

power finance & risk

The exclusive source for power financing and M&A news

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It's Back!

In response to reader demand, this week we've brought back our Generation Sales Database to the paper edition. We're listing all the new sales and auctions and updates to current deals. The full database, with historical data, is still online.

See Database, page 7

BostonGen Bankruptcy Hearings Underway

U.S. Power Generating Co. has filed its Chapter 11 bankruptcy petition for subsidiary **Boston Generating**.

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KELLERMAN PREPS POWER PE SHOP



Larry Kellerman

Larry Kellerman, a former **Goldman Sachs** partner, is starting a private equity fund targeting investments in the power industry. **Sean O'Donnell**, managing director at **JPMorgan**, left the bank earlier this month to join the outfit.

The new entity is expected to focus on opportunities in thermal generation, market watchers say, although it's possible that renewables will also fall under the umbrella.

Quantum Energy Partners, a private equity shop out of Houston, Texas, is said to be seeding the venture, according to bankers in New York. The amount of investment could not be learned. A call to **Toby Neugebauer**, co-founder and managing

(continued on page 8)

HEDGE FUND PUTS GAS STORAGE ON THE BLOCK

Houston-based hedge fund **Centaurus Energy** has put its 27 billion cubic feet Tres Palacios gas storage facility in Matagorda County, Texas, on the block. The firm had always intended to sell the entity, as it's not the natural long-term owner or operator of such facilities, a deal watcher notes. **Barclays Capital** is running the sale.

Centaurus-backed developer **NGS Energy** funded the development of the roughly \$550 million facility with equity after failing to secure financing in the syndicated loan market via **BNP Paribas** and **ING Capital** (PFR, 4/11/08) and later **Credit Suisse** (PFR, 9/18/08). The difficulties in securing financing led the company to develop only two of the three originally planned gas storage caverns, which would have had a 36 bcf combined capacity.

Jeff Brattain, cfo of Centuarus, and **Laura Luce**, president of NGS Energy in

(continued on page 8)

GOLDMAN LOOKS TO LEVER COAL PLANTS

Goldman Sachs-backed **Cogentrix** has issued a request for proposals to raise debt on two coal-fired plants with a combined a 227 MW capacity, deal watchers say. Teasers were sent out Tuesday and the firm is shooting to finalize commitments in roughly two weeks.

The effort comes as **Goldman Sachs** looks to offload its 20% stake in the Charlotte, N.C.-based company (PFR, 7/28).

The assets, which include a 117 MW plant in Hopewell, Va., and a 110 MW plant in Portsmouth, Va., have a small amount of existing debt from **Mitsubishi UFJ Financial Group**, deal watchers say. **Mark Rudolph**, Cogentrix senior v.p. and interim cfo, and officials at Goldman didn't return calls. MUFG officials declined comment. How much debt Cogentrix is looking for and its motivation behind the transaction couldn't be learned

(continued on page 8)

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



At Press Time

Eurus, NRG Hunt PV Financing

Eurus Energy and NRG Energy have mandated two banks to lead financing for a portfolio of the partners' photovoltaic projects in the U.S. The projects have a combined capacity of roughly 45 MW. PV costs roughly \$4-5 million per mw to develop, bringing the price tag of the portfolio to \$180-225 million.

Mitsubishi UFJ Financial Group wrapped a \$35 million non-recourse loan backing a NRG's 21 MW PV project in Blythe, Calif., last month, a deal watcher notes, adding that Bank of Tokyo-Mitsubishi, part of the alliance backing MUFG along with Union Bank, is likely one of the banks leading the latest deal. Jonathan Lindenberg, head of project finance in the Americas for BoTM, did not return calls and a Union Bank official did not know about the latest deal. The identity of the other bank leading the deal could not be learned.

The portfolio consists of five projects with offtake agreements, a banker notes. Calls to Richard Grosdidier, v.p. of finance for NRG subsidiary NRG Solar in Carlsbad, Calif., and Dennis Scullion, a principle in Eurus Energy America's development team in La Jolla, Calif., did not return a call. Details such as the amount of financing sought, a financing timeline and the locations and titles of the projects in the portfolio could not be learned.

BostonGen Bankruptcy Proceedings Begin

U.S. Power Generating Co. has filed its Chapter 11 bankruptcy petition for subsidiary Boston Generating as it looks to wrap a \$1.1 billion sale to Constellation Energy. BostonGen, the operating company for 2.9 GW of assets, carries \$1.7 billion of debt.

