

Power Finance & Risk

Exclusive Insight on Power M&A and Project Financing

By the publisher of GlobalCapital

● PROJECT FINANCE

● MERGERS & ACQUISITIONS

● STRATEGIES

Cheniere Prices Bond Backing Corpus Christi

Cheniere Energy has priced its fifth project-level bond offering of the year for a facility in Texas.

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SunPower Finds Buyer for Nevada Asset

The Silicon Valley-based sponsor has found a buyer for a project after an initial sale agreement fell through.

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GenOn Braces for Restructuring or Default

The **NRG Energy** subsidiary is facing an "increased likelihood" of a default or restructuring.

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GE Restructures Year-Old Power Services Unit

Olivia Feld

Just over a year after the company was unveiled, **General Electric**-owned **Current** is undergoing a restructuring, *PFR* has learned.

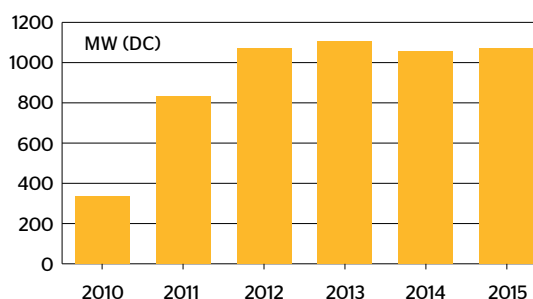
Current plans to cut jobs and close a number of its operations as it looks to reduce costs. A spokesperson for the company in Boston declined to comment on the number of staff at risk.

The Boston-based subsidiary will refocus its business on the U.S. and European markets, while exiting Brazil, the Middle East and Asia, according to a source.

"Current is too complex, and we need more focus," writes **Maryrose Sylvester**, the com-

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Commercial and Industrial PV Installations



Current's services include C&I solar installations and financing.

Source: SEIA, GTM Research, U.S. Solar Market Insight, 2015 Year in Review

Starwood Looks to Divest Texas Wind Project Duo

Olivia Feld

Starwood Energy Group Global is selling two recently completed wind projects totaling 460 MW in Texas.

The Greenwich, Conn.-based private equity shop is selling 100% of the equity in the

230 MW Horse Creek project in Haskell and Knox counties and the 230 MW Electra facility in Wilbarger County.

The projects are likely to attract broad interest from strategic and institutional investors in Canada, the U.S. and Asia, a deal watcher tells *PFR*.

Both projects, which are roughly 60 miles apart, have 13-year fixed price hedge agreements. **Merrill Lynch Commodities** is the counterparty for the hedges, which begin in 2017.

The projects are both in the **ERCOT** West Texas Electric Market Zone.

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Institutional Investor Joins Chile Transmission Deal

Richard Metcalf

An institutional investor participated in an \$823 million debt financing backing **Engie** and **Red Eléctrica de España's** Transmisora Eléctrica del Norte transmission line in Chile that closed on Dec. 7.

The investor, **Prudential**, is lending \$50 million in a fixed-rate private placement tranche with a 25-year tenor, a person familiar with the deal tells *PFR*.

Santander is advising the sponsors on the deal, which also includes a \$461 million dollar-denominated commercial bank tranche and a Chilean peso-denominated tranche equivalent to \$231 million, both with tenors of 18 years.

MUFG, SMBC, KfW-IPEX Bank and **Mizuho** are participating in the dollar-denominated tranche, while **Santander, Banco de Chile, Banco Estado de Chile, Banco BCI** and **Instituto de Credito Oficial** are the lenders in the local currency tranche.

Engie brought

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● PROJECT FINANCE

Institutional Investor Joins Chile Transmission Deal

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Instituto de Credito Oficial into the deal recently, says the deal watcher.

The underlying government contract has a 21-year term, said a second person close to the deal.

The addition of the private placement tranche introduces complications to the intercreditor agreement around prepayment rights. Other than that, the tranches rank *pari passu*.

A \$51.3 million VAT facility and a \$30 million revolver complete the financing package.

"ENDLESS BACK AND FORTH"

The deal was said to be close to being signed at the end of August, but the closing date was pushed back amid prolonged negotiations between the sponsors and the banks, which one banker described as "an endless back and forth" (PFR, 10/12).

Engie, which led the talks on the sponsor side, sought to impose terms relating

to interest rate hedge provisions that are standard in the Middle East but not conventional in Latin America, which some of the banks resisted, according to several people familiar with the deal.

"Engie has a standard and the banks are used to another standard in the Americas, and sometimes that was a conflict," said the second source. Despite multiple inquiries, a spokesperson for Engie in Paris declined to comment.

"LANDMARK" PROJECT

The \$900 million 379-mile transmission line will connect Chile's two main grids, the Interconnected System of Norte Grande and the Central Interconnected System, and has been described as a "landmark" project.

Officials at the banks either declined to comment or did not respond to inquiries. A spokesperson for Prudential in New York did not immediately respond to requests for comment.

Additional reporting by Olivia Feld. ■

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Power Finance & Risk is a general circulation newsweekly.

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Power Finance & Risk ©2016

Institutional Investor, LLC ISSN# 1529-6652

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

GENERATION AUCTION & SALE CALENDAR ●

These are the current live generation asset sales and auctions, according to Power Finance and Risk's database.

A full listing of completed sales for the last 10 years is available at <http://www.powerfinancerisk.com/AuctionSalesData.html>

