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Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

By the publisher of GlobalCapital

● MERGERS & ACQUISITIONS

Canadian Investors Pick Up Enel Portfolio
Two institutions have acquired **Enel Green Power**'s renewable assets in Mexico and plan to finance those under construction. Page 7

● Q&A

Gregory Hutton, Rabobank — Part II
Gregory Hutton discusses the growth of distributed solar and the bank's appetite for storage with **Fotios Tsarouhis**. Page 8

● PEOPLE & FIRMS

CleanCapital Hires Capital Markets Chief
Matt Eastwick has been appointed head of capital markets by the New York-based renewable financing shop. Page 12

Atlantic Power Seals Second Repricing this Year

Richard Metcalf

Atlantic Power Corp. repriced its term loan B for the second time this year, following an upgrade from **Moody's Investors Service**.

The $562.7 million deal was priced in line with price talk, at 350 basis points over Libor with a 1% Libor floor on Oct. 10. The offering was sold at par and is expected to close on Oct. 18.

Goldman Sachs was lead left and **Bank of America Merrill Lynch**, **MUFG** and **Wells Fargo Securities** were also bookrunners on the loan, which matures in 2023.

The independent power producer has steadily reduced its debt in recent years, repaying $930 million since 2013, and its work was rewarded with an upgrade from Moody's on Oct. 2.

Moody's cited the debt reduction along with cost cutting efforts in a report announcing its upgrade of the term loan from Ba3 to Baa2.

S&P Global Ratings, meanwhile, affirmed its BB- rating for the term loan, with a stable outlook, on Oct. 5, noting that the **U.S. Navy** had decided not to extend agreements with Atlantic Power's 47 MW Naval Station and 40 MW North Island gas-fired projects in San Diego, Calif., and that power PAGE 10 »

Brookfield Plots Hydro Portfolio Refi

Richard Metcalf

Bids from investors are due on Oct. 16 for a $305 million private placement refinancing of a **Brookfield Renewable Energy Partners** hydro portfolio located mostly in New York state.

Citigroup Global Markets and **Scotia Capital** are placement agents for the 13-year deal, which will refinance one tranche of a three-part private placement issued in 2005.

Known as Erie Boulevard, the 872 MW portfolio comprises 78 projects in New York, Pennsylvania, Maryland and West Virginia.

Brookfield Asset Management acquired most of the assets from **Reliant Energy** in 2004 and hired Citi and **ABN Amro** to arrange a $550 million private placement to refinance the portfolio the following year.

The projects were merchant when the debt was originally placed with investors (PFR, 11/18/05).

The notes issued in 2005 all had bullet maturities, says an investor familiar with the transaction, who adds that the refinancing only relates to the 12-year tranche due this year.

The other tranches comprise $250 million of notes due in 2025 and $125 million due in 2030. However, the make-whole provisions likely make it unattractive for Brookfield to refinance these longer-term tranches before they mature, says the investor.

The new deal also has a bullet repayment, after 13 years.

"Not everybody in the mar- PAGE 5 »

NTE Scopes Debt Financing for Contracted Project

Olivia Feld

NTE Energy has taken bids from potential debt providers for a contracted gas-fired project under development in North Carolina, deal watchers tell *PFR*.

The Florida-based sponsor took proposals for a $595 million loan from banks on Oct. 6, says a project financier. Construction is slated to begin on the 500 MW Reidsville Energy Center, a combined-cycle gas-fired project, in Rockingham County, N.C., next year.

The facility was one of three NTE development assets identified by *PFR* last year as being likely to seek financing soon (PFR, 4/18/16). At the time, the facility was reported to have a slated construction PAGE 2 »

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PROJECT FINANCE

Enel Brews Tax Equity Deal for Okla. Wind Project

Two financial institutions are investing tax equity in a 298 MW wind project that has an offtake agreement with **Anheuser-Busch**.

Enel Green Power North America began construction on the Thunder Ranch project, located in Noble, Kay and Garfield counties in northern Oklahoma, near the Kansas border, in May.

GE Energy Financial Services and **Goldman Sachs** will commit $330 million of tax equity to the project, whose construction cost is pegged at $435 million.

St. Louis-based brewer Anheuser-Busch has a power purchase agreement for 152.5 MW of the project's output.

The length of the contract, and whether Enel has a PPA for the remainder of Thunder Ranch's output, could not immediately be learned.

Spokespeople at Enel in Andover, Mass., and Goldman Sachs in New York did not respond to inquiries. A spokesperson for GE EFS in Washington, D.C., declined to comment.

The Thunder Ranch facility is due to be online by the end of the year. Anheuser-Busch's share of its capacity will be enough to brew more than 20 billion 12 oz. servings of beer annually, according to a statement issued by the brewer. ■

NTE Scopes Debt Financing for Contracted Project

« FROM PAGE 1

cost of $500 million.

NTE says that the site will have direct transmission interconnection to **Duke Energy Carolinas** and interconnection to the Transcontinental Gas Pipeline. **Mitsubishi** is providing the gas turbine for the project, which received its air quality permit on July 14. The facility due to be operational in 2021.

Reidsville is said to have a similar offtake structure to the Kings Mountain project, which NTE financed in 2016. The 475 MW gas-fired site, also in North Carolina, was supported by nine mainly 20-year utility and municipal power purchase agreements with multiple offtakers (PFR, 3/16/16).

ING Capital and **MUFG** led a syndicate of nine banks in the $387 million deal for Kings Mountain, which is located in Cleveland County. The construction-plus five-year loan was priced at 225 basis points over Libor, with step ups to 237.5 bps starting in the second year.

Equity investors are thought to be sought for the Reidsville project. **Capital Dynamics** and **Wattage Finance**, which is managed by an affiliate of **Guggenheim Partners**, provided $218 million in equity towards the Kings Mountain facility.

