

# power finance & risk

The exclusive source for power financing and trading news

www.iipower.com

A PUBLICATION OF INSTITUTIONAL INVESTOR, INC.

NOVEMBER 26, 2007

VOL. X, NO. 47

## Fortis Tapped To Advise On European Greenfield

**Fortis Capital** has been retained as a financial advisor by the sponsors of a 400 MW greenfield project known as T-Power in Belgium. The sponsors plan to approach lenders for debt in March.

*See story, page 2*

## At Press Time

HSBC Named Lead On Dutch Refi 2

## In The News

Black Hills Sale Heads Into  
First Round 3

ITC Plans \$750M Debt,  
Equity Placements 3

EDF Preps Wind Club Financing 3

Leads Tee Up Retail For La Yesca 3

Banks Circle Hungarian Greenfield 4

Fujairah II Debt Launches  
Into Syndication 4

Lehman Takes Bids On PPL Gas 4

Noble Turbine Loan Launches 6

## Corporate Strategies

MLP Refis \$850M In B Loan Mart 6

Westar Sells Stock To Fund Capex 6

AES Refis \$1.2B With  
Placement Proceeds 7

## Departments

Weekly Recap 7

Generation Auction & Sale Calendar 8

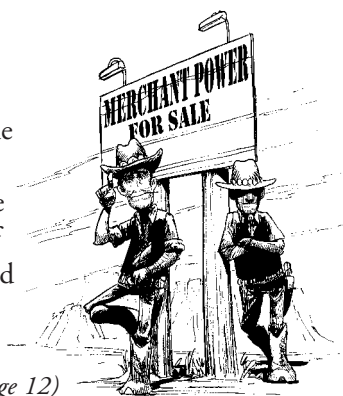
**COPYRIGHT NOTICE:** No part of this publication may be copied, photocopied or duplicated in any form or by any means without Institutional Investor's prior written consent. Copying of this publication is in violation of the Federal Copyright Law (17 USC 101 et seq.). Violators may be subject to criminal penalties as well as liability for substantial monetary damages, including statutory damages up to \$100,000 per infringement, costs and attorney's fees. Copyright 2007 Institutional Investor, Inc. All rights reserved.

For information regarding subscription rates and electronic licenses, please contact Dan Lalor at (212) 224-3045.

## CALPINE LOOKS TO FLOG TWO TEXAS MERCHANT PLANTS

Calpine Corp. is preparing to put two merchant plants in the Houston zone of the Electric Reliability Council of Texas (ERCOT) up for auction as early as next week. The units are Texas City, a gas-fired cogenerating facility with 326 MW of nominal baseload capacity or 425 MW in peaking mode, and Clear Lake, another gas-fired cogen in Pasadena with 357 MW of baseload and 375 MW of peaking power.

*(continued on page 12)*



## MARUBENI, SoCAL WIND DEVELOPER PLOT JOINT VENTURE

Marubeni Power International and Oak Creek Energy Systems are set to ink a joint venture that will see them develop large-scale wind projects across the U.S., excluding southern California.

The venture is separate to Oak Creek's planned 1.5 GW wind park being built with **Alta Windpower Development** in Tehachapi, Kern County, southern Calif., under a 20-year PPA with **Southern California Edison**—the largest ever offtake agreement in wind

*(continued on page 12)*

## CHUNK OF U.S. RENEWABLE GENERATION TO HIT THE BLOCK

Middle-market investment bank **Ewing Bemiss** is reportedly set to dispatch teasers on an auction of a 130 MW U.S. renewable portfolio from an identified seller. The portfolio will consist of hydroelectric, landfill gas-to-energy and biomass assets with the potential to upgrade and expand the projects to a combined 180 MW. "This could give someone a nice platform across the U.S.," said one industry source.

Logical sellers could be **Brookfield Power** or a Canadian power income trust, he said.

*(continued on page 12)*

## IBERDROLA, ITALIAN OIL CO. PREP EUR515M WIND CLUB FINANCING

**Iberdrola Renovable** and **API Nova Energia**, a unit of Italian oil company **API Holding**, are about to close on EUR515 million (\$755 million) in loans supporting construction of 350 MW of wind farms in Puglia, southeastern Italy and Sicily, via their joint venture **Societa Energie Rinnovabili**. Officials at the sponsors, who formed their venture in March, did not immediately return requests for comment.

*(continued on page 12)*

Check [www.iipower.com](http://www.iipower.com) during the week for breaking news and updates.

## At Press Time

### InterGen Gives HSBC Dutch Refi

HSBC has been named sole lead on a EUR385 million (\$569.6 million) debt package to expand InterGen's 820 MW gas-fired Rijnmond Energie Center near Rotterdam in the Netherlands by 400 MW (PFR, 12/08). Ground breaking on Rijnmond II is slated to begin late December and the project to come online in early 2010.

The financing consists of a EUR335 million progressive-draw term loan, supported by ancillary letters of credit for operating and construction expenses, working capital and debt service reserve. The exact tenor could not be determined, but according to observers goes out further than the 20-year tolling agreement with Centrica subsidiary Oxxio (PFR, 8/31). It covers a merchant tail on the project, which is structurally mitigated.

HSBC reportedly plans to syndicate the debt after financial close in the New Year, before which the sponsor may bring another bank in on the senior tier. The mandate underscores the bank's aggressive push to win the lead in European project financings of late, after it won a role in the EUR600 million financing for fellow Dutch IPP Sloe alongside Fortis and Royal Bank of Scotland (PFR, 11/2).

Calls to officials at HSBC in London were not returned. **Simo Santavirta**, director of Rijnmond II for InterGen, and **Harold Fairfull**, managing director of U.K. boutique **Advisorum**, which is advising on the financing, declined to comment.

### Fortis To Advise On Financing For Belgian Greenfield

Sponsors of a new combined-cycle gas-fired facility at Tessenderlo in Limburg, Belgium have retained **Fortis Capital** to advise on financing for their 400 MW T-Power project, set to come online in 2010.

The shareholders are Swiss IPP **Advanced Power**, site owner **Tessenderlo Chemie**, part of Belgian chemical company **Tessenderlo Group**, and **Siemens Project Ventures**. They plan to approach lenders in March. **Angela Kallabis**, spokeswoman for T-Power in London, declined comment on the financing, and an official at Fortis in London did not return a call.

Siemens supports Advanced Power's developments in Europe, including its 400 MW Bocholt project in the state of North-Rhine Westphalia in Germany, near the Dutch border, to become operational in 2011, and its 1,100 MW Merida project in Extremadura, Spain, to come online in 2013. Advanced Power is separately developing a 350 MW combined-cycle gas- and oil-fired project in Brockton, Mass., to be online by 2011.

### Tell Us What You Think!

Do you have questions, comments or criticisms about a story that appeared in *PFR*? Should we be covering more or less of a given area? The staff of *PFR* is committed as ever to evolving with the markets and we welcome your feedback. Feel free to contact **Katy Burne**, managing editor, at 212-224-3165 or [kburne@iineews.com](mailto:kburne@iineews.com).