Generation Sale ■ DATABASE

Seller	Assets	Location	Advisor	Status/Comment
American Electric Power	Portfolio (5.3 GW Gas, Coal)	Indiana, Ohio		The projects' buyers have lined up acquisition financing (PFR, 12/5).
ArcLight Capital Partners	Mendota Hills (50 MW Wind)	Compton and Lee counties, Ill.		GE Energy Financial Services is transferring its passive stakes in the projects to an ArcLight fund (PFR, 11/14).
	Kumeyaay (50 MW Wind)	San Diego County, Calif.		
Brookfield Renewable Partners	Price (189 MW Wind), Comber (166 MW Wind), Gosfield (51 MW Wind)	Sault Ste. Marie, Lakeshore, and Kingsville, Ontario	Scotiabank, TD Securities (seller)	Brookfield Renewable is selling the three facilities, plus an expansion project, in a portfolio (PFR, 7/18).
Cogentrix Energy Power Management	Red Oak (823 MW Gas)	Sayreville, N.J.		The Carlyle Group's Cogentrix is selling the gas-fired project (PFR, 10/3).
Cogentrix, Quantum Utility Generation	James River Genco (115 MW Coal)	Hopewell, Va.		Cogentrix and Quantum are selling their 50-50 ownership stakes to Michigan-based Novi Energy, which will repower the project with a gas-fired turbine (PFR, 10/3).
Exelon Corp.	Mystic Generating Station (1,998 MW Gas and Dual-fuel)	Charlestown, Mass.	JP Morgan	Exelon has launched a sales process for the project (PFR, 10/24).
FirstEnergy	Portfolio (11.7 GW Coal, Gas, Nuclear)	U.S. (Pennsylvania, Ohio, West Virginia)		FirstEnergy is looking to sell its entire competitive fleet (PFR, 11/14).
● First Solar	Desert Stateline (300 MW Solar, 34%)	San Bernardino, Calif.		First Solar has completed its dropdown of the project into 8Point3 Energy Partners (see story, page 7).
FLS Energy	Portfolio (950 MW Solar)	U.S.		Cypress Creek is acquiring FLS Energy (PFR, 11/14).
Geronimo Energy	Blazing Star 1 (200 MW Wind)	Lincoln County, Minn.		Xcel Energy is acquiring the projects (PFR, 10/31).
	Blazing Star 2 (200 MW Wind)			
Mercuria	Danskammer (500 MW Dual-fuel)	Hudson Valley, N.Y.	Guggenheim Partners	The first round of a two-stage auction is underway (PFR, 10/3).
Neoenergia	Portfolio (209 MW Hydro, Gas, 20%)	Brazil	Goldman Sachs (buyer)	ContourGlobal is acquiring Neoenergia's 20% stake in the portfolio (PFR, 12/5).
● OCI Solar Power	Alamo 6 (110.2 MW Solar)	Pecos County, Texas		BHE Renewables is acquiring the project (see story, page 6).
Panda Power Funds	Liberty (Gas 829 MW), Stonewall (778 MW), Patriot (829 MW)	Bradford County, Pa., Loudoun County, Va., Lyscoming County, Pa.	Goldman Sachs	First round bids for the 2.5 GW portfolio are due this month (PFR, 10/31).
Renewable Energy Systems Americas	Deerfield (149 MW Wind, 50%)	Huron County, Mich.		Algonquin Power & Utilities Corp. is buying RES Americas' 50% stake, taking full ownership of the project (PFR, 11/21).
● Solar Frontier Americas	Midway II (30 MW Solar)	Imperial County, Calif.		Dominion Resources is acquiring the project (see story, page 6).
sPower	Portfolio (6.7 GW Solar)	U.S.	Barclays (lead), Marathon Capital, CohnReznick Capital Markets Securities and Citi (co-leads)	The independent power producer is exploring a sale of its entire portfolio and development platform (PFR, 10/3).
● Starwood Energy Group Global	Electra (230 MW Wind)	Wilbarger County, Texas	Whitehall & Co.	Starwood is seeking offers from potential purchasers (see story, page 1).
	Horse Creek (230 MW Wind)	Haskell and Knox counties, Texas		
SunPower	Stanford (54 MW Solar)	Kern County, Calif.		New Energy Solar Fund, an investment vehicle of Walsh & Co., is acquiring a controlling interest in the projects (PFR, 11/28).
	Golden Fields I (54 MW Solar)			
SunPower	Boulder Solar I (125 MW, 51%)	Clark County, Nev.		Southern Power has acquired a 51% stake in the project (PFR, 11/28).
● SunPower	Boulder Solar II (50 MW Solar)	Clark County, Nev.		AEP is acquiring the the project (see story, page 7).
TerraForm Power, TerraForm Global	Portfolio (2,978 GW Solar, Wind)	Canada, Chile, U.K., U.S.	Centerview Partners, Morgan Stanley (seller)	Brookfield Asset Management has made a bid for the yield company (PFR, 11/28).
TransCanada	Portfolio (778 MW Gas, Wind)	Maine, Pennsylvania, Rhode Island, New York	JP Morgan (seller)	LS Power Equity Advisors is acquiring the portfolio (PFR, 11/4).
	Portfolio (560 MW Hydro)	Massachusetts, Vermont	JP Morgan (seller)	ArcLight Capital Partners is acquiring the portfolio (PFR, 11/4).
Traxys Power Group	L'Anse Warden Electric Co. (20 MW Biomass)	L'Anse, Mich.		The project has been acquired by a subsidiary of the Libra Group (PFR, 11/14).
Veresen	Portfolio (625 MW Gas-fired, Hydro, Wind)	Canada	TD Securities	A sale of the assets has formally launched (PFR, 10/31).

● New or updated listing

The accuracy of the information, which is derived from many sources, is deemed reliable but cannot be guaranteed.

To report updates or provide additional information on the status of financings, please call Fotios Tsarouhis at (212) 224 3294 or e-mail fotios.tsarouhis@powerfinancerisk.com

PROJECT FINANCE

Deal Book is a matrix of energy project finance deals that Power Finance & Risk is tracking in the energy sector. A full listing of deals for the last several years is available at <http://www.powerfinancerisk.com/Data.html>

Live Deals: Americas

Sponsor	Project	Location	Lead(s)	Deal Type	Amount	Tenor	Notes
8minutenergy Renewables	Redwood 4 (28 MW Solar)	Kern County, Calif.	TBA	Debt, Tax Equity	TBA	TBA	8minutenergy Renewables is planning to finance the projects in the coming months (PFR, 10/24).
	SpringBok 3 (100 MW+ Solar)			Debt, Tax Equity	TBA	TBA	
Aela Energía	Sarco (170 MW Wind)	Chile	SMBC, MUFG, Caixa, KfW, Korea Development Bank, Santander	Loan	\$450M	17-yr	Several banks have joined the debt financing for the projects, which are owned by a joint venture between Mainstream Renewable Power and Actis (see story, page 5).
	Aurora (129 MW Wind)						
	Cuel (33 MW Wind)						
Advanced Power	Cricket Valley (1 GW Gas)	Dover, N.Y.	BlackRock	Equity	TBA		BlackRock is buying a minority stake in the project (PFR, 8/22).
			GE EFS, BNP Paribas, Crédit Agricole, ICBC, BAML	Debt	TBA	TBA	Arrangers of the debt financing are meeting with other financial institutions about backing the deal (PFR, 6/20).
Capital Dynamics	American Falls (20 MW Solar)	Power County, Idaho	GE EFS	Tax Equity	TBA		GE Energy Financial Services has committed to a second tax equity deal with Capital Dynamics (see story, page 12).
	American Falls II (20 MW Solar)						
	Portfolio of three projects (20 MW Solar)						
Cheniere Energy	Corpus Christi Trains 1 and 2 (LNG Terminal)	San Patricio County, Texas	Goldman Sachs	High Yield	\$1.5B	8.5-yr	The high-yield bond offering refinances \$1.5 billion of bank debt (see story, page 5).
Engie, Red Eléctrica de España	Transmisora Eléctrica del Norte (379-mile Transmission)	Chile	MUFG, SMBC, KfW-IPEX, Mizuho	Term Loan	\$461M	18-yr	The debt financing closed on Dec. 7 (see story, page 1).
			Santander, Banco de Chile, Banco Estado de Chile, Banco BCI, Instituto de Crédito Oficial		CLP 151B (\$231M)	18-yr	
			Prudential	Private Placement	\$50M	25-yr	
Invenergy	Lackawanna (1.5 GW Gas)	Jessup, Pa.	BNP Paribas, GE EFS, MUFG	Commercial bank debt	\$800M - \$900M	TBA	Invenergy has selected arrangers for a debt package for the project, which could include an additional tranche (PFR, 9/19).
			Prudential	Institutional debt	\$200M	TBA	
			Lazard	Equity	TBA	TBA	
Lightstone Generation	Portfolio (5.3 GW Gas, Coal)	Indiana, Ohio	Deutsche Bank (left lead), Credit Suisse, Goldman Sachs, Jefferies, RBC, UBS	Term Loan B	\$1.575B	7-yr	The joint venture between Blackstone Group and ArcLight agreed to acquire the projects earlier this year. The deadline for commitments for the \$1.825 billion package is in mid-December (PFR, 12/5).
				Term Loan C	\$150M	7-yr	
				Revolver	\$100M	5-yr	
NTE Energy	Portfolio (2 GW Gas)	Connecticut, North Carolina, Ohio	TBA	Debt	\$2B		NTE is planning to raise \$2 billion to finance the Killingly, Reidsville and Pickaway energy centers (PFR, 4/25).
Panda Power Funds	Mattawoman (850 MW Gas)	Brandywine, Md.	BNP Paribas, ICBC, Investec	Loan		TBA	Panda has mandated three banks to raise debt for the project (PFR, 12/5).
Quantum Utility Generation	Moundsville (549 MW Gas)	Marshall County, W. Va.	TBA	Debt	\$500M	TBA	Quantum has approached prospective arrangers to raise debt and has mandated BNP Paribas to sell a stake in the project (PFR, 6/6).
TerraForm Power	Portfolio (68 MW Solar)	Ontario, Canada	TBA	Loan	\$90M	7-yr	TerraForm will use the debt to reduce holdco debt and pay down its revolving credit facility (PFR, 12/5).
Terna Energy	Fluvanna I (155.4 MW Wind)	Scurry County, Texas	Copenhagen Infrastructure Partners	Equity	\$61M		Terna, a subsidiary of Athens-based GEK Terna Group, has lined up financing for Fluvanna I and CIP has expressed interest in funding Fluvanna II (PFR, 12/5).
			HSBC, NordLB, Morgan Stanley, Rabobank	Bridge Loan	\$150M		
			Goldman Sachs	Tax Equity	\$150M		
	Fluvanna II (130 MW Wind)		Copenhagen Infrastructure Partners	Equity	TBA		