In the first day of hearings Friday, U.S. PowerGen proposed a plan to hold a court-mandated auction in late October. U.S. PowerGen has asked the U.S. Federal Energy Regulatory Commission to approve the constellation purchase before Oct. 2, to keep the bankruptcy schedule on track, according to documents filed Aug. 18. Constellation will receive a \$30 million break-up fee if another company tops its stalking horse bid.

JPMorgan is advising U.S. PowerGen; Constellation is working with UBS and Credit Suisse.

The debt and the investors in it include: a \$1.1 billion term loan B held by Angelo Gordon, Avenue Capital, Highland Capital Management and Trust Company of the West; a \$300 million second lien held by Carval Investors, Goldman Sachs and Fortress; \$300 million in mezzanine debt belonging to Candlewood Partners and Satellite Asset Management. Sandell Asset Management has a small piece of each tranche (PFR, 4/9).

Calls to officials at U.S. PowerGen, UBS and Constellation were not returned. Paul Dabbar, managing director and head of power and gas mergers & acquisitions at JPM, was unavailable for comment. A Credit Suisse official declined to comment.

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EDITORIAL

STEVE MURRAY
Editor

TOM LAMONT
General Editor

PETER THOMPSON
Executive Editor [Chicago]
(773) 439-1090

SARA ROSNER
Managing Editor
(212) 224-3165

BRIAN ECKHOUSE
Senior Reporter
(212) 224-3624

HOLLY FLETCHER
Senior Reporter
(212) 224-3293

STANLEY WILSON
Washington Bureau Chief
(202) 393-0728

KIERON BLACK
Sketch Artist

PRODUCTION

DANY PEÑA
Director

DEBORAH ZAKEN
Manager

MELISSA ENSMINGER,
JAMES BAMBARA, DOUGLAS LEE
Associates

JENNY LO
Web Production & Design Director

ADVERTISING

PAT BERTUCCI
Associate Publisher
(212) 224-3890

ADRIENNE BILLS
Associate Publisher
(212) 224-3214

PUBLISHING

ALLISON ADAMS
Group Publisher

GAURI GOYAL
Business Director
(212) 224-3504

ISMAELA BEST
Senior Marketing Manager
(212) 224-3609

LAURA PAGLIARO
Marketing Manager
(212) 224-3896

VINCENT YESENOSKY
Head of US Fulfillment
(212) 224-3057

DAVID SILVA
Senior Fulfillment Manager
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KEN LERNER
Account Executive
(212) 224-3043

REPRINTS

DEWEY PALMIERI
Reprint & Permission Manager
(212) 224-3675
dpalmieri@institutionalinvestor.com

CORPORATE

GARY MUELLER
Chairman & CEO

STEVE KURTZ
Chief Operating Officer

Customer Service: PO Box 5016,
Brentwood, TN 37024-5016.
Tel: 1-800-715-9195. Fax: 1-615-377-0525
UK: 44 20 7779 8704
Hong Kong: 852 2842 6910
E-mail: customerservice@iinvestor.com

Editorial Offices: 225 Park Avenue
South, New York, NY 10003.
Tel: (773) 439-1090
Email: pthompson@iinvestor.com

Institutional Investor Hotline:
(212) 224-3570 and (1-800) 437-9997 or
hotline@institutionalinvestor.com

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**Institutional
Investor NEWS**
INTELLIGENCE FIRST

Project Finance

Scotia Circles Brookfield Closing

Scotia Capital is looking to wrap a financing backing **Brookfield Renewable Power's** roughly \$322 million, 166 MW Comber Wind Project in Essex County, Ontario, next month, deal watchers say.

A Brookfield spokesman in Toronto declined to identify potential lenders and discuss specifics of the deal. A Scotia official also declined to comment and **Donald Tremblay**, Brookfield executive v.p. and cfo in Gastineau, Quebec, was unavailable for comment.

Brookfield will start construction this fall on Comber, with operation slated for next year. The project has a 20-year offtake agreement with the **Ontario Power Authority**.

Bank of Tokyo-Mitsubishi and Scotia wrapped a \$102 million financing backing Brookfield's 50.6 MW Gosfield wind project in Essex County, Ontario in February (PFR, 2/19). A BoTM official did not return a call and whether that bank is participating in the deal could not be learned.

