

# power finance & risk

The exclusive source for power financing and M&A news

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## Joint Venture Courts Banks

**Gemini Solar** is looking to finance a 30 MW photovoltaic solar plant near Austin.

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## WESTLB TO EXPAND ENERGY BIZ

WestLB expects to grow its energy business in the next year even as the bank closes offices amid a European Union-mandated downsizing.

The bank expects to hire 12 to 15 staffers to add to its global energy group of 65 in the next year in an effort to grow its \$10 billion energy portfolio by 50-60% in the next four years, says **Tom Murray**, global head of energy in New York.

"Energy has historically been very profitable for us," Murray told *PFR*. "The bank is comfortable with the business and the risk/return profile is attractive. Anyone questioning whether we will be active in the energy business should not be concerned anymore."

Murray will look to hire bankers for the origination team and a few energy credit experts in the credit department. The bank is going to increase its focus on structured project

*(continued on page 12)*

## AUSTRALIAN REFINANCING FACES CARBON HURDLE

The first coal plant facing refinancing in Australia ahead of pending carbon legislation is unlikely to get new banks involved in the deal and has some of the original banks looking to scramble out of it. **International Power** has A\$445 million (\$384 million) of interest-only debt on its 1,675 MW Hazelwood plant coming due in February. The original lenders will likely provide the refinancing but at a robust spread.

An IP spokeswoman would only reference a recent



*(continued on page 12)*

## FPL SEEN PICKING UP SOME BABCOCK WIND ASSETS

**Babcock & Brown** is expected sell five wind facilities to at least two utilities, including **Florida Power & Light**. An earlier bid for the 570 MW portfolio by **Diamond Castle Holdings** fell through (*PFR*, 4/17). The sale is expected to close next week.

The five generating assets are valued at around \$1 billion. **Ted Brandt**, ceo of **Marathon Capital**, which is running the auction, declined to comment.

In June, **Carlyle/Riverstone** bought the development portion of Babcock's wind assets that are now known as **Pattern Energy** (*PFR*, 6/12).

Both FP&L and Babcock officials declined to comment.

—Holly Fletcher

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## At Press Time

## Spaniards Hunt Austin Solar Funds

**Gemini Solar**, a joint venture between Spanish company **Fotowatio** and **SunTech Power Holdings** is looking to mandate a bank to lead roughly \$150 million in financing for its 30 MW photovoltaic project near Austin, Texas. "It's not just a plain vanilla financing," says a banker familiar with the deal, declining to elaborate. The partners will look to mandate a bank before month-end and wrap the deal before year-end, the banker adds.

Fotowatio raised \$350 million from shareholders **GE Energy Financial Services** and Spain's **Grupo Corporativo Landon** to support projects in Europe and the U.S. and also to fund its acquisition of **MMA Renewable Ventures**, which had a 400 MW development pipeline of renewable projects. **Matt Cheney**, ceo of the renamed MMA company **Renewable Ventures** in San Francisco could not be reached for comment by press time.

**Austin Energy** selected Gemini in March to build a 30 MW plant and will have a 25-year PPA with the facility, which is slated for operation by the end of next year.

## Duke Targets Partners For Nukes

**Duke Energy** is considering partnering with munis, co-ops and other investor-owned utilities for its \$23 billion of proposed nuclear projects. A spokesman in Charlotte points to its partnership the **North Carolina Municipal Power Agency Number One**, the **North Carolina Electric Membership Corp.** and the **Piedmont Municipal Power Agency** for the 2, 258 MW Catawba plant in York County, S.C.

The proposed projects include the \$12 billion, 1,650 MW Southern Ohio Clean Energy Park near Piketon, Ohio, which Duke is building with **Areva** and the \$11 billion 2.2 GW Lee Nuclear Station in Cherokee County, S.C.

**David Hauser**, cfo, has pointed to **Progress Energy**, **SCANA** and **Dominion** as possible partners (PFR, 11/14). **Charles Wilson**, general manager of project and international finance, did not return calls regarding the projects and the spokesman declined to elaborate on the search for partners. Progress, SCANA and Dominion spokesman did not immediately respond to calls.

