

Power Finance & Risk

The weekly issue from Power Intelligence www.powerintelligence.com

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Upcoming Events

PI will be attending the **Edison Electric Institute** conference in Orlando, Fla., and the Brazilian Energy and Infrastructure Finance Forum in Sao Paulo. Stay tuned for updates and visit www.powerintelligence.com for complete coverage.

At Press Time

ArcLight Capital Partners has wrapped a \$3.3 billion fund, soaring past its original \$2 billion target.

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Top Stories

Where Are They Now?

The Lasting 'Power' Of Enron

It's been a decade since Enron began its slide into corporate infamy and its alumni are still making waves in power and midstream gas. Here is where we found some of the notables:

RICHARD KINDER, ceo and chairman, **Kinder Morgan Energy Partners**

Kinder, former president of Enron, is steering **Kinder Morgan Energy Partners** into one of the biggest M&A deals of the year: a \$38 billion acquisition of **El Paso Corp.** The combined company will be the largest midstream energy company in North America (*PI*, 10/21). Kinder, who befriended **Kenneth Lay** while attending the **University of Missouri**,

(continued on page 7)



Richard Kinder

Siemens Plots Power, Energy Finance Growth

Siemens Financial Services is expanding its global power and energy footprint, increasing its portfolio annually and adding bankers across several regions. "If there's any capital requirement companies have, they can start by coming to me," **Kirk Edelman**, president and ceo in Iselin, N.J., told *PI*.

The strategy is on a number of fronts, including lending and equity investment. Siemens started its previous build-out five years ago, when it was primarily in leasing. Products include senior debt, equity, tax equity and bonds. It also offers advisory services and arranges, participates in and syndicates debt. SFS offers non-recourse debt to projects that feature Siemens products as well as those that don't. Edelman declined to specify the size of SFS'

(continued on page 8)

NaturEner Scales Back Project For SDG&E Tax Equity

NaturEner has scaled back the size of its Montana wind project to ensure a tax equity investment from **San Diego Gas & Electric**. The California **Public Utilities Commission** ordered the utility to cut back its original \$600 million investment in the project, citing costs to ratepayers, according to a filing with the U.S. **Federal Energy Regulatory Commission**.

Originally planned as a \$700 million, 309 MW project, Rim Rock will now be a roughly \$315 million 189 MW. SDG&E, the regulated utility subsidiary of **Sempra Energy**, will contribute \$250 million as the sole tax equity investor in addition to buying the renewable energy credits from the project for 20 years. It's the first known tax equity investment by a ratepayer entity

(continued on page 8)

At Press Time

ArcLight Runs Home With New \$3B Fund

ArcLight Capital Partners has sealed its latest fund, **ArcLight Energy Partners Fund V**, at \$3.3 billion. The shop ran across some investor skepticism in the fundraising process but did top its goal to close a \$2 billion fund (*PI*, 3/11).

FAST FACT

This fund topped its last fund, ArcLight Energy Partners Fund IV, by more than \$1 billion.

The Boston-based private equity outfit will use its current investment strategy in this fund and will look at gas-fired, transmission and midstream energy assets. The amount of dry powder in this fund tops its last fund **ArcLight Energy Partners Fund IV**, closed in 2007, by more than \$1 billion.

Dan Revers, managing partner, and a spokeswoman were not available for comment.

El Paso JV Eyes Bonds, Refi For Ruby

Ruby Pipeline, a joint venture between **El Paso Corp.** and **Global Infrastructure Partners**, is looking to issue \$1.075 billion in bonds as part of a larger refinancing of debt on the 680-mile interstate pipeline.

Barclays Capital, **BMO Capital Markets**, **Crédit Agricole**, **Royal Bank of Canada** and **Royal Bank of Scotland** are bookrunners on the deal. The banks will likely price the senior unsecured notes this week in a 144A private placement. **David Travis**, managing director, is working on the deal for Credit Agricole.

El Paso had been looking to refinance debt on the pipeline in order to avoid a step-up in fees on \$1.5 billion, seven-year loan backing the project (*PI*, 4/15). **Banco Santander**, **BMO**, **Crédit Agricole**, **RBS**, **Scotia Capital**, **Société Générale** and **UniCredit HVB** took tickets in that loan, which had pricing that stepped up to 325 basis points over LIBOR from 200 bps in 2014.

