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Hydro Sale To Wrap

An undisclosed buyer is set to purchase 23 hydro plants from **Ridgewood Renewable Power**.

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WIND DEVELOPERS RAIL AGAINST TRANSMISSION COSTS

Wind developers have joined together to protest a proposal from the **Midwest Independent Systems Operator** that could saddle them with billions of dollars in transmission upgrade costs. "This could have a severely detrimental effect on wind generation. It's comparable in magnitude to having the production tax credits expire," says **Gene Grace**, a regulatory attorney at the **American Wind Energy Association** in Washington, D.C.

MISO has filed with the U.S. **Federal Energy Regulatory Commission** to allocate 100%, up from 50%, of the costs for project-related transmission interconnection and upgrades to wind developers for up to a year or more while it determines a long-term cost allocation plan. Project costs could increase by 10-15% if FERC clears the proposal, notes **Michael**

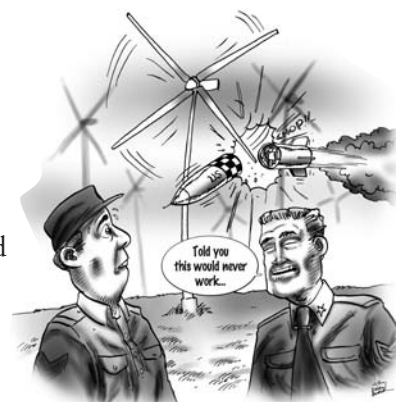
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Is It A Bird? Err, No WIND SHOP SEEKS PARTNERS, MISSILE CLEARANCE

Wind Revolutions is in discussions with potential partners for its **Cowboy Mesa** wind project and at the same time is dealing with the U.S. military. The issue is that the planned 600 MW project might interfere with radar systems at the massive **White Sands Missile Range**—the largest military installation in the U.S.

The Army has asked to be a part of the planning phase, says **Monte Marlin**, the chief of public affairs at White Sands. The company "had some

(continued on page 12)



DOUBLE TAXATION CRIMPS PRIVATE EQUITY INVESTMENTS

Private equity funds are holding back from making renewable investments because of U.S. cash grant rules that are resulting in double taxation for the funds' tax-paying investors.

Under the U.S. **Department of Treasury's** cash grant program guidelines, a project is not eligible to receive the 30% cash grant if one-millionth or more of its investors are tax exempt entities, unless it sets up a taxable blocker corporation between itself and all its investors (PFR, 7/6). Investors in private equity funds are both taxable and non-taxable entities and so the taxable investors end up paying taxes twice: once as the returns from the project pass through the blocker and then on the income from the blocker. The guidelines also apply to hedge funds, however they have not been active in the sector.

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



At Press Time

Hydro Portfolio Set To Sell

Ridgewood Renewable Power is expected to close the sale of a portfolio of 23 hydropower facilities within a month to an undisclosed buyer, according to a deal watcher. The operations produce a combined 26 MW and are located in Maine, Virginia, New York and California. Ewing Bemiss, the investment bank advising on the deal, would not comment on the sale or the price.

Ridgewood Renewable, based in Ridgewood, N.J., is also selling two landfill gas-to-energy facilities, a 5 MW plant in Orange County, Calif., and a 20 MW in Providence, R.I. The sale of those plants is expected close in about 60 days. The firm originally sought financing for expansions, but then put the assets on the block in January because of the cost of the project (PFR 1/16).

Randall Holmes, ceo and president of Ridgewood, declined to comment on the deals.

Financing Pending On Massive Macau LNG Project

Details on financing are still unfolding for the development of a \$1.5 billion liquefied natural gas complex near Macau. Last month, Chinese wind developer A-Power Energy Generation Systems and Macau Natural Gas Co. signed a memorandum of understanding to form a joint venture to build the project.

The project will likely have a 30% to 70% equity-to-debt ratio, says one person familiar with the deal. The JV is waiting for approval from the Macau government to transfer its LNG contracts from the MNG to the joint venture, which it needs before it can go to a bank to get a construction loan. MNG is 50% owned by China Petroleum and Chemical Corporation.

The project will be built on an artificial island adjacent to Macau that will be created for this purpose. Once developed, the project is expected to have a regasification capacity of 6.8 billion cubic meters per year.

Spanish Solar Unit Mulls U.S. Plant Financing

Renewable Ventures, the U.S. branch of Spanish company Fotowatio, is examining options for financing its planned 26 MW photovoltaic plant with 50:50 debt and equity. Developing PV costs \$4-5 million per megawatt, says Matt Cheney, ceo in San Francisco, bringing the cost of the project to \$96-100 million. The company aims to secure financing before the Apex, Nev.-based project moves into construction next year.

The company is looking for long-term debt financing in the 20-year range and is talking to insurance companies, which have more long-term lending appetite due to the length of their liabilities. It is also talking to project finance lenders and considering applying for the U.S. Department of Energy's Loan Guarantee Program, as well as the U.S. Department of Treasury's cash grant program.

GE Energy Financial Services, Landon Group and Qualitas Venture Capital are owners of Fotowatio, and will likely contribute equity to the project, along with other equity investors, through a development fund. The facility has a long-term PPA with NV Energy and is slated for operation in 2011, pending permitting.

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Victorville Homes In On Solar, Gas Bidder

The city of Victorville, Calif., is close to finalizing its choice of a developer for a \$1.2 billion, 570 MW gas-and-solar-powered plant, and expects to have a decision in the next 60 days.

"We haven't run into any impasses," says **Tom Barnett**, executive v.p. at developer **Inland Energy** in Newport Beach, Calif., which is helping the city develop the project, adding that the city has seen bids in line with expectations. Barnett declined to reveal the number or kinds of bidders, but says they come from a variety of players in the energy industry.

The winning bidder will gain the right to develop the project with the option to purchase it once completed. The plant has yet to find an offtaker for the power but is talking to a number of parties including independent utilities and municipalities.

