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EIF Plans To Boost Staff

Energy Investors Fund is looking to add to its investment team at its Mill Valley, Calif., office as it closes its \$750 million United States Power Fund II.

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ArcLight Reportedly Eyes Golden State Peakers

ArcLight Capital Partners is said to be sniffing around a seven-plant portfolio of gas-fired facilities constructed over the past few years in the San Diego area.

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DYNEGY FLOATS POTENTIAL GENERATION ASSET SALES

Dynegy is considering unloading a plate of gas and oil-fired generation assets in an effort to further streamline its business. The Houston IPP, which has been shopping itself to peers such as **NRG Energy** (PFR, 6/6), has been sounding out interest from buyers in a 50% interest in holding entity **West Coast Power**, which it owns with NRG, says one official who has spoken to Dynegy execs. Other generation assets that could be put in play include: Lyondell, a 610 MW natural-gas fired base-load facility in ERCOT; and in the SERC market, a 320 MW peaking plant Calcasieu in Sulphur, La., a 495 MW peaker in Heard County, Ga., and a 825 MW peaking plant in Rockingham County, N.C. Dynegy spokesman **David Bickford** declined to comment, "We do not comment on market rumor

(continued on page 8)

Plum Deal

LENDING QUARTET TAPPED TO FINANCE LS ARK. PLANT

Merrill Lynch, Credit Suisse First Boston, Goldman Sachs and WestLB are expected to participate in arranging a financing package for the development of 800 MW coal-fired plant near Osceola, Ark., for **LS Power**. A deal structure for the \$1 billion plant has not been solidified. Lender roles are still fuzzy, but one official following the deal says LS Power has identified the parties it wants to finance the pulverized coal-fired plant known as Plum Point. Officials at LS Power declined to comment and officials at the banks either declined comment or did not return calls.

A debt package to cover 50-75% of the cost is expected to be launched some time in the

(continued on page 8)

EDISON TO RELOAD \$3B+ IN REVOLVING LINES

Edison International is planning to overhaul billions in credit facilities obtained early this year at the parent and sub level, in reaction to spiking natural gas prices, which in turn have pumped up electricity costs. Via leads **Citigroup** and **JPMorgan Chase**, the Rosemead, Calif., energy holding company will upsize in order to maintain enough collateral should natural gas inch any higher over the next several months, one banker says. "They've run scenarios of what the worst case scenarios would be if prices moved up. They won't necessarily tap the lines, but it's added insurance," the banker notes.

Joy Kedroski, financial analyst at Edison, directed calls to the company's press office, where calls were not returned. Lenders are expected to submit commitments by Dec. 8.

Edison plans to upsize its five-year, \$750 million revolver, juicing it to \$1 billion. Pricing

(continued on page 8)

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At Press Time

Acquisition Funds For Wolf Hollow Set To Kick Off

Goldman Sachs and WestLB are due to launch a \$400 million non-recourse refinancing package for **Stark Investments** and **Sequent Power Partners** for the Wolf Hollow plant in Texas by yearend. A call to **Brian Stark**, managing partner at St. Francis, Wis.-based hedge fund Stark, was referred to **Mike Keough**, principal, who declined comment. An official at Sequent did not return a call.

The Wolf Hollow debt package, which the Stark team is aiming to purchase (PFR, 10/31) will have a two-lien structure and a small credit revolving line for working capital and letters of credit, bankers say. Officials at Goldman Sachs and WestLB were not returned. Pricing and terms will be worked as the deal gets closer to fruition. The final package likely will be rated BB- on the first lien portion and B on the second lien.

KBC Bank helped originate the construction loan for the gas-fired combined cycle facility (PFR, 12/26/2004). **Exelon Generating** has a long-term offtake contract with the facility and Goldman also has inked a short-term PPA.

Mirant's Bank Debt Jumps As Creditors Approve Reorg Plan

Mirant's bank debt climbed as most of its creditors approved the power company's reorganization plan. Its '03, '04 and '05 revolving credit facilities surged three points to trade at 107, 106 and 105, respectively. Mirant announced on Nov. 16 that its second amended Chapter 11 plan of reorganization has been widely accepted by its main creditors and shareholders created under the plan.

