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Investing in Australia's net zero future

The Australian Renewable Energy Agency (ARENA) today launched its new Investment Plan that sets out how ARENA will support technological innovation that will underpin Australia's shift to net zero emissions.

In line with the Australian Government's Low Emission Technology Roadmap, under the new investment strategy, ARENA funding will be directed towards projects that:

- optimise the electricity transition, including energy storage, large scale grid integration, flexible demand and further reducing the cost of renewable electricity generation
- commercialise clean hydrogen for both domestic and export applications; and
- support the transition to low emissions aluminium and steel.

ARENA will also be exploring opportunities to scale up carbon capture and storage (CCS) and reduce the cost of soil carbon measurement technologies.

ARENA CEO Darren Miller said the new priorities take into account the key technologies and sectors where ARENA can have a real impact and where Australia can benefit in the shift to net zero emissions.

"We are at the beginning of a critical decade for Australia and the world as we make the investments required to reduce emissions in line with international commitments. To get to net zero, we need to invest today in the technologies that are going to transform our energy system and our economy in the years to come. Our new priorities are focussed on the next generation of energy technologies that will position Australia as a leader in a net zero world," he said.

"We need to utilise Australia's abundant sun and wind resources to produce, use and supply renewable energy. We need to optimise this transition through energy storage, large scale grid integration, flexible demand and further reducing the cost of solar and wind.

"We've already committed over \$160 million in hydrogen, but we need to continue to grow a clean hydrogen industry and export market as this is still in its infancy.

"We also need to support the aluminium and steel industry to transition, whether through electrification, hydrogen or new alternatives in order to improve the competitiveness and emissions intensity of our heavy industries.

"Finally, we will be looking to scale up CCS and reduce the cost of soil carbon. As these are new areas for ARENA, we'll be consulting with industry and researchers to develop our approach to these technologies," he said.

ARENA will also deliver budget programs including the Future Fuels Fund, the Industrial Energy Transformation Studies Program, the Regional Australia Microgrid Pilots Program, the Freight Efficiency Assistance Grants and Freight Energy Productivity Trial Program.

Since 2012, ARENA has provided \$1.77 billion in funding to more than 600 renewable energy projects with a total project value of \$7.75 billion. ARENA has supported projects across the innovation chain from R&D to world-first commercial scale projects, and supports researchers and start ups through to major Australian companies across the country. Last year, ARENA was renewed for a further decade with \$1.62 billion in funding.

"ARENA is a true success story and pioneer of Australia's energy transition. With our support, we've seen incredible innovation across solar, batteries, pumped hydro, bioenergy, electric vehicles, distributed energy, hydrogen and microgrids to name but a few," Mr Miller said.

"With renewed funding and an expanded mandate, we are looking forward to continuing to work with Australian businesses and researchers to accelerate technological innovation to support Australia's energy transition and to address the challenges of reducing emissions."

To view ARENA's new Investment Plan and Corporate Plan, visit our [website](#).

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