Trio Join Northland Syndicate

Allied Irish Bank, **Scotia Bank** and **Siemens Financial Services** have snagged tickets in the \$580 million deal backing **Northland Power's** 265 MW combined-cycle plant in North Battleford, Saskatchewan. Allied and Scotia took \$45 million tickets, while Siemens made a \$75 million commitment.

The Northland package has a tenor of construction plus seven years and features a \$542 million construction/term loan and a \$38 million letter of credit. Pricing starts at 250 basis points over LIBOR (PFR, 8/3).

Eight other banks are considering joining the financing led by **BMO Capital Markets**, **CIBC** and **Union Bank**. **National Bank Canada** is also participating in the deal, which is expected to be oversubscribed, a banker says. **BNP Paribas** and **Société Générale** are among a dozen banks approached about taking tickets. The leads have committed up to \$100 million each and plan to set final allocations next week, with closing targeted for August 30.

The widespread interest in the Northland deal "proves that you can execute a broad syndication in August for the right credit," the banker says. BNP and SocGen officials did not return calls and whether the banks had taken tickets in the deal could not be learned.

Guy Cirincione, Siemens senior v.p. and general manager of energy finance in Iselin, N.J., confirmed Siemens' involvement, declining to discuss specifics of the deal. Officials

at BMO and Union Bank declined comment. Officials at AIB, CIBC and Scotia didn't return calls. **Tony Anderson**, Northland cfo in Toronto, declined to identify other banks considering joining the deal.

MUFG Preps Biomass Deal Launch

Mitsubishi UFJ Financial Group will launch a \$100 million syndication backing **Rollcast Energy's** Piedmont Green Power 50 MW biomass plant in Barnesville, Ga., next month. Pricing and tenor have yet to be set, a deal watcher says. **Penn Cox**, ceo of Rollcast in Charlotte, N.C., didn't return a call seeking comment. An MUFG official declined comment and a timeline to secure the financing could not be learned.

Natixis, slated to be a co-lead, dropped out of the deal last month as it is undergoing a strategic review, a deal watcher says. The bank is only considering wind and solar deals during the review. A Natixis official declined comment and additional details regarding the review could not be learned.

Piedmont has a 20-year offtake agreement with **Georgia Power** and is scheduled to be online in 2011 (PFR, 4/8). Georgia Power will begin buying power the following year. How Piedmont will sell generation in the first year of operation couldn't be learned.

Geo Co. Seeks 70% Debt

Ram Power is seeking at least 70% debt for its \$240 million, 50 MW Iris geothermal plant in Imperial Valley, Calif., says **Daniel Schochet**, executive v.p. in Reno, Nev. The company has initiated conversations with institutional investors and insurance companies—entities with appetites for long tenors—and expects the deal to come to market in mid-2011. The company is looking for a tenor of at least 15 years.

The sponsor will provide at least half of the roughly \$80 million equity piece, and is considering seeking the rest of the equity from a strategic partner. Ram will provide the entire equity piece if it doesn't find a partner Schochet adds. It is also looking at financing a portion of the project costs via tax equity investment. The company will decide on equity, tax equity, and debt structures early next year. Schochet declined to identify potential investors or partners or specify the source of the company's potential equity investment.

The **Southern California Public Power Authority** has a 20-year offtake agreement for Iris. The **Imperial Irrigation**

District, a member of SCPPA, will provide land for Iris and have the option of buying 50% of the projects after tax credits have expired (PFR, 4/9). Ram expects to begin permitting during the fourth quarter, with the plant becoming operational by 2014.

Separately, Ram hopes to wrap financing of its \$250 million, 49.9 MW Orita geothermal plant, also in Imperial Valley, by year-end (PFR, 8/10). It expects to begin serious financing discussions on Orita next month. Ram has yet to mandate a bank.

Lenders Eye Milford II Closing

Lenders are aiming to close a financing backing **First Wind's** roughly \$240 million, 102 MW Milford II wind farm in Milford, Utah, in October, deal watchers say. The **Los Angeles Department of Water and Power** approved First Wind's 20-year offtake agreement with **Southern California Public Power Authority** last month, resolving a regulatory hurdle that held up financing (PFR, 7/15).

Deal watchers expect a subset of the club that financed the \$376 million Milford I to join the Milford II deal. **Banco Espirito Santo**, **BNP Paribas**, **Credit Suisse**, **HSH Nordbank**, **Mitsubishi UFJ Financial Group** and **Royal Bank of Scotland** participated in Milford I (PFR, 12/10).