Stephanie Clarkson, cfo of NTE Energy, did not respond to a request for comment and a spokesperson for the company could not be reached. ■

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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
Apex Clean Energy	Portfolio (12 GW, Wind, Solar)	U.S., Canada	CohnReznick	A sale process for the developer has moved into a second round (PFR, 8/14).
ArcLight Capital Partners	Portfolio (1.6 GW Wind)	U.S.	BAML	ArcLight has put the portfolio, known as Leeward Renewable Energy, up for sale (PFR, 10/9).
Ares-EIF	Portfolio (1,918 MW Coal)	U.S.	Citi	Indications of interest were expected this summer (PFR, 7/3).
Ares-EIF, I Squared Capital	Oregon Clean Energy Center (869 MW Gas)	Lucas County, Ohio	Barclays, Credit Suisse	A sale process for the project is underway (PFR, 5/15).
● Cypress Creek Renewables	Portfolio (130 MW DC Solar)	North Carolina, Oregon		New Energy Solar will pay $108 million for the portfolio in installments as milestones are reached (see story, page 10).
Dayton Power & Light	Portfolio (973 MW Gas)	Midwestern U.S.		DPL is seeking a buyer for the assets (PFR, 9/11).
Edison International	SoCore Energy (160 MW DC Distributed Solar)	U.S.	Marathon Capital	Edison International has launched a formal sale process for the subsidiary (PFR, 8/28).
● Enel Green Power	Portfolio (1.7 GW Wind, Solar, 80%)	Mexico	Goldman Sachs, BBVA	CDPQ and CKD Infraestructura México have agreed to pay about $340 million for the stake in the portfolio (see story, page 7).
Energy Capital Partners	Wheelabrator Technologies (1.2 GW Biomass)	U.S., U.K.		ECP has put the company up for sale (PFR, 8/21).
Eversource Energy	Portfolio (1.2 GW Biomass, Coal, Hydro, Oil)	New Hampshire	JP Morgan	Final bids were due in August (PFR, 7/3).
First Solar	Unknown project (250 MW Solar)	Texas	HSBC	First Solar has put the project, said to have a corporate PPA, up for sale (PFR, 10/9).
GE Energy Financial Services	Fairview (1,050 MW Gas, 25%)	Jackson County, Pa.	Citi	GE EFS is marketing its stake in the project (PFR, 9/5).
GenOn Energy	Portfolio (15.4 GW Coal, Gas, Oil)	U.S.	Credit Suisse	GenOn's creditors have put its assets up for sale (PFR, 9/25).
● groSolar (EDF Renewable Energy)	Delta Solar (24 MW)	Eaton County, Mich.		CMS Enterprises, a subsidiary of CMS Energy, is buying the contracted, development-stage project for an undisclosed sum (see story, page 6).
● Hamilton Energy Resource Opportunities	Hero, a.k.a. Hercules (70 MW Solar)	Hamilton County, Fla.		RAI International has acquired a minority stake in the development-stage project (see story, page 6).
Infinity Renewables	Portfolio (6.6 GW Wind, Solar)	U.S.	CIBC	The company is for sale (PFR, 6/5).
Innovative Solar Systems	Portfolio (460 MW Solar)	Texas		The company is seeking a buyer for the three-project portfolio (PFR, 10/9).
Kenon Holdings	IC Power (3,894 MW Gas, Hydro, Oil, Wind)	Latin America, Caribbean, Israel		Kenon has entered negotiations to sell the subsidiary (PFR, 7/31).
LS Power	Carville (501 MW Gas)	St. Gabriel, La.	RBC Capital Markets	LS Power has hired RBC to sell the merchant facilities (PFR, 8/14).
	Hog Bayou (237 MW Gas)	Mobile, Ala.		
Morgan Stanley	NaturEner USA (399 MW Wind)	Montana	Morgan Stanley	Morgan Stanley is selling NaturEner, which owns development wind assets in Alberta as well as the 399 MW operational wind portfolio in Montana (PFR, 5/15).
NRG Energy	Portfolio (6 GW Conventional)	U.S.	Citi, Goldman Sachs, Morgan Stanley	NRG has accepted first-round bids for the assets, which it hopes will raise $4 billion (PFR, 9/18).
	Renewables portfolio (1.2 GW Operational Wind and Solar)			
	NRG Yield, 55.1% (935 MW Solar, 2 GW Wind, 1.9 GW Gas, 190 MW Oil)			
Pacific Gas & Electric	DeSabla (26.7 MW Hydro)	Butte Creek and West Branch Feather River, California	Bodington & Co.	Bodington is running an auction for the assets (PFR, 9/25).
	Miocene (2.9 MW Hydro)			
Recurrent Energy (Canadian Solar)	Astoria, Astoria II, Barren Ridge (235 MW Solar)	Kern County, Calif.	BAML, Scotiabank	KEPCO and a South Korean private equity fund plan to jointly acquire the three projects (PFR, 10/2).
	Tranquillity, Mustang (300 MW Solar)	Fresno and Kings counties, Calif.		Canadian Solar is in talks to sell the projects to an unidentified buyer (PFR, 10/2).
● La Paloma Generating Co.	La Paloma (1,022 MW Gas)	McKittrick, Calif.		Beal Bank is set to take control of the bankrupt project (see story, page 6).
● SunPower	Portfolio (50 MW Solar)	U.S.		True Green Capital Management has agreed to acquire the portfolio (see story, page 7).

