



Power Finance & Risk



Power Finance & Risk is pleased to announce the winners of its 18th Annual Deals and Firms of the Year Awards for the most impressive renewable energy and power project sponsors, lenders, advisers, investors and transactions of 2020.

ANNUAL DEALS AND FIRMS OF THE YEAR AWARDS

Organizations and individuals have been recognized in 19 categories covering the best project sponsors, mandated lead arrangers, investment banks, law firms, institutional investors and tax equity investors. In addition, individual deals are singled out for special recognition across eight categories.

The winning firms and individuals were selected on the basis of in-depth research interviews with an unprecedented judging panel comprising 45 senior market participants from across project development, banking, law and investing.

The PFR editorial team combined the feedback obtained in these interviews with PFR's own reporting and data to determine the final winners.

In the deal of the year categories, PFR received nearly 100 nominations. The editorial team sifted through the information provided and compiled shortlists across eight categories. The winning deals were selected from these shortlists by a specially selected judging panel of 16 market participants, who were carefully screened to avoid conflicts of interest.

Congratulations to all of the winners!

18th Annual PFR Deals and Firms of the Year

THE WINNERS

ANNUAL DEALS
AND FIRMS OF
THE YEAR AWARDS

**Renewables Project Finance
Borrower of the Year**

AES

**Conventional Power Project
Finance Borrower of the Year**

The Carlyle Group

**Private Equity Sponsor
of the Year**

Ares Management

**Project Sponsor Finance
Official of the Year**

Natalie Jackson, Clearway
Energy Group

**Institutional Investor
of the Year**

Migdal

**Power Project Finance Lead
Arranger of the Year**

MUFG

**Renewable Energy Lead
Arranger of the Year**

KeyBanc Capital Markets

**Conventional Power Lead
Arranger of the Year**

Investec

**Project Finance Banker
of the Year**

Ralph Cho, Investec

Investment Bank of the Year

Morgan Stanley

M&A Adviser of the Year

Marathon Capital

**Project Bond Arranger
of the Year**

MUFG

Tax Equity Adviser of the Year

CCA Group

Investment Banker of the Year

Dennis Tsesarsky, OnPeak Capital

**Bank Sector Tax Equity
Investor of the Year**

Bank of America

Law Firm of the Year

Latham & Watkins and Milbank
(tie)

Attorney of the Year

Laurae Rossi, Winston & Strawn

**Credit Fund Manager
of the Year**

Ares Management

**Non-bank Tax Equity Investor
of the Year**

Berkshire Hathaway Energy
and GE Energy Financial Services
(tie)

**Renewable Energy Deal
of the Year**

Bolt Energy

**Conventional Power Deal
of the Year**

CPV Three Rivers

Transmission Deal of the Year

Western Spirit

District Energy Deal of the Year

RED-Rochester

M&A Deal of the Year

Vivint/ Sunrun merger

Term Loan B of the Year

Hamilton Projects Acquiror

Project Bond of the Year

Clearway Utah Solar Holdings

Canadian Deal of the Year

Cascade



18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS

PROJECT FINANCE LEAD ARRANGER OF THE YEAR • PROJECT BOND ARRANGER OF THE YEAR

MUFG

The “ever-big” MUFG has stolen the show once again, with the excellent team led by **Erik Codrington** and **Alex Wernberg** clinching some of North America’s marquee power and renewables transactions of 2020.

“MUFG is just prolific,” said the head of energy at an investment bank. “They do basically everything,” added a structured finance banker. “MUFG had the best year out of all the banks,” noted a project finance attorney.

In conventional power, the highlight of the year was **Competitive Power Ventures’** \$1.3 billion raise for its Three Rivers gas-fired project in Illinois, which MUFG helped shepherd across the finish line as the only conventional power project construction financing to close in 2020.

As for renewables, the bank led on **LS Power’s** construction financing for its Bolt energy storage portfolio in California, one of the first stand-alone storage financings to hit the market, and also on **Calpine Corp’s** \$1.1 billion refinancing of its Geysers geothermal portfolio, representing one of the first-large scale project financings to close post-COVID. It also steered **Pattern En-**

ergy Group’s over \$1.7 billion financing of its Western Spirit transmission line and wind project portfolio in central New Mexico, in what was one of the largest renewable project financings in the US in 2020, and which supported the construction of the largest single-phase renewables project in the country.

“MUFG did a lot of bigger stuff and took on new risks,” said a banker at a renewables-focused boutique. “Their broader power focus across technologies helps to give them more knowledge and expertise,” said a client. “The other services they provide as collateral agent, syndication – that’s a level above.”

The bank also arranged **Argo Infrastructure Partners’** project bond offering to finance upgrades to its undersea Cross Sound Cable (CSC) transmission line, which connects Long Island’s grid to New England, and a \$772 million project

bond to refinance the sponsor’s gas-fired Carville Energy Center and Oneta Energy Center in Louisiana and Oklahoma.

“The MUFG team is very good and thorough,” said an energy and infrastructure attorney. “They have a lot of resources and provide a whole package with collateral and active management.”

Many members of the team were applauded by market participants for their hard work, including **Beth Waters, Matt Curtin, Matt Odette** and **Fred Zelaya. Louise Pesce** in particular was commended by clients. “I have to put her on the list for all the things she did for us this year,” said one client. “She’s number one.” “**Takaki Sakai** at MUFG is held in really high regard by clients,” added the head of projects at a law firm. “A real gentleman. Never gets angry, really even-keeled. You can’t upset his apple cart.” ■

PRIVATE EQUITY SPONSOR OF THE YEAR • CREDIT FUND MANAGER OF THE YEAR

Ares Management Corp

The Ares team headed by **Keith Derman** and **Andrew Pike** dug in its heels as Private Equity Sponsor and Credit Fund Manager of the Year, receiving rave reviews from clients while leading several market-shaping deals.

The firm started its life as a power and infrastructure debt shop before its acquisition of **Energy Investors Funds** in 2015, which integrated Ares’ credit and mezzanine investing team with EIF’s private equity house.

“They are a really strong team,” said a senior official at a renewables tax equity advisory. “The old EIF platform dabbled in the renewables space but at platform level and not asset level. When **Steve [Porto]** came over at EIF, that was their entry into fund level.”

Among the top transactions of 2020 was Ares’ and **Aligned Climate Capital’s** \$450 million investment in **Swell Energy** to build four virtual power plants – comprising over 200 MWh of distributed energy storage paired with 100 MW of solar capacity – as well as other distributed energy projects across the US. The financing vehicle was structured to capitalize on Swell’s utility contracts and VPP capacity payments,

representing a first-of-its-kind financing for residential solar-plus-storage virtual peaking power plants. On top of that, Ares’ investment was paired with tax equity from **US Bank** and a back-leverage facility totaling \$70 million.

“Swell was pretty interesting – residential is not as sexy, but they were the first player in the resi world to get dual cash flow streams for portfolio projects,” said a project finance attorney. “They have projects where they sell power or lease systems to home-owners but they have batteries attached and because they also have solar they can operate as a virtual distributed power plant. It’s kind of like getting paid twice from the same asset so it’s a very interesting transaction.”

“Ares is doing a lot across a lot of different things,” added a senior banker at a renewables-focused boutique. “They’re very dynamic and through their portfolio companies are doing a lot

of cool stuff and moving around money very well.”

As private equity sponsor, the firm was able to safely land its sell downs of the Aviator Wind project – the largest single-phase wind farm in the US – in the middle of a global pandemic, with **CMS Energy** and Japanese utility **Kansai** taking majority stakes.

