability. EPM has also initiated internal investigations into the project's execution.

Earlier this year, EPM backed out of an acquisition of a majority stake in **Gas Natural Fenosa** (which recently changed its name to **Naturgy**), in order to divert the cash it would have invested into dealing with the fallout from the Ituango disaster.

Fitch Ratings' decision to place the company on negative watch at the time didn't seem to faze EPM ceo **Jorge Londoño**.

"I don't see our financial stability being threatened," he told local media. "At the moment Hidroituango doesn't generate a single peso of revenue and the debts are over 15 or 20 years which allows EPM to adapt to the situation."

EMP stressed that it plans to remain a wholly publicly-owned company and that its board of directors and the city of Medellín had not considered its sale or privatization, in a statement issued on July 31.

COMMERCIAL BANK DEBT

EPM signed a \$1 billion project finance loan package with an A/B structure for Ituango at the beginning of this year, a rare example of international commercial banks working on a sizeable deal in Colombia's project finance market (PFR, 1/9). That deal followed a \$1 billion loan signed as part of the project's financing in 2016 (PFR, 1/14/16). ■

Colombia Seeks Bids for Troubled Utility

Colombian public utility regulator **Superservicios** has launched a pre-qualification process for investors interested in acquiring the country's struggling power distributor **Electricaribe**, amid a dispute with the utility's former private sector owner.

Bidders have until Aug. 17 to submit observations and comments regarding the bid process, according to a 60-page document published on Aug. 3.

In order to qualify to bid for the company, including its commercial operations at Atlántico, Bolívar, Cesar, Córdoba, Guajira, Magdalena and Sucre along the Caribbean coast, investors must have a net worth of at least \$500 million and have had at least 600,000 customers in the last three years.

Colombian development bank **Financiera de Desarrollo Nacional** is steering the restructuring process for the company, which the regulator seized in April 2017 from Spain's **Gas Natural Fenosa**, which has since rebranded as **Naturgy Energy Group**.

Lazard and local independent investment bank **Ágora Corporate Consultants** are also acting as financial advisers on the re-privatization with **Brigard & Urrutia** advising on the legal side. Ágora was founded by former **Rothschild** director **Rafael Rivas** in 2004.

Following the order to liquidate Electricaribe last year, Gas Natural filed a \$1.66 billion arbitration claim before the **United Nations Commission on International Trade Law** against the Colombian government, seeking the return of its

85% stake in the company.

Naturgy claims that Electricaribe's financial difficulties are due to "fraud and non-payment" by customers including Colombian government bodies and that the debt owed by customers, who legally cannot have their supply cut off, was over €1.3 billion (approx. \$1.5 billion) at the time of the government takeover.

"The liquidation measure taken by Colombia is contrary to the spirit of deepening trade relations between the European Union and Colombia under their free trade agreement and has a negative impact on the climate required to propitiate flows of international investment," Naturgy stated at the time.

Electricaribe has approximately 2.6 million customers. ■

PEOPLE & FIRMS ●

Buyer Emerges for GE Project Debt Biz

« FROM PAGE 1

tors, underwriters and portfolio managers, led by **Denise Persau Tait**, will move to Starwood.

"We have a great team of experts with tremendous execution capabilities and a proven ability to deliver results," said Tait, in a statement. "We are confident that this agreement will ensure the continued stability of our business and offer significant growth potential. We are excited for the opportunity to grow and to continue to serve our customers and the industry as part of the team at Starwood."

The team is somewhat smaller than it was at its peak, as project finance specialists have either taken up positions elsewhere, made plans to retire or moved on to other divisions within the **General Electric** group (PFR, 6/14, 7/24).

Citi ran the sale process and **Shearman & Sterling** was the seller's legal counsel. The deal is expected to close in the third quarter of the year.

Starwood's acquisition financing comprises a \$1.7 billion commitment from MUFG and a further \$600 million from Credit Suisse and Citi. MUFG has also "committed capacity for future funding obligations in the loan portfolio," according to an announcement from Starwood.