● **New or updated listing**

The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed.
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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
Advanced Power	South Field (1.1 GW Gas)	Columbiana County, Ohio	GE EFS	Debt	TBA	TBA	GE EFS is left lead on the debt raise. Other joint lead arrangers will be selected later this year (PFR, 5/1).
American Power Ventures	Renaissance (1 GW Gas)	Greene County, Pa.	Fieldstone (adviser)	Debt, Equity	$900M		Fieldstone Private Capital Group is raising debt and equity for the project (PFR, 4/17).
Brookfield Renewable Energy Partners	Erie Boulevard (872 MW Hydro)	New York, Pennsylvania, Maryland, West Virginia	Citigroup, Scotia	Private Placement	$305M	13-yr	Bids from investors are due on Oct. 16 for the deal, which refinances a 12-year note issued in 2005 (see story, page 1).
Clean Energy Future	Trumbull (940 MW Gas)	Trumbull County, Ohio	BNP Paribas (financial adviser)	Debt	TBA		Deal watchers have tipped the Trumbull project to reach financial close before the end of 2017 (PFR, 9/11).
				Equity	TBA		
E.On	Radford's Run (305.8 MW Wind)	Macon County, Ill.	Allianz, BAML	Tax Equity	TBA		The two institutions are committing tax equity to the project, potentially alongside a third investor (PFR, 10/9).
EDF Renewable Energy	Nicolas-Riou (224.25 MW Wind)	Bas Saint Laurent, Québec	TBA	Debt			EDF and its co-owners, groups representing several municipalities and a First Nation, are seeking debt financing for the project (PFR, 7/10).
EIG Global Energy Partners	Cerro Dominador (210 MW Solar)	Antofagasta, Chile	TBA	Debt	$700-800M		The sponsor plans to raise between $700 million and $800 million in bank debt (PFR, 9/18).
Elemental Energy	Brooks Solar (17 MW)	Newell County, Alberta	National Bank of Canada	Construction Loan, Mini-perm	C$22M		Elemental Energy has closed financing for the facility, which it says is the first utility-scale solar project in western Canada (PFR, 10/9).
Enel Green Power	Portfolio (1.7 GW Wind, Solar)	Mexico	CDPQ, CKD	Debt	$1.1B		CDPQ and CKD Infraestructura México, the third-party equity investors in the portfolio, have provided $1.1 billion of loans (see story, page 7).
					$900M		Enel plans to raise a further $900 million of project finance for the portfolio (see story, page 7).
Enel Green Power North America	Thunder Ranch (298 MW Wind)	Noble, Kay and Garfield counties, Okla.	GE EFS, Goldman Sachs	Tax Equity	$330M		GE EFS and Goldman Sachs will buy the tax equity stakes in the $435 million project, which has a PPA with Anheuser Busch (see story, page 2).
Enel Brasil	Volta Grande (380 MW Hydro)	Rio Grande, Brazil	TBA	Bridge loan	~$295M		Enel is seeking a bridge loan to a potential capital markets take-out (PFR, 10/9).
LS Power	Aspen Generating Portfolio (1,483 MW Gas, Hydro)	U.S.	ING, BNP, Citi, Morgan Stanley	Mini-perm	$337.5M	7-yr	LS Power closed acquisition financing for the portfolio on Sept. 29 (PFR, 10/9).
LNG Group Panama, Gunvor, Gu Xin Group	Telfers (656 MW Gas)	Panama	Société Générale (adviser)	Mini-perm	$661M	7-yr	The sponsors of the LNG-to-power project were aiming to close the debt financing by the end of September (PFR, 9/18).
				Letter of Credit Facility	$75M		
New Energy Solar (Walsh & Co.)	Golden Fields I (54 MW Solar)	Kern County, Calif.	KeyBanc Capital Markets	Private Placement	$62.5M	24-yr	The projects are contracted under PPAs expiring in 2036 and 2041, and the notes have an average life of 13.2 years (see story, page 5).
	Stanford (54 MW Solar)			Letter of Credit Facility	$21.5M		
NextEra Energy Resources	Portfolio (236 MW Wind)	Indiana, Nebraska, California	JPM, Wells Fargo	Tax Equity	TBA		The two banks are investing tax equity in the projects (PFR, 10/9).
NTE Energy	Reidsville (500 MW Gas)	Rockingham County, N.C.	TBA	Debt	$595M		The sponsor took proposals from banks on Oct. 6 (see story, page 1).
Panda Power Funds	Mattawoman (990 MW Gas)	Brandywine, Md.	BNP, Investec	Debt	TBA		ICBC is no longer a co-lead arranger. NH Financial Group is said to be interested in participating in every part of the
			Whitehall	Equity	TBA		
Pattern Development	Henvey Inlet (300 MW Wind)	Ontario	TBA	Debt	TBA		Pattern is seeking debt for the project (PFR, 6/19).
Powersite	Powersite (370 MW Gas)	Karnes County, Texas	Star Financial	Debt	TBA		The sponsor is looking for about $300 million in equity and senior and mezzanine debt (PFR, 10/2).
Quantum Utility Generation	Moundsville (643 MW Gas)	Marshall County, W.Va.	TBA	Debt	TBA		Quantum could launch a debt financing for the project this year (PFR, 2/6).
			BNP Paribas	Equity			
Silicon Ranch Corp.	Portfolio (200 MW Solar)	Georgia	TBA	Debt	TBA		The sponsor plans to finance and build the four projects in the portfolio over the next four years (PFR, 9/18).
			TBA	Tax Equity	TBA		
True Green Capital Management	Portfolio (50 MW Solar)	U.S.	TBA	Debt	TBA		True Green plans to raise project financing for the $140M portfolio it has agreed to buy from SunPower (see story, page 7).
TransAlta Renewables	Kent Hills (17.5 MW Wind, expansion)	New Brunswick, Canada	RBC	Private Placement		16-yr (9.4yr av. life)	The bonds were priced to yield 4.454% (PFR, 10/9).

New or updated listing

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Brookfield Plots Hydro Portfolio Refi

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ket is able to choke down that bullet structure," says the investor. "Some guys really struggle with bullets, but this portfolio has maturities of different years—they've laddered out the maturities."

THIN END OF THE HEDGE

Brookfield combined all of its U.S., Canadian and Brazilian renewable assets in Brookfied Renewable Energy Partners (Brookfield Renewable), a publicly-traded partnership, in 2011 (PFR, 11/30/11).

At the same time, **Brookfield Energy Marketing**, a subsidiary of Brookfield Asset Management, entered into a power hedge contract with Brookfield Renewable.

Under the energy revenue agreement, BEM guaranteed Brookfield Renewable a fixed price of $75/MWh for its generation for 20 years, subject to increases to account for inflation, according to a circular distributed to Brookfield's noteholders in 2011 and seen by *PFR*. Brookfield Asset Management has an option to extend the contract before it expires.

However, the portfolio and its creditors do not benefit from the contract, says a person close to the transaction. "It sits outside the financing structure and therefore does not help the risk profile of the financing," she says.

Whether the portfolio's output is hedged in any other way could immediately be established.

S&P Global Ratings has given the new notes, which will be issued through a financing vehicle called **Brookfield Power New York Finance**, its highest green evaluation score, E1, because all of the proceeds will be allocated to "green energy projects".

The credit rating and expected pricing of the deal, which is expected to close in December, could not be learned by press time.

A spokesperson for Brookfield Renewable and **Michael Costakos**, global director, private placements, at Scotia, both in Toronto, declined to comment. Calls and e-mails to **Miguel Picache**, managing director and global head of private placements, global structured debt, at Citigroup in New York, were not returned by press time. ■

Aussie Sponsor Seals First U.S. Private Placement, Plans Acquisitions

New Energy Solar has secured a more-than-$80 million debt package to finance two solar assets in California and provide capital for future acquisitions.