## power finance & risk

The exclusive source for power financing and trading news

### EDITORIAL

TOM LAMONT  
Editor

STEVE MURRAY  
Deputy Editor

PETER THOMPSON  
Executive Editor [Chicago]  
(773) 439-1090

KATY BURNE  
Managing Editor  
(212) 224-3165

MARK BONAMO  
Reporter  
(212) 224-3293

THOMAS RAINS  
Reporter  
(212) 224-3226

STANLEY WILSON  
Washington Bureau Chief  
(202) 393-0728

KIERON BLACK  
Sketch Artist

### PRODUCTION

DANY PEÑA  
Director

LYNETTE STOCK, DEBORAH ZAKEN  
Managers

MICHELLE TOM, MELISSA  
ENSMINGER, BRIAN STONE,  
JAMES BAMBARA, JENNIFER BOYD  
Associates

JENNY LO  
Web Production & Design Director

MARIA JODICE  
Advertising Production Manager  
(212) 224-3267

### ADVERTISING AND BUSINESS PUBLISHING

JONATHAN WRIGHT  
Publisher  
(212) 224 3566

JESSICA SOMMAR  
Editor, Business Publishing  
(212) 224-3272

PAT BERTUCCI, MAGGIE DIAZ,  
LANCE KISLING, Associate Publishers

LESLIE NG  
Advertising Coordinator  
(212) 224-3212

### PUBLISHING

ELAYNE GLICK  
Publisher  
(212) 224-3069

MIKE FERGUS  
Marketing Director  
(212) 224-3266

AMANDA CATERINA  
Associate Marketing Manager  
(212) 224-3096

VINCENT YESENOSKY  
Senior Operations Manager  
(212) 224-3057

DAVID SILVA  
Senior Fulfillment Manager  
(212) 224-3573

### SUBSCRIPTIONS/ ELECTRONIC LICENSES

One year - \$2,725 (in Canada add \$30 postage, others outside U.S. add \$75).

DAN LALOR  
Director of Sales (212) 224-3045

THEODORE HEALEY  
Account Executive [London]  
(44-20) 7779-8704

KEN LERNER  
Account Executive  
(212) 224-3043

GEORGE WITTMAN  
Client Development Manager  
(212) 224-3019

### REPRINTS

DEWEY PALMIERI  
Reprint & Permission Manager  
(212) 224-3675  
[dpalmieri@institutionalinvestor.com](mailto:dpalmieri@institutionalinvestor.com)

### CORPORATE

GARY MUELLER  
Chairman & CEO

CHRISTOPHER BROWN  
President

STEVE KURTZ  
Chief Operating Officer

ROBERT TONCHUK  
Director/Central Operations & Fulfillment

**Customer Service:** PO Box 5016,  
Brentwood, TN 37024-5016.  
Tel: 1-800-715-9195. Fax: 1-615-377-0525  
UK: 44 20 7779 8704  
Hong Kong: 852 2842 6910  
E-mail: [customerservice@iineews.com](mailto:customerservice@iineews.com)

**Editorial Offices:** 225 Park Avenue  
South, New York, NY 10003.  
Tel: (773) 439-1090  
Email: [pthompson@iineews.com](mailto:pthompson@iineews.com)

**Power Finance & Risk** is a general circulation newsweekly. No statement in this issue is to be construed as a recommendation to buy or sell securities or to provide investment advice.

**Power Finance & Risk** ©2007  
Institutional Investor, Inc.

Copying prohibited without the permission of the Publisher.

**Institutional  
Investor NEWS**  
INTELLIGENCE FIRST

## Black Hills Takes First-Round Bids

**Black Hills Corp.** took non-binding expressions of interest last Tuesday from potential buyers of six gas-fired generating facilities. The 974 MW fleet being auctioned via **Credit Suisse** is projected to earn at least \$75 million of contracted EBITDA per year over the next five years. The company is aiming to find a buyer by mid to late January.

A call to **Mark Thies**, cfo of Black Hills in Rapid City, S.D., was referred to **Dale Jahr**, a director of investor relations, who did not immediately return the call. An official at Credit Suisse, which reportedly put its staple out Nov. 15, declined to comment.

Up for grabs is 98 MW Harbor in Long Beach, Calif., 53 MW Las Vegas I and 224 MW Las Vegas II in Nevada, 149 MW Valencia near Albuquerque, N.M., now under construction, and three units in Colorado: 240 MW Fountain Valley in Colorado Springs, 130 MW Arapahoe in Denver and 80 MW Valmont (PFR, 10/26). The assets were developed by Wheeling, Ill.-based IPP **Indeck Capital**, which was bought by Black Hills in 2002.

Black Hills is selling because it wants to grow the regulated side of its business and because it believes the value of the plants has risen materially (PFR, 10/22). Separately, it needs to pay down a two-year, \$1 billion **ABN Amro**-led equity bridge loan (PFR, 5/11) that will enable it to complete its acquisition of certain assets in Nebraska from **Aquila**. The \$940 million transaction got regulatory approval Oct. 17.

## ITC Plots Financing For \$750M Wires Acquisition



Edward Rahill

Independent transmission company **ITC Holdings** plans to place privately \$250 million in common stock and roughly \$500 million in 10- and 30-year mortgage-backed debt with qualified institutional buyers as early as next month.

Proceeds will fund its acquisition of 6,800 miles of 34.5 kV transmission from **Interstate**

**Power & Light**, a unit of **Alliant Energy**. The exact timing will depend on when the company secures final approval for the \$750 million transaction from federal regulators and the state of Minnesota, says **Edward Rahill**, cfo of ITC in Novi, Mich.

**Lehman Brothers** and **Credit Suisse Securities** will lead the 144A transaction, and **JPMorgan** will serve as co-bookrunner. The leads were selected because they are long-term relationship banks that worked on the financing for ITC's \$867 million acquisition of **Michigan Electric Transmission Company** last year. JPMorgan is a new addition, after proving helpful in getting revolvers done for the company, says Rahill. The company planned to audition new banks over the

summer (PFR, 1/26).

In the event approvals for the transaction are delayed, all three firms will underwrite a \$750 million bridge facility, so the deal can close by the year-end. The tenor would be under 364 days, with an incentive for ITC to close with 90 days and get a discount on fees due.

The company privately placed \$100 million in seven and 10-year debt over the summer to reduce revolver balances.

## EDF Sub Lures Seven For Wind Club Financing

**EDF Energies Nouvelles**, a subsidiary of **Électricité de France**, is in the final stages of arranging a EUR266 million (\$390.2 million) club financing supporting construction of five wind farms in France. "We are definitely going to use seven banks," says **Philippe Crouzat**, cfo of EDF Energies Nouvelles in Paris. He confirmed that **Royal Bank of Scotland** and **Calyon** are two of the mandated lead arrangers, each taking EUR40 million chunks, but declined to disclose the other banks except to say they were mostly European.

The debt will have a nearly 18-year tenor and be priced at 70 basis points over LIBOR. "We're not trying to do anything exotic or stretch the financing," says Crouzat. "We have built good relationships with the banks we are working with, and the wind business is a good business right now." The farms total 194 MW. They are: 11.5 MW Castanet, 50.6 MW Villeseque, 48 MW Salles Curan and 12 MW Luc sur Orbieu in the Pyrenees, as well as 71.5 MW Chemin d'Ablis in the Loire Valley.

