

AUSTRALIA'S PALISADE BUYS UK RENEWABLES FIRM

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Palisade Real Assets (PRA) has acquired UK renewable energy management and development company Eco2 Management Services Limited (EMSL) – as the Australian investor also closes in on its first investment for its new European bioenergy platform.

The Sydney-headquartered investor – which is [headed by former Whitehelm](#) Senior Executive Stephen Burns and which was founded last year by Australian manager Palisade Investment Partners – announced the takeover of EMSL in a statement sent to *Infralogic*.

The sellers were individuals, a source said, adding EMSL's existing management will stay in place post-sale. EMSL's website states that “the company is still privately owned with many of the original shareholders still in place.” One of them is EMSL's CEO, Darren Williams, who co-founded the business in 2002.

PRA was advised by Alvarez & Marsal (Tax and financial), Brodies (legal), and Marsh (insurance).

It is PRA's first deal after Palisade Investment Partners [launched it last year](#) to target assets across the digitisation, logistics, urbanisation and decarbonisation sectors. Palisade Investment Partners has been investing into infrastructure in Australia and New Zealand via funds for some two decades.

PRA funded the EMSL deal using “balance sheet capital”, said the source, without disclosing the source of this capital.

EMSL, which has around 55 staff, develops wind, solar, biomass and anaerobic digestion assets mainly in the UK as well as Spain, Canada and Australia, according to its website. It also manages operational assets on behalf of their owners.

According to its website, asset management of third party-owned renewable assets is today its “core focus”.

As well as buying EMSL, PRA has also established a “bioenergy platform” that will “own and operate anaerobic digestion assets”, according to the company's statement. The source said PRA will use capital from managed accounts it manages to buy assets for the platform.

EMSL will provide operational and asset management support to the platform's assets, which, according to PRA's statement, will seek to “capture and convert energy from organic waste into efficient heat, electricity and transport solutions”.

“The [PRA and EMSL] team will bring extensive real asset investment and operating experience across geographies and technologies to investors in the Bioenergy Platform,” said EMSL's CEO Darren Williams. PRA's Stephen Burns said “embedding” the EMSL team into PRA “will help drive high quality deal flow, enable operational value creation on complex assets that have multiple value propositions and ultimately deliver better investment returns for our investors”.

PRA said that it has also identified “a significant pipeline of investment opportunities across the anaerobic digestion value chain” for its new platform – and that it expects to complete the platform’s first “major transaction” in the “coming weeks”.

PRA “will aggregate bioenergy infrastructure assets – in what is currently a fragmented sector – to build a bioenergy enterprise”, PRA added.

Commenting on its bioenergy platform, PRA said: “We see the decarbonisation of the waste, heat and transport sectors as key challenges for governments globally in achieving net zero emissions targets. The Bioenergy Platform’s investments in anaerobic digestion will be a valuable part of the decarbonisation toolkit for these sectors.”

Since its formation back in 2002, EMCL has developed six biomass projects with total capacity of 217 MW so far in the UK, including the 40 MW straw-fired Sleaford plant in Lincolnshire, the 41.8 MW Margam wood-fired plant near Port Talbot, and the 44.9 MW Snetterton plant in Norfolk, according to its website.

It has also developed and sold four wind farms as well as 46 MW of solar projects in the UK, according to its website, which adds it also manages seven wind projects on behalf of third party owners.

EMCL describes its flagship wind project as being the 34.5 MW Mynydd y Betws Wind Farm in Swansea, [which the developer sold](#) to Irish utility ESB back in 2010.

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