The financing includes a $62.5 million private placement, New Energy Solar's first in the U.S. market, arranged by **KeyBanc Capital Markets**.

The senior secured notes have a weighted average life of 13.2 years and a final maturity date of 2041—five years after the end of one of the two projects' power purchase agreements.

Pricing could not immediately be learned. A spokesperson for KeyBanc in New York declined to comment and officials at New Energy Solar could not immediately be reached.

A portion of the proceeds will go toward the recapitalization of two 54 MW solar projects in Kern County, Calif.—the Golden Fields I facility, which is also known as TID, and the Stanford project. New Energy Solar acquired the projects from **SunPower** in a deal that closed on Dec. 30 (PFR, 11/22).

The Stanford project has a 25-year PPA with **Stanford University**, matching the tenor of the private placement, while the TID project has a 20-year power purchase agreement with California's **Turlock Irrigation District** (PFR, 12/22/15). The PPA with TID expires in 2036.

After the expiration of the shorter contract, "the deal may be supported by the remaining second contract," says a private placement investor who did not participate in the deal. "With a private placement, they can sculpt whatever amortization schedule is necessary."

Private placement investors typically require the debt they hold to have an investment grade rating, which has not historically been compatible with exposure to uncontracted revenues.

However, **Andy Redinger**, managing director at KeyBanc Capital Markets, expressed optimism earlier this year that rating agencies would relax their stance toward projects with merchant tails.

"I think they're starting to consider maybe taking some merchant tails into account, as well as some other things, maybe not applying such large haircuts to some of these projects that they're looking to rate," Redinger said during a *PFR* roundtable discussion in June (PFR, 7/17).

In April, **Fitch Ratings** announced a change in its ratings criteria for solar projects, citing their better-than-expected performance.

The details of any ratings for New Energy Solar's private placement could not immediately be established.

ACQUISITIONS PLANNED

The proceeds of the deal will also provide liquidity for New Energy Solar to ramp up acquisitions in North America.

"Our strategy is to continue to broaden and diversify our asset portfolio with key industry and finance partners," **Tom Kline**, a member of New Energy Solar's board who is overseeing the company's investments in the U.S., said in a statement.

New Energy Solar, an investment vehicle of Australian asset manager **Walsh & Co.**, made its first investment in the U.S. in 2015, purchasing a majority interest in **VivoPower**'s 43.2 MW (DC) NC-31 solar project in Bladenboro, N.C. Last year, the sponsor acquired a majority stake in VivoPower's 33.8 MW NC-47 solar project in Maxton, N.C. (PFR, 10/28).

LETTER OF CREDIT

The financing package, which closed on Oct. 2, also includes a $21.5 million letter of credit facility provided by KeyBank to finance the projects' debt service reserve, power purchase agreement security and decommissioning security agreements.

U.S. Bank invested tax equity in the two projects in a deal that closed on April 12, 2016. ■

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PROJECT FINANCE

Size of Tax Equity Investment in Enel Wind Project Revealed

The relative sizes have emerged of tax equity investments by **Bank of America Merrill Lynch** and **JP Morgan** in a 300 MW wind project that **Enel Green Power North America** is constructing in Missouri.

BAML and JP Morgan will acquire 53.33% and 46.66% of the tax equity interests in the Rock Creek facility, respectively, according to a filing with the U.S. **Federal Energy Regulatory Commission**.

The two banks will commit a total of $365 million to the project, which requires a total capital expenditure of $500 million (PFR, 5/30). Whether there is any debt associated with the project could not immediately be learned.

Rock Creek is situated in Atchison County, Mo., which borders Nebraska and Iowa. The project, which entered construction in October 2016, is expected to be online before the end of the year.

The facility will sell will sell 180 MW of its output to **Kansas City Power & Light** and 120 MW to **KCP&L Greater Missouri Operations Co.** under two 20-year power purchase agreements which include renewable energy credits (PFR, 5/6/16).

Representatives of Enel in Andover, Mass., and BAML and JP Morgan in New York did not immediately respond to inquiries. ■

MERGERS & ACQUISITIONS

Beal Bank to Take Control of Project

Beal Bank has requested regulatory permission to take possession of the 965.4 MW La Paloma merchant gas-fired project in McKittrick, Calif., on behalf of its creditors.

The bank plans to acquire the facility from project company **La Paloma Generating Co.** for $150 million, according to a term sheet appended to its filing for approval from the U.S. **Federal Energy Regulatory Commission** on Oct. 10. The proceeds will be distributed to the project's other creditors.

The parties have not signed a purchase agreement, however, and other potential buyers may make alternative bids at an Oct. 30 hearing before the **U.S. Bankruptcy Court for the District of Delaware** at which the court will need to approve the deal.

Beal Bank and La Paloma have asked for approval of the transfer by the day of the hearing, with the aim of closing on Oct 31. Should the project company still own the plant on Nov. 1, "certain significant payment obligations" would come due that would reduce its ability to repay its creditors, according to the filing.

Beal Bank provided a $300 million loan to refinance $302 million of debt in 2013 (PFR, 8/13/13).

La Paloma, which filed for Chapter 11 bankruptcy protection on Dec. 6 (PFR, 12/13), is majority-owned by **EIG Global Energy Partners**, which holds a 52.3% stake in the project. **Rockland Capital** has an 11.7% managing interest.

Jefferies is advising La Paloma on the restructuring, with **O'Melveny & Myers and Curtis**, **Mallet-Prevost**, **Colt & Mosle** acting as conflicts counsel and **Richards, Layton & Finger** acting as the company's Delaware counsel. ■

Utility to Buy Mich. Asset

A utility company's subsidiary is acquiring a contracted 24 MW development project from **groSolar**.

CMS Enterprises, a subsidiary of **CMS Energy**, is purchasing the Delta Solar solar project in Lansing in Eaton County, Mich.

The facility, which is slated to be completed by the summer of 2018, has a power purchase agreement with **Lansing Board of Water & Light**.

Once built, the facility will sit on approximately 190 acres in Delta Township next to the **General Motors** Lansing Delta Assembly Plant.

groSolar, a subsidiary of **EDF Renewable Energy**, previously worked with CMS Enterprises on the 2.5 MW Flambeau solar project in northern Wisconsin.

