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Canaport LNG Construction Loan Delayed

Leads have put off syndicating a loan for **Repsol** and **Irving Oil**'s New Brunswick liquefied natural gas terminal until January.

(See story, page 3)

MachGen Owners Take Two On Debt Recast

Lead lenders **Morgan Stanley**, **Deutsche Bank** and **Bear Stearns** are expected to kick of refinancing of MachGen before year-end.

(See story, page 4)

In The News

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JPMORGAN EYES $400M PRICE TAG FOR LIBERTY

All Eyes On Liberty

JPMorgan Chase is hoping to fetch around $400 million for the 568 MW, gas-fired Liberty plant in Eddystone, Pa. Auctioneer JPMorgan took 15-20 bids on behalf of a creditor group that owns the facility and has set a short list of nine or 10 prospective investors, including **LS Power**, **FPL Group**, **Complete Energy**, **GE Energy Financial Services** and **BG North America**.

JPMorgan officials declined comment and interested acquiring groups either

(continued on page 12)

CITI, ING FIRE UP 4.4 GW POLISH LOAN

Citibank and ING have launched syndication of a EUR340 million ($434 million) package to help fund the Polish government's planned replacement of 833 MW in merchant generation at Belchatów—a 4.4 GW lignite-fired complex in Rogowiec. The refurbishment is expected to cost the sponsor **BOT-Elektrownia Belchatów** circa EUR840 million. Officials at Citi and at ING either declined comment or could not be reached.

Belchatów consists of 12 units, two of which will be decommissioned and replaced while environmental upgrades will be made to those units remaining in operation. The plant, which serves about 20% of the country's power needs, is 85% owned by government entity **BOT Group**.

Some 15 international and local lenders will be invited to participate in the syndication, a banker notes. Demand for the paper should be strong since 36 financial institutions

(continued on page 12)

RELIANT UNFURLS $1.4B SYNDICATION

Reliant Energy has launched syndication this week of $1.4 billion in five-year loans via leads **Deutsche Bank**, **Bank of America** and **JPMorgan Chase**. The syndication follows the completion of a five-year agreement in which **Merrill Lynch** will guarantee the supply purchases and related collateral posting of Reliant's retail generation business.

As a result of the Merrill agreement, the Houston independent power producer is able to trim existing loans because it will no longer need to post collateral to support its retail generation hedging contracts with counterparties. Syndication is expected to be wrapped by the end of the month. Officials at Reliant did not return calls and bank executives declined to comment.

Price talk for the entire loan package is being pitched at 250 basis points over LIBOR with commitments expected to be taken early the week of Nov. 20. Consisting of three

(continued on page 12)

At Press Time

GE Tests Interest In PJM Plant

GE Energy Financial Services is privately negotiating a sale of its 242 MW Birchwood facility located near Fredericksburg in King George County, Va. **Robert Hadden**, a managing director of portfolio equity at GE EFS in Stamford, Conn., declined comment.

The unit of **General Electric Co.** operates and owns 99% of the pulverized coal-fired plant, after buying a 49.5% stake from **Mirant** in 2003 for $71 million (PFR, 5/29/03), a 49% passive interest owned by Charlotte, N.C.-based IPP **Cogentrix Energy** in December 2005, and Mirant's remaining 0.5% limited partner interest earlier this year.

Power output is sold to **Dominion Virginia Power** and steam to **Greenhost**, which uses it to operate an adjacent greenhouse complex.

Going Green

European Renewables Energy Revenues Set To Double

The European renewable energy market is on track to generate revenues of EUR14.54 billion by 2010, up from the EUR8.89 billion recorded last year, according to **Saranya Sundaram**, an analyst at **Frost & Sullivan**. The firm drew on information from publicly-listed renewable energy providers investing in wind, solar, small hydro, biomass and geothermal units.

A key driver, Sundaram says, is consolidation—particularly among solar specialists looking to overcome silicon shortages—climate change concerns, oil price fluctuations, awareness of Kyoto protocols and an E.U. directive mandating power providers to boost their usage of renewables to 22% of total capacity by 2010.

Energy players are expected to take advantage of some EUR223.6 million ($278 million) appropriated this year by the E.U. for such projects. "Investment in renewable energy is getting a lift from a fresh round of government incentives and subsidies for both consumers and producers of alternative energy," notes Sundaram.

Companies intent on diversifying their supply with wind generation include Spain's **Iberdrola**, Italy's **Enel** and U.K.'s **npower**, while companies pushing solar generation include **Acciona Energía** and **BP**.

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Outages Hit Mirant Philippines Sale

Mirant has reportedly postponed the deadline for final bids on its 2.2 GW Philippines generation portfolio because of plant outages. One unit at its 1.2 GW Sual Generating Plant in Pangasinan has been down since July, and another broke two weeks ago. **Mary Ann Arico**, an investor relations official in Atlanta, declined comment on the sale process. She notes the IPP thinks the problems relate to an automatic voltage regulator and the units are expected to be back up and running before mid-2007.

