

CEFC delivers project finance first for Neoen 'big battery' in South Australia

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The CEFC is committing up to \$50 million in project finance for South Australia's landmark 'big battery', working alongside Neoen, ARENA and the SA Government to improve grid reliability and maximise the benefits of renewable energy.

The CEFC finance is part of a 50 per cent expansion of the Hornsdale Power Reserve, the world's largest grid-scale battery.

The expansion, by leading international renewable energy developer Neoen, will provide an Australian-first large-scale demonstration of the potential for battery storage to provide the stabilising inertia services that are critical to the future integration of renewable energy.

CEFC CEO Ian Learmonth said: "We see grid-scale batteries as a critical part of the next wave of investment that will support the rapid and unprecedented change we are seeing across Australia's electricity system.

"The Hornsdale Power Reserve has already delivered substantial benefits to South Australia, providing grid reliability, reducing energy costs and integrating the State's substantial renewable energy resources into the grid. It is an exciting model that can be extended across the grid to improve security.

"By delivering the first project financing of a stand-alone NEM-connected battery in the Australian market, our goal is to demonstrate the market potential of grid technologies for other investors and developers. We are delighted to work with an industry leader such as Neoen in this project."

Neoen estimates the Hornsdale Power Reserve, which uses Tesla's Powerpacks, has saved consumers more than \$50 million in its first year of operation. The expansion would see the capacity increase of 50 per cent online by mid-2020.

The South Australian Government has also committed \$15 million to the expansion to secure the delivery of inertia services.

The expanded battery will continue to offer frequency control services to respond to grid events and help AEMO manage system security.

Mr Learmonth added: "The CEFC is increasingly focused on catalysing investment opportunities in Australia's energy transmission system, to capitalise on the benefits of Australia's abundant low emissions renewable energy resources.

"We are increasingly working with market participants to develop long-dated opportunities around grid augmentation, including transmission, interconnectors and renewable energy zones, as well as hydro, grid-scale battery storage and hydrogen.

"We are excited by the potential to follow this first investment in the Hornsdale Power Reserve with investments in other innovative technologies to accelerate our transition to a low emissions electricity grid."

[About the CEFC](#)

The CEFC has a unique role to increase investment in Australia's transition to lower emissions. We invest to lead the market, operating with commercial rigour to address some of Australia's toughest emissions challenges – in agriculture, energy generation and storage, infrastructure, property, transport and waste. We're also proud to back Australia's cleantech entrepreneurs through the Clean Energy Innovation Fund. In investing \$10 billion on behalf of the Australian Government, we work to deliver a positive return for taxpayers across our portfolio.

About Neoen

Neoen is France's leading and one of the world's most dynamic independent producers of renewable energy. With a capacity close to 3 GW in operation or under construction, Neoen is a high-growth company. Neoen is notably active in France, Australia, Mexico, El Salvador, Argentina, Zambia, Jamaica, Portugal, and Finland. It operates Europe's most powerful solar PV farm (300 MWp in Cestas, France) and the world's largest lithium-ion power reserve in Hornsdale, Australia (100 MW/129 MWh storage capacity). Neoen is targeting more than 5 GW capacity in operation and under construction by 2021. Neoen (ISIN Code: FR0011675362, ticker: NEOEN) is listed since October 2018 on the Compartment A of the regulated market of Euronext Paris.