The loan is priced at 300 basis points over LIBOR. The identities of the participating banks and tenor couldn't be learned. A First Wind spokesman in Boston declined to comment. Bankers at BES, BNP and MUFG didn't return calls seeking comment, while officials at Credit Suisse, HSH and RBS declined comment.

Victorville, Calif., Plots Solar Revival

The City of Victorville in California has issued a request for proposals to develop a roughly 30 MW photovoltaic project. The RFP comes after the city's plans to sell and develop the \$1.2 billion, 570 MW gas and solar hybrid Victorville II plant collapsed last year over the lack of financing availability.

NRG Energy and **Beowulf Energy** are expected to put their names in the mix after the two chased the hybrid project earlier this year, deal watchers say. The city has about 40 companies, ranging from large energy companies and solar manufacturers to small development shops, showing interest in the project, says **Amer Jakher**, director of public works. Bids are due Sept. 1. Jakher declined to identify RFP participants. Calls to officials at Beowulf in New York and

Easton, Md., were not returned. An NRG spokeswoman did not return a call.

Entities may propose to buy the project outright or partner with the city on an installation that is expected to be in the neighborhood of 30 MW. "We left it very open. We're looking for someone to come in who can build it," Jakher says. The city decided to revive the solar portion of the project because it is more likely to secure a PPA as California utilities look to meet stringent state renewable portfolio standards.

It's likely that bidders will also put in proposals to develop the fully-permitted natural gas-fired project along with the solar, says an observer, noting it would not make sense to do one without the other since the permits are in place. Jakher declined to elaborate on details regarding the development of the natural gas portion.

Victorville II was originally planned by **Inland Energy** in conjunction with the city and **Goldman Sachs** was hired in 2008 to sell the project (PFR, 6/27/08). The city shelved the auction after interest subsided and financing options dried up, Jakher notes.

GE, Exergy Scope Lenders For Idaho Project

Exergy Development Group and equity investor **GE Energy Financial Services** are looking for lenders to finalize commitments totaling roughly \$350 million backing their \$500 million, 183 MW portfolio of Idaho wind farms next month, deal watchers say. The Boise, Idaho-based company hopes to close debt financing well before year-end, in order for the projects to qualify for the U.S. **Department of Treasury's** cash grant.

A club of banks is backing the loan, which is expected to fund 70% of the cost to build the 11 farms in Hagerman and Burley, Idaho. GE EFS has a majority stake of the equity piece, with Exergy and **Reunion Power** owning smaller stakes (PFR, 7/2).

Lenders considering joining the club deal include **Bank of Tokyo Mitsubishi-UFJ**, **Crédit Agricole**, **ING**, **NordLB** and **WestLB**. The size of the equity stakes, as well as pricing and tenor on the loan, couldn't be learned.

Joan DeVinny, Reunion financial manager in Manchester Center, Vt., and an Exergy spokeswoman in Boise didn't return calls by press time. A WestLB official declined to comment and a GE EFS spokeswoman in Stamford, Conn., didn't make an official available for comment. Officials at BoTM, **Crédit Agricole**, **ING** and **NordLB** didn't return calls.

Idaho Power has 20-year offtake agreements for the farms.

Corporate Strategies

AES Snags Four-Year Revolver Extension

AES Corp. has landed a four-year extension of its revolving credit facility—a rare deal as extensions have been in the three-year range for power companies since the financial crisis began, observers say.

The extension is from 2011 to 2015 and the deal increases the revolver from \$785 million to \$800 million. The facility is priced at 300 basis points over LIBOR, a decline of 50 bps over previous terms. “It was done on the terms the company asked for,” a deal watcher says.

NRG Energy also extended its \$875 million revolver by four years (PFR, 7/30).

Citigroup, Bank of America, Barclays Capital, Royal Bank of Scotland and Union Bank were lead arrangers and bookrunners on the deal. Officials at Citi and RBS and spokespeople at BofA and Barclays declined comment. A Union Bank spokesman didn't return a call.

An AES spokeswoman in Arlington, Va., couldn't be reached for comment and how AES plans to deploy the funding couldn't be learned by press time. **Moody's Investors Service** rated the extended facility Ba1, with a stable outlook.

Project Finance Deal Book

Deal Book is a matrix of energy project finance deals that PFR is tracking in the energy sector. The entries below are of new deals or deals where there has been change in their parameters or status. To report updates or provide additional information on the status of financings, please call Senior Reporter Brian Eckhouse at (212) 224-3624 or e-mail beckhouse@iineews.com.

Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Brookfield Renewable Power	Comber (166 MW)	Essex County, Ontario	Scotia	TBA	TBA	TBA	Sponsor circles September closing (see story, page 3).
enXco	Lakefield (201 MW Wind)	Minnesota	Dexia, SocGen, Banco Santander, CoBank	TBA	TBA	TBA	Sponsor seeks \$400 million in debt (PFR, 8/16).
Eolia	La Ventosa (164 MW)	Mexico	TBA	TBA	TBA	TBA	Sponsor seeks financing in the next year (PFR, 8/16).
Exergy Development Group	Various (183 MW Wind)	Idaho	TBA	TBA	\$350M	TBA	Exergy plots 70% debt (PFR, 8/2).
First Solar	Desert Sunlight (550 MW Solar PV)	Desert Center, Calif.	TBA	TBA	TBA	TBA	Sponsor hopes to begin construction in 2011 (PFR, 8/16).
First Wind	Milford II (100 MW Wind)	Milford, Utah	TBA	TBA	\$220M	TBA	Sponsor seeks October closing (see story, page 4).
Geopark Energy	Unidentified (40 MW Solar)	Central New Jersey	TBA	TBA	TBA	TBA	Sponsor talking to a bank and PE firm about financing \$160M plant (PFR, 8/9).
Greenfield South Power	Unidentified (293 MW Gas)	Ontario	Credit Suisse	B Loan	\$335M	TBA	Credit Suisse offering sweeteners to close deal (PFR, 8/2).
Longview Power	Maidsville (695 MW Coal)	Maidsville, W.Va.	Goldman, WestLB	TBA	\$1.1B	7-yr	Amendment proposal fails (PFR, 8/16).
Northland Power	Mont Louis (100 MW Wind)	Mont Louis, Quebec	Manulife	TBA	\$102M	20-yr plus construction	Sponsor expects to close financing in September (PFR, 8/16).
	Saskatchewan (265 MW Combined Cycle)	North Battleford, Saskatchewan	CIBC, BMO, Union Bank	Mini-Perm	\$580M	TBA	Allied Irish Bank, Scotia and Siemens take tickets (see story, page 3).
	Various (226 Renewables)	Ontario	TBA	TBA	TBA	TBA	Sponsor seeks up to \$1B in financing for projects (PFR, 8/9).
Preneal	Vientos del Istmo (395.9 MW Wind)	Mexico	TBD	TBD	TBD	TBD	Sponsor seeks financing in the next year (PFR, 8/16).
Pristine Power	York Energy Centre (393 MW Gas)	King, Ontario	ING, Crédit Agricole, Union Bank, RBC	Mini-Perm	\$330M	5-yr plus construction	Deal oversubscribed; closing expected in early August (PFR, 8/2).
Pure Energy	Bayonne Energy Center (512 MW Gas)	Bayonne, N.J.	Crédit Agricole, WestLB	Mini-Perm	\$370M	TBA	Leads finalize commitments (PFR, 8/9).
Ram Power	Iris (50 MW Geothermal)	Imperial Valley, Calif.	TBA	TBA	\$170-180M	TBA	Sponsor hopes to ink financing by mid-2011 (see story, page 3).
	Orita I (49.9 MW Geothermal)	Imperial Valley, Calif.	TBA	TBA	\$170-180M	TBA	Sponsor aims to close financing by year-end (PFR, 8/16).
Recurrent Energy	Sunset Reservoir (5 MW Solar)	San Francisco, Calif.	Prudential Capital Group	TBA	\$18M	24-yr	Deal wraps (PFR, 8/9).
Rollcast Energy	Piedmont Green Power (50MW Biomass)	Barnesville, Ga.	Mitsubishi Financial UFJ Group	\$100M	TBA	TBA	Deal to launch in September (see story, page 3).
Solar Power Partners	Various (600 MW Solar)	TBA	TBA	TBA	TBA	TBA	Early 2011 targeted for closing of first chunk of debt financing (PFR, 8/2).

For a complete listing of the Project Finance Deal Book, please go to iipower.com.

People & Firms

First Reserve Director Joins ECP

Rahman D'Argenio, a director with First Reserve, has left to join **Energy Capital Partners** as a principal starting in October. D'Argenio will be working on M&A transactions across the generation, transmission and mid-stream sector.