Ninety-seven percent of Mirant's unsecured creditors and shareholders who voted on the plan approved it. The plan was also accepted by the unsecured creditor classes of most of Mirant's debtor-subsiaries, including **Mirant Americas Generation**, **Mirant Americas Energy Marketing** and **Mirant Americas**. The power company's reorganization plan cuts its debt by half. The company said in a press release that it has obtained more than \$2.3 billion in loans to finance the business upon its exit from Chapter 11. **Dave Thompson**, a Mirant spokesman, said the company's debt has been cut in half to \$4.3 billion. "Mirant will be in good or better financial health than many of its competitors when it emerges from bankruptcy," he says.

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**Institutional
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INTELLIGENCE FIRST

Purchase Puts Pressure On Duquesne Credit

Duquesne Light Holdings planned \$173 million acquisition of an ownership stake in two, large coal-fired plants could drag its credit down. Gerrit Jepsen, an analyst at Standard & Poor's in New York, says the acquisition of ownership interests is a shift in corporate strategy of building rather than buying facilities, which implies it might take on additional debt via future purchases. The analyst says the company already is looking at an investment of some \$500-600 million in infrastructural improvements. Jepsen adds a large equity offering rather than debt might be the best strategy for its investment, if it was hoping to maintain its credit rating.

Joe Balaban, spokesman at Duquesne, says financing of the deals is still being hammered out, with the goal of targeting a financing strategy that is the most felicitous to its BBB credit rating. Balaban admits Duquesne is straying from its corporate strategy, but says it has attempted to buy assets in the past to meet generation needs.

Balaban says the investments will ensure there is enough generation for those returning customers. Duquesne is hoping that increasing competition from other energy companies, such

as Dominion Resources, will draw additional customers seeking cheaper rates, he says.

Duquesne Light will own 3.83% of the Conemaugh Generating Station and 2.47% of the Keystone Generating Station. Both 1,711 MW plants were sold by Atlantic City Electric, a subsidiary of Washington, D.C.-based Pepco Holdings.

EIF Looks To Add Staff As Fund Wraps

Energy Investors Fund plans to add one more member to its investment team at its Mill Valley, Calif., office as it closes its \$750 million *United States Power Fund II*, says John Buehler, managing partner. Earlier this month, EIF hired senior associates Keith Derman and Shawn Saint to help the investor as it identifies deal flow. He declined to give a timeframe for its Mill Valley hire.

Buehler also says despite the recent sale of a 24.3% stake in the Crockett Cogeneration plant to GE Commercial Finance Energy Financial Services (PFR, 10/7), EIF is interested in reacquiring a majority stake if it can get a price it likes. Otherwise, EIF is inclined to sell the rest of its 29% equity in the

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plant, says Buehler.

Buehler says EIF sold the stake because it received a fair price for it. GE currently owns about 53% and **ArcLight Capital Partners** owns approximately 17%.

AIG Sizes Up Tenaska Ferndale

AIG Financial Products is said to be circling a 270MW Tenaska Ferndale Cogeneration Station in Ferndale, Wash. According to deal trackers, AIG has looked at the plant and considered purchasing an interest. **Tenaska Energy** put up the asset on the block via advisor **Lehman Brothers** (PFR, 10/24). The natural-gas fired unit, which was developed in 1994, has a PPA with **Puget Sound Energy**. AIG and Lehman officials did not return calls and an email requesting comment. Tenaska spokeswoman **Jana Martin** declined to comment.

Other bidders could not be identified and details about the auction could not be ascertained.

The plant provides process steam to an adjacent **ConocoPhillips** oil refinery and has two **General Electric** Frame 7EA gas turbines with supplementary-fired heat recovery steam generators and an extraction/condensing steam turbine.

Tenaska developed the project and formed the limited liability entity **Tenaska Washington Partners** to construct and own the facility. Tenaska affiliates serve as managing partner and operator for the project.

RBS To Retool €500 million Iberia Project Loan

Royal Bank of Scotland plans on refinancing a €500 million (\$590 million) by **Electricity Supply Board International** to fund construction of an 800 MW plant in Spain's Basque region. Financing terms, including pricing, are still to be worked out. The original debt was issued two years ago as a €690 million (\$740M), non-recourse loan for Electricity Supply Board but the plant came in about €190 under budget, watchers say. A call to Dublin-based ESB were referred to **Kevin McDermott**, spokesman who did not return calls. Calls to officials at BoTM and RBS, in London, were not returned.

The size and pricing are expected to be scaled back. Originally, pricing began at 140 basis points over LIBOR during the plant's construction phase and increased over the remainder of the loan (PFR, 2/17/03).