FAST FACT

Barclays Capital, BMO Capital Markets, Crédit Agricole, Royal Bank of Canada and Royal Bank of Scotland are bookrunners on the deal.

Pipeline companies commonly replace construction debt with more permanent refinancing, notes **Peter Molica**, analyst at **Fitch Ratings** in New York, pointing to deals for the **Kinder Morgan's** Midcontinent Express and Rockies Express pipelines.

KMI is buying El Paso Corp. for \$38 billion (*PI*, 10/21). The transaction has no impact on Ruby's credit quality as it is a bankruptcy-remote, non-recourse JV of El Paso, Molica says. Fitch rates the notes BBB-.

Bank officials either declined to comment or did not return calls. Spokesmen at El Paso in Houston and GIP in New York did not return calls. Details regarding the refinancing outside of the private placement could not be immediately learned.

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 **Sara Rosner**, managing editor, at (212) 224-3165 or srosner@iintelligence.com.

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 Institutional Investor
Intelligence

People & Firms

UBS Loses Managing Director

Jorge Navarrete, a managing director in the global power and utilities team at UBS in New York, has left the firm. Navarrete left earlier this month. He reported to **James Schaefer**, co-head of the Americas power team and managing director.

UBS' power team roster has had some changes over recent months. **Keith Lord** joined as a managing director in June from **Evercore Partners**, while **James Metcalfe**, formerly a managing director and global power and utilities head, jumped to **Alinda Infrastructure Partners** (*PI*, 6/9 & 6/13).

Whether the role would be filled and the reason behind Navarrete's departure could not be learned. A UBS spokeswoman confirmed the departure. Navarrete could not be immediately reached.

► FAST FACT

James Metcalfe, formerly a managing director and global power and utilities head, jumped to **Alinda Infrastructure Partners**

Mergers & Aquisitions

Investors Line-Up For Invenergy B Loan

Commitments came in last week for Invenergy's \$200 million term loan B. The six-year loan at subsidiary **Invenergy Wind** was oversubscribed, says a deal watcher. Syndication is expected to be finalized next week. Pricing is at 750 basis points over LIBOR.

Credit Suisse and **Bank of America** are the lead arrangers and proceeds will go toward injecting equity into Invenergy's development projects (*PI*, 10/14). The loan has a LIBOR floor of 150 bps and an original issue discount of 98. Invenergy Wind is a holding company for Invenergy's operational wind farms.

The amount of oversubscription could not be learned. Officials or spokespeople for the banks and Invenergy declined to comment.

Tenaska To Buy Magnolia State Plant

Tenaska has agreed to buy the 837 MW Batesville combined cycle facility in Batesville, Miss., that went into foreclosure last fall. The purchase from a **Stark Investments**-led consortium is expected to be finalized by the end of this year, according to a Monday filing with the U.S. **Federal Energy Regulatory Commission**. **Tenaska Power Fund II** will own the facility.

Stark and affiliates of **Credit Suisse**, **JPMorgan** and **Monarch Alternative Capital** became owners of the plant when it went into foreclosure. Stark owns 43%, Monarch Alternative Capital

32.5%, CS affiliates 16.2% and JPMorgan affiliates 8.1%. The lenders took control of the facility when **Complete Energy**, the primary stakeholder of the plant, defaulted on a \$123 million credit agreement from 2007 (*PI*, 11/30).

The facility has contracts for 100% of its power with **Goldman Sachs'** affiliate **J. Aron** and **South Mississippi Electric Power Association**. The contracts extend until 2013 and 2015, respectively.

Neither the purchase price nor whether a financial advisor is running the sale could be learned. A spokespeople for Credit Suisse and Tenaska declined to comment while spokeswoman at Stark, JPMorgan and Monarch could not immediately comment. A Complete Energy spokeswoman in Houston didn't return a call.

Corporate Strategies

Atlantic Touts Bonds, Stocks For Generation Purchase

Atlantic Power Corp. looked to the bond and equity markets this week to raise funds for its \$506.5 million purchase of 1.3 GW of biomass, gas-fired and hydro assets from **Capital Power Income LP**. Proceeds from a \$460 million bond issuance and \$164 million stock sale will be used to fund the cash portion of the acquisition that is slated to close in the next week.

