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*See story, page 4*

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**BNP Paribas** is leading \$475 million of loans to back **Rosetta Resources'** acquisition of **Calpine's** oil and gas properties.

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## CALPINE EYES 1.3 GW GENERATION SALE

Calpine is contemplating selling 1.3 GW in peaking and base-load generation in Maine, Rhode Island, Massachusetts and Florida. The debt-laden IPP views the disposal as a means to tackle some of the more than \$3 billion in loans it has coming due by year-end. A call to **Bob Kelly**, cfo in San Jose, Calif., was not returned. Spokesman **Bill Highlander** says Calpine is reviewing all of its holdings. "We are looking at our entire portfolio right now but have not made any announcements," he notes, declining to comment further.

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## FLA. BATTENS DOWN FOR DEBUT STORM-RECOVERY BONDS

The **Florida Public Service Commission** is seeking advisors for the first storm damage bonds that would securitize the extra charges on consumer bills related hurricane costs since 2004. "[The storm-recovery bond] is expanding the use of the securitization technique to different kinds of costs," says **Joseph Fichera**, ceo of **Saber Partners**.

While the utilities were not previously prevented from securitizing, Florida law was changed in May explicitly to allow the utilities to securitize storm damage charges. Only

*(continued on page 2)*

## Take Two

## HYDRO-QUÉBEC SHOPS HIGH-VOLTAGE CONN./L.I. LINE

Hydro-Québec is auctioning the Cross-Sound Cable inter-connector, the transmission cable on the bed of Long Island Sound it flirted with unloading last year. It is unclear why the sale, which also covers a handful of other transmission projects, floundered last year or why it has now been reignited. Hydro-Quebec is said to be handling the marketing process internally. Calls to Hydro-Quebec official **Pierre a la Rae**, who is handling the sale,

*(continued on page 12)*

## VANCOUVER HYDRO DEVELOPER PLOTS \$200M PLACEMENT

**Coast Mountain Hydro** aims to tap the bond market to bankroll construction of a 115 MW hydro-plant near Vancouver, B.C. The subsidiary of IPP **Coast Mountain Power** likely will seek funds in a private placement totaling between \$200-220 million, say bankers. **Dan Woznow**, v.p at Coast Mountain, says the structure of the debt is still being hammered out and lead banks have not yet been selected.

A B-loan is also under consideration, but Woznow says it is an unlikely probability

*(continued on page 12)*

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## At Press Time FLA. BATTENS

(continued from page 1)

investor-owned electric utilities are eligible, such as **Florida Power & Light**, **Progress Energy Florida**, **Tampa Electric** and **Gulf Power**. Together, these four companies represent 75-80% of electricity sales in Florida, according to **Mark Futrell**, an analyst at FPSC. The FPSC regulates Florida's utilities.

The FPSC does not yet know how much the utilities will apply to recoup in damages, Futrell said, although Progress Energy may ask for \$232 million in storm recovery costs. In addition, the utilities may claim money to build back their storm-recovery reserves.

One problem these securitizations might run into is consumer opposition, Fichera said. Another is how far utility companies are willing to go to get the cheapest financing, because the financing cost is ultimately paid by the consumer, not the companies. "The normal incentive for debt finance is not there because these utilities are not on the hook to negotiate the best deals," he says.

**ViaFinance Group** is working on its application to be the FPSC's advisor while **Saber** is still considering it. It could not be determined by press time if **J.P. Morgan** and **Bear Stearns**, two firms that according to a market participant had competed to be advisors to New Jersey's **Board of Public Utilities** and the **Public Utility Commission of Texas**, were in the running. A call to **Bill King**, head of securitized products at J.P. Morgan, was not returned by press time. Bear Stearns officials were not available to comment by press time.

The deadline for proposals is Sept. 2. The FPSC hopes to pick a firm by two weeks after the deadline. The commission is currently forming a team to review the applications, Futrell says.

—*Olivia Thetgyi*

## Wind Turbine Costs Spike After PTC Renewal

The recent three-year extension of production tax credits for renewable developments has resulted in a 10-20% price spike for wind turbines in the U.S. due to a backlog of demand. As a result, many wind developers who negotiated off-take contracts are rolling back to the negotiating table with the utilities that inked PPAs only a few months ago. From the perspective of developers, the hope is that they can defray expenses, notes **Sven Wellock**, assistant treasurer in the structured finance group at **NordLB** in New York. "This is concerning for NordLB because it could impose an impediment on [wind] development because developers have to go back to the utilities. And could force developers to look at other options such as selling power into the spot market," he says.

"Some utilities are saying 'build it at the cost you said you were going to build,'" Wellock notes.

Developers are shelling out approximately \$100,000-200,000 more per turbine to manufacturers such as **General Electric** and Danish manufacturer **Vestas**, which in return is cutting into their overall profit margins, Wellock notes. **Randall Swisher**, executive director of **American Wind Energy Association** in Washington, D.C., says the supply demand balance has been out of whack in large part because of the delay of the extension in 2004 when the credit lapsed at the end of 2003 and wasn't reinstated until September of 2004. Now another extension has been put in place and five months in advance and now manufacturers are pressed to meet demand. It could be tight in 2006."