## Solar Manufacturer Sharpens Acquisition Hunt

**SunPower** is reportedly considering buying solar generation development assets. Specific targets could not be determined, but the move is in line with general plans the Richmond, Calif., manufacturer and installer of solar panels outlined to *PFR* earlier: when a bond issuance was oversubscribed earlier this year, CFO **Dennis Arriola** said some of the funds could go toward an acquisition (PFR, 5/29).

Solar manufacturers are increasingly looking at buying development projects to make sure they don't get a back up in inventory since solar project development has slowed amid the economic downturn.

In the last year **First Solar** bought a \$400 million solar asset pipeline from **OptiSolar**. **SunTech Power Holdings** linked with **MMA Renewable Ventures** to form a joint venture, **Gemini Solar Development Company**, to develop a 30 MW solar project in Austin (PFR, 3/11). Gemini is mandating banks to lead financing on that project (see story above).

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## enXco Ind. Financing Set To Wrap

**Dexia Crédit Local, Helaba and Union Bank** was set to close a more than \$100 million financing backing enXco's 106 MW Hoosier wind project near Fowler, Ind., last week, notes a deal watcher. **Jim Peters**, director of project finance in Burlington, Vt., and bank officials did not return calls. Details of the financing such as pricing, tenor and structure could not be immediately learned.

The **EDF Energie Nouvelles** unit had been talking to tax equity investors **JPMorgan, MetLife, Union Bank and Wells Fargo** for financing for the project (PFR, 7/10). The status of those discussions could not be learned. The farm consists of 53 **REpower 2** MW turbines and is slated for operation this year. **Indiana Power & Light** has a 20-year PPA with the facility.

## Mexican LNG Club To Close

A seven-bank club is set to wrap the \$680 million financing backing the **Mitsui**-led consortium's 500 million cubic feet per day re-gasification terminal in Manzanillo City, Mexico. The deal is expected to close in the next week, says a deal watcher.

**Bank of Tokyo-Mitsubishi, BBVA, Calyon, Mizuho Corporate Bank, Development Bank of Japan, Standard Chartered and Sumitomo** have each taken \$59.8 million tickets in the deal, which consists of a \$210 million tranche guaranteed by the **Korea Export-Import Bank** and a \$208 million uncovered tranche. The uncovered tranche is priced in the range of 300-350 basis points over LIBOR and the guaranteed tranche is priced in the low 200 bps range, the deal watcher notes. **KEIC** is providing the remaining portion of the deal in the form of a direct loan.

Mexico's state-owned **Comisión Federal de Electricidad** awarded **Mitsui** and partners **Korea Gas** and **Samsung** the mandate to build and operate the facility for 20 years (PFR, 8/7). The facility is slated for operation in 2011.

## Georgia Co-op Snags Plant From Southern

**Oglethorpe Power** will purchase **International Power's** 300 MW oil and gas-fired **Hartwell** plant, according to documents filed with the U.S. **Federal Energy Regulatory Commission** last Tuesday, voiding **Southern Co.'s** attempts to purchase the facility for \$148.5 million.

Oglethorpe, which has a PPA expiring in 2019 for generation from the facility in Hart County, Ga., exercised its right of first refusal in the deal as offtaker for the plant, confirms **Joe Rick**, director of capital markets in Tucker, Ga. "Purchasing a plant is a good strategic fit for OPC and our member systems since we need the power and the price is right," Rick says. **Bruce Levy**, executive director of North America for IP in Marlborough, Mass., and a

spokesman for Southern in Atlanta, did not return calls.

Southern had approached IP with an unsolicited offer to purchase the plant and IP chose to sell because it does not have other assets in the region (PFR, 4/24). IP's plans for the use of proceeds from the deal could not be learned.

## Terra-Gen Looks To Resurrect Refi

**Arclight Capital Partners** affiliate **Terra-Gen Power** has relaunched its effort to refinance debt on a group of renewable assets. It is now eyeing a club deal after pulling a planned B loan in July.

The company has been approaching banks. "They are not getting any leverage on that transaction for the amount they're looking for," says one banker, who says post credit crunch, club deals are still easier to do than syndications.