The seven-year 144A private placement notes carried a 9% coupon. The bonds priced at 784 basis points over U.S. Treasuries and are rated B1 by **Moody's Investors Service**. The Boston-based power company sold 12,650,000 shares at \$13.00 (C\$13.26), totaling \$164 million (C\$168 million). **TD Securities**, **Morgan Stanley**, **BMO Nesbitt Burns**, **Desjardins Securities**, **Scotia Capital** and **Macquarie Capital Markets** are the underwriters on the stock sale. The identity of the bookrunners on the bond issuance could not be learned.

Atlantic Power sold the stock on the **New York Stock Exchange** and the **Toronto Stock Exchange**.

Proceeds from the bond issuance will be used to pay down CPILP's revolvers, according to filings with the U.S. **Securities & Exchange Commission**. Excess funds will be used for general corporate purposes and other potential acquisitions. Acquisition advisors Morgan Stanley and TD Securities co-led the bond issuance along with Macquarie.

Atlantic Power is buying 382 MW of generation in Ontario and British Columbia along with 1 GW in the U.S. (*PI*, 6/21). Spokespeople for Atlantic and the banks didn't immediately respond to inquiries.



Project Finance

EIF Wraps \$1.7B Fund

Energy Investors Funds has wrapped a \$1.713 billion fund, its eighth and largest. New York-based **Atlantic and Pacific Capital** was the global placement agent and advisor on the vehicle.

The Needham, Mass.-based company will use EIF United States Power Fund IV to invest in generation and transmission assets with long-term contracts. Investments will likely be geared toward gas-fired, hydro and biomass generation and transmission projects (*PI*, 2/11).

Public and corporate pension funds, insurance companies, endowments, family offices and foundations made commitments to USPF IV. **California Public Employees Retirement System, Howard Hughes Medical Institute, John Hancock Life Insurance, Kauffman Foundation, Massachusetts Institute of Technology, New York Life Management, Pacific Life and UnionBanCal Equities** are among investors in EIF's funds. Roughly \$350 million of the fund has been invested.

The identities of investors in USPF IV and details surrounding the funds \$350 million in commitments, could not be learned. EIF officials declined to comment via a spokesman.

Generation Auction & Sale Calendar

Generation Sale ■ DATABASE

Following is a directory of ongoing generation asset sales. The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed. To report new auctions or changes in the status of a sale, please call Senior Reporter **Holly Fletcher** at (212) 224-3293 or e-mail hletcher@powerintelligence.com.

Seller	Assets	Location	Advisor	Status/Comments
ArcLight Capital Partners	Waterside (72 MW peaker) Crockett (162 MW Cogen) Hobbs (604 MW CCGT) Hamakua (60 MW CCGT) Borger (230 MW Cogen) Neptune (391 MW, 65-mile transmission line)	Stamford, Conn. Crockett, Calif. Hobbs, N.M. Honokaa, Hawaii Borger, Texas Sayreville, N.J., to Long Island, N.Y.	Citigroup, Barclays Capital	Final bid deadline pushed to November (<i>PI</i> , 10/17).
Citigroup	Alta V (Stake in 168 MW wind)	Tehachapi, Calif.	TBA	ING Capital has bought out Citi's stake in a sale leaseback (<i>PI</i> , 10/3).
First Solar	Topaz (550 MW PV)	San Luis Obispo County, Calif.	No advisor	Enbridge is in talks to buy the project (<i>PI</i> , 9/26).
Macquarie Capital, Fomento Económico Mexicano	Stakes (396 MW wind project)	Oaxaca, Mexico	TBA	Bidders are in due diligence (<i>PI</i> , 10/10).
NextEra Energy Resources	Blythe (507 MW Combined-cycle) Calhoun (668 MW Peaker) Doswell (708 MW CCGT & 171 MW Peaker) Cherokee, (98 MW CCGT) Risec (550 MW CCGT)	Blythe, Calif. Eastaboga, Ala. Ashland, Va. Gaffney, S.C. Johnston, R.I.	Credit Suisse, Citigroup	LS Power nears club deal to finance purchase (<i>PI</i> , 10/31). Entergy Wholesale Commodities is buying the plant for \$346 million (<i>PI</i> , 10/31).
Stark Investments, Consortium	Batesville (837 MW CCGT)	Batesville, Miss.		Tenaska agrees to buy asset that went into foreclosure last fall (see story, page 3).
Starwood Energy Group	Thermo Cogeneration (272 MW CCGT)	Fort Lupton, Colo.	None	Tri-State Generation and Transmission Association is buying the plant (<i>PI</i> , 10/10).
Tenaska	High Desert (800 MW CCGT) Rio Nogales (800 MW CCGT)	Victorville, Calif. Seguin, Texas	Barclays, Citi	Teasers dispatched and preliminary bids expected early to mid-November (<i>PI</i> , 10/31).
Third Planet Wind Power	Petersburg (40.5 MW Wind)	Petersburg, Neb.	Morgan Stanley	Edison Mission Energy is buying the project (<i>PI</i> , 10/10).
Tuusso Energy, Akula Energy Ventures	TA High Desert (209 MW Solar)	Tehachapi, Calif.	Marathon Capital	Said to be close to a purchase sale agreement (<i>PI</i> , 10/17).