“They are really exciting, interesting, high-profile clients and I would do work with them all day every day,” said the head of energy at an investment bank. “I think the Ares group is very creative and has found a lot of good solutions and also has deep expertise in the sector,” added an energy and infrastructure attorney. “Ares has been a standout.”

Several clients were quick to sing the praises of **Mike Roth** and Steve Porto. “**Noah Ehrenpreis** is the standout lawyer there,” added the energy and infrastructure attorney. “**Josh Bellet** is also very impressive.” ■

18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS



RENEWABLES LEAD ARRANGER OF THE YEAR

KeyBanc Capital Markets

KeyBanc has carved a niche for itself as a top name in renewables investment banking since first starting to invest in the space in 2007, and since 2010 has financed over \$15 billion of renewables transactions.

The firm was active across a broad spectrum of renewable energy financings, ranging from residential solar to standalone battery storage. In 2020, the bank raised more than \$40 billion in capital with 132 completed deals in project finance, asset-backed securitizations, M&A, equity, and taxable and tax-exempt debt, cementing its position as a full-service platform in the renewables sector.

Last year, the firm also played a more significant role in the ESG bond market, where it was involved in ESG bond offerings with proceeds totaling more than \$7 billion.

"Key has certainly had a really strong year," stated a project finance attorney. "They are a really well-oiled machine," added an energy and infrastructure attorney, noting that the bank is "very good at what they do and provide good value."

One interesting mandate was advising res-

idential solar company **Spruce Finance** on a \$124 million debt raise for its portfolio of residential solar power purchase agreements and leases with **Vantage Infrastructure** and **Sequoia Economic Infrastructure Income Fund**.

"They are a market leader in solar sale lease-backs and have got a good M&A advisory as well," said an attorney that has worked with the firm. "Key is great on the utility and C&I solar side," added a senior official at a credit fund manager.

The firm also underwrote a \$156 million construction debt package for **AES Clean Energy's** first standalone storage project, the 100 MW/400 MWh Luna facility in California, which has a 15-year full-toll capacity contract with **Clean Power Alliance**.

"When lending against merchant revenues, it's a smaller universe of counterparties and po-

"They are making a splash in renewables and energy storage."

tential lenders," said the energy and infrastructure attorney, noting that the KeyBanc is usually included in that close group of lead arrangers.

Market participants attributed the group's success to **Andy Redinger's** leadership and an impressive roster of bankers including **Aaron Klein, Brian Hunnicutt, Dan Brown, Steve Schauer** and **Lisa Ryder**.

"They are making a splash in renewables and energy storage," said a senior investment banker. ■

M&A ADVISER OF THE YEAR

Marathon Capital

Marathon Capital has been commended highly by market participants for the sheer volume of M&A mandates it clinched in 2020 as well as for the quality of its "top of the market" advisory solutions.

Some of the firm's most memorable mandates were as adviser to battery storage developer **NR-Stor C&I** on the sale of the company to **Blackstone Energy Partners, Lendlease** on the sale of its US renewables business to **Magnetar Capital, SunPower** on the sale of its solar operations and maintenance business to **Clairvest Group**, and a capital raise for residential solar shop **Posigen**.

"Marathon has done a great job," said a senior official at a credit fund manager. "M&A advisory is what they're best known for," added a project finance partner at a law firm. "They are a leading boutique in this space in terms of M&A."

"They have a deep contact list, so I refer a lot of clients to them," chimed in an energy and infrastructure attorney.

At the platform level, Marathon also advised **Peak Clean Energy** on the sale of its US solar development pipeline to German renewable

"Marathon has done a great job. M&A advisory is what they're best known for. They are a leading boutique in this space in terms of M&A."

energy fund **hep global**. Asset-wise, the firm assisted **Tokyo Gas** on its US solar debut with the purchase of **Hecate Energy's** 514 MW Aktina Solar Project in Texas, **RWE** on the sale of majority stakes in four Texas wind farms to **Algonquin Power & Utilities** and **Goldwind Americas** on the sale of its 160 MW merchant Rattlesnake wind farm in Texas to an investment company advised by **Exus Management Partners**.

Several members of the team, headed by **Ted**

Brandt, received glowing reviews from market participants.

"**Josh Cornfeld** is outstanding, he's been at the forefront of a lot of the behind-the-meter and storage opportunities," said the credit fund official. "**Gary Greenblatt** at Marathon works so hard and has done a lot for his clients," added another energy and infrastructure attorney.

Marathon's **Ari Pribadi** also received praise for his work with project owners. "He just really understands what's driving the economics of projects," said a senior financier at a renewables developer. "His depth of understanding is a level above. He sees things from a sponsor perspective in a way that I think many of the others don't do as well."

Marathon also contributed to the flurry of SPAC activity in 2020, advising on various transactions such as **Hyllion's** merger with **Tortoise Acquisition Corp.** ■



18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS ●

LAW FIRM OF THE YEAR

Latham & Watkins and Milbank (tie)

Both Latham & Watkins and Milbank have been chosen as Law Firms of the Year after completing an impressive range of power and renewables transactions in 2020 while enjoying a strong reputation for excellence and thought leadership.

The law firms collectively racked up 86 power and renewables transactions in 2020 and ranked in the top two spots on **IJ Global's** North America project finance league tables, having taken turns representing either the lenders or the sponsors on some of the year's most innovative deals.

On the conventional power side, Latham represented the sponsor and Milbank the lenders on several high-profile transactions, including **The Carlyle Group's** sale of a portfolio of gas-fired peakers in California to **Middle River Power IV** as well as its joint acquisition of **Panda Power Funds' Liberty** and **Patriot** gas-fired plants in Pennsylvania, and **Competitive Power Ventures' financing** of its Three Rivers plant in Illinois.

In the renewables market, both firms picked up impressive advisory mandates. Milbank advised the lender groups for both **sPower's** financing of its mammoth Spotsylvania solar project in Virginia and **Clearway Energy's** pri-

vate placement that added a layer of holdco debt to its contracted Utah solar portfolio, and **Pattern Energy** on its \$1.7 billion financing for its Western Spirit wind and transmission portfolio in New Mexico.

"We've used Milbank for lots of renewable deals," said one project finance banker. "What happens is you start working with them for one type of deal and then use them over and over again." "We like to work with Milbank because they are very creative, know how to approach issues and have lot of experience and think outside the box," added a senior power, utilities and renewables banker.

Meanwhile, Latham advised **LS Power** on the \$300 million financing of its Bolt energy storage portfolio in California and **Energy Capital Partners III** on the sale of **Terra-Gen**. It also represented the lenders on **Calpine Corp's** \$1.1 billion refinancing of its Geysers geothermal portfolio.

"Latham represents everybody," said an energy and infrastructure head at a law firm. "They're very good." "Latham is a very active firm," added a partner at a rival law firm. "They continue to be a positive firm to work across from and hopefully they would say the same about us."

"**Jeff Greenberg** at Latham is terrific," said a senior investment banker at a bulge-bracket firm. Market participants also took off their hats to Latham's **David Penna**, **Eli Katz**, **Warren Lillien** and **Kelly Cataldo**.