Auctioneer **Credit Suisse** has given potential acquirers until Nov. 24 to re-evaluate their offers in accordance with the equipment failures. Parties believed to have been shortlisted for the assets include **International Power**, **AES Corp.** and Japanese corporates backed by the **Japan Bank for International Cooperation** (PFR, 9/25).

The size of bids could not be ascertained and **Jason Fisher**, a Singapore-based official at Credit Suisse, declined to comment on whether the setbacks are expected to interfere with the auction.

Mirant hopes to complete the sale of its Philippines portfolio—comprising 1.2 GW Sual, 704 MW Pagbilao in Quezon and 240 MW Ilijan in Batangas—by mid-2007 (PFR, 9/18). The facilities have between 18 and 19 years remaining on their contracts with state-owned offtaker **National Power Corp.**

Leads Push Back Canaport LNG Construction Loan

Syndication of a loan to support development of a liquefied natural gas terminal in Saint John, New Brunswick, has been delayed until January. According to bankers tracking the planned $750 million Canaport LNG import facility, the agents hope to have strong appetite for the syndication early next year when it is anticipated that few deals will be in the European market, where most of the syndication will likely occur.

"There's too much paper in the market," says one official familiar with the syndication, estimating that there may be more than EUR25 billion on offer in Europe. Many banks have closed books for the year, the official explains, or will only focus on shorter-tenor projects in December. Details on the loan could not be determined, but the pricing is expected to be around 100 basis points.

Lenders **BMO Financial**, **Banco Santander**, **La Caixa**, **BBVA**, and **Royal Bank of Scotland** originally hoped to complete the deal this summer (PFR, 7/3). The banks had already delayed syndication once in September (PFR, 9/1). Officials at sponsors **Repsol** and **Irving Oil** and the banks either declined to comment or did not return calls.

Because the structure of the long-term loan is more in line with European deals, most, if not all, of the banks expected to take part in the syndication are likely to be European. Financiers are said to have offered tenors of nearly 30 years on the debt (PFR, 5/26).

Fortis Plots Invenergy Loan Syndication

Fortis Capital plans on launching syndication of a fully-funded non-recourse loan for sponsor Invenergy, supporting construction of a 130 MW wind farm in ERCOT. Fortis also provides a synthetic PPA for the Chicago-based developer's facility known as Scurry County Wind. Calls to Invenergy officials were not returned, nor were calls to bankers.

Terms of the debt, including the size, could not be learned. Lenders are expecting syndication to begin soon but a timeline has not been decided. Invenergy hopes to complete construction next year.

Details about the synthetic PPA could not be learned. Fortis is able to provide a PPA because the financial firm acquired **Cinergy Marketing & Trading**, the energy trading unit was sold by **Duke Energy** after its $9 billion merger with **Cinergy** was completed in March.

Sierra Pacific Mulls 1.5 GW Plant Funding


Bill Rogers

Sierra Pacific Resources will finance the bulk of its planned 1.5 GW, coal-fired Ely Energy Center from retained cash flow. The $3.7 billion project just north of Ely, Nev., which has now been approved by Nevada regulators, will also draw on equity and subsidiary debt offerings, says **Bill Rogers**, treasurer in Las Vegas. The amount of debt or equity to be raised has not been determined.

"Given that the company intends to own the majority of its assets, and use the electricity generated for our customers in Nevada, financing at the subsidiary level is more appropriate," Rogers explains. Sierra Pacific Resources' utilities, **Sierra Pacific Power** and **Nevada Power**, will sell debt, and receive proceeds from equity raised at the holding company level.

Sierra Pacific does not plan on raising funds for at least a year, Rogers underscores. Construction plans call for the first 750 MW coal unit to be operational by 2011, and the second by 2013. The plans also include 250 miles of transmission lines. Nevada Power, of Las Vegas, will pay 80% of the total project cost, with Reno-based Sierra Pacific Power covering the rest.

RBS To Take Tickets On EUR1B Irish Wind Loan

Commitments are due this week in the syndication of a EUR1.13 billion ($1.5 billion) loan being underwritten by **Royal Bank of Scotland** for Dublin-based renewables developer **Trinergy**. The loan will bankroll a series of new projects and acquisitions in Europe and refinance project-level debt tied to 648 MW in existing facilities. **Paul Williams**, managing director of Trinergy in Dublin, declined comment.

RBS is asking some lenders to take EUR100 million with fees of 75 basis points and others EUR50 million with fees of 60 basis points. Syndication is expected to wrap formally by year-end. **William Morris**, senior director in structured finance at RBS in London, declined comment, as did **Dai Clement**, a renewables official at transaction advisor **RBC Capital Markets**.