Shaded items indicate latest entries.

First Wind Lands Tax Equity

First Wind has wrapped a tax equity investment backing its 40 MW Sheffield wind project in Caledonia County, Vt. The deal closed this month.

JPMorgan affiliate **JPMorgan Capital Corp.** intended to take out up to \$60 million of a construction loan supporting the project when it came online (*PI*, 8/5). First Wind initiated operation of Sheffield in mid-October.

Steve Schauer, First Wind treasurer and senior v.p. of project finance, oversaw the transaction. A company spokesman in Boston didn't immediately address an inquiry.

KeyBank National Association wrapped a \$76 million financing backing Sheffield last year (*PI*, 1/15). The portion of that financing not taken out by tax equity will turn into a term loan.

Burlington Electric Department, Vermont Electric Cooperative and **Washington Electric Cooperative** have offtake agreements for Sheffield, which will use **Clipper** 2.5 MW Liberty turbines.

A KeyBank official didn't return a call, while a JPM spokesman didn't immediately address an inquiry.



Clipper 2.5 MW Turbine

Project Finance Deal Book

Deal Book is a matrix of energy project finance deals that PFR is tracking in the energy sector. The entries below are of new deals or deals where there has been change in their parameters or status. To report updates or provide additional information on the status of financings, please call Senior Reporter **Brian Eckhouse** at (212) 224-3624 or e-mail beckhouse@powerintelligence.com.