EDF bought the distributed generation development platform last year. (PFR, 4/28/16).

CMS Energy owns two other solar facilities in Michigan, at **Western Michigan University** and **Grand Valley State University**, according to a statement from the company announcing the deal on Oct. 3.

A spokesperson for CMS Energy in East Lansing, Mich., declined to comment on the financing terms of the acquisition. ■

RAI Energy to Ramp Up Acquisitions After Florida Solar Deal

RAI Energy International is pursuing acquisitions in three U.S. states including Florida, where it has bought a minority stake in a 70 MW development-stage solar project.

The company purchased an interest in the Hero project, also known as Hercules, from **Hamilton Energy Resource Opportunities** in the first week of October.

The size of the stake and the purchase price could not immediately be learned. RAI financed the acquisition with cash on hand, says **Mohammed Alrai**, the ceo of the San Jose-based company, which is targeting acquisitions in Arizona and California, as well as Florida.

Located in Hamilton County, Fla., the Hero project is expected to enter construction next year and be online in 2019.

RAI and HERO intend to either secure a power purchase agreement for the project or sell it to a Florida utility and expect to enter discussions on either option before the end of this year.

The co-sponsors are already in talks with potential equity and tax equity investors.

"We're far along into the process," says **Jack Levine**, founder and managing director at HERO in Coconut Creek, Fla. ■

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Project Financing to Follow as Enel Sells Mexico Renewables Portfolio

The renewables subsidiary of Enel has sold a majority stake in 1.7 GW of operational and under-construction wind and solar projects in Mexico and plans to raise about $900 million of project finance to bring the entire portfolio online.

Enel Green Power will sell 80% of a holding company through which it owns three operational projects and five that are under construction. Enel plans to keep a 20% stake.

The buyers are Canadian institutional investor **Caisse de dépot et placement du Québec** and an investment vehicle of Mexican pension fund manager **CKD Infraestructura México**.

CPDQ and CKD will pay around $340 million for the 80% stake in the portfolio and will also provide roughly $1.01 billion of loans to the projects. Further details of the loans were not disclosed.

Enel hired **Goldman Sachs** and **BBVA** to run an auction for the assets in May, as part of its move to a build-sell-operate business model (PFR, 5/25).

Enel estimates that it needs to raise a further $900 million of project finance to complete the three facilities that are not yet operational, roughly in line with the capital expenditure figure the company gave for the projects in its first quarter earnings report, published in May (PFR 8/2).

While Enel has no problem raising debt at the corporate level, project finance is trickier, says a project finance banker in London who handles transactions globally.

"It's a well-known name in debt markets, but going out further than 10 years is not always easy," says the banker. "Presumably, the project finance debt will be raised with Enel guarantees rather than the buyers', even though they hold a minority stake after this."

Enel issued $3 billion of corporate bonds on Oct. 4, having priced a $5 billion offering—the largest ever dollar-denominated bond issuance by an Italian corporate—earlier this year. When the Mexico renewable portfolio sale closes, Enel's net debt will be reduced by around $1.9 billion.

The acquisition itself is likely to be financed with CPDQ's and CKD's own balance sheets, says the banker.

When the results of the first Mexican power auction were announced in March 2016, it was widely assumed that Enel would use its balance sheet to finance the projects it had won 15-year power purchase agreements for, rather than tap the project finance market.

But the company surprised bankers when it approached them to request proposals for project finance deals that summer (PFR, 8/2/16).

Two of the Enel projects that won contracts in the auction, the 427 MW Villanueva I and 327 MW Villanueva III solar projects, are located in Coahuila, while the third, the 238 MW Don José solar project, is in Guanajuato. Enel began construction of the Don José project earlier this year, using balance sheet cash (PFR 4/20).

The company won another 15-year contract, for its 93 MW Salitrillos wind project in Reynosa, Tamaulipas, in Mexico's second power auction in September 2016 (PFR, 10/6/16).

The other projects in the portfolio are the 198 MW Amistad wind project in Coahuila, which has a 20-year PPA and has been under construction since March, the 200 MW Dominca wind facility in San Luis Potosi, the second phase of which was completed in July 2015, the 129 MW Palo Alto wind project in Jalisco, which has been online since November, and the 100 MW Vientos del Altiplano wind facility in Zacatecas, which commenced commercial operations around the same time. All of the plants have PPAs in place.

Spokespeople for Enel, CPDQ and CKD did not respond to requests for comment. ■

Asset Manager to Acquire 50 MW D.G. Solar Portfolio

True Green Capital Management, an infrastructure asset manager with a focus on distributed solar projects, has signed an agreement to acquire a 50 MW portfolio from **SunPower** over the course of three years.

The projects have not all been identified yet, but are likely to be in California, Connecticut, Maryland, Massachusetts, New Jersey and Washington, D.C., and have solar renewable energy credits and battery storage components, according to an announcement by SunPower on Oct. 5.

SunPower will be the engineering, procurement and construction contractor and provide operations and management services for the projects.

"TGC brings innovative financing capabilities that will enable us to offer competitive and creative financing to our customers in the Northeast," said **Nam Nguyen**, executive vice president at SunPower, in a statement.

Further details of the financing to be put in place by True Green for the $140 million portfolio could not immediately be learned.

"Working with TGC will allow us to expand the number of qualified customers with regard to credit range, PPA rates, finance structures and more," said a spokesperson for SunPower in San Jose, Calif., via e-mail, who referred inquiries about the future financing to TGC.

Panos Ninios, managing partner of True Green in Westport, Conn., was not immediately available to comment.

KeyBanc Capital Markets arranged $42.4 million of debt to finance a 26.4 MW portfolio of solar projects in Massachusetts and New Jersey for True Green last year (PFR, 7/12/16).

The asset manager has also previously worked with **Investec**. True Green gave the South African bank its first lead arranger mandate after its hiring of **Ralph Cho** and **Mike Pantelogianis** as co-heads of North American power in 2013, on what was originally a $64 million deal for a 39 MW solar portfolio in the Northeast (PFR, 8/29/13).

KeyBanc was also involved in the transaction, which closed in April 2014 as a $130 million dual-tranche loan with tenors of five and seven years (PFR, 4/28/14).