BP Fowler Wind Tipped To Wrap Oversubscribed

The roughly \$287 million in financing backing **BP Alternative Energy** and **Dominion's** Fowler Ridge wind farm is set to wrap oversubscribed early next month, according to project financiers at participating banks. The deal was fairly small after the three lead banks took \$50 million pieces each and several banks are working on getting commitments through their respective credit committees. Calls to BP and Dominion were not returned and the amount oversubscribed could not be immediately learned.

Bank of Tokyo Mitsubishi-UFJ, **BBVA** and **Société Générale** are leading the eight-year term loan, and **Banco Santander**, **Banco Sabadell** and **Commerzbank** are participating. The facility supports the first 400 MW phase of the 750 MW project, which went online in April. Construction on the 199.5 MW second phase began last month and is slated for operation in 2010.

Nacogdoches Sponsors Hunt Equity

Partners in the \$400 million, 100 MW Nacogdoches biomass project in Sacul, Texas, are talking to private equity funds to take an equity stake, according to a deal watcher. **Baycorp Holdings**, **Energy Management Inc.** and **Tyr Energy** comprise the joint venture, which is targeting \$300 million in debt, leaving \$100 million to be funded.

Jim Gordon, president of EMI in Boston, did not return calls, and **Karl Usami**, president of Tyr in Overland Park, Kan., declined to comment. Baycorp Holdings could no longer be reached at its listed number in Portsmouth, N.H., and updated contact information for the company could not be learned. The amount of equity sought and identities of potential investors

could not be learned.

Bank of Tokyo Mitsubishi-UFJ is leading the \$300 million debt financing with **WestLB**, though a project financier close to the matter could not immediately confirm **WestLB's** participation. At least two lenders, including **Calyon**, are also reportedly making commitments to the deal. Bank officials either declined to comment or did not return calls.

Edison Mission Takes Financing Bids For Okla. Wind

Banks have submitted bids to lead financing supporting **Edison Mission Energy's** 130 MW Taloga wind farm in Dewey County, Okla. Bids were due last week, a project financier notes, adding the Irvine, Calif.-based company does not have a specific amount of debt in mind or a deadline for mandating lenders. The cost of wind development is approximately \$2-2.5 million per MW, bringing the price tag of the farm to \$260-325 million.

BNP Paribas, **Dexia Crédit Local**, **Union Bank of California** and **WestLB** clubbed up for \$202 million in financing backing a portfolio of projects in Texas, Nebraska and New Mexico (PFR, 5/22). Bank officials either declined to comment or did not return calls. **Gerard Loughman**, senior v.p. of development, did not return a call.

The farm utilizes **Mitsubishi** turbines and the company is negotiating with offtakers for a power purchase agreement. Operation is slated to begin next year.

Sumitomo Sub Buys Ga. Power Plant

Perennial Power Holdings, a wholly owned subsidiary of **Sumitomo Corp.** which invests in independent power plants, will acquire a 308 MW combined-cycle cogeneration plant in Georgia. The plant is co-owned by Vancouver-based **Atlantic Power Corp.**, which will receive \$29 million for its 50% share in the plant, and Houston-based **NorthernStar Generation**. The deal is expected to close in the fourth quarter.

NorthernStar, which is jointly owned by **UBS Global Asset Management** and the **Ontario Teachers Pension Plan**, did not return a call for comment. The plant is located in Kathleen, Ga., the site of the largest **Frito-Lay** food manufacturing plant in the U.S., to which it sells steam under a PPA through 2020. The plant sells power to **Georgia Power** under a PPA that expires in 2028.

New York-based **Perennial** declined to comment on the transaction until it has closed. **Atlantic Power** did not return a call for comment.

Golden State Town Close To Biomass Sale

The **Town of Scotia Co.** is in the final stages of choosing a buyer for a 32.5 MW biomass facility in the California town. It plans to make an announcement in a few weeks, says **Jeff Bodington**, president of **Bodington & Co.**, the investment bank advising the company that runs the mill town.

Bodington declined to say how many potential buyers the town is considering but he says, "all firms have substantial biomass experience," and that the town is satisfied with the level of interest it has received from bidders. Bodington released a memorandum of interest about the 23-year-old facility, which sells power to **Pacific Gas & Electric**, in May (PFR 5/15).

Canadian Geo Co. Tops Iceland Bidding

Magma Energy Corp. submitted the highest bid for 32.32% of Icelandic geothermal company **HS Orka**. The deal is expected to close at week's end.

Reykjavik Energy held the auction to divest all but 3% of its holdings in HS Orka after Icelandic authorities ruled that its ownership in the company violated anti-competition laws. A spokesman for Reykjavik says Vancouver-based Magma was chosen

as the preferred bidder because it proposed the highest offer, declining to say how many companies bid or what Magma bid.

Magma announced last month that it purchased a 10.78% equity stake in HS Orka for around \$25 million from **Geysir Green Energy** (PFR, 7/31). That deal is expected to close at the end of next month and would bring Magma's total ownership in the company to 43.1% with both purchases. Magma did not return a call for comment.

EverPower Seeks \$65M For Turbine Takeout

EverPower Renewables is talking to banks for a roughly \$65 million term loan that would take out a turbine supply loan provided by **KeyBank** for its 62.5 MW Highland Wind farm project. The New York-based developer aims to secure the funds before year-end.

The company is also looking to incorporate a cash grant from the U.S. **Department of Treasury**, says a project financier in New York, adding the cash grant program has contributed to the company's renewed financing efforts (PFR, 4/24). **Jim Spencer**, president in New York, and a KeyBank official did not return calls.

The southwestern Pennsylvania wind project uses 25 **Nordex N90** turbines and is slated for operation this year. It has a 22-year PPA with **FirstEnergy**.