The terms of the acquisition facilities could not immediately be established. Officials at Starwood in Greenwich and the lenders in New

York could not immediately be reached for comment.

Meanwhile, **Bank of America Merrill Lynch** is running the sale of GE EFS's private equity holdings in the power sector. The parallel sale processes are both said to have been launched in May (PFR, 6/4).

PJM EXPOSURE

GE EFS has been a major debt and equity investor in gas-fired and wind projects in the U.S. in recent years, and its loan book is said to have significant exposure to quasi-merchant gas-fired generation in **PJM Interconnection** and the Northeast more generally.

In 2017, the group was one of the arrangers on the debt financings of **Advanced Power's** 1.1 GW Cricket Valley Energy Center gas-fired project in Dover, N.Y., and **Ares-EIF's** 450 MW Birdsboro CCGT in Berks County, Pa. (PFR, 1/24/17, 2/13/17).

TAX EQUITY

GE EFS also has substantial tax equity positions in renewables projects in the U.S., which were not included in the sale to Starwood.

Interest in the tax equity portfolio should be strong, but it might make sense to divide it between multiple buyers, says a tax-oriented investment specialist. "I think there's buyers all over the place. It depends on how you cut it." ■

FAST FACT

\$50 million

Average loan size

FAST FACT

5.5%

Gross asset yield (including recurring fee income)

FAST FACT

1.6x

Borrower certified debt service coverage ratio

FAST FACT

5.8 years

Weighted average maturity

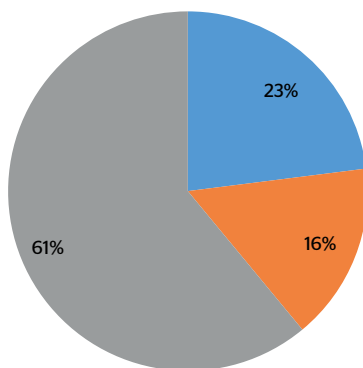
FAST FACT

97%

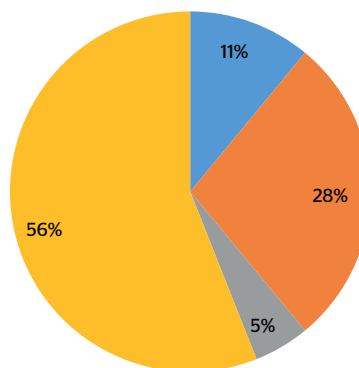
Loans at floating interest rates

GE EFS Loan Book by \$USD Commitments

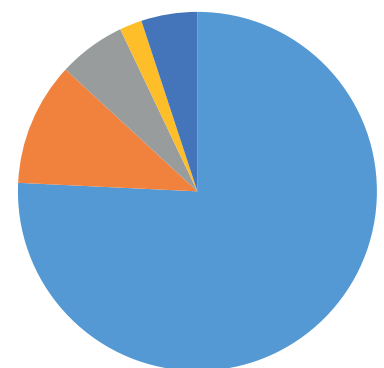
Role in Lending Activity



Asset Type



Geographic



■ Participant ■ Sole Lender ■ Lead Arranger

■ Midstream/Downstream Oil & Gas ■ Renewables ■ Gas-Fired ■ Other Thermal

■ U.S. ■ Mexico ■ U.K. ■ Ireland ■ Other

Source: Starwood Property Trust Investor Deck August 2018

● PEOPLE & FIRMS

NextEra Brings on Former Investment Banker

NextEra Energy has hired a corporate development executive who was until recently a senior figure in the power and utilities group of an investment bank in New York.

Garrett Ross Comeaux, who is known as Ross, joined the prolific project finance sponsor in Juno Beach, Fla., as a senior director in July, according to his LinkedIn profile.

He was previously a director in **Deutsche Bank's** power and utilities team, overseeing mergers, acquisitions and financings.

He had been with the German

firm for 10 years, having landed there in 2008 after his former employer, **Bear Stearns**, collapsed amid the credit crisis in 2008.