True Green closed a $350 million discretionary fund, True Green Capital Fund III, in August and acquired a 37 MW distributed generation portfolio from **MAP Energy Solutions** in September (PFR, 9/28). ■

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Q&A: Gregory Hutton, Rabobank — Part II

Gregory Hutton, managing director and head of project finance for the Americas at **Rabobank**, sat down with *PFR* reporter **Fotios Tsarouhis** at the Dutch bank's New York office to discuss financing strategies in the rapidly evolving U.S. renewables sector. In the second part of this exclusive interview, Hutton addresses Rabobank's increased interest in community, commercial and industrial solar deals, the future of tax equity financings, the relative attractiveness of corporate versus utility offtakes and opportunities in biomass and hydro.

PFR: What volume of wind developers do you believe will rush to secure turbine loans before the next step-down in the production tax credit?

I don't see a big rush in the turbine loans at this point. There were also a number of different strategies to safe-harbor projects that developers pursued prior to the end of last year. They might have gone long on transformers or bought cable or other types of equipment. They only had to reach a 5% threshold, roughly, for projects. The turbine loans you saw last year, and, to my knowledge, there were only a couple, provided an advantage in that they allowed sponsors to preserve the full PTC value to allow them to be more competitive over the next two to three years. I think the majority of the large sponsors just did it on balance sheet or pursued other methods.

However they were safe-harbored, you're starting to see the first safe-harbored projects reach the construction phase now. Because of these projects' competitive position, it's very attractive for utilities to purchase wind projects and bring them into the fleet and operate them. Developers that did safe-harbor projects are very active now in marketing those projects.

PFR: Considering many corporate offtakers, especially blue-chip firms, have been signing power purchase agreements for several years, how does a creditworthy corporate offtaker compare to a conventional utility?

It's a different analysis. The reason everyone's comfortable with utilities is that there's a public utilities commission in that jurisdiction that regulates the utility and the utility will incorporate the power purchase contract into the rate base. The banks understand that, they've been financing that model for a long time. The first one of these corporate PPAs I worked on was in 2010. **Google** had signed a 20 or 25-year PPA and Google hadn't been around for that long so the credit question was: "Google's great, I use it all the time, but is this a sustainable model? What does the company look like in 20 years?" And I'm sure what we wrote in that credit application about what Google was doing in 2010 is different from what they're doing now. But you had to have that confidence that it's a creative, creditworthy company and now this is a real trend in our world and you have a good 20-year credit risk. That was the first big leap the banks had to make starting at that time, and this aspect of our market has only grown since then.

PFR: Are community solar financings and non-utility-scale solar deals, including C&I deals, taking up an increasingly large portion of your time and resources?

Our credit process allows us, I think, to be very constructive and collaborative with new structures. We have credit analysts that are solely dedicated to our group that are also specialists in renewables, so whenever we bring a deal to credit we're not explaining what the ITC is, we're getting past that and talking about one or two unique issues in a transaction. Because we're focused on renewables we need to respond to the evolving market, diversify from the standard utility deals and look at more complicated financings like C&I portfolios. We are also beginning to see some community solar transactions in this context.

PFR: What markets are you looking at, with respect to community solar?

Minnesota is one of the markets we are familiar with, though we are talking to sponsors active in other jurisdictions as well. I think Minnesota is the most advanced, the most tested community solar market from a regulatory standpoint. Community solar is pretty new for banks. We like certain aspects of it—it's simpler to diligence and build fewer ground-mount projects rather than hundreds of rooftops. It looks more like a single-asset financing, but, of course, you've got to get comfortable with the offtake structure and the replicability of contracts. Again, it's no longer the standard utility offtaker. It could be what they call the MUSH [municipalities, universities, schools, hospitals] market or corporates. It's a very different animal.

PFR: What states outside Minnesota have favorable and attractive structures for community solar?

The more advanced states are Colorado, Massachusetts, and South Carolina is developing. New York is at a pretty advanced stage—but that's mostly residential-focused, which is not a market we participate in.

Because we're focused on renewables we're following these markets and if there's a very good portfolio of creditworthy offtakers and we're comfortable that there's a backlog of potential offtakers and it's a well-structured deal and a strong regulatory structure, then we can pursue community solar.

PFR: How has C&I solar matured as an asset class?

We did our first C&I rooftop deals in 2014. Those were pretty straightforward, it was the big corporates—**WalMart**'s, **Target**'s, **Kohl's**, those types of offtakers with the really large programs. I think that people thought that the market was going to grow a lot quicker than it did but the deals can be complex from a structuring and funding perspective.

I think we figured out a way to move them through the financing process in a pretty efficient way, but I don't think we would ever want to only focus on C&I because it is

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Gregory Hutton

time-consuming. It's interesting because the rationales for the financings are more sponsor-based. At the outset, when we close the loan, the diligence is much more focused on the sponsor, and sitting with them and understanding their processes for how they choose, permit and develop sites.

They nominate a group of projects that are going to go into the committed facility and we complete high-level diligence at that time, but the real project-by-project diligence is completed at the funding stage so there's a flow of systems into the facility as they reach the appropriate stage. The first ones we did were aggregation loans to term loans—aggregating completed projects, sort of like a construction loan that builds up to term conversion. When the projects were completed and dropped in, tax equity funded and our loans funded and that became part of the aggregation loan, which built up until conversion to a term loan. And then the next level of difficulty we started doing last year was a construction loan to finance construction and bridge the tax equity investment of the projects. Once complete, the projects transfer into the aggregation loan and term loan.

PFR: What percentage of Rabobank's current deals does non-utility solar make up?

It is a relatively small percentage of our portfolio because the transactions tend to be smaller. As for new deals, out of, say 20 deals we're looking at now, it's maybe two or three and those are mostly repeat deals with sponsors we have worked with before.

PFR: At that rate would non-utility-scale deals be able to make up for a lack of utility-scale deals in the long-term?

Well, in terms of hours spent doing them, yes. They tend to be smaller and fairly fluid and they do take time to structure, but I don't think it could fully make up for having a good flow of utility-scale projects.

PFR: How serious is Rabobank about solar storage financings?

We're at the same stage as a lot of other players. We're learning and talking to the technology providers, developers, independent engineers and legal advisers. It's another one of those situations that may not be developed enough for everybody in the market right now but we're trying to get our heads around it.