## Leads Tee Up La Yesca Retail Syndication

Sole bookrunner **WestLB** and seven mandated lead arrangers are gearing up to launch an invitation-only retail syndication of financing for **Empresas ICA's** 750 MW La Yesca hydro project in Mexico. **Scotia Capital** and **Natixis** are the most recently added lead arrangers, after **Citibank/Banamex**, **HSBC**, **BBVA Bancomer**, **Grupo Santander** and **NordLB** were rounded up in early October at the request of the sponsor (PFR, 10/5).

The \$990 million debt package consists of a \$910 million construction loan with a four-year, nine-month tenor, supported by an \$80 million revolver provided solely by WestLB. The revolver allows the sponsor to fund construction in phases, paying down borrowings from the larger facility and isolating the risk (PFR, 10/5).

No bank meeting is planned, but WestLB officials told *PFR* last month banks active in Latin American project finance would be targeted at the retail level. Commitments are due within the next four weeks. WestLB declined to comment on pricing, but one banker said it will be in the range of 50 basis points over LIBOR.



## Banks Close To Hungarian Greenfield Financing Emerge

Hungary's MKB Bank, K&H Bank, CIB Bank and Italy's UniCredit are the banks most likely to join the OTP-led syndicate financing a EUR 1.5 billion (\$2.19 billion), 2.4 GW plant to be built by Hungarian gas wholesaler Emfesz next year.

Zoltan Eperjesi, cfo of Emfesz in Budapest, declined to comment on the line up, but said the other banks in the consortium will be decided upon early next year with a view to having funding in place by the end of the first quarter. OTP was selected as the lead, he says, because "[Emfesz] has a long-standing relationship with them and they can handle the volume of the deal." Calls to Eva Revesz, head of energy at OTP in Budapest, and Miklos Nemeth, project finance chief, were not returned.

Emfesz announced in May that it plans to build the combined-cycle gas-fired plant west of the Ukrainian border in eastern Hungary. Construction of the project, which will have a roughly 80:20 debt to equity ratio, is slated to begin by the start of the third quarter of next year, with 800 MW in place by 2011 and final completion set for 2015.

## Troika Launch \$900M Fujairah II Financing

Citigroup, Sumitomo Mitsui Banking Corporation and Calyon launched syndication today of a \$900 million, 22.5-year senior loan package supporting construction of Abu Dhabi's latest independent power and water project, Fujairah II. Also being funded to the sponsors is a two and a half-year, \$450 million equity bridge that will be taken out once the project's revenue stream is proven. The Japan Bank of International Cooperation is separately providing a \$1.35 billion term facility to the sponsors, with a \$108 million standby facility for cost overruns, which will not be syndicated (PFR, 10/19).

Tickets of \$60 million are being offered on the senior debt, with a commitment fee of 90 basis points, and \$30 million on the equity bridge, both for managing lead arranger roles. For arranger roles, those tickets fall to \$40 million and \$20 million, respectively. And for co-arranger titles, tickets are \$25 million and \$10 million, respectively. The \$2.7 billion financing was pitched to a wide array of regional and international banks and is slated to close within a month.

Adwea, the state-owned water and electricity authority, will own 60% of the 2 GW/130 gallons per day project, with International Power and Marubeni holding the balance in equal chunks (PFR, 4/5). Officials at Citi and SMBC declined to comment, and calls to JBIC, Calyon, Marubeni and International Power were not returned.

## KeyBanc Preps EverPower Syndication

KeyBanc Capital Markets will launch syndication this Wednesday for a roughly \$130 million loan financing EverPower Renewables' wind turbine purchases for projects breaking ground next year. After originally scheduling a bank meeting at the Westin in New York for Nov. 14, the lead pushed the date back due to a change in the delivery date for the Nordex N90 turbines, says Andrew Redinger, managing director of KeyBanc in Cleveland.

KeyBanc is looking to hold a portion of the loan and target three to four banks for equal-sized tickets in syndication. Pricing on the debt could not be learned but its tenor will be less than two years, reflecting the potential expiration of federal production tax credits at the end of 2008. The deal is expected to wrap before year-end.

The turbines will now all be delivered in 2008 instead of over the next two years, according to Jim Spencer, managing director of EverPower in N.Y. The developer has 180 MW of projects slated to begin construction next year, including 65 MW Howard in Steuben County, N.Y., and 65 MW Highland in Cambria County, Pa. (PFR, 10/26). The developer also is developing the 300 MW Buckeye Wind project in Ohio. Officials at KeyBanc declined to comment.

## PPL Takes Bids On Gas, Propane Biz

PPL Corp. took first-round bids Nov. 16 on its natural gas distribution business, PPL Gas Utilities, which it is selling alongside its propane business, Penn Fuel Propane. The company announced in July it had tapped Lehman Brothers to advise it on a potential sale, as it intends on focusing on its regulated generation and power supply and delivery businesses instead.

"Although these businesses have been operationally and financially successful, their relative size and earnings contributions limit their strategic value to PPL's future growth," said William Spence, coo, in a statement at the time.

These businesses represented about 1% of PPL's earnings last year. PPL Gas Utilities serves 77,000 customers across 34 counties in Pennsylvania and a small portion of Maryland, and operates 3,800 miles of pipeline as well as a gas storage facility. The propane business buys propane on a wholesale basis and delivers to about 34,000 industrial, commercial and residential customers in Pennsylvania, Delaware, Maryland and West Virginia.

PPL hopes to complete the sale by the end of next year. It has already divested other non-core assets, such as its electricity delivery business in El Salvador and Bolivia and its telecommunications operations. Officials at Lehman in New York did not return calls and George Biechler, a spokesman for PPL in Allentown, Pa., declined to comment.

# Finance and investment opportunities in energy management and efficient technologies

Co-organisers



renewable  
energy  
& energy  
efficiency  
partnership

## Key topics:

- Examining the growing role of energy efficiency
- Identifying opportunities for investors
- The evolution of Energy Service Companies
- Financing green buildings and microgeneration

## Conference highlights:

- Hear from key industry players
- Take part in focussed conference sessions
- Network with senior representatives from finance and industry

**SAVE £150**

Book by 14 December 2007

# energy efficiency finance and investment forum

28-29 January 2008 | Hilton Tower Bridge | London

Platinum Sponsor



Supporters:



For more information about this event, please visit [www.euromoneyenergy.com/efficiency](http://www.euromoneyenergy.com/efficiency), call us on +44 20 7779 8186 or email Maria Ferreiro at [mferreiro@euromoneyplc.com](mailto:mferreiro@euromoneyplc.com)

## Leads Syndicate Noble Turbine Loan

HSH Nordbank and KeyBanc Capital Markets launched syndication mid-month of a \$460 million turbine supply loan for Noble Environmental Power. The financing supports a General Electric turbine purchase program through 2009 (PFR, 11/2). Dexia Crédit Local is documentation agent on the deal, which launched Nov. 13 at HSH's offices in midtown Manhattan, according to Peter Capitelli, v.p. of project finance at Noble in Essex, Conn. More than 15 banks were in attendance.

Tickets of \$35 million are being offered for around 14 slots, with a handful of banks looking at a \$50 million ticket. Commitments are due mid-December with a view to wrapping the deal by year-end. The margin on the deal is 175 over LIBOR

per annum and commitment fees are 75 basis points. The debt matures in March 2010.