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PROJECT FINANCE ●

Lender Group Grows for Chile Wind Portfolio

Several banks have joined a project finance deal backing a 332 MW portfolio of wind projects in Chile owned by **Aela Energía**, a joint venture between Irish developer **Mainstream Renewable Power** and London-based private equity firm **Actis**.

SMBC and **MUFG** are coordinating leads on the deal, which was originally expected to be \$450 million in size and have a 17-year tenor (PFR, 3/15). Whether the size and tenor of the deal has since changed could not immediately be established.

The leads were in talks with two other unidentified banks in March, but the group has now

grown to six. The other banks that are now expected to participate are **Caixa**, **KfW**, **Korea Development Bank** and **Santander**.

Several other banks including **Mizuho** were previously looking at the loan but decided not to participate, says a deal watcher familiar with the negotiations, who adds that the participating banks are in the process of obtaining approvals and that the deal should close before the end of the year.

The security package behind the transaction has changed during the nine months since it was originally reported in *PFR*.

The deal was initially intended

to finance the construction of the 170 MW Sarco project in Freirina, Atacama, and the 129 MW Aurora project in Llanquihue, Los Lagos, but the sponsor later decided to add the 33 MW Cuel project near Los Ángeles in Biobío, which has been online since February 2014.

Part of the proceeds will be used to repay a \$52 million senior loan provided by **China Development Bank** to finance the Cuel project, which did not have a power purchase agreement at the time. The terms of the financing were not disclosed.

The combined output of the three project portfolio will fulfill 20-year power purchase agree-

ments totaling 300 MW won by Aela Energía in an auction run by Chile's **Comisión Nacional de Energía** in 2015. The contracts come into effect in 2017.

A representative of Mainstream in Santiago did not immediately respond to inquiries. Officials at the banks in New York and Santiago either declined to comment or could not be reached. ■

FAST FACT

\$450M

The expected size of the loan backing the wind portfolio.

Cheniere Refis \$1.5B of Corpus Christi Debt

Cheniere Energy has priced its fifth project-level bond offering of the year, this time refinancing \$1.5 billion of bank debt at its Corpus Christi LNG export terminal in the high yield market.

The sponsor originally financed the terminal in San Patricio County, Texas, with an \$11.5 billion seven-year term loan package, in which 30 banks participated, in May 2015 (PFR, 5/15/15).

The company began refinancing this large chunk of debt earlier this year, pushing its average maturity further out into the future.

Goldman Sachs, one of the joint lead arrangers on the original loan, was left lead on the latest high yield refinancing, which has an 8.5 year tenor and was priced on Dec. 5 at 5.875%.

The original term loan, which matures in 2022 or two years after the construction of Corpus Christi's first two trains is complete, whichever is earlier, bears interest at 225 basis points over Libor.

Fifteen banks were credited as bookrunners on the high yield refinancing, all of them related to commercial banks that participated in the loan. They were **Bank of America**, **Merrill Lynch**, **BNP Paribas**,

Credit Suisse, **HSBC**, **ING**, **JP Morgan**, **Lloyds Bank**, **Mizuho**, **Morgan Stanley**, **MUFG**, **Royal Bank of Canada**, **Scotia**, **SMBC**, **Société Générale** and **Standard Chartered**.

The deal was announced as an expected \$1 billion offering on Dec. 5 and price talk was set in the area of 6% after an investor meeting in the morning. When the final pricing was set, 125 basis points inside price talk, the size of the deal had been increased to \$1.5 billion.

The transaction brings the total amount of project debt refinanced by Cheniere in the bond market so far this year to \$7 billion, \$2.75 billion of which is for Corpus Christi.

In May, the Houston-based sponsor refinanced the first chunk of Corpus Christi debt with a \$1.25 billion eight-year high yield bond. The deal was priced at 7% (PFR, 5/12).

A month later, Cheniere priced a \$1.5 billion 10-year high yield note for its Sabine Pass export terminal in Cameron Parish, La., at 5.875% (PFR, 6/9).

In July, the company sold a \$1.25 billion 22-year investment grade project bond to refinance debt at its Freeport LNG facility

on Quintana Island, Texas. The 144A bond carried a 4.125% coupon and was sold mostly to traditional private placement buyers (PFR, 7/21).

Then in September, it was Sabine Pass's turn again, when Cheniere followed up June's deal by pricing an additional \$1.5 billion to take out existing debt at the Louisiana facility. **S&P Global Ratings** raised its rating for the Sabine Pass project from BB+ to BBB- after the June transaction, and the 10.5-year bond was priced at 5% (PFR, 7/20).

Cheniere Corpus Christi Holdings, the vehicle through which Cheniere's San Patricio terminal issues bonds, has Ba3 and BB-ratings from **Moody's Investors Service** and S&P, respectively.