Corporate Strategies

CenterPoint, Spectra Pipe Frees Up Cash

Southeast Supply Header, a joint venture between **CenterPoint Energy** and **Spectra Energy**, will use proceeds from a \$375 million 144a issue to free up equity invested in its natural gas pipeline. The project was financed on balance sheet and the partners priced and closed the issue of five-year, 4.85% notes last week. The 1 billion-cubic-foot-per-day pipeline extends from the Perryville Hub in northeastern Louisiana to the Gulfstream Natural Gas System in southern Mobile County, Ala.

The sponsors have been looking to issue the notes since the \$1.2 billion, 274-mile pipeline went into operation in September, says **Allen Capps**, v.p. and treasurer of Spectra in Houston, adding issuances from comparable peers and projects had been pricing in the 9%-range earlier this year. The companies may look to lever up the project with additional issuances once capacity contracts on the pipeline kick in over the next several years, he adds. A spokesman at CenterPoint in Houston did not return a call.

Deutsche Bank is left lead on the issue with **Barclays** and

Royal Bank of Scotland as joint bookrunning managers. **Standard & Poor's** rates the notes BBB-.

FirstEnergy Unit To Pay Down Debt

Half the funds raised from a \$300 million bond deal that closed last Tuesday will be used by **Cleveland Electric Illuminating Company** to pay off bonds that come due Nov. 1, says **Jim Pearson**, v.p. and treasurer of parent **FirstEnergy** in Akron, Ohio.

The 15-year first-mortgage bonds have a 5.5% coupon. Insurance companies and money managers are expected to buy the bonds.

Pearson says that Cleveland chose the "somewhat atypical" 15-year note because the company wanted to stagger its debt between 2020 and 2030 as most of the company's bonds reach maturity in the next 10 years. "We went with a 15-year because we're using it to normalize our maturity skyline," Pearson says.

The rest of the proceeds from the bonds, underwritten by **Goldman Sachs**, **KeyCorp** and **UBS**, will refinance the short term loans. The notes are rated Baa1 by **Moody's Investors Service** and BBB+ **Standard & Poor's**.

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Generation Auction & Sale Calendar

Following is a directory of ongoing generation asset sales. The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed. To report new auctions or changes in the status of a sale, please call Jeanine Prezioso at (212) 224-3226 or e-mail jprezioso@iinews.com.

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
AES	Warrior Run	Cumberland, Md.	205	Coal	Goldman Sachs	Shopping PJM assets (PFR, 5/21).
	Red Oak	Sayreville, N.J.	832	Gas		
	Ironwood	South Lebanon Township, Pa.	720	Gas		
	Amman East	Jordan	370	Gas	Citi, HSBC	Quietly marketing Middle East portfolio along with a few one-off assets (PFR, 2/23).
	Barka	Muscat, Oman	456 (35%)	Gas		Bids submitted by around 10 parties for portfolio (PFR, 6/15).
	Ras Laffan	Qatar	756 (55%)	Gas		
	Lal Pir	Punjab, Pakistan	362 (55%)	Oil		
	Pak-Gen	Punjab, Pakistan	365 (55%)	Oil		
	Cartagena	Cartagena, Spain	1,200	Gas		
	Kilroot	near Carrickfergus, Northern Ireland	560	Coal and Oil		
	Various	U.S.	1,174	Wind	N/A	Looking for joint venture partner for wind business (PFR, 3/16).
	Hulunbeier	Inner Mongolia, China	50 (49%)	Wind		
	InnoVent	France	30 (40%)	Wind		
	Hargicourt	Hargicourt, France	12 (40%)	Wind		
	Hescamps	Hescamps, France	5 (40%)	Wind		
	Pléchâtel	Pléchâtel, France	4 (40%)	Wind		
	Various	Bulgaria, China, France and Scotland	410 development	Wind		
	Various	Latin America	TBA	Various	TBA	Tipped that assets are for sale (PFR, 5/18).
AIG Financial Products	Bruce Mansfield	Shippingport, Pa.	830 (80%)	Coal	Commonwealth Capital Advisors	Shopping interest in Unit 1 with sale likely to close before year-end (PFR, 12/1).
Allco Finance Group	Various	New Zealand	538	Wind	N/A	Prepped to sell by end of third quarter (PFR, 6/23).
Allied Waste Industries	Trinity Oaks	Trinity Oaks, Texas	3.2	Landfill	N/A	Fortistar to acquire with financing to be provided by Catepillar Financial Services (PFR, 11/24).
American Shoreline	N/A	Texas, Mexico	3,000 development	Wind	N/A	Spinnaker Energy planning to purchase (PFR, 2/9).
ArcLight Capital Partners	Hobbs Generating	near Hobbs, N.M.	600	Gas	Credit Suisse	Selling newly commercial asset (PFR, 10/3).
	Juniper Generating	near Bakersfield, Calif.	298	Gas	Barclays Capital	Indicative bids taken mid-Sept. for portfolio of nine assets (PFR, 10/3).
Astoria Project Partners	Various	Maine	24	Hydro	N/A	Filed with FERC approval (PFR, 8/10).
	Astoria	Astoria, N.Y.	575	Gas	Merrill Lynch	Buyers looking to sell undetermined amount of equity in plants (PFR, 7/20).
	Astoria II	Astoria, N.Y.	500 development	Gas		
Babcock & Brown	South Trent	Nolan and Taylor Counties, Texas	101	Wind	Marathon Capital	First round bids taken March 6 (PFR, 3/2).
	Majestic I	near Panhandle, Texas	80	Wind		Diamond Castle Holdings in running to purchase (PFR, 4/20).
	Majestic II	near Panhandle, Texas	unknown	Wind		Riverstone bought 4 GW of development assets.
	Butler Ridge	Wisconsin	54	Wind		
	Wessington Springs	South Dakota	50	Wind		
BARD Engineering	Gulf Winds	Kenedy County, Texas	238	Wind		
	BARD Offshore 1	off coast of northwest Germany	400 development	Wind	UniCredit HVB	Looking to sell offshore farm in development (PFR, 2/9).
British Petroleum	N/A	Port Talbot, Wales	870 development	Gas	N/A	Shopping 100% interest in development (PFR, 9/12).
Caithness Energy (DCE)	Shepherd's Flat	Gilliam and Morrow Counties, Ore.	909 development	Wind	Citigroup	Teasers dispatched (PFR, 10/20).
Centrica	Lynn and Inner Dowsing	off Lincolnshire coast, U.K.	194	Wind	N/A	Looking to sell once portfolio refinanced (PFR, 6/1).
Chermac Energy	Various	Texas, N.M., Okla., Kan.	675 development	Wind	NorthWinds Advisors	Looking for buyers (PFR, 5/4).
City of Victorville	Victorville 2	Southern California Logistics Airport, Calif.	570 development	Gas/Solar	Goldman Sachs	Teasers dispatched (PFR, 6/30). Took informal bids June 26 (PFR, 7/13).
Cobisa Corp.	Cobisa-Greenville	Dallas-Fort Worth, Texas	1,750	Gas	Pace Global Energy Services	Company facing financing troubles (PFR, 6/22).
Colmac Energy	N/A	near Mecca, Calif.	47	Biomass	Bodington & Co.	Sale iced due to financial markets (PFR, 1/19).
Connectiv Energy	Various	PJM Interconnection	3,700	Various	Credit Suisse	Status unclear.
Con Ed Development	Genor	Puerto Barrios, Guatemala	42 (49.5%)	Oil		Industry Funds Management did not acquire.
	Ada Cogeneration	Ada, Mich.	29 (48%)	Gas		Partner is Olympus Power.
Constellation Energy	West Valley	West Valley, Utah	200	Gas	N/A	Planning to sell to MidAmerican Energy Holdings Co. (PFR, 12/8) even though merger has been canceled.
Complete Energy Holdings	La Paloma	McKittrick, Calif.	1,022	Gas	JPMorgan	Has agreed to merge with GSC Acquisition Co. in \$1.3B deal (PFR, 5/16). Pending shareholder vote.
	Batesville	Batesville, Miss.	837	Gas		
Coram Energy	N/A	Tehachapi, Calif.	15 repowering	Wind	Marathon Capital	Seeking buyers for portfolio (PFR, 3/9).
	N/A	Tehachapi, Calif.	93	Wind		
	N/A	Knob Hill, Vancouver Island, B.C.	393	Wind		
	N/A	Banks Island, B.C.	525	Wind		
	N/A	Porcher Island, B.C.	198	Wind		
CP Power Investments (Starwood Energy Investors II and Tyr Capital)	N/A	McCauley Island, B.C.	233	Wind		
	Panoche	Firebaugh, Calif.	49	Gas	N/A	Looking for new offtakers or buyers for facilities (PFR, 7/28).
	Vaca-Dixon	Vacaville, Calif.	49	Gas		

Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
DKRW Wind	Various	U.S.	6 GW development	Wind	Marathon Capital	Looking for strategic partner (PFR, 12/29).
DTE Energy	East China	East China, Mich.	320	Gas	N/A	Seller exploring options, including outright sale.
Dynegy	Sandy Creek	Riesel, Texas	900 (32%)	Coal	Goldman Sachs	LS Power talking to relationship banks to fund purchase (PFR, 8/17).
	Riverside	Lawrence County, Ky.	500	Gas		
	Bluegrass	Oldham County, Ky.	500	Gas		
	Rocky Road	Chicago	364	Gas		
	N/A	Tilton, Ill.	176	Gas		
	Renaissane	Carson City, Mich.	680	Gas		
	Arlington Valley	Arlington, Ariz.	585	Gas		
	Griffith	Golden Valley, Ariz.	558	Gas		
	N/A	Bridgeport, Conn.	527	Gas		
EarthFirst Canada	Dokie Ridge	Chetwynd, B.C.	300 construction	Wind	N/A	GE EFS and Plutonic Power are considering purchasing project (PFR, 6/15).
Electrabel	Langerlo	Langerlo, Belgium	556	Coal	N/A	E.ON agreed to acquire plants in asset swap deal (PFR, 12/22).
	Vilvoorde	Vilvoorde, Belgium	385	Gas		
Energy Future Holdings (Luminant)	Sandow 4	Milam Co., Texas	545 (50%)	Coal	Credit Suisse	Reportedly planning to sell stakes to Perennial Power Holdings (PFR, 2/18).
	Sandow 5		581 (50%)	Coal		
Energy Investors Funds	Crockett Cogeneration	Crockett, Calif.	240	Gas	N/A	First round bids due (PFR, 8/10).
	Hamakua	Hawaii	60	Biomass		
	Glen Park	near Watertown, Conn.	32	Hydro		
	Mustang Station	Denver City, Texas	490	Gas		
	Black Hawk	Borger, Texas	230	Gas		
Energy Investors Funds and Power Development Corp.	Waterside Power	Stamford, Conn.	72	Oil	Barclays Capital	ArcLight Capital Partners planning to buy (PFR, 2/23).
Entergy Corp.	50% stake in Top Deer Wind Ventures	Worth County, Iowa	40	Wind	New Harbor	Seller wants about \$520M for the assets.
	RS Cogen	Carsen County, Texas	40			Bidders shortlisted to four players: two financial, two infrastructure (PFR, 6/18/07).
	Roy S. Nelson	Lake Charles, La.	212	Gas		
	Warren Power	Westlake, La.	60	Gas/Oil		
	Harrison	Vicksburg, Miss.	225	Gas		
	Independence	Marshall, Texas	335	Gas		
	Robert Ritchie	Newark, Ark.	121	Coal		
		Helena, Ark.	544	Gas/Oil		
E.ON	Lippendorf	Nukieritzsch, Germany	446	Coal	N/A	Signed MOU with EnBW to purchase to increase competition in sector (PFR, 12/22).
	Bexback	Bexback, Germany	79	Coal		
	Farge	Bremen, Germany	350	Coal	N/A	Electrabel will acquire through asset swap (PFR, 12/22).
	Zolling	Zolling, Germany	449	Coal		
	Unknown	Zolling, Germany	20 (50%)	Biomass		
	Trausnitz	Trausnitz, Germany	2	Hydro		
	Tanzmühle	Tanzmühle, Germany	3	Hydro		
	Various	Bavaria, Germany	300	Hydro	N/A	Agreed to sell 300 MW of hydro to Verbund.
Exergy Development Group	Various	Upper Midwest, Northwest	3,600	Wind	Marathon Capital	Sale process has been reignited.
First Wind	Stetson	Danforth, Maine	57	Wind	Credit Suisse	Newly operational asset on the block (PFR, 3/2).
	Sheffield	Vermont	40 development	Wind		Hunting buyers (PFR, 3/9).
	Various	North America	3,000 pipeline	Wind	JPMorgan, Credit Suisse, Goldman Sachs	Company filed S-1 to IPO as UPC Wind.
Fishermen's Energy	N/A	off coast of Atlantic City, N.J.	350 development	Wind	N/A	Consortium planning to add institutional partner to project (PFR, 7/20).
FPC Development	Shady Oaks	Lee County, Ill.	120 development	Wind	N/A	Mainstream Renewable Power purchased (PFR, 6/22).
	Green River	Lee County, Ill.	467 development	Wind		
	Boone County	Boone County, Ill.	200 development	Wind		
FPL Energy	Posdef	Stockton, Calif.	44	Coal/Petcoke	New Harbor	DTE is buying through a subsidiary (PFR, 2/2).
	Tesla	Tracy, Calif.	1,120	Gas/Steam	Credit Suisse	Development site. Status unclear.
Gas Natural	Hermosillo	Sonora, Mexico	250 MW	Gas/Steam	TBA	InterGen scoping assets (PFR, 8/17).
	Naco Nogales	Sonora, Mexico	300 MW	Gas/Steam	TBA	
	Tuxpan III and IV	Veracruz, Mexico	1 GW	Gas/Steam	TBA	
	Unknown	Norte-Durango, Mexico	450 MW	Gas/Steam	TBA	
	Central Saltillo	Coahuila, Mexico	248 MW	Gas/Steam	TBA	
	Central Anahuac/Rio Bravo II	Tamaulipas, Mexico	495 MW	Gas/Steam	TBA	
	Central Lomas de Real/Rio Bravo III	Tamaulipas, Mexico	495 MW	Gas/Steam	TBA	
	Central Valle Hermoso/Rio Bravo IV	Tamaulipas, Mexico	500 MW	Gas/Steam	TBA	
Gas Natural, Mitsubishi Corp.	Electricidad Aguila	Altamira, Mexico	495 MW	Gas/Steam	TBA	Gas Natural looking to sell its 51% stake in the JV project (PFR, 5/25).
General Electric	Baglan Bay	Port Talbot, Wales	510	Gas	Lexicon Partners	Process to be re-ignited in October.
	Panther Creek	Nesquehoning, Pa.	94	Waste Coal	N/A	Looking for buyers (PFR, 2/26).
	Colton Power	Colton, Calif.	80	Gas	N/A	Sale shelved.
Gregory Power Partners	Gregory	Gregory, Texas	400	Gas	N/A	Sale iced due to credit crisis (PFR, 1/26).

Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Iberdrola	Russell Station	Greece, N.Y.	275	Coal	N/A	Will mandate advisor once auction schedule finalized by NYPSC (PFR, 12/29).
	Allegany Station	Hume, N.Y.	62	Gas		
	Unknown	New York	18	Gas		
	Unknown	New York	18	Gas		
Irving Oil	Bayside Power	St. John, New Brunswick	260	Gas	N/A	Emera agreed to purchase.
Kelson Canada (Harbinger Capital Partners)	Island Generation	Duncan Bay, B.C.	230	Gas	UBS taken in Aug.	First round bids taken 4/30 (PFR, 4/30) and second round bids Asset taken off the block for unknown reasons.
	King City Cogeneration	King City, Calif.	120	Gas		
	Whitby Cogeneration	Whitby, Ontario	50	Gas		
Kelson Holdings	Dogwood	Pleasant Hill, Mo.	620	Gas	Goldman Sachs	Weighing strategic options, including sale/merger (PFR, 10/9/07).
	Cottonwood	Deweyville, Texas	1,200	Gas		
	Magnolia	Benton County, Miss.	922	Gas		
KGen Power	Murray I	Murray Co., Ga.	630	Gas	Credit Suisse	Sale put on hold until credit markets thaw (PFR, 10/24).
	Murray II	Murray Co., Ga.	620	Gas		
	Hot Spring	Hot Spring Co., Ark.	620	Gas		
	Hinds	Jackson, Miss.	520	Gas		
	Sandersville	Washington Co., Ga.	640	Gas		
International Power	Opatovice	Czech Republic	360	Coal	Citi, ING	Reportedly looking to sell Czech facilities (PFR, 5/18). CEZ, J&T, Czech Coal, E.ON, EnBW and RWE chasing assets (PFR, 6/15).
	Prálská teplárenská	Czech Republic	64 (49%)	Coal/Gas		
	ET	Czech Republic	160 (49%)	Coal		
Los Angeles Department of Water and Power	N/A	Calif., Ariz., Utah	up to 5,600	Coal, Gas	Goldman Sachs, JPMorgan	Exploring options for divestment of fossil fuel portfolio (PFR, 8/8).
MACH Gen	Millennium	Carlton, Mass.	360	Gas/Oil	Credit Suisse	Pair of Northeast assets set to fetch \$1B (PFR, 5/21). Strategic Venture Partners seeking to buy 40% stake in company (PFR, 2/9).
	Athens	Athens, N.Y.	1,000	Gas/Oil		
	Harquahala	Tonopah, Ariz.	1,090	Gas		
Macquarie Cook Power	Avenal Power Center	Avenal, Calif.	600	Gas	N/A	Owner considering partners (PFR, 4/20).
Macquarie Power and Infrastructure Income Fund	N/A	Cardinal, Ontario	156	Gas	N/A	Assets possibly on the block to bolster fund share price (PFR, 5/25).
	Erie Shores	Port Burwell, Ontario	99	Wind		
	N/A	Ontario and British Columbia	27.5	Hydro		
	N/A	Quebec and Alberta	59	Biomass		
MMC Energy	Chula Vista	Chula Vista, Calif.	44	Gas	Bodington & Co.	Agreed to sell assets to Wellhead Electric Co. for \$4.865M (PFR, 6/1). Sold equipment at MidSun facility.
	Escondido	Escondido, Calif.	44	Gas		
	MidSun	Bakersfield, Calif.	23	Gas		
National Wind (30-40%)	High Country Energy	Olmsted and Mower Counties, Minn.	300 (14%)	Wind	Delphi Financial Corp.	Marketing to state-based residents and businesses (PFR, 6/23).
	Various	Midwest U.S.	4GW	Wind	Marathon Capital	Looking for partner for development pipeline (PFR, 3/30).
Navasota Energy Partners, Montgomery Energy Partners	Colorado Bend	Wharton, Texas	825	Gas	JPMorgan	Auction expanded to include Montgomery Energy assets outside Texas (PFR, 10/27).
	Quail Run	Odessa, Texas	825	Gas		
	Madison Bell	Madisonville, Texas	550	Gas		
	L'Energia	Lowell, Mass.	80	Gas		
	Billerica	Billerica, Mass.	240	Gas		
	Great Falls	Great Falls, Mass.	400	Gas		
	Hartland	North Dakota	1GW	Wind		
New Green Technologies	N/A	N/A	12—16	Waste-to-energy	N/A	Seeking buyers and/or partners for four-plant packages (PFR, 7/14).
Noble Environmental Power	Various	N.Y., Mich.	385	Wind	Goldman Sachs	Company filed S-1 to IPO (PFR, 5/16).
North American Power Group	Rio Bravo Fresno	Fresno, Calif.	25	Biomass	N/A	In discussion with potential buyers (PFR, 8/31/07). Holds interests alongside Constellation Energy Group.
	Rio Bravo Rocklin	Roseville, Calif.	25	Biomass		
NRG Energy	Indian River	Millsboro, Del.	784	Coal	N/A	Seller soliciting offers on plant (PFR, 11/8/07).
Perrenial Power Holdings	Unknown	Kathleen, Ga.	308	Gas	N/A	Co-owner Atlantic Power Corp. to receive \$50M in the sale (see story, page 4).
PPL Corp.	PPL Edgewood Energy	Brentwood, N.Y.	80	Gas	RBS Securities	Has agreed to sell Long Island generation business to J-Power USA Development for about \$135M.
	PPL Shoreham Energy	Brookhaven, N.Y.	80	Oil		
PSEG Global	Turboven Cagua	Venezuela	60 (60%)	Gas	N/A	Assets remaining to be sold as part of an international divestiture program outlined in 2002.
	Turboven Maracay	Venezuela	60 (60%)	Gas	N/A	
	Pillaiperumalnallur	India	330 (20%)	Gas	N/A	
RPL Holdings	Massena	Massena, N.Y.	85	Gas	Fieldstone	Morris Energy Group agreed to purchase plants (PFR, 7/8). Deal set to wrap by end of July (PFR, 7/20).
	Elmwood Park	Elmwood Park, N.J.	65	Gas		
Reykjavik Holdings	HS Orka	Iceland	N/A	N/A	N/A	Magma Energy submit its highest bid for the geo co. (see story, page 5).
RES Americas	Lower Snake River	Garfield and Columbia Counties, Wash.	1,250 development (50%)	Wind	N/A	Looking to sell after sale of entire company scratched last year (PFR, 3/2).
	Talbot	Chatham Kent, Ontario	99	Wind		
	Greenwich	Dorion, Ontario	99	Wind		
Ridgewood Renewable Power	Various	Maine, Va., N.Y., Calif.	26	Hydro	Ewing Bemiss	Set to sell in the next 30 days. On the block (PFR, 1/19).
	Brea Project	Brea, Calif.	5	Landfill		
	Providence	Providence, R.I.	20	Landfill		
Sempra Generation	Catoctin	Frederick Co, Md.	600 development	Gas	N/A	Development project reportedly for sale.
SkyPower Corp.	N/A	Canada	11,000 development	Wind, Solar	Marathon Capital	Undergoing strategic review of company (PFR, 11/17).
Sierra Geothermal Power	Reese River	Lander Co., Nev.	26-58 (50%)	Geothermal	Jacob & Co.	Looking to sell 50% of first five projects (PFR, 7/14).
	Silver Peak	Esmeralda Co., Nev.	15-40 (50%)			

Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Sierra Pacific Industries	Loyalton	Loyalton, Calif.	20	Biomass	N/A	Renegy agreed to purchase 4/11 for \$13M (PFR, 4/16).
Signal Hill Power	Wichita Falls	Wichita Falls, Texas	77	Gas	Miller Buckfire	Sale cancelled, but may be restarted at later date (PFR, 1/26).
Sithe Global Power	River Hill	Karthus Township, Pa.	290	Coal	Credit Suisse	Status unclear (PFR 2/16/07).
Summit Power Group	Texas Clean Energy Project	Odessa, Texas	345 development	IGCC	N/A	Looking for partner (PFR, 4/27).
Temasek Holdings	PowerSeraya	Singapore	3,100	Gas	Credit Suisse, Morgan Stanley	YTL Power International to buy for SGD\$3.6 billion (\$2.4 billion).
T G Power	Hot Sulphur Springs	Elko County, Nev.	12-14 development	Geothermal	N/A	Owner seeking buyer for debt investment or entire project (PFR, 9/30).
Third Planet Windpower	Various, U.S.	Various, U.S.	3,000 pipeline	Wind	Marathon Capital	Developer looking for joint venture partner.
Town of Scotia Co.	Scotia Biomass Power	Scotia, Calif.	32.5 MW	Biomass	Bodington & Co.	Set to close (see story, page 5).
TransAlta	Binghamton	Binghamton, N.Y.	50	Gas	N/A	Standard General set to acquire (PFR, 3/12/08).
TransAlta Cogeneration	Mississauga	Mississauga, Ontario	108 (50%)	Gas	N/A	Quietly shopping portfolio (PFR, 4/2).
	Ottawa	Ottawa, Ontario	68 (50%)	Gas		
	Sarnia	Sarnia, Ontario	575	Gas		
	Windsor-Essex	Windsor, Ontario	68	Gas		
Tyche Power Partners	Brooklyn Navy Yard	Brooklyn, N.Y.	286	Gas Cogen	Credit Suisse	Temporarily iced due to credit crunch.
WindRiver Power	N/A	Alberta	120 development	Wind	FirstEnergy Capital	Seeking joint venture partner for pipeline (PFR, 3/9).
	Various	British Columbia	13 development	Hydro		
WindRosePower	Childress County I	Childress County, Texas	250 development	Wind	N/A	Company looking for JV partner or buyer (PFR, 9/19).
Wind Revolutions	Chalk Mountain	Casper, Wyo.	500	Wind	N/A	Looking to sell entire or portion of projects (PFR, 7/25).
	Beaver Divide	Riverton, Wyo.	300	Wind		
	Cowboy Mesa	near Corona, N.M.	600	Wind		Looking for partner (see story, page 1).

