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Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

By the publisher of GlobalCapital

Bank Quintet Launches Bayonne Deal

Richard Metcalf

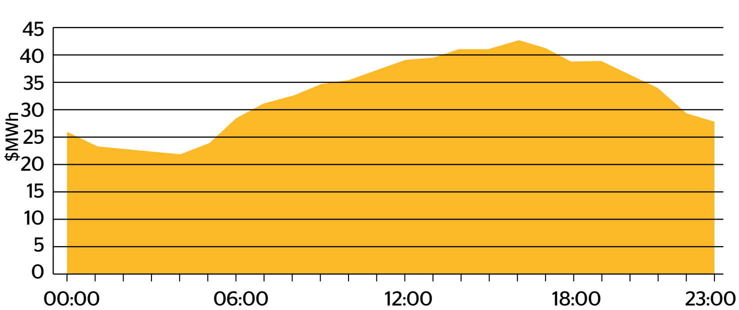
The banks underwriting **Morgan Stanley Infrastructure Partners**' acquisition of the Bayonne Energy Center in New Jersey—the two initial coordinating leads plus three others—launched the acquisition loan into syndication last week.

Initial price talk on the $500 million seven-year mini-perm has been set at 275 basis points over Libor, say people familiar with the deal.

The CLAs launched the loan into syndication as planned on Sept. 12, the first day after the Jewish New Year, Rosh Hashanah. Commitments are said to be due in late September or early October.

The asset manager, which agreed to acquire the 644 MW combined-cycle project from **Macquarie Infrastructure Corp.** in July, assigned **Crédit Agricole** and **Investec** as initial coordinating lead arrangers for PAGE 9 »

NY-ISO Zone J Day Ahead Market, Sept. 14
Locational Based Marginal Price



Source: NY-ISO

Irish Developer Seeks Equity for Chilean Platform

Taryana Odayar

Dublin-based **Mainstream Renewable Power** has hired an adviser to find an equity partner who will help build and operate its $1.65 billion wind and solar portfolio in Chile.

KPMG London is seeking expressions of interest for a stake in the developer's 1.3 GW Andes Renovables Chilean platform, Mainstream officials told *PFR*.

Other investment banks were not invited to bid on the deal, according to project finance bankers close to the transaction, who were surprised by Mainstream's choice of adviser.

"I have not seen KPMG doing anything in the Latin American power sector so PAGE 10 »

Pension Fund Inks Loans for U.S. Wind Portfolio

Shravan Bhat

The infrastructure investment arm of a Canadian pension fund signed a debt financing for a huge U.S. wind project portfolio last Friday.

The $393.5 million transaction will finance **OMERS Infrastructure Management**'s purchase of **Leeward Renewable Energy**'s 1.7 GW operating wind portfolio.

The package PAGE 7 »

PJM CCGT in Talks for Debt, Equity

Shravan Bhat

A fully permitted, combined cycle gas-fired facility in Virginia is in the market for debt and equity.

Private equity sponsor **Ares-EIF** and family-owned developer **NOVI Energy** are receiving investor interest for their 1,060 MW C4GT project in Charles City County.

"We have now got all local and state permits so PAGE 9 »

IN THIS ISSUE

PROJECT FINANCE

Wildfire Downgrades Trickle Through to Projects

A wave of West Coast utility downgrades in the wake of Californian wildfires, despite the passage of legislation that would allow the companies to pass some liabilities on to customers, has trickled through to at least one publicly-rated project finance deal.

On Sept. 6, **Moody's Investors Service** lowered **Pacific Gas & Electric**'s senior unsecured rating from A3 to Baa1, while **San Diego Gas & Electric** slipped from A1 to A2 and **Southern California Edison** from A2 to A3.

Fitch Ratings similarly downgraded SDG&E's senior secured rating to from AA- to A+ and PG&E's rating from BBB+ to BBB on Sept. 13.

As a result of the utility downgrades, Moody's also changed the outlook on its Baa1 rating for **Topaz Solar Farms**' senior secured debt from positive to negative on Sept. 10. Fitch had downgraded the notes from A- to BBB+ in March.

Approximately $958 million of securities due in 2039 are associated with the 550 MW solar project in San Luis Obispo County, which earns revenue from a 25-year power purchase agreement with PG&E.

SB 901

The wildfire bill "SB 901", which passed both California houses last week, provided some improvement over the existing status quo by establishing a framework for wildfire mitigation practices and expanding the **California Public Utility Commission**'s say in deciding the quantum of liability utilities can pass on to ratepayers.

The legislation did not, however, repeal the inverse condemnation rule, where even if a utility "prudently" manages its infrastructure during a fire, it could be held accountable for damages if its assets were involved in causing the fire.

"SB901 failed to address the most important risk factor—inverse condemnation—and the benefits it provides are dependent on implementation by state regulators," wrote Moody's v.p. and senior credit officer, **Jeff Cassella** in a Sept. 7 report. "The bill is nevertheless a net credit positive over the existing situation for all of California's regulated utilities, and is evidence of extraordinary legislative intervention to address material risks faced by the state's critical infrastructure."

Moody's has revised SDG&E and SCE's credit outlook from negative to stable.

Investors have been tracking Californian utilities' fire liabilities ever since the "unprecedented" wildfires killed 44 people in PG&E's Northern California service territory last October (PFR, 3/2). ■

Power Finance & Risk

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TELL US WHAT YOU THINK!

Do you have questions, comments or criticisms about a story that appeared in ***PFR***? Should we be covering more or less of a given area? The staff of ***PFR*** is committed as ever to evolving with the markets and we welcome your feedback.

Feel free to contact **Richard Metcalf**, editor, at (212) 224-3259 or richard.metcalf@powerfinancerisk.com

GENERATION AUCTION & SALE CALENDAR

These are the current live generation asset sales and auctions, according to Power Finance and Risk's database.
A full listing of completed sales for the last 10 years is available at http://www.powerfinancerisk.com/AuctionSalesData.html

