Ohio CCGT Bookrunners Await Term Loan B Market Thaw

A trio of banks are waiting for market conditions to improve before launching a term loan B refinancing for a combined-cycle gas-fired plant in Ohio.

The project is Advanced Power’s 700 MW Carroll County facility in Oregon, Ohio, which was originally financed in 2015 and has been online since December 2017, and the bookrunners bidding their time are BNP Paribas, Bank of America Merrill Lynch and Crédit Agricole.

“Terms are still being discussed but conditions seem tough at the moment,” says a deal watcher. “Ultimately, it’ll be a function of the market.”

Carroll County is not the only Ohio CCGT term loan B on ice in the frosty leveraged finance market—Barclays and Credit Suisse postponed the refinancing for Ares-EIF and I Squared Capital’s 859 MW Oregon I facility last month (PFR, 12/16).

Competitive Power Ventures, on the other hand, was able to round up term loan B funds to refinance its Woodbridge Energy Center, also known as CPV Shore, in the second half of December, despite the tough conditions (PFR, 12/17).

A person familiar with CPV’s deal chalked up its success to the participation of several non-U.S. accounts.

Morgan Stanley was left lead on the $545 million transaction, which was priced at the investor-friendly end of initial price talk. Crédit Agricole and MUFG were also bookrunners.

The bookrunners on Carroll County, meanwhile, hope to close the refinancing in the first quarter of this year, deal watchers tell PFR.

The existing $488 million debt package for the $800 million project, signed in 2015, was led by BNP and Crédit Agricole. Bank of America, CIT Bank, Deutsche Bank, Industrial and Commercial Bank of China, ING Capital, Mizuho, Siemens Financial Services and SunTrust Robinson Humphrey took tickets in the deal (PFR, 4/9/15).

Additional reporting by Richard Motcalf