Exactly how much of the loan RBS will retain could not be ascertained, but several banks are seeking a slice because Trinergy is growing rapidly and has a large number of developments in the pipeline, one banker says.

Trinergy is the largest developer in Italy, with 27 operational units and 120 MW slated for completion next year. It also has five units in Germany—with 80 MW more planned; 35 MW operational in Ireland, 300 MW in the U.K. and 120 MW in Spain (PFR, 9/11).

MachGen Owners Plot Debt Recast, Again

Morgan Stanley, **Deutsche Bank** and **Bear Stearns** are expected to kick off a refinancing of some $1.5 billion in debt on behalf MachGen before year-end. Debt holders in the merchant facilities, including **Strategic Value Partners** and **Cargill**, had originally sought to do the exact same thing in the summer (PFR, 7/31). That plan stalled for reasons that could not be ascertained.

Lenders hope this time around to syndicate the debt after the Thanksgiving holiday and at the very latest before year-end. Officials at the banks either did not return calls or declined to comment. In the summer, price talk for the deal was set at LIBOR plus 275 basis points on the first lien and LIBOR plus 600 basis points on the second lien. Calls to Strategic Value Partners in New York and Cargill were also not returned.

The merchant portfolio was originally developed by **National Energy Group** and was taken over by a creditor group led by **Société Générale**.

The generation facilities, totaling nearly 4 GW in capacity, include Millennium (360 MW) in Massachusetts, Athens (1.08 GW) in New York, Covert (1.2 GW) in Michigan and Harquahala (1.1 GW) in Arizona.

Leads Take Tickets For U.K.'s Rugeley Capex Loan

Syndication of the £485 million ($927 million) loan package supporting **International Power**'s Rugeley facility near Birmingham, U.K., has been fully subscribed. More than 10 banks signed up for the £300 sell-down of the pre-funded loan, which is meant to support IP's plans to re-leverage and upgrade the Rugeley operation.

The agents are taking tickets at either £35 million or £25 million levels, says a banker familiar with the process. Fees on the bigger level are at LIBOR plus 90 basis points and 70 basis points on the lesser amount. **HypoVereinsbank**, **ING Bank**, **Calyon**, **Royal Bank of Scotland**, **Commonwealth Bank of Australia** and **Mizuho Corporate Bank** underwrote the loan for the 1,050 MW merchant coal facility (PFR, 9/25).The deal is expected to be wrapped by Nov. 20.

The financing package includes an eight-year, £145 million term loan, split £100 million for flue gas desulphurization and £45 million for new transformers and a new chimney. There is also a £125 million letter of credit facility to back trading, a £145 million facility to facilitate a cash dividend back to IP and a £70 million working capital facility to buy coal.

Alliance Tees Up Empire State Merchant Sale

Alliance Energy is attempting to sell a pair of natural gas-fired merchant assets in upstate New York in separate transactions.

Alliance filed a motion with New York's **Public Service Commission** Oct. 25 to transfer 100% of its ownership in an 85 MW facility in Massena, N.Y., via subsidiary **Power City Partners**, to U.K. energy company **Renewable Power & Light**. It also is trying to negotiate a sale of its 99 MW facility in Ogdensburg, N.Y., via its **AG-Energy** subsidiary, according to deal trackers.

The thinking behind the New York-based owner/operator's decision to sell could not be learned and **Joseph Klimaszewski**, director of operations and new development in Ogdensburg, N.Y., declined comment on the sales. Valuations of the assets could not be ascertained. Officials at Altrincham, Cheshire-based RP&L could not be reached.

Tenaska Power Fund was understood to be kicking the tires on Ogdensburg in recent months, but backed down after winning a competitive bidding race for **Constellation Energy**'s gas-fired fleet last month (PFR, 10/16). Calls to

Paul Smith, senior managing director of Tenaska's fund, were not returned and new parties being approached could not be ascertained.

Alliance owns two additional facilities in New York—67 MW Batavia and 65 MW Sherrill—via its **Seneca Power Partners** and **Sterling Power Partners** subsidiaries.

Corporate Strategies

AEP Redeems With Stranded-Cost Funds

AEP Texas Central Co. has redeemed $288 million of debt using proceeds from its $1.74 billion stranded-costs bond placed last month. The **American Electric Power** subsidiary wiped out $275 million in 5.5% senior notes due 2013, plus accrued interest.

The debt was retired at a make-whole call provision of 103.5, as stipulated in the original indenture with trustee **Bank of New York**. "We chose these notes because they were the most economic ones to redeem," says **Pamela Sutton-Hall**, managing director of corporate finance at AEP in Columbus, Ohio.

State regulators required AEP to use proceeds from the securitized notes to balance operating-level debt and equity so as to maintain a 60/40 debt-to-capital structure. Accordingly, $100.6 million of 4.55% pollution control revenue bonds were put back to AEP Texas Central on Nov. 1 for later re-issuance and a special dividend of $585 million paid to AEP in October.