Live Deals: Americas

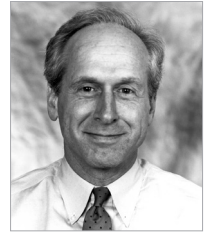
Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
American Renewables	Gainesville (100 MW Biomass)	Gainesville, Fla.	BoTM, Crédit Agricole, ING, Natixis, Rabo, SocGen	TBA	\$500M	TBA	CIT joins retail syndication (PI, 8/29).
Bloom Energy	Unidentified (Fuel Cell)	TBA	RBS	TBA	TBA	TBA	Sponsor taps RBS to lead financing (PI, 10/31).
Boralex, Gaz Métro	Unidentified (272 MW Wind)	Seigneurie de Beauré, Quebec	BoTM, DB, KfW	TBA	\$500-600M	18-20-yr	Commerz joins deal; Hermes wrap nears (PI, 10/3).
Competitive Power Ventures	Ashley (200 MW Wind)	McIntosh County, N.D.	TBA	TBA	TBA	TBA	Sponsor initiates talks with lenders, tax equity providers (PI, 8/8).
	Cimarron (165 MW Wind)	Gray County, Kan.	TBA	TBA	TBA	TBA	Sponsor initiates talks with lenders, tax equity providers (PI, 8/8).
Edison Mission Energy	Portfolio (Wind)	U.S.	WestLB	TBA	\$200M+	TBA	Deal priced at 250 bps over LIBOR (PI, 10/24).
Enova Energy Group, NuPower	Plainfield (37.5 MW Biomass)	Plainfield, Conn.	Carlyle	TBA	\$170M	TBA	Carlyle tapped as lender after SocGen drops out (PI, 10/31).
First Wind	Palouse (100 MW Wind)	Whitman County, Wash.	KeyBank	TBA	\$180M	20+-yr	Key Wind to lead financing (PI, 10/24).
	Sheffield (40 MW Wind)	Caledonia County, Vt.	KeyBank	Construction/LOC	\$76M	TBA	JPMorgan affiliate finalizes tax equity investment (see story, page 4).
Gradient Resources	Patua (132 MW Geothermal)	Reno, Nev.	BNP, Dexia, Scotia	TBA	\$600M	TBA	Project to be financed in phases (PI, 10/17).
Inkia Energy	Unidentified (400 MW Hydro)	Cerro del Aguila, Peru	BBVA, Crédit Agricole, HSBC, Scotia, SocGen, SMBC, WestLB	TBA	\$525M	12-yr	Sponsor mandates lenders (PI, 9/26).
Invenergy	Bishop Hill I (200 MW Wind)	Henry County, Ill.	BayernLB, Rabo	Term/Bridge	\$415M	10-yr	Deka and Siemens join financing (PI, 10/17).
	Hardin Wind (300 MW Wind)	Hardin County, Ohio	TBA	Term	\$500M	TBA	Sponsor reaches out to lenders (PI, 9/19).
Macquarie Mexican Infrastructure Fund, Macquarie Capital, Fomento Económico Mexicano	Oaxaca (396 MW Wind)	Oaxaca, Mexico	Banorte, BBVA, Crédit Agricole, HSBC	TBA	TBA	16-yr	Four lenders join financing (PI, 10/10).
MPX	Castilla (2.1 GW Coal-Fired)	Chile	TBA	TBA	TBA	TBA	Sponsor talks to lenders about \$1 billion first phase (PI, 9/26/11).
Northland Power	Manitoulin Island (60 MW Wind)	Maitoulin Island, Ontario	Manulife	TBA	TBA	TBA	Manulife expects to name a second lender (PI, 10/31).
NRG	Alpine (66 MW PV)	Lancaster, Calif.	TBA	Term	\$300M	18-yr	Sponsor to delay financing until next year (PI, 10/17).
Odebrecht	Chaglla (406 MW Hydro)	Peru	BNP	TBA	\$650M	TBA	Brazilian Development Bank mulls contribution (PI, 10/3).
Pattern Energy	Ocotillo (315 MW Wind)	Imperial Valley, Calif.	TBA	TBA	TBA	TBA	Sponsor targets financial close in 2012 (PI, 10/24)
	Santa Isabel (75 MW Wind)	Santa Isabel, P.R.	Siemens	Construction	TBA	TBA	Deal wraps (PI, 10/24).
Peregrine Midstream Partners	Ryckman Creek (18-35 bcf Gas Storage)	Uinta County, Wyo.	TBA	TBA	\$160M	TBA	Sponsor hunts financing (PI, 9/5).
Tenaska Solar Ventures	Imperial Solar Energy Center South (130 MW Solar PV)	Imperial Valley, Calif.	BBVA, BoTM, Lloyds, MUFG, MS, RBS	TBA	\$600M	TBA	Sponsor mulls bond component to deal (PI, 10/31).
Wind Capital Group	Post Rock (201 MW Wind)	Lincoln and Ellsworth, Kan.	BayernLB, Rabo	Term/Construction	\$300M	TBA	Mizuho, NordLB, UniCredit and Union Bank join deal (PI, 10/17).
	Unidentified (150 MW Wind)	Osage County, Okla.	BayernLB, Rabo	TBA	TBA	TBA	Sponsor mandates BayernLB, Rabo (PI, 8/15).

Shaded items indicate latest entries.

Industry Current

Chinese Solar Cells & U.S. Anti-Dumping Moves

*This week's Industry Current is written by **Keith Martin** and **Samuel R. Kwon**, partner and counsel at **Chadbourne & Parke** in Washington, D.C.*



Keith Martin

Anti-dumping or countervailing duties could be imposed on photovoltaic cells imported from China starting this fall at the earliest, but more likely after a date in the spring or summer 2012. The mover is driven by a trade complaint that **SolarWorld** and six other U.S. solar panel manufacturers filed against Chinese panel makers charging that Chinese solar cells are being dumped in the U.S. market and are benefiting from illegal export subsidies. The complaint only applies to crystalline solar cells. It does not apply to thin film or other solar equipment.

A table included as an exhibit to the complaint lists the dumping margins, or the discount at which Chinese panels are allegedly being sold below "normal value" expressed as a percentage of the actual sales price. Examples are 159% for **Trina** panels, 184% for **Suntech** and 233% for **Yingli**. The pattern in such cases is to allege very high margins that get reduced during the investigation. A separate table lists all the U.S. customers who have been identified by the petitioners as buying Chinese panels.