Generation Sale DATABASE

Seller	Assets	Location	Adviser	Status/Comment
● Ahana Renewables, U.S. Bank	Portfolio (46.9 MW Solar)	New Jersey, California, Massachusetts	Media Venture Partners	CleanCapital is buying the C&I portfolio for $122 million (see story, page 9).
● AltaGas	Gas, Power Assets	Canada, U.S.		Birch Hill Equity Partners is buying AltaGas's non-core Canadian midstream gas and power assets (see story, page 5).
	Portfolio (523 MW Gas)	San Joaquin Valley, Calif.	Scotiabank	An Avenue Capital Partners portfolio company is buying a CCGT plant and two peakers (see story, page 5).
Ares-EIF, Oaktree	Linden Cogen (974 MW Gas, 10%)	New Jersey	Deloitte Korea, KPMG	A Korean consortium comprising GS EPS, Hana Alternative Asset Management and Mirae Asset Dawoo is buying the interest (PFR, 9/4).
BP Wind Energy North America	Portfolio (430 MW Wind)	Texas	BAML	Phoenix Wind Repower is in exclusive talks to buy the merchant projects (PFR, 9/10).
Calpine Corp., Mitsui & Co.	Greenfield Energy Center (1,005 MW Gas)	St. Clair Township, Ontario		The owners are running the sale process themselves (PFR, 8/27).
Carlyle Group	Calpeak Portfolio (416 MW Gas)	California	Guggenheim	Carlyle appointed Guggenheim to sell the six peakers in two-stage auction process in June (PFR, 8/13).
Dominion Energy	Fairless Works (1,240 MW Gas), Manchester Street (450 MW Gas)	Pennsylvania, Rhode Island	JP Morgan	Dominion is selling two gas-fired units as its seeks to hit corporate debt reduction targets (PFR, 7/23).
Dutch Infrastructure Fund	Portfolio (38.5 MW Solar)	Ontario	Raymond James	Ullico is the buyer, marking DIF's first exit in North America (PFR, 9/10).
EDP Renewables	Meadow Lake VI (200 MW Wind)	Benton County, Ind.	CIBC	CIBC launched the sale of the contracted, development-stage assets in June (PFR, 8/27).
	Prairie Queen (200 MW Wind)	Allen County, Kan.		
	Sharp Hills (250 MW Wind)	Special Areas 3 & 4, Alberta		
	Nation Rise (100 MW Wind)	North Stormont, Ontario		
Eletrobras	Various Wind Assets (880 MW Net)	Brazil		An auction is scheduled for Sept. 27 (PFR, 8/27).
Empresas Públicas de Medellín	Los Cururos (109.6 MW Wind)	Chile		The Colombian utility is selling assets in the wake of a natural disaster at its 2.4 GW Ituango hydro plant (PFR, 8/13).
Engie North America	Live Oak (200 MW Wind)	Schleicher County, Texas	Thorndike Landing	Engie is looking to sell down a stake in the renewables portfolio (PFR, 7/16).
	Solomon Forks (276 MW Wind)	Colby, Texas		
	Portfolio (140 MW Solar)	Various		
GE EFS	Private Equity Portfolio		BAML	BAML began pitching the private equity holdings to potential buyers in May (PFR, 6/11).
● Genalta Power, Kensington Capital	Portfolio (66 MW Waste to Heat)	Alberta, Canada	Deloitte	Greystone Infrastructure Fund has bought the nine operating projects (see story, page 6).
LS Power	Aurora (878 MW Gas)	Aurora, Ill.	Guggenheim, BAML	LS Power has again taken bids for the portfolio after adding the Ironwood facility to the group (PFR, 7/30).
	Rockford (450 MW Gas)	Rockford, Ill.		
	Ironwood (765 MW Gas)	Lebanon, Pa.		
● Mainstream Renewable Power	Andes Portfolio (1.3 MW Wind, Solar)	Chile	KPMG London	The Irish developer is seeking an equity partner to build and operate its $1.65 billion renewable portfolio in Chile (see story, page 1).
NextEra Energy Resources	Portfolio (1,388 MW Wind, Solar)	U.S.		NextEra is using convertible equity financing from BlackRock to drop the projects down into its yieldco (PFR, 9/10).
Noble Environmental Power	Portfolio (612 MW Wind)	Clinton, Wyoming and Franklin counties, N.Y.	Greentech Capital Advisors	The Carlyle Group agreed to make its first wind investment for the Zephyr portfolio (PFR, 9/10).
North American Power Group	Rio Bravo Fresno (28 MW Biomass, 50%)	Fresno, Calif.		NAPG is in talks with potential buyers of its 50% stakes in the projects (PFR, 8/27).
	Rio Bravo Rocklin (28 MW Biomass, 50%)	Lincoln, Calif.		
NRG Energy	NRG Yield	U.S.	BAML, Credit Suisse (buyer), Barclays, JP Morgan (seller)	Global Infrastructure Partners has closed its acquisition of the yieldco stake and the renewables development arm (PFR, 9/10).
Oaktree Capital Management	Arlington Valley (580 MW Gas)	Arlington, Ariz.	Guggenheim (seller)	Capital Power Corp. has agreed to buy the project for $300 million (PFR, 9/10).
Sempra Energy	Portfolio (2.6 MW Wind, Solar)	U.S.		Sempra is selling its U.S. renewable assets (PFR, 7/2).
● Unknown	Unnamed project 750 MW (Solar plus Storage)	California		Swedish wind developer Eolus Vind has acquired the project, which includes a 250 MW battery component (see story, page 7).
● Vistra Energy	Joppa (Transmission Lines)	Illinois		Blackstone-owned transmission owner-operator GridLiance is buying the six 161 kV transmission lines (see story, page 6).
● Voltalia	Portfolio (197 MW Wind)	Brazil		Echoenergia, which is controlled by Actis, is the new owner (see story, page 11).

● **New or updated listing**

The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed.
To report updates or provide additional information on the status of financings, please call Taryana Odayar at (212) 224 3258 or e-mail taryana.odayar@powerfinancerisk.com

● PROJECT FINANCE

Deal Book is a matrix of energy project finance deals that Power Finance & Risk is tracking in the energy sector.
A full listing of deals for the last several years is available at http://www.powerfinancerisk.com/Data.html

Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Deal Type	Loan Amount	Tenor	Notes
174 Power Global (Hanwha Q Cells)	Torreón-HQ 100 (101 MW Solar)	Coahuila, Mexico	Bancomext, KDB	Debt	TBA	TBA	The project has contracts for energy, capacity and clean energy certificates (PFR, 8/27).
Advanced Power	South Field (1,182 MW Gas)	Columbiana County, Ohio	CIT, Crédit Agricole, GE EFS, NH Investments	Debt	$620M	5-yr	Israeli and Japanese lenders entered the U.S. market for the first time (PFR, 9/4).
Ares-EIF	Hill Top Energy Center (620 MW Gas)	Greene County, Pa.		Debt			The sponsor is targeting the bank market with the aim of reaching financial close in the fourth quarter (PFR, 8/6).
● Ares-EIF, Novi Energy	C4GT (1,060 MW Gas)	Charles City County, Va.	TBA	Debt, Equity	TBA	TBA	The shovel-ready project is in talks for debt and equity (see story, page 1).
Arroyo Energy	PemCorp (129 MW Gas)	Mexico	Natixis, SMBC	Debt	$126M	5-yr	A Kia Motors car factory will buy the power through a 20-year PPA (PFR, 9/4).
Atlas Renewable Energy	Guajiro (101.4 MW Solar)	Mexico	Bancomext	Term Loan	$88.5M	TBA	SunPower had obtained a 15-year PPA in Mexico's first power auction, before selling the project to Atlas (PFR, 9/4).
Balico	Chickahominy (1,650 MW Gas)	Charles City County, Va.	TBA	Debt, Equity	TBA	TBA	A development team, formerly at Cogentrix, has hired a financial advisor to begin the equity raise (PFR, 8/20).
Copenhagen Infrastructure Partners	Misae (240 MW Solar)	Childress County, Texas	CCA Group	Tax Equity	TBA		Sage has a 20-year PPA with Rocky Mountain Power while Misae has a hedge from a financial institution (PFR, 9/4).
	Sage (56 MW Solar)	Rich County, Utah					
Covanta Energy	Corporate	U.S.	Citizens, Crédit Agricole, JP Morgan, BAML, MUFG, SMBC	Term Loan	$400M	5-yr	The refinancing package extended the facilities' maturities and was priced at 200 bp over Libor (PFR, 9/10).
				Revolving Credit Facility	$900M	5-yr	
Cypress Creek Renewables	Buckleberry (52 MW Solar)	Pitt County, N.C.	Churchill Stateside Group	Tax Equity	TBA		The project is under construction (PFR, 8/27).
● Dominion Energy	Cove Point (LNG Terminal)	Lusby, Md.	Mizuho, MUFG	Debt	$3B	3-yr	Pricing is said to be tight, at 137.5 bp over Libor (see story, page 8).
E.On	Stella (201 MW Wind)	Kenedy County, Texas	Allianz Capital Partners	Tax Equity	TBA		Stella is located in ERCOT South with AEP Texas providing transmission (PFR, 9/4).
EDP Renewables	Meadow Lake, Prairie Queen (400 MW Wind)	Indiana, Kansas	Citi, Allianz	Tax Equity	TBA		The tax equity investors will take stakes in the two wind farms through a vehicle called Vento XIX (PFR, 9/4).
EVM Energia, General Electric	Energia del Valle de Mexico II (626 MW Gas)	Mexico State, Mexico	BNP Paribas, Citi, SMBC	Term Loan	$575M	9.3-yr	The hybrid financing for the $753 million CCGT project is expected to close in September (PFR, 8/27).
				U.S. Private Placement		22.7-yr	
FGE Power	Goodnight (500 MW Wind)	Armstong County, Texas	Karbone	Tax Equity	TBA		The sponsor has already secured a cash equity commitment for the project from Fortistar (PFR, 5/29).
GCL New Energy	Portfolio (38.5 MW Solar)	Oregon	PNC Bank	Debt	TBA	TBA	The four project portfolio is contracted under 10-year PPAs with PacifiCorp. (PFR, 9/4).
GE EFS	Shady Hills (573 MW Gas)	Pasco County, Fla.	TBA	TBA	TBA	TBA	GE EFS is aiming to have all the permits in place and reach financial close in December (PFR, 5/21).
Graña y Montero	La Guajira (Transmission)	Colombia	Ashmore	Equity	TBA		The British emerging markets investor will inject equity from its second Andean fund (PFR, 9/4).
Longview Power	Longview (700 MW Coal)	Maidsville, W.Va.	Houlihan Lokey (adviser)				Longview Power has hired Houlihan Lokey for a potential refinancing (PFR, 4/9).
● Morgan Stanley Infrastructure Partners	Bayonne Energy Center (644 MW Gas)	Bayonne, N.J.	Crédit Agricole, Investec, ICBC, KEB Hana, Nomura	Mini-perm	$500M	7-yr	The deal to finance MS Infrastructure's acquisition of the plant launched last week (see story, page 1).
NTE Energy	Reidsville (500 MW Gas)	North Carolina	Whitehall	Debt, Equity	$650M	TBA	Whitehall is running the $100 million equity raise, while lenders have not been chosen yet (PFR, 7/23).
Pattern Energy Group	Grady (220.5 MW Wind)	Curry County, N. M.	Allianz Capital Partners	Tax Equity	$210M	TBA	CCA Group advised Pattern on the deal, which was signed on July 13 (PFR, 8/27).
● OMERS Infrastructure Management	Leeward Renewable Energy (1.7 GW Wind)	U.S.	Wells Fargo (left), Crédit Agricole, Keybank, MUFG, Santander	Term Loan	$335.6M	7-yr	The deal to refinance debt on 18 operating wind projects closed on Sept. 6 (see story, page 1).
				Letter of Credit	$57.9M		
				Revolving Credit Facility	$10M		
Rockland Capital	Lee (676 MW Gas)	Lee County, Ill.	BNP Paribas, CIT, Crédit Agricole, ING Capital, Investec	Debt	$220M	7-yr	The package, which includes a $20 million revolver, was priced at 300 bp of Libor (PFR, 9/4).
Southern Power (Southern Co.)	Portfolio (1.6 GW Wind)	Texas, Oklahoma, Maine	TBA	Tax Equity	~$1B		The sponsor aims to raise tax equity on the portfolio by the end of the year (PFR, 6/4).
● Venture Global	Calcasieu (LNG Terminal)	Cameron Parish, La.	Goldman Sachs, Morgan Stanley	Equity	TBA		An on-site 611 MW CCGT project to power the liquefiers is also planned (see story, page 8).

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AltaGas Looks to Float Assets in Fundraising Drive

AltaGas is preparing to launch an initial public offering through which it will spin off some of its Canadian assets and utilities as part of the fundraising push for its acquisition of **WGL Holdings**.

The company revealed the plan just days after announcing two deals totaling $560 million for the sales of non-core midstream and power assets in the U.S. and Canada.

The assets it is planning to float on the **Toronto Stock Exchange**, though newly formed subsidiary **AltaGas Canada**, include some of its regulated gas distribution utility assets in Alberta and Nova Scotia, the 102 MW Bear Mountain wind project near Dawson Creek, British Columbia, and an approximately 10% stake in the Northwest Hydro Facilities in British Columbia totaling 277 MW.

The Northwest hydro portfolio comprises the Forrest Kerr project, the McLymont Creek project, the Volcano Creek project and associated transmission facilities.

RBC Capital Markets, **TD Securities** and **JP Morgan** are joint lead bookrunners on the IPO, which is expected to raise C$1 billion ($770 million) and close in late October to early November, subject to regulatory approvals.

Stikeman Elliott is providing legal counsel to AltaGas while **Blake, Cassels & Graydon** is advising the underwriters, according to a preliminary prospectus filed with Canada's **System for Electronic Document Analysis and Retrieval** on Sept. 12.

The company has not yet determined how many shares will be issued or the price per share.

However, it has obtained a provisional BBB (high) credit rating for the spin-off company from **Dominion Bond Rating Service**, suggesting that a bond offering may also be in the works.

AltaGas representatives in Calgary did not immediately respond to inquiries.

AltaGas expects to hold between 37% and 45% of the listed company following the IPO and will nominate three members to its seven-strong board, namely interim-ceo **David W. Cornhill**, vice president **Corine R.K. Bushfield** and AltaGas Canada's new president and ceo, **Jared Green**, whose previous role was president of AltaGas utilities, Canada.

Deal watchers following the process expect that the new shares will be marketed primarily to existing AltaGas shareholders, most of which are institutional investors.

QV Investors, **Sentry Investments**, **TD Asset Management**, **Vanguard Group**, **CI Investments**, **TD Capital Group**, **BlackRock** and **BMO Financial Corp**. are among the largest holders of AltaGas stock, according to regulatory filings.

The underwriters will be granted a 30-day green shoe option to purchase an additional 15% of common shares on top of the initial offering, according to the prospectus.

The proceeds of the IPO will contribute a significant chunk to the repayment of the $3 billion bridge facility that AltaGas signed to finance its $8.4 billion acquisition of Washington, D.C.-based gas utility WGL Holdings.

Last week, the company also announced the sale of a 523 MW gas-fired portfolio in California's San Joaquin Valley to **Middle River Power III**, a Chicago-based portfolio company of New York private equity firm **Avenue Capital Partners** for $300 million (see story, below).

