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## **AGL sells off assets, but not Liddell**

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Beleaguered utility AGL Energy has sold off a basket of non-core assets — but not the non-core asset the federal government is pushing for.

The company yesterday announced it would sell what it described as a portfolio of small generation and compressed natural gas refuelling assets to a consortium headed by specialist infrastructure investor Whitehelm Capital.

AGL has come under fire from the federal government, which wants the utility to sell its ageing Liddell coal-fired power station in NSW. The government is concerned that AGL's plan to close Liddell in 2021 could leave a shortfall in electricity supply on the east coast.

Rival utility Alinta Energy has flagged its interest in acquiring Liddell from AGL and extending the plant's life, but AGL has argued that the Liddell site is central to its renewable energy growth plans.

The assets sold yesterday were at the fringe of AGL, and comprised 18 small generation assets with a combined capacity of 81 megawatts. The assets included landfill gas, biogas and biomass generation, and compressed natural gas refuelling.

The sales price was not disclosed, but AGL said it would record a profit on the transaction as a significant item. The assets were previously valued in AGL's accounts at \$74 million.

In a brief statement to the ASX announcing the deal, AGL said the sale was consistent with its strategy of divesting non-core assets.

Yesterday's deal is the latest in a string of recent divestments by AGL. In November, it announced it would sell its digital metering subsidiary Active Stream to Ausgrid, with the company flagging it would record a post-tax profit on the transaction of \$25m.

Last August AGL revealed it had sold its North Queensland gas assets, including its 50 per cent stake in the Moranbah Gas Project, to Chinese group Shandong Order Gas Co and Australian company Orient Energy as part of its plans to exit the gas exploration and production sector.

The future of Liddell is uncertain. Alinta has pledged to table a formal offer to AGL for the power station this month. Shares in AGL closed 6c lower at \$20.21 yesterday.

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