Terra-Gen is seeking \$250 million to refinance an 18 month-old acquisition bridge loan used to finance the purchase of **Caithness Energy's** 831 MW portfolio of solar, wind and geothermal assets (PFR, 6/26).

**Citigroup** led the B loan effort, which also included a \$25 million associated working capital letter of credit. Deal watchers said the company pulled the loan because it got too expensive (PFR, 7/24).

Arclight and Terra-Gen did not return calls for comment.

## Clipper To Woo Banks

Wind turbine manufacturer **Clipper** is talking to banks and planning a field trip for project financiers to its Cedar Rapids, Iowa, manufacturing plant before year-end as it aims to quell lender skepticism about its machines. "The problem with banks is that there's a herd mentality, if one lender says they won't finance a technology, others will follow," says **Andrew Mathews**, v.p. of wind turbine financing in New York.

The company and joint venture partner **BP Alternative Energy** will likely seek financing to build its 5 GW **Titan** Wind project in Hand County, S.D. Mathews declined to identify potential participants in the trip or specify financing plans and timelines for Titan. The first 25 MW phase of the project is slated for operation next year.

Project financiers are skeptical of the JV partners' plans to use **Clipper** turbines for all phases of Titan. "You just can't get Clippers financed right now," says a banker. However, Mathews points to **BP** and **Dominion's** oversubscribed \$287 million financing backing the first phase of the **Clipper** and **Vestas**-equipped 750 MW **Fowler Ridge** wind project in Benton County, Ind. (PFR, 7/31) and the use of **Clipper** turbines in three **First Wind** projects as evidence of lenders' and developers changing attitude toward **Clipper** machines.

**BP** chose **Clipper** turbines for its **Titan** project due to low

operating costs compared to other manufacturers, among other reasons, Mathews adds. A BP spokesman in Houston did not return calls. The first 25 MW phase of the Titan farm is expected to go online next year and has a long-term PPA with **NorthWestern Energy**.

## Oregon LNG Developer To Hunt Financing

**LNG Development Co.** and parent company **Leucadia National Corp.** will start talking to banks by the middle of next year to finance its \$1.3 billion pipeline and liquefied natural gas terminal off the coast of Oregon. The company is looking to secure a 70:30 debt-to-equity structure and will approach banks after it secures permits and capacity contracts for the facilities, says **Mohammed Alrai**, senior v.p. in Vancouver, Wash.

Leucadia will lead the arrangement of debt funding and likely look to relationship banks for the deal. The company is looking for oil and gas companies and trading houses to take up capacity on the 130-mile line and the 1.5 billion cubic feet per day terminal, and also to become partners on the project and contribute equity.

Alrai declined to identify potential partners or the relationship banks of Leucadia. **Joseph Orlando**, cfo of Leucadia in New York, did not return calls. The project is slated for operation in 2014.

## Lenders Wary Of U.S. Nuclear

U.S. utilities lack of experience in the nuclear sector, historical construction delays, cost overruns and new technologies are making banks wary of financing the next \$188 billion wave of proposed nuclear projects in the country. "Nuclear has a really long road ahead of it," notes a project financier in New York.

Although the new generation of reactors are more efficient and have lower operating costs, bankers say it will be difficult to get credit committees to sign off on innovative technologies.

**Duke Energy**, which aims to build the \$11 billion, 2.23 GW Lee nuclear station in Cherokee County, S.C., was speaking to banks this spring about financing for the project. **Charles Wilson**, general manager of project and international finance in Charlotte, did not return calls and the status of those discussions and the company's plans for financing the project could not be immediately learned.

Utilities with ratebases don't need to rely on project financing and those projects may get built more quickly. **Southern Co.** subsidiary **Georgia Power** and **SCANA** are including costs of their proposed nuclear reactors in their respective capital expenditure programs, which allows them to recover costs through base rates. Companies are also looking to the U.S. **Department of Energy's**

\$18.5 billion nuclear loan guarantee program to finance up to 80% of project costs. **NRG Energy**, **Unistar** and **SCANA** have a total of five projects that made the DoE shortlist for the loan guarantees in February out of 14 projects that originally applied. A spokesman for the DoE did not return calls regarding the timeline for announcing the winners of the guarantees.