The company also signed a deal to sell non-core midstream gas and power assets in Canada and its stake in **Tidewater Midstream and Infrastructure** to Ontario-based **Birch Hill Equity Partners Management** for approximately $165 million combined.

The IPO proceeds, combined with the $560 million proceeds of the recently announced divestitures and $700 million from the sale of AltaGas' 35% stake in its British Columbia hydro assets in June (PFR, 6/13), are expected to raise approximately $1.9 billion.

This leaves AltaGas with approximately $1.1 billion remaining under the bridge facility for the WGL deal, which is likely to be refinanced with term debt and hybrid bond offerings. AltaGas is aiming to completely repay the bridge loan by the fourth quarter.

"They put themselves into a bind with the amount of leverage to acquire WGL," says a deal watcher closely following the process in Canada. "They bit off a big chunk."

"You're taking debt off but also taking Ebitda off, so the impact on the overall leverage of the company is relatively minor," he added, referring to the IPO strategy. "Leverage is still going to be a concern in my opinion." ■

Middle River Adds Golden State Gas-fired Trio

Middle River Power's acquisition of a gas-fired portfolio in California's San Joaquin Valley from **AltaGas** will add to a roughly 1.6 GW fossil fuel-fired portfolio it has built up over the last four years.

The company, based in Chicago and backed by New York private equity firm **Avenue Capital Partners**, is paying $300 million for the 523 MW portfolio with a view to closing the deal in the fourth quarter.

Scotiabank is advising AltaGas on the sale of the plants, which have power purchase agreements through 2022 with **Pacific Gas & Electric Co.**

The portfolio comprises the 330 MW Tracy combined-cycle plant in San Joaquin County and two peakers, the 97 MW Hanford and 96 MW Henrietta facilities, both in Kings County.

AltaGas had previously attempted to market Tracy as a package with its 507 MW gas-fired Blythe Energy Center in Blythe, Calif., but went back to the drawing board earlier this year (PFR, 3/5) before trying again with the peakers in the deal instead of Blythe.

"I'm not sure why that made it more palatable for the buyers," says a deal watcher in Canada who has been following the sale process.

Besides its roughly 1.6 GW portfolio of operational fossil-fuel fired generation, Middle River also owns the retired 400 MW C.P. Crane coal-fired project outside Baltimore, which it intends to repower as a 146 MW gas-fired peaker.

Meanwhile, the firm is weighing another acquisition in the western U.S., namely the 2,250 MW coal-fired Navajo Generating Station in northeast Arizona. **Peabody Energy**, which supplies the plant with coal, hired **Lazard Frères & Co.** last June to find a buyer after its existing owners scheduled it to retire by the end of 2019 (PFR, 5/1). ■

● MERGERS & ACQUISITIONS

Greystone Infrastructure Fund Buys Canada Portfolio

Greystone Infrastructure Fund has acquired a 66 MW portfolio comprising nine operating power plants in Alberta, Canada.

The fund, which is managed by Saskatchewan's **Greystone Managed Investments**, bought the plants from a private equity fund managed by Toronto-based **Kensington Capital Advisors** and Calgary, Alberta-based waste-to-energy producer **Genalta Power**.

The Greystone fund has also established an energy infrastructure platform, **WCSB Power Holdings**, to target further acquisitions in Western Canada.

Deloitte advised Kensington and Genalta on the sale process, while on the legal side **Cassels Brock** advised Kensington and **McCarthy Tetrault** advised the buyer, says **Kirk Hamilton**, Toronto-based senior vice president of Kensington.

Hamilton declined to disclose the financial terms of the transaction and Greystone officials in Regina did not respond to inquiries by press time.

The plants produce electricity from waste heat, waste gas and sales gas produced by major oil and gas exploration and production companies in Alberta. The E&P companies also have long-term power purchase agreements with the plants.

The youngest of the projects, the 20 MW Peace River Power Centre waste gas-fired facility in Peace River, has only been online since 2017.

Its first phase was commissioned by Calgary-based oil and gas producer **Baytex Energy Corp.** as part of the company's gas conservation efforts for its nearby heavy oil project, which has been the subject of complaints from local residents that fumes were causing headaches, dizziness, rashes and even cognitive impairment, leading some families to move out of the area.

The other plants are between four and six years old. They are:

- the 15 MW Carson Creek gas-fired simple-cycle plant in Whitecourt, which came online in 2014,
- the 15 MW Judy Creek simple-cycle gas-fired plant in Whitecourt which came online in 2014,
- the 2 MW Judy Creek organic Rankine cycle waste heat-to-power plant, also in Whitecourt, which has been online since 2013,
- the 4 MW Galloway waste gas-fired plant in Peace River, which came online in 2013, and
- the 4 MW Cadotte waste gas-fired facility, also in Peace River, which has been online since 2012.

Greystone's newly established WCSB Power will also hold the 7 MW Crowsnest waste heat-to-power project in Sparwood, British Columbia, which the firm acquired from **Keystone Capital** in February.

The Crowsnest plant has a 20-year power purchase agreement with Vancouver-headquartered utility **BC Hydro and Power Authority**, and has been online since 2012. ■

Blackstone's GridLiance Inks Illinois Transmission Deal

GridLiance, the independent transmission owner and operator backed by Blackstone, has signed a deal to acquire six transmission lines from a subsidiary of **Vistra Energy**.

The transmission lines are associated with the 802 MW Electric Energy coal-fired plant in Joppa, Ill., and owned by the same project company.

Vistra owns an 80% stake in Electric Energy as a result of its acquisition of **Dynegy**, which closed in April. **Kentucky Utilities Co.** holds the other 20%.

"This acquisition represents an important milestone for GridLiance and the execution of our strategy to own, operate, and invest in transmission assets," said **Calvin Crowder**, president and ceo of GridLiance, in a statement. "This is our first transaction where we were able to partner with a competitive integrated power company to unlock the value of its existing transmission assets."

Vistra described the 161 kV lines, which cross the Ohio River to interconnect the plant to **MISO**, **Tennessee Valley Authority** and **Louisville Gas and Electric Co.**, as an "exception" in its latest quarterly earnings report.

All of Vistra's other retail operations "depend on transmission and distribution facilities owned and operated by unaffiliated utilities," reads the 10-K filing.

The purchase price for the transmission lines was not disclosed. Officials at Vistra in Houston and GridLiance in Irving, Texas, declined to comment.

The deal is the second acquisition announced by GridLiance this year, the first being its purchase of transmission assets in Ada, Okla., from **People's Electric Cooperative**. ■

● PEOPLE & FIRMS

C&I Solar Chief Moves On

The chief executive of a small-scale solar project developer recently stepped down from the role, shortly after the company was acquired by a larger company.

Rob Scheuermann parted ways with **SoCore Energy** in July, three months after **Engie North America** purchased the distributed solar shop on April 16 (PFR, 3/5).

Scheuermann, a former banker, had served as SoCore's president and ceo since 2016. He had joined the company four years earlier as cfo.

He made the move to development in 2009 after working as a director in **ABN Amro**'s structured funding and investments group, initially moving to Chicago-based **Wind Capital Group**, which was preparing to take its first step into project finance at the time, as vice president, finance (PFR, 1/30/09).