At Milbank, **Dan Michalchuk** was described as "always fantastic" while **Bill Bice** was commended for his "ability to get a deal done and compromise when needed." "**Mike Duff** on the tax equity side was tremendous and is probably the go-to person in the space," said a senior official at a tax equity advisory shop. **Karen Wong**, who retired at the end of 2020, also received high praise, as did **Henry Scott** and **Tim Wendling**. ■

CONVENTIONAL POWER PROJECT FINANCE BORROWER OF THE YEAR

The Carlyle Group

Carlyle has once again been recognized as Conventional Power Project Finance Borrower of the Year, having successfully charted a path through COVID headwinds to finance and sell conventional power assets in the US in 2020.

Among the accomplishments that attracted the most attention was the acquisition financing that Carlyle and **EIG Global Energy Partners** slotted into place to fund their purchase of **Panda Power Funds' Patriot** and **Liberty** gas-fired plants in Pennsylvania. The roughly \$1 billion debt package was floated in a leveraged loan market that was recovering from pandemic lockdowns that had brought high yield and leveraged loan activity screeching to a halt.

"Carlyle's coming in hot," said a power and renewables investment banker. "That was an important deal for them," added an attorney in the same sector, noting that "the assets had such a troubled history." A senior official at a power

and infrastructure advisory firm commended the team for their ability to get the deal "done and out of Panda's hands and into a new equity owner."

In 2020, Carlyle also sold its Tilton gas-fired peaker in Illinois to **Rockland Capital**, just three years after buying it from the Texas-based fund manager. In a nod to the back-and-forth nature of the deal, Rockland bought the asset through a portfolio company of its Rockland Power Partners III fund called **Boomerang Power**.

"The team at Carlyle this year has started to emerge," said another attorney. "I've seen them increasing their investment in the space. The

head of the team, **Pooja Goyal** has put good people under her who are building a great team and are starting to execute on interest transactions like tax equity deals and acquiring assets and platforms."

Matt O'Connor directly oversees the team, with several interviewees singling out **Jim Larocque** as among the most impressive figures at the firm.

"I think they are very much trying to make more of an impact in the infra space broadly," said the first attorney. "I'm also seeing them more on the midstream or oil and gas space." "They seem user-friendly, and I like that," added a banker who has worked with the firm. ■

18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS



RENEWABLES PROJECT FINANCE BORROWER OF THE YEAR

AES

AES was in a league of its own in 2020, merging its US renewable energy development businesses with sPower, financing a mammoth solar project in the PJM market, and earning the title of *PFR's* Renewables Project Finance Borrower of the Year.

"2020 was a transformative year for them," said a project finance banker. "They are extremely active and completely undeterred by COVID. A few years ago, they embarked on a transformation of the company, deciding to become greener and divest a lot of their coal-fired assets and make a big push into renewables in the US."

Last year, the company announced the merger of its renewables development business with sPower, the developer it co-owns with **Alberta Investment Management Corp** (AIMCo), bringing together the pair's expertise in solar, wind and energy storage development.

"AES deserves a lot of credit for sPower, **Fluence** and **Uplight**," said another banker at a bulge-bracket firm. "What they have done to transform the various investments they have has been impressive."

Fluence, the energy storage company backed by **Siemens** and **AES**, announced plans to go public this year, pricing its initial public offering

for a valuation of about \$4.7 billion.

"The AES folks have been very impressive with some of the transactions they have done," said one attorney. "AES is very good," added a partner at a law firm. "They executed a plan and established discipline through their financing process and are very good at finding efficiencies."

With its Spotsylvania Solar Energy Center in Virginia, sPower offered the project finance market something it hadn't seen before – a solar project in PJM Interconnection with multiple household names as offtakers, the largest of its kind east of the Rocky Mountains. The financing is sometimes referred to as 'Highlander'.

"Getting some of that stuff for the Highlander deal was massive for PJM and that was pretty cool," said an investment banker at a renewables-focused firm. "The AES team continues to do a lot of interesting stuff – over a billion raised for a 600 MW+ Virginia solar farm and they've done credit placements in the bond

market as well," said another banker at the same firm.

The firm also excelled in the distributed generation space. "They've been on a tear with what they've been able to do on the DG side," said an investment banker. "We put them on the top of the list." "I really like them because they are creative, good to work with, brainstorming and on the forefront of innovation for our space," said an investment banker who has worked with the firm. "They've moved the market on distributed generation."

Market participants pointed to AES' CFO **Gustavo Pimenta**, **AES Clean Energy's** president **Leonardo Moreno** and M&A executive **Joel Abramson** as being star players within the team. AES Clean Energy's treasurer **Brian Cassutt** was commended highly for his excellent leadership too. "Brian Cassutt has done a fantastic job putting some portfolios together," said one banker, while another noted that he was "a large actor in having a good plan and executing with discipline." ■

CONVENTIONAL POWER LEAD ARRANGER OF THE YEAR

Investec

There's just no rest for Investec which maintained its position at the forefront of conventional power asset financings, winning admiration from both clients and competitors for its creativity, commercial nous and ability to skillfully dance around disruption during a very volatile year.

Among the South African bank's top mandates was its role as sole bookrunner on **Stonepeak Infrastructure Partners'** \$540 million refinancing of a pair of California gas-fired peakers, collectively dubbed New England Power, which the sponsor had plucked out of **GenOn Energy's** bankruptcy proceedings in 2018. The deal was more than two times oversubscribed, with over a dozen lenders including commercial banks, infrastructure credit funds, insurance companies and Asian investors taking tickets.

"They've done a lot of our bank loan financings and have done an excellent job," said one of the bank's clients. "They're really efficient at navigating through the lender group and helping us position the right way. They continue to

be a leader among the commercial bank lenders in terms of finding ways to work well with sponsors."

Investec also led a \$150 million nine-year debt package for **Caithness Energy's** gas-fired combined-cycle Long Island Energy Center in New York and closed financings for GenOn's vintage gas-fired Ormond Beach and Ellwood projects in California and the Linden Cogen plant in New Jersey.

"Investec stands out," added a deal watcher. "I was impressed that **Ralph Cho** and **Mike Panteloganis** got those deals done."

"They're good at bringing together a bank group and executing," added an attorney who has enjoyed working the firm. "Investec is a

more aggressive bank and in a hot market they seem to win more as long as they know they can blow it out the back," noted a senior investment banker. "They're good at going in and offering the whole deal."

The global co-heads of Investec's power and infrastructure finance (PIF) group, Mike Panteloganis and Ralph Cho were both lauded as well versed and dynamic power sector aficionados, while a 2019 hire, **Frederic Petit**, was also praised.

"Mike and Ralph are great guys," said a senior official at an alternative investment management firm. "They are very creative, among the most creative in the industry when it comes to energy infra-type financings." ■



18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS ●

INVESTMENT BANK OF THE YEAR

Morgan Stanley

Morgan Stanley made a big splash in the power and renewables sector in 2020, leading some of the most high-profile leveraged finance deals and acting as financial adviser on some of the most talked about M&A transactions.

Notably, the term loan B titan was left lead on **The Carlyle Group** and **EIG Global Energy Partners'** complex, nearly \$1 billion deal to take ownership of **Panda Power Funds'** Patriot and Liberty combined-cycle gas-fired plants in Pennsylvania.

"Morgan Stanley really led that effort," said one market participant. "It was underwritten pre-COVID and the financing markets were really shut down for a little while in March-May. There were two areas where they really stood out – the first was they did an excellent job pre-marketing the deal and lining up some big-ticket support from certain large term loan investors, and second, they really seemed attuned to find a window where the market was open just enough to launch the financing and get it completed."

"I saw Morgan Stanley step up and transact during COVID when others were not transacting," attested a project finance partner at a law firm.

