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Carbon Consultant Mulls Investment Opportunities

Emergent Ventures India is considering investment opportunities in small-scale power projects that would generate revenue through the sale of carbon credits.

See story, page 2

Banks Mull Relaunch Of Dominion

Underwriters of \$890 million in financing for **Babcock & Brown's** purchase of two gas utilities from **Dominion** are plotting a relaunch of the syndication.

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Another Twist

NAVASOTA DROPS MORE ASSETS INTO AUCTION

Navasota Energy Partners has expanded the scope of its two-plant asset sale to include six other projects not yet constructed. The original two plant auction was slowed down earlier this year when an ERCOT power price pop left the owner thinking it could get more for the initial two plants—the 550 MW Colorado Bend Energy Center in Wharton and the 550 MW Quail Run in Odessa (PFR, 7/18). Officials at Navasota and auctioneer JPMorgan declined comment.

Four bidders are in the running to acquire the assets, says one deal tracker, declining to name them. The continuing low reserve margins leading to higher energy prices in ERCOT and the location of additional projects are behind the interest, he notes, adding that's in

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EDISON MISSION SEEKS RECAP ON SCALED-DOWN WIND PORTFOLIO

Edison Mission Energy has issued a request for proposals to lead a refinancing for a 455 MW, five-project wind portfolio—a scaled down version of a \$500 million, nine-project deal it attempted to get going earlier this year.

Bankers say the company is looking to refinance debt on operating projects in the portfolio and finance construction on others. "They're looking for as much as they can get," says one banker of the amount sought, adding no precise figure is being floated. The new RFP went out to banks on Oct. 23.

BNP Paribas, HSH Nordbank, Société Générale and Royal Bank of Scotland are reportedly looking at the deal. Gerard Loughman, senior v.p. of development at EME,

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DEVELOPERS TALK FUNDING FOR \$6B WIND FARM



Curt Johnson

Developers of the 2 GW Hartland Wind Farm in northwestern North Dakota are in talks with investors to finance the \$6 billion farm. The financing will be a combination of equity and tax equity funding. Hartland is a joint 50/50 venture between by Denali Energy in Baxter, Minn., and Magnolia, Texas-based Montgomery Energy.

The farm will not use debt financing thanks to the extension of the federal production tax credits. Denali and Montgomery will contribute a portion of the equity and maintain control of the farm, even if they wind up owning less than 50%.

The project is the first wind development for both Denali and Montgomery, says Curt Johnson, principal of Denali. But, the strong wind resources and a favorable state government make the initiative attractive.

Financing will need to be nailed down prior to construction starting in the second quarter of 2010. The developers expect to finalize permits for the facility in the fourth quarter of next year. Hartland will be built in 500 MW phases, with the first two phases including transmission lines and costing \$4 billion. The second half is expected to cost around \$2 billion.

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