At Wind Capital Group he raised over $1 billion in project financing, including construction loans, term loans and tax equity, and was promoted to senior v.p. He joined SoCore in 2012.

Officials at Engie in Houston declined to comment on Scheuermann's next move. ■

MERGERS & ACQUISITIONS

Swedish Shop Swipes Solar Storage Set

Swedish wind developer **Eolus Vind** has acquired a combined solar-and-storage project totaling 750 MW that is under development in California.

Through local subsidiary **Eolus North America**, the Hässleholm-headquartered developer acquired the project, which comprises a 500 MW solar array and 250 MW battery storage component, from an undisclosed seller. The project is due to be online in 2022.

Located in the **Western Electricity Coordinating Council**, the project does not yet have an offtake contract in place.

Los Angeles-based law firm **Sheppard, Mullin, Richter & Hampton** advised Eolus on the transaction, says **Hans-Christian Schulze**, country manager at Eolus in San Diego.

Schulze declined to disclose the identity of the seller and the financial terms of the acquisition, which is the first solar-and-storage project Eolus will develop in the U.S.

The developer bought its first U.S. wind projects, located near the Californian border in Nevada, for $50,000 from a subsidiary of **Iown Renewable Energy** three years ago (PFR, 12/21/15).

The Scandinavian company has observed a push by western U.S. states to reduce fossil-fired generation and increase renewable portfolio standards, Schulze comments via email.

"A very good example is the leadership shown by Governor Brown when such a large economy like California just made SB 100 law," he writes, referring to California's Gov. **Jerry Brown**.

"SB 100 set a target to arrive at zero emission electricity production by 2045," Schulz notes. "We are certain that other states in the West (and across the U.S. and internationally) will follow. We are therefore bullish on renewables in the Western U.S. and we believe that large scale energy storage will have to play a vital role to cost effectively arrive at the goal!" ■

PROJECT FINANCE

Clearway Plots Texas Wind Repowering

Clearway Energy Group—the newly rebranded renewable energy yield company once known as **NRG Yield**—plans to buy out one of its tax equity investors as it looks to repower a pair of Texas wind projects.

The yieldco will pay $19 million for the tax equity stakes in the 161 MW Wildorado project in Oldham County and the 122 MW Elbow Creek facility in Howard County, according to a Sept. 11 investor presentation.

In order to effectuate the transaction, **JP Morgan Capital Corp.** will transfer its stake in the projects' holding company, **NRG Wind TE Holdco**, back to the yieldco. JP Morgan took the tax equity position in 2014 (PFR, 9/10/14).

Wildorado has been online since April 2007 and has a power purchase agreement with **Southwestern Public Service Company** that does not expire until 2027, while Elbow Creek, operational since November 2008, is contracted with **NRG Power Marketing** through 2022.

JP Morgan's Chicago-based energy tax equity team, under the command of **Yale Henderson** since **John Eber**'s retirement earlier this year (PFR, 5/3), has invested over $18 billion since 2003 and includes four in-house engineers who verify projects' performance.

The bank has thus far shied away from wind repowerings, wary of the risk that new components may not qualify for production tax credits.

Representatives at Clearway in San Francisco and JP Morgan in New York did not immediately respond to inquiries.

The yieldco has right of first offer over two other Texas wind projects—the 150 MW Langford project, online since 2009 in Christoval, and the up-to-400 MW Mesquite Star development-stage project in Fisher County.

Langford sold 80% of its output to **Unilever** in 2015 but Clearway plans to secure a hedge before dropping the project down. Mesquite Star, meanwhile, is due to commence operations in 2020, though it is not as yet fully contracted. ■

Pension Fund Inks Loans for U.S. Wind Portfolio

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comprises a $335.6 million seven-year term loan, $57.9 million letter of credit and $10 million revolving credit facility.

Crédit Agricole, Keybank, MUFG, Santander and **Wells Fargo** were coordinating lead arrangers. Pricing could not immediately be learned.

OMERS agreed to acquire the portfolio—located across the U.S.—from **ArcLight Capital Partners** in March for an undisclosed sum (PFR, 3/22). The deal is slated to close in the third quarter of this year.

The proceeds of the acquisition financing will be used to repay the existing project finance debt associated with the assets.

Crédit Agricole and Santander co-led a $256 million, five-year loan package to finance the initial 18-project bundle—which totaled 1,560 MW at the time—in July 2016.

The transaction included a $50 million accordion feature which was used later that year as ArcLight added to the portfolio through acquisitions.

Described as "a blueprint for renewable portfolio financings going forward," the deal was awarded *PFR*'s renewable project finance Deal of the Year award for 2016 (PFR, 5/25/17).

Leeward, one of the handful of sponsors with repowering experience, was preparing to raise tax equity to repower some projects in the portfolio, such as the 50 MW Mendota Hills facility in Lee County, Ill., as the sale process for the portfolio was underway (PFR, 3/7). **Bank of America Merrill Lynch** ran the auction for ArcLight.

A spokesperson at OMERS in Toronto did not respond to inquiries about the acquisition financing or repowering plans. ■

PROJECT FINANCE

Bankers Eye Next U.S. LNG Export Project

As **Dominion Energy** prepares to close financing for its Cove Point terminal later this month, deal watchers are tracking another LNG export terminal, which they say could be the next such facility to reach final investment decision.

Venture Global is said to be working with **Goldman Sachs** and **Morgan Stanley**—which also assisted the company with prior capital raises—to secure equity for its $4.5 billion Calcasieu Pass project in Cameron Parish, La.

The developer is expecting to reach FID on the project, which is located at the intersection of the Calcasieu Ship Channel and the Gulf of Mexico and has a projected capacity of 10 million tons per annum, in the first quarter of next year.

Assuming it proceeds to financing and construction, commercial operations are penciled in for 2022.

In the meantime, the developer has been steadily accumulating 20-year tolling agreements that so far account for 70% of the terminal's export capacity.

Italy's **Edison** (part of the **EDF Group**) signed up for 1 mtpa in September of last year, **Shell North America** agreed to take on 2 mtpa in March, Portugal's **Galp** contracted 1 mtpa in May, **Polish Oil & Gas** committed to buy 2 mtpa in June and, most recently, Spanish energy company **Repsol** agreed to take 1 mtpa on Sept 7.

Amid the contracting activity, the developer also added to its c-suite team in July, when **Tom Earl**, a 20-year stalwart of **Total**, joined as coo.

> **"Venture Global has offered very competitive offtake pricing, facilitated by low quoted project costs."**

"[The contracts] are structured as Henry Hub-indexed [sale purchase agreements]," **IHS Markit** senior analyst **Matthew Shruhan** tells *PFR*. "Venture Global has offered very competitive offtake pricing, facilitated by low quoted project costs. The recent contracting momentum indicates growing confidence in the cost structure and development concept."

That concept involves Venture Global's TransCameron Pipeline project, which is intended to link the liquefaction facility to multiple interstate pipelines, giving Venture Global access to a range of sources of natural gas.

The developer also plans to construct a 611 MW gas-fired combined-cycle facility and 25 MW gas-fired peaker to power the liquefiers, but details around the status of these projects could not be learned.