On the M&A side, Morgan Stanley advised residential solar provider **Vivint Solar** on the \$3.2 billion sale of the company to **Sunrun** in an all-stock deal. This was a particularly impressive undertaking, especially as it was the first and only public-to-public M&A deal in the pure-play US residential solar market at the time.



The purchase of Panda Power Funds' Patriot and Liberty combined-cycle gas-fired plants in Pennsylvania was a nearly a \$1 billion deal.

"Morgan Stanley stepped up last year and they are in a different league," said an investment banker at a renewables-focused boutique, while another banker added that the bulge-bracket firm was "a surprise hit in the market."

Global Infrastructure Partners also tapped the bank to run a sale process for its **Competitive Power Ventures** business, which was marketed under the codename Project Mackenzie, and resulted in the successful sale of the firm to a consortium of Israeli investors for more than \$630 million.

Michael Kumar and **Jeremy Smilovitz** received high praise on the leveraged finance side by market watchers surveyed by *PFR*, as did **Cody Gunsch** on the syndication team. "The three of them were really invaluable," said one very pleased client.

Alongside its core investment banking services in M&A and capital markets, Morgan Stanley offers a wide range of products and solutions to power and renewable energy clients, from commodity hedges to balance sheet lending and tax equity. ■

INSTITUTIONAL INVESTOR OF THE YEAR (EQUITY AND DEBT)

Migdal

The institutional investor of the year award recognizes Migdal's sizable equity and debt contributions to two of 2020's landmark transactions.

The Israeli insurance, pension and financial group has been in service for about 80 years and has about 2.3 million customers. It is housed under its parent company, **Migdal Insurance and Financial Holdings**, which manages mutual funds and portfolios, and executes market investments as well as investment banking, distribution and nostro accounts.

The firm was one of the Israeli investors that acquired the cash equity stakes in **Competitive Power Ventures** from **Global Infra-**

structure Partners in one of the most anticipated M&A deals in 2020. The stakes were split between a consortium led by **Kenon Holdings** subsidiary **OPC Energy**, which agreed to take a 70% stake for \$630 million, while three Israeli institutional investors, including Migdal, took the remaining interests. Migdal's own interest totaled 12.75%, while the other two investors, **Clal Insurance Enterprise Holdings** and **Poalim Capital Markets**, took a 12.75% and 4.5% stake.

The institutional investor also played a key role on the debt side, when it took a large ticket in CPV's financing of its 1,250 MW Three Rivers combined-cycle gas-fired project in Illinois. The transaction was impressive in that it was the only greenfield CCGT financing to cross the finish line in the US in 2020. The financing comprised equity from four co-investors and a combination of floating- and fixed-rate debt. **Nomura** provided the biggest ticket, followed by Migdal and **Prudential**, according to deal watchers. ■

18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS



TAX EQUITY ADVISER OF THE YEAR

CCA Group

Once again, CCA Group stood out among the financial advisory firms that specialize in tax equity transactions for its commercial acumen, attention to detail and superb client service, according to market participants surveyed by *PFR*.

“CCA is the best,” said one market participant, while another called it “the leading boutique for tax equity.” A third even went so far as to say, “I still think they’re the strongest in the market and I don’t think anyone is even close frankly.”

In 2020, some of the firm’s most notable mandates included a tax equity raise for a 770 MW portfolio of development-stage solar projects in California and Texas that **SB Energy** acquired from **Intersect Power**, and a tax equity and debt raise for **Taaleri Energia**’s 336 MW Escalade wind farm in Texas. The firm was also selected to source tax equity for **Enel Green Power North America**’s first US solar-plus-storage project – the 146 MW Lily facility in Texas which has a 50 MW/75 MWh battery unit.

On the CCA team, **Martin Pasqualini** and **Megan Lawrence** were both highly praised by deal watchers, as were **Mike Quinlan** and **James Stahle**. “I personally am fond of CCA,” said a satisfied client. “It might just be my per-



One of the firm’s most notable mandates included a tax equity and debt raise for Taaleri Energia’s 336 MW Escalade wind farm in Texas.

spective as a lawyer, but they get much more involved in the negotiating of terms,” added a project finance attorney.

“They do a lot more work for the big players like **Duke** or **Southern Company** and they’re a go-to for a lot of utilities when the utilities put tax equity in their projects,” noted a senior project finance official at a well-known US renewables developer. “They understand the utility perspective.”

CCA also advised **AIP** on its acquisition of 50% stakes in **Longroad Energy**’s 300 MW Prospero and 160 MW Little Bear solar projects, which closed at the height of market turmoil resulting from the Covid pandemic. The projects have interesting offtake structures – Prospero has a 12-year energy hedge with **Shell Energy North America** while Little Bear is contracted with California community choice aggregator **Marin Clean Energy**. ■

NON-BANK TAX EQUITY INVESTOR OF THE YEAR

Berkshire Hathaway Energy and GE Energy Financial Services (tie)

Berkshire Hathaway Energy and GE Energy Financial Services dominated the non-bank tax equity market in 2020 during a year overcast by pandemic-induced disruptions and supply chain constraints.

Both firms displayed prowess in navigating the turbulent tax equity market last year, taking up tough transactions despite the challenging conditions. “They seemed to brush off COVID and keep ploughing ahead,” said one market participant.

One marquee transaction for the BHE team in 2020 was the tax equity financing for Finnish renewables developer **Taaleri Energia**’s Escalade wind farm in Texas, which is hedged with a proxy revenue swap. “Berkshire will definitely do harder deals,” said a project finance attorney, referring to Escalade. “Berkshire seems to be the one that when things go weird in the market they keep moving, they do interesting deals and

“Berkshire seems to be the one that when things go weird in the market they keep moving, they do interesting deals and first-of-a-kind transactions.”

first-of-a-kind transactions,” added a power and energy-focused attorney.

Meanwhile, GE EFS provided tax equity commitments for deals with a range of structures and offtakers, including **Castlelake**’s Summit Wind repowering project in California, which

sells its output to community choice aggregator **East Bay Community Energy**. Another wind farm that GE committed tax equity financing to, namely French developer **Akuo Energy**’s Bennington wind farm in Illinois, sells its output to **Morgan Stanley**. A third, **Ørsted**’s Lincoln Land project in Illinois, sells its output to **Facebook** and **McDonald’s Corp**.

Both firms also partnered up to provide combined tax equity for **Leeward Renewable Energy**’s Sweetwater 3 Wind Farm repowering project in Texas and Ørsted’s Sage Draw Wind project in the same state, which has a 12-year PPA for a portion of its output with **ExxonMobil**. ■



18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS

BANK SECTOR TAX EQUITY INVESTOR OF THE YEAR

Bank of America

Bank of America continued to lead the market in terms of both volume and complexity of tax equity financings among the investment banking cohort, in a year where the overall short supply of tax equity as a result of the economic slowdown was a chokepoint.

The bank teamed up with **HSBC** to execute the largest individual tax equity commitment ever signed, committing \$1.6 billion for **Engie's** portfolio of US wind and solar projects totaling 2.3 GW, in a process codenamed Project Jupiter. The deal was also novel in that it is unusual to finance wind and solar projects together through a single tax equity structure, since the two project types make use of different forms of tax credit, with wind projects utilizing the PTC and solar projects the ITC. The projects' offtakers include **Amazon, Microsoft, T Mobile, Walmart, Ingersoll Rand, Allianz, Target** and **Xcel Energy**.

"The most prolific group we saw across the market was BAML," said a senior banker at a very active renewables-focused advisory. Several market participants praised senior staffers **Jack Cargas, Ahmad Masud, Ray Wood** and **Omer Farooq** for their impressive work over the course of 2020.