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## BNP Leads Rosetta Loan

BNP Paribas is leading \$475 million of loans to back **Rosetta Resources'** acquisition of **Calpine Corp.**'s oil and gas properties. A bank meeting was held last Tuesday at the Four Seasons Hotel in Houston to launch syndication of the deal, which includes a \$400 million revolver and a \$75 million second-lien term loan. Pricing could not be ascertained.

Rosetta is an independent energy company created to hold Calpine's oil and gas assets in California, the Rockies and southern Texas. A call to **Bob Kelly**, cfo, was not returned.

## Wachovia Expands Energy Coverage

**Wachovia Securities** last week launched coverage on electric and gas utilities companies on the heels of hiring **Samuel Brothwell**, senior analyst, last month. The coverage includes companies such as **Southern Union** and **Cheniere Energy**. Brothwell joined from **Merrill Lynch**, where he followed the same industry. Brothwell is the fourth senior analyst on Wachovia's energy team, which covers midstream energy, utilities and oilfield services & drilling.

Brothwell's hiring expands existing utilities coverage that the firm decided to undertake to keep up with demand in energy investing. Wachovia this month lost its senior exploration and production analyst **Jon Wolff** to an as yet unnamed venture capital firm. Wachovia officials declined to comment on whether Wolff will be replaced. Brothwell, who worked eight years at Merrill Lynch and departed earlier this summer, was also an analyst at **Moody's Investors Service** since 1995. A spokesman confirmed his hire. Brothwell and officials at Merrill Lynch did not return calls for comment.

## Michigan Mulls Goosing Its Energy Plays

The \$4.8 billion **Michigan Municipal Employees Retirement System** is in the middle of an asset allocation study that has it considering a 2-3% allocation to commodities—specifically in the energy sector—because it is performing so well. CIO **Jeb Burns** says he sees no signs of a slowdown in the sector so it would be a good addition to bolster returns. The study, with a recommendation to search for commodities managers, will be presented to the board next month. Burns says that was the only asset allocation change discussed so far.

If the board approves the search, it will begin at the end of the year. Money for the mandate would come from its domestic equity stake. The fund conducts an asset allocation study every five years without the assistance of a consultant.

The plan has 43.5% in domestic equity, 13% in international

equity, 32% in fixed-income, 5% in private equity, 5% in real estate and the remainder in cash. The fund returned 14.9% for the 2004 fiscal year.

## Cantor Fires Up Structured, Advisory Energy Flavor

**Cantor Fitzgerald** has set up a new energy group covering structured transactions and advisory services. The New York firm has had dealings in the energy sector before, in the form of power purchase agreements, but the new group will provide a more comprehensive service to clients. "We will cover the market in a very extensive way," says **Haroon Imtiaz**, formerly of **Sempra Energy**, who has been hired as a v.p. in charge of the unit. He adds the group is looking to fill a void that he feels has been left in the wake of the 2000 energy debacle.

The firm early this year, hired **Brent Lewis** as a managing director from **ABN-AMRO** to focus on utilities and structured finance and **Scott Sommers** from **Mellon Financial** (PFR, 4/4).

The energy group will be advising in natural gas, oil, heating oil, jet fuel and, in the future, coal. It is working on a few deals right now, but Imtiaz would not disclose specifics, saying only that Cantor plans on being very visible. While at Sempra, Imtiaz was the head of the commodity structuring group, which he formed four years ago to evaluate, structure and price power and natural gas transactions. He left Sempra in January.

## Cheniere Flips To B Loan Mart For \$500M

**Cheniere Energy** has launched a \$500 million B loan financing after market vagaries caused it to shelve an earlier financing push. A **Credit Suisse First Boston**-led similarly sized bond offering was scuppered by the capital market reaction the **General Motors Corp.** rating slide (PFR, 5/1). The loan will be used to help fund an expansion of its LNG facilities in the Gulf of Mexico. **David Castaneda**, investor relations manager at the LNG developer in Houston, declined to comment on the loan.

**Swami Venkataraman**, an analyst at **Standard & Poor's**, says the B-loan market likely will be more amenable for Cheniere. The loan likely will be priced at LIBOR plus 325 basis points and mature in seven years. Additional details about the structure could not be learned. Officials at CSFB, which is also leading the B loan, did not return phone calls.

The developer's projects are on schedule, Castaneda says, and set to begin operation in 2008. Sabine Pass project in Louisiana and the Freeport project in Texas are under construction and the company has filed for regulatory approval to expand of both



terminals. Cheniere has filed for permission to expand both capacities at the facilities, asking that the Freeport facility be expanded from 1.5 billion cubic feet a day to 4 bcf/day and the Sabine Pass project be expanded from 2.6 bcf/day to 4 bcf/day.

