

NEWS RELEASE

Hon Jay Weatherill MP

Premier



Government of
South Australia

Friday, 7 July, 2017

Tesla to pair world's largest lithium ion battery with Neoen wind farm in SA

The world's largest lithium ion battery will be installed in South Australia under a historic agreement between French renewable energy company Neoen, US sustainable energy company Tesla and the South Australian Government.

The energy storage systems from Tesla will be paired with Neoen's Hornsdale Wind Farm and installed before summer.

Confirming the commitment from Tesla CEO Elon Musk to deliver the battery within 100 days or it is free, it has been agreed 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.

After leading the nation in renewable energy, the 100MW / 129MWh battery places South Australia at the forefront of global energy storage technology.

The battery will operate at all times providing stability services for renewable energy, and will be available to provide emergency back-up power if a shortfall in energy is predicted.

The deal will also bring other investments by both Neoen and Tesla into South Australia's economy, with details to be announced in the future.

The selection of Neoen will also strengthen South Australia's links with France's high-tech sector and reinforce the State's world-leading role in tackling global warming.

Background

Wind power with battery storage has been recommended through the Finkel Review as well as AEMO's recent reports to provide energy system security services – this plan delivers on these objectives.

Neoen was selected on a merit basis after a multi-stage procurement process attracted around 90 responses to the Expression of Interest, with 14 proponents invited to supply, and 5 shortlisted for detailed assessment.

The consortium demonstrated it is capable of delivering 100MW of capacity by December 1 and provided a highly competitive commercial offer with the best value for money.

Neoen and Tesla have a track record in comparable scale projects, and are committed to deliver on time at the lowest cost with a suite of value-adding initiatives.

In March, the State Government announced a plan for South Australia to take charge of its energy future, ensuring our State would become more self-reliant.

Quotes attributable to South Australian Premier Jay Weatherill

South Australia has been leading the nation in renewable energy – now we are leading the world in battery storage.

I'm thrilled with the selection of Neoen and Tesla, whose experience and world leadership in energy security and renewables will help South Australia take charge of its energy future.

Battery storage is the future of our national energy market, and the eyes of the world will be following our leadership in this space.

This historic agreement does more than bring a sustainable energy giant in Tesla to South Australia, it will also have some significant economic spin-offs.

Quotes attributable to Neoen Deputy CEO, Romain Desrousseaux

Neoen is extremely proud to be working with the South Australian Government and Tesla to expand the Hornsdale Wind Farm in Jamestown.

At 100MW and 129MWh, the Hornsdale Power Reserve will become not only the largest renewable generator in the state but also home to the largest lithium ion battery in the world, with our company's long-term, direct investment in South Australia growing to almost \$1 billion since 2013.

South Australian customers will be the first to benefit from this technology which will demonstrate that large-scale battery storage is both possible and now, commercially viable.

Together, the South Australian Government, Neoen and Tesla will demonstrate that renewables can provide dependable, distributable power that will turn a new page in Australia's energy future.

Tesla has today published a blog regarding this announcement:

<https://www.tesla.com/blog/tesla-powerpack-bring-reliable-sustainable-energy-south-australia> .

Media Contact: Adam Todd 0423 970 839, Callie Bryson 0478 346 495