The renewable energy finance team didn't shy away from new and more challenging asset types either, committing tax equity for **Capital Dynamics** and **Sol Systems'** joint distributed generation portfolio, comprising several projects totaling 30 MW (DC) in New Jersey and Illinois. "The fact they are willing to do distributed generation means BofA should get [the award]," pointed out a senior investment banker at a rival institution.

Deals with complex offtake structures were also checked off, with the bank providing tax equity for **Lightsource BP's** Impact Solar plant in Texas, which has a 12-year power hedge with the developer's parent company, **BP**, and **Copenhagen Infrastructure Partners'** Greasewood solar project in the same state, which has three municipal PPAs accounting for 59% of its output, while a further 25% is covered by a five-year hub-settled hedge with **Morgan Stanley** to minimize shape risk while retaining merchant upside.

"The bank teamed up with HSBC to execute the largest individual tax equity commitment ever signed, committing \$1.6 billion for Engie's portfolio of US wind and solar projects totaling 2.3 GW."

"CIP is pleased to have secured this tax equity transaction, particularly in today's market where we are dealing with such headwinds as the Covid-19 pandemic, the sharp drop in oil and gas prices and unfavorable macroeconomic forecasts," said CIP senior partner **Christian Skakkebaek**, at the time. ■



**ANNUAL DEALS
AND FIRMS OF
THE YEAR AWARDS**

Celebrate your success with PFR!

It's never too late! Contact us now to order a PFR logo license, trophy, or advertising to promote your win in *Power Finance & Risk*.

Taryana Odayar Editor - Power Finance & Risk
+1 212.224.3258 • taryana.odayar@PowerFinanceRisk.com



Power Finance & Risk

www.powerfinancerisk.com | @powerfinrisk

18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS



PROJECT FINANCE SPONSOR OFFICIAL OF THE YEAR

Natalie Jackson, Clearway Energy Group

Clearway Energy Group's head of capital markets, **Natalie Jackson**, was picked as the leading project finance sponsor official in 2020 thanks to her excellent problem-solving skills, technical prowess and innovative approach to deals.

"Jackson is one of the top bankers in the market," said a renewables-focused partner at a law firm in New York. "She's super creative and knows the market and how to turn up capital at the lowest cost and put it together."

"She's pretty awesome," added another attorney focusing on energy and infrastructure. "She was at **Invenergy**, and then went to **SunPower** and put together their 8.3 yieldco and then unwound it, and then went to **Vestas** and spent 18 months in Denmark working for them and now is working for **Clearway Development** under **Steve Ryder**." She has also worked at **AES Corp** and **Brightsource Energy**.

One of the more memorable transactions Jackson led in 2020 was Clearway's tax equity and debt financing of a more than 2 GW portfolio of wind, solar and solar-plus-storage assets in four US states. The creative and complex financ-

ing was coupled with the sale of the projects to a partnership between **Hannon Armstrong** and the sponsor's **Clearway Energy** yieldco, with Hannon opting for an unusual capital structure, swapping out common equity for less risky preferred equity instead. The pref equity was invested in a holding company called **Lighthouse Renewable** that will own cash equity stakes in the individual projects, while the yieldco will own the remaining cash equity interests and act as managing member.

"She got people in all levels of the capital stack to sit together," said an attorney commenting on the financing. "Hannon and Clearway were conservative, but she got all that to work and drive down the cost of capital. She's always looking for the best, newest structure. She just knows everybody and is very capable and independent putting together the capital stack." ■



INVESTMENT BANKER OF THE YEAR

Dennis Tsesarsky, Onpeak Capital

Dennis Tsesarsky has impressed market participants since leaving his role as head of renewable energy investment banking at **Morgan Stanley** to launch his own renewables-focused advisory, **Onpeak Capital** in early 2020.

The M&A firm has been on a tear since its inception, winning a number of choice advisory mandates, including what has been hailed as "the biggest storage deal of the year" as financial adviser to **Key Capture Energy** on its sale to South Korea's **SK Group**.

"He was the banker of the year last year through COVID," said a C-suite executive at a solar developer. "He definitely has good contacts," added a senior project finance official at a renewables sponsor.

Tsesarsky also advised utility-scale renewables developer **Birdseye Renewable Energy** on its sale to **Dominion Energy**, and **Origis Energy** on the auction of a portfolio of solar and battery storage projects in the US, as well as the

sale of the company to **Antin Infrastructure Partners**.

Other notable mandates are as adviser to **HPS Investment Partners** on the sale of residential solar finance company **Spruce Finance**, and **8minute** on the sale of its 300 MW Southern Bighorn Solar & Storage Center in Nevada.

"He's doing very well – I might hire him because he would bring the bulge-bracket experience to a boutique," admitted the C-suite executive. "He's pretty busy."

Onpeak Capital assists with capital raises and M&A for companies and projects in the solar, energy storage, wind, hydro, geothermal and biomass sectors, drawing on Tsesarsky's established relationships with global investors. ■





18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS ●

PROJECT FINANCE BANKER OF THE YEAR

Ralph Cho, Investec

Investec's global co-head of power and infrastructure finance (PIF), **Ralph Cho**, is 2020's Project Finance Banker of the Year, having been singled out by market participants for his creative deal making style, strong client relationships and tireless work ethic.

"Hands down he's known as the best syndicator distributor of debt for any PF deal," said a senior official at a credit fund manager. "He just does things that haven't been done before."

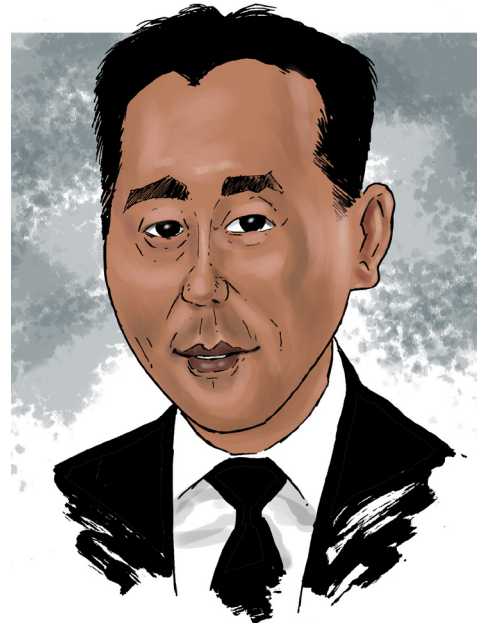
The banker was co-head of Investec's North America PIF team until earlier this year, when he and fellow co-head **Mike Panteloganis** were promoted to global co-heads of the group. Their elevation means they now also oversee the South African bank's London and European transaction teams.

"Ralph Cho is great to work with and creative," said the head of energy and infrastructure at a law firm in New York. "He's certainly a major player in the space on the bank side," added an energy and infrastructure partner at another law firm.

Investec's New York power and infrastructure franchise is known for structuring and syndicating loans in higher-yielding sub-sectors, such as quasi-merchant gas-fired power and holding company debt.

Cho led the close of several notable transactions in 2020, including a refinancing for **Caithness Energy's** Long Island Energy Center in New York, a deal to lever up two of **GenOn Energy's** vintage gas-fired projects in California, a \$200 million holdco financing to support **Cypress Creek Renewables'** operating solar portfolio, a \$1 billion term loan B refinancing for the Linden Cogeneration plant in New Jersey and a refinancing for **Stonepeak Infrastructure Partners'** New England Power Portfolio of dual-fuel peakers.