Proceeds also will be used to fund a reserve to cover debt service payments during the four-year period before distributions are expected to begin from the Sabine Pass LNG terminal.

## Tyr To Bag Stake In Cogentrix Facility

Tyr Energy is aiming to acquire a 10% interest in the 810 MW gas-fired Green Country generation plant in Jenks, Okla., from Cogentrix. Tyr, backed by CHUBU Electric Power and ITOCHU Corp., is paying some \$25-35 million to the Goldman Sachs owned IPP. Brad Nordholm, ceo at Tyr in Overland Park, Kan., declined to comment on the impending acquisition. An application for the approval of the sale by the Federal Energy Regulatory Commission was submitted in late August. Goldman spokesman Michael DuVally declined comment.

Green Country's is operated under a long-term tolling agreement but the details of that agreement could not be ascertained. The sale of the Green Country stake is expected to

be sealed in the next several weeks, observers say.

Cogentrix owns some 4.2 GW in generation capacity across the U.S. it acquired the equity interests in 11 power plants, a natural gas pipeline and related assets from National Energy & Gas Transmission for approximately \$550 million earlier this year.

## EIF Nets Upstate N.Y. Hydro Plant

EIF Group has acquired a 32.5 MW hydroelectric facility near Watertown, N.Y., from Chicago-based Northbrook Energy—a partnership between NEO Corporation, a subsidiary of NRG Energy and Omega LLC. The price could not be ascertained but the deal was completed last week, says one official. The acquisition marks EIF's inaugural investment in a hydro. Officials at EIF declined to comment on the sale and officials at NRG and its subsidiaries did not return calls for comment.

The facility, on the Black River in Upstate New York was placed in service in December 1986. EIF views the investment as a good hedge for its other generation assets since the fuel source, water, does not come at a cost as other fuel prices ratchet up.

Output at Glen River hydroelectric is sold to Niagara Mohawk Power Corp. in a long-term PPA. Duke Energy subsidiary, Duke Power, originally owned the facility.

## Corporate Strategies

### NRG Funds Buyback Via \$250M Convert Offer

NRG Energy has issued \$250 million in convertible, 10-year preferred 3.625% securities to fund a similarly sized share repurchase. Robert Flexon, cfo, says this route was chosen because it was a way to return some cash to shareholders in the form of a buyback since the repurchase will prove accretive on a per share basis. For the Princeton, N.J.-based independent power producer, the key to the transaction was retaining flexibility. "The nature of this business is that the bigger investment projects take several years to develop, and since we're generating large amounts of cash each year, we don't need to hoard cash," he explains.

The transactions also cut its debt/equity ratio. "We feel like we have the right level of debt to equity," says Flexon. NRG's current total debt to capital ratio is at \$54.6%. It had also considered a special one-time, non-recurring dividend, but viewed a repurchase as more favorable. It completed its repurchase in the open market. NRG closed last Tuesday at \$38.73 with a 52-week trading range of \$25.59-\$41.90.

Credit Suisse First Boston took a lead role in both transactions, and was chosen because it provided the lowest execution risks, and the cheapest costs. "We looked at a series of ways to get around our

restricted capacity problems and we talked with other banks. The best idea at the end of the day came from CSFB," Flexon says.

NRG Energy owns and operates power generating facilities primarily in the Northeast, Southern and Western regions of the U.S. Its operations include baseload, intermediate, peaking and cogeneration facilities, thermal energy production and energy resources recovery facilities. The company also has interests in international generating facilities in Australia and Germany.

## PEPCO To Take Down First-Mortgage Bonds Early

Potomac Electric Power plans on redeeming its 7.375% first-mortgage bonds due 2025, when the notes first become callable on Sept. 15. Karen Almquist, assistant treasurer at parent PEPCO Holdings in Washington, D.C. says proceeds from a \$175 million sale by PEPCO of 5.4%, 30-year senior secured notes completed about four weeks ago will be used to fund the \$75 million redemption, Almquist explains.

Merrill Lynch and Credit Suisse First Boston led that deal because they also are participants in PEPCO's credit facility (PFR, 6/6). Potomac Electric Power supplies energy to the Washington, D.C.-area.