The transmission-focused utility also will refund an over-collection of $475 million from wires customers relating to its competitive transition charge. "We don't have plans to buy back additional debt because we will need cash for our CTC," notes Sutton-Hall.

Total debt at AEP Texas Central was $2 billion as of Sep. 30.

N.H. Shop Places Bonds, Convertibles To Fuel Gas Projects

Environmental Power has issued $60 million in 7% tax-exempt bonds and privately placed $15 million in convertible securities, to fund construction of four renewable gas facilities in Texas, which convert animal waste into natural gas. Texas authorizes tax-exempt placements for approved environmentally friendly projects for private energy development firms such as Environmental Power.

Proceeds will account for 80% of construction costs for the biogas projects because there are usage limits put in place by a Texas state board overseeing the tax-exempt bond issuance, says **Al Morales**, executive v.p. in Portsmouth, N.H. The 80:20 debt-equity split is a preferred range for Environmental Power and in line with the debt-equity levels set for the company, he notes.

Morales says Environmental Power decided to issue convertibles carrying a coupon of 9%, because they were easier to market to prospective investors than straight debt or equity. The offering marks the first time the company has issued convertibles, he says, noting that a similar debt-equity arrangement could be used to fund projects in California the company is considering. "It's safer for investors than pure equity, if the stock doesn't go up there's still a coupon," he says.

Moreover, the convertibles, given their dual characteristics, provide flexibility as the company seeks to comply with the debt-equity issuance limits. Shares closed Monday at $7.80, with a 52-week range of $3.54 to $10.70. Morales declined to discuss the coupon rate set for the converts. **Black River Asset Management** bought $12 million of the convertibles, while **Fort Mason Capital** took $3 million.

Westminster Securities and **Canaccord Adams** acted as placement agents for the convertibles. **Ziegler Capital Markets Group** underwrote the tax-exempt bonds, and was chosen because of its past work on other offerings with the company, says Morales.

Wisconsin Electric Shops 5.7%, 30-Year Paper

Wisconsin Electric Power Co. sold $300 million, 5.70%, 30-year debentures Nov. 7. The debt pays down $100 million in commercial paper originally obtained for working capital and $200 million in 6 5/8% notes maturing Nov. 15. The debt was priced at 99.923 to yield 5.705%. **Jeffrey West**, treasurer in Milwaukee, Wis., says, "The rate was competitive with where some of our existing debt was trading in the secondary market and where some comparable companies were trading."

Morgan Stanley and **BNP Paribas**, part of a group of some 20 banks providing back-up credit facilities to Wisconsin Electric, led the offering. Co-managers **Loop Capital Markets**, **The Williams Capital Group** and **MR Beal & Co.** were chosen because Wisconsin Electric wanted to tap as broad a spread on the buyside as possible. "The [co-managers] have access to the mid-tier and smaller investors, whereas the larger banks have contacts with larger investors," West explains.

Parent company **Wisconsin Energy Corp.**, has $5 billion of capital expenditure goals, $2.6 billion of which relates to generation projects in its service territory and the remainder of which relates to scrubber installations and other environmental investments. Due to be constructed is a 575 MW integrated gasification combined cycle unit in Port Washington, Wis., to complement an already-operational unit of the same size onsite;

and two, 615 MW so-called super critical coal units—featuring advanced, emissions-reducing technology—in Oak Creek.

The company will offer additional debt to help fund this capex, but a timeline for tapping the market still needs to be hammered out and leads mandated. "It's likely we'll issue debt securities in each of the next several years, though not as frequently as every quarter," says West. "We've not made any decisions with respect to future business; that's wide open at this point."

Wisconsin Electric is rated A+ by **Fitch Ratings**, A1 by **Moody's Investors Service** and A- by **Standard & Poor's**. It has about $115 million remaining on its $665 million shelf, filed in March 2004, and at October 31 had $177.1 million of short-term debt outstanding.

Energy Transfer Shops Shares To Purchase Pipe Stake

Energy Transfer Partners has sold 26.1 million equity units to holding vehicle **Energy Transfer Equity** for $1.2 billion. Proceeds will fund the Dallas midstream company's purchase of a 50% stake from **GE Energy Finance Services** in **CCE Holdings**, the holding entity for **Transwestern Pipeline Co.**—operator of a 2,500-mile interstate natural gas system.

Energy Transfer Partners acquired GE EFS' interest for $1 billion using funds from its equity sale to Energy Transfer Equity on Nov. 1. Officials at Energy Transfer would not return calls for comment.

CCE Holdings is owned equally by GE EFS and **Southern Union**. Expectations are ETP will take full possession of the Transwestern Pipeline Co., but acquiring the remaining stake from Southern Union will take longer since it requires regulatory approval, says **Ralph Pellecchia**, a **Fitch Ratings** analyst in New York.