The loan will fund the purchase of up to 689 1.5 MW GE 1.5 SLE turbines for projects Noble has in development in the Northeast, Michigan and Texas. Seven of these are under way in New York: 100.5 MW Bliss and 127.5 MW Wethersfield in Wyoming County; 102 MW Altona, 100.5 MW Clinton, 81 MW Ellenburg in Clinton County; and the combined 129 MW Chateaugay and Bellmont farms in Franklin County. Clinton, Ellenburg and Bliss are scheduled to come online before the year-end, and construction will begin on the others between 2008 and 2010. Officials at KeyBanc and HSH declined to comment, and calls to Dexia were not returned.

## Corporate Strategies

### MLP Terms Out \$850M Via New B Loan



Bryan Bulawa

In a recovering term loan B market, Enterprise GP Holdings has refinanced a \$850 million term loan A with a longer tenor. "We were having go, no-go calls for a period of time," says Bryan Bulawa, treasurer of the Houston master limited partnership about launching the refinancing Oct. 15 into the term loan B market. "It wasn't clear to our

lead arrangers that there would be sufficient demand to take the whole \$850 million. They had soft-circled some investors and it really was just feedback from investors to their level of interest."

Enterprise had originally approached Citigroup and Lehman Brothers for a one-year \$1.9 billion bridge loan in May tied to its acquisition of an ownership interest in Energy Transfer Equity and its general partner. Over the summer, the MLP raised \$750 million in equity to repay a portion of that bridge and launched a seven-year, \$1 billion B loan and \$200 million revolver to cover the remainder. But when the term loan B market dried up, it reworked the deal into a five-year, \$125 million term loan A, and \$850 million term loan A2 maturing in May next year. Pricing was 175 over LIBOR on the debt, which closed Aug. 24. But Enterprise knew it needed to refinance quickly.

The B loan has a seven-year tenor, which Bulawa says was the ultimate goal, even though it is priced higher at 225 over LIBOR. "The increased cost mitigated the refinancing risk," he says. "This deal is one that we are glad is complete."

Having that \$850 million fall due in May was risky, adds Joseph Sorce, an analyst at Fitch Ratings in Chicago, which gave the B loan a BB rating. "It's a positive from our prospective

to be able to term that out," he says. Citi and Lehman led the B loan, which closed Oct. 26. "They are market leaders in the institutional term loan B market," says Bulawa.

### Westar Funds Capex, Renewables With Equity



Tony Somma

Westar Energy is funding construction of three wind farms and the Emporia Energy Center, both in Kansas, with \$191.9 million raised by selling 7.6 million of its common shares. "The governor of Kansas has requested that the state have 10% of its energy coming from renewable sources by 2010," says Tony Somma, treasurer in Topeka, referring to the non-legislative initiative by Governor Kathleen Sebelius. "We want to do our share, and we want to draw down funds from this offering over time to do it."

JP Morgan Securities and UBS Investment Bank were joint book-runners on the offering, which priced at \$25.25 per share Nov. 15. Wachovia Capital Markets rounded out the lead manager tier. Supporting them were Citigroup Capital Markets, Credit Suisse Securities, Deutsche Bank Securities, Edward D. Jones & Co. and Wedbush Morgan Securities. "JPMorgan and UBS have a lot experience in the utility sector, and banks such as Citigroup, Wachovia and Edward Jones are good retail franchises," says Somma, explaining the company's desire have a mix of 50% institutional and 50% retail banks on each offering.

The three wind farms are the 99 MW Central Plains farm in Wichita County, the 96 MW Meridian Way farm in Cloud County and the 100 MW Flat Ridge farm in Barber County. Westar will own 150 MW of the capacity produced, investing

\$282 million across all three. It is also building the 600 MW Emporia Energy Center near Emporia, Kan. The first 300 MW of that natural gas-fired peaker is scheduled to be complete by June next year.

## AEP Sub Taps Mart For \$250M To Fund Capex

Public Service Company of Oklahoma issued \$250 million in new 30-year debt to fund a series of projects in its capital expenditure pipeline and repay advances from affiliates, despite not liking the spread. "The market is not so routine this year, and the credit spread is a lot higher than it was at the beginning of the year," Steve Haynes, v.p. and assistant treasurer at parent **American Electric Power** in Columbus, Ohio, told *PFR*, referring to pricing the offer landed of 200 basis points over comparable Treasuries.

The underwriters of the 6.625% senior notes offer were **Morgan Stanley**, **Citigroup**, **Merrill Lynch** and **UBS**, chosen according to Haynes because of their ability to execute and status as key relationships to AEP. The issue closed Nov. 15, the same day it launched. **Fitch Ratings** assigned the notes A-.

Included in Public Service Company of Oklahoma's pipeline is nearly 240 MW of new gas-fired peaking capacity in the works, scheduled to be complete by early next year at a cost of nearly \$114 million. "This is what we have to do to make up for the fact that we don't have the additional base-load coal generation that we proposed," says **Pat Hemlepp**, spokesman for AEP, referring to the Oklahoma Corporation Commission's denial of its proposed \$1.8 billion, 950 MW Red Rock coal plant

project Oct. 11. Red Rock was to be owned 50% by AEP, with 42% going to **Oklahoma Gas and Electric** and the remainder to the **Oklahoma Municipal Power Authority**.

PSO has about 514,000 customers in eastern and southwestern Oklahoma.

## AES Calls In Debt With Placement Proceeds

**AES Corp.** has refinanced \$1.24 billion in debt by buying back senior unsecured notes with funds raised in a private placement that closed Oct. 10. "It's cheaper and less restrictive this way. It gives them additional financial flexibility," says **Scott Solomon**, credit analyst at **Moody's Investors Service** in New York, who notes rates on the new debt are roughly 100-125 basis points lower and are unsubordinated. **Chip Hoagland**, v.p. and treasurer in Arlington, Va., declined to comment, but an AES spokeswoman confirmed the deal will net average savings of 100 basis points.

Last Wednesday, AES completed its cash tender offer for three series: \$192.6 million in 8.75% senior notes due in June next year; \$600 million in 9% second priority senior notes due 2015; and \$447.4 million in 8.75% second priority senior notes due 2013. **Citigroup** served as dealer manager for the offer, paid for with cash from the \$2 billion placement (*PFR*, 10/12). **Global Bondholder Services** acted as information agent and **Wells Fargo Bank**, **National Association** served as depository.

AES' usage for the remaining proceeds of its \$2 billion placement are unclear. As of September 30, it had \$4.48 billion in recourse debt, and \$11.1 billion in non-recourse debt outstanding.

## 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.*

### Americas

- **Black Hills Generation** chose Overland Park, Kan.-based **Black & Veatch** to design and engineer a new 100 MW coal plant near Gillette, Wyo. (*Kansas City Business Journal*, 11/19).
- **BHP Billiton** and **Pacific Hydro** said they signed an agreement to develop wind power in excess of 100 MW in Chile's northern mining region (*Reuters*, 11/19).
- **Energy Transfer Partners** said its **Transwestern Pipeline Co.** subsidiary has scored approval from U.S. regulators to expand its natural gas pipeline system to Phoenix (*Reuters*, 11/19).
- **EV Energy Partners** said it agreed to acquire natural gas properties in West Virginia for \$59.5 million from an institutional partnership managed by **EnerVest** (*Reuters*, 11/19).
- **Allco Renewable Energy Group**, no relation to **Allco Financial**, has proposed installing 235 to 338 large wind

turbines off the coast of Rhode Island. The turbines would be put in place by early 2009 and go into commercial use by 2010 (*Providence Journal*, 11/16).

