



## Media Release

30 October 2014

### Setting a pathway to on-grid storage

The Australian Renewable Energy Agency (ARENA) today announced \$445,000 funding for AGL Energy Limited (AGL) to develop a business case for grid-connected energy storage in South Australia.

ARENA CEO Ivor Frischknecht said integrating storage into Australia's electricity networks would enable more homes and businesses to be supplied by renewables.

"Commercial scale storage is especially important for enabling higher penetrations of renewables where less base load energy is provided by fossil fuels," Mr Frischknecht said.

"The larger storage devices being explored may allow AGL to get more value from its renewable generators by delivering energy at times when demand is high.

"In particular, the project will look into feeding the large amount of energy produced overnight by AGL's South Australian wind farms back into the grid during the day.

"WorleyParsons and ElectraNet are partnering with AGL on the \$1 million project, which will build on previous studies that showed a case for commercial storage.

"The involvement of electricity infrastructure operator ElectraNet and energy retailer and generator AGL ensures the study will produce valuable results and create momentum."

Electranet will address how storage would interact with the electricity networks rules and regulations. Worley Parsons are leading technology selection, along with developing technical specifications, timeline and costs estimates.

Mr Frischknecht said the project would set out a clear pathway for establishing commercial scale, grid integrated electricity storage in Australia.

"It will refine and select the best storage technology for the market and outline costs and benefits involved," Mr Frischknecht said.

"The project will also examine the potential to defer network infrastructure upgrades and enhance ElectraNet's transmission network through peak load management.

"The results will be shared with the Industry, providing the groundwork for other players to consider their own business case for commercial storage.

"In the long term it could potentially become the norm for new renewable energy installations, increasing their competitiveness and leading to more renewables in Australia."

The study is scheduled for completion in September 2015.

**About ARENA**

ARENA was established by the Australian Government as an independent agency on 1 July 2012 to make renewable energy technologies more affordable and increase the amount of renewable energy used in Australia. ARENA invests in renewable energy projects, supports research and development activities, boosts job creation and industry development, and increases knowledge about renewable energy.

**About AGL**

AGL is one of Australia's leading integrated energy companies and largest ASX listed owner, operator and developer of renewable energy generation in the country. Drawing on over 175 years of experience, AGL operates retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has one of Australia's largest retail energy and dual fuel customer bases. AGL has a diverse power generation portfolio including base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources including hydro, wind, landfill gas and biomass. AGL is taking action toward creating a sustainable energy future for our investors, communities and customers.

**About WorleyParsons**

WorleyParsons is an S&P/ASX 50 listed company based in Sydney that provides services to the energy and resources sector. It operates with more than 120 global offices and 40,000 staff with services ranging from consulting and advisory, to planning, construction and operation. Its work covers small individual assignments to some of the largest infrastructure projects in the world. WorleyParsons has an international renewable energy business, with a focus on enabling technologies particularly around system integration and hybrids with existing fossil plant.

**About ElectraNet**

ElectraNet operates in the National Electricity Market and is the principal Transmission Network Service Provider in South Australia. ElectraNet is an asset management, project management and contract management business and competitively sources its construction and asset maintenance requirements, ensuring best-practice outcomes for the market, business and its customers.