Under the CCE umbrella are entities Transwestern Pipeline and a 50% interest in pipeline company **Citrus Corp.** ETP is aiming to eventually wholly own just Transwestern Pipeline by exchanging its 50% stake in CCE for the full stake in Transwestern, Pellechia explains.

Southern Union will ultimately own CCE's 50% interest in Citrus **El Paso Corp.** owns the remainder.

Energy Transfer Equity funded its purchase of the ETP units with a $1.3 billion term loan B, maturing in 2012 and rated BB by Fitch. **UBS Securities** and **Wachovia Capital Markets** served as joint lead arrangers and joint book managers. Energy Transfer Equity has $1.95 billion in outstanding credit facilities.

Financing Record (NOVEMBER 8 - NOVEMBER 13)

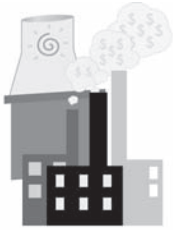
Debt

Issued	Issuer	Business Description	Principal ($M)	Coupon (%)	Security	Maturity	Offered	YTM(%)	Spread	S&P	Moody's	Fitch
11/8/06	Kyushu Electric Power Co Inc		159.9	2.625	Fxd/Straight Bd	12/6/13	100.971	2.473	5	NR	A1	NR
11/8/06	Kosepco(KEPCO/South Korea)		129.8	Floats	Flt Rate Bonds	11/14/09	100	Floats				
11/8/06	NRG Energy Inc		1,100.00	7.375	Senior Notes	1/15/17	100	7.375	273	B-	B1	NR
11/9/06	Dominion Resources Inc		250	5.6	Senior Notes	11/15/16	99.992	5.601	97	BBB	Baa2	BBB+
11/9/06	Dominion Resources Inc		400	Floats	Float Rate Nts	11/14/08	100	Floats		BBB	Baa2	BBB+
11/9/06	Indiana Michigan Power	Electric utility holding co	400	6.05	Global Bonds	3/15/37	99.432	6.091	137	BBB	Baa2	NR
11/10/06	Statnett SF	Pvd electric power	201.3	2.625	Medium-Term Nts	12/15/17	101.13	2.507	-5	AA	Aa3	NR
11/13/06	Endesa Capital Finance LLC	Special purpose finance co	384.3	Floats	Flt Rte Gtd MTN	11/22/11	99.908	Floats		A-	A3	A+
11/13/06	Southern Power Co	Electric utility	200	6.375	Fxd/Straight Bd	11/15/36	100	6.375	167	BBB+	Baa1	BBB+
11/13/06	Toledo Edison Co	Electric utility	300	6.15	Senior Notes	6/15/37	99.85	6.161	145	BBB-	Baa3	NR

M&A

Announced	Effective	Target Name	Target Advisors	Target Nation	Acquiror Name	Acquiror Advisors	Acquiror Nation	Value ($M)
Announced	Effective	Target Name	Target Advisors	Target Nation	Acquiror Name	Acquiror Advisors	Acquiror Nation	Value ($M)
11/8/06		Coastal Energy Ltd		New Zealand	Centrica PLC		United Kingdom	13.622
11/8/06		RWE AG-Biomass power Plant		France	Voltalia SA		France	
11/8/06		Yongchuan Global Credit Water		China	China Water Affairs Group Ltd		Hong Kong	13.425
11/10/06		Central Puerto SA		Argentina	Investor Group	Merrill Lynch & Co Inc	Argentina	
11/10/06		Ecogen Energy		Australia	Babcock & Brown Power Fund		Australia	31.188
11/10/06	11/10/06	Fortum-Peat-Fired Power Plant		Finland	Kanteleen Voima Oy		Finland	
11/10/06	11/10/06	Hidroneuquen SA		Argentina	Investor Group		Argentina	
11/10/06		Redbank Power Co		Australia	Babcock & Brown Power Fund		Australia	34.198

Source: **Thomson Financial Securities Data Company**. For more information, call **Rich Peterson** at (212) 806-3144.