D'Argenio reported to **Mark McComiskey**, managing director at First Reserve in Greenwich, Conn. No replacement has been named and the plans to do so have not been determined, says an official. McComiskey could not be reached.

A spokeswoman for First Reserve declined to comment and an official at ECP in Short Hills, N.J., did not return a call. D'Argenio could not be reached.

MS Banker Heads To Carlyle

Rahul Culas, executive director in the project and structured finance group at **Morgan Stanley**, left earlier this month to join **Carlyle/Riverstone**.

Culas worked with both thermal and renewable energy transactions at Morgan Stanley. He is also on **BrightSource Energy's** board of directors.

His role or starting date at Carlyle/Riverstone could not be determined. Details about his replacement at Morgan Stanley have not been decided, according to an official. A spokesman for

Carlyle/Riverstone did not return a call and Culas did not respond to an inquiry. A Morgan Stanley spokeswoman did not return a call before press time.

Citi Scoops DB Banker

Citigroup has hired **Leon Valera**, director at **Deutsche Bank**, as a director in its energy and infrastructure group. Valera will work on energy, power and infrastructure project finance, he says. He started in the position in New York last week and reports to **Nasser Malik**, managing director.

Prior to a three-year stint at Deutsche Bank, Valera was a director at **Société Générale** for 10 years. Nasser's project finance experience re-affirms Citi's efforts to re-gain a foothold in the arena (PFR, 7/2), an observer notes.

An official at Deutsche Bank did not return a call or respond to an e-mail and plans for Valera's replacement could not be learned.

Jonathan Turnbull, managing and global head of infrastructure at Citi, left the bank to join **Lazard** as managing director of the power, energy and infrastructure investment banking group (PFR, 7/14). The status of any replacement efforts for Turnbull's post at Citi also could not be learned.

News In Brief

News In Brief is a summary of publicly reported power news stories. The information has been obtained from sources believed to be reliable, but PFR does not guarantee its completeness or accuracy.

Americas

- **China Huaneng Group** is in talks to acquire **GMR Infrastructure's** 50% stake in **InterGen** for roughly \$1.2 billion. The Chinese power company is looking to expand its global presence (*Bloomberg*, 8/19).
- Illinois utilities are now required to buy 0.5% of their power from solar generation by 2012, three years earlier than expected under a new state law. The utilities will need to derive 6% from solar by 2015 (*Brighter Energy*, 8/19).
- **Idaho Power** has ended talks with a wind developer from its 2009 request for proposals for 150 MW of wind after analysis showed that more cost-effective options for buying generation existed. The utility was in negotiations with a single developer (*Brighter Energy*, 8/19).
- The Massachusetts **Department of Public Utilities** has ordered **NStar** to rebid three contracts for Western Massachusetts wind farms and to include out-of-state projects that could

produce cheaper electricity. The order comes as the state agency abandoned an old regulation that limited utilities to inking deals only for local projects after **TransCanada** challenged its legality (*The Boston Globe*, 8/18).

- **Hyundai Heavy Industries Co.** has agreed to build two solar projects totaling \$700 million with **Matinee Energy**. The Korean shipbuilder expects the 150 MW and 25 MW projects in Arizona to be online by the end of 2012 (*Yonhap News*, 8/17).
- **NRG Energy** is planning to offer \$750 million in 10-year notes to help fund its \$1.36 billion acquisition of power plants from **Dynegy**, which is being bought by **Blackstone Group** (*Dow Jones Newswires*, 8/17).
- **Energy Capital Partners** has closed its \$4.335 billion Energy Capital Partners II fund. The fund surpassed its expected \$3 billion and will be focused on the acquisition of development and construction of generation, transmission and mid-stream assets (*Energy Central*, 8/17).

News In Brief (cont'd)

- California's proposed renewable energy standard of 33% by 2020 will be shelved if voters approve a November ballot measure suspending the state's global-warming law, according to the state **Legislative Analyst's Office** (*San Jose Mercury-News*, 8/16).
- The **Port Authority of New York and New Jersey** continues to pitch a 700 MW offshore wind farm in the Atlantic Ocean off Long Island as it pursues smaller wind projects. The agency has proposed a 7.5 MW farm in New Jersey on the border of Bayonne and Jersey City (*The New York Times*, 8/16).
- **A123 Systems** is selling 44 MW worth of lithium-ion batteries to **AES Energy Storage** to regulate intermittent generation from solar and wind into the New York grid. The New York battery project depends on closing loan guarantees with the U.S. **Department of Energy** (*Electronic Engineering Times-India*, 8/16).

