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Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

● MERGERS & ACQUISITIONS ● PROJECT FINANCE ● MIDTERMS

Southern Power to Sell Mankato to Utility
Southern Power is selling its gas-fired, combined cycle Mankato Energy Center in Minnesota to its offtaker, **Xcel Energy**. Page 8

Sunrun Set to Launch ABS into Pacier Market
Resi solar installer Sunrun is preparing to launch a deal into a newly reinvigorated solar securitization market. Page 10

Power Entrepreneur Heads to Congress
Shravan Bhat covers **Sean Casten**'s race to Congress and the election's mixed outcome for power sector reform. Page 12

Southern Power Signs Wind Portfolio Tax Equity Deal

Shravan Bhat

Three seasoned tax equity investors have signed a large transaction to finance a portfolio of Southern Power wind projects.

Wells Fargo, **JP Morgan** and **Bank of America Merrill Lynch** have agreed to invest $1.2 billion in the roughly 1.5 GW portfolio in a deal expected to close by year-end.

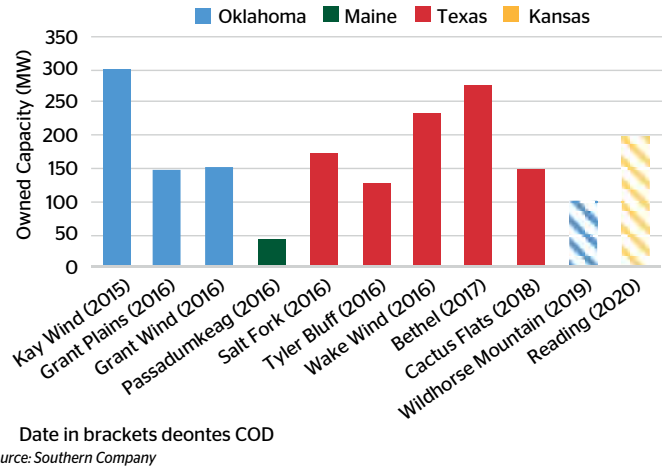
CCA Group is advising the **Southern Co.** subsidiary on the mammoth deal, which will finance operating wind farms, most of which have been online for between one and two years.

Southern Co. revealed details of the transaction in its third quarter earnings call on Nov. 7.

RED LINES

Large tax equity deals present particular challenges because all of the most prolific and established tax equity investors have different "red lines" on terms that they are unwilling to cross, PAGE 9 »

Southern Power Wind Portfolio



Date in brackets deontes COD

Source: Southern Company

Buyer Emerges for sPower Portfolio Stake

Taryana Odayar

AES Corp. and **Alberta Investment Management Corp.** have sold a stake in an operational renewables portfolio developed and owned by Provo, Utah-based **sPower**, which they jointly acquired last year.

The buyer, insurance and financial services holding company **Ullico**, is taking a 24% stake in the 1.3 GW portfolio, which comprises over 70 solar and wind projects spread across the U.S., according to AES's third quarter earning results.

"The composition of the portfolio naturally hedges geographic and resource- PAGE 5 »

Soltage Seals Debt, Tax Equity for D.G. Portfolio

Shravan Bhat

A financing package recently sealed by distributed solar developer Soltage for a 100 MW portfolio includes a construction-to-mini-perm loan and tax equity alongside private equity, *PFR* has learned.

Cincinnati's **Fifth Third Bank** provided the construction loan, which bridges to a seven-year mini-perm from the same lender and a tax equity commitment from **U.S. Bank**.

Eric Cohen, Fifth Third's group head of renewable energy finance, led the deal team on the transaction.

The bank is also among the handful of financial institutions that have signed power purchase agreements for solar projects as part of their energy procurement strategies (PFR, 9/21).

Private equity shop **Basalt Infrastructure Partners**, meanwhile, provided a majority of the equity for the 38 under-construction assets, most of PAGE 10 »

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IN THIS ISSUE

MERGERS & ACQUISITIONS

5 | Pattern & Capital Power Pen K2 Sale
5 | Clearway Tees Up Ariz. Solar Dropdown
6 | EDP Exits Wind Portfolio Stake
6 | Utility Acquires Wind Project Expansion
7 | Canadian Solar Take-Private Iced
7 | Entergy Awards Build-Transfer to Recurrent
8 | Dominion Sells Fuel Cell Project
8 | BlackRock Enters D.G. Solar

PROJECT FINANCE

9 | Illinois Tax Equity Closes
9 | Dominion Levers Up Solar Portfolio
10 | Sunrun Tees Up ABS
10 | Fotowatio's Mexican Solar Nears Debt Funding

PEOPLE & FIRMS

11 | Rubicon Adds General Counsel
11 | Director Departs Barclays N.Y. Priv. Placement Desk
11 | O'Flynn to Switch Roles at AES
11 | CapDyn Adds V.P. to N.Y. Team
12 | Vantage Staffs Up for U.S. Deals

DEPARTMENTS

3 | Generation Auction & Sale Calendar
4 | Project Finance Deal Book

Power Finance & Risk

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

PPA PULSE

Utilities Dish Out Solar Contracts

TVA PICKS TWO

The **Tennessee Valley Authority** has signed what it describes as "historic" power purchase agreements with **First Solar** and **NextEra Energy Resources** for a combined 377 MW from two solar projects to power a **Facebook** data center in Huntsville, Ala.

The TVA chose the two projects following a 2017 request for proposals. First Solar's winning bid was for a 227 MW project in Colbert County, Ala., while NextEra Energy Resources was picked for its 150 MW project across the state border in Lincoln County, Tenn.

Facebook has announced that it is committed to support all of its data centers and offices with 100% renewable energy by 2020.

In markets where end users like Facebook are not allowed to sign PPAs directly with renewable energy projects, they have instead signed renewable energy supply deals with utilities like the TVA.

This has led to a wave of utility PPAs driven not by state-imposed portfolio standards, but by demand from companies like Facebook (PFR, 10/26).

Recently, **Pacific Power** signed a 25-year PPA for First Solar's 58 MW Cove Mountain project near Enterprise, Utah, to supply the social media giant's data center in Prineville, Ore. (PFR, 10/25).

CYPRESS GETS GREEN LIGHT IN VA.

Virginia's **State Corporation Commission** has approved a utility power purchase agreement for a solar project **Cypress Creek Renewables** is developing.

Dominion Energy Virginia will purchase the output of the 112 MW Water Strider solar project in Halifax County for 20 years under the terms of the contract.

Construction is expected to begin in the second quarter of 2020 and the project is due to be online by the end of the same year.

LIGHTSOUCE LANDS CONTRACTS

Lightsource BP has inked a pair of long-term power purchase agreements for two solar projects in California and New Mexico.

California's **Sacramento Municipal Utility District** will buy the output of a 13 MW project in California, called Wildflower Solar I, under a 25-year PPA initially priced at $45/MWh.

The utility and the developer are also exploring the possibility of adding battery storage.