PFR was not immediately able to learn who has taken over his responsibilities at Deutsche following his departure. A spokesperson for the firm in New York declined to comment.

Deutsche's power, utilities and renewables coverage in the Americas is led by **Binyam Giorgis**, who has been with the firm since 2008 and was promoted to managing director in March. ■

Ex-Deutsche Analyst Dives into Private Equity

A former stock analyst who used to cover North American alternative energy at **Deutsche Bank** until recently has taken a new position at a renewables-focused private equity firm.

Vishal Shah, who was a managing director at Deutsche, moved to **Hudson Clean Energy Partners** last month, according to his LinkedIn profile.

In his new role, he will manage the company's existing private equity and venture capital portfolio and take the lead on new investments in sustainable technology, power and mobility across the U.S., *PFR* understands. He will be based at the firm's new office in Midtown Manhattan.

Shah declined to comment.

During his seven years with Deutsche, Shah covered alternative energy in the U.S., commenting, among other things, on the emergent solar ABS market

in 2013 (*PFR*, 11/14/13). He rose to head of global clean tech and sustainable investing research.

A chemical engineer by training, Shah's renewable energy-focused career began when he was a research analyst at **Morgan Stanley** in London. He moved to New York in 2005 as a vice president in **Lehman Brothers'** global renewables research team, joining **Barclays Capital** in 2008 as a director after the British bank stepped in to acquire the bankrupt firm's investment banking business.

He advised the U.S. **Department of Energy** Solar Vision task force, established in 2009, and has been a number one-ranked analyst in alternative energy research by *Institutional Investor* on numerous occasions since 2009.

A spokesperson for Deutsche in New York declined to comment on his departure. ■

Albanesi CEO Caught Up in Corruption Scandal

The CEO of **Albanesi Group**, an Argentine generation company, has been arrested as part of a federal bribery investigation.

Armando Losón, who headed the **Albanesi Group** for four decades as chairman, was arrested on Aug. 1 in a graft probe that has seen 14 individuals detained so far. His son has now taken over the company.

Albanesi's corporate bonds fell 17 points following Losón's arrest,

falling as low as 79 last week, before recovering to end the week at 81, according to *PFR's* capital markets sister publication *Global Capital*.

But the real impact was on Albanesi's subsidiary **Generación Mediterranea**, which owns a gas-fired plant in Cordoba, Argentina. The company cancelled a domestic bond sale, slated to be between \$25 million and \$75 million in size, that was set for Aug. 1. ■

Danish Investor to Open New York Office

A Danish infrastructure fund manager is planning to inaugurate a New York office in September.

Copenhagen Infrastructure Partners will house a roughly 15-to-20-strong team at the new location, said to be near the fashionable Meatpacking district.

Among those moving in will be recent U.S. hires such as former **Macquarie Capital** senior vice president **William Demas** (*PFR*, 2/13) and ex-**EverPower Wind** director **Sean Toland**, as well as several European expats.

Michael Hannibal, a Copenha-

gen-based partner at the equity investor, declined to comment on who will lead the team.

Two other Danish companies will also be based in the same building—corporate finance advisory shop **FIH Partners** and law firm **Bech-Bruun**.

CIP is the joint owner, alongside **Avangrid Renewables**, of Boston-based offshore wind developer **Vineyard Wind**, which was awarded the contract for the 800 MW Vineyard offshore wind project in Massachusetts in May (see story, page 6). ■

● ONE YEAR AGO



Sempra Renewables paid \$124 million to acquire **Recurrent Solar's** 200 MW Great Valley Project (*PFR*, 8/14/17).

[This week **Wells Fargo** funded the final \$85 million piece of the \$190 million tax equity financing for the solar complex.]

● FIVE YEARS AGO



"We are only at the beginning of major consolidation," said **Declan Flanagan**, CEO of **Lincoln Renewable Energy**, on a panel discussing portfolio sales of generating assets (*PFR*, 8/26/13).

[Denmark's **Ørsted** announced it would acquire **Lincoln Clean Energy** from **I Squared Capital** and Lincoln's management for \$580 million on Aug. 9.]