- Less than 20% of nuclear reactors proposed in the U.S. five years ago are still in development, leaving just six potential projects on the drawing board. Reasons attributed for the drop-off include billions of dollars of upfront costs, high risk of delays and low electricity prices (*Forbes*, 8/16).

Asia / South America

- **Codelco**, Chile's state owned copper company, is considering divesting its minority stake in **E-CL**, a power company that is majority owned by **GDF Suez**. Codelco is talking to a group of potential advisors, including **Citigroup**, **JPMorgan**, **Celfin** and **LarrainVial** (*Reuters*, 8/19).
- Blackstone is buying \$300 million a minority stake in Indian developer **Moser Baer Projects Private**, almost a week after Blackstone acquired **Dynegy** for \$4.7 billion. Electricity demand vastly exceeds supply in India (*The Financial Times*, 8/18).

Generation Sales Database

Following is a listing of ongoing generation asset sales from PFR's Generation Sale Database. The entries below are of new sales and auctions or of sales and auctions that have changed in their parameters or status. The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed. To report new sales and auctions or changes in the status of a sale or auction, please call Senior Reporter **Holly Fletcher** at 212.224.3293 or e-mail hletcher@iineews.com. The full database is available at <http://www.iipower.com/GenerationSalePage.aspx>

Seller	Assets	Location	Advisor	Status/Comments
Brick Power	Tiverton (265 MW Natural Gas) Rumford (265 MW Natural Gas)	Tiverton, R.I. Rumford, Me.	Deutsche Bank	First Reserve, Capital Power, Centrica, Energy Capital Partners and Constellation Energy submit bids (PFR, 8/16).
Centaurus Energy	Tres Palacios (27 bcf gas storage)	Texas	Barclays Capital	The facility was developed with \$550 million in equity (see story, page 1).
Covanta Holding	Quezon (440 MW Coal-fired) Samalpatti (106 MW Heavy fuel oil-fired) Madurai (105 MW Heavy fuel oil-fired) Haipru (120 MW Natural gas-fired)	Philippines India India Bangladesh	Citigroup	Covanta is looking to exit its facilities in Bangladesh, India and the Philippines (PFR, 8/2).
Deere & Co.	John Deere Renewables (735 MW Wind)	Various in U.S.	Goldman Sachs	Deere & Co. may shelve the sale after final bids from Exelon and NextEra Energy Resources came in lower than expected (PFR, 7/26).
Goldman Sachs	20% stake Cogentrix Energy (IPP)	Various in U.S.	Goldman Sachs	Wants to exit the 2.3 GW portfolio that consists of coal, gas, hydro and solar facilities (PFR, 8/2).
Juhl Wind	Grant County (20 MW Wind)	Grant County, Minn.	Marathon Capital	Lienholders want the farm sold to pay down debt (PFR, 8/16).
PPL Corp.	540 MW natural gas-fired peaker 243 MW natural gas-fired peaker Hydropower facility	University Park, Ill. Wallingford, Conn N/A	N/A	Selling the assets to raise money to fund E.ON U.S. purchase (PFR, 7/12)
Stark Investments	Wolf's Hollow (730 MW Gas)	Hood County, Texas	JPMorgan	The hedge fund looks to exit non-core assets (PFR, 8/16).
Tenaska	35% of 70% Alabama II (885 MW Gas) 35% of 70% Virginia (885 MW Gas) 35% of 20% Kiowa (1.222 GW Gas) 22% of 32% Gateway (845 MW Gas) 35% of 70% Georgia (944 MW Peaker)	Billingsley, Ala. Scottsville, Va. Kiowa, Okla. Mt. Enterprise, Texas Frankling, Ga.	Citigroup	Tenaska wants to wrap the sale of a portion of its stakes in the portfolio by Dec. 1 (PFR, 8/9).
U.S. Power Generating Co.	Boston Generating Mystic 8 (801 MW Gas fired) Mystic 9 (801 MW Gas fired) Fore River (801 MW Gas fired) Mystic 7 (560 MW Gas fired) Astoria Generating Gowanus (542 MW Fuel, oil and gas-fired) Narrows (276 MW Fuel oil and gas-fired) Development projects (462 MW Natural Gas)	Greater Boston area New York City New York City New York City New York City	JPMorgan Goldman Sachs	Bankruptcy proceedings begin (see story, page 2). The portfolio in Queens and Brooklyn, N.Y., is on the market in addition to two development projects (PFR, 8/2).