Continental Divide Electric Cooperative, a member-owned cooperative, has meanwhile signed up for the output of a 9 MW (DC) project in New Mexico. ■

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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
Abengoa	A3T (220 MW Gas)	Mexico	TBA	Private equity firms are sizing up the project, which part of Abengoa's insolvency divestments (PFR, 10/8).
Ahana Renewables	Portfolio (46.9 MW Solar)	California, New Jersey, Massachusetts	MVP	CleanCapital has bought the operational C&I portfolio using equity from BlackRock (see story, page 8).
Allete Clean Energy	Thunder Spirit (48 MW Wind)	North Dakota		Montana-Dakota Utilities had signed a 25-year PPA with the project earlier this year but chose to acquire it instead (see story, page 6).
AltaGas	Portfolio (277 MW Hydro)	Canadan	TBA	AltaGas is looking to raise around $1 billion from the three-project divestiture (PFR, 11/5).
Blackstone	Lonestar Portfolio (1,110 MW Gas, Coal)	Texas	Citi	The sale of the portfolio, code named Project Matador, is said to be entering a second round (PFR, 10/15).
D.E. Shaw	Deepwater Wind	U.S.	Ernst & Young (buyer)	Denmark's Ørsted is buying the offshore wind platform for $510 million (PFR, 10/15).
Dominion Energy	Bridgeport (14.93 MW Fuel Cell)	Bridgeport, Conn.		FuelCell Energy is paying $36.6 million in cash but the sale depends on securing acquisition finance by Dec. 1 (see story, page 8).
Duke Energy	Renewables Portfolio (2,907 MW Wind, Solar)	U.S.	Morgan Stanley	Duke is running a sale process to formalize inbound interest it has received (PFR, 10/1).
Engie N.A., Harbert Management Corp., Mitsui & Co.	Astoria I, II (1,230 MW, Gas)	Queens, N.Y.	Morgan Stanley, PJ Solomon	As the sale of the assets nears a second round of bidding, deal watchers note varying levels of interest (PFR, 10/15).
EDP Renewables	Meadow Lake VI (200 MW Wind)	Benton County, Ind.	CIBC	Axium Infrastructure is buying an 80% stake in the duo, expected to be online in the next six months (see story, page 6).
	Prairie Queen (200 MW Wind)	Allen County, Kan.		
	Sharp Hills (250 MW Wind)	Special Areas 3 & 4, Alberta		
	Nation Rise (100 MW Wind)	North Stormont, Ontario		
Eletrobras	Various Wind Assets (880 MW Net)	Brazil		An auction was scheduled for Sept. 27 (PFR, 8/27).
First Solar	GA Solar 4 (200 MW Solar)	Twiggs County, Ga.	TBA	Belgian developer Origis is buying the asset, which is contracted under a Georgia Power PPA (PFR, 10/29).
GE Energy Financial Services, Global Infrastructure Partners	Towantic (751 MW Gas)	Oxford, Conn.	TBA	Osaka Gas USA is picking up a 50% stake in the Competitive Power Ventures-developed project (PFR, 11/5).
GenOn Energy	Bowline (1,139 MW Gas)	Haverstraw, N.Y.		GenOn is optimizing the project as it looks to increase it value and put it back on the market (PFR, 10/29).
KKR & Co., Recurrent Energy	Portfolio (70 MW Solar)	California		A Goldman Sachs Asset Management fund has bought the cash equity interests (PFR, 11/5).
Mainstream Renewable Power	Andes Portfolio (1.3 MW Wind, Solar)	Chile	KPMG London	The Irish developer is seeking an equity partner to build and operate its $1.65 billion renewable portfolio in Chile (PFR, 9/17).
NRG Energy	Agua Caliente (290 MW, 35%)	Arizona		NRG is offering its former yieldco, Clearway Energy, another slice of the project (see story, page 5).
North American Power Group	Rio Bravo Fresno (28 MW Biomass, 50%)	Fresno, Calif.		NAPG is in talks with potential buyers of its 50% stakes in the projects (PFR, 8/27).
	Rio Bravo Rocklin (28 MW Biomass, 50%)	Lincoln, Calif.		
Pattern Development, Capital Power	K2 (270 MW Wind, 66%)	Ontario		A consortium led by Axium Infrastructure , which already owns the remaining one-third stake, is paying $332 million (see story, page 5).
Recurrent Energy	Sunflower (100 MW Solar)	Mississippi		Entergy Mississippi has signed a build-transfer agreement to buy the project for $138.4 million (see story, page 7).
Solarpack	Portfolio (36 MW Solar)	Chile		A subsidiary of French developer Cap Vert Energie paid $45 million for the development-stage assets (PFR, 11/5).
Southern Current	Portfolio (80 MW Solar)	U.S.	MVP	Soltage has acquired the under-construction assets using third-party equity, debt and tax equity (see story, page 1).
Southern Power	Mankato (760 MW Gas)	Minnesota		The plant's offtaker, Xcel Energy, has agreed to pay $650 million for the two units (see story, page 8).
Starwood Energy Group Global	Portfolio (460 MW Wind, 51%)	Texas	Whitehall	Skyline Renewables, a partnership between Transatlantic Holdings and Ardian has emerged as the buyer (PFR, 10/29).
sPower	Portfolio (1.3 GW Renewables, 24%)	U.S.	Barclays	Ullico has bought the stake in some 70 operating wind and solar projects (see story, page 1).
Sumitomo Corp. of Americas	Turquoise Nevada (50 MW)	Washoe County, Nev.	Whitehall	Whitehall is running the sale process for the project, which is due online by the end of 2020 (PFR, 10/29).
Heorot Power	Tanner Street Generation (82 MW Gas)	Mass.	Scotia	The sale of the project was launched in July under the code name Project Riverhawk (PFR, 10/15).