## Financing Record (AUGUST 11-AUGUST 18)

### Debt

Rule 144A	Issue Date	Issuer	Business Description	Amount (\$ mil)	Coupon (%)	Type of Security	Maturity	Offer Price	YTM(%)	Spread	S&P	Moody's	Fitch
	8/11/05	Duquesne Light Holdings	Elec,water utility;hldg co	200	5.5	Senior Notes	8/15/15	99.56	5.558	122	BBB-	Baa3	BBB-
	8/11/05	Duquesne Light Holdings	Elec,water utility;hldg co	120	6.25	Senior Notes	8/15/35	99.611	6.279	175	BBB-	Baa3	BBB-
	8/11/05	Gulf Power Company	Electric utility	60	5.65	Senior Notes	9/1/35	99.556	5.681	115	A	A2	A
Yes	8/11/05	NAPOCOR	Electric utility	300	Floats	Flt Rte Gtd Bds	8/23/11	100	Floats		BB-	B1	BB
	8/17/05	Arizona Public Service Co	Electric utility	250	5.5	Notes	9/1/35	99.141	5.559	112	BBB	Baa1	BBB+
No	8/18/05	Provincial Electricity Auth	Pvd electricity prodn,distr	43.7	5.699	Fxd/Straight Bd	11/1/17	100	5.699		NR	NR	

## Okie Midstream Mulls J uicing Capacity

SemGroup is considering boosting its capital, which could include jacking up its recently obtained \$1.45 billion revolving line of credit. The Tulsa, Okla., midstream outfit's thinking is being spurred by escalating prices of commodities such as natural gas and crude oil, which hit \$68 last week. Officials who have spoken with SemGroup say the company has had informal talks with its lenders about options but has outlined no definitive plans.

Declining to detail its strategy, Treasurer **Brent Cooper** explains that because of the capital-intensive nature of SemGroup's business it is constantly reviewing its financing. "To the extent that any business reviews its finances and looks for opportunities to improve that financing. It's prudent business." He declined to comment further on the financing plans.

Its existing revolver, which is used primarily to support the privately-held distribution and gathering company's hedging and marketing strategies, is led by **Bank of America** and was obtained in late May (PFR, 5/30). Another part of SemGroup's rationale behind boosting capacity is so that it also will have trigger money to fund acquisitions should opportunities arise, notes one analyst, who declined to be identified. The analyst notes that many other midstream companies are considering their financing as well.

The BofA-led facility includes two separate term loan B portions, a working capital revolver and a \$50 million line of credit. Specifically, the loan is comprised of an \$875 million working capital line priced at LIBOR plus 225 basis points. Officials at BofA did not return a call for comment.

The term loan B portion breaks out into a \$400 million line and a \$175 million slug that was used to support SemGroup's acquisition of **Central Alberta Midstream** from **BP Canada Energy Company** and **Chevron Canada Resources**, Cooper says. Pricing on both term B loans is based on a sliding scale tied to SemGroup's debt to Earnings Before

Interest, Taxes, Depreciation and Amortization (EBITDA) ratio and is presently set at LIBOR plus 250 basis points.

Partly owned by **Carlyle/Riverstone** and hedge fund **Ritchie Capital Management**, SemGroup operates storage facilities and pipelines throughout North America, including upstate New York where it has a gas storage facility on the drawing board.

## Mich. Midstream Closes In On \$120-125M Revolver

Semco Energy is close to completing refinancing of an unsecured revolving line of credit, via lead **Standard Federal Bank**. The Port Huron, Mich.-based midstream company is aiming for a boosted three-year line in the \$120-125 million range at pricing about 50-75 basis points cheaper than all-in rates on its existing \$101 million credit facility, priced between 225-250 basis points over LIBOR, says **Thomas Connelly**, director of treasury. He notes the facility, which is still being finalized, is not expected to be wrapped until mid to late September. He declined to provide further details on the three-year line's structure or terms.

Standard Federal scored the lead nod on the line because it has been working with Semco for over a decade. Moreover it serves as the lead on its existing line. Officials at Standard Federal did not return calls for comment.

Participants on the facility include **National City Bank**, **Fifth Third Bank**, **Huntington Bank**, **US Bank** and new entrant **Comerica Bank**, one bank official familiar with the syndication says. Officials at the bank either declined to comment or did not return a call.

The debt will be priced to a grid tied to the midstream outfit's credit rating, which stands at Ba2 from **Moody's Investors Service** and BB- from **Fitch Ratings**. It is set to expire in September 2008. The existing debt is broken up into a 364-day facility and a three-year loan, which will be combined when the fresh line is inked.



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## Weekly Recap

*The Weekly Recap 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.*

### Europe and Africa

- The Department of Minerals and Energy in South Africa has announced it has short-listed five applicants, out of a total of 11, to build new peaking power stations. The five applicants are: the AES Consortium, which consists of US power group **AES Ebute Holdings**, **Tiso Energy**, **Lereko Energy** and **Rand Merchant Bank** as financial advisor, the Inkanyezi Consortium, the International Power Consortium, Tata-J&J consortium and the YTL Consortium (*BusinessDay*, 8/23).
- **NAK Naftogaz Ukrainy**, Ukraine's state-owned natural-gas company, said it wants to buy Austrian bank **Raiffeisen Zentralbank Oesterreich's** share of a gas venture with Russia's **OAOGazprom** to secure greater control over the fuel. The company involved transits gas across Ukraine (*Bloomberg*, 8/24).