- **Calpine's** restructuring advisor **Miller Buckfire** said the emerged company will be worth \$900 million less than it previously estimated in June (*Associated Press*, 11/20).
- **Nevada Geothermal Power** has executed a large generator interconnection agreement with **Sierra Pacific Power**, covering up to 75 MW of new generation in two phases from Blue Mountain Geothermal resources (*CNNMoney.com*, 11/19).

### Europe

- **Suez** has bought 50.1% of French wind developer **La Compagnie du Vent** for EUR321 million (\$470.5 million) and plans to increase its stake to 56.8% (*Marketwatch*, 11/16).





## 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 Katy Burne, Managing Editor, at (212) 224-3165 or e-mail [kburne@iineews.com](mailto:kburne@iineews.com).

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Airtricity Holdings	Various	North America	6,500	Wind	Credit Suisse	E.ON agreed to buy for \$1.4 billion (PFR, 10/8).
	Various	Europe	259 operational	Wind	Credit Suisse	Evaluating strategic options, including an IPO for 20-30% (PFR, 11/16).
American Electric Power	Fort Phantom	Abilene, Texas	362	Gas	N/A	Took final bids Nov. 14.
	Abilene Power Station	Abilene, Texas	18			
	Lake Pauline	Quanah, Texas	35			
	Rio Pecos	Girvin, Texas	136			
	Oak Creek	Bronte, Texas	75			
	Paint Creek	Stamford, Texas	218			
	San Angelo	San Angelo, Texas	110			
Astoria Energy	Astoria plant	Queens, N.Y.	500 MW; 1 GW permitted	Gas	N/A	Owners fielding offers. Suez Energy acquiring a 30% stake (PFR 9/29).
Barry Bates and Michael Underwood	Thompson River Cogen	Montana	16	Coal, Waste Wood	Energy Advisory	Teasers went out late June. Plant has a 20-year PPA with Avista Utilities.
Bicent Power	Mountain View	Palm Springs, Calif.	67	Wind	Goldman Sachs	Teasers dispatched early Sept. (PFR, 9/17).
Black Hills Corp.	Arapahoe	Denver, Colo.	130	Gas	Credit Suisse	Seller looking for an all-cash transaction. Preliminary bids taken Nov. 20.
	Valmont	Valmont, Colo.	80	Gas		
	Fountain Valley	Colorado Springs, Colo.	240	Gas		
	Las Vegas I	Las Vegas, Nev.	53	Gas		
	Las Vegas II	Las Vegas, Nev.	224	Gas		
	Harbor	Long Beach, Calif.	98	Gas		
	Valencia	Albuquerque, N.M.	149	Gas		
Bluff Power Partners E/S Solutions	McCommas Bluff	Dallas, Texas		Landfill Gas	CRG Partners	Cambrian Energy Development named stalking horse, replacing Montauk Energy Capital (PFR, 10/12).
Calpine	Acadia Energy Center	Eunice, La.	1,016 (50%)	Gas	Miller Buckfire	Sold to Cajun Gas Energy for \$189 million (PFR, 8/6). Plant 70% complete. Stalking horse about to be named. Bids due Oct. 29 (PFR, 10/29).
	Fremont Energy Center	Sandusky County, Ohio	512	Gas		
	Hillabee Energy Center	Alexandra City, Ala.	774 MW	Gas		
Carlyle/Riverstone	SEGS II-VII	Kramer Junction, Calif.	150 MW	Solar	N/A	Fortress Investment Group to acquire 50% stake.
Catamount Energy	Sweetwater	Nolan County, Texas	505 (50%)	Wind	Goldman Sachs	Unsolicited approaches have been made to backer Diamond Castle Holdings (PFR, 8/31).
	Ryegate Power	Vermont	20	Wood waste		
	Rumford	Rumford, Me.	85	Cogen		
CIT Group	RockGen Energy Center	Cambridge, Wis.	460	Gas	Bear Stearns	Status unclear.
Central Vermont Public Service	Various	Vermont	70 in summer, 86 in winter	Hydro	Morgan Stanley	Believed to be in advanced stages.
City of Vernon	Malburg Generating Station	Southern Calif.	134	Gas	Lehman Brothers	Beowulf Energy and Natural Gas Partners agreed to buy for \$342 million. Lehman Brothers to lead debt financing (PFR, 10/22).
	Palo Verde Power	Southern Calif.	11	Nuclear		
	Hoover Upgrading	Southern Calif.	22	Hydro		
CMS Enterprises	Dearborn Industrial Generation	Dearborn, Mich.	710	Gas	JPMorgan	Teasers dispatched 10/9 (PFR, 10/9). Indicative bids taken Nov. 6
	Kalamazoo	Comstock, Mich.	68	Gas		
	Livingston	Gaylord, Mich.	150	Gas		
Conduit Capital	Various	Latin America Caribbean	939 net ownership	Diverse	BNP Paribas	Agreed to sell 155 MW Colombian coal plant 10/5 (PFR, 10/10).
Con Ed Development	CEEMI	Springfield, Mass.	185	Gas, Oil, Hydro	Morgan Stanley	Final bids taken Nov. 7. In the running are American National Power, AllCapital, Energy Capital Partners, Marubeni Power and Tenaska Power Fund, GE Energy Financial Services and PPL Corp. (PFR, 10/17).
	CEEMI expansion	Springfield, Mass.	96	Gas, Oil		
	Newington Energy	Newington, N.H.	525 (99.5%)	Gas		
	Ada Cogeneration	Ada, Mich.	29 (48%)	Gas		
	Lakewood	Lakewood, N.J.	246 (80%)	Gas		
	Ocean Peaking Power	Lakewood, N.J.	339	Gas		
	Rock Springs	Rising Sun, Md.	670 (50%)	Gas		
	Genor	Puerto Barrios, Guatemala	42 (49.5%)	Oil		
	Ever Power Wind	NEPOOL, NY, PJM	500 planned	Wind		
Complete Energy Holdings	La Paloma	McKittrick, Calif.	1,022	Gas	JPMorgan	Teasers dispatched. Seller considering offers on one plant or both (PFR, 10/30).
	Batesville	Batesville, Mis.	837	Gas		
Desert Power	Desert Power plant	Rowley, Utah	65 installed	Gas	Miller Buckfire	Lender of record, Morgan Stanley, to acquire.
Dominion Resources	Dresden Energy	Muskingum County, Ohio	580	Gas	N/A	American Electric Power agreed to buy for \$85 million.
DTE Energy	East China	East China, Mich.	320	Gas	N/A	Seller exploring options, including outright sale. On books at scrap value, decommissioned.
	River Rouge	Detroit, Mich.	240	Gas	N/A	
Dynegy	Plum Point	Osceola, Ark.	665 MW	Coal	N/A	John Hancock Life Insurance to acquire a 57% stake for \$82 million.
Electricite de France International unit	Salttillo	Ramos Arizpe, Coahuila	248	Gas	JPMorgan Chase	Gas Natural to buy for \$1.448 billion in cash on hand.
	Anahuac (RB2)	Valle Hermoso, Tamaulipas	495	Gas		



