



## Media Release

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### Tarraleah hydropower redevelopment powers ahead

On behalf of the Australian Government, the Australian Renewable Energy Agency (ARENA) has announced up to \$2.5 million in funding to Hydro Tasmania to complete final feasibility analysis into the proposed redevelopment of the Tarraleah hydropower scheme in the highlands of Tasmania. The feasibility analysis is expected to cost \$5.0 million in total.

If the project is found to be technically and economically feasible, the redevelopment would more than double the scheme's capacity from 104 megawatts (MW) to 220 MW with 20 hours of storage in one cycle.

The Tarraleah scheme currently generates around 634 GWh per year of largely base load energy, providing around 6.5% of Hydro Tasmania's annual power generation.

This next stage of work follows on from a pre-feasibility study completed earlier this year which identified and assessed options for the future of the Tarraleah scheme.

The pre-feasibility study, funded by ARENA's initial commitment to the Battery of the Nation initiative, found that an option to expand the capacity of the Tarraleah scheme and increase its flexibility was potentially feasible. The study concluded that capacity-optimised redevelopment would provide an asset that is best placed to support a future electricity market with higher levels of variable renewable generation.

ARENA CEO Ivor Frischknecht said the reports into assessing options for Tasmania's hydro assets aligned with the work being completed under the broader 'Battery of the Nation' initiative.

"The report helps our understanding of future development opportunities in Tasmania and how they could make a larger contribution to the National Electricity Market (NEM)."

"This full scale feasibility of the Tarraleah scheme will enable Hydro Tasmania to determine the best options in terms of cost, market value and system flexibility. Tarraleah can play an integral part in Tasmania's Battery of the Nation initiative, setting up a

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blueprint for increasing the state's renewable resources to support the future NEM." Mr Frischknecht said.

The CEO of Hydro Tasmania, Steve Davy, said while pumped hydro and wind power attract most of the attention, getting more electricity from existing hydropower assets would also be crucial.

"We can start by finding another 116 MW from Tarraleah. This upgrade will also transform Tarraleah into Tasmania's first truly 21st century hydropower station - adding stability and flexibility to Australia's future clean energy market."

### **About the Battery of the Nation**

The Battery of the Nation initiative is setting up a blueprint for how Tasmania's renewable resources are developed over the coming decades. With the support of ARENA, the initiative is advancing studies into projects that if realised, would lock in full energy security for Tasmania, help give Tasmanians access to the lowest possible power prices and deliver reliable, affordable renewable energy. By boosting the hydropower system with pumped hydro, with increased wind generation and more interconnection, Tasmania could also significantly grow its contribution to a future National Electricity Market (NEM).

ARENA has committed \$2.5 million in funding for pre-feasibility studies to redevelop existing hydro-electric power stations at Tarraleah and Gordon, to identify and scope high potential Pumped Hydroelectric Energy Storage (PHES) sites and to explore the potential of Tasmania to play an expanded role in the NEM. ARENA has also committed \$10 million to funding to TasNetworks for a feasibility study for a second interconnector.

ARENA has also committed up to a further \$2.5 million in funding for the full feasibility study into the Tarraleah Scheme redevelopment to be conducted by Hydro Tasmania.

**For further information, visit [arena.gov.au](http://arena.gov.au) and [hydro.com.au/clean-energy/battery-of-the-nation](http://hydro.com.au/clean-energy/battery-of-the-nation)**