A banker familiar with the Amorebieta combined-cycle gas plant deal says it was set to be syndicated last week. Existing banks will be asked to take a reduction in pricing to more accurately reflect the current market conditions in Europe. The

plant is backed by a 15-year tolling agreement with **Shell España**. **Osaka Gas** acquired a 50:50 stake in the plant in 2004. **Bank of Tokyo-Mitsubishi** is also helping to underwrite the loan.

ArcLight Said To Be Eyeing Golden State Peakers

ArcLight Capital Partners is reportedly sniffing around a seven-plant peaker portfolio of gas-fired facilities constructed over the past few years in the San Diego area. A unit of **United Technologies Company**, **Pratt & Whitney**, developed the plants, known as Calpeak Power, in order to test out technologies and put them on the auction block several months ago (PFR, 10/31). According to sources following the transaction, ArcLight is a frontrunner, but terms and pricing of any planned deal could not be obtained. Calls to officials at ArcLight were not returned nor were calls to executives at Pratt & Whitney in East Hartford, Conn.

The United Tech unit is unloading the facilities because it does not own any other generation assets, say players looking at the portfolio. Each of the plants, about 50 MW a piece, have PPAs in place with local utilities, including **Pacific Gas & Electric**. The terms of those contracts could not be determined.

The Calpeak facilities are El Cajon, Enterprise, Lonestar, Panoche, Vaca and Mission. The auction is being handled directly by Pratt & Whitney.

Lake Road Paper Changes Hands

Approximately \$30-40 million in secondary paper tied to Lake Road, an 840 MW plant in Milford, Conn., traded in late November. According to a distressed trader, the debt traded in the mid 120 range. The counterparties could not be determined. The project is owned in part by a hedge fund affiliate of **Cargill** and a distressed investment arm of **Merrill Lynch**. Officials at the firms did not return a call for comment.

Owners of the gas-fired facility were weighing a refinancing with new debt and a conversion of a portion of the loans linked to facility into equity several weeks ago (PFR, 10/17). The refinancing will be completed similar to one recently executed by the owners of **Exelon Boston Generating** (PFR, 10/10). The status of those plans is not known.

The idea was to rework about \$40 million in existing debt and convert the remainder into equity. The holders of the original bank paper that funded construction of the facility hold a claim against the **NEG Group** that will allow them to get \$239 million.

Financing Record (NOVEMBER 17-NOVEMBER 21)

Debt

Rule 144A	Issue Date	Issuer	Business Description	Amount (\$ mil)	Coupon (%)	Type of Security	Maturity	Offer Price	YTM(%)	Spread	S&P	Moody's
■	11/21/05	Eletrobras	Electric utility;holding co	300	7.75	Fxd/Straight Bd	11/30/15	99.146	7.875	341	BB-	NR
	11/21/05	National Grid Transco PLC	Electric utility;holding co	85.8	1.82	Fxd/Straight Bd	11/23/35	100	1.82		A	A2

M&A

Announced	Date Effective	Target Name	Target Advisors	Target Industry Sector	Target Nation	Acquiror Name	Acquiror Advisors	Acquiror Industry Sector	Acquiror Nation	Value(\$Mil)
11/17/05		Onyx Energie Mittelland AG		Electric, Gas, and Water Distribution	Switzerland	BKW FMB Energie AG		Electric, Gas, and Water Distribution	Switzerland	98.709
11/18/05	11/18/05	Moravske Teplarny AS		Electric, Gas, and Water Distribution	Czech Republic	Atel Versorgungs AG		Electric, Gas, and Water Distribution	Switzerland	
11/21/05		Balancing Pool-Sheerness Power		Electric, Gas, and Water Distribution	Canada	TransCanada Corp		Electric, Gas, and Water Distribution	Canada	494.756
11/21/05	11/21/05	Windblade Power Corp		Electric, Gas, and Water Distribution	Canada	Vitasti Inc		Food and Kindred Products	Canada	

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

Strategies

Sempra Units Lock In Long-Terms

Sempra subsidiary **San Diego Gas & Electric** has issued \$250 million in 5.3% first-mortgage bonds as its sister **Southern California Gas** pitched a 30-year auction of a similar size. Both its SDG&E deal and its SoCal Gas offering were driven by the low interest-rate environment.