# Generation Auction & Sale Calendar (cont'd)

Seller	Plants	Location	MW	Plant Type	Advisor	Status/Comments
Controladora del Golfo	Lomas de Real (RB3) Valle Hermoso (RB4) Electricidad Aguila de Altamira Gasoducto del Rio	Valle Hermoso, Tamaulipas Valle Hermoso, Tamaulipas Altamira 54 km pipeline	495 500 495 (51%) 330,000M Btu/D	Gas Gas Gas		
Entergy Corp.	50% stake in Top Deer Wind Ventures RS Cogen Roy S. Nelson Warren Power Harrison Independence Robert Ritchie Offtake Contract	Worth County, Iowa Carsen County, Texas Lake Charles, La. Westlake, La. Vicksburg, Miss. Marshall, Texas Newark, Ark. Helena, Ark. Sam Rayburn Power Agency	40 40 212 60 225 335 121 544 50-80	Wind  Gas Gas/Oil Gas Gas Coal Gas/Oil	New Harbor	Seller wants about \$520 million for the assets. Bidders shortlisted to four players: two financial; two infrastructure (PFR, 6/18).
Fluor	Greater Gabbard	Thames Estuary, U.K.	500	Wind	RBC Capital Markets	Specs went out in late Aug. for Fluor's 40% stake (PFR, 8/20).
Foresight Wind Energy	Various	Arizona, New Mexico	2 GW pipeline	Wind	CP Energy	Transaction delayed (PFR, 10/8).
General Electric	Baglan Bay	Port Talbot, Wales	510	Gas	Lexicon Partners	GE deferred sale. Carron Energy interested.
Globeleq	Emerging market portfolio	Asia, Africa, Americas	2,082	Mixed	Lehman Brothers	Americas assets sold to D.S. Constructions and Israel Corp. Asia and Africa assets still to close with Tanjong Energy Holdings and Aljomaih in \$1 billion deal.
Goldman Sachs, Cargill	Teeside Power	Teeside, U.K.	1,875 MW	Gas	Rothschild	Teasers dispatched Nov. 14 (PFR, 11/19).
Goldman Sachs (Cogentrix Energy)	Southaven Power	Southaven, Miss.	810	Gas	Houlihan Lokey	Teasers were set to be dispatched by Nov. 15 (PFR, 10/31).
Kelson Holdings	Dogwood Redbud Cottonwood Magnolia	Pleasant Hill, Mo. Luther, Okla. Deweyville, Texas Benton County, Miss.	620 1,230 1,230 922	Gas Gas Gas Gas	Goldman Sachs	Weighing strategic options, including sale or merger (PFR, 10/9). First round bids due in early November with a view to signing a deal in December.
La Compagnie du Vent	Various	France	98 MW installed	Wind	Calyon	Suez to acquire a 50% stake for EUR321 million (PFR, 8/20).
Landfill Energy Systems	Various	Various	80	Landfill gas	Ewing Bemiss	Energy Investors Funds and Enpower to acquire for north of \$300 million.
LS Power	Bosque  Zeeland Sugar Creek	Laguna Park, Texas  Zeeland, Mich. Sugar Creek, Ind.	805 (570)  946 561	Gas  Gas Gas	N/A  N/A N/A	To be acquired by Arcapita and Fulcrum Power Services. Transaction value not disclosed. CMS Energy to acquire for \$517 million. Northern Indiana Public Service to acquire (PFR, 11/2).
Mirant Corp.	Diverse U.S. assets	PJM, NEPOOL, Calif.	10,650	Various	JPMorgan	Mirant nixed sale in favor of \$4.6 billion share buyback.
National Grid	Ravenswood Station	Queens, N.Y.	2,450	Gas	Merrill Lynch	Teasers to go out after Thanksgiving.
Noble Environmental Power	Various	NY, Mich.	385	Wind	Goldman Sachs	Indicative bids reportedly taken August 13 (PFR, 8/21).
NRG Energy	Indian River	Millsboro, Del.	784	Coal	N/A	Seller soliciting offers on plant (PFR, 11/8).
PSEG Global	Electroandes Chilquinta Energia (50%) Luz del Sur (38%)	Andean region, Peru Chile Peru	180	Hydro	JPMorgan Citigroup	Statkraft Power Invest to buy for circa \$390 million. AEI to buy for \$685 million.
Reliant Energy	Channelview	Lyondell, Texas	830	Gas	Houlihan Lokey	In second round.
Ridgeline Energy	Various	Idaho, Oregon, Washington	3,700 in development	Wind	Marathon Capital	Back in play after talks were nixed with a southern U.S. utility (PFR, 10/8).
Sempra Generation	Catocin	Frederick Co, Md.	development	Gas	N/A	Development reportedly for sale.
Temasek Holdings	PowerSeraya Senoko Power Tuas Power	Singapore	3,100 3,300 2,670	Gas Oil Steam	Credit Suisse, Morgan Stanley	Teasers dispatched 10/15. Tuas to be sold first (PFR, 10/22).
Tenaska Power Fund	Commonwealth Chesapeake	New Church, Va.	315	Oil	JP Morgan	Teasers reportedly dispatched (PFR, 10/29).
TransAlta	Western Canada, Ontario Campeche Chihuahua	Diverse U.S. Mexico Mexico	404 252 259	Gas, Coal Gas/Diesel Gas	BMO Capital Markets N/A	Cheung Kong Infrastructure Holdings to acquire. Company weighing sale. Rothschild likely to run auction.
Trinergy	Various	Italy, Germany, Ireland, U.K. Spain	648	Wind	RBC Capital Markets	International Power agreed to buy portfolio for EUR1.8 billion (\$2.5 billion). RBS-led acquisition financing being tweaked.
Tyche Power Partners	Brooklyn Navy Yard	Brooklyn, N.Y.	286	Gas Cogen	Credit Suisse	Temporarily iced due to credit crunch.
UPC Wind	Various	North America	3GW in development	Wind	JPMorgan	Market test did not lead to a sale, so company is reportedly weighing an IPO (PFR, 6/8).
Waterbury Generation	Waterbury Generation	Waterbury, Conn.	96	Gas	N/A	Energy Capital Partners in negotiations to buy development rights (PFR, 8/29)
Wheelabrator Technologies	Shasta	Anderson, Calif.	49	Biomass	ABN Amro	Seller evaluating strategic options, including a sale. In second round (PFR, 7/23)

# Project Finance Deal Book

*Deal Book is a matrix of energy project finance deals that PFR is tracking in the energy sector. 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 Katy Burne, Managing Editor, at (212) 224-3165 or e-mail kburne@iineews.com.*