New or updated listing

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

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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 Microgrid Solutions, Macquarie Capital	Electrodes (50 MW Battery Storage)	California	Macquarie Capital	Debt	$75-100M	10-yr	Sponsors are putting together financing for the second tranche of the 50 MW portfolio (PFR, 9/24)
AES Gener, Mitsubishi	Cochrane (483 MW Coal)	Chile	Citi, Goldman Sachs, HSBC, SMBC	Bank Loan	$180M	4-yr	As is typical with hybrid refinancings, the bond will not ammortize till the bank loan is fully repaid (PFR, 10/22).
				Bond	$725M	16-yr	
Apollo Global Management	Former GE EFS private equity portfolio	Mostly U.S.	RBC, Goldman Sachs, BMO	Debt	TBA	TBA	The three banks are said to have underwritten a back-levered financing for Apollo (PFR, 10/15).
Ares-EIF	Hill Top Energy Center (620 MW Gas)	Greene County, Pa.	Morgan Stanley	Private Placement	TBA	TBA	Ares has foregone a bank mini-perm for a bond to match the tenor of a gas netback under negotiations (PFR, 10/8).
Ares-EIF, Novi Energy	C4GT (1,060 MW Gas)	Charles City County, Va.	TBA	Debt, Equity	TBA	TBA	The shovel-ready project is in talks for debt and equity (PFR, 9/17).
Atlantic Power Corp.	Portfolio (1,447 MW, Gas)	U.S.	Goldman Sachs	Debt	$470M	5-yr	A group of banks is refinancing the sponsor's term loan B with final commitments due Nov. 2 (PFR, 10/29).
Avangrid Renewables, Copenhagen Infrastructure Partners	Vineyard (800 MW Offshore Wind)	Massachusetts	CCA Group (adviser), Santander (adviser)	Debt, Tax Equity	$3.5B	TBA	The capital structure for the estimated $3.5 billion, two-phase project remains to be finalized (PFR, 10/8).
Balico	Chickahominy (1,650 MW Gas)	Charles City County, Va.	TBA	Debt, Equity	TBA	TBA	A development team, formerly at Cogentrix, has hired a financial advisor to begin the equity raise (PFR, 8/20).
● Dominion Energy	Portfolio (574 MW Solar)	U.S.	Barclays	Private Placement	$362M	TBA	The green bond will finance 20 operational solar projects (see story, page 9).
EDP Renewables	Arkwright (78.4 MW Wind)	Chautauqua County, N.Y.	JP Morgan	Tax Equity	$74.2M		The $156 million project began operations last months (PFR, 10/29).
Enel Green Power	Delfina (219.4 MW Wind)	Brazil	TBA	TBA	TBA		Enel is adding 29.4 MW of capacity, expected to cost $40 million (PFR, 10/22).
● Enel Green Power North America	HillTopper (185 MW Wind)	Logan County, Ill.	Wells Fargo	Tax Equity	$180M		Enel's long-time tax equity adviser CCA Group put the deal together (see story, page 9).
FGE Power	Goodnight (500 MW Wind)	Armstong County, Texas	Karbone	Tax Equity	TBA		The sponsor has already secured a cash equity commitment for the project from Fortistar (PFR, 5/29).
● Fotowatio Renewables Ventures	Potrero (270 MW Solar)	Jalisco, Mexico	IFC	Debt	$65M	12-yr	The project is expected to cost $250 million and come online in 2020 (see story, page 10).
Fortistar	Primary Energy (298 MW Waste Heat)	Indiana	Investec	Debt	$240M	7-yr	The deal is expected to launch mid-November, replacing the $215 million acquisition financing from 2014 (PFR, 11/5).
GE EFS	Shady Hills (573 MW Gas)	Pasco County, Fla.	TBA	TBA	TBA	TBA	GE EFS is aiming to have all the permits in place and reach financial close in December (PFR, 5/21).
● Hannon Armstrong	SunStrong 2018-1 (Residential Solar)	U.S.	Deutsche, BAML, Crédit Agricole	Securitization	TBA	TBA	The deal backing 37,568 leases acquired from SunPower was expected to have been priced by Nov. 9 (see story, page 10).
Longview Power	Longview (700 MW Coal)	Maidsville, W.Va.	Houlihan Lokey (adviser)				Longview Power has hired Houlihan Lokey for a potential refinancing (PFR, 4/9).
Middle River Power III	Portfolio (523 MW Gas)	San Joaquin Valley, Calif.	MUFG	Debt	TBA	6-yr	The Avenue Capital Partners subsidiary is raising financing to fund its acquisition of three projects from AltaGas (PFR, 9/24)
Morgan Stanley Infrastructure Partners	Bayonne Energy Center (644 MW Gas)	Bayonne, N.J.	Crédit Agricole, ICBC, Investec, KEB Hana, Nomura	Mini-perm	$500M	7-yr	Pricing on the acquisition financing reverse flexed 25 bp to 250 bp over Libor with 25 bp step ups (PFR, 10/29).
	Red Oak (805 MW Gas)	Sayreville, N.J.	Investec, ICBC, Nomura	Term Loan A Refinancing	$369M	7-yr	Pricing starts at 275 bp over Libor and the deal includes a $35 million revolver (PFR, 10/22).
NTE Energy	Reidsville (500 MW Gas)	North Carolina	Whitehall	Debt, Equity	$650M	TBA	The City of Camden, S.C., signed a 20-year PPA with Reidsville, becoming it twelfth customer (PFR, 10/1).
NTUA Generation	Kayenta II (27 MW Solar)	Navajo County, Ariz.	Karbone (adviser)	Tax Equity	$13.3M		Prospective tax equity investors for the $39 million project received teasers on Oct. 18 (PFR, 10/29).
Petroquímica Comodoro Rivadavia	Bicentinario (126 MW Wind)	Argentina	KfW, IDB Invest	Debt	$108M	TBA	Danish export credit agency EFK is guaranteeing the KfW tranche provided Vestas supplies the turbines (PFR, 11/5).
● Soltage	Portfolio (100 MW Solar)	U.S.	Fifth Third Bank	Debt	TBA	7-yr	Soltage also used equity from Basalt Infrastructure Partners to acquire the portfolio from Southern Current (see story, page 1).
			U.S. Bank	Tax Equity	TBA		
● Southern Power (Southern Co.)	Portfolio (1.6 GW Wind)	Texas, Oklahoma, Maine	BAML, JP Morgan, Wells Fargo	Tax Equity	$1.2B		CCA Group is structured the tax equity raise (see story, page 1).
Talen Energy Supply	Portfolio (2.3 GW Gas)	Northamptio County, Pa.	MUFG	Term Loan B	$475M	7-yr	Two operating gas-fired projects in PJM are being levered up at 375 to 400 basis points over Libor (PFR, 11/5).
Tellurian	Driftwood (LNG)	Louisiana	Goldman Sachs, Société Générale	Equity	$8B		The sponsor has slashed the equity commitment and intends to replace the difference with debt (PFR, 11/5).

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Buyer Emerges for sPower Portfolio Stake

« FROM PAGE 1

related risk, offering long-term stable cash flows that fit with Ullico's infrastructure fund objectives," said **Jeff Murphy**, portfolio manager for Ullico's infrastructure business, in a statement. "As our first investment with sPower, we are pleased to grow our relationships with valued partners in the renewable energy sector, alongside **D.E. Shaw Renewable Investments.**"

The deal was struck last month and is expected to close shortly after the U.S. **Federal Energy Regulatory Commission** grants approval. Once the sale closes, AES and AIMCo will own around 38% each of the portfolio, down from 50% each.

The deal is the result of a sale process run for sPower by **Barclays**, which *PFR* reported in June (PFR, 6/15).

Skadden was sPower's legal adviser on the deal, while **Norton Rose Fulbright** represented Ullico.

The latest transaction, along with two senior secured debt refinancings in the U.S. private placement market and reduced operating costs, increases AES's return on the sPower portfolio to 13%.

The proceeds from the stake sale and dividends received since AES and AIMCo bought sPower last year (PFR, 8/3) represent more than half of AES's original investment in the company.

"We will invest the proceeds in sPower's 10 GW development pipeline, yielding higher returns," said **Andrés Gluski**, president and ceo of AES, in a statement.

An sPower affiliate will continue to manage all of the projects in the portfolio and provide operations and maintenance services for the solar projects. The wind projects are maintained under long-term agreements with turbine supplier **General Electric**.