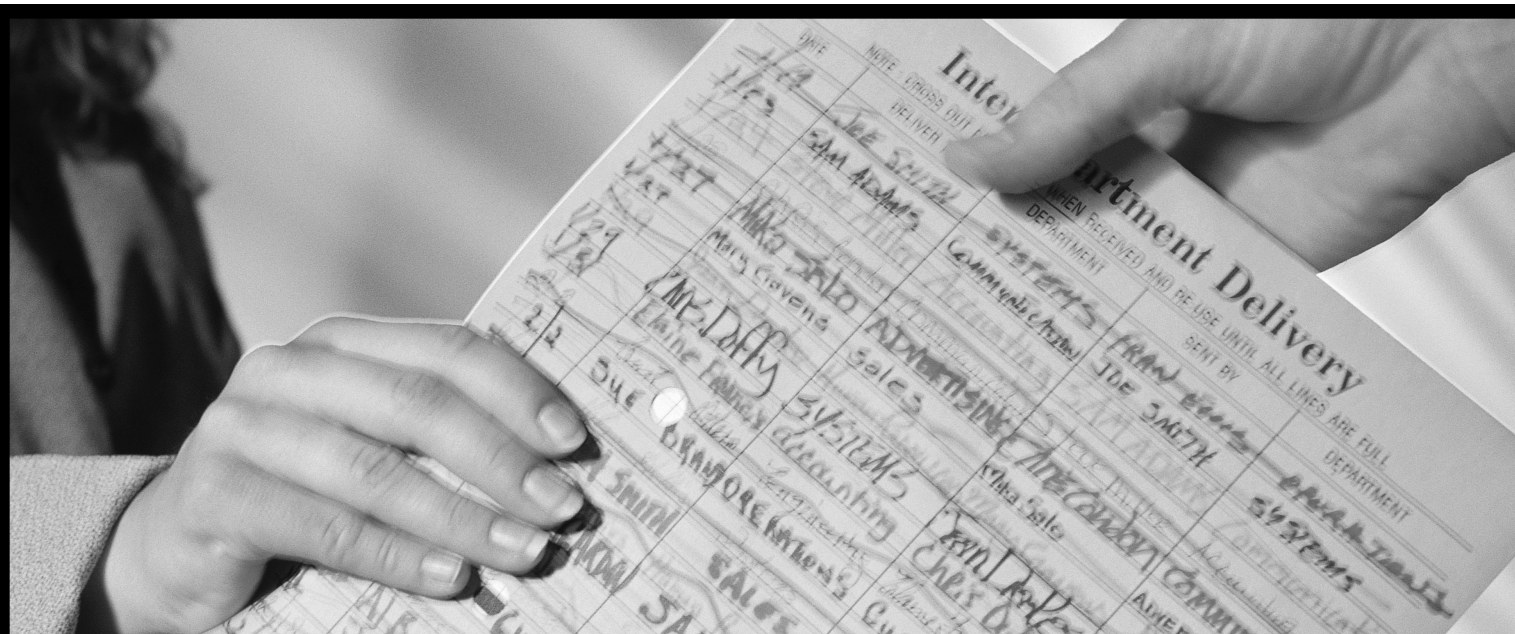
### Asia

- State-run **GAIL** is set to finalize the contracts for imports of LNG in the next few months to start the 2.1 GW Dabhol power project in the western state of Maharashtra. **Prahsanto Banerjee**, chairman of GAIL, says the company is in talks with five countries regarding the LNG supplies. Those countries include: Australia, Malaysia, Oman, Qatar and Abu Dhabi (*Yahoo News*, 8/18).
- India is reportedly building nine new nuclear power plants at a total cost of about \$7 billion. Once they are built, they will produce a total of 4.5 GW of power (*WebIndia.com*, 8/18).
- **Inpex Corp.**, a Japanese oil and gas exploration company, is considering a multibillion dollar project to build an offshore floating liquefied natural gas plant in Indonesia's Timor Sea area. The company expects to make a full feasibility study after it conducts appraisal drilling next year in the deep water Abadi Structure in the Masela Block in the Timor Sea, Indonesia, which should determine the extent of gas reserves (*Yahoo News*, 8/19).
- **Datang International Power Generation**, the second largest Hong Kong-listed Chinese power producer by capacity, said it plans to invest CNY20.88 billion to build three new power plants in coastal China, including the provinces of Guangdong, Zhejiang and Fujian, through forming three joint ventures in which Datang International will hold a majority stake (*Dow Jones*, 8/23).
- The Indonesian government will soon begin a project to increase the maximum capacity of renewable energy power plants that can sell electricity to state power firm **PLN** without tender to 10 MW from the current 1 MW. The small scale power plants must use renewable energy (*The Jakarta Post*, 8/24).