HEDGE FUND

(continued from page 1)

Westport, Conn., did not return calls. A Barclays official declined to comment. The desired purchase price of the facility, identity of potential bidders and a timeline for the auction could not be learned.

The project is almost fully contracted with long-term agreements, the deal watcher notes, and can be expanded up to 47.9 bcf with the addition of two other caverns. It has bi-directional interconnections with 10 pipelines including, Tennessee Gas, Transco, Florida Gas, **Kinder Morgan's** Natural Gas Pipeline Co., KM Tejas, Texas Eastern Transmission Pipeline, Enterprise Texas Valero, Houston Pipe Line, Enterprise Intrastate and Central Texas Gathering System.

Centaurus manages \$5 billion in assets and was founded by billionaire natural gas trader **John Arnold** in 2003. —*Sara Rosner*

GOLDMAN LOOKS

(continued from page 1)

by press time.

Potential buyers of the plants will be watching the deal to see if they will be able to leverage their own possible investment in the plants. "If it gets done easily, maybe it'll make Goldman's stake sale easier," says a syndicator in New York. **Energy Investors Funds**, which owns 80% of Cogentrix, has no stakes in the two assets according to an EIF spokesman in Los Angeles.

Financing coal-fired plants will be difficult as credit committees are loath to approve such deals in the face of state renewable energy standards and a possible national RES coming as early as next year.

The **Northern Virginia Electric Cooperative** has offtake agreements on the Cogentrix plants through 2029.

—*Brian Eckhouse*

KELLERMAN PREPS

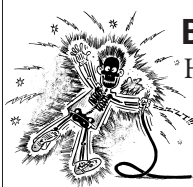
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partner, was not returned by press time. Kellerman is a well-known power official and market observers expect the fund will have legs. "Money just finds Larry Kellerman," says one banker.

Kellerman was the president of Goldman-owned **Cogentrix Energy** until earlier this year (PFR, 3/2). He retired from Goldman in February. He left **El Paso** as a senior managing director in 2002 to lead Goldman's generation acquisition efforts (PFR, 10/7/02). He was also the president of the power marketing unit of **Peabody Group**, **Citizens Power**, before it was bought by **Edison Mission Energy** in 2000.

O'Donnell, along with **Paul Dabbar**, head of power and gas mergers & acquisitions, was running the sale of **U.S. Power**

Alternating Current



BostonGen Trial Packs The House

Huge crowds were expected to fill room 610 of the Alexander Hamilton Custom House in Manhattan for the first day of **Boston Generating's** bankruptcy hearing at the U.S. Bankruptcy Court for the Southern District of New York on Friday. Observers planned to get there more than an hour early to snag comfortable seats, as many predicted that by 10 a.m. it would be standing room only, says a lawyer.

A small army of lawyers representing the company's numerous first lien, second lien and mezzanine debt holders, bankers, executives and reporters will pack the house, observers say.

In addition to the spectators, the venue is notoriously cramped. **U.S. Power Generating Co.'s** Chapter 11 reorganization filing landed on the docket of Judge **Shelley Chapman**, who was sworn in March 5. It's common for the newest judge in town to get the smallest room in the house, says a lawyer in New York. BostonGen's bankruptcy process is expected to be complete before year-end.



Alexander Hamilton U.S. Custom House

Photo courtesy of www.cdnycustomhouse.gov.

Generating Co.'s subsidiary **Boston Generating**. O'Donnell joined the firm in 2000.

O'Donnell and Kellerman could not be reached. Details on the entity, such as size, location and potential investors could not be learned. Calls to a JPMorgan spokeswoman and Dabbar were not returned. Whether a replacement is being sought for O'Donnell at JPMorgan could not be determined.

—*Holly Fletcher*

Quote Of The Week

"We left it very open. We're looking for someone to come in who can build it." —**Amer Jakher**, director of public works for Victorville, Calif., on the city's request for proposals to build a 30 MW solar photovoltaic project (see story, page 4).

One Year Ago In Power Finance & Risk

The city of Victorville, Calif., was close to choosing a developer for its \$1.2 billion, 570 MW gas and solar hybrid Victorville II plant. [Victorville shelved the fully permitted project due to a lack of interest and available financing in the wake of the financial crisis. It is now seeking bids to build the roughly 30 MW photovoltaic portion of the plant (see story, page 4).]