

# Macquarie Infrastructure in frame to buy

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Macquarie Group's infrastructure arm is believed to be preparing to enter the competition to buy the \$900 million-plus Stockyard Hill wind farm development in Victoria that is expected to be completed in 2020.

Macquarie Infrastructure and Real Assets was the underbidder on the development when Origin Energy placed it on the market two years ago and Goldwind snapped it up for \$110m.

Stockyard Hill is expected to sell for between \$900m and \$1 billion.

The wind farm development cost about \$1.1bn to build and needs an equity investment of about \$350m next year, to which the new owner would contribute.

The project has been debt-funded so far.

KPMG is running the sales process, which is in the indicative bid stage. The asset is being sold because Goldwind is seen more as a wind farm manufacturer rather than a long-term owner.

The project's site has approval for 149 turbines, providing up to 536MW. It is in a high-wind region of Victoria, 35km west of Ballarat. As part of the conditions of the sale last year, bidders were to provide Origin with up to 500MW of renewable energy, which did not necessarily have to be from Stockyard Hill.

The asset was being marketed as one that would contribute significantly to the federal government's renewable energy target at the time of 33 terawatt hours by 2020 and Victoria's then stated renewable energy generation target of 25 per cent by 2020 and 40 per cent by 2025.

As well as MIRA, other parties that lined up to buy the asset at the time were China Ming Yang, State Grid and Pacific Hydro.

One of the last big acquisitions MIRA made in Australia was the South Australian land titles unit it bought with PSP for \$1.6bn.

It was beaten in the recent competition for the Victoria land titles business by First State, which paid \$2.9bn and it is likely to be gunning hard for the WA unit when it is on offer.

Meanwhile, Macquarie is expected to log a big payday from the sale of the electronics settlements business Property Exchange Australia, which is set to sell to Link Group and its consortium partners for more than \$1bn. Macquarie owns 25 per cent of the operation and a sale is expected to be announced any day to Link, Morgan Stanley Infrastructure and CBA.

Elsewhere, Wesfarmers chief executive Rob Scott said it was not actively considering a sale of Officeworks because he felt there were good opportunities to grow the business, tempering speculation in the market that the conglomerate was once again mulling a divestment as it appeared to be lifting its marketing efforts.