### The Americas

- **Kinder Morgan** and **Sempra Energy** have teamed up to build a \$3 billion pipeline from Wyoming to Ohio. While the project could end up somewhat smaller, depending on how much capacity is reserved prior to construction, both companies say the 1,500-mile, 42-inch diameter line could have a capacity of 2 billion cubic feet per day (*Houston Chronicle*, 8/17).
- **CenterPoint Energy** will go forward with a \$1.8 billion bond sale after a court appeal by customers who opposed the plan was rejected. The company hopes to complete the sale by the end of the year, and to use the proceeds to pay off higher-interest debt (*Bloomberg*, 8/18).
- **UniSource Energy Services** is asking state regulators to approve a new surcharge to recover its costs. The new surcharge would start appearing on customers' bills beginning October 1, if approved by the **Arizona Corporation Commission**, and would increase each monthly bill by an average of \$18 a month from November through April, and by an average of \$4.80 per month from May through November (*Bizjournals.com*, 8/18).
- A partnership created by **Plains All American Pipeline** and **Vulcan Capital** agreed to acquire a natural gas storage subsidiary of **Sempra Energy** for about \$250 million (*Bloomberg*, 8/22).
- **Dynegy** has announced that **Stephen Furbacher** will remain with the company as president and chief operating officer, choosing not to retire as previously announced. In a statement, Furbacher said the appointment allows him to help lead the company through its next phase of development (*The Wall Street Journal*, 8/22).
- Natural gas prices are soaring near \$10 amid concern that the hot weather will continue to cut the pace at which utilities put gas into storage for the winter. Utilities typically store gas from April to November, but the hot weather raises air-conditioning use and the need for gas-fired power plants (*Bloomberg*, 8/23).
- **Elizabethtown Gas**, a subsidiary of Atlanta-based **AGL Resources**, has announced that **Donald Carter** has been named v.p. of operations. **Eric Martinez**, who previously served in that role since AGL's acquisition of the company in November 2004, will assume a new assignment at AGL Resources (*Express-Times*, 8/23).
- **Mirant Corp.** has shut down its power plant in Alexandria until it can find a way to meet national air quality standards. The plant will be temporarily closed until the company has corrected the problems revealed in a company analysis that showed some pollutants in the vicinity of the coal-fired plant considerably exceed national standards (*The Washington Post*, 8/25).





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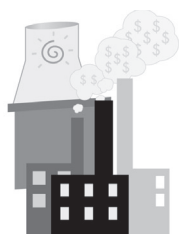
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## Generation Auction & Sale Calendar

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. New items are in bold. To report new auctions or changes in the status of a sale, please call Mark DeCambre, managing editor, at (212) 224-3293 or e-mail mdecambre@iineews.com.

Seller	Plants	Location	MW	Plant Type	Advisor	Status
AES	Wolf Hollow	Texas	730	Gas	N/A	Under contract with Stark Investment venture.
	Termomamonal	Colombia	90	Gas	None	
	Ottana	Italy	140	Gas		
Aquila	Racoon Creek	Ill.	340	Gas	Not chosen	Intention To Sell.
	Goose Creek	Ill.	340	Gas		
	Crossroads	Miss.	340	Gas		
BP	Great Yarmouth	U.K.	400	Gas	J.P. Morgan	Intention To Sell.
Black Hills Energy	Pepperell	Mass.	40	Gas	-	Intention To Sell.
BNP -led bank group (Exelon developed plants)	Mystic River 7	Mass.	560	Oil/Gas	Lazard	Ongoing.
	Mystic River 8	Mass.	832	Gas		
	Mystic River 9	Mass.	832	Gas		
	Fore River	Mass.	832	Gas		
Calpine	Ontelaunee Energy	Ontelaunee Township Center, Penn.				Sold to LS Power for \$225M.
	Grays Ferry	Philidelphia	175 MW,	gas-fired,		Tenaska in talks to acquire 50% interest for \$37 million.
	Philadelphia Water	Philidelphia	23 MW	gas-fired diesel and biogas		Tenaska in talks to acquire 8% interest for \$7 million.
	Morris Power Plant,	Morris, Ill.	156 MW,	gas-fired		Diamond Generating in talks to acquire. For \$82 million.
	Saltend Energy Centre	Hull, England	1,200 MW,	gas-fired		International Power and Mitsui & Co. have. Agreed to acquire for \$906 million.
Citi & SocGen-led creditor group (TECO Energy developed plants)	Union	Ark.	2,200	Gas	Goldman	Ongoing.
	Gila River	Ariz.	2,300	Gas		
CMS Energy	Ensenada	Argentina	128	Gas	Not chosen	Announced Intention To Sell.
	CT Mendoza	Argentina	520	Gas	J.P. Morgan	
	El Chocon	Argentina	1,320	Hydro	J.P. Morgan	
Citi-led bank group (NEG developed plants)	Lake Road	Conn.	840	Gas	Lehman Bros.	Cargill Bought Debt Portion (PFR, 12/27). Complete Energy Has Won The Bidding. Actively Pursuing A Sale.
	La Paloma	Calif.	1,121	Gas	Lehman Bros.	
	Delta Power	Lowell Power	Mass.	82	Gas	
Duke Energy North America	Bridgeport Energy Project	Bridgeport, Conn.	490 MW	Gas	CSFB	May Be Back On The Block.
	Maine Independence Station	Penobscot County, Maine	520 MW	Gas		
	Bayside Power Project	St. John, New Brunswick	260 MW	Gas		
	Fort Frances Cogeneration Project	Fort Frances, Ontario	110 MW	Gas		
	Lee Energy Facility	Lee County, Ill.	640 MW	Gas		
	Vermillion Energy Facility	Vermillion County, Ind.	640 MW	Gas		
	St. Francis Energy Facility	Glennonville, Mo.	500 MW	Gas		
	Washington Energy Facility	Washington County, Ohio	620 MW	Gas		
	Fayette Energy Facility	Fayette County, Pa.	620 MW	Gas		
	Hanging Rock Energy Facility	Lawrence County, Ohio	1,240 MW	Gas		
	Oakland Power Plant	Oakland, Calif.	165 MW	Gas		
	Moss Landing Power Plant	Monterey County, Calif.	2,538 MW	Gas		
	Morro Bay Power Plant	Morro Bay, Calif.	1,002 MW	Gas		
	South Bay Power Plant	Chula Vista, Calif.	700 MW	Gas		
	Griffith Energy Facility	Mohave County, Ariz.	600 MW	Gas		
	Arlington Valley Energy Facility	Maricopa County, Ariz.	570 MW	Gas		
	McMahon Cogeneration Plant	Taylor, British Columbia	117 MW	Gas		
El Paso Europe	Enfield	U.K.	396 (25%)	Gas	None	Ongoing.
	EMA Power	Hungary	70	Coal		
	Kladna	Czech Rep.	350	Coal		
El Paso North America (Merchant assets)	Berkshire	Mass.	261 (56.41%)	Gas		Final Bids Due. Negotiations Are Taking Place With BroadStreet Resources.
	CDECCA	Conn.	62	Gas		
	Eagle Point	N.J.	233	Gas		
	Pawtucket	R.I.	67	Gas		
	San Joaquin	Calif	48	Gas		
EnCana	Cavalier	Alberta	106	Gas	HSBC	Being Shopped To North American Power Group. Launched Sale In April.
	Balzac	Alberta	106	Gas	HSBC	
	Kingston	Ontario	110 (25%)	Gas	HSBC	