The deal is Ullico's fifth investment in renewable energy assets, and follows on from its most recent acquisition of a **Dutch Infrastructure Fund** portfolio of four operational solar plants totaling 38.5 MW, located in Ontario, Canada, following a competitive sales process (PFR, 9/4). ■

EDP Finds Investor to Take Wind Portfolio Stake

EDP Renewables North America has found a buyer for a stake in a pair of under-construction wind projects, one of which is located in Indiana and the other in Kansas.

Axium Infrastructure, through its AxInfra US fund, is buying an 80% stake in the portfolio, which comprises the 200.4 MW Meadow Lake VI project in White and Benton counties, Ind., and the 200 MW Prairie Queen project in Allen County, Kan.

EDP and Axium have asked the U.S. **Federal Energy Regulatory Commission** to approve the deal by Dec. 17 and it is expected to close by the end of the year.

The sale comes after EDP hired **Canadian Imperial Bank of Commerce** to put the projects up for auction as part of a larger 750 MW wind portfolio. The sale process began in June (PFR, 8/20).

The other two EDP projects CIBC is touting are the 250 MW Sharp Hills project in eastern Alberta and the 100 MW Nation Rise project in Ontario.

Spokespeople for CIBC in Toronto, Axium in Montreal and EDP in Houston declined to comment.

The Meadow Lake VI project is expected to be online this month, prior to the consummation of the transaction.

It has a 15-year power purchase agreement with Swiss chocolatier **Nestlé** for 50 MW of its output (PFR, 2/12), a 15-year PPA for a further 75 MW with engine manufacturer **Cummins** and a 20-year PPA with **Wabash Valley Power Association** for the remaining 75 MW.

The Prairie Queen facility is expected to be online a little later, in April of next year.

EDP signed a 20-year PPA for the project's output earlier this year with **Great Plains Energy** (PFR, 2/26), which merged with **Westar Energy** in May to form **Evergy**.

EDP will continue to be responsible for the day-to-day management of the two projects, which it owns through a tax equity financing vehicle called **Vento XIX**.

Citi and **Allianz** own the tax equity interests in the portfolio (PFR, 8/28). ■

Clearway Tees Up Arizona Solar Dropdown

NRG Energy has offered its former yield company, **Clearway Energy**, a 35% slice of a 290 MW solar project in Arizona.

The yieldco, formerly known as **NRG Yield**, would purchase the stake in the Agua Caliente project for between $115 million and $120 million in cash and the assumption of $360 million of non-recourse debt, under the terms of the proposed deal, which was revealed in Clearway's third quarter earnings report on Nov. 6.

About $86 million of the debt is at the level of holding company **Agua Caliente Borrower 1**, through which NRG owns the 35% stake in the project, while the remaining $274 million is at the project level.

NRG made the offer on Nov. 1, according to the Clearway filing.

Clearway already owns a 16% stake in Agua Caliente through a separate financing vehicle, **Agua Caliente Borrower 2**, that NRG dropped down in March of last year. Agua Caliente Borrower 2 is encumbered with $41 million of non-recourse holdco debt.

Clearway intends to fund the acquisition of the additional 35% stake with existing liquidity. The transaction is expected to close in the first quarter of 2019.

FED LOAN

First Solar developed the Agua Caliente project in Yuma County and sold it to **NRG Solar** in 2011 in a deal supported by a $967 million loan from the **Federal Financing Bank** (PFR, 8/9/11).

MidAmerican Energy Holdings has held a 49% stake in the project since 2012 (PFR, 12/19/11).

When it was brought online in 2014, Agua Caliente was touted as the largest solar plant in the world. It sells its output to **Pacific Gas & Electric** under a 25-year power purchase agreement. ■

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MERGERS & ACQUISITIONS

Pattern Yieldco, Capital Power Pen Sale of Ontario Wind Asset

Pattern Energy Group, the yield company of **Pattern Development**, and Capital Power have agreed to sell their one-third stakes in the 270 MW K2 wind project in Ontario.

A consortium led by **Axium Infrastructure**, which already owns the other one-third stake, is paying C$432 million ($332 million) for Pattern and Capital Power's interests, which represent a combined 180 MW.

The purchase price is 15 times the 10-year average cash available for distribution generated by the project, according to Pattern, which notes that the sale "reflects the significant intrinsic value of the assets in [the yieldco's] portfolio compared to the value ascribed to the business in the public markets."

Axium and its co-investors will also assume the project debt associated with Pattern and Capital Power's stakes as part of the deal.

Pattern put the whole project's outstanding debt as of Sept. 30 at about C$730 million ($559.9 million) in its most recent earnings report. The implied enterprise value of the transaction is therefore about C$1.37 billion ($1 billion) for the entire 270 MW facility.

Capital Power said it had made a roughly C$160 million ($122 million) gain on its initial C$44 million ($33.5 million) investment in the project as a result of the sale, while Pattern said it would record a gain of between $65 million and $69 million.

Pattern will look to reinvest the proceeds of the sale in more accretive assets.

KINGSBRIDGE II

Capital Power developed the K2 project, originally under the name Kingsbridge II, in Ashfield-Colborne-Wawanosh, obtaining a 20-year power purchase agreement with the **Ontario Power Authority** before bringing **Samsung Renewable Energy** and Pattern Development on as co-sponsors in 2011 (PFR, 8/8/11).

Led by Pattern, the trio of developers financed the project with debt in 2014, with a club of banks providing an C$850 million (then $757.78 million) construction-to-mini-perm loan priced at 175 basis points over Libor (PFR, 3/4/14, 5/23/14).

Pattern dropped its one-third stake down into its yieldco for $128 million plus the assumption of its share of the debt, then estimated to be $218 million, around the time commercial operations began in 2015 (PFR, 4/8/15).

Then, in 2016, Samsung Renewable Energy sold its stake to the Axium-led consortium, which features **Alberta Teachers' Retirement Fund** and **Manulife Financial Corp.** (PFR, 8/15/16). ■

FAST FACT

$559.9 million

K2's total outstanding debt as of Sept. 30, according to Pattern's most recent earnings report.

Utility Acquires Wind Project Expansion

Allete Clean Energy has sold the 48 MW phase two of the Thunder Spirit wind facility in North Dakota to **Montana-Dakota Utilities**.

The utility company, which already owns phase one of the project, had signed a 25-year power purchase agreement for the expansion in 2017 but decided earlier this year to exercise an option to buy the plant instead (PFR, 3/6).

FAST FACT

$200 million

The price MDU paid to buy the 107.5 MW first phase of Thunder Spirit in 2015.

The purchase price for the expansion was about $84 million. The sale closed on Oct. 31, according to a U.S. **Federal Energy Regulatory Commission** filing.

MDU acquired the first 107.5 MW phase of the Thunder Spirit project from Allete when it came online in December 2015, for $200 million (PFR, 3/6).

The first deal also resulted from an option clause in a PPA, signed by the project's former owner, German developer **Wind Works Power Corp.**, in 2014. Allete acquired the project from Wind Works later in 2014.

Thunder Spirit 2, comprising 16 **Nordex** turbines, brought the project's output to its permitted maximum capacity of 155 MW. It is located near the city of Hettinger in Adams County. The expansion qualifies for production tax credits, according to Allete.