## EIF Assets Draw Full Bids

The auction to sell six assets in **Energy Investors Funds U.S. Power Fund** is going well, according to one deal watcher whose firm bid on one asset among the group, only to have it rejected. The **Neptune Regional Transmission System** and stakes in five generation facilities are for sale (PFR, 6/26).

"They wanted a bid on all of the assets," the deal watcher says, "and apparently they got it."

**Barclays Capital** is leading the sale and first round of bids were taken at the beginning of August (PFR, 8/7).

Barclays and EIF did not return calls for comment.

## PE Power Shop Adds MD

Private equity shop **Abatis Capital** has hired **Grant Davis** as managing director. Davis started Sept. 1 in New York and will be involved in fundraising as well as investment origination. Davis worked for **New York Life Investment Management**.

"We're looking at all assets in the power sector," Davis says of operating in his new role. "We're not specializing in renewables or coal. It's the full scope of power assets and related infrastructure." Davis expects to pitch business to the usual line up of private equity investors including pension funds, endowments, insurance companies and fund of funds.

**Scott Gregory**, another managing director at Abatis, contacted Davis about the job. The two worked together at **GE Capital**. Gregory was unavailable for comment.

## Corporate Strategies

### MLP Taps Notes To Pay Off Acquisition

**Plains All American Pipeline** issued \$500 million in senior notes last Tuesday to pay down debt from its acquisition of the remaining 50% share of **PAA/Vulcan Gas Storage**, a joint venture with **Vulcan Capital**. The Houston-based master limited partnership completed the purchase for \$220 million from Seattle-based **Vulcan Capital** on Aug. 27.

PAA will pay off the newly-acquired company's \$450 million debt, it said in a press release. Funds may also go toward redeeming 7.13% bonds set to mature in 2014,



according to the statement.

Joint bookrunners on the deal were **Citigroup**, **UBS**, **SunTrust** and **Wells Fargo**. The 10-year senior notes priced at 2.45% over U.S. Treasuries and have a 5.75% coupon and were rated Baa3 by **Moody's Investor Services** and BBB- by **Standard & Poor's**. UBS declined to comment and calls to the other banks and PAA were not returned.

## Fla. Municipal Utility To Issue Build America Bonds

**Gainesville Regional Utilities** is in the process of pricing two tranches of Build America Bonds totaling \$154.25 million. The deal, led by **JP Morgan**, is scheduled to close Friday. Maturities could not immediately be learned.

The muni, which oversees the electric, water, natural gas and telecommunications operations in Gainesville, Fla., will use money to construct a new operations center and an ongoing gas clean up project, says **Kimberly Jamerson**, spokeswoman. The coupon is yet to be determined.

**Sacramento Municipal Utility District** was the first utility to issue BABs in May (PFR, 5/29), which are part of the American Recovery and Reinvestment Act of 2009 and can be issued for U.S. government sanctioned projects like infrastructure.

**Barclays Capital** and **Goldman Sachs**, which underwrote the first issuance of BABs, are joint bookrunners. Calls to the banks were not returned. **Standard & Poor's** rates the bonds AA.

## Puget To Issue Debt For Wind Projects

**Puget Sound Energy** has issued \$350 million in 5.75% secured notes to fund a capital expenditure program largely devoted to developing wind projects, says **Tony Bettinelli**, an associate at the U.S. utilities and infrastructure group at **Standard & Poor's** in San Francisco. A spokeswoman at the Bellevue, Wash.-based company did not return calls. **JPMorgan**, **Bank of America**, **Merrill Lynch**, **Royal Bank of Scotland** and **SunTrust Robinson Humphreys** are the joint bookrunning managers on the issue of 30-year notes.

Proceeds from the issue will pay down a \$400 million revolver that the company uses to fund its three-year \$3.5 billion capex program. The bulk of the program funds the 1,250 MW Lower Snake River wind farm in Garfield and Columbia Counties, and a 40-50 MW expansion to its 229 MW Wild Horse wind farm in Ellensburg, both in Washington. Lower Snake River will go online in 250 MW phases starting in 2011 through 2021 and the Wild Horse expansion is slated for operation next year. The cost of the projects and the company's plans for financing them in addition to the debt issues could not be immediately learned.