## Live Deals: North America

Sponsor	Project	Location	Lead(s)	Loan	Loan Amount	Tenor	Notes
Airtricity	2008 Turbine Supply	Various	HVB, Mizuho	\$325M			Set to launch after Champion wraps.
	Champion (126.5 MW Wind)	Central New York	HVB, NordLB, BayernLB	Construction Loan			Syndication set to wrap mid-Nov.
Empresas ICA	La Yesca (750 MW Hydro)	Nayarit, Mexico	WestLB, Citibank/Banamex, HSBC, BBVA Bancomer, Grupo Santander, NordLB	Construction Loan	\$910M	4-yr, 9m	Retail syndication launched mid-Nov.
				Revolver	\$80M		
Econergy International-led consortium	La Gloria (50 MW Wind)	Guanacaste Province, Costa Rica	NordLB	Term Loan, Letter of Credit	\$125M	TBA	4Q syndication expected.
Energy Investors Fund	Panoche (400 MW Gas)	Fresno, Calif.	TBA	TBA	TBA	TBA	Timeline unclear
ENMAX Energy	Calgary (1.2 GW Gas)	Calgary, Alberta					Timeline unclear.
EverPower Renewables	2009 Turbine Supply	Various	KeyBanc Capital Markets	Turbine supply	\$130M		Syndication to launch 11/27.
Third Planet Windpower	Name unknown (325 MW Wind)	Loraine, Texas	TBA	TBA	TBA	TBA	Selecting lenders.
SUEZ Energy International	Central Termoeléctrica	Northern Chile	TBA	TBA			Looking for banks for \$500M.
LS Power	Sandy Creek (800 MW Coal)	Riesel, Texas	Credit Suisse, RBS	Term Loan	\$1.2B	8-yr	Syndication wrapped 11/20.
Carlyle/Riverstone	Portfolio (1.5 GW Gas)	Various, Texas	TBA	TBA	\$900M		RFP sent out 7/23.
Granite Ridge	Granite Ridge (720 MW Gas)	Londonderry, N.H.	TBA	TBA	\$500-\$600M		Choosing lead banks.
AES	Termoeléctrico de Penoles (230 MW Petcoke)	Tamuin, Mexico	TBA	TBA	TBA	TBA	Timeline unclear.
	Buffalo Gap 3 (170 MW Wind)	Abilene, Texas	Dexia, HVB			Under 1-yr	Syndication to launch late Nov.
RES	Hackberry Wind (165 MW Wind)	Shackelford Co., Texas	WestLB	Construction Loan	\$352M	17-yr	Syndication to launch 11/27.
Borealis Infrastructure	Bruce Power (4.6 GW)	Tiverton, Ontario	Scotia, Dexia	TBA	C\$750M (\$710M)	TBA	Syndication launched 11/8.
LEP Holdings	Liberty Electric Power (568 MW Gas)	Eddystone, Pa.	Credit Suisse, JPMorgan, Deutsche Bank	OpCo Loan	\$325M	7-yr	Syndication wrapped mid-Nov.
				Revolver	\$35M		Tranches upsized mid-Oct.
				HoldCo Loan	\$100M		
Nacogdoches Power	Nacogdoches (100 MW Biomass, 300 MW Gas)	Sacul, Texas	TBA	TBA			Looking for debt/equity for \$600M project.
NuCoastal	Victoria (300 MW Gas)	Houston, Texas	Calyon	Term Loan	\$87M	7.5-yr	Club syndication to close by Dec.
				Letter of Credit	\$10M	7.5-yr	
J-Power USA	Pala (86.5 MW Gas)	San Diego Co., Calif.	TBA	TBA			Looking for lead bank.
	Orange Grove (95 MN Gas)	Orange Grove, Calif.	Royal Bank of Scotland	Construction Loan	\$70M	25-yr	Syndication launched 9/25.
				LC Facility	\$25M		
				Equity Bridge Loan	\$30M		
MACH Gen	Portfolio (800 MW Coal)	Various	Credit Suisse	TBA	\$850M	TBA	Refinancing of \$850M second lien.
Acciona Solar Power	Nevada Solar One (64 MW)	Boulder City, Nev.	Santander, BBVA, La Caixa	Term Loan	\$140M		Commitments were due 11/9.
Shell, Dominion	Mt.Storm (264 MW, Wind)	Grant Co., W.Va.	Fortis, BBVA	Construction Loan	\$288M	TBA	BBVA named sub-underwriter.
Invenergy	St. Clair Power Station (570 MW Gas)	Sarnia, Ontario, Canada	RBC	Construction Loan	\$383M	5-yr	Syndication re-launched 7/2.
	Forward Energy (99 MW Wind)	Dodge and Fond du Lac counties, Wisconsin	Dexia Credit Local, NordLB	Construction Loan	\$116.4M	17-yr	4Q syndication expected.
				Equity Bridge Loan	TBA		
				Letter of Credit	TBA		
	2009 Turbine Supply (800 MW Wind)	Various	HSH, TBA	TBA	TBA	TBA	Timeline unclear. HSH provided funds for 200 MW in Europe.
Padoma Wind Power	Various (418 MW Wind)	Texas, Southern Calif.	TBA	TBA	TBA	TBA	Timeline unclear.
Perennial Power	Hermiston (474 MW Gas) and Bliss (339 MW Wind)	Hermiston, Ore. Clinton and Bliss, N.Y.	TBA	TBA	\$130M	10-yr	Status unclear.
Guacolda	Maitencillo (152 MW Thermo)	Maitencillo, Chile	Calyon	Construction Loan	\$260M	15-yr	Status unclear.
Energy Capital Partners	Rensselaer (535 MW Gas)	Rensselaer, N.Y.	Barclays, UBoC	Construction Loan	\$400M	8-yr	Syndication set to wrap late Nov.
				HoldCo Loan	\$170M		
				Revolver	\$100M		
				Letter of Credit	\$35M		
Terrawinds Resources	Riviere-Du-loop (201 MW Wind)	Riviere-Du-loop, Quebec	HSH Nordbank	Construction and term loan	C\$300M (\$300M)		Syndication Launched 9/18.
Harbinger Capital Partners	Calgary Energy (300 MW Gas)	Alberta, Canada	UBoC	Refinancing	C\$319M (\$319M)		Commitments were due 9/26.

## CPV: Opting Out Of Calif. Project Won't Affect Others

Competitive Power Ventures' decision to hand over development of the 657 MW Colusa Generating Station to Pacific Gas & Electric due to rising construction costs will not impede its development of the 800 MW Sentinel project in Desert Hot Springs, Calif., according to **Andy Welch**, v.p. in Silver Spring, Md. "We bid on this project in October last year, when we could clearly see the changes in the marketplace. We also signed a PPA agreement with **Southern California Edison** for the project in the first quarter of this year, so this is a very different situation," he notes. Sentinel is due to come online in 2010.

Between April 2005, when CPV bid Colusa into the utility RFO, and now, construction costs went up nearly 30%, adds Welch. "This unprecedented escalation in costs made us realize that it was going to be very difficult to deliver the project by the 2010 target date."

PG&E had agreed in March last year to buy the gas-fired plant near Williams, Calif., from CPV on completion, but will

now take it over sooner. "We've accelerated the transfer so that PG&E will now be the entity to make Colusa operational," says **Jon Tremayne**, spokesman for PG&E in San Francisco. "Now instead of this being a turnkey project for us, we will finish permitting the project, build it, and then commercially operate it so that it is online on time."

PG&E filed an application with the California Public Utilities Commission last Wednesday for authorization to finish construction for \$673 million or less. CPV will continue to have a consulting role during the remaining permitting and development.

## GE Lands Fortis' Naumann

GE Energy Financial Services has hired **Paul Naumann** as a managing director of energy origination, reporting to **Matt O'Connor**, managing director who heads up a team of about 60 in debt finance, according to GE spokesman **Ken Koprowski** in Stamford, Conn. Naumann joined Nov. 5 from **Fortis Capital**, where he was a managing director in its global energy group. Prior to that he was an energy banker at **Deutsche Bank** and **UBS**.