A BUSY YEAR

Meanwhile, Allete is in the process of refurbishing up to 385 wind turbines at three of its operational projects in Minnesota and Iowa, namely the 98 MW Chanarambie-Viking and 104 MW Lake Benton facilities in southwest Minnesota and the 186 MW two-phase Storm Lake project in Iowa.

The refurbishment is expected to qualify the three projects for renewed production tax credits, while supporting the renewal of power sales agreements at the Storm Lake sites. Allete is financing the refurbishment with a combination of balance sheet cash and cash flows from the projects over multiple years.

Allete also broke ground this fall on the 106 MW Glen Ullin wind project located northeast of Glen Ullin, N.D., which will supply **Xcel Energy** under a 20-year PPA.

Last December, Allete exercised an option to purchase the 60 MW Greenwich Wind Park project in Hurron County, Ohio, from Australian developer **Windlab**. However, the deal fell through because the two companies could not reach final agreement, with **Swift Current Energy** ultimately agreeing to buy the project instead of Allete (PFR, 8/27). ■

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Elusive Canadian Solar Take-private Deal Raises Eyebrows

The chairman, ceo and president of Canadian Solar, Dr. **Shawn Qu**, has agreed to withdraw his take-private offer for the company, at least for now, prompting investment bankers and private equity officials to wonder why he has so far been unable to secure the necessary funding.

Qu initially proposed the take-private at a price of $18.47 per share almost a year ago, in December 2017 (PFR, 12/11/17), but a special committee appointed by Canadian Solar's board to review the proposal recently recommended that the review be dropped.

"The Special Committee made its recommendation in light of the length of time that has passed since Dr. Qu submitted the Proposal Letter, the significant changes that have taken place in the solar industry during that time and the uncertainty surrounding Dr. Qu's ability to secure the financing required to enable him to make a fully-financed offer," reads a Nov 5. filing with the U.S. **Securities and Exchange Committee**.

Qu has agreed to withdraw his proposal letter, but advised the board that he was still interested in taking the company private and "may continue to explore ways to secure adequate financing."

The board had hired **Barclays Capital Canada** to advise it on the proposed transaction, but the investment bank's services will presumably no longer be needed unless Qu comes back with a funded proposal (PFR 1/25/18).

FUNDING SECURED?

Some deal watchers expressed surprise that Qu had apparently been unable to drum up the required funds, suggesting that public investors were undervaluing the company.

And at least one hedge fund has been in talks with financial institutions and potential co-investors about participating in the deal.

The firm, **Lion Point Capital**, said it believed the company was "significantly undervalued and trade[s] at a steep discount to their intrinsic value" in an Aug. 28 SEC filing.

Lion Point had conversations with several large financial and strategic institutions that expressed an interest in potentially financing the take-private deal, and the firm had submitted a preliminary term sheet to Qu, offering a five-year financing package of up to $250 million.

"There would have been a lot of people interested in funding Shawn," says a power and renewables investment banker in New York. "The bottom line is whether they thought the advantages of going private were worth the price."

Other industry watchers, however, were less surprised, pointing to unfavorable conditions faced by the company's core solar panel manufacturing business.

"They're basically a panel manufacturer with a development arm and have been hurt by tariffs in the U.S. and the policy changes in China's domestic solar market," says an executive at a European private equity firm. "Those two things have pulled the bottom out of the panel market."

President **Donald Trump** announced tariffs on solar panel imports just a month after Qu formally submitted his proposal to Canadian Solar's board (PFR, 1/23).

And while Canadian Solar has acted a project developer—not least after it acquired **Recurrent Energy** in 2015 (PFR, 2/6/15)—it is primarily a panel business, say market watchers.

"Sure they build projects, but they don't approach it like a typical developer looking to maximize value—they look for growth opportunities for their panel manufacturing business," notes another New York-based private equity fund manager.

"Another reason they may not have gotten private funding is that Recurrent has stayed quite independent and perhaps not delivered the kind of project pipeline they wanted when they were thinking of establishing a yieldco," the investor adds.

Both of the private equity officials agreed that the relationship between Recurrent and Canadian Solar has not been rosy, noting the departure of a large Recurrent team for **Intersect Power** last year (PFR, 4/4/17).

Investors will be closely watching Canadian Solar's third quarter results, due on Thursday, Nov. 15.

Spokespeople for Canadian Solar in Guelph, Ontario, declined to comment. ■

Entergy Awards Build-Transfer Deal to Recurrent

Canadian Solar subsidiary **Recurrent Energy** has signed a build-transfer agreement with **Entergy Mississippi** for a 100 MW solar project in Mississippi.

The project, named Sunflower for the county where it is located, is expected to be complete around mid-2022, at which point Entergy will buy it for about $138.4 million. The deal is subject to approval by the **Mississippi Public Service Commission**.

"The project was selected through a competitive solicitation process," an Entergy spokesperson in Jackson, Miss., tells *PFR*.

Recurrent is understood to be weighing a construction loan to bridge to the sale. A spokesperson for the company declined to comment.

If approved, Sunflower will be the largest utility-owned solar project in the state, according to both Entergy and Recurrent.

Build-transfer deals are fairly commonplace for wind farms but rarer for solar projects.

"This agreement marks one of the first build-transfer agreements for solar to be executed in the U.S., and we are very proud to have partnered with Entergy on this landmark deal," said Dr. **Shawn Qu**, chairman and ceo of Canadian Solar, in a statement.

Qu recently agreed to withdraw a take-private proposal for the company amid uncertainty around his ability to secure the necessary financing (see story, above).

Entergy Mississippi first added solar generation to its fleet in 2016, building three 500 kW pilot projects in Brookhaven, Hinds and DeSoto counties. These constituted the "genesis" for the larger Sunflower project, said **Haley Fisackerly**, the utility's president and ceo, in a statement.

Recurrent, meanwhile, has been busy snapping up power purchase agreements, having recently signed two 15-year contracts with community choice aggregators **Silicon Valley Clean Energy** and **Monterey Bay Community Power** for the output of its 150 MW Slate solar project in King's County, Calif., which has a 45 MW battery storage component (PFR, 11/2). ■

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MERGERS & ACQUISITIONS

Southern Power to Sell Mankato to Utility

Southern Power has agreed to sell its gas-fired, combined-cycle Mankato Energy Center in Mankato, Minn., to the plant's offtaker, **Xcel Energy**.

The **Southern Co.** subsidiary is in the process of adding a second unit to the plant, increasing its maximum capacity from 375 MW to about 760 MW.

Xcel will pay $650 million for the two units on a "debt free, cash free" basis, according to a filing with the U.S. **Securities and Exchange Commission**.

Whether there is any project-level debt still associated with Mankato to be repaid as part of the sale to Xcel could not immediately be confirmed.

The plant's former owner, **Calpine Corp.**, closed a $460 million refinancing for the plant as well as the 250 MW Freeport Energy Center in Freeport, Texas, which together were known as the Steamboat Holdings Portfolio (PFR, 11/24/15).

"The proceeds from the sale will be used for both the repayment of debt and the reduction of an overall equity need at Southern Co.," said a Southern Co. spokesperson in Atlanta.

Besides strengthening its balance sheet, Southern Co. is also looking to position its Southern Power subsidiary for the continued expansion of its renewables portfolio.