SDG&E will use the funds to help fund the purchase of Palomar Generating facility in Escondido, Calif. The proceeds from the 10-year bonds will cover half the \$500 million price tag for the 550 MW combined cycle natural-gas fired plant, says **Marilyn Burke**, director of corporate finance at Sempra in San Diego. The rate is five basis points cheaper than an identically-sized 30-year tranche issued in May, which was also tagged for the plant purchase from affiliate **Sempra Generation**.

Deutsche Bank Securities and **J.P. Morgan Securities** acted as joint leads on the sale, which was co-managed by boutique investment banks **Loop Capital Markets** and **The Williams Capital Group**. Hidalgo says SDG&E likes to diversify its banking relationships, which is why it tapped the co-managers. SDG&E has approximately \$1.54 billion in long-term debt. **Moody's Investors Service** rates SDG&E's senior unsecured debt A2.

The SoCal Gas issuance landed a coupon of 5.75% and is earmarked for cap ex, says Burke. **LaSalle Bank** and **Wachovia Securities** acted as lead managers. **HSBC Securities**, **Merrill Lynch**, **SG Americas Securities**, **M.R. Beal**, and **Samuel A.**

Ramirez & Company also participated. Burke says they were chosen for their track record of executing such transactions. SoCal Gas has approximately \$1.1 billion in long-term debt, and has a 44:56 debt to equity ratio. Moody's rates the company's senior unsecured debt A2.

Con Ed Knocks Out \$350M In Maturing Debt

Consolidated Edison has shopped \$350 million, 5.375% 10-year notes to replace maturing debt of a similar size. **John Perkins**, director of corporate finance at Con Ed, says the New York-based energy holding company wanted to replace the debt ahead of its Dec. 15 maturity. Issued about five years ago, the maturing notes carry a 6.625% coupon. Proceeds will be used to pay down commercial paper and other short-term obligations, he says, adding that Con Ed generally uses short-term borrowings for working capital needs as opposed to as a backup for CP.

Credit Suisse First Boston and **Merrill Lynch** served as joint lead arrangers, with **Morgan Stanley** taking a participating role. Con Ed generally works with a group of 10-12 banks, and directed its business to the trio this time because they have a track record of issuing similar deals for Con Ed.

Con Ed has a total capitalization of \$14.6 billion, including \$7.1 billion of debt, \$7.3 billion of common equity, and \$200 million of preferred stock. It maintains \$1.5 billion in credit facilities.

Citigroup and **JPMorgan Chase** serve as leads on its lines.

Con Ed has no long-term maturities set for 2006. **Moody's Investors Service** rates Con Ed's senior unsecured debt A1.

Wis. Gas Taps 30-Year To Rework Debt

Wisconsin Gas, a utility subsidiary of **Wisconsin Energy**, has sold \$90 million, 5.9% 30-year notes to refinance existing debt. **Jeff West**, treasurer at Wisconsin Energy in Milwaukee, says the proceeds will pay down \$65 million in 6.375%, 10-year notes that matured Nov. 1. The balance will be used to retire short-

term debt such as commercial paper obligations. Funds from the original notes were used for general corporate purposes.

The debt was issued from a \$200 million shelf registration originally filed in 2003. In November, the company filed for a \$15 million expansion, as allowed under **Securities and Exchange Commission**, and exhausted the registration. It does not plan on filing for another debt shelf in the near term, he says. As Sept. 30, the company had \$364 million in debt.

Morgan Stanley was bookrunner for the deal, with **KBC Financial Products** co-manager. West says the company has a banking relationship with the firms, so it felt confident in their capabilities.

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.

The Americas

- **American Electric Power** and a subsidiary have won the West Virginia state approval to issue millions of dollars in bonds to finance upgrades at plants in the southern state. Columbus, Ohio-based AEP wants to issue up to \$1 billion in bonds to help pay for the installation of scrubbers on all three generating units at its John E. Amos plant in Winfield. The John Amos project is part of AEP's ongoing \$3.7 billion effort to reduce emissions from its coal-fired plants. **Appalachian Power**, a subsidiary of AEP, wants to issue \$50 million in bonds to pay for improvements at its Mountaineer Plant in New Haven (*Associated Press*, 11/18).
- **Chevron** will sell gas and possibly an equity stake from its Australian Gorgon project to Japan's **Chubu Electric Co.**, bringing the project closer to commercialization. The regional electricity generator will take 1.5 million tons of liquefied natural gas a year from Gorgon for 25 years starting 2010, at a cost of about \$7.4 billion. The offshore project has a total liquefaction capacity of 10 million tons a year (*Reuters*, 11/22).
- **TransCanada** has agreed to spend \$495 million to acquire the rights to buy and sell 756 MW of electricity from an Alberta government agency. The agreement gives the Calgary-based pipeline company the right to sell the output of the Sheerness Power Plant in southern Alberta for 15 years. The transaction is expected to close, pending regulatory approval, on Dec. 30 (*Bloomberg*, 11/22).

