

17 DECEMBER 2022

ARENA backs eight grid scale batteries worth \$2.7 billion

On behalf of the Australian Government, the Australian Renewable Energy Agency (ARENA) has today announced \$176 million in conditional funding to eight grid scale battery projects across Australia.

Funded under ARENA's *Large Scale Battery Storage Funding Round*, each battery will be equipped with grid-forming inverter technology, allowing them to provide essential system stability services traditionally provided by synchronous generation such as coal and gas.

With a total project value of \$2.7 billion and a capacity of 2.0 GW / 4.2 GWh these projects represent a tenfold increase in grid-forming electricity storage capacity currently operational in the National Electricity Market.

The developers and projects ARENA has selected for support are:

- **AGL**: a new 250 MW / 500 MWh battery in Liddell, NSW.
- **FRV**: a new 250 MW / 550 MWh battery in Gnarwarre, VIC.
- **Neoen**: retrofitting the 300 MW / 450 MWh Victorian Big Battery in Moorabool, VIC to enable grid-forming capability.
- **Neoen**: a new 200 MW / 400 MWh battery in Hopeland, QLD.
- **Neoen**: a new 200 MW / 400 MWh battery in Blyth, SA.
- **Origin**: a new 300 MW / 900 MWh battery in Mortlake, VIC
- **Risen**: a new 200 MW / 400 MWh battery in Bungama, SA.
- **TagEnergy**: a new 300 MW / 600 MWh battery in Mount Fox QLD.

The Large Scale Battery Storage Round was launched in December 2021 with an initial funding envelope of \$100 million. In recognition of the high quality of applications received, this was expanded to \$176 million, including \$60 million in additional funding provided to ARENA by the Australian Government in the October 2022 budget as part of its *Support for Energy Security and Reliability* budget measure.

The eight successful projects were chosen from a shortlist of 12 projects announced in July. ARENA received 54 expressions of interest for the competitive funding round.

ARENA CEO Darren Miller said the batteries represent a transformative portfolio of new storage capacity.

"Battery storage is an essential technology in the transition to renewable energy, allowing us to smooth out variable generation and store electricity for when it's needed," Mr Miller said

"These next generation grid scale batteries will underpin this transition, with inverter technology that can maintain grid stability without the need for coal and gas generators. This pipeline of grid-forming projects will help move us closer to an electricity grid that can support 100 per cent renewable energy in the NEM.

With the high quality of proposals we received, ARENA and the Government saw an opportunity to deliver a step change in grid-forming capability across the NEM, which we've backed with additional funding."

ARENA has previously provided \$81 million in funding for eight grid scale batteries, including five with grid forming capability at a smaller scale. The 150 MW / 194 MWh Hornsdale Power Reserve in South Australia, which received ARENA funding for its 2019 expansion, is currently the largest grid forming battery in Australia.

The previous projects have highlighted the potential of grid-forming batteries and the need to support further projects at a larger scale to build experience with the technology, de-risk investment and drive further innovation from inverter manufacturers. The funding round will also help to overcome current commercial and regulatory barriers to large scale deployment.

All the batteries are expected to reach financial close in 2023 and be operational by 2025.

For more information on ARENA's Large Scale Battery Storage Funding Round, visit arena.gov.au/funding.

Media event will be held onsite at Wallgrove Grid Battery on Saturday December 17 2022 at 11:00am with Minister Bowen. For further information, contact bowenmedia@industry.gov.au.

ARENA previously funded the 50 MW / 75 MWh Wallgrove Grid Battery in western Sydney. The battery was delivered by Transgrid in partnership with the NSW Department of Planning and Environment, Tesla and Iberdrola. It is now fully operational and is the first 'big battery' in NSW.

ARENA media contacts:
0410 724 227
media@arena.gov.au

**For more
information**
arena.gov.au