S&P boosted PSE's secured credit ratings to A- from BBB+ due to the reduction of debt and increase in equity holdings at PSE from its \$7.4 billion acquisition by a consortium led by **Macquarie Infrastructure Partners** (PFR, 1/30).



## 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](mailto: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		
	Barka	Muscat, Oman	456 (35%)	Gas	Citi, HSBC	Quietly marketing Middle East portfolio along with a few one-off assets (PFR, 2/23). 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	N/A	Looking for joint venture partner for wind business (PFR, 3/16).
	Kilroot	near Carrickfergus, Northern Ireland	560	Coal and Oil		
	Various	U.S.	1,174	Wind		
	Hulunbeier	Inner Mongolia, China	50 (49%)	Wind		
	InnoVent	France	30 (40%)	Wind	TBA	Tipped that assets are for sale (PFR, 5/18).
	Hargicourt	Hargicourt, France	12 (40%)	Wind		
	Hescamps	Hescamps, France	5 (40%)	Wind		
	Pl��ch��tel	Pl��ch��tel, France	4 (40%)	Wind		
Various	Various	Bulgaria, China, France and Scotland	410 development	Wind	TBA	
	Various	Latin America	TBA	Various		

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

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
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).
	Various	Maine	24	Hydro	N/A	Filed with FERC approval (PFR, 8/10).
Astoria Project Partners	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, 1/9).
	Majestic I	near Panhandle, Texas	80	Wind		FPL and others expected to close on generating assets (see story, page 1).
	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		
	Gulf Winds	Kenedy County, Texas	238	Wind		
BARD Engineering	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		
	T	Tehachapi, Calif.	102	Wind		
	N/A	Knob Hill, Vancouver Island, B.C.	393	Wind	Marathon Capital	Partnering with Brookfield Renewable Power on the \$235 million project (PFR, 9/7).
	N/A	Banks Island, B.C.	525	Wind		
	N/A	Porcher Island, B.C.	198	Wind		
	N/A	McCauley Island, B.C.	233	Wind		
CP Power Investments (Starwood Energy Investors II and Tyr Capital)	Panoche	Firebaugh, Calif.	49	Gas	N/A	Looking for new offtakers or buyers for facilities (PFR, 7/28).
	Vaca-Dixon	Vacaville, Calif.	49	Gas		
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.
Dynergy	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		

# Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
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. Bidders shortlisted to four players: two financial, two infrastructure (PFR, 6/18/07).
	RS Cogen	Carsen County, Texas	40			
	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		
7	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 Anáhuac/Rio Bravo II	Tamaulipas, Mexico	495 MW	Gas/Steam	TBA	
	Central Lomas de Real/Rio Bravo III	Tamaulipas, Mexico	495 MW	Gas/Steam	TBA	TBA
	Central Valle Hermoso/rio Bravo IV	Tamaulipas, Mexico	500 MW	Gas/Steam	TBA	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).
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 Cananda (Harbinger Capital Partners)	Island Generation	Duncan Bay, B.C.	230	Gas	UBS	First round bids taken 4/30 (PFR, 4/30) and second round bids taken in Aug.
	King City Cogeneration	King City, Calif.	120	Gas		
	Whitby Cogeneration	Whitby, Ontario	50	Gas		Asset taken off the block for unknown reasons.
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	Sale to J&T expected to close in November (PFR, 9/7).
	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).
	Athens	Athens, N.Y.	1,000	Gas/Oil		Strategic Venture Partners seeking to buy 40% stake in company (PFR, 2/9).
	Harquahala	Tonopah, Ariz.	1,090	Gas		



# Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
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	Rio Bravo Fresno	Fresno, Calif.	25	Biomass	N/A	In discussion with potential buyers (PFR, 8/31/07).
Northeast Wind Partners, subsidiary of enXco Power Group	Linden Wind Farm	Klickitat County, Wash.	50	wind	N/A	Southern California Public Power Authority is set to buy the \$139 million farm (PFR, 8/31). Holds interests alongside Constellation Energy Group.
NRG Energy	Indian River	Millsboro, Del.	784	Coal	N/A	Seller soliciting offers on plant (PFR, 11/8/07).
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's highest bid for the geo co. (see story, page tk).
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 to undisclosed buyer in one month (PFR, 8/24).
	Brea Project	Brea, Calif.	5	Landfill		On the block (PFR, 1/19).
	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%)			
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	Kartha 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.	In final stages of choosing a buyer (PFR, 8/24).
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		