Generation Auction & Sale Calendar

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

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Alloy Power/West Virginia Alloy	Hawk's Nest	Fayette, W.Va.	102	Hydro	JPMorgan	Brookfield Power agreed to acquire both facilities. Terms not disclosed. Deal expected to close by year-end 2006.
	Glen Ferris	Fayette, W.Va.	4.6	Hydro		
American Electric Power	Plaquemine Cogeneration Facility	Plaquemine, La.	880	Gas/Steam	N/A	Dow Chemical Co. will pay AEP $64 million at closing, which is expected in December.
American Securities Capital Investments (Primary Energy Ventures)	Naval Station	San Diego, Calif.	47	Gas	Lehman Brothers	Epcor Power is acquiring the operation for $380 million. Deal slated to close in the 4th quarter
	North Island	San Diego, Calif.	41	Gas		
	NTC	San Diego, Calif.	25	natural gas		
	Oxnard	Oxnard, Calif.	49	natural gas		
	Kenilworth	Kenilworth, N.J.	30	natural gas		
	Greeley	Greeley, Colo.	82	natural gas		
	Roxboro	Roxboro, N.C.	60	solid fuel fired		
	Southport	Southport, N.C.	120	solid fuel fire		
	North Lake (15.4%)	East Chicago, Ind.	75	waste energy		
	Cokenergy (15.4%)	East Chicago, Ind.	95	waste energy		
	Ironside (15.4%)	East Chicago, Ind.	50	waste energy		
	Portside (15.4%)	Portage, Ind.	64	natural gas		
	Harbor Coal (15.4%)	East Chicago, Ind.	N/A	pulverized coal		
Astoria Energy	Astoria Plant	Queens, N.Y.	500	Gas	N/A	The partnership that owns the plant is said to be fielding offers from interested parties.
Atlantic City Electric Co.	B.L. England	Upper Township, N.J.	447	Coal/oil	Concentric Energy Advisors	Rockland Capital Energy Investments offered to buy for $12.2 million so long as necessary approvals are made by March 31, 2007.
BayCorp Holdings	Benton Falls	Benton, Maine	4.3	Hydro	Concentric Energy Advisors	N/A
Calpine	Dighton Power Plant	Dighton, Mass.	170	Gas	N/A	BG North America agreed to acquire for $90.2 million. Deal approved by the court and expected to close by mid-November
	Fox Energy Center	Kaukauna, Wis.	560	Gas	N/A	GE Energy Financial Services acquired leashold interest. Calpine recieves $16.3m in cash and elimates $352.3m under sale and leaseback with GE.
	Russell City Energy Center	Hayward, Calif.	600 (proposed)	Gas	N/A	Bankruptcy Court approved the sale of a 35% equity interest to GE Energy Financial Services for $44 million.
Cargill-led investor group	Granite Ridge	Londonderry, N.H.	720	Gas	Morgan Stanley	Marketing material has been distributed.
Complete Energy	Batesville	Batesville, Miss.	837	Gas	Dexia	A deal is expected soon.
Constellation Energy	Big Sandy	Wayne County, W.Va.	300	Gas (peaker)	Credit Suisse	Tenaska Power Fund to purchase for $1.635 billion in cash. Deal slated to close year-end/early 2007.
	High Desert	Victorville, Calif.	830	Gas		
	Holland Energy	Holland Township, Ill.	665	Gas		
	Rio Nogales	Seguin, Texas	800	Gas		
	University Park	Chicago, Ill.	300	Gas (peaker)		
	Wolf Hills	Bristol, Va.	250	Gas (peaker)		

Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Desert Power L.P.	Desert Power Plant	Rowley, Utah	100	Gas	N/A	MMC Energy signed non-binding letter of intent to acquire for $3.5 million cash and assumption of $28.7 million in debt. Facility needs repowering.
Dominion Resources	Armstrong Energy	Elderton, Pa.	600	Gas		
	Pleasants Energy	Pleasants, W.Va.	300 (peaker)	Gas		
	Troy Energy	Troy Township, Ohio	600 (peaker)	Gas	Credit Suisse	Second round bidding underway.
	State Line	Hammond, Ind.	515	Coal		
DPL Inc.	Darby Electric Generating Station	Mount Sterling, Ohio	447	Gas	Pace Global Energy Services	DPL is negotiating with lead bidder and expects to announce a deal soon.
	Greenville Electric Generating Station	Greenville, Ohio	206	Gas	Pace Global Energy Services	
	Montpelier Electric Generating Station	Poneto, Ind.	219	Gas	Pace Global Energy Services	
EBG Holdings	Mystic 7	Everett, Mass.	560	Gas/Oil	Lehman Brothers	Preliminary non-binding bids are pointing to a $2.5-2.7 billion price tag. Second round bids are due over the next few weeks.
	Mystic 8	Everett, Mass.	832	Gas		
	Mystic 9	Everett, Mass.	832	Gas		
	Fore River	Weymouth, Mass.	832	Gas/Oil		
El Paso Corp.	Capitol District Energy Center Cogeneration Associates (CDECCA)	Hartford, Conn.	67	Gas	N/A	Maxim Power acquired 100% interest in CDECCA and existing project partner Energy Investors Fund acquired El Paso's 56% interest in Berkshire Power. Terms not disclosed.
	Berkshire Power Co	Agawam, Mass.	243	Gas		
Invenergy	Hardee Power	Bowling Green, Fla.	370	Gas	Morgan Stanley	Sale effort may be halted.
Lake Road	Lake Road Power Plant	Killingly, Conn.	840	Gas	Credit Suisse	Non-binding bids have been submitted.
LEP Holdings	Liberty	Eddystone, Pa.	568	Gas	JPMorgan	Non-binding 1st round bids are due soon (PFR, 8/17).
Mirant	Curacao Utilities Co. (25.5%)	Curacao	133	Asphalt/ Refinery Gas	JPMorgan	First round bids are due some time this month.
	Grand Bahama Power Co. (55%)	Grand Bahama Island	151	Oil		
	Jamaica Public Service Co. (80%)	Jamaica	621	Oil/Hydro		
	PowerGen (39%)	Trinidad & Tobago	1.2 GW	Gas		
Mirant (cont'd)	Sual Generating Plant	Pangasinan, Philippines	1.2GW	Coal	Credit Suisse	See story, pg.3.
	Pagbilao Generating Plant	Quezon, Philippines	704	Coal		
	Apex plant	Las Vegas, Nev.	518	Gas	JP Morgan	Credit Suisse of JPMorgan are prepping staple financing.
	Bosque	Clifton, Texas	537	Gas		
	Shady Hills	Pascoe County, Fla.	469	Gas/Oil		
	Sugar Creek	W. Terre Haute, Ind.	535	Gas		
	Zeeland	Zeeland, Mich.	840	Gas		
	West Georgia	Thomaston, Ga.	605	Gas/Oil		
Progress Ventures	Walton	Walton, Ga.	450	Gas	JP Morgan	First round bids were due last week.
	Monroe Power	Monroe,Ga.	350	Gas		
	Washington County	Washington County,Ga.	600	Gas		
	Effingham County	Effingham County,Ga.	500	Gas		