Europe and The Middle East

- **Scottish Power** has rejected an acquisition bid by **E.ON**.

Scottish Power said E.ON's offer did not reflect fair value. Scottish Power also announced a revised dividend policy that will bring a 4Q payout resulting in an 11.1% increase in the annual total. For the next two years, the target will be a dividend growth of at least 7% (*Financial Times*, 11/22).

- Shares in the state-controlled French power company **EDF** debuted on the markets last week. About 53 million EDF shares changed hands on their first trading day, or 28% of the company's newly issued 188 million stock offering. **Thierry Breton**, the French finance minister, announced that individual investors would receive 60% of the shares and institutions 40%, instead of the 50-50 split initially envisaged (*Independent*, 11/22).
- **ExxonMobil** and **Qatar Petroleum** launched the **Ras Laffan Liquefied Natural Gas Co.** to build two 7.8 million ton per year LNG trains, to supply United States markets as of 2008. The project is expected to cost \$14 billion. The project will be developed in two consecutive phases with Train 6 scheduled to begin production in the second half of 2008, and Train 7 a year later (*United Press International*, 11/18).
- Subsidiaries of Aliso Viejo, Calif.-based **Fluor Corp.** have been awarded a contract to provide the initial phase of engineering, procurement and construction management services for a liquefied natural gas project in Qatar. The official value of the work was not disclosed. Fluor said the balance of the project has an estimated value of more than \$1 billion (*Houston Business Journal*, 11/18).

Asia

● **China National Offshore Oil Corp** has formed a joint venture with **Hainan Development Holding Company** to build a \$6.9 billion liquefied natural gas plant in southern China's Hainan province. CNOOC owns 65% of the joint venture, called **CNOOC Hainan Gas Co.** and Hainan Development Holding Company owns 35%. The new company will construct and operate the three million ton LNG plant, which is scheduled to be completed in 2015 (*AFX*, 11/18).

● **BHP Billiton** is considering a deal to supply the 3.3 million ton a year phase-two expansion of China's first liquefied natural gas import terminal in Shenzhen. A consortium led by **China National Offshore Oil Corp.** that runs the LNG project has already contracted to buy \$18 billion worth of LNG over 25 years in the phase-one development from Australia's North West Shelf gas fields, in which BHP holds a one-sixth stake along with five other partners (*AFX*, 11/18).

● The **Japan Bank for International Cooperation** has provided a \$66 million loan to help **Electricity of Viet Nam** construct Hai Phong Thermal Power Plant 1. Construction on the \$650 million, 600 MW plant is scheduled to kick off on Nov. 27 and be completed in three years. General Director of the project said

the loan will be used to pay for 85% of the equipment for the project (*Vietnam Economic Times*, 11/18).

● South Korea's **GS Caltex Corp.** is in talks with **Chevron Corp.** to import liquefied natural gas under term contracts from the Gorgon project in Australia. GS Caltex, a 50:50 joint venture between South Korea's **GS Holdings Corp.** and **Chevron** said it would import around two million tons of LNG per year from 2008 (*Reuters*, 11/21).

● Unit one of China's Tianwan nuclear power plant will be connected to the energy grid January 5-9, 2006, according to an executive of **Atomstroexport**, a Russian company that builds nuclear facilities abroad. Construction is proceeding as scheduled and added units three and four could be online in February. Construction of the two units in China has cost \$3.2 billion, with China's contribution to the project totaling \$1.8 billion and Russia's, about \$1.4 billion (*RIA Novosti*, 11/22).

● Indonesia's state oil company **Pertamina** plans to cooperate with **PT Medco Energi Internasional** to build a small liquefied natural gas plant in the eastern Sulawesi region. **Mustiko Saleh**, vp director at Pertamina, says the company is in talks with Medco to build the small-scale LNG train with capacity of two million tons per year (*Reuters*, 11/21).