## 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](mailto:jprezioso@iineews.com).*

### Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
BP Alternative Energy	Unknown (130 MW Wind)	Benton County, Ind.	TBA	Mini-Perm	TBA	TBA	Deal to close at month-end (PFR, 9/7).
Brookfield Renewable Power, Coram Energy	Unknown (102 MW Wind)	Tehachapi, Calif.	TBA	TBA	TBA	TBA	Planning to approach banks in the fall for p.f. (PFR, 9/7).
Enerdyne Power Systems	Unknown (3 MW Landfill Gas)	Clarksville, Tenn.	TBA	TBA	TBA	TBA	Looking for banks to provide debt (PFR, 9/7).
Horizon Wind	Various (600 MW Wind) Rail Splitter (101 MW Wind)	Various Logan County, Ill.	TBA JPM Capital Corp.	TBA Tax Equity	TBA TBA	TBA TBA	Seeking tax equity (PFR, 9/7). Tax equity deal wrapped (PFR, 9/7).
International Power	Various (3.5 GW Gas)	New England, Texas	TBA	TBA	TBA	TBA	\$770M debt due for refi in July (PFR, 9/7).
Mitsui, Korea Gas, Samsung	Manzanillo (500 bcf LNG Regas)	Manzanillo, Mexico	BBVA, BoTM, Calyon, Development Bank of Japan, Mizuho, KEXIM, Standard Chartered, Sumitomo	Construction/ Term Loan	\$680M	12-yr	Seven lenders set to wrap this week (see story, page 3).
Terra-Gen Power	Various (831 MW Renewables)	Various	TBA	Refi	\$250M	TBA	Re-launched refi efforts (see story, page 3).

For a complete listing of the Project Finance Deal Book, please go to [iipower.com](http://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

- **Google's** green energy research team hopes to show a new, viable solar thermal mirror technology that would lower construction costs on solar thermal plants in the next few months (*Reuters*, 9/10).
- **Tri-State Generation and Transmission Association** is planning to construct more than 80 miles of transmission lines in parts of New Mexico and Colorado (*The Daily Times*, 9/9).
- **Ambient** will provide the communications infrastructure for **Duke Energy's** smart-grid project that was started in 2005 (*The Boston Business Journal*, 9/9).
- **First Solar** has received approval from the Chinese government to construct a 2 GW solar field, the largest in the world (*Wall Street Journal*, 9/9).
- **Pacific Gas & Electric** has joined a group of utilities looking for help from **Cisco Systems** with \$85 million smart grid project plan (*InTech*, 9/9).
- **GDF Suez** wants the Brazilian government to give priority to developing midsize power plants instead of focusing on mega hydro dams (*Wall Street Journal*, 9/9).
- **Toshiba** will make a \$4.3-5.4 billion bid for **Areva's** transmission and distribution unit (*Wall Street Journal*, 9/8).
- The U.S. **Environmental Protection Agency** would regulate carbon dioxide emissions and create a cap-and-trade system or take other measures if Congress fails to pass emissions legislation, predicted **Carl Pope**, head of the **Sierra Club** (*Reuters*, 9/8).
- **Peco Energy** will purchase and modify 20 **Ford F550** trucks to operate as hybrid plug-in vehicles as part of a U.S. **Department of Energy** initiative (*The Philadelphia Inquirer*, 9/8).
- **Progress Energy** and **Florida Power & Light** are facing opposition from environmentalists and the state consumer advocate over fees to raise money for proposed nuclear facilities (*Orlando Sentinel*, 9/8).

## News In Brief (cont'd)

• The California **Public Utility Commission** voted on a **San Diego Gas & Electric** plan that would cut power to 60,000 customers in 17 areas when the **National Weather Service** issues a fire advisory (*Los Angeles Times*, 9/8).

• Wind generation has the potential to reduce the cost of power in the U.S. by \$3 to \$5 per KWh by 2011, according to **Sanford Bernstein & Co.** (*Bloomberg*, 9/7).