Weekly Recap

The Weekly Recap is a summary of publicly reported power news stories. The information has been obtained from sources believed to be reliable, but PFR does not guarantee its completeness or accuracy.

North America

• **Progress Energy** has submitted an application to extend the operating life of its 900 MW Harris nuclear plant in North Carolina by 20 years. The review process for the plant, currently licensed until 2026, will take 22 to 33 months (*Reuters*, 11/14).

• **AES** has submitted bids to the **New York Power Authority** to add two coal-fired power generators at existing facilities in New York state: a 500 MW unit at the Jennison plant in Bainbridge and a 700 MW generator at its Somerset site in Barker. The units will be capable of burning biomass with coal (*Bloomberg*, 11/15).

• Ontario and Quebec plan on building a C$800 million ($702 million) 1,250 MW transmission line linking their power networks (*Reuters*, 11/15).

• **Federal Guaranty Insurance**, which covers about $75 million of **Entergy New Orleans**' bonds, wants to put up an alternative bankruptcy reorganization plan. Unlike Entergy's proposal, the new plan will not depend upon the utility getting a $200 million government bailout (*Associated Press*, 11/14).

• Texas lawmakers have called a hearing questioning rates **TXU** has charged its customers. At issue are high retail prices the Dallas-energy outfit has charged despite falling fuel costs. Legislators called the hearing amid concern prices could rise more next year (*Wall Street Journal*, 11/10).

• **Duke Energy** has completed its acquisition an 825 MW power plant in Rockingham County, N.C., from **Dynegy**. The $95 million acquisition was announced in May. The facility consists of five 165 MW units capable of using either natural gas or oil to operate (Associated Press, 11/10).

• Former Chief Operating Officer of global markets at **Enron**, **Jeff Shankman** plans to raise as much as $250 million in the next six months for an energy hedge fund *Trident Asset Management* (Bloomberg, 11/10).

• The state of Washington's large utility companies will have to increase their renewable energy sources to 15% of their supply by 2020 under an initiative approved by voters (*Associated Press*, 11/10).

• The **U.S. Nuclear Regulatory Commission** renewed the operating license of **Xcel Energy**'s 569 MW Monticello nuclear power station in Minnesota for an additional 20 years (*Reuters*, 11/9).

• **NRG Energy** has signed a 10-year PPA with **Southern California Edison**. NRG will provide 260 MW of new generating capacity from its gas-fueled Long Beach Generating Station in Long Beach, Calif. The capacity should be online August, 2007 (*Reuters*, 11/16).

• Canada's government is considering the privatization of nuclear reactor manufacturer **Atomic Energy of Canada**. The company could see reactor construction and servicing units sold to private players, or sold in its entirety (*The Globe and Mail*, 11/16).

• Silicon chipmaker **SunPower** has agreed to acquire **PowerLight**, a seller of solar-energy systems, for $332.5 million in cash and stock, in a deal expected to be finalized in the first quarter (*Wall Street Journal*, 11/16).

Europe

• Britain's **National Grid** will de-merge its broadcast and mobile phone mast business and return $1.9 billion to investors. The company will also sell its **Basslink** Australian inter-connector and focus on gas and electricity transmission in the U.K. and U.S. (*Reuters*, 11/16).