Chart Energy & Chemicals will provide some of the technology for Calcasieu, which one project finance banker says gives the project "a competitive advantage."

"The technology is modular, meaning that once operational, it can be scaled up from 10 mtpa at a relatively low cost," the New York-based midstream energy financier tells *PFR*.

Spokespeople for the developer in Virginia and the investment banks in New York declined to comment.

Goldman and Morgan Stanley advised Venture Global on a $108.6 million private placement last year and the Arlington, Va.-based sponsor raised another $160 million of capital last month.

The two Reg. D equity placements took Venture Global's aggregate funding to $630 million, which it will use to fund the development of both the Calcasieu project and a 20 mtpa LNG facility on the Mississippi River called Plaquemines. ■

Two Banks Led on Cove Point "Parking" Loan

Two banks are leading the 20-strong lender group that is providing a three-year loan to finance **Dominion Energy**'s Cove Point LNG export terminal on the shore of the Chesapeake Bay in Maryland.

Mizuho and **MUFG** are providing anchor commitments as part of the $3 billion, three-year loan, which is set to close at the end of the month, a source close to the deal tells *PFR*.

The other lenders are understood to be mostly banks that have long-standing relationships with Dominion. The developer did not hire a financial adviser for the deal.

Pricing is said to be tight, at 137.5 basis points over Libor, because the lenders are not exposed to construction risk and because of the unusually short tenor (PFR, 9/4).

Spokespeople at Mizuho in New York declined to comment while representatives at MUFG in New York and Dominion in Richmond, Va., did not immediately respond to inquiries.

PARKING SPACE

Dominion had initially intended to drop the project down into its master limited partnership, **Dominion Midstream Partners**, but tax reform in the U.S. has scuppered that plan, at least for now.

As a result, the three-year loan is seen as a "parking" facility while longer-term financing is put together, either in the form of a revived MLP dropdown or a foray into the bond market, much used by Dominion.

"It's a [capital] capacity issue," says a New York-based natural resources banker away from the deal. "If you're trying to get that kind of short-term capacity, perhaps that's served in the bank market."

Freeport LNG, a liquefaction terminal in Quintana, Texas, refinanced $1 billion of debt associated with its third train through a 21-year bond offering earlier this summer (PFR, 6/26). ■

FAST FACT

137.5 bp

The tight spread can be attributed to the lack of construction risk.

PROJECT FINANCE

Bank Quintet Launches Bayonne Deal

« FROM PAGE 1

the debt financing last month (PFR, 8/22).

WON OF A KIND

Since then, three other institutions—**Industrial and Commercial Bank of China**, **KEB Hana Bank** and **Nomura**—have joined the deal as coordinating lead arrangers and underwritten it alongside the initial leads.

KEB Hana funds much of its financing activity with dollar-denominated bonds, so its appetite for deals like this one is not affected by the unfavorable cross-currency basis between dollars and won, which has been putting off some South Korean investors this year.

Officials at MS Infrastructure and the banks in New York either could not be reached or declined to comment.

STAGGERED CONTRACTS

The Bayonne Energy Center is partially contracted under two tolling agreements with energy retailer **Direct Energy Business Marketing**, while the rest is sold spot into **NY-ISO**'s Zone J.

The tolling agreements do not have the same duration and one of them is subdivided into two tranches, one of which expires before the other, says the source.

The amount of the project's capacity that is contracted—initially 50%—will therefore decrease in three stages, unless the capacity is re-contracted.

In 2015, when it acquired the plant from **ArcLight Capital Partners**, MIC said the tolling agreements had a 13-year weighted average remaining life.

MS Infrastructure Partners is paying $900 million for the project, including the assumption of $243.5 million of debt (PFR, 7/30). The debt will be repaid with the proceeds of the acquisition loan.

The sale agreement was the result of an auction run by **Guggenheim Securities** following a strategic review of the asset by the seller (PFR, 2/22, 7/12). ■

PJM CCGT in Talks for Debt, Equity

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we are shovel-ready and working with Ares to arrange financing," says **Anand Gangadharan**, president and ceo at **NOVI Energy**. "We're targeting commercial operations by late 2022 or early 2023."

C4GT's sponsors are aiming for financial close early next year and currently working to circle equity commitments—traditionally the most difficult part of a quasi-merchant project's capital stack.

Novi, Mich.-based Gangadharan, who founded NOVI in 2002, declined to comment on the project's total cost.

Another PJM CCGT, **Advanced Power**'s 1,182 MW South Field facility in Columbiana County, Ohio, is being constructed at a cost of $1.3 billion with 49% coming from five-year debt priced at 325 basis points over Libor (PFR, 8/24).

C4GT is not the only new-build CCGT in Charles City County in the early throes of financing, with **Balico**'s 1,650 MW Chickahominy project also vying for investor interest (PFR, 8/13). ■

MERGERS & ACQUISITIONS

ATN Unit Cashes in D.G. Portfolio

Ahana Renewables, the solar development subsidiary of **ATN International**, is selling its 46.9 MW U.S. distributed generation portfolio for $20 million more than it paid for the assets four years ago.

The San Francisco-based developer is selling the 28 commercial and industrial projects to **CleanCapital** for $122 million, four years after buying them for $103 million.

Media Venture Partners, also known as MVP Capital, advised ATN on the deal, which is set to close in the fourth quarter of this year.

The parties signed a purchase and sale agreement on Sept. 9, according to paperwork filed with the U.S. **Securities and Exchange Commission**.

CleanCapital is purchasing the assets through an entity called **CleanCapital Holdco 4**, but the filing notes that communications to the buyer should also be directed to a **BlackRock**-controlled vehicle called **GRP II C&I Solar Holdco**.

BlackRock's precise role in the acquisition could not immediately be learned. Spokespeople for the asset manager in New York did not respond to an inquiry.

The enterprise value for the portfolio comprises the $64.5 million cash purchase price and the assumption of roughly $57.2 million of debt. **U.S. Bank** will liquidate its tax equity interest in the project, held since 2012, according to the filing.

The debt was provided by London-based insurance and financial services group **Legal & General** in the form of a $65.8 million dual-tranche private placement in February of last year (PFR, 2/7/17).

The projects—a mix of ground mounted and rooftop arrays—are spread primarily across California and Massachusetts, with some smaller-scale units in New Jersey.

They are contracted under 10-to-15-year power purchase agreements which had a weighted average remaining life of 12.4 years at the time of the refinancing 18 months ago.

The offtakers include **Mars Petcare**, **Edwards Air Force Base**, **San Diego Community College District**, **Acushnet Company** and **Plymouth Public Schools**.

Ahana puts the unlevered free cash flow of the portfolio at about $53 million as of June.

"Investors are looking for mid-to-high single digit returns from operating renewable assets," says **Ari Citrin**, managing director at MVP.

"We're seeing across the board that the new, aggressive capital coming in is driving valuations higher," he adds. "As the C&I industry matures and projects perform in-line with projections, buyers are willing to take more long-term ownership risk over the asset's life."