• Six members of the **Connecticut Municipal Electric Energy Cooperative** are working on a plan to buy a share of the transmission lines that run through the state (*The Day*, 9/6).

• **Ameren** is planning to layoff an undisclosed number of employees and offer buyouts to 350 more as the company struggles because of reduced electricity demand (*St. Louis Post-Dispatch*, 9/5).

### Europe

• France could see a carbon tax of \$24.72 per ton of carbon dioxide emissions as early as next year if a proposal by President **Nicolas Sarkozy** is passed (*Bloomberg*, 9/10).

• German utility **EnBW** is committed to purchasing a 48% stake in natural gas company **Verbundnetz Gas**, but has alternatives to increase its share in the gas business if the deal should fall through (*Wall Street Journal*, 9/8).

• **Alstom** and **Siemens**, two of the largest coal-fired plant producers, could see profits fall because of wholesale overcapacity in Europe (*Bloomberg*, 9/7).

### Asia/Pacific

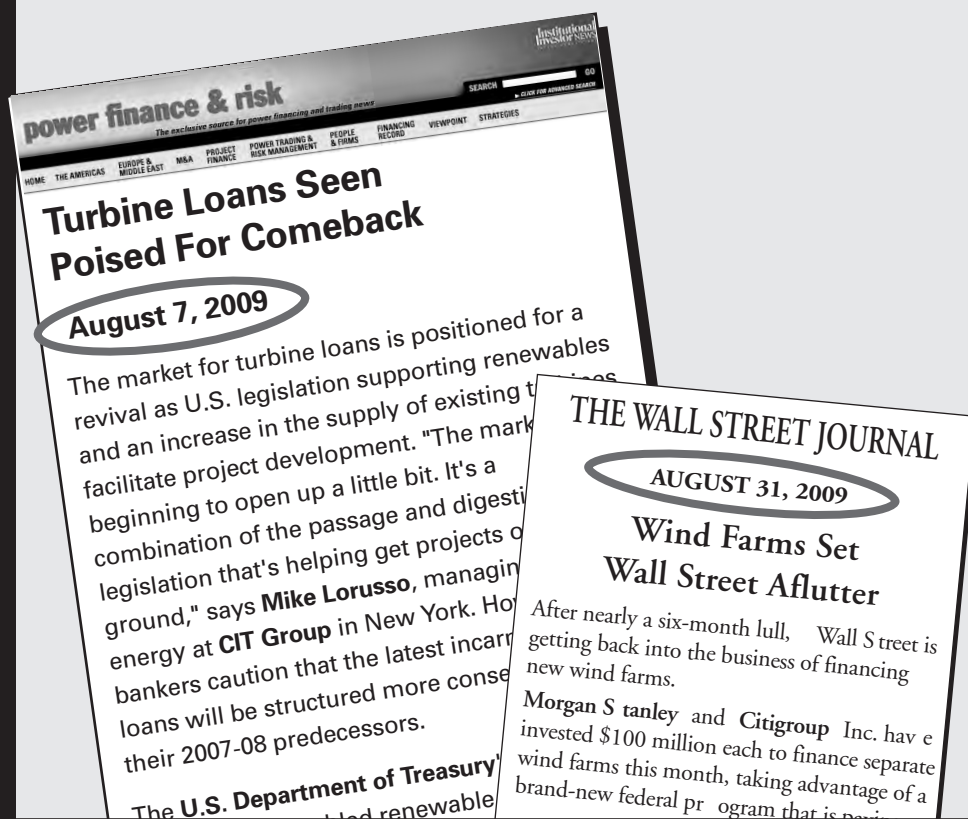
• Slowing emissions over the next 20 years may cost India as much as \$1.1 trillion, according to a **McKinsey & Co.** study (*Bloomberg*, 9/9).

• The Indonesian power market is now open to private generators after the parliament voted Tuesday to revoke the state-owned company's monopoly (*Reuters*, 9/8).

• Power consumption increased in Taiwan for the first time in a year as industrial demand picked up; industrial companies required 5.8% more power than this time last (*Bloomberg*, 9/7).