There are behind-the-meter applications with good hosts, with fixed-price service contracts that we would be open to and to which we could apply structuring principles from our C&I background. We also see solar-plus-storage deals where the storage component is incorporated into the PPA and it's easier to understand the performance metrics as well as stand-alone storage projects where they have a utility-type contract. We've looked at a few opportunities but haven't found any that are just right yet.

PFR: What impact will the influx of capital from new Korean, Japanese and Australian entrants have on project financings in the U.S. and what role can we expect these institutions to play?

I've seen increased Korean investment and some Australian banks as well. The Japanese banks we've seen for years.

We are working on a broad array of types of deals, including larger syndicated transactions. We see new banks in those types of deals. We also have some of these complex, bilateral or smaller club deals where we don't see them as active. In these transactions, we see the banks that have been in the market for a long time and have structuring expertise from their familiarity with the renewables market. Tax equity nuances, back-leverage, tax law change and these sorts of dynamics in the market are probably a little daunting for a bank from outside the U.S. market coming in and looking at their first deal. I see these investors taking tickets in more straightforward deals in the market.

I would also add, to these new entrants, regional banks in the U.S. Maybe a little more sophisticated because they or the principals at these banks have been in the market for a while and have some sense of the dynamics. We see that particularly in the solar sector—when you get to the distributed solar sector you have regional developers working with regional banks who have been serving those developers as their corporate banks. These regional banks are also getting into project finance as their developer clients grow and so that's an interesting dynamic as well.

PFR: Are regional banks focused on debt and tax equity investment as it relates to state-level credits?

You have seen that, particularly in North Carolina, but that's faded away as that state tax credit has expired. The regional banks' participation in P.F. is driven by the relationships those banks have developed with regional developers. But what we've seen is that when the capabilities and deal appetite of those banks are limited when the developer begins amassing larger portfolios. The sponsors then require something beyond a construction loan backed by personal guarantees from the principals of a company. These sponsors will then come to the bank market for more traditional, non-recourse financing.

PFR: Rabobank finances solar, wind and biomass projects. How much of that is biomass? Is there any interest in financing hydro assets?

We just haven't seen too many deals because the long asset life of hydro fits better with longer-term investors in the institutional and debt capital markets. Large hydro we probably wouldn't be involved in anyway. We would look at small run-of-river deal if it made sense.

We have a few biomass projects in our portfolio. Those tend to be larger than 100 MW and those look a lot like conventional power plants in terms of construction and technology and have more complex structures than wind and solar projects due to the need for a stable feedstock supply. ■

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MERGERS & ACQUISITIONS

New Energy Solar to Acquire Cypress Creek Portfolio

New Energy Solar has agreed to acquire 14 solar projects in two U.S. states from **Cypress Creek Renewables**.

The investment arm of Australian asset manager **Walsh & Co.** will pay $108 million for the 130 MW (DC) portfolio, which comprises 10 projects in North Carolina and four in Oregon.

The purchase price will be paid in installments as milestones are reached, beginning when the projects are shovel-ready.

KeyBanc Capital Markets arranged a $62.5 million private placement for New Energy Solar earlier this month, a portion of the proceeds of which will go toward acquisitions (see story, page 5).

Cypress Creek, which originated the projects, will build them and provide operations and maintenance services. Construction is due to commence before the end of the year and the facilities are slated to be online in 2018.

Power purchase agreements are not yet in place, but New Energy Solar expects to line up contracts for 13 to 15 years with utility offtakers such as **Duke Energy** and **PacifiCorp.**, according to the statement.

The North Carolina projects, which total 71 MW (DC), will interconnect with the grids of **Duke Energy Carolinas** and **Duke Energy Progress**, while the Oregon assets, totaling 59 MW (DC), will interconnect with the grid of PacifiCorp.

Representatives of Cypress Creek in Santa Monica, Calif., and New Energy Solar in North Sydney did not respond to inquiries. ■

STRATEGIES

Atlantic Power Seals Second Repricing this Year

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purchase agreements in place with **San Diego Gas & Electric** would probably have to be terminated early.

"If we must close these facilities in 2018, we will be disappointed as the expected returns on incremental investment were attractive," said **James Moore**, president and ceo of Atlantic Power, in a statement on Aug. 28. "However, the investment of $22 million required to generate EBITDA post-2018 is now available for other uses, both internally (such as other projects or our balance sheet) and externally, and we currently have an excess of attractive uses of that capital."

If the improvements in Atlantic Power's finances over recent years continue, the company may be able to consider acquiring assets, a deal watcher tells *PFR*.

The expected lost cash flows from the Naval Station and North Island PPAs will be offset by the 150 bps reduction the company has secured under its term loan this year, according to S&P.

"The two repricings will result in about $8 million of interest savings per year that, over the term loan's remaining life, will result in interest saving of about US$48 million that the company can use to deleverage," write the S&P analysts.

Goldman Sachs was also left lead on the first repricing of the loan this year, which closed on April 17 (PFR, 4/18).

Officials at Atlantic Power in Dedham, Mass., did not respond to inquiries. A spokesperson for Goldman Sachs in New York declined to comment. ■

Colbún Raises $500M with Seven Times Oversubscribed Offering

Chilean independent power producer **Colbún** received $3.5 billion of orders for a $500 million corporate bond on Oct. 4, says a banker on the deal.

The 10-year deal, which refinanced bonds due in 2020, capitalized on strong demand for investment grade debt across the board, particularly in Latin America, says the banker.

"The market's crazy, but that's on the high end of things," he said, referring to the seven-times oversubscription. "Allocations in fixed-income assets from the investor side have been significantly weighted towards LatAm".

Bank of America Merrill Lynch, **Santander** and **Scotia** were the bookrunners on deal, which was announced to investors as a $500 million transaction that would not grow.

Initial price thoughts for the issuance, rated BBB by both **S&P Global Ratings** and **Fitch Ratings**, were in the area of 195 basis points over Treasurys, but tightened by about 30 bps during execution. Guidance was in the area of 170 bps and the bonds were launched at 165 bps.

The final pricing was inside the curve suggested by the issuer's existing bonds maturing in 2020 and 2024, says the banker. ■

PEOPLE & FIRMS

CleanCapital Hires Head of Capital Markets

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incentives that have existed in the past," he says.