Barclays is advising Southern Power on the transaction, which is expected to close in mid-2019, subject to regulatory approvals. **Baker Botts** is the seller's legal counsel.

Through its **Northern States Power** subsidiary, Xcel has been buying the output of Mankato's operational 375 MW unit since 2006 under a 20-year power purchase agreement.

The company also has a 20-year PPA for the second 345 MW unit, which is due to be online by June 2019.

The acquisition comes ahead of several scheduled Xcel plant retirements and contract expirations due to take place in the mid-2020s. Xcel is also building a new transmission line in the Mankato area.

Southern Power bought Mankato from Calpine Corp. in 2016 (PFR, 9/1/16), a year after the independent power producer refinanced it as part of Steamboat.

Calpine had previously tried selling Mankato in 2011, alongside its 850.5 MW gas-fired Broad River project in Gaffney, S.C., with Barclays running the sale. The process was cancelled, however, after early bids were considered unattractive (PFR, 8/3/11). ■

Dominion to Sell Fuel Cell Project Back to Developer

Dominion Energy is selling a fuel cell generation facility to the company that originally developed and built it following a competitive auction.

FuelCell Energy is paying $36.6 million in cash for the 14.93 MW Bridgeport Facility in Bridgeport, Conn., under the terms of a deal signed on Oct. 31.

The sale depends on the buyer obtaining at least $25 million in term debt by Dec. 10, according to paperwork filed with the U.S. **Securities and Exchange Commission.**

"Third party financing for this acquisition is expected to come from a term lender and the **Connecticut Green Bank**, who also participated in the initial financing of the construction of the project," reads the filing.

The parties to the deal have asked the U.S. **Federal Energy Regulatory Commission** to approve the deal by Dec. 17 and expect to close the transaction by the end of the year.

Officials at Dominion in Richmond, Va., and FuelCell Energy either declined to comment or did not respond to inquiries pertaining to the use of financial advisers.

Danbury, Conn.-headquartered FuelCell Energy manufactured the Bridgeport project's fuel cells and was the engineering, procurement and construction contractor. The company has been operating the facility since it came online five years ago.

Connecticut Light & Power Company purchases the project's output under a 15-year, fixed-price power purchase agreement (PFR, 12/17/12). ■

BlackRock Enters D.G. Solar via CleanCapital Deal

BlackRock Real Assets has provided equity to support **CleanCapital**'s acquisition of a 60-project distributed commercial and industrial solar portfolio totaling 46.9 MW from **Ahana Renewables**.

CleanCapital and Ahana signed a purchase and sale agreement valuing the assets at $122 million in September (PFR, 9/14).

"Since we launched in 2016, we have put more than a dozen term sheets in place and all but one of those acquisitions have closed," says CleanCapital ceo **Thomas Byrne**, who declined to comment on what proportion of the $64.5 million equity check for the acquisition came from BlackRock.

The remaining $57.2 million of the portfolio's capital stack was debt provided by **Legal & General** in 2017 in the form of a dual-tranche private placement that matches the tenor of the offtake contracts (PFR, 2/7/17).

The assets are located in California, New Jersey and Massachusetts and sell their power to 26 offtakers under power purchase and net metering credit agreements that had a 12.6-year weighted average remaining life as of March 31.

"I don't think lenders should be asked to finance merchant tails," Byrne adds. "In many cases, we don't value them at all, unless there is extended site control."

Equity returns for distributed solar are said to range from 6% (unlevered) to 9% (levered) for fully contracted projects and lenders have been known to finance up to 80% of total project cost.

Ari Citrin at **Media Venture Partners** advised Ahana on the sale while BlackRock's **Martin Torres** ran point for the asset manager.

CleanCapital's strategy is to deploy institutional capital into operating, distributed solar projects—earlier this summer it spent $70 million on 25 MW of such assets with equity from **Carval Investors** (PFR, 5/31). ■

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Southern Power Signs Wind Portfolio Tax Equity Deal

« FROM PAGE 1

say deal watchers.

Nevertheless, Wells, JP Morgan and BAML have previously invested tax equity together, along with **MetLife**, in **Enel Green Power North America**'s 400 MW Cimarron Bend wind project in Kansas, proving that it can be done (PFR, 10/21/16).

Southern will use the proceeds of its wind tax equity deal—which has been in the works for months—to reduce the amount of equity that its publicly-listed parent company will need to issue in the coming five years, *PFR* reported in May (PFR, 5/25).

TAX BILL NUKED

Losses incurred in other parts of the company may also mean that Southern is no longer able to benefit from the production tax credits generated by the wind facilities.

"They need to generate cash flows because of losses they're taking with their nuke," says a renewables-focused investment banker, referring to the Vogtle nuclear plant in Waynesboro, Ga., which Southern owns through its **Georgia Power** subsidiary. "They need cash and they need someone to monetize those tax credits because their nuke has eaten up their tax capacity."

Southern Co.'s second quarter earnings took a $1.1 billion hit ($800 million after tax) as a result of construction cost overruns at units 3 and 4 of the nuclear facility, which have a $27 billion combined price tag.

> **"They need to generate cash flows because of losses they're taking with their nuke"**

GROWING FLEET

Southern Power's wind portfolio has continued to grow since the tax equity-raising plan was revealed, and it is not clear whether projects that have become operational since then will also be included in the tax equity fund.

Spokespeople for Southern in Birmingham, Ala., did not immediately respond to an inquiry and a representative of CCA in Boston declined to comment. ■

Illinois Tax Equity Deal Closes

A European sponsor has closed tax equity financing for a wind project in Illinois that is contracted with corporate offtakers.

Wells Fargo paid $180 million for the class B interests in **Enel Green Power North America**'s 185 MW HillTopper project in Logan County on Oct. 31.

Coincidentally, HillTopper will indirectly sell 9 MW of its output to the **Comcast Spectacor**-owned Wells Fargo Center, home of the **Philadelphia Flyers** and the **Philadelphia 76ers** (PFR, 8/21).

Enel, which typically finances construction costs from its balance sheet, is not believed to have raised any debt against the facility.

The sponsor's long-time tax equity advisor, **CCA Group**, structured the deal, which highlights the emergence of non-utilty companies as buyers of renewable energy.

A CCA official in Boston declined to comment on the deal while a spokesperson for Wells in Chicago did not immediately respond to an inquiry.

General Motors signed up for 100 MW of the project's output to power its manufacturing facilities in Indiana and Ohio in 2017—when the project was owned by **Swift Current Energy** (PFR, 11/16/17).

Bloomberg came on board with a 17 MW power purchase agreement in April, after Enel had acquired the $325 million project (PFR, 4/9).

Construction has been underway since early 2017 and HillTopper is expected online by the end of the year. Swift bought the project, which was formerly known as Meridien, from **Relight Enterprises** in late 2016 (PFR, 2/6/17). ■

Dominion Levers Up Solar Portfolio with Private Placement

Dominion Energy has closed a green private placement bond to finance a portfolio of 20 operational solar projects totaling 574 MW.