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## WESTLB TO EXPAND

(continued from page 1)

finance and is gearing toward a 75-25% ratio of structured project finance versus corporate finance, he adds.

The bank closed its Houston office as of Aug. 31 and will close offices in Mexico City and Santiago, Chile imminently. It recently closed offices in Ukraine, South Africa and Hungary as the EU required the consolidation in order for the bank to keep state money.

WestLB has historically been active in financing conventional and renewable energy projects. It was one of four lead arrangers on the \$1.1 billion financing of **Astoria Energy's** 500 MW gas-fired project in Queens, one of eight in a \$534 million financing backing **NRG Energy** and **United Illuminating's** GenConn natural gas peaking plants and clubbed up with four banks for **Edison Mission Energy's** \$202 million in financing backing a portfolio of wind projects in Texas, Nebraska and New Mexico (PFR, 4/09, 4/28 & 5/22).

—Jeanine Prezioso

## AUSTRALIAN REFINANCING

(continued from page 1)

conference where officials said it would be considering all of its financing options.

The banks have formed a steering committee to discuss the refinancing, likely to be completed by mid-December. The original banks, which include **Australia & New Zealand Banking Group**, **Bank of America**, **Bank of Tokyo-Mitsubishi UFJ**, **Calyon**, **WestLB**, **SG Australia Ltd.**, **Royal Bank of Scotland Australia** and **Westpac Banking Corp.**, will likely offer a two- to three-year mini-perm and wait to see where the carbon tax falls. Current lenders either declined comment or could not be reached for comment.

The refinancing is part of a 2004 A\$1,206 billion loan taken to repay debt which had a 12-year tenor at 7.8%. Current spreads for mini-perm refinancings are going at around 300-325 over the Australian bank bill swap rate. This refinancing is likely to be completed at around 375, says a banker. A short-term loan will allow the banks to see how the legislation will play out and how much it will cost the plant before a longer term financing can be put in place.

By some analysts' estimates, the impact of the legislation on revenues could mean up to a three-quarter reduction in cash flows; some estimates peg the cost of emitting carbon at \$10 per metric ton in the first year as set by the legislation. Eventually the plant will be able to pass any carbon costs along to ratepayers as contracts are generally short term and can be renegotiated once the legislation is in place.

—J.P.

## Alternating Current



### Power Play

#### Bangladesh Gov't Ditches The Power Suit For Power

The government of Bangladesh is abandoning the power suit after 27 years as it faces severe power shortages and plans for a \$6 billion power plant building program to support the nation's growing economy.

Bangladeshi Prime Minister **Sheikh Hasina** is ordering public servants to abandon the suit-and-tie dress code instituted in 1982 for short sleeve shirts and more casual garments to cut air conditioning use, according to **MSN News**. **Syed Abul Hossain**, communications minister in Dhaka, could not be reached for comment via phone and did not return an e-mail.

Public servants in the U.S. capital don't face nearly as much heat. The summertime temperature of Washington, D.C., is in the high 80s; cooler than the average 100-degree summer temperatures in Bangladesh. The U.S.

**Department of Energy** is turning down the thermostats on nights and weekends and installing efficient lighting in government buildings, a spokeswoman notes in an e-mail.

However, details of the current dress code, or any future changes to it, could not be learned.



## Calendar

**Energy Conferences** will host the second Annual SAP for Utilities Conference Sept 16-18 at the Washington Marriott Wardman Park in Washington, D.C. To register, visit [www.sap-for-utilities.com](http://www.sap-for-utilities.com), or call 914.509.5354.

## Quote Of The Week

"Anyone questioning whether we will be active in the energy business should not be concerned anymore." —**Tom Murray**, global head of energy at **WestLB** in New York, on the bank's plans to grow its global energy group in the next year despite a European Union mandate to downsize (see story, page 1).

## One Year Ago In Power Finance & Risk

**LNG Development Co.** was planning to finance its \$1.3 billion pipeline and liquefied natural gas facility with 70:30 debt-to-equity. [The Vancouver, Wash.-based subsidiary of **Leucadia National Corp.**, is looking for strategic partners and will approach the project finance market, pending permitting, by the middle of next year (see story, page 4).]