Officials at CleanCapital in New York declined to comment until the deal closes while representatives at Ahana in San Francisco did not respond to inquiries. ■

LATIN AMERICA

Irish Developer Seeks Equity for Chilean Platform

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I'm confused as to why Mainstream would choose them," said one banker. "The Chilean market is complicated and financing for these PPAs is quite complex given how aggressively bid this portfolio was. It was very low priced and somewhat over contracted as well."

However, he added that KPMG's success in running Mainstream's sale process for the 450 MW offshore wind farm Neart na Gaoithe in Scotland is likely to be one of the reasons Mainstream retained the adviser (PFR, 11/13/09).

For financing purposes, the Andes Renovables platform is split into three portfolios, which include seven development-stage wind farms and three development-stage solar plants.

"The first portfolio, which has a capacity of approximately 550MW, is expected to reach financial close at the end of this year and the remaining portfolios are expected to reach financial close later in 2019," said a Mainstream spokesperson in Chile via email.

The 550 MW portfolio comprises three wind projects and one solar project, while the second 359 MW portfolio and the third 311 MW portfolio comprise two wind projects and one solar project each.

The seven development-stage wind projects were awarded 20-year power purchase agreements by the **National Energy Commission of Chile** in the country's 2016 electricity supply tender—the most competitive tender in Chile's history (PFR, 8/18/16).

The 12.43 GWh auction drew bids from 84 companies and was seven times oversubscribed.

Mainstream was one of the biggest winners, securing PPAs for the seven wind projects.

Many of these PPAs were won in the 24-hours-a-day block. "We saw that by complimenting wind and solar, we are able to supply energy in a very stable and secure way during 24 hours," said Mainstream's spokesperson in Chile.

This, however, prompted deal watchers at the time to raise questions over financing.

"There has never been a 20-year deal in the Chilean generation market," the banker added. "I think the platform is financeable, but it's very hard for project finance banks to deal with."

THE ASSETS

The three development-stage solar projects in the first, second and third portfolios, respectively, are:

- the 230 MW Escondido Solar in the Atacama region;
- the 142 MW Pampa plant in the Antofagasta region; and
- the 61 MW Tata Inti project in the Tarapaca region.

The seven development-stage wind projects include:

- the 306.5 MW Caman in the Los Rios region;
- the 153 MW Puelche Sur in the Los Rios region;
- the 147 MW Cerro Tigre in the Antofagasta region;
- the 150 MW Tchamma in the Antofagasta region;
- the 108 MW Lazaro in the Antofagasta region;
- the 310.5 MW Entre Rios in the Biobio region; and
- the 76 MW Alena in in the Biobio region.

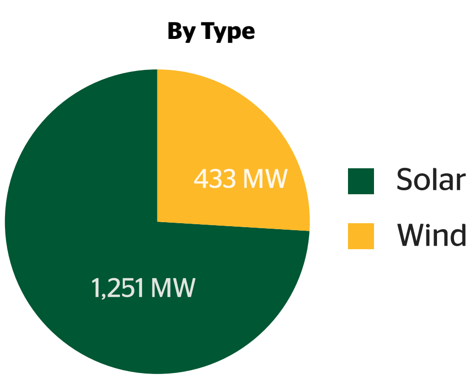
Through its **Aela Energia** joint venture with London-headquartered private equity firm **Actis**, Mainstream also has an additional 300 MW of development-stage wind projects which it won in the 2015 state energy auction, as well as the 33 MW Cuel wind farm, which came online in 2014 and is located in southern Chile's Biobio region.

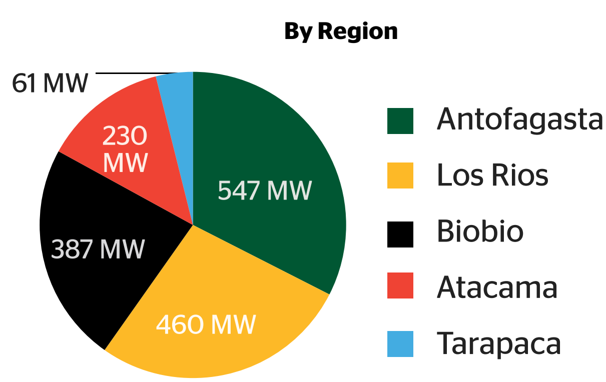
Last August, Aela Energia together with a club of banks closed a $410 million, 18-year senior secured debt financing for Cuel, along with Mainstream's 170 MW Sarco and 129 MW Aurora projects, located in Freirina, Atacama, and Llanquihue, Los Lagos, respectively (PFR, 8/11).

SMBC and **MUFG** were coordinating leads on the deal, which was originally reported by *PFR* in 2016 (PFR, 3/15/16).

Earlier this year, **James P. McGinnis**, the ceo of Mainstream's financing arm, **Mainstream Renewable Capital,** joined boutique investment bank **Peter J. Solomon Co.** as a managing director in New York (PFR, 6/20). ■

Mainstream Development-stage Portfolio





NORTH AMERICAN ENERGY & INFRASTRUCTURE FINANCE FORUM 2018

NRG Pivots from Rewewables Developer to Offtaker

NRG Energy's sale of its wind and solar development business has freed the company to procure renewables from third-party developers as it remodels itself as an energy retailer.

"We went from being a single-developer shop to being able to talk to all of the developers in the marketplace," said **Lynda Clemmons**, the company's vice president for sustainable solutions at the **Euromoney Seminars** North American Energy and Infrastructure Finance Forums in New York on Sept. 12.

The sale of NRG's development platform, **NRG Renew**, along with its sponsor stake in yield company **NRG Yield**, closed at the end of August (PFR, 8/31).

Even before the deal closed, the company had issued a request for information from developers to find out how much renewable generation they expect to bring online over the next four years. "There is a tremendous amount of development still," said Clemmons.

The company then started signing PPAs as an offtaker. In June, it committed to purchase the output of a 25 MW portfolio of **Cypress Creek Renewables** solar projects in Texas.

"The question for the markets is: are they interested in seeing NRG on the other side of an offtake agreement?" says a deal watcher.

Project finance lenders are increasingly having to analyze PPAs with non-utility counterparties that either have sub-investment grade ratings or no ratings at all. NRG's parent-level credit ratings are Ba3 and BB from **Moody's Investors Service** and **S&P Global Ratings**.

The company is marketing the generation from the Cypress Creek portfolio to local end users through flexible plans with variable term lengths and will even throw in the rights to name the projects.

"We can sign a 10-year, 20-year contract and break that down for end users that do not necessarily want to commit for that long," said Clemmons. "140 companies have signed on to the RE100 and agreed to go 100% renewables," she added. "That's hundreds of terawatt-hours of demand. Less than half of these companies have done any long-term renewables purchasing."

Tables Turn in Tax Equity Mart

Amid a squeeze on returns on tax equity, developers are reporting a reversal in market dynamics, with investors coming to them looking for deals.

The rebalancing of power between tax equity and developers comes even as tax reform pushes a few investors out of the market, prompting some market participants to wonder what is going on.

Returns on tax equity are hovering around the 6% to 7% range, at least one percentage point lower than last year, said **Greg Remec**, senior director at **Fitch Ratings**, speaking at the **Euromoney Seminars** North American Energy and Infrastructure Finance Forums in New York on Sept. 12.