Barclays was the placement agent on the $362 million offering, the proceeds of which Dominion will use to reimburse itself for the construction costs of the solar facilities.

The portfolio comprises long-term contracted projects in California, North Carolina, South Carolina and Virginia. The offtakers are a mix of utility, municipal and corporate counterparties with investment-grade ratings.

It is the first time Dominion has explicitly marketed a bond offering as green. "The success of this offering signals alignment of our clean energy strategy with the fixed income investment community's growing interest in sustainability and corporate responsibility," said **James Chapman**, senior vice president, cfo and treasurer of Dominion, in a statement.

Whether the private placement was structured as a non-recourse project finance or parent-level corporate debt offering could not immediately be confirmed. Other details such as the tenor of the notes were not disclosed.

Spokespeople for Dominion in Richmond, Va., and Barclays in New York did not immediately respond to inquiries.

Law firm **McGuireWoods** advised Dominion on the deal. ■

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PROJECT FINANCE

Soltage Seals Debt, Tax Equity for D.G. Portfolio

« FROM PAGE 1

which Soltage recently acquired from **Southern Current**. The projects are expected to be online in the next 12 months.

The deal renews a partnership between Soltage and Basalt that was inaugurated in 2016 for a portfolio that ended up including 57 MW of assets that the developer acquired from **Cypress Creek Renewables** (PFR, 5/5/17).

Marathon Capital advised Soltage on the first capital raise with Basalt, but was not involved in the latest transaction, which was announced on Oct. 31.

The sizes of the various elements of the financing could not be established by press time.

"OWN AND HOLD"

"We plan to own and hold these assets," Soltage co-founder and ceo **Jesse Grossman** told *PFR*, while declining to comment on the financing structure of the portfolio. "We're looking to close something similar every quarter or two, drawing down from existing commitment we have from Basalt and others."

Jeff Neil, a partner at Basalt in New York, did not immediately respond to inquiries.

UTILITY OFFTAKERS

The assets are spread across North Carolina, South Carolina, Georgia, Virginia and Soltage's home state, New Jersey, and range in size from 2 MW to 6 MW.

Approximately 80% of the portfolio came from Southern Current, with the remainder originated by Soltage. **MVP Capital** advised Southern Current on the 84 MW (DC) sale. Officials at Southern Current in Charleston, S.C., declined to comment.

Although the projects are small, the portfolio is contracted with utilities like **Duke Energy, Dominion Energy** and **Georgia Power** under PPAs with a weighted average life of 15 years. ■

Sunrun Preps Solar ABS Offering as Pace of Issuance Picks Up

Residential solar installer Sunrun is preparing to launch an asset-backed securitization in the next few weeks after a spurt of offerings from competitors.

The company is "well underway" with the transaction, said **Ed Fenster**, one of the company's co-founders and its executive chairman, on an earnings call on Nov. 7.

Subordinated debt and project equity offerings could follow the senior bonds, he added. "We expect to accelerate the pace of ABS issuances next year."

Sunrun will be launching the deal into a solar securitization market where the pace has picked up considerably in recent weeks.

Real estate investment trust **Hannon Armstrong** announced SunStrong 2018-1, a $440 million deal backed by a pool of leases that it acquired from developer **SunPower**, last week, after another of Sunrun's rivals, **Sunnova**, priced a $262.7 million dual-tranche offering on Oct. 26 (PFR, 10/31, 11/5).

The bookrunner on the forthcoming Sunrun deal could not immediately be identified.

Credit Suisse was the sole lead for Sunnova, while **Deutsche Bank**, **Bank of America Merrill Lynch** and **Crédit Agricole** are running Hannon Armstrong's deal.

Kroll Bond Rating Agency rated both transactions.

The flurry of deals will help to set much-needed pricing benchmarks in a corner of the capital markets where issuance has been sporadic.

Nevertheless, residential solar finance companies can say with confidence that spreads on their offerings are generally coming down, even as rates move up to meet them halfway.

"Over the last three years, the 10-year Treasury has increased approximately 90 bp," said Fenster on the Sunrun earnings call. "Over the same time period, debt spreads for new residential solar assets have declined approximately 75 bp to 100 bp, while investment grade advance rates have actually increased."

But while spreads on senior debt backed by resi solar assets have tightened, reflecting a maturing asset class, riskier project equity remains stubbornly expensive, he added.

"Spreads for residential solar project equity are still about 300 bp above typical utility-scale financing costs." he said, adding, however, that he expected to see compression in the coming years as interest in the asset class grows.

The senior tranche of Sunnova's recent offering was priced at 175 bp over interpolated swaps and the subordinated bonds at 456 bp.

Hannon Armstong's single-tranche is backed by 37,568 leases it acquired from SunPower and has been given an A rating by Kroll, which noted in its presale that 83.3% of the lease customers have FICO scores above 753. ■

Fotowatio's Mexican Solar Nears Debt Funding

Saudi-owned **Fotowatio Renewable Ventures** is closing in on a roughly $65 million debt package for its 270 MW Potrero Solar project in Mexico.

The financing is due to come from multilateral and development bank lenders including the **International Finance Corp.**, which is considering providing a $17.3 million senior loan and another $13 million senior tranche from its Co-Lending Portfolio Program. The IFC's loans would come with a 12-year maturity.

Similar financing options are scarce because of limited understanding and appetite for the merchant risks, according to the IFC.

The IFC is also considering putting together a $34.7 million senior syndicated facility for the project. This is the tranche that is likely to attract a local development bank, says the IFC.

Fotowatio's Potrero project is expected to cost around $250 million to complete. Located in the state of Jalisco, it is due to come online in 2020.

It will sell energy, capacity and clean energy certificates to Mexico's wholesale electricity market on a merchant basis.

Bancomext, **ING** and **KfW IPEX-Bank** provided a $209 million debt package to the company for a 300 MW solar project in Mexico in March (PFR 3/5). ■

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Rubicon Adds Senior Hire

A former attorney and senior director at an investment management firm has joined **Rubicon Infrastructure Advisors** as it continues to fill out its New York-based power and renewables team.

Sonia McMillan has joined the specialist Irish investment bank as a managing director and general counsel from **InfraRed Capital Partners**, where she spent seven years as director of infrastructure and fund manager for infrastructure and real estate, according to her **LinkedIn** profile.

"Her extensive global experience in infrastructure investing and asset management along with her extensive legal and operational credentials will help to drive continued growth momentum firm-wide," said Rubicon founder and ceo **Conor Kelly**, in a statement.

McMillan, who is qualified to practice as an attorney in Australia, England & Wales, and New York (pending), officially started at Rubicon on Nov. 1, although Nov, 5 marks her first day in the office.

McMillan began her career at **DLA Piper** in Melbourne, Australia, where she was a senior associate focusing on construction law and litigation from 2003 to 2006.

Her next four years were spent at **Allen & Overy** in London and New York, where she was a senior associate for their projects, energy and infrastructure group, before moving to InfraRed in 2010.

At InfraRed, McMillan guided the investment manager through its first infrastructure investments in North America and the expansion of its investment activities into Israel and South America.