"I think the world of Ralph Cho," said the head of project finance at a regional bank. "I think he is excellent in all aspects of being a project finance banker and at this point he is super senior. He's smart and knows the market as well as anyone else in the business. He knows his competition better than they know themselves. Having such insight on where the market is really optimizes his and his team's ability to succeed with clients." ■



ATTORNEY OF THE YEAR

Laurae Rossi, Winston & Strawn

Winston & Strawn's dynamo project finance attorney, **Laurae Rossi** has once again stolen this year's award of Attorney of the Year, with sponsors, lenders and even rival attorneys raving about her finesse at juggling challenging transactions and choosy clients.

"Winston is Laurae Rossi," said the group head of energy finance at a large investment bank, while a partner at a rival law firm said that she "seems to be on every single deal."

Market participants particularly highlighted her work advising lenders on renewables transactions.

"I like using Laurae Rossi at Winston on renewables," said a senior power-focused investment banker. "She provides a very calm direction and leadership in deals."

"Laurae Rossi at Winston & Strawn is very good at what she does," said the head of energy and infrastructure at a law firm. "She gets

things done. if I were a bank, I think she would be a good pick."

"Laurae really does run a great shop," added a third banker. "She listens to her clients a lot on how the practice is going, how to staff a team, and is very responsive and coordinated on that front."

The Los Angeles-based partner also scored points from sponsors who have sought her out to provide counsel on their transactions.

"Everyone uses Laurae for project finance debt," said one satisfied client. "She does all my back-leverage deals. I just love working with her. She probably represents 80% of the lenders and knows back-leverage better than anyone." ■



18th Annual PFR People of the Year HALL OF FAME

Power Finance & Risk started recognizing individual achievement with its People of the Year Awards in 2015. Here are all of the winners so far.



ANNUAL DEALS
AND FIRMS OF
THE YEAR AWARDS

Nuno Andrade
Project Finance Banker
of the Year
2015, 2016, 2017

Josh Goldstein
Sponsor Finance Official
of the Year
2015

Bill Bice
Attorney of the Year
2015

Meghan Schultz
Sponsor Finance Official
of the Year
2016, 2019

Laurae Rossi
Attorney of the Year
2016*, 2019

Amy Maloney
Attorney of the Year
2016*

Paul Cutler
Sponsor Finance Official
of the Year
2017

Jeff Greenberg
Attorney of the Year
2017

Chris Pih
Investment Banker
of the Year
2017, 2018

Tim Short
Sponsor Finance Official
of the Year
2018

Louise Pesce
Project Finance Banker
of the Year
2018*

Daniel Miller
Project Finance Banker
of the Year
2018*

Sondra Martinez
Project Finance Banker
of the Year
2019

Christopher Yonan
Investment Banker
of the Year
2019

**Indicates a tie*



18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS ●

RENEWABLE ENERGY DEAL OF THE YEAR

Bolt Energy

The \$300 million construction financing for **LS Power's** Bolt energy storage portfolio was the first non-recourse project financing of a battery storage portfolio of its scale in California – coming in at 490 MW/1,525 MWh – and one of the first standalone storage financings to hit the market.

The sponsor secured the debt package from a bank club for the three-project portfolio, which includes the 250 Gateway Energy Storage project, touted as the largest battery storage asset in the world. Right off the bat, one of the challenging aspects of the financing that LS Power had to contend with was the prospect of securing debt for assets at various stages of their development and operational life cycles.

“LS Power’s Bolt deal was the biggest battery storage deal in the world,” said a projects and finance attorney. “It was novel in its structure in that it had both operating and construction

assets. Most of these deals are one or the other but to combine them creates its own set of issues.”

Adding to the uniqueness of the financing is that the portfolio is largely merchant, with only some phases of the projects contracted for adequacy with **Pacific Gas & Electric**, and with **Southern California Edison** for capacity.

“What was interesting is that it was basically a short-term deal with a very large component of merchant risk,” added a judge. “They ended up putting a significant equity check in the transaction but the uniqueness of this was the revenue stream.” ■

Sponsor: LS Power

Deal value: \$300 million

Joint lead arrangers and bookrunners: Royal Bank of Canada, BNP Paribas, ING Bank, MUFG

Lenders: BNY Mellon

Sponsor's counsel: Latham & Watkins

Lenders' counsel: Shearman & Sterling and Bryan Cave

Independent engineer: Lummus Consultants International

Market consultant: PA Consulting Group

Insurance Consultant: STANCE Renewable Risk Partners

CONVENTIONAL POWER DEAL OF THE YEAR

CPV Three Rivers

Competitive Power Ventures' \$1.3 billion raise for its 1,258 MW Three Rivers gas-fired project in Grundy County, Illinois was remarkable in that it was the only conventional greenfield power project financing to cross the finish line in 2020.

CPV initially took proposals from lenders in March 2019 for the project, but **PJM** capacity auction delays, followed by the onset of the COVID-19 pandemic and oil price volatility, meant that the deal had to be postponed and reworked. Financial close was initially scheduled for the first quarter of 2020 but was delayed until August 2020, when it closed as a broader club deal in response to lenders' liquidity constraints.

“Although the financing was for a PJM asset, which has been done before, COVID on top of market circumstances and continuing to trundle along in the middle of transitioning ownership from **GIP** was pretty stellar,” said one of the judges on *PFR's* awards panel.

CPV owed a large part of its success to its strong relationships with the financial community, bringing in 14 international lenders at financial close. “That was a big achievement in a year that didn’t have a lot going on in terms of bank financings,” said another judge. “They’ve been a consistent class act. They’re prudent and work well with the banks.”

In its final form, the deal comprised a \$750

Deal value: \$1.3 billion

Term loan: \$750 million

Tenor: Construction-plus-five years

Ancillary facilities: \$125 million

Equity: \$425 million

Equity investors: GE Energy Financial Services, Osaka Gas USA, Axiom Infrastructure and Harrison Street

Lead arrangers: BNP Paribas, Crédit Agricole and MUFG

Lenders: CIT Bank, DNB, ING Capital, Migdal, Mizuho, Morgan Stanley, National Bank of

Canada, Nomura, Prudential Capital (fixed rate), Shinhan Bank and Wooribank

Sponsor's counsel: Latham & Watkins (debt)

Sponsor's counsel: Bracewell (equity)

Sponsor's financial adviser: Whitehall & Co (equity)

Lenders' counsel and private placement investors' counsel: Milbank and Saul Ewing Arnstein Lehr

Other advisers: Jones Day and Hynds, Yohnka, Bzdill & McInerney

Power market consultant: ESAI

million term loan with fixed- and floating-rate tranches, priced at 350 bp over Libor, plus equity from a consortium of co-investors. And though the fixed-rate tranche was more costly than the floating-rate tranche, it allowed CPV to expand and cement its relationships with debt investors and was oversubscribed.

The project also had creative commercializa-

tion structures in place, as it was financed on the basis of several gas-netbacks with Canadian gas producers, with tenors of up to 10 years.

“Three Rivers was the only major construction gas-fired project financing in the entire US last year and they got it done,” concluded a third judge. “To get the only one done, I think you deserve some kind of medal.” ■

18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS



TERM LOAN B OF THE YEAR

Hamilton Projects Acquiror

The Carlyle Group and EIG Global Energy Partners' deal to take ownership of Panda Power Funds' Patriot and Liberty combined-cycle gas-fired plants in Pennsylvania ended years of speculation about the fate of the two plants. But the story did not end there, as the buyers launched the acquisition financing into a market roiled by coronavirus.