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## Generation Auction & Sale Auction (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status
Energy Investors Fund	Multitrade Crockett	Va. Calif.	79.5 (60%) 240 (24%)	Biomass Gas	None	BNP Paribas is advising on the sale BNP Paribas Is advising on the sale.
Entergy Asset Management	Robert Ritchie Warren Power RS Cogen Harrison County	Ark. Miss. La. Texas	544 314 425 (49%) 550 (70%)	Gas/oil Gas CHP Gas	None	Ongoing.
EPRL	Glanford Thetford Ely Westfield Elean	U.K. U.K. U.K. U.K. U.K.	14 39 13 10 38	Poultry Litter Poultry Litter Poultry Litter Poultry Litter Straw	Rothschild	Ongoing.
Exelon/PSEG	Eddystone Generating Station Linden Generating Station	Delaware County, Pa. Linden, N.J.	1,510 MW 775 MW	Coal and Gas Gas		Interviewing Banks To Advise On Sales.
HSBC-led creditor group	Attala	Miss.	526	Gas	HSBC	Sold To Entergy.
KBC-led creditor group	Milford	Conn	542	Gas	Lazard	Ongoing.
Mirant	Shady Hills West Georgia Bosque County Wichita Falls	Fla. Ga. Texas Texas	474 640 538 77	Gas Gas Gas Gas	BofA	Ongoing.
Morrow Power	Boardman	Ore.	28	Gas	Marathon Capital	Evaluating Bids.
Nations Energy	Bayport Mungo Junction Southbridge	Texas Ohio Mass.	80 32 7	N/A		Considering Liquidation.
National Energy Gas & Transmission (USGen New England)	Salem Harbor Brayton Point Manchester St. Connecticut River Deerfield River	Mass. Mass. R.I. N.H. Mass.	745 1,599 495 479 89	Coal/Oil Coal Gas Hydro Hydro	Lazard	Dominion Has It Under Contract.
Oman (Ministry of Housing, Electricity & Water)	Rusail Ghubratt Wad AlJazzi	Oman Oman Oman	730 507 350	Gas CHP Gas	CSFB	-
Reliant Energy	Carr Street Astoria Gowanus Narrows	N.Y. N.Y. N.Y. N.Y.	95 1,276 549 281	Oil Gas Gas Gas	Goldman	Ongoing.
InterGen	La Rosita Redbud Cottonwood Magnolia El Bajio Termocali Rocksavage Spalding Coryton Rijnmond Knapsack Catadau Meizhou Island Power Quezon Callide C Millmerran Athens Covert Harquahala Millennium	Mexico Okla Texas Miss. Mexico Columbia U.K. U.K. U.K. Netherlands Germany Spain China Singapore Philippines Australia Australia N.Y. Mich. Ariz. Mass.	1,100 1,220 1,235 900 600 235 748 860 732 820 790 1,200 724 750 460 920 880 1,080 1,170 1,092 360		Citigroup	AIG And Ontario Has Won The Bidding War.
SG-led bank group (NEG developed plants)	Iskenderun Dell Power Station McAdams Power Station Chehalis	Turkey Ark. La. Wash.	1,320 540 599 520	Gas Gas Gas Gas	Morgan Stanley	Ongoing. Reviewing Options.
Tractebel North America					N/A	Looking To Sell Or Swap.
United Utilities	Landfill Generation Portfolio	U.K.	50 MW	Landfill	RBC Capital Markets	Set To Launch Sale In May.
WPS Resources	Sunbury Generating Station	Shamokin Dam, Pa.	450 MW	Coal	Lazard	Buyers Are Stalling Over Fuel Contracts.