The issuer owns Cheniere's planned five-train liquefaction project and an associated 23-mile gas pipeline. Trains one and two have 20-year offtake contracts with six investment grade companies and have been under construction since May 2015. The first two trains are expected to be complete in 2019. The third is fully permitted and Cheniere initiated the regulatory process for trains four and five in June 2015. ■

● MERGERS & ACQUISITIONS

Starwood Looks to Divest Texas Wind Project Duo

« FROM PAGE 1

The Horse Creek and Electra projects were completed by **Blattner** in October and November respectively. **Tenaska Power Services** provides management services for both projects under a five-year agreement.

Starwood closed construction debt for the projects from undisclosed parties in late 2015. Both projects have tax equity investments in place from what the teaser, seen by *PFR*, describes as

“three of the most experienced renewable energy tax investors in the U.S.”

Whitehall & Co. is advising Starwood on the sale process and inviting proposals from interested potential purchasers. An auction will not be run for the assets, adds the deal watcher.

Both projects were developed by Chicago-based **Lincoln Clean Energy**. In 2015, following a competitive process, they were sold to Starwood. Later in the same year, **I Squared Capital**

acquired Lincoln Clean Energy.

Starwood owns a further combined 616 MW of wind projects in Texas, the 240 MW Shannon project in Clay County and the 376 MW Stephens Ranch project near Lubbock.

A representative of Starwood in Greenwich did not immediately respond to inquiries and an official at Whitehall in New York declined to comment. ■

FAST FACT

2015

The year Starwood acquired both projects from the developer Lincoln Clean Energy.

OCI Solar Power to Offload Texas Project

OCI Solar Power has agreed to sell a solar project in Texas to a subsidiary of **Berkshire Hathaway Energy** in a deal slated to close this month.

BHE Renewables will pay OCI Solar Power, a subsidiary of South Korea-headquartered energy and chemical group **OCI Company**, \$450.8 million (\$385.1 million) for the 110.2 MW Alamo 6 solar project, which is in late-stage construction in Pecos County, under the terms of the deal. The facility is expected to be online by the end of the year.

The project is the largest in a portfolio of seven solar projects named Alamo in Texas, several of which OCI has sold in the last two years.

All seven projects are contracted with **CPS Energy**, San Antonio's publicly-owned utility, under 25-year power purchase agreements (*PFR*, 9/11/15, *PFR*, 4/17/14).

OCI sold the second-largest project in the portfolio—the 106 MW Alamo 7 project in Haskell County—to **ConEdison Development** for \$227 million earlier this year (*PFR*, 1/11).

The **Consolidated Edison** subsidiary acquired the 5.5 MW Alamo 3 project in San Antonio, the 39.6 MW Alamo 4 project in Kinney County and the 95 MW Alamo 5 project in Uvalde County from OCI in 2015.

A spokesperson for BHE Renewables in Des Moines, Iowa, declined to comment on the deal. Representatives of OCI in San Antonio did not respond to inquiries. ■

Dominion to Acquire California Solar Asset

Dominion Resources is purchasing a 30 MW solar project in Imperial County, Calif., from **Solar Frontier Americas**.

The project, called Midway II, has a power purchase agreement with the **Imperial Irrigation District**.

The acquisition is expected to close in January, the same month the project is expected to be online.

The purchase price could not immediately be learned. Representatives of Dominion in Richmond, Va., and Solar Frontier Americas in San Francisco did not immediately respond to inquiries.

One of Midway II's two sister projects, the adjacent Midway III project, also has a PPA with the Imperial Irrigation District (*PFR*, 1/9/15). Another adjacent

project, Midway I, has a PPA with **Pacific Gas & Electric** (*PFR*, 4/17/14).

Solar Frontier, a subsidiary of **Showa Shell Sekiyo**, acquired the three projects from **Gestamp** in 2015 as part of a 280 MW portfolio of 10 utility-scale solar projects in California (*PFR*, 3/12/15). Gestamp developed the three projects with **8minutenergy**. ■

Panasonic-backed Coronal Plans Solar Acquisitions

Coronal Energy, the solar sponsor backed in part by electronics company **Panasonic**, is aiming to ramp up acquisitions of utility-scale projects over the next two years.

Pasadena, Calif.-based Coronal plans to acquire projects with capacities of at least 5 MW, potentially including both development-stage and operational assets.

“We do not have an upper limit for our acquisition program, but

the intention is to acquire several hundred megawatts per year for the next three years,” a spokesperson for Coronal in Los Angeles, Calif., tells *PFR* via email.

The company plans to acquire between 200 and 300 MW in the U.S. annually, using sponsor equity. Coronal will continue to focus on the U.S. and Canadian markets, according to the spokesperson.

Coronal owns 2.3 GW of operational solar assets in 40 states, including the 35 MW Avalon proj-

ect, which the company acquired from **Centaurus Capital** in 2014 (*PFR*, 9/23/14). The company has a North American pipeline of approximately 3 GW of development-stage assets, according to a company statement.

Coronal, which is majority-owned by private investors, has an exclusive partnership with Panasonic, which owns a minority of the company. Panasonic increased its stake in the solar sponsor in September. ■

STRATEGIES ●

SunPower Sets Restructuring Plan in Motion

Silicon Valley-based solar panel manufacturer and project developer **SunPower Corp.** has begun implementing its second restructuring plan this year to reduce production capacity as it grapples with lower than expected demand.

The company's board of directors adopted the cost reduction plan, which includes the closure of a 700 MW panel manufacturing plant in the Philippines, on Dec. 2.

The plant, called Fab 2, commenced operations in 2007 with a capacity of 330 MW.

SunPower expects to cut its global workforce by about 2,500 employees, or 25%. About 1,875 of those will be accounted for by the Philippines factory closure, with a further 625 at the corporate level. The company aims to fully implement the plan by the end of 2017.

The cost cutting measures are in addition to those outlined in the company's first restructuring plan, which it began to implement in August in response to challenges related to its generation business.

The first restructuring plan foresaw about 1,200 job cuts, also primarily in the Philippines.

SunPower expects the cuts to result in additional short-term costs of between \$225

million and \$275 million, including asset impairments, severance payouts and termination costs associated with lease and related agreements.

The company's president and ceo, **Thomas Werner**, will continue to be paid a reduced salary of \$1, net of benefit costs, through the end of the first quarter of the firm's fiscal 2017, following an extension of the arrangement which was also approved by the board on Dec. 2.

8POINT3

SunPower is one of the two sponsors of yield company **8point3 Energy Partners**, the other being **First Solar**, which announced an operational restructuring plan of its own on Nov. 16.

First Solar expects to incur between \$500 million and \$700 million of restructuring charges as it reduces its manufacturing workforce in the U.S. and internationally. The restructuring is aimed at bringing production of its latest series of photovoltaic modules forward.