The U.S. panel makers petitioned U.S. trade authorities for relief on Oct. 19. The U.S. **Department of Commerce** has 20 days to decide whether to investigate. This can be extended by another 20 days if the case is viewed as complicated. Once an investigation starts, the Commerce Department has 65 days to decide whether there are grounds for imposing countervailing duties and 140 days to decide whether to impose anti-dumping duties. These deadlines can be extended to as long as 250 days for countervailing duties and 310 days for anti-dumping duties for cases that are extraordinarily complicated and involve upstream subsidies of components that take time to trace. At that point, the Commerce Department makes a preliminary decision on duties.

Countervailing duties are supposed to match the subsidies from which Chinese panel manufacturers benefit. If anti-dumping duties are imposed, they are the difference between the "normal value" of the panels and the price at which the panels are being sold in the U.S. market. The law is unclear currently whether both types of duties can be imposed on products shipped from a non-market economy. The issue is before the federal courts. Duties are imposed on the importer of record. Thus, in cases where a Chinese solar panel company sells its product in the U.S. through a U.S. subsidiary, the U.S. subsidiary must pay the duty.

Once a preliminary decision is made to impose duties, then

importers must post a bond or other security. Duties would normally apply to solar cells imported after the preliminary decision. However, they can be imposed up to 90 days earlier if there is a "critical circumstance." It would be unusual to have such a retroactive imposition. An example of a critical circumstance is where there is evidence that Chinese solar panel manufacturers are accelerating exports to the U.S. in anticipation of an adverse decision. The fact that U.S. solar developers are rushing to start construction of projects this year to qualify for U.S. **Department of Treasury** cash grants could complicate the issue.

U.S. government must find two things to impose duties. One is injury to a U.S. industry. The **International Trade Commission** makes a decision on injury. The other is evidence of dumping or illegal export subsidies. This is a Commerce decision. The two agencies work on parallel tracks. The ITC must make a preliminary determination on harm within 45 days after the petition is filed. Commerce has another 75 days after its preliminary decision to make a final judgment. The ITC has another 45 days after Commerce acts to make a final decision on injury. After the ITC final decision, then bonds and other security are liquidated and duties collected.

Cases frequently land on appeal in the U.S. **Court of International Trade**. There is no suspension of duties during an appeal. It is more common to see the amount of duties appealed than the decision about industry harm, since small changes in amount can add up to large dollars. The seller cannot reimburse the buyer for the duty. Any such reimbursement must be paid to the U.S. government as an additional import charge.

It does not matter at what prices competing solar panels are being sold by U.S. manufacturers. Thus, for example, if a U.S. solar developer can buy panels from China at \$1 per watt and from U.S. suppliers for \$1.25, but Commerce decides the "normal value" is \$1.50, then an anti-dumping duty of \$0.50 would be imposed on the Chinese panels. The normal value is normally determined by looking at the price at which the foreign manufacturer sells the panels in its domestic market. However, in the case of a non-market economy like China, the normal value is determined by looking at panel prices in a third country. The petitioners in the case propose using India.

Many Chinese companies sell their products through U.S. subsidiaries. In such cases, the "export price" on which the duty

Industry Current is a feature written by industry professionals that highlights and clarifies key issues in the power sector. **Power Finance & Risk** runs the feature periodically and is now accepting submissions from industry professionals for the **Industry Current** section. For details and guidelines on writing an **Industry Current**, please call Sara Rosner at (212) 224-3165 or email srosner@iineews.com.

is collected is the resale price to the ultimate U.S. customer less certain statutory reductions. The price is reduced by the cost to move the panels from the factory in China to the U.S., by any normal customs duty (but not the anti-dumping or countervailing duties) and by certain other costs of the U.S. subsidiary to make the sale. Thus, for example, if the resale price is \$1 a watt, the normal value is \$1.50 and it costs the U.S. subsidiary \$0.15 to make the sale, then the anti-dumping duty would be $\$1.50 - (\$1 - \$0.15) = \0.65 . If the Chinese parent reimburses the subsidiary for the anti-dumping duty, then that reimbursement would have to be paid to the U.S. government. U.S. customers would continue to

pay \$1 a watt in theory, but in practice the Chinese panel maker would lose money on such sales.