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 Jeanine Prezioso at (212) 224-3226 or e-mail jprezioso@iineews.com.

Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Acciona Energy North America	Red Hills (130 MW Wind)	Roger Mills and Custer Counties, Okla.	JPMorgan Capital Corp., Bankers Commercial Corp.	Tax Equity	TBA	TBA	Deal wrapped (PFR, 8/17).
	Armenia Mountain (100.5 MW Wind)	Tioga County, Pa.	Citibank, Cobank, Unicredit HVB, Union Bank	Long-term, Non-recourse	\$221M	TBA	Deal wrapped last month (PFR, 8/17).
			Citibank,	Tax Equity	TBA	TBA	Deal wrapped (PFR, 8/17).
BP, Dominion	Fowler Ridge (750 MW Wind)	Indiana	Banco Sabadell, Banco Santander, Bank of Tokyo Mitsubishi, BBVA, Société Générale	TBA	\$287M	TBA	Tipped to wrap over subscribed (see story, page 4).
Edison Mission Energy	Taloga (130 MW Wind)	Dewey County, Okla.	TBA	TBA	TBA	TBA	Taking bids to lead financing (See story, page 4).
Everpower Renewables	Highland I (62.5 MW Wind)	Cambria County, Pa.	TBA	TBA	\$65M	TBA	Looking to take out turbine loan (see story, page 5).
Polaris Geothermal	San Jacinto Tizate (24 MW Geo)	Lyon, Nicaragua	Central American Bank of Economic Integration, Export Development Canada, FMO	Term Loan	\$86M	TBA	Three lenders join (PFR, 8/17).

Live Deals: Africa

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Adwea, GDF SUEZ	Shuweihat (1.6 GW/100migd water/power)	near Abu Dhabi, U.A.E.	BoTM, BayernLB, BNP Paribas, KfW, HSBC, Mizuho, National Bank of Abu Dhabi, SocGen, Samba, Standard Chartered, Sumitomo Mitsui, Sumitomo Trust	Refinancing Bridge Loan	\$1.1B	22-yr	Refi expected to close by end of Sept. (PFR, 8/17).
			Japan Bank for International Cooperation		\$1.2B		

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

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

- Staff from **Chevron**, **Andarko Petroleum**, **ConocoPhillips** and other energy companies packed a demonstration in Houston to rally against the proposed Waxman-Markey legislation, which supports renewables over conventional energy (*Financial Times*, 8/19).
- International solar manufacturers such as German company **SolarWorld**, Spanish company **Fotowatio** and Japanese company **Itochu**, are targeting the U.S. as the next big market for solar development due to government support and subsidies for the resource (*Financial Times*, 8/19).

Europe

- German utility **RWE** expects Poland to deregulate household power tariffs following years of discussion on the matter. The company is looking to buy a 67% stake in Polish generator **Enea** and a deregulated scenario would more closely reflect power prices the German market (*Bloomberg*, 8/19).
- The Pakistani government has approved \$11.79 billion in

infrastructure and social projects, including \$10.8 billion for a 4.5 GW hydro project. Construction on the facility in the northern part of the country will begin next year (*Dow Jones*, 8/19).

Asia/Pacific

- Australian oil and gas company **Woodside Petroleum**, which is 34%-owned by **Royal Dutch Shell**, is in talks with at least four parties to buy gas from its expanding \$9.9 billion Pluto liquefied natural gas project in Western Australia (*Financial Times*, 8/19).
- The Australian Senate has passed a bill requiring the country to derive 20% of its power from renewables by 2020. The legislation will help spur \$23 billion investment in the country, according to the **Clean Energy Council** (*Bloomberg*, 8/19).

Africa

- Miner **DRDGold** has asked South African state-backed utility **Eskom** to postpone an electricity price increase, as it would boost costs at its Blyvooruitzicht mine by \$2,500 per kilogram (*Bloomberg*, 8/19).

WIND DEVELOPERS

(continued from page 1)

Goggin, manager of transmission policy at AWEA, greatly decreasing projects' financial viability in an already constrained market. The proposal also does not specify a firm deadline for a long-term cost allocation solution for the region, Goggin says, which could leave developers paying the transmission bill for an indefinite amount of time.