Panda, which originally financed the two projects with senior and mezzanine debt in 2013, had been looking for a refinancing solution since 2018, when the two plants began to breach debt covenants and suffer credit rating downgrades, and as the sponsor came under financial pressure itself.

The deal between Carlyle and EIG, which emerged at the beginning of 2020, solved several problems at once – Panda would be able to dispose of the assets; the senior lenders would be repaid; the mezzanine lender, EIG, would be able to preserve some value and continue to participate in the projects as equity; and Carlyle would add stakes in two relatively new and efficient CCGTs to its portfolio.

As part of the arrangements, Carlyle and EIG made equity cures of about \$5 million at each of the two plants to keep them going, and **Morgan Stanley** was appointed as left lead on a \$900 million term loan B, dubbed Hamilton Projects Acquiror. But before the deal could close, it would have to navigate the fallout of a global pandemic. “Things went from feeling normal to very abnormal in the span of about a week, causing us to put the deal on pause for several

weeks,” said **Jim Larocque**, the Carlyle managing director who oversaw the acquisition and financing, at the time.

In April and May 2020, data trickled in showing the impact of the pandemic on power assets in PJM, which Carlyle was able to turn into an unlikely selling point. “The early read was that power demand was off somewhere in the high single digits in percentage terms,” said Larocque. “At first that seemed concerning, but ultimately, given the extent of the economic shutdown, what it demonstrated was the resiliency of these assets even in the face of an unprecedented economic shock.”

It was to be expected that the pricing would widen – the question was by how much. The fact that there weren't any recent comparable financing deals to point to made that question more difficult to answer, said Larocque.

In June, Morgan Stanley launched the deal at a wider starting point of 500 bp and with a generous original issue discount (OID) of 96 to 97. The deal was nearly two times oversubscribed, allowing Morgan Stanley to tighten the pricing back up to 475 bp and set the final OID at 97, producing an all-in yield of around 6.45%. ■

Buyers: The Carlyle Group and EIG Global Energy Partners

Seller: Panda Power Funds

Deal value: \$1.54 billion

Term loan: \$900 million B loan, pre-loaded with a \$100 million accordion feature

Tenor: Seven years

Revolving credit facility: \$115 million

Coordinating lead arranger (left lead): Morgan Stanley

Lead arrangers: BNP Paribas and Credit Suisse

Financial adviser to EIG: Houlihan Lokey

Buyers' counsel: Vinson & Elkins (financing)

Buyers' counsel: Debevoise & Plimpton (M&A)

Seller's counsel: Latham & Watkins

Lenders' counsel: Milbank

Power markets consultant: ESAI

Independent engineers report: E3

M&A DEAL OF THE YEAR

Sunrun/ Vivint Solar

Sunrun's all-stock acquisition of residential solar provider Vivint Solar for \$3.2 billion created a combined company with more than 3 GW of solar capacity and over 500,000 customers.

The deal was the first and only public-to-public M&A deal in the pure-play US residential solar market at the time and was transacted following the COVID-related shutdowns last spring. When the pandemic hit in the middle of due diligence, **Credit Suisse** proved to be a flexible and forward-thinking financial adviser to Sunrun, helping it assess the impact of the lockdown on deployments, while arranging remote work contingency planning, accelerating digital lead generation and providing contract-less selling and installation.

By the time the deal closed, the new company's estimated enterprise value had grown by about 2.5 times from \$9.2 billion in July 2020 to \$22 billion in October 2020.

The merger puts Sunrun in a unique position in an underpenetrated market and rolls together two companies with overlapping business models and similar visions for a distributed energy future. Though Sunrun and Vivint Solar have slightly different geographic coverage areas, both install rooftop solar across much of the country through leases, loans and direct sales. ■

Buyer: Sunrun

Seller: Vivint Solar

Buyer's financial adviser: Credit Suisse

Buyer's legal counsel: Cooley and Axinn, Veltrop & Harkrider (antitrust)

Lead financial adviser to seller: Morgan Stanley

Financial adviser to seller: BofA Securities

Legal counsel to seller: Simpson Thacher & Bartlett and Wilson Sonsini



18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS ●

TRANSMISSION DEAL OF THE YEAR

Western Spirit

Pattern Energy Group's over \$1.7 billion financing of its Western Spirit transmission line and wind portfolio in central New Mexico was impressive in that it was one of the largest renewable project financings in the US in 2020 and supported the construction of the largest single-phase renewables project in the country.

The lack of existing transmission capacity is a key challenge faced by renewables developers, as is the project-on-project risk that often hinders the development of new transmission with generation.

Pattern acquired the development rights to the Western Spirit transmission line from **Clean Line Energy Partners** in 2018 and would later negotiate a build-transfer agreement to sell the line to the **Public Service Company of New Mexico (PNM)**. The deal was the first build-transfer contract inked for a transmission line in the US and PNM's purchase will help repay the construction loans used to build the transmission portion of the project.

The 150-mile, 345 kv AC transmission line has a capacity of 800 MW and will carry the output of the four adjacent wind farms in the portfolio, which total 1,050 MW, across New Mexico and Arizona to California.

The ability to close financing and start construction on this complex project in the middle of a pandemic is a testament to the perseverance of Pattern, its lenders, investors and advisers. The debt package was split between a construction loan, which will partly bridge to a tax equity investment underwritten by **GE Energy Financial Services**, as well as a letter of credit and back-leverage term loan. The wind projects secured over \$900 million of tax equity commitments.

"With the complications around transmission, Pattern is the best at that and it was an impressive deal," commented one of the judges on *PFR's* awards panel. "Pattern is fantastic, an absolute top-flight shop," added another judge.

Pattern's executive vice president and chief legal officer, **Daniel Elkort**, was singled out for praise from the panel of judges. Elkort is a stalwart at the developer, having been with the company since its inception. ■

Sponsor: Pattern Energy Group

Deal size: \$1.76 billion

Tax equity commitments: \$900 million

Coordinating lead arranger: HSBC

Lead arrangers and joint bookrunners: CoBank (sole term loan bookrunner), Société Générale (letter of credit provider), Banco Santander, MUFG and CIBC

Sponsor's counsel: Milbank and Skadden Arps

Lenders' counsel: Winston & Strawn

Independent engineer and wind consultant: DNV GL

Transmission consultant: Navigant

Insurance consultant: Moore McNeil

DISTRICT ENERGY DEAL OF THE YEAR

RED-Rochester

Stonepeak Infrastructure Partners successfully secured a \$100 million debt package for RED-Rochester, one of North America's largest district energy systems, after pivoting away from a sale process due to pandemic-related market conditions.

The RED facility is located within the Eastman Business Park in Rochester, New York and has long-term offtake agreements with several park tenants, including **Kodak, Rochester Silver Works, ON Semiconductor, LiDestri Foods** and **Ortho-Clinical Diagnostics**.

Stonepeak had initially launched a sale process at the end of 2019 for the district energy system, encouraged by the spate of strong valuations for such assets at the time. But when the onset of the pandemic affected the outcome of a potential sale, Stonepeak quickly pivoted to a long-term project finance solution arranged by **National Bank of Canada** and **East West Bank** as co-coordinating lead arrangers, with **New York Green Bank** also joining as a lender.