It could escape duties by supplying solar cells from a factory in the U.S. or a third country. However, enough value would have to be added in the U.S. or the third country for the cells to be considered a local product.

The law is designed to allow no real political influence in decisions, although industry groups sometimes meet with government officials during the proceedings. Both Commerce and the International Trade Commission decide cases on the facts. The president does not have the option to set aside a decision.

The Lasting (Continued from page 1)

served as president of Enron for six years. He left the company in 1996 after losing out on the CEO title to Lay and started his pipeline outfit.

JORDAN MINTZ, v.p. and chief tax officer, **Kinder Morgan Energy Partners**

Sometimes hailed as the Enron whistleblower, Mintz was the former managing director for corporate tax at Enron. Unbeknownst to his employer, Mintz hired **Fried Frank Harris Shriver & Jacobson** to investigate some of Enron's questionable shell partnerships after moving to the finance department from the tax department at the company.

► FUN FACT

*Kinder and his partner **Bill Morgan** bought some assets from Enron for \$40 million to start their company. Kinder has a net-worth \$6.4 billion, making him the 41st richest American, according to Forbes.*

► FUN FACT

*Mintz is joined at Kinder by **Thomas Martin**, president of natural gas pipelines and former director of natural gas trading at Enron.*

JOHN ARNOLD, founder and manager, **Centaurus Advisors**

Arnold was the head of Enron's natural gas derivatives trading group. He reportedly received an \$8 million bonus after making roughly \$750 million for Enron in 2001 and he used that capital to create hedge fund



John Arnold

Centaurus in 2002. The fund, which employs Arnold's predecessor at Enron, **Jeffrey Bussan**, and **Lawrence Whalley**, former president at Enron, has roughly \$5 billion under management.

► FUN FACT

*Arnold is building a 20,000 square foot home in Houston that will showcase his extensive modern art collection that includes works by **Pablo Picasso** and **Willem de Kooning**.*

ADAM UMANOFF, co-chair of global project finance and renewable energy, **Akin Gump Strauss Hauer & Feld**

Umanoff was president and ceo of **Enron Wind Corp.** from 2000 to 2002. **GE Power Systems** bought the company's wind turbine manufacturing assets at bankruptcy auction for \$358 million in 2002. Umanoff recently represented **Terra-Gen Power** in a multi-billion dollar financing backing its 3 GW Alta wind farm in Tehachapi, Calif. (PI, 6/1).

► FUN FACT

*Enron Wind had \$800 million in sales in 2001, up from \$50 million in 1997. GE used its Enron purchase to build up its **GE Wind Energy** business.*

RON DOYLE, **BOB KELLY** and **WILLIAM GATHMANN**, chairman, ceo and senior v.p. of **DKRW Energy**, respectively

Doyle was responsible for global renewable energy development with **Enron International** from 1997 to 1999. Kelly was president of **Enron Cogeneration Co.** from 1985 to 1988 and also founded **Enron Renewable Energy Corp.** in 1993. Gathmann was v.p. and treasurer of Enron Corp. from 1997 to 1998. Developer DKRW has been looking for more than \$1 billion in financing backing its roughly \$1.7 billion coal liquefaction-to-gas plant in Medicine Bow, Wyo. (PI, 6/17).

► FUN FACT

***Dave Ramm**, managing director of Enron Renewable and president of Enron Wind, was a founder of DKRW. He is a principal at developer **DylMar Energy**.*

DON BLACK, head of power and gas trading, **BNP Paribas Energy Trading**

Black was v.p., energy trader and project manager for Enron, where he launched the power and gas trading and risk management teams in Argentina and Brazil. He joined **UBS** when it bought Enron's energy trading business in 2002 and later

► FUN FACT

***UBS** shuttered the Enron trading floor, which had 630 employees in Houston, less than a year after its purchase. The Swiss bank moved 100 of the employees to the company's Stamford, Conn., office.*

jumped to **Fortis Energy Marketing and Trading** (*PI*, 6/10/08), which was acquired by BNP in 2008. Enron's trading operation recorded \$7 billion in profits in 2000 and 2001.