> **"Her extensive global experience ... will help to drive continued growth momentum firm-wide"**

McMillan's recruitment is the latest in a string of recent Rubicon hires, which include **Ignacio Ruiz Hens**, known as Nacho, who also recently joined the firm as a managing director from **Cubico Sustainable Investments** (PFR, 9/18).

In August, Rubicon also hired as managing directors a former **GE Energy Financial Services** senior vice president, **Jatin Gupta**, and a **CohnReznick Capital** private placement specialist, **Nick Sangermano** (PFR, 8/16). ■

CapDyn Adds to New York Team

Tiago Sabina Dias has joined **Capital Dynamics**' clean energy infrastructure business as vice president, in New York.

He will focus on renewable project development in North America, primarily in the wind, solar and energy storage sectors.

Prior to joining Capital Dynamics, Dias was a vice president at **ContourGlobal**. He has also held roles at Brazilian companies **Geoenergy Engenharia e Serviços** and **Rischbieter Engenharia & Serviços.** ■

Director Departs Barclays New York Private Placement Desk

Christoper Jordan has left his position as director of US private placements at Barclays in New York.

A former **Lehman Brothers** banker, he had transferred to Barclays when the British bank took over the New York firm's investment banking business amid the financial crisis in 2008 and remained there for the past 10 years.

The reason for his departure could not immediately be ascertained.

Two other bankers worked alongside Jordan on US private placements at Barclays—**John Wauters**, an associate, and **Nicole Kincade**, an analyst. They are not thought to have left.

A spokesperson for Barclays in New York was not immediately available for comment. ■

O'Flynn to Switch Roles at AES

Tom O'Flynn, cfo and executive vice president at **AES Corp.**, is preparing to move to a new role in the company, where he will focus on raising third-party capital to fuel its growth in renewables, at the end of the year.

Deputy cfo **Gustavo Pimenta** will replace O'Flynn when the transition becomes effective on Jan. 1.

During O'Flynn's six-year tenure as cfo, he oversaw asset sales that generated proceeds totaling $5 billion and a 40% reduction in parent company debt as the company exited from 13 countries. He also oversaw the company's joint acquisition, with **Alberta Investment Management Corp.**, of **sPower**.

"I am proud to have contributed to AES' transformation as CFO, while at the same time developing a stronger finance team with a deep bench," said O'Flynn in a statement. "In my new role, I will be focusing on forming vehicles to help finance AES' attractive renewable growth opportunities."

Officials at the company did not disclose O'Flynn's new job title and O'Flynn and Pimenta did not respond to requests for further comment by press time.

"We consider this to be an evolution of our partnership strategy which has brought in about $3 billion in proceeds to AES," an AES spokesperson told *PFR*, referring to the 2014 sale of a stake in utility subsidiary **Indianapolis Power & Light** to **La Caisse de dépôt et placement du Québec** in exchange for funding for growth and environmental projects as an example.

O'Flynn is a former **Morgan Stanley** banker who left in 2001, after 15 years with the same firm, to become cfo of New Jersey-based utility holding company **Public Service Enterprise Group**.

Between 2010 and 2012, he was a senior adviser at **Blackstone Group**, before returning to cfo duties, this time at AES.

His replacement, Pimenta, was appointed deputy cfo at AES in February, having previously served as cfo of regional division **AES Mexico, Central America & Caribbean** for three years.

Pimenta has previously worked at **Banco Mercantil do Brasil** and **KPMG** in Brazil and **Citigroup** in New York. He joined **AES Brasil** in 2009. ■

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PEOPLE & FIRMS

Rebranded Infra Firm Grows New York Debt Team

Investment firm **Vantage Infrastructure**, which was known as **Hastings Funds Management** until a rebrand earlier this year, recently added to its debt team in New York as it seeks to capitalize on opportunities in the U.S.

The New York team, assembled over the past six years, is led by partner **Nick Cleary**, who used to work in the project and infrastructure finance group of Australia's **Westpac Banking Corp** in Sydney.

Westpac owned Hastings when Cleary transferred there in 2012, but the bank agreed to sell the business a year ago to London-based **Northill Capital**, and Northill renamed the business Vantage Infrastructure when the deal closed, in April.

The most recent addition to the firm's New York team is **Jordan Albert**, who joins the firm as vice president, having previously worked in **Citi**'s project and infrastructure finance group.

He was a vice president at Citi, where he was registered with the **Financial Industry Regulatory Association** until Nov. 2. A spokesperson for Citi did not have any immediate comment on who had taken over his responsibilities.

The current line-up also includes vice president **Emily Udal**, a former **RBS** and **Mizuho** banker, and associate **Craig Cognetti**, a former **Moody's Investors Service** analyst.

Jennie Park, vice president for North America business development at the firm since 2017, previously held similar roles at **Apollo Global Management** and **Anchorage Capital Group**, having previously handled leveraged loan syndicate at **Goldman Sachs**.

Representatives of the firm in New York were not immediately able to comment. ■

MIDTERMS

Power Entrepreneur Heads to Congress

Sean Casten, co-founder and former ceo of **Recycled Energy Development**, won the race to represent Illinois's 6th Congressional District in the U.S. **House of Representatives** in the midterm elections on Nov. 6.

The Democrat son of **Trigen Energy Corp**. founder **Thomas Casten** beat six-term incumbent Republican Rep. **Pete Roskam**.

With his company, Recycled Energy Development (RED), Sean Casten acquired a behind-the-fence utility business in Rochester, N.Y.'s Eastman Business Park, including a 130 MW coal-fired generator, from **Kodak** in 2013.

RED operated the business for three years before selling it to **Stonepeak Infrastructure Partners** portfolio company **Ironclad Energy Partners** in 2016 (PFR, 5/16).

"Sean ran that business," says a former colleague, who requested anonymity. "Having someone in Congress that understands the nuances at the intersection of policy, cogeneration technology and tax issues in the clean energy space is going to be very valuable and will bring leadership to an area that the Democrats are focused on anyway."

Before establishing RED in 2007, Casten was president and ceo of **Turbosteam Corp.**, a developer of cogeneration projects.

Spokespeople for Casten in Downers Grove, Ill., did not immediately respond to an inquiry about the Congressman elect's energy policy.

MIXED BAG FOR RENEWABLES

In votes elsewhere, four proposed power sector reforms at the state level drew mixed results.

Voters in Washington rejected a carbon tax for the second time in two years, with 56% voting against the policy.

Meanwhile, in Nevada, a battle between billionaires **Sheldon Adelson** and **Warren Buffet** went the way of Buffet-owned **NV Energy**.

Nevadans roundly rejected Adelson's proposal to move to a competitive retail electricity market, which could have led to the breakup of the incumbent regulated utility.

NV Energy donated $63.1 million to the campaign against the deregulation move, dwarfing the corporate donors on the other side of the issue, which included Adelson's **Las Vegas Sands Corp.** ($21.9 million) and **NRG Energy** ($298,320, all of which was in-kind).

Nevada did, however, pass a measure which requires utilities to buy half of their generation from renewable sources by 2030.

In Arizona, Proposition 127, which would have increased the state's renewable energy mandate from 15% by 2025 to 50% by 2030, was drubbed in the poll, 70% to 30%. ■

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