## CALPINE EYES

(continued from page 1)

The IPP could pocket between \$500-600 million (at about \$400 per kW) if it opts to dispose of the plants, notes one tracker. Calpine has not initiated a formal auction process—and probably will not—but is instead reviewing reverse inquiries from one or more interested parties, one official says.

The plants are natural gas-fired operations, constructed between 2000 and 2002 and wholly owned by Calpine. They include the 116 MW Auburndale Peaking Energy Center in Auburndale, Fla., the 267 MW Tiverton Power Plant in a Rhode Island town of the same name, the 170 MW Dighton Power Plant in Massachusetts and the 538 MW Westbrook Energy Center in Westbrook, Maine. Another Maine plant, a 263 MW facility in Rumford is also under review.

Calpine has been shedding assets to shore up its balance sheet at a rapid clip. Two weeks ago it shopped its 550 MW Ontelaunee Energy Center in Pennsylvania to **LS Power Holdings** for approximately \$225 million and about two months ago it shopped its 1.2 GW Saltend Generation facility in Hull, England to a venture consisting of **International Power** and **Mitsui & Co.** for some \$900 million.

—Mark DeCambre

## HYDRO-QUÉBEC

(continued from page 1)

were not returned.

The transmission projects in the bundle, that have yet to be built are: the Harbor Cable linking Linden, N.J., to Queens, N.Y.; the Lake Erie Link transmission project; and the New Jersey Cable Project connecting the transmission grids of New Jersey and Long Island.

**EIF Group** and **General Electric** and two other undisclosed prospects are eyeing the asset, one observer notes. The additional buyers could not be identified, nor could the precise timeline for the sale, but the first round of bidding is believed to have gotten underway. **Terrence Darby**, managing director at EIF, declined to comment when reached on his mobile. GE officials did not

return calls for comment.

The cable link, which was completed in 2002, was embroiled in political wrangling until last summer when it was permanently switched on, says one official. It was turned on temporarily after an emergency order for its operation was issued by former Energy Secretary **Spencer Abraham** from August 2003 after the blackout incapacitated much of the Northeastern region of the U.S.

—M.D.

## VANCOUVER HYDRO

(continued from page 1)

because longer-term debt, in the 20-year range, is being sought to match the life of the generation facility. Underpinning financing is a 15-year PPA contract with **BC Hydro** that has already been drawn up. **Coast Mountain Hydro** anticipates that the **Forrest Kerr Hydroelectric Project** will be running by late 2007, or early 2008.

Plans are for **Coast Mountain** to select a lead underwriter and hit the market with an eye toward a fourth quarter.

**WestLB** has served as an advisor on the deal since its inception. Officials there declined comment, but **Woznow** says the bank could be considered for a lead position along with other financial institutions, declining to name names.

—Mari Slater

## Calendar

- **The Sustainable Energy Finance Initiative** will hold its 2nd Sustainable Energy Finance Roundtable in New York on October 27<sup>th</sup> at the Park Central Hotel. For additional information please contact **Nadim Chaudhry**, via email at nadim.chaudhry@greenpowerconferences.com

## Quote Of The Week

*"We looked at a series of ways to get around our restricted capacity problems and we talked with other banks. The best idea at the end of the day came from CSFB."* —**Robert Flexon**, cfo at **NRG Energy**, on why the company chose **Credit Suisse First Boston** to lead a refinancing effort (See story, page 3).

## One Year Ago In Power Finance & Risk

**Shell WindEnergy** and **Goldman Sachs** were seeking an approximately \$130 million loan for a portfolio of wind farms in California and Wyoming. [Shell and Goldman Sachs launched the loan as a \$123.3 million 15-year transaction led by **Fortis Capital**. **Royal Bank of Scotland** acted as a co-arranger on the deal, which involved refinancing two wind parks west of Palm Springs, and a 50 MW Rock River facility in Wyoming (PFR, 9/20).]

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