SunPower and First Solar have dropped several contracted solar assets into the yieldco during the course of 2016. Most recently, on Dec. 1, 8point3 closed its acqui-

sition of First Solar's 34% interest in the 300 MW Desert Stateline project in San Bernardino, Calif., for \$329.5 million (PFR, 10/12). **Southern Co.** subsidiary **Southern Power** owns the remaining 66% interest in the Desert Stateline project.

"8point3 just bought a world-class project from First Solar, we did lots of dropdowns in 2016 and we still have many assets in the [right of first offer] portfolio," said Werner in response to a question about the sponsor's relationship with the yieldco asked by **Pavel Molchanov**, an equities analyst at **Raymond James**, on an investor call on Dec. 7.

SunPower recently sold two projects to **New Energy Solar Fund**, an investment vehicle of Australian asset manager **Walsh & Co.**, and a stake in a third asset Southern Power (PFR, 11/22, PFR, 11/18). The projects were not on the 8point3 Energy Partners ROFO list.

SunPower's stock price has been falling steadily since the beginning of the year, from a calendar year high of around \$30 on Jan. 4 to \$6.96 on Dec. 6, the day before the restructuring announcement. At close of on Dec. 7 today shares in SunPower were up 14% to \$7.95. ■

MERGERS & ACQUISITIONS ●

SunPower Finds Buyer for Nevada Project

SunPower Corp. has found another buyer for a solar project it is building in the Las Vegas Valley that it previously intended to sell to **Avangrid**.

American Electric Power will acquire the 50 MW Boulder Solar II project from the San Jose, Calif.-based developer, according to a filing made with the U.S. **Federal Energy Regulatory Commission**.

The sale of the project, which is on land owned by the **City of Boulder**, is expected to close in

January.

Avangrid, the New Haven, Conn.-based subsidiary of **Iberdrola**, initially sought to acquire Boulder Solar II, filing jointly with SunPower for regulatory approval of the transaction in September (PFR, 9/29), but the deal later fell through (PFR, 11/18).

Boulder Solar II is one of three contiguous projects SunPower owns in Clark County, Nev. All of the projects—called Boulder Solar I, II and III—are

contracted with **NV Energy** under 20-year power purchase agreements (PFR, 9/11/15). NV Energy will sell the output from Boulder Solar II to **Apple**, which will use the generation to power its data center in Sparks, Nev.

Southern Power acquired a 51% majority interest in the 100 MW Boulder Solar I project in November (PFR, 11/18).

Boulder Solar I and II are expected to be online this month.

The company is also in the process of selling controlling interests in two assets—the 54 MW Stanford and 54 MW Golden Fields I projects in Kern County, Calif.—to Sydney-based asset manager **Walsh & Co.** (PFR, 11/22).

A spokesperson for SunPower in San Jose did not immediately respond to a request for comment. Representatives of AEP in Columbus, Ohio, were not immediately available for comment. ■

● STRATEGIES

GE Restructures Year-Old Power Services Unit

« FROM PAGE 1

pany's ceo and president in a memo sent to staff on Nov. 30 and seen by PFR.

Current will continue to operate its commercial and industrial solar installation and LED businesses, but with a smaller team focused solely on the U.S. and Europe.

The subsidiary will no longer operate in storage, which will be reassigned to other parts of GE. The company's onsite power and virtual power plant programs will also cease to be in-house, and instead be "incubated" by third party partners, according to the memo.

"Current, powered by GE, is making strategic organizational changes to help reduce costs and drive more focus throughout the business," reads a statement from the company. "Like any start-up, we are learning and adapting

our strategy as we mature, and the changes we are making now will help us grow and scale more quickly moving forward."

"We are still absolutely committed to making Current a success, and we will continue investing in the business to deliver energy efficiency outcomes for our customers," ends the statement.

Launched in October 2015, Current described itself as a start-up within GE and "a first-of-its kind energy company" which integrated GE's solar, storage and electric vehicle products and Predix cloud-based platforms.

"It will bring to market a holistic energy-as-a-service offering absent from industry today that includes sensor-enabled hardware, software, fulfillment, product management and financing solutions," read the press release announcing Current's launch.

Walgreens, JP Morgan Chase

and **Hilton Worldwide** were unveiled as clients of the C&I-oriented unit.

Current is financed by GE and was launched with more than \$1 billion of revenue. GE expected it to grow into a \$5 billion revenue business by 2020.

However, only 14 months later the company has told its several thousand staff to expect redundancies.

"We need to make some tough decisions, and those decisions will impact some talented and dedicated people in our organization", writes Sylvester, who was previously president and ceo of **GE Lighting**, the consumer lighting business which is also being restructured.

Current is grouped into the Lighting division in GE's financial statements. Profits for Lighting were down 84% and revenue fell 22% in the third quarter of

this year. However, Current's revenues were up 10%, according to a presentation by GE to investors.

The restructuring of Current will result in job cuts at multiple company offices, including in the U.S., adds the source. The process has begun and is likely to come to a head in the first few months of next year.

The company's organizational structure will be realigned "with the significant market, geographic and platform changes we are making. For most teams, this will mean fewer employees and less discretionary spending", says the internal memo.

The memo does not mention Current's electric vehicle charging station business. Current recently announced that it is expanding its Predix platform and recently signed agreements with **Intel** and **Qualcomm**. ■

GenOn Default or Restructuring "Increasingly Likely"

NRG Energy subsidiary **GenOn Energy** is facing an increased likelihood of a default or debt restructuring as it approaches several bond maturity dates, according to a report by **Moody's Investor Service**.

GenOn says it does not expect to have sufficient liquidity to repay \$691 million of 7.875% senior notes due in June 2017. It has a further \$650 million of 9.50% senior notes due in October 2018.

"GenOn Energy Inc... is burdened with a complex corporate structure, very high debt and relatively weak cash flow," write analysts at Moody's.

GenOn's total non-resource debt totals \$2.721 billion, according to parent NRG's third quarter earnings statement.

The power producer's profitability is being adversely affected by the decline in natural gas prices, the effect of that decline on power and capacity prices and the inability of two

GenOn subsidiaries to make distributions of cash and other restricted payments to GenOn, NRG stated in the earnings report, issued on Nov. 4.

GenOn is evaluating its options, which include negotiating with creditors and lessors, refinancing the senior notes, divesting assets and filing for creditor protection under Chapter 11 of the U.S. Bankruptcy Code.

Earlier this year, GenOn appointed two independent directors to assist with the process and retained restructuring advisers (PFR, 8/10).

"My impression is that it might not be easy because the debt is trading at a relatively high amount compared to where the debt needs to go to to become a viable entity," says **Toby Shea**, vice president and senior credit officer at Moody's and one of the authors of the report. "If NRG is not going to take in the difference, its not going to be an easy negotiation."

CONTAGION RISK FOR NRG?

Although GenOn is a non-recourse subsidiary of NRG, a potential GenOn bankruptcy poses a risk of contagion to the parent company, write the Moody's analysts in the report published on Nov. 1.

NRG provides a \$500 million revolving credit facility to GenOn and receives around \$200 million a year from GenOn in corporate allocation payments, according the Moody's report.