The filing comes after transmission owners and MISO members **Otter Tail Power** and **Montana Dakota Utilities** threatened to pull out of MISO as they face wind project interconnection costs that would increase customer rates by up to 30%. The companies and their customers would not be the ultimate consumers of the new generation, further fueling their reluctance to fund the costs. "Our customers are paying for power that we don't need and that we're not using," notes a spokesman at MDU in Bismarck, N.D., adding the company has 3 GW of wind in queue to come online and only 500 MW of capacity.

JoAnn Thompson, manager of federal regulatory compliance and policy for OTP in Fergus Falls, Minn., says the company has 10 GW of wind projects in queue for connection with only 620 MW of transmission capacity. MISO members are committed to

coming up with a long term solution by June of next year that would benefit all parties involved in wind development, she adds.

In a protest filed by **Acciona**, **enXco**, **GE Energy**, **Horizon Wind Energy**, **Iberdrola**, **NextEra Energy Resources**, and **Vestas**, the companies point to the structure employed by the **Southwest Power Pool** as a possible alternative for transmission cost allocation. In that model, 67% of the transmission upgrades and interconnection costs are funded by all customers across the SPP region and 33% is funded by the customers directly using the generation of a project.

While the FERC has a history of approving regional transmission cost allocation proposals, Goggin and Grace point out that there will be likely be a hearing on the MISO proposal due to the volume of protests and the proposal's broad reaching precedence. They declined to speculate on the outcome of a possible hearing. FERC is set to rule on the proposal early next month, and can approve or reject the proposal, or set a date for a hearing for the generators and MISO. **Eric Lavery**, the senior manager of transmission access planning at MISO in Indianapolis did not return a call and **Michael McLaughlin**, the director of the office of energy market regulation at FERC in D.C., declined to comment.

—Sara Rosner

WIND SHOP

(continued from page 1)

challenges trying to get timely communication from the U.S. Department of Defense,” says Cy Esphahanian, managing member at the Denver-based developer, but he doesn’t expect significant setbacks to the project.

The two-year-old company prefers a partner that will bring additional funding but might “consider an outright bid” for the entire project, says Esphahanian. He declined to reveal with whom it is in discussions or the cost of the project.

Wind Revolutions is ready to start installing the towers as soon as it receives permits, which could come in October. “We’ll get the towers up as soon as we can. We’ve got our contractors ready to go but you can’t sneeze these days without having a permit,” Esphahanian says.

—Holly Fletcher

DOUBLE TAXATION

(continued from page 1)

“For us, it boils down to a cash return threshold issue. There is a hit on our returns,” says a senior partner at a private equity fund. The double tax is tantamount to a loss of a several hundred basis points on investment returns.

Lawmakers are considering making the amount of cash grants available to private equity funds proportionate to the amount of taxable investors in a given fund, says Keith Martin, partner at Chadbourne & Parke in Washington, D.C. For example, a fund that is comprised of 90% taxable investors would be eligible to receive 90% of the cash grant. There is also movement in Washington to allow some of the tax-exempt investors in private equity funds, such as endowments which pay taxes on unrelated business income, to qualify as taxable investors.

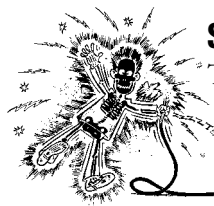
Martin says the Joint Tax Committee will consider corrections to the American Reinvestment and Recovery Act next month. If the bill is corrected, the Treasury would automatically adhere to the new guidelines. Martin declined to speculate on the likely actions of the committee. The Senate Finance Committee will also consider amending the guidelines and attaching them to the climate change legislation when it reviews that bill next month. However, any revisions to that bill would require subsequent evaluation and approval by the House and Senate and will drag out the process of putting new guidelines into practice.

—Sara Rosner

Quote Of The Week

“This could have a severely detrimental effect on wind generation. It’s comparable in magnitude to having the production tax credits expire.”—Gene Grace, attorney at the American Wind Energy Association in Washington, D.C., on the Midwest Independent System Operator’s proposal to allocate 100% of transmission upgrade and interconnection costs to developers (see story, page 1).

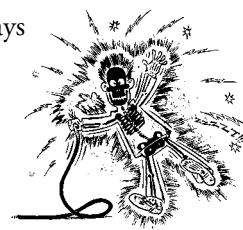
Alternating Current



Save It For The Birds?

The sage grouse appear to be having more impact stopping wind projects than the financial crisis. A 300 MW Horizon Wind Energy project and a 2,000 MW Power Company of Wyoming project are stalled until Feb. 26, 2010, or maybe, indefinitely, when a ruling from the U.S. Fish and Wildlife Service is expected to determine whether the sage grouse will be listed as an endangered species.

Nate Sandvik, the Wyoming project manager for Houston-based Horizon, says “They’re just afraid of the tall wind turbines. There’s been one known fatality. Mostly they’re just displaced. They see the towers as places where raptors perch, waiting to swoop in and take them away.”



The birds can only survive where sagebrush grows and this is causing serious problems for wind developers, natural gas and oil companies and the state of Wyoming. If the bird goes on the endangered species list, much of the state’s economy will suffer as farmers, ranchers and energy companies have to curtail activities in areas where the sage grouse struts.

“We all want to do the right thing and maintain a buffer to the [sage grouse areas] where they can do their mating dance,” Sandvik says.



The wily sage grouse, native of the windy West, pose a threat to developing wind projects in Southcentral Wyoming. (Photo courtesy/Audubon Wyoming)

One Year Ago In Power Finance & Risk

Jefferson Renewable Energy was looking to arrange financing for its \$250 million, 90 MW Mahoning Renewable Energy waste-to-energy plant in Alliance, Ohio. [The company, which is majority owned by Caletta Renewable Energy, tapped Bank of America to lead the financing (PFR, 2/6). BofA is also leading the financing for Caletta’s \$300 million, 90 MW tire-burning facility in Erie, Pa., and for its \$118 million, 35 MW wood-burning plant in Springfield, Mass.]