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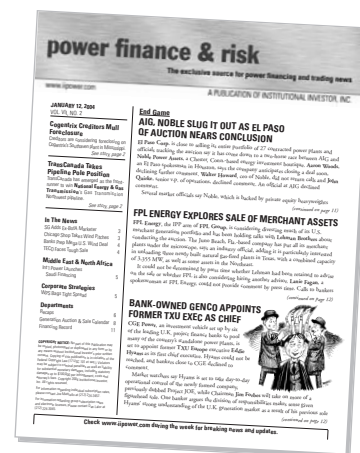
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DYNEGY FLOATS

(continued from page 1)

and speculation.”

West Coast Power, which holds 945 MW in intermediate and peaking plants in southern California, is considered to be an inefficient pool of plants but valued because of the possibility that they could be re-powered with updated turbines. The plants also have reliability-must-run contracts in place that must be renewed annually, one official familiar with the facilities says. Calls to NRG were not returned. The peakers being considered for sale, which are wholly owned by Dynegy, have little to no value because they do not have PPAs in place, the official says. Estimated values for the plants could not be ascertained.

Prices being paid for assets, which some believe is driven more by competition than fundamentals, are prompting the company to consider additional sales. No formal sale has been launched, an official says, noting the company appears to be sounding out the market. “They don’t need to sell these plants, but they might also get lucky.”

The IPP has been performing some major housecleaning over the past several months with the goal of shoring up its balance sheet to make it more attractive to suitors and the additional sell off of non-core facilities. It sold off natural gas midstream assets to **Targa Resources** for some \$2.4 billion in the summer (PFR, 8/8). —*Mark DeCambre*

EDISON TO

(continued from page 1)

on the line stands at LIBOR plus 87.5 basis points, which includes a facility fee of 17.5 basis points. Those levels are expected to fall to reflect the slightly cheaper interest rates with all-in pricing of about 60 basis points over LIBOR. Edison obtained the funds in February. The maturity for the existing line is February 2010, with the new revolver maturing in 2011.

Also expected is a revamp of credit lines at subsidiary **Southern California Edison**, increasing the utility’s line to \$1.7 billion by tacking on another \$450 million to the existing revolver. SoCal Ed’s five-year line also will be extended by one year and the all-in pricing trimmed to 35 basis points over LIBOR from 50 basis points including a 10 basis point facility fee.

At subsidiary **Midwest Generation** a consolidation and reduction in pricing of three senior secured lines totaling about \$843 million is being considered. The debt consists of two separate six-year revolvers totaling \$500 million and priced at 225 basis points over LIBOR as well as a \$343 million term loan bearing a 225 basis point rate. Rates on those loans are expected to be trimmed by 20-50 basis points but terms are still being worked out. —*M.D.*

LENDING QUARTET

(continued from page 1)

first quarter as LS Power works out an engineering, procurement and construction contract. The sponsor scored permits this summer. Financing is expected to come in two parts with a portion of the deal being arranged as a B loan while another portion will be a standard bank loan, says one financier. The bank loan will allow LS Power to draw down debt over time as it develops the facility, the financier notes.

East Brunswick, N.J.-based LS Power wanted some of its lenders to provide a short-term hedge of two to three years while LS Power negotiates to net longer-term contracts with local coops. The private developer is also likely to sell a large portion of the plant’s capacity on a merchant basis.

The project will use pulverized coal boiler technology and advanced emission controls to provide low-cost electricity to wholesale purchasers, including investor- or municipal-owned utilities. As of last year, LS Power has developed nine projects totaling over \$3 billion and 5.7 GW of generation capacity.

—*M.D.*

Quote Of The Week

“Mirant will be good or better financial health than many of its competitors when it emerges from bankruptcy.” —Mirant spokesman **Dave Thompson**, sounding off about Atlanta-based company’s post-Chapter 11 viability (see story, page 2).

One Year Ago In Power Finance & Risk

Albuquerque-based **PNM Resources** was looking to wrap its acquisition of **TNP Enterprises**. Along with wrapping the acquisition of the Fort Worth, Texas, energy company, the company was talking about expanding into the Texas energy market. PNM Resources was planning on financing the \$189 million in stock and cash. [PNM Resources closed the acquisition of TNP Enterprises in June. The company issued \$350 million of common equity and equity-linked securities, along with \$100 million in debt that was used to retire securities.]

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