However, NRG should be able to withstand any potential shortfalls, the report notes, given its large size and its plan to reduce debt by \$1 billion this year.

"The cash flow is very strong at the parent", says **Stephen Byrd**, head of North American equity research in power, utilities and clean tech at **Morgan Stanley**. "We haven't spoken to specific liability in the event of an issue at GenOn. But yes, we do like the very strong cash flow at NRG and that's been

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GenOn Default or Restructuring “Increasingly Likely”

« FROM PAGE 8

proven over a fairly significant time to be real”.

The subsidiary, GenOn, is rated Caa3 with a negative outlook by Moody's and CCC with a negative outlook by S&P Global Ratings, whereas NRG itself is rated Ba3 by Moody's and BB- by S&P.

GenOn, which was acquired by NRG in 2012, accounts for just over 35% of NRG's operating portfolio, with 16.7 GW of merchant generating capacity out of 47.7 GW at NRG. GenOn's assets are split between itself and three wholly-owned operating subsidiaries.

MULTIPLE DIVESTITURES

Since the start of the year, the NRG subsidiary has closed the sale of four assets totaling over 2.2 GW.

Although the company has not ruled out further divestitures, it could be more challenging to sell the remaining assets, according to Shea at Moody's.

“I don't think they'll be selling more of their plants. They sold the easy stuff; they're left with the harder-to-sell stuff.”

“I don't think they'll be selling more of their plants,” he says. “They sold the easy stuff; they're left with the harder-to-sell stuff.”

Two GenOn asset sales were agreed to in 2015 but did not close until earlier this year. **Robindale Energy Services** acquired the 525 MW Seward waste coal-fired facility in New

Florence, Pa., for \$75 million (PFR, 12/3) and **Rockland Capital** bought the 352 MW Shelby County gas-fired facility in Neoga, Ill., for \$46 million (PFR, 11/13).

Earlier this year, **LS Power** acquired the 450 MW Rockford coal-fired and 878 MW Aurora gas-fired projects in Illinois, for \$56 million and \$369 million respectively, following a two-stage auction run by **Citigroup** (PFR, 5/19).

Although the sales raised over \$500 million, they yielded considerably lower profits for GenOn. The divestitures of the Aurora and Shelby projects resulted in a profit of \$217 million.

GenOn is receiving payments for the Seward project in installments, some of which are contingent upon certain environmental requirements. The Rockford sale price was less than the carrying amount for the asset, resulting in an impairment loss of \$17 million, according to NRG's third quarter earnings statement.

POTOMAC RIVER SPILL

GenOn is facing another hurdle after the **Environmental Protection Agency** identified one of its coal-fired projects as the source of oil sheen founded in the Potomac River in Maryland on Nov. 27.

The EPA determined that the Dickerson coal-fired project in Maryland was the source of the leak of lubricating oil, which is used in turbines. Sheen samples from the River matched samples taken at the Dickerson plant, the EPA announced in a statement on Dec. 6.

NRG says it notified the **Maryland Department of the Environment** and the **National Response Center** of a sighting of the sheen

on Nov. 27, “out of an abundance of caution, even though at the time we had no indication that the oil sheen had originated from our facility,” a spokesperson writes in an e-mailed statement, adding: “Our understanding is that the sheen was actually seen upriver from the plant.”

“Our understanding is that the sheen was actually seen upriver from the plant.”

Nonetheless, NRG says that the release of less than 150 gallons of oil has stopped and largely dissipated. The company is working with the unified response team under the EPA incident commander to remove the residual sheen from the river, says the spokesperson.

Companies can be fined for accidental discharge on a case by case basis, a spokesperson for the EPA tells *PFR*. For now, the agency is focused on “having the company take the lead and remove the sheen,” the spokesperson adds.

CIVIL PENALTY

The news follows a claim by the Maryland Department of the Environment that the GenOn Dickerson plant was violating a number of pollution limits set by permits.

In August, the **U.S. District Court for the District of Maryland** approved a settlement between NRG and the department. NRG agreed to pay a \$1 million civil penalty and improve the wastewater treatment systems at both the Dickerson and the Chalk Point coal-fired project, which is also in Maryland.

GenOn was created when two independent power producers, **RRI Energy** and **Mirant**, merged in 2010 (PI, 4/23/10).

Former NRG ceo **David Crane** oversaw the acquisition of GenOn in a stock for stock deal worth approximately \$1.7 billion (PFR, 7/23/12). Crane ran NRG for 12 years until he departed the company in January and was replaced by former chief operating officer **Mauricio Gutierrez** (PFR, 4/25). ■

GenOn Energy Debt

Non-recourse debt:	Sept. 30, 2016	Dec. 31, 2015	Sept. 30, 2016 interest rate %
GenOn senior notes	\$1.922B	\$1.956B	7.875 - 9.875
GenOn Americas Generation senior notes	\$747M	\$752M	8.5 - 9.125
GenOn other	\$52M	\$56M	
Subtotal GenOn debt (non-recourse to NRG)	\$2.721B	\$2.764B	

Source: NRG Energy Third Quarter Earnings Report

● PPA PULSE

Offtake Types Vary Across States as Corporates and Utilities Sign Up for Renewables

Renewables projects in the U.S. sealed almost 1 GW of power purchase agreements in the last two months, according to data gathered by *PFR*. Non-utility offtake arrangements outweighed PPAs with traditional utilities and more solar than wind was contracted, but the picture varied state by state.

About a third of the 914 MW of generation contracted since the end of September is located in California, where non-utility solar agreements dominated. A large chunk of the contracted generation there is accounted for by a 20-year PPA between **sPower** and not-for-profit community choice aggregator **MCE**.

The community group will purchase the output of the Utah-based independent power producer's 105 MW Antelope Expansion 2 solar facility in Lancaster, Calif., under the agreement, which is MCE's largest to date, according to sPower. The project is expected to be online in late 2018.

MCE has also signed a PPA with **First Solar** for 40 MW of the output of its 160 MW Little Bear solar project in Fresno County, Calif. The project is expected to enter construction in 2019 and be online in 2020.

In Nevada, however, First Solar had more success with a utility offtaker, signing up **Southern California Edison** for 100 MW from its Sunshine Valley solar project in Nye County, Nev. The PPA requires the project to be online by Jan. 1, 2020, and construction is expected to start by February 2019.

In Texas, Indiana and Iowa, all of the PPAs signed during the same period were for wind generation, but while corporates such as **Avery Dennison Corp.**, **General Motors** and **Iron Mountain Inc.** dominated the market in Texas, municipal utilities were the buyers in the other two states.

Here is a round-up of the other PPAs signed in the last two months:

U.S. SOLAR

◆ An affiliate of **Amazon Web Services** has inked long-term PPAs with **Dominion Energy** for the output of five solar projects totaling 180 MW in Virginia. Dominion is acquiring four of the projects, each 20 MW

in size, from **Virginia Solar**, and the fifth 100 MW project from **Community Energy Solar**. The 20 MW projects are located in Buckingham, New Kent, Powhatan and Sussex counties, and the 100 MW project is in Southampton County. All five projects are expected to be online in late 2017.