CHRISTOPHER HERRON, manager of project development, **FPL Group**

► **FUN FACT**

*Herron is a member at large of the **Girl Scouts of Southeast Florida**.*

Herron was manager of structured finance at Enron from 1998 to 2001, where he worked on all aspects of project financing. His current project roster includes FPL's \$1.1 billion 1.25 GW combined-cycle Cape Canaveral Energy Center and the \$1.3 billion 1.25 GW combined cycle Riviera Beach Energy project, slated for operation in 2013 and 2014, respectively.

TOM GEORGIS, senior v.p. of development, **SolarReserve**

► **FAST FACT**

Georgis spent nine years as a Naval Special Warfare Officer (SEAL) in the U.S. Navy.

Georgis was a manager at Enron where he developed and structured projects internationally and closed 500 MW of contracts.



Tom Georgis

Before joining SolarReserve in 2008, Georgis was a managing director of international operations at technology company **GlobalTec Solutions** and principal and managing director of **Exodus Energy**, a Houston based project finance and M&A advisory shop. SolarReserve garnered a \$737 million loan guarantee from the U.S. **Department of Energy** for its 110 MW Crescent Dunes concentrating solar thermal project in California (*PI*, 10/4).

—Sara Rosner

Siemens Plots (Continued from page 1)

budgets in 2011 and 2012. An SFS spokeswoman declined to specify the number of deals Siemens is looking to wrap this year and next.

SFS is planning to hire originators at all levels in a number of SFS satellites, including Houston, Toronto, Calgary, Mexico City, Sao Paulo, Singapore, Hong Kong, Sydney and the Emirates. The company favors applicants with in-depth power and energy capital investing expertise. SFS' focus spans renewables, thermal generation and oil and gas. Siemens doesn't use headhunters for hiring campaigns.

It recently hired **Philip Johnson**, formerly at **GMAC** in financial services, to head big-ticket energy leasing in Atlanta. Johnson will report to **Guy Cirincione**, senior v.p. and general manager of energy finance in Iselin. Cirincione joined Siemens from **Dexia** (*PI*, 7/13/11).

The shop is generally well-received by peers in project finance

deals. "They have a very pragmatic approach and they have a mandate to put assets on the book. They're everyone's friend," says a project financier, adding that its capacity to do business in a bearish market has made it popular with lenders and sponsors alike. Industrial conglomerate **Siemens AG** owns SFS and provides it with funding capacity, along with a buffer from the turbulent markets that have affected standalone, regulated banking outfits. Siemens recently financed **Pattern Energy's** 75 MW wind project in Santa Isabel, Puerto Rico (*PI*, 10/21), and is participating in a deal backing **Invenery's** Bishop Hill I project in Henry County, Ill. (*PI*, 10/11).

SFS is also scoping project finance loans being peddled by European lenders looking to offload portfolios as they struggle with Greek and other sovereign debt. "In a down market, we can be opportunistic by buying on the secondary market," Edelman says. **Allied Irish Bank, Banco Espirito Santo, BNP Paribas, Crédit Agricole** and **Société Générale** are among the lenders looking to offload loans. Details surrounding any of SFS' potential purchases could not be learned.

—Brian Eckhouse & S.R.

NaturEner Scales (Continued from page 1)

and was spurred by a paucity in the project finance markets, according to the filing.

As part of the tax equity agreement, NaturEner must line up another offtaker for the power for at least 10 years. The success of the agreement ultimately depends on Rim Rock in Kevin, Mont., going online by Dec. 31, 2012, in order to qualify to receive production tax credits from the U.S. **Department of Treasury**.

NaturEner is currently talking with an entity to provide construction financing. The company had been working with **BBVA** last fall to organize a financing (*PI*, 11/19/10). Details such as whether BBVA is still involved and the identity of the prospective lender could not be learned.

A call to **Chris Hodge**, director of commercial operations for NaturEner in San Francisco, was not returned. A spokesperson for SDG&E could not immediately comment. BBVA officials didn't respond to inquiries.

—Holly Fletcher

Quote Of The Week

"If there's any capital requirement companies have, they can start by coming to me."—**Kirk Edelman**, president and ceo of **Siemens Financial Services** in Iselin, N.J., on growing the entity's power and energy finance business (see story, page 1).

One Year Ago In Power Finance & Risk

First Wind was maintaining its sites on going public, despite shelving its initial public offering after investor appetite fell short of expectations. [The company entered its 370 MW of operational wind farms in New England into a \$333 million joint venture with **Emera** as an alternative to raise development capital (*PI*, 5/2).]