• **Exelon Nuclear** will pay $11.5 million for a municipal water system for Godley, a Will County, Ill., town that abuts the company's Braidwood Generating Station. In late 2005, Exelon announced radioactive tritium spilled from the station had infiltrated the town's groundwater (*Chicago Tribune*, 11/14).

• **Chesapeake Utilities** will publicly offer 555,000 common shares and use proceeds to repay a portion of short-term debt used to finance utility expansion projects (*Reuters*, 11/13).

• **Berkshire Hathaway** remains on the lookout for big U.S. power company deals, but only as a long-term investor, chairman **Warren Buffett** told utilities regulators (*Reuters*, 11/13).

• **Gaz de France** and **Suez** won permission from the **European Commission** for a merger that would create Europe's second-largest utility, conditional on a series of disposals by the new company (*Reuters*, 11/14).

• Poland is considering using nuclear energy to diversify its energy sources and reduce its dependence on Russian fuel, its Economy Minister said (*Associated Press*, 11/10).

• Italy's **ENI** agreed to prolong gas supply contracts with **Gazprom** due to expire as early as 2017 until 2035, and will cede 3% of the Italian gas market to Gazprom (*Wall Street Journal*, 11/15).

RBS To Launch Cannon Falls Loan Syndication

Royal Bank of Scotland is expected to launch syndication next week of a construction loan for **Invenergy**'s Cannon Falls Energy Center. Bankers tracking the deal say its size should be similar to the loan funding the Chicago developer's Spindle Hill plant in Colorado (PFR 9/1): $150 million with a tenor that extends to around 18 years post construction. Pricing could not be learned. Officials at Invenergy and RBS declined to comment.

The 357 MW gas-fired peaker in southeastern Minnesota is backed by a long-term power purchase agreement with **Xcel Energy**. Ground breaking on the project, which will run two GE 7FA combustion turbines, is slated for sometime next year.

RELIANT UNFURLS

(continued from page 1)

components, the debt includes a $700 million revolver reduced originally from $1.7 billion.

About $530 million in term loans have been combined into a single $400 million term loan and a $300 million letter of credit facility to support Reliant's wholesale generation business, also will be syndicated.

"There's a lot of demand. [Reliant] is a low risk, well known company," one banker says, referring to the syndication. The company's older amended $1.7 billion revolver was obtained in 2004 and set to expire 2009, had a B2 rating from **Moody's Investors Service** and BB- from **Fitch Ratings**. *—M.D.*

JPMORGAN EYES

(continued from page 1)

declined comment or did not return calls by press time.

Precise bids could not be determined, but one observer says buyers are being told $400 million would gain them entry into the next sales phase. The auction process, which was first reported on *PFR's* Web site www.iipower.com, is meant to play out over the next four to six weeks with buyers getting an opportunity to kick the tires and speak with managers of the plant.

The creditor group owns a 100% interest in the operation via the holding entity **LEP Holdings**. The plant is being offered debt free, according to marketing packages distributed. **Harbert Venture Partners**, **Strategic Value Partners** and **Cargill**, as well as private equity funds run by JPMorgan, **Bear Stearns** and **Merrill Lynch** are among the many creditors. **Competitive Power Ventures** manages the plant.

Liberty was transferred from **Reliant Energy** to creditors in late 2004 after a bankruptcy court nullified an offtake agreement with **PG&E National Energy Group** (PFR, 8/4/2003). Its creditors, mostly hedge funds, started considering a sale in June (PFR, 6/12). *—Mark DeCambre*

CITI, ING

(continued from page 1)

originally sought to take a lead role in the deal hoping to strike up a relationship with BOT—which is expected to merge with the nation's grid operator **Polskie Sieci Elektroenergetyczne**—and because the plant is the biggest thermal generator in Europe.

"It's the first transaction of any significant size in the power generation sector in Eastern Europe for a couple of years," a deal watcher notes, highlighting the appeal of the transaction for lenders. Syndication is expected to wrap in four to six weeks.

The package underwritten and pre-funded consists of a 10-year, EUR250 million term loan, and an eight-year, EUR90 million standby facility that can be drawn if the project runs over budget (PFR, 9/11). Multi-lateral institutions—including the **European Bank for Reconstruction and Development**, the **European Investment Bank** and **Nordic Investment Bank**—are extending separate facilities totaling EUR500 million, which will not be sold down. *—Katy Burne*

Quote Of The Week

"It's safer for investors than pure equity. If the stock doesn't go up, there's still a coupon."—**Al Morales**, *v.p. at* **Environmental Power**, *on why convertible securities are more attractive to investors (see story, page 5).*

One Year Ago In Power Finance & Risk

JPMorgan Chase, **Goldman Sachs** and **Deutsche Bank** were preparing a $1.5 billion bankruptcy exit financing package for **Mirant Corp.**, composed of a six-year, $1 billion revolver and seven-year $500 million term loan. [The Atlanta-based IPP emerged from bankruptcy Jan. 3.]

