



STANDING COMMITTEE ON ENVIRONMENT, CLIMATE CHANGE AND BIODIVERSITY  
MARISA PATERSON MLA (CHAIR), ANDREW BRADDOCK MLA (DEPUTY CHAIR), LEANNE CASTLEY MLA

**Inquiry into referred 2019–20 Annual and Financial Reports and Budget Estimates 2020-21  
ANSWER TO QUESTION ON NOTICE**

Asked by ELIZABETH LEE

Ref: Big Canberra Battery (Budget Outlook p67)

In relation to: Big Canberra Battery

1. What role is the ANU's Battery Storage and Grid integration program playing in delivering battery storage in the ACT?
2. The Next Generation Storage Program in 2019-2020 had reached 6MW in cumulative installed capacity. How will you reach the 250MW?
  - a. When is it intended the 250MW target will be reached?
  - b. At what cost?
3. The ACT Government has secured two batteries through the reverse auction as part of the Neoen and Global Power generation wind farm contracts. Is this model likely to drive future reverse auctions?
4. What modelling have you done that leads you to conclude that additional solar panels delivered through concessional loans provided under the Sustainable Household Scheme will provide sufficient additional energy for the battery storage target? Please provide a copy.
5. What modelling/assessments have been made on the estimated price of electricity following the recent purchase of new wind power electricity?
6. What estimates have been made of the number of hours or number of houses to which this big battery project will provide power?
  - a. If no assessment, on what basis do you claim that the cost of electricity will be lower?



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- b. If no assessment, on what basis has the cost benefit of this project been calculated?
- c. If no cost benefit has been done, why not?
- d. If an assessment has been done, please provide a copy.

**CHIEF MINISTER:** The answer to the Member's question is as follows:—

1. The Big Canberra Battery project is in the project initiation phase. Initial discussions have been held with a number of stakeholders including the ANU Battery Storage and Grid Integration Program.
2. The Next Generation Energy Storage (Next Gen) Program offers rebates on battery installations for residential and business premises. It is different from the Big Canberra Battery project.
  - a. It is intended that the Big Canberra Battery project will deliver at least 250 MW of large-scale battery storage within the five years to 2024-25.
  - b. A funding envelope of \$100m over five years to 2024-25 has been provided to achieve the 250 MW target.
3. It is anticipated that the ACT Government will not need to procure additional renewable electricity supply until approximately 2028. No decision has been made regarding the design of future renewable electricity auctions and the potential inclusion of battery storage.
4. The ACT Government has not made this conclusion.
5. Analysis was undertaken during Renewables Auction 5, including forecasting prices to be received, by generation type (wind or solar), for each state. This approach was endorsed by the auction's consultant on financial matters, and the outputs were one of the major components of the assessment of proposals. This analysis was undertaken using data through to March 2020.

A similar analysis has been undertaken on behalf of Evoenergy to meet their obligations under the *Electricity Feed-in (Large-scale Renewable Energy Generation) Reasonable Costs Methodology Determination 2018*. This analysis has been provided to the ACT Government through Evoenergy's application for Reasonable Costs,



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**QON No. 31**

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received in December 2020. This analysis finds that the two new contracts under Renewables Auction 5 will contribute approximately 6% of the cost of the scheme, while representing 24% of the total energy delivered.

6. No decision has been made on the battery duration as this will relate to the final battery services chosen by Government.

Batteries provide a range of services which include energy arbitrage, grid strengthening, renewables firming and reducing the need for spending on building or upgrading electricity network components. Design work is underway to identify the location and services which will provide the greatest benefit to cost for the ACT community.

Approved for circulation to the Standing Committee on Environment, Climate Change and Biodiversity

Signature: *Andrew Barr*

Date: **23.3.21**

By the Minister for Climate Action, Andrew Barr