◆ Healthcare provider **Kaiser Permanente** has announced that it has a 20-year PPA with **NextEra Energy Resources** for 110 MW from the 485 MW Blythe Solar project in Riverside County Calif. (PFR, 12/1).

◆ Southern California Edison has signed a PPA with **First Solar** for the output of the roughly 100 MW Sunshine Valley solar project in Nye County, Nev.

◆ **Duke Energy Progress** has signed a 10-year PPA with the **New Energy Solar Fund** for the output and solar renewable energy credits of the 33.8 MW NC-47 solar project in Maxton, N.C. The fund acquired its majority interest in the project from **VivoPower USA** in October. VivoPower retains a minority interest and will be involved in managing the facility (PFR, 10/28).

◆ The **Massachusetts Institute of Technology**, **Boston Medical Center** and **Post Office Square Redevelopment Corp.** have signed 25-year PPAs with Dominion for the output of its 60 MW Summit Farms solar project in Currituck, N.C., which is expected to enter service this month. A Dominion subsidiary acquired the development rights for the facility from **SunEnergy** in October (PFR 10/24).

◆ **Virginia Electric and Power Co.** has entered into a PPAs with **PSEG SolarSource** for the output from the 16.8 MW Turkey Creek solar project and the 6.6 MW Hemlock solar project, both in Northampton County, N.C. PSEG Solar Source acquired the projects from **Ecoplexus** and **BayWa r.e.**, respectively, in November.

◆ **Holyoke Gas & Electric** has signed a PPA with a subsidiary of **Engie North America** for the output of the 5.76 MW Mt. Tom solar project to be built on the site of the former coal-fired Mt. Tom Power Station in Holyoke, Mass. The PPA comes into effect in January 2017.

◆ The **University of Massachusetts Amherst** has inked a PPA with **ConEdison Solutions** for the output of a 5.3 MW portfolio of solar projects to be installed at eight sites on the university's campus.

U.S. WIND

◆ **Silicon Valley Power**, a municipal utility of the city of Santa Clara, Calif., has signed a 25-year PPA with sPower for the energy produced by the 49.5 MW Sand Hill wind project, which is expected to begin commercial operations before the end of 2020 in Alameda County, Calif.

◆ The City Council of Columbia, Mo., has approved a second PPA between **Columbia Water and Light Department** and **NextEra Energy Resources'** 66 MW Crystal Lake Wind III project in Winnebago County, Iowa. The parties entered into a 20-year PPA in 2012 for 21 MW of wind energy from the facility at a starting price of \$42.50/MWh, increasing annually to a final price of \$45/MWh by 2015. Under the new contract, Columbia Water and Light will initially purchase an additional 27 MW from January 2017, increasing to 45 MW in 2023. The utility will initially pay \$19.55/MWh for the additional generation, rising by 2% each year until the PPA expires in 2032.

◆ Packaging manufacturer **Avery Dennison Corp.** has signed a PPA with **Apex Clean Energy** for 20 MW of generation from Apex's 300 MW Perryton wind project in Ochiltree County, Texas. The contract will offset 50% of Avery Dennison's greenhouse gas emissions from electricity generation

PPA PULSE ●

in the U.S.

- ◆ General Motors has inked a PPA with **Renewable Energy Systems America** for 50 MW of wind power from the 150 MW Cactus Flats wind farm the sponsor is developing in Concho County, Texas. The contract takes effect in the first half of 2018. The output is expected to meet the demand of 16 of GM's U.S. facilities, including offices in Fort Worth and Austin, Texas, an assembly plant in Arlington, Texas, and 13 warehouses east of the Mississippi River. The Arlington facility is already 50% powered by renewable generation.
- ◆ Indianapolis' **Wabash Valley Power Association** has entered into a 20-year PPA with **EDP Renewables North America** for the output of its 75 MW Meadow Lake VI wind farm in White County, Ind. The project is slated to be online in 2018.
- ◆ Cuyahoga County, Ohio, has signed a 10-year PPA with **Cleveland Public Power** for 8.7% of the output of the 20.7 MW Icebreaker project off the shore of Lake Erie. Cleveland Public Power already has a PPA for 25% of the project's generation,

while **American Municipal Power** will buy 30%. The project's sponsor, **Lake Erie Energy Development Co.**, is reportedly in talks with other parties for the remaining 35% and is in the process of selling the asset to **Fred. Olsen Renewables** (PFR, 12/7/15).

- ◆ Storage and data management company Iron Mountain Inc. has been revealed as the second corporate offtaker for **Lincoln Clean Energy's** 253 MW Amazon Wind Farm Texas in Scurry County, Texas. Iron Mountain will buy 10% of the project's output, while Amazon has a PPA for the other 90%. Lincoln Clean Energy secured debt and tax equity financing for the project in October (PFR, 10/3). Iron Mountain has also signed a 20-year PPA with **Tech Advisory Group** for the output of a 2 MW solar project, which will supply the offtaker's records management facility in Freehold, N.J.
- ◆ **Microsoft Corp.** has inked a long-term contracts with **Black Hills Energy** for renewable energy certificates representing 59 MW of the output of its 29.4 MW Happy Jack and 42 MW Silver Sage wind proj-

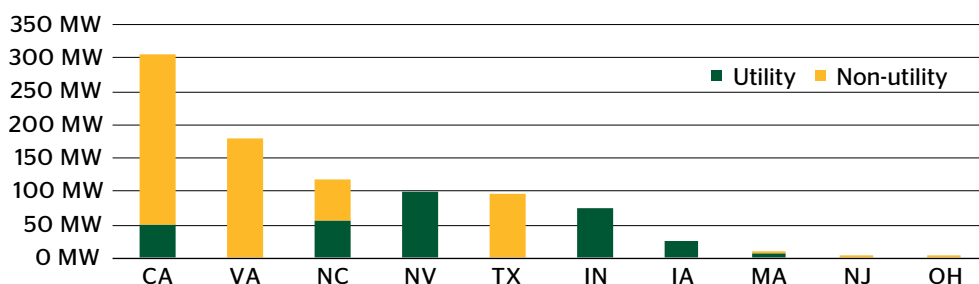
ects, adjacent to Microsoft's data center in Cheyenne, Wyo. The company has also entered into a contract with **Allianz Risk Transfer** to purchase renewable energy credits associated with **Capital Power's** 178 MW Bloom Wind project in Ford and Clark counties in Kansas. Construction on the Bloom Wind project began in the third-quarter of 2016 and commercial operations are expected to begin in the third quarter of 2017. ART has provided the project with a proxy revenue swap hedge agreement (PFR, 5/10).

