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Majority Owner of Prairie Breeze To File Bankruptcy (<http://www.myantelopecountynews.com/elgin/the-majority-owner-of-prairie-breeze-to-file-bankruptcy>)

4/6/2016



Prairie Breeze in Antelope, Boone and Madison counties is operated by Invenergy with majority ownership belonging to SunEdison.

The company that owns 90 percent of interest in all three Prairie Breeze wind farms in Antelope, Boone and Madison counties is expected to file for bankruptcy protection in the coming weeks.

The Wall Street Journal is reporting that SunEdison, which announced the purchase of the majority ownership from Invenergy just nine months ago, is preparing a Chapter 11 filing and is in talks with two creditor groups to obtain a loan to fund its operations during the process. Creditors reportedly are likely to take control of the company and its portfolio of power projects.

At the time of the purchase, Invenergy retained a 9.9 percent stake in the assets of the Prairie Breeze farms. Invenergy has continued to oversee operations and maintenance staff.

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MARKETS

SunEdison Said to Be Preparing to File for Bankruptcy

Company would rank among largest financial collapses in recent years



SunEdison, whose stock has plunged in recent months, would rank among the largest financial collapses in recent years.

PHOTO: ASSOCIATED PRESS

By **MATT JARZEMSKY** and **LIZ HOFFMAN**

Updated April 1, 2016 8:05 p.m. ET

Solar-energy company SunEdison Inc. plans to file for bankruptcy protection in coming weeks, a dramatic about-face for a company whose market value stood at nearly \$10 billion in July.

The company is preparing a chapter 11 filing and is in talks with two creditor groups to obtain a loan to fund its operations during the process, according to people familiar with the matter. Creditors are likely to take control of the company and its portfolio of power projects, the people said.

SunEdison, whose stock has plunged in recent months, would rank among the largest financial collapses in recent years. The company, based about 20 miles outside St. Louis, used a combination of financial engineering and cheap debt to grow to be one of the country's biggest developers of renewable-power plants.

But a proposed \$1.9 billion takeover of residential-rooftop installer Vivint Solar Inc., which was terminated last month, was unpopular with investors. Meanwhile, falling oil prices caused a broad selloff for energy stocks, and capital-market turbulence stoked concerns about SunEdison's ability to continue financing acquisitions.

SunEdison's stock fell to fresh lows this past week on bankruptcy fears and news that the company is facing Securities and Exchange Commission and Justice Department investigations. Its market capitalization is now about \$150 million, and it had long-term debt of about \$7.9 billion as of Sept. 30, according to a regulatory filing.

SunEdison didn't respond to a request for comment.

It has been meeting with creditors to negotiate a loan to see it through bankruptcy, but competition for the deal among lenders has delayed an agreement, according to people familiar with the talks.

In one camp are senior bank lenders led by Deutsche Bank AG, the people said. In the other are a group of creditors, mostly hedge funds focused on distressed companies, that participated in a junior-debt offering in January that raised about \$725 million.

Creditors often vie to provide bankruptcy loans because they are relatively safe, sitting atop the pecking order for repayment in chapter 11. They also carry higher interest rates and allow the lender to help set the cadence of a bankruptcy case.

Debtwire earlier reported that SunEdison was in talks to obtain bankruptcy financing.

A SunEdison bankruptcy filing would be problematic for its two yieldcos, TerraForm Power Inc. and TerraForm Global Inc. The two entities, which own power plants and sell energy to utilities under long-term contracts, are in far better financial shape than SunEdison but depend on it for many services.

The
units
don't
plan
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- Vivint Solar Ends SunEdison Takeover Deal (<http://www.wsj.com/articles/vivint-terminates-sunedison-takeover-deal-1457437086>) (March 8)

bankruptcy protection, but their shares represent much of SunEdison's value. In recent months, bidders have inquired about purchasing SunEdison's stakes in one or both of the TerraForm entities, people familiar with the conversations said.

SunEdison's collapse is a setback for the yieldco corporate structure, which was once seen as a breakthrough for energy financing. SunEdison and peers such as NextEra Energy Inc. floated vehicles that raised public funds to buy power projects from their sponsors. Investors initially rewarded the structure, attracted by yieldcos' high dividend payouts during a time of ultralow interest rates, but expectations of rising rates damped their enthusiasm.

SunEdison's troubles have mounted in recent weeks. The Wall Street Journal reported Tuesday that the SEC is investigating whether SunEdison misrepresented its cash position to investors as its stock collapsed.

In a Thursday regulatory filing, SunEdison confirmed the SEC probe and said it had received a subpoena from the Justice Department. Among the issues the DOJ is investigating is whether a SunEdison employee acted improperly in takeover negotiations with Vivint.

The DOJ also is looking into transactions between SunEdison and the two TerraForm entities, SunEdison said.

Write to Matt Jarzemsky at matthew.jarzemsky@wsj.com and Liz Hoffman at liz.hoffman@wsj.com