



**Mike Baird**

Premier

Minister for Western Sydney

**Gladys Berejiklian**

Treasurer

Minister for Industrial Relations

## **MEDIA RELEASE**

Thursday, 20 October 2016

### **OUTSTANDING RESULT ACHIEVED IN \$16.189 BILLION AUSGRID LEASE**

The NSW Government has achieved another outstanding result in its infrastructure program, entering into a binding agreement with an all-Australian consortium for the partial lease of Ausgrid.

Premier Mike Baird said the transaction will deliver gross proceeds of \$16.189 billion to the State and will help fund critical infrastructure projects as part of the Government's \$20 billion Rebuilding NSW plan.

"This is another excellent result for the people of NSW after our successful \$10.258 billion lease of TransGrid," Mr Baird said.

"Our poles and wires transactions are unlocking billions of dollars to fund new schools, hospitals, public transport and roads that will make a real difference to peoples' lives."

Treasurer Gladys Berejiklian said the successful Unsolicited Proposal by IFM Investors and AustralianSuper was thoroughly assessed by government agencies and financial advisers, within the strictest probity requirements, and found to be unique and delivering value for money.

"This is an outstanding result and it is great to see a completely Australian consortium investing in this asset," Ms Berejiklian said.

"The NSW Government is delighted to be entering into a partnership with IFM and AustralianSuper given their demonstrated track record in the management and long term investment in infrastructure assets."

As this is an all-Australian consortium, there is no need to seek approval from the Foreign Investment Review Board.

The Price Commissioner, Professor Allan Fels AO, has signed off on the Ausgrid transaction. The consortium has also signed the Electricity Prices Guarantee which confirms total Ausgrid network charges will be lower in 2019 than they were in 2014.

The NSW Government will retain 49.6 per cent of Ausgrid and will have an ongoing role as the lessor of the business and an investor. In addition, the State will continue its roles as licensor and safety and reliability regulator of Ausgrid. Ausgrid will also continue to be regulated by the Australian Energy Regulator which determines network prices.

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