MEXICO

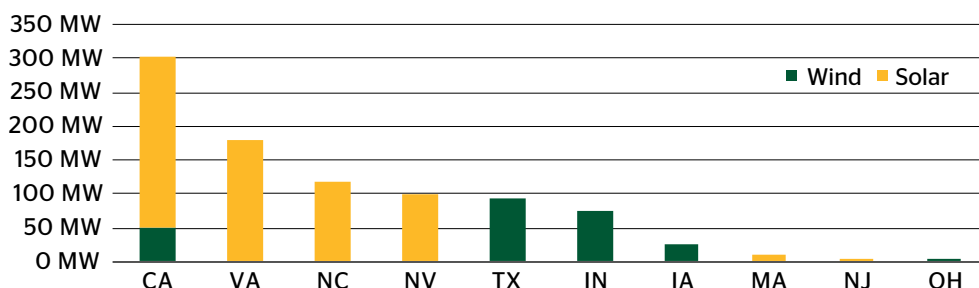
- ◆ Twenty-three companies won contracts in the Mexico's power auction, the results of which were announced in October. The contracts will support the development of 2,871 MW of renewables projects (PFR, 10/6).
- ◆ **HSBC Mexico** has entered into a 10-year PPA beginning in 2017 with **Enel Green Power Mexico** for 60 GWh a year from Enel's 200 MW Dominica wind project in San Luis Potosi. ■

PPAs Signed in the Last Two Months in the U.S.

Offtaker Type, State by State

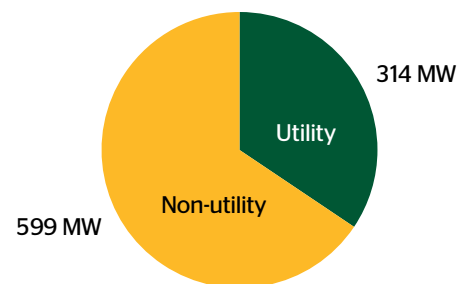


Resource Type, State by State

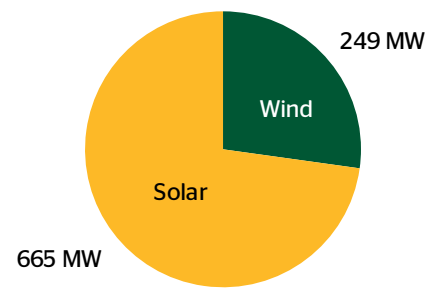


Source: PFR Data

Offtaker Type, U.S.



Resource Type U.S.



● STRATEGIES

Delayed Financial Report Sheds Light on TERP Challenges

TerraForm Power has belatedly published its annual financial report for 2015, updating investors on its efforts to disentangle itself from its bankrupt sponsor and its attempts to cure or obtain waivers for project-level defaults that have arisen in its portfolio.

The yield company, which owns almost 3 GW of operational solar and wind assets worldwide, has set an early January deadline for would-be buyers to provide firm pricing for bids for the company, according to a statement that accompanied the results. Binding bids will be due shortly afterward.

The company is working with **Centerview Partners** and **Morgan Stanley** as financial advisers on “strategic alternatives”, by which it means potentially selling some or all of the business or finding a sponsor to replace **SunEdison** (PFR, 9/15).

In November, **Brookfield Asset Management** proposed multiple potential deals to the yieldco’s board of directors, including the purchase of all or part of the company, setting a Nov. 21 deadline for TerraForm Power to formally engage with the offers (PFR, 11/21).

The proposals lapsed when the yieldco failed to engage with Brookfield by the deadline, but the companies have now entered into a confidentiality agreement to permit Brookfield to participate in the strategic review process, according to paperwork filed alongside the annual report.

PROJECT LEVEL DEFAULTS

The financial collapse of SunEdison has limited its developed market yieldco’s ability to access the capital markets and forced it to focus on near-term priorities, including negotiating waivers to cure defaults that have occurred under most of its project-level debt financings as a result of the bankruptcy.

The yieldco has obtained waivers for some of the deals, but does not identify which project finance deals remain in default in its filings, noting only that none of the lenders have so far accelerated repayment of the debt or notified the company of their intention to enforce security interests in its projects.

The company recently raised a seven-year loan backed by its 68 MW utility-scale solar portfolio in Canada to help pay down holding company debt (PFR, 11/30).

The yieldco is also seeking to replace SunEdison with other service providers as the operations and maintenance contractor for much of its fleet and to develop its own independent back-office functions to replace those it previously shared with its sponsor.

OUTSTANDING ACQUISITIONS

The annual report also reveals the status of the yieldco’s only outstanding acquisitions from a company not affiliated to its sponsor.

TerraForm Power agreed to acquire 90.1% stakes in the 73 MW Prairie Breeze II and 36 MW Prairie Breeze III wind projects in Nebraska from **Invenery** in July 2015 as part of a larger portfolio (PFR, 7/7/15).

The yieldco acquired the rest of the portfolio in December 2015 (PFR, 12/16/15), but the Prairie Breeze transactions are still pending. The deals are still active, but both parties have the right to terminate them because the expiration date in the purchase agreement has now passed, according to TerraForm Power’s filing.

DELISTING ON HOLD

Nasdaq has repeatedly threatened the publicly-owned yieldco with delisting, but has given the company until March 10 to regain compliance with the exchange’s rules, which include regular financial reports.

TerraForm Power filed its report for the first quarter of 2016 with the U.S. **Securities and Exchange Commission** on Dec. 6, the day after it published its annual report for 2015. It had not filed reports covering the second or third quarters of 2016 by press time.

The yieldco bolstered its board at the end of November with the appointment of three independent directors: **Kerri Fox**, **Edward “Ned” Hall** and **Marc Rosenberg** (PFR, 11/23).

The company generated about \$470 million of operating revenues in 2015, which translated into a net loss of some \$208 million. ■

● PROJECT FINANCE

Asset Manager Scores Tax Equity for Idaho Solar Portfolio

Capital Dynamics has secured a tax equity commitment for a 60 MW solar portfolio in Power County, Idaho, according to a filing with the U.S. **Federal Energy Regulatory Commission**.

GE Energy Financial Services will be the sole tax equity investor in the portfolio.

Two adjacent 20 MW projects—American Falls and American Falls II, both of which are due online in January, will provide most of the portfolio’s capacity. Three smaller, development-stage assets—Murphy Flat, Orchard Ranch and Simcoe Solar—make up the remaining 20 MW.

All of the projects have long-term power purchase agreements with **Idaho Power**.

GE EFS is a tax equity investor in one other Capital Dynamics project, the 150 MW Briscoe wind farm in Briscoe County, Texas. The **General Electric** unit acquired the tax equity stake alongside **Morgan Stanley** in 2015 (PFR, 1/23).

Capital Dynamics recently wrapped debt and tax equity for a 124.6 MW solar portfolio in North Carolina. **KeyBanc Capital Markets** arranged the loan for the North Carolina assets and **U.S. Bank** provided tax equity (PFR, 11/16).

Officials at Capital Dynamics in New York were not immediately available for comment. A spokesperson for GE EFS in New York declined to comment. ■

● QUOTE OF THE WEEK

“We need to make some tough decisions, and those decisions will impact some talented and dedicated people in our organization.”

Maryrose Sylvester, ceo and president of **Current**, owned by **General Electric**, writing to staff in an internal memo seen by PFR (see story, page 1).