What makes the project financing especially novel from a credit perspective is that Kodak, a

CCC-rated company that has undergone recent restructurings, is the park's long-standing anchor tenant. In providing the long-term financing, the lead arrangers noted RED-Rochester's strong historical performance and robust tariff framework – which includes mitigants to the potential exit of one or more tenants of the Eastman Business Park.

The RED facility is managed by **Ironclad Energy Partners**, a Stonepeak subsidiary. Ironclad's president and CFO **Christopher Fanelia** was praised for his work on the deal, as was **Shearman & Sterling** partner **Rob Freedman**, who advised the group of lenders.

*After the debt package reached financial close in 2020, a deal was struck in 2021 to sell the RED facility to **SDCL Energy Efficiency Income Trust**. ■*

Sponsor: Stonepeak Infrastructure Partners

Deal value: \$100 million

Term loan: \$85 million

Tenor: Five to seven years

Revolving credit facility: \$15 million

Coordinating lead arrangers: National Bank of Canada and East West Bank (depository agent, interest rate swap provider and lender)

Lender: New York Green Bank

Lenders' counsel: Shearman & Sterling

Borrowers' counsel: Mayer Brown

18TH ANNUAL PFR DEALS AND FIRMS OF THE YEAR AWARDS



PROJECT BOND OF THE YEAR

Clearway Energy Utah Solar

This 4(a)(2) transaction for a seven-project portfolio of solar projects in Utah achieved one of the lowest coupons in the capital markets post-COVID for a deal rated BBB-, coming in at 295 bp over Treasuries, and was more than two times oversubscribed.

Clearway Energy levered up the portfolio with a roughly \$300 million private placement toward the end 2020, issued through Utah Solar Holdings, the intermediate-level holding company that sits on top of the yield company's stake in the assets. At the time, **Dominion Energy** held the remaining interest in the portfolio.

The deal scored points for innovation as it was the first project bond deal to be coupled with **kWh Analytics**' solar revenue put. The pairing helped **Clearway Energy** achieve

the 1.2 times debt service coverage ratio required for an investment grade credit rating and to increase the debt raised to refinance the assets.

Citi acted as placement agent on the financing for the 530 MW portfolio, which is grouped into two clusters of projects known as Four Brothers and Three Cedars, located in Cedar City.

All seven projects are contracted under power purchase agreements with **Pacificorp** through 2036. ■

Sponsor: Clearway Energy
Deal value: \$315 million
Private placement: \$300 million
Pricing: 295 bp over Treasuries
Letter of credit facility: \$15 million
Sole placement agent: Citi (also sole LC issuer, sole swap unwind coordinator and collateral and depository agent)
Solar revenue put: kWh Analytics
Counsel to institutional investors and LC issuing bank: Milbank

CANADIAN DEAL OF THE YEAR

Cascade

Joint sponsors **Macquarie Capital**, **Kineticon Resource** and **OPTrust** put together a nearly C\$1 billion debt package for their quasi-merchant 900 MW Cascade combined-cycle gas-fired plant in Alberta, while also bringing in two additional equity partners.

The debt included a C\$910 million construction loan, structured as a mini-perm loan with floating- and fixed-rate tranches, which priced at 350 bp over CDOR. The initial coordinating leads provided more than half of the debt, which was supported by several gas netback hedges with tenors well in excess of 10 years.

On the equity side, infrastructure fund managers **DIF Capital Partners** and **Axiom Infrastructure** took stakes in the C\$1.5 billion greenfield plant. The **Alberta Indigenous Opportunities Corp** (AIOC) also facilitated an equity investment by six Alberta First Nations with a \$93 million loan guarantee, marking the first transaction financially supported through the participation of the AIOC.

"Cascade was initially conceived by a group of individuals looking to make a difference as Alberta begins to transition away from coal-fired power generation in the province," said **Andrew Plaunt**, CEO of Kineticon, when the deal closed on August 28, 2020. The deal "represents the culmination of several years of close collaboration with our development partners at OPTrust and Macquarie, along with consultants, engineers, vendors, gas suppliers and local stakeholders." ■

Sponsors: Macquarie Capital, Kineticon Resource and OPTrust
Deal value: \$1.6 billion
Term loan: C\$835 million
Pricing: 350 bp over CDOR
Ancillary facilities: C\$75.6 million
Tenor: Seven-and-a-half years
Equity: \$680 million
Financial adviser and debt arranger: Macquarie Capital Markets Canada
Other financial advisers: Agentis Capital
Initial coordinating lead arrangers and joint bookrunners: ATB Financial, National Bank Financial, Nomura and MUFG
Coordinating lead arrangers: ING Capital and Siemens Financial Services
Joint lead arranger: Natixis
Lenders: National Bank of Canada, Alberta Treasury Branches, Nomura, MUFG, ING Capital, Siemens, Natixis, Canadian Western, Fiera Infrastructure private debt fund, Investec, LBBW, Meridian, Coast
Adviser on the interest rate and currency hedging program for the loans: Riverside Risk Advisors
Sponsors' counsel: Torys

Counsel to OPTrust: Bennett Jones
Counsel to Kineticon Resource: Osler, Hoskin & Harcourt
Counsel to Axiom Infrastructure Partners: Davies Ward Phillips & Counsel to DIF Capital Partners: DLA Piper (Canada)
Counsel to AIOC: Stikeman Elliott
First Nations: Alexis Nakota Sioux Nation, Enoch Cree Nation, Kehewin Cree Nation, Ojibwe First Nation, Paul First Nation and Whitefish (Goodfish) Lake First Nation
Counsel to First Nations: Duncan Craig (Edmonton), Witten, Biamonte and Bailey & Wadden
Lenders' counsel: McCarthy Tétrault
Independent engineer: E3 Consulting Services
Market consultant: EDC Associates
Insurance consultant: Marsh
Construction and asset manager: Kineticon
EPC contractor: BPC, a joint venture between affiliates of PCL Construction and Overland Contracting Canada (a Black & Veatch company)
Maintenance support: Siemens
Other advisers: Backwoods Energy Services for the First Nations consortium, which itself received legal counsel from Miller Thomson (Calgary)

18th Annual PFR Deal of the Year Awards

THE JUDGING PANEL

ANNUAL DEALS
AND FIRMS OF
THE YEAR AWARDS

Managing Director
Developer

Head of Renewables
Investment Bank

Managing Director
Investment Bank

Founder
Developer

Managing Director
Investment Bank

Senior Vice President
Commercial Bank

Managing Director
Investment Bank

Partner
Law Firm

Managing Director
Investment Bank

Managing Member
Developer

Managing Director
Investment Bank

Partner
Law Firm

Managing Director
Investment Bank

Managing Partner
Private Equity Firm

CFO
Developer

Head of Power
Investment Bank

CEO
Developer

Managing Director
Investment Bank

Vice President
Developer

Managing Director
Investment Bank

Partner
Law Firm

Head of Energy
Investment Bank

Partner
Law Firm

Head of Project Finance
Commercial Bank

Partner
Law Firm

Managing Director
Credit Fund Manager

Senior Managing Director
Investment Bank

Partner
Law Firm

Head of Power
Investment Bank

Partner
Law Firm

Head of Energy
Investment Bank

Managing Director
Investment Bank

Co-Head of Energy
Investment Bank

Managing Director
Investment Bank

Partner
Law Firm

Head of Power
Investment Bank

Partner
Law Firm

Managing Director
Investment Bank

Managing Director
Private Equity Firm

Partner
Law Firm

Managing Director
Credit Fund Manager

Senior Managing Director
Investment Bank

Partner
Law Firm

Managing Director
Investment Bank

Partner
Law Firm