



Andrew Constance MP

NSW Treasurer

Minister for Industrial Relations

MEDIA RELEASE

Friday 30 January 2015

SALE OF COLONGRA POWER STATION FINALISED

NSW Treasurer Andrew Constance has announced the completion of the sale of Delta Electricity's gas-fired Colongra power station to Snowy Hydro, who will officially take ownership of the plant from today.

The NSW Government agreed to sell Colongra, the largest gas-fired generation plant in NSW, to Snowy Hydro for \$234 million on 29 December 2014. As a result of the transaction, a \$90 million liability associated with the Colongra gas lateral pipeline lease has been removed from Delta Electricity's balance sheet.

"The NSW Liberals & Nationals inherited a monumental mess as a result of Labor's botched energy sales which left taxpayers on the hook for billions in liabilities," Mr Constance said.

"We have worked hard over the past four years to turn this around, and as a result of our electricity generation transactions, we have delivered proceeds of \$2.1 billion and removed more than \$2 billion in liabilities from the State's balance sheet."

The Colongra sale adds to the earlier successful sales of:

- Mt Piper and Wallerawang coal-fired power stations (to Energy Australia);
- Bayswater and Liddell coal-fired power stations (to AGL);
- Eraring coal-fired power station (to Origin Energy);
- Shoalhaven hydro power station (to Origin Energy); and
- Green State Power mini hydros and wind farms (to Trustpower)

"The results of these transactions are a win-win for consumers. Not only have they resulted in funds going towards much needed infrastructure projects across the State, taxpayers are now largely removed from ongoing financial exposure to movements in the wholesale electricity market," Mr Constance said.

"We are also in a much better financial position now that the massive liabilities associated with these assets are off our books.

"Our Budget is in a strong position with four healthy surpluses projected over the forward estimates, while our triple-A credit rating is secure."

The NSW Government was advised by Goldman Sachs, Baker & McKenzie and KPMG for the sale of the Colongra power station.

MEDIA: Dominic Cuschieri 0467 741 503