"The game's changed to the point where there are more sources of tax equity investors than before," said **Nick Addivinola**, director of business development at **Nautilus Solar**, on the same panel.

The uptick in competition among tax equity providers comes despite provisions in last year's U.S. tax reform bill—in particular the base erosion and anti-abuse tax (BEAT)—causing some foreign-based investors to withdraw from the market entirely.

"I don't know why it is," admits a developer. "I think perhaps people haven't realized how much it is driven on all sides by ESG," he adds, using an acronym for environmental, social and governance criteria.

LATAM

Voltalia Sells Brazil Wind Portfolio

France's **Voltalia** has forged a partnership with a private equity-backed power producer, selling the firm an initial 197 MW development-stage wind portfolio in Brazil with a view to transferring up to 500 MW in total.

Echoenergia, which is controlled by private equity firm **Actis**, is the new owner of the ready-to-build projects, which form part of Voltalia's Serra Branca portfolio in northeast Brazil.

Echoenergia, which was established last year, has already secured "free market power sales agreements" for the 197 MW it has acquired, according to a statement from Voltalia announcing the deal. The developer will provide construction and operational services to Echoenergia.

Voltalia has almost 2 GW of projects in development. Its 443 MW operating portfolio and 223 MW of projects for which it has won contracts over the past two years are not included in the partnership with Echoenergia.

The French company is also planning to build a transmission line to connect its Serra Branca projects to the grid.

PPA PULSE

Kentucky Muni Picks Solar Project

The **Kentucky Municipal Energy Agency** has selected a joint venture between two developers to build an 86 MW solar project in the state, following a highly competitive procurement process.

The agency has signed a 20-year power purchase agreement with **MAP Energy** and **Open Road Renewables** for about 62.5% of the output of their jointly-owned Ashwood Solar 1 project.

KyMEA selected the project from over 200 proposals that were submitted by 38 bidders in response to a request for proposals issued in March 2017.

The Ashwood Solar 1 facility, which will be located in Western Kentucky, is slated to enter commercial operation in 2022.

It will be by far the largest solar project in the state.

Owensboro Municipal Utilities, one of KyMEA's members, is expected to sign a separate PPA for the remaining 32.25 MW, under which KyMEA would have the option, but not the obligation, to purchase any generation that OMU does not.

PEOPLE & FIRMS

Prudential Closes Debut Energy Mezz. Fund

Prudential Capital Group has raised its first fund focusing on mezzanine capital investments in the energy sector, giving the firm $343 million to deploy in middle-market businesses in North America, including conventional power and renewables.

"In conventional power, we are finding transactions in **PJM**, **NYPOOL**, **ERCOT** and Canada that have contracts or hedges," **Randall Kob**, managing principal of **Prudential Capital Energy Partners**, who oversaw the fundraising process, tells *PFR* via email.

"In the renewable sectors, we are finding platform transactions with a large number of projects spread across a multi-state territory," he adds. "We partner with experienced, undercapitalized management teams and allow the team to maintain day-to-day control, and reduce transaction costs and equity dilution through multi-deal platform structures."

The Dallas-based PCEP group, whose principals also include **Ric Abel**, **Matt Baker**, **Wendy Carlson**, **Brian Thomas** and, in Chicago, **Allen Weaver**, expects its investments to range from $10 million to $50 million in size.

Prudential Capital Group is already a well-established senior secured lender in Americas power and renewables and is one of a handful of institutional investors with the capacity to actively originate debt private placements as well as participating in auctions run by banks acting as placement agents.

Earlier this year, the firm teamed up with **U.S. Bank** to provide debt and tax equity for a solar project developed by **Canadian Solar** subsidiary **Recurrent Energy** in North Carolina (PFR, 5/15).

Prudential is also one of about a dozen lenders that are willing to attribute some value to solar project merchant cash flows in certain cases (PFR, 6/28).

The firm is familiar with quasi-merchant gas-fired project debt too, having joined the roughly $1 billion financing for **Invenergy**'s 1.5 GW Lackawanna Energy Center project in Scranton, Pa., at the end of 2016 (PFR, 12/23/16). ■

Changing of Guard at GE EFS

David Nason is stepping down as president and ceo of **GE Energy Finance Services** on Sept. 14 after eight years with the firm.

Brian Ward, currently managing director in GE EFS' global markets team, who has been with the company for 25 years, will take the helm.

Nason has been ceo for five years (PFR, 10/10/13), during which time he oversaw more than 200 debt and equity investments totaling over $14 billion "in volatile markets," according to a letter he circulated to employees on Sept. 12.

A spokesperson for GE an EFS in New York did not respond to an inquiry about his next assignment.

Nason joined **GE Capital** in 2010 as senior vice president and chief regulatory officer following a career as an attorney and in compliance and regulation, including a spell as assistant secretary for financial institutions under U.S. **Treasury Department** secretary **Henry M. Paulson** from 2005 to 2009.

Nason began his legal career in private practice with **Covington & Burling** before being appointed counsel to Commissioner **Paul S. Atkins** of the U.S. **Securities and Exchange Commission** in 2002. ■

10 YEARS AGO

Lehman Brothers—Where Are They Now?

When the financial crisis struck 10 years ago, **Lehman Brothers** had a large and prominent power and utilities investment banking team. Many of those bankers (who had nothing to do with the investments in mortgage-backed securities that brought Lehman down) are still active in the industry. *PFR* has looked at where some of them are now.

Initially, most of them wound up at **Barclays Capital**, after the British bank emerged as the buyer of Lehman's North American investment banking and capital markets division in September 2008 (PFR, 9/17/08). **Bank of America** had also considered a bid.

Carl Weatherley-White, who was Lehman's project finance group chief and co-headed the new formation at Barclays with **Santino Basile** (PFR, 12/24/08), currently heads solar developer **VivoPower** (PFR, 10/9/17).

John Lange and **John Plaster**, both of whom had been with Lehman for over a decade, are still with Barclays.

In recent years, however, a sizeable contingent has drifted away from Barclays to set up shop at **Citigroup**, starting with **Jugjeev Duggal** in 2011 (PFR, 5/25/11).

By 2016, **Shail Mehta**, **Joseph Sauvage**, **Todd Guenther** and **Jack Paris** had all joined Duggal at Citi, where they have remained since (PFR, 4/7/16).

Another member of their team, **Andrew Cooper**, switched to an investor relations role at **Consolidated Edison** last year (PFR, 3/21/17), after close to a decade with Barclays.

In Houston, meanwhile, two dozen Lehman energy bankers led by **Greg Pipkin** and **Lee Jacobe** also made the transition to Barclays (PFR, 9/26/08). Pipkin formally retired in 2016 but went on to co-found opportunistic energy investment firm **NRI Energy Partners**. Jacobe is still an m.d. at Barclays.

On the equity research side, **Daniel Ford** has also stayed at Barclays since taking his power and utilities team there.

Bear Stearns had a power and utilities team too, some of whom headed to **Deutsche Bank** after the crisis.

Their leader, **Thomas Widener**, recently signed on to establish a new team at **Greenhill & Co.** (PFR, 7/25), while another ex-Stearns banker, **Ross Comeaux**, joined **NextEra Energy** last month after a decade with Deutsche (PFR, 8/7). ■