# power finance & risk

## Exclusive News...

NOVEMBER 19, 2007

### AIRTRICITY REVIEWS OPTIONS ON NON-U.S. BIZ

Airtricity Holdings is undertaking a strategic review via **Credit Suisse** following the successful auction of its North American affiliate. As first reported by *PFR* on Friday, options under

NOVEMBER 12, 2007

### ENTERGY'S LEONARD: MAKE US AN OFFER!

Entergy Corp. has not given up hope of selling to outside investors a portion of its unregulated nuclear business, which it announced plans last week to spin off to current shareholders. While initial conversations with would-be

NOVEMBER 5, 2007

### FORTRESS TO BUY SOLAR STAKES FROM CARLYLE/RIVERSTONE

Fortress Investment Group has signed a purchase and sale agreement to acquire a 50% stake in five solar electric generating projects from **Carlyle/Riverstone**. As first reported by *PFR* last Thursday, the qualifying

OCTOBER 29, 2007

### Top O' The Market? TENASKA LOOKS TO CASH IN VA. PLANT

An affiliate of **Tenaska Power Fund** is looking to offload 315 MW on the Delmarva Peninsula in New

OCTOBER 29, 2007

### BLACK HILLS PUTS UP SEVEN PROPERTIES

**Black Hills Corp.** is looking to sell seven generating plants in its **Credit Suisse**-led auction, according to teasers launched last Monday. The unregulated assets, which are

OCTOBER 15, 2007

### CMS MIDWEST AUCTION KICKS OFF

**CMS Energy** is looking to offload more than 900 MW of gas-fired generation from its unregulated subsidiary **CMS Enterprises** and has appointed **JPMorgan** to run a targeted, two-stage

OCTOBER 8, 2007

### KGEN PLAYING HARBALL WITH COMPLETE

**KGen Power Corp.** has told **Complete Energy Hold** not likely to buy the Houston shop's 1.8 GW generation portfolio for the agreed upon price of \$1.3 billion. "As

OCTOBER 1, 2007

### CREDIT SUISSE READIES RECAP FOR LIBERTY

**Credit Suisse** will hold a bank meeting Tuesday to launch a \$410 million leveraged recapitalization of **LEP Holdings**, the entity that owns the 568 MW **Liberty Electric Power**

SEPTEMBER 24, 2007

### CALPINE PRO TO HEAD SOLAR START-UP

**Robert Fishman**, executive v.p. at **Calpine Corp.**, is to become ceo of solar start-up **Ausra**. As first reported by *PFR* last Thursday, Fishman joins the Palo Alto developer Oct. 15. "When I was still at Calpine looking at ways to expand its

## ...You Read It Here First!



## CHUNK OF U.S.

(continued from page 1)

Mary Bacon and Henry Berling, managing directors at Ewing Bemiss, declined to comment and Brookfield officials did not immediately return calls. —K.B.

## CALPINE LOOKS

(continued from page 1)

Miller Buckfire will start marketing the assets today, with a view to running a two-stage auction. Since the sale is expected to complete when the San Jose, Calif. IPP emerges from bankruptcy next year, it will not be subject to U.S. bankruptcy code requiring a stalking horse to establish a valuation floor. Bids will be taken on the assets

individually or combined, but if they do not meet Calpine's expectations, it is under no obligation to sell.

Calpine acquired Texas City and Clear Lake when it bought a 50% stake in Enron Dominion Cogen Corp. in 1997. It now owns 100%. Clear Lake's PPAs expired in 2005 and Texas City's expired in 1999, but the plants still provide steam to chemical plants owned by Union Carbide and Hoechst Celanese.

Tightening reserve margins in ERCOT are making Texas generation attractive. Reserves are expected fall near their targeted minimum of 12.5% next year but are projected to drop to 10.1% by 2009 unless new generation or mothballed plants come online.

Calpine estimated last week the company as a whole will be worth \$18.3-20.4 billion, with a midpoint of \$19.35 billion on emerging from bankruptcy Dec. 31—roughly \$900 million less

### Ohio Plant Floor Set

Miller Buckfire has named **American Municipal Power-Ohio** as the stalking horse for Calpine's 512 MW Fremont Energy Center in Sandusky County, Ohio. Overbids are due Jan. 21 in advance of a formal auction at the offices of **Kirkland & Ellis**, Calpine's debtor counsel, Jan. 28.

AMP-Ohio's bid is \$124 million. The partially-completed plant, estimated to cost \$340 million, was meant to be Calpine's first foray into the East Central Area Reliability Council (PFR, 5/18). It is connected to the PJM Interconnection and MISO markets.

than the midpoint value it gave in June. With its new reorganized value, it estimates general unsecured creditors will recover 96.7% of claims and shareholders will recover nothing from their common stock. Creditors are set to vote on the plan for reorganization by Nov. 30. **Mel Scott**, a spokesman for Calpine, declined to comment and officials at Miller Buckfire did not return calls. —Katy Burne

## MARUBENI, SoCAL

(continued from page 1)

(PFR, 10/26).

Marubeni owns 67 MW of contracted renewable generation across seven biomass and woodchip-fired facilities in the U.S.—including one 18 MW unit in Northern California. Its collaboration with **DG Energy** last year has been a key area of success in North America, where the Japanese company has otherwise been unsuccessful at auction. Marubeni has a mandate to spend \$1 billion within the next few years in the U.S. power sector.

None of the parties involved would comment. —K.B.

## IBERDROLA, ITALIAN

(continued from page 1)

As first reported by *PFR* last Monday, **Royal Bank of Scotland** is agent on the deal and is joined by **BBVA**, **BNP Paribas**, **Calyon**, **ING Bank**, **Intesa Sanpaolo**, **Mediocredito Centrale** and **Société Générale**. The banks are not planning to syndicate the debt, which has a tenor of 15 years door-to-door—three for construction and 12 post-completion. Specifics of the package could not be learned, other than it consists of four to five tranches and an equity bridge.

The wind portfolio comprises seven projects slated to come online between next year and 2009. Their output will be sold into the Italian wholesale market. —K.B.

### Quote Of The Week

*"We were having go, no-go calls for a period of time."* —**Bryan Bulawa**, treasurer of **Enterprise GP Holdings** in Houston, on the gestation of a recent refinancing of a \$850 million term loan A in the B loan market amid the credit meltdown (See story, page 6).

### One Year Ago in Power Finance & Risk

**Fortis Capital** was leading the financing for **Invenergy's** 130.5 MW Camp Springs Energy Center in Snyder, Texas. [Fortis wrapped syndication of a \$217 million construction loan with arranger **Dexia Crédit Local** and participants **Mizuho Corporate Bank**, **Natixis**, **NordLB** and **Sumitomo Mitsui Banking Corp.**, each taking \$36.1 million slugs priced at 125 basis points over LIBOR (PFR, 1/12).]

## For More Benefits Visit Our Web Site

As a **Power Finance & Risk** subscriber, you're entitled to access the **Power Finance & Risk** Web site — absolutely free. Go to **www.iipower.com** to discover the added value to your subscription, including:

- Access the Issue on Friday
- A Virtual Library of Past Issues
- Mid-week Breaking News Stories
- Web Links
- Daily Email Alert Service
- Global Access

To access the **Subscribers Only** area of the site, you'll need a **User ID and Password**. To obtain these, please contact us at **customerservice@iinews.com** or at **1-800-715-9195** between 8 a.m. and 6 p.m. EDT.