"We've insulated ourselves from political impact to a large extent, which is a function of the growth of the industry. There may be some bumps along the road but the long-term projection for solar is growth".

Eastwick has previously worked on both the buy and sell side of the market. He most recently worked as a managing director at alternative asset management firm **Global Environment Fund** for a year, and before that he spent six years as the head of capital markets at **Cate Street Capital**, according to his **LinkedIn** profile.

Before joining the management company in 2010, Eastwick spent a year working at **Aladdin Capital** as the head of debt capital markets. Prior to that, he was an m.d. at management consultancy firm **IDCG** during 2008.

Eastwick was previously a banker at a number of institutions—**Merrill Lynch**, **Deutsche Bank** and what was then **Credit Suisse First Boston**—in a variety of roles between 1994 and 2007. ■

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PEOPLE & FIRMS

CleanCapital Hires Head of Capital Markets

Renewable finance shop CleanCapital has appointed a capital markets professional with experience on both the buy and sell-side to structure and execute transactions.

The New York-based company has hired **Matt Eastwick** as head of capital markets. Eastwick started in the role on Sept. 18 and reports to CleanCapital's ceo **Thomas Byrne**.

Founded in 2015 by Byrne, **Jon Powers**, **Kevin Johnson** and **Marc Garrett**, CleanCapital finances and manages operational and contracted commercial and industrial projects on behalf of investors including institutions, family offices and funds.

"CleanCapital has a fairly ambitious growth plan, involving a number of financings and types of transactions", Eastwick tells *PFR*, while declining to go into details on the size and projected timeline for such transactions.

In June, the shop raised its series A funding from a group of investors including **Ron Suber**, president of **Prosper Marketplace**, **Jon Barlow**, founder of **Eaglewood Capital Management**, and **Bradley Pattelli**, who is a former chief investment officer at **LendingClub**.

In his new position, Eastwick is working on deals including warehouse facilities and permanent financing structures, which he says will help knock down some of the barriers to entry for investors via CleanCapital's platform. Utilizing big data analytics from operational solar projects will also help investors "cast a keener eye on those investment considerations," he adds.

The cost of capital continues to be on a downward trajectory, and the types of lenders in the space is ever increasing, he says.

E.U.-based banks, which were once dominant in the solar lending space, are now being challenged by U.S.-based institutions and other investors, including credit fund managers, pension funds and insurance companies, he adds.

CleanCapital secured a long-term loan from one such investor last year, when **John Hancock Life Insurance Co.** provided financing for the acquisition of an 8 MW portfolio from undisclosed sellers (PFR, 9/3/16).

Despite the latest uncertainties in the solar asset class, specifically the recent **U.S. International Trade Commission** ruling which could lead to tariffs on the import of solar panels, Eastwick says that the sector has an upward trajectory.

"The growth and maturation of the industry has reached the point of no return, with a lesser need for subsidies or PAGE 10 »

Weatherley-White Appointed Ceo of Solar Sponsor

Carl Weatherley-White has been promoted to ceo of **VivoPower**.

Based in New York, he was until recently cfo of the publicly traded solar sponsor.

Weatherley-White replaces **Philip Comberg**, who left his position as ceo and member of the board of VivoPower for personal reasons.

The company says it has identified a suitable replacement for the cfo position, whom it expects to appoint shortly.

Earlier this year, VivoPower acquired a 1.8 GW portfolio of shovel-ready projects from **Innovative Solar Systems**, for which it plans to arrange debt financing for later this year, Weatherley-White told *PFR* in April (PFR, 4/18).

Prior to joining VivoPower in 2016, Weatherley-White served as president and cfo of **Lightbeam Electric Co.** (PFR, 2/11/14). He was previously cfo of **K Road Power**, which is a portfolio company of **Barclays Natural Resource Investments**, a private equity division of **Barclays Capital** (PFR, 9/15/11).

Before joining the solar project development sector, Weatherley-White spent over 23 years in banking, most recently as the global head of project finance at Barclays in New York, and before that at **Lehman Brothers**.

Between 1999 and 2005, he was the group head of energy and infrastructure structured finance at **Credit Suisse**.

At these banks, he worked on energy financing, including renewable tax equity investments.

Weatherley-White started his banking career as an associate in mergers and acquisitions at **Drexel Burnham Lambert** in 1988. ■

STRATEGIES

Mosaic Solar ABS Resurfaces

Residential rooftop solar finance company Mosaic is in the market with its second ABS offering of 2017, nearly four months after the company originally filed documents for the deal with the U.S. **Securities and Exchange Commission** in June.

Kroll Bond Rating Agency issued a presale for the $307.5 million Mosaic Solar Loans 2017-2 transaction on Oct. 11 after Mosaic filed an ABS-15G document on Oct. 5. The documents for the deal had originally been filed on June 12, but the offering never materlialized.

Instead, the next piece of news to come out of the Oakland, Calif.,-based firm was an announcement that it had inked a $300 million forward flow agreement with **Goldman Sachs**. Under the terms of the agreement, Mosaic sells loans to the investment bank on a monthly basis until the $300 million amount is reached (PFR, 7/8).

The refiled documents indicate that the same group of banks that had originally been listed—**Deutsche Bank**, **Guggenheim**, **BNP Paribas** and **DZ Bank**—will run the deal.

The deal will be offered in four tranches, with the senior $246.25 million tranche given a preliminary A rating, according to the Kroll presale. The financial condition and liquidity of the company is a potential negative for the deal, according to Kroll, which notes that Mosaic has "incurred significant operating losses and negative cash flow since inception" and is reliant mostly on debt and equity raises for financing. The Kroll analysts state that this increases the risk that Mosaic might not have the resources to originate new loans.

Sources had previously said that they believed the loans originally bound for securitization would now be sold to Goldman under the forward flow agreement. However, the revived deal will pool roughly the same number of loans, 10,188 versus 10,466 in Mosaic's June filing (PFR, 6/16).

Mosaic sold its last ABS deal in February, pricing the single $138.95 million tranche at 255bps over swaps, yielding 4.45%. Deal watchers at the time said that the offering was 5.5 times oversubscribed (PFR, 1/18).

The last solar ABS deal to come to market was a debut transaction from **Dividend Solar** on Sept. 29. The senior bonds were priced at par, at a yield of 4.084% (PFR, 10/2).

An executive at Mosaic did not respond to a request for comment. ■

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