

Hawker Britton

SA Partners with Tesla and Neoen to Build the World's Largest Battery Storage Facility

July 2017

On 7 July 2017, the South Australian Premier the Hon Jay Weatherill announced the installation of the world's largest lithium ion battery in partnership with US sustainable energy company Tesla, French renewable energy company Neoen, and the South Australian Government.

The 129MWh battery, which is paired with a wind farm, is designed to improve the security of electricity supply across the State. The energy storage systems from Tesla will be paired with Neoen's Hornsdale Wind Farm and installed before prior to the 2017-18 summer.

After a commitment by Tesla to deliver the battery within 100 days or deliver it free of charge, an agreement has been reached between Tesla and the South Australian Government that the starting date for the 100 days will be once the grid interconnection agreement has been signed.

The battery facility will operate at all times, ensuring stability within the electricity grid. It will provide back-up power to the State if a shortfall in energy is forecast.

The SA Government announced that the deal will lay the foundation for future investments by both Tesla and Neoen into the State's economy, with details of these to be announced in the future.

Background

The announcement follows the *South Australian Power for South Australians* plan announced in March 2017, in which the Premier outlined a \$550 million vision to secure the supply of energy to the State.

The plan outlined priority areas for the Weatherill Government, including:

- A battery storage and renewable technology fund;
- A new gas power plant;
- South Australian legislative powers over the national market;
- New generation for more competition; and
- South Australian gas incentives.

The full *South Australian Power for South Australians* plan is available [here](#).

The release of the *South Australian power for South Australians* plan follows various energy policy announcements from the Weatherill Government, including:

- The South Australia Energy Productivity Program (December 2016): As part of the South Australian 2016-17 Mid-Year Budget Review, the Government allocated \$31 million over two years to roll out an Energy Productivity Program aimed at assisting large businesses to manage their operating electricity costs. Businesses that used more than 160MWh of electricity each year were eligible to access funding through the Program.
- Energy supply tender (September 2016): With the aim of putting downward pressure on electricity prices through increased competition, the Government encouraged the private sector to provide an energy supply service that reduces carbon emissions and eases the

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financial burden on businesses and consumers.

- South Australia's Low Carbon Investment Plan (December 2015): The Plan outlined the Government's intention to achieve \$10 billion of investment in low carbon energy generation by 2025 and 50 per cent of electricity production to be generated by renewable energy by 2025.

Further information

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