



Media Release

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ARENA to provide \$25 million to jointly fund Victoria's first large-scale, grid-connected batteries

The Australian Government through the Australian Renewable Energy Agency (ARENA) has announced it will match the \$25 million by the Victorian Government to jointly fund Victoria's first two large-scale, grid-connected batteries as part of the Victorian energy storage initiative.

The \$50 million in funding will see the rollout of two battery projects which will together deliver 55 MW of power and can provide approximately 80 MWh of energy storage capacity.

The lithium-ion batteries are to be located at the Gannawarra solar farm near Kerang, and in Warrenheip, Ballarat. Together, these projects will help ease constraints on transmission lines in Western Victoria that currently curtail the output of existing wind and solar farms and will also help to support future renewable generation.

ARENA CEO Ivor Frischknecht said that this announcement places Australia as a world-leader in battery storage, following grid-scale batteries in South Australia.

"ARENA is excited to be demonstrating the capabilities that these new batteries will provide in securing reliable electricity for western Victoria and to facilitate the Victoria's transition to renewable energy," Mr Frischknecht said.

"Battery storage will play a crucial role in the future energy mix, alongside other forms of storage and in conjunction with variable renewables and demand management," he said.

In total, \$25 million will be provided to a consortia led by Spotless Sustainability Services to build a 30 MW / 30 MWh large-scale, grid-connected battery located at the Ballarat terminal station. This battery is to be supplied by Fluence and owned by AusNet.

This project will demonstrate how batteries can help provide grid stability and support on a congested transmission terminal, at a critical location, reducing the need to expand the substation. The battery will be capable of powering 20,000 homes for an hour.

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The battery will help to increase the amount of energy supplied by surrounding wind and solar generation, at reduced cost.

A further \$25 million will fund a second battery to be built at Gannawarra near Kerang, Victoria. This 25 MW / 50 MWh battery will co-located and integrated with the 60 MW Gannawarra Solar Farm. This battery will be owned by Edify Energy and its partner Wirsol, and the battery will be supplied by Tesla.

This project will demonstrate how an existing solar farm can be retrofitted with battery storage.

Both batteries will be operated by EnergyAustralia under long-term offtake agreements.

Both Victorian batteries will help demonstrate how large-scale batteries can provide different benefits to the electricity system, including improving grid stability and power quality, and how they can help integrate more variable renewable energy into the grid.

Construction is due to commence this month, with both batteries to be commissioned in time for the summer peak.

Spotless CEO Dana Nelson said: "It's an exciting time for Spotless and the utilities industry. Spotless is pleased to take a lead role to introduce renewable energy solutions. We've brought together leading utilities experience and proven energy storage technology to deliver this Victorian first."

Edify Energy CEO John Cole said: "We are very proud to have designed and delivered the first combined utility scale solar and storage facility in Victoria. It is unprecedented in Australia at this scale and is among the largest in the world.

"The team has worked tirelessly to overcome many regulatory, technical and commercial challenges and create a very cool project – one that can deploy solar power at night. Without a doubt as the cost of battery storage falls, we see solar and storage becoming a 'category killer' in the energy sector and accelerating Australia's transition to a clean energy future," he said.

For further information, visit arena.gov.au