

Media Release

Hon Jacinta Allan MP
Premier



Thursday, 30 November 2023

SEC TO POWER ONE OF THE WORLD'S BIGGEST BATTERIES

The State Electricity Commission (SEC) is back, and its first investment will help build one of the world's biggest battery projects right here in Victoria.

Premier Jacinta Allan and Minister for the State Electricity Commission Lily D'Ambrosio today turned the first sod on the Melbourne Renewable Energy Hub (the Hub) near Melton – which will store enough energy to power up to 200,000 homes during peak periods.

This is the first investment from the SEC's initial \$1 billion towards building 4.5 gigawatts of new renewable energy generation and storage projects – helping to accelerate the energy transition and drive down the cost of energy bills.

The Hub will be comprised of three battery components totalling 600 megawatts in size, and is being developed in partnership with renewable energy investor Equis Australia. Once complete, the Hub will provide 1.6 gigawatt hours of energy storage.

Construction of the \$1 billion storage facility will create up to 155 jobs, including 14 apprentice and trainee roles.

The SEC is investing \$245 million in the Hub – securing its delivery – enabling construction to begin immediately and supporting one of the project's battery components to double in size.

Major construction will kick off today, and the Hub is expected to be operational by 2025 – when it will start storing excess rooftop solar and surplus energy from the grid, providing extra power to meet Victoria's growing demand.

The project is critical to meeting Victoria's demand for storage, as well as the Labor Government's target of at least 2.6 gigawatts of energy storage capacity by 2030 and 6.3 gigawatts by 2035.

Victoria is transitioning to 95 per cent renewable energy generation by 2035. With large amounts of solar and wind coming online, large-scale storage capacity is essential for storing the renewable energy from these new projects to further drive down bills for Victorian households.

The project will also help firm up energy generated by the SEC's wind and solar projects, including the VRET 1, 2 and Bulgana contracts.

The SEC received more than 100 Registrations of Interest for its first investment, with a total combined market capacity of 24 gigawatts of generation and 30 gigawatts of storage capacity that will help the SEC build a pipeline of longer-term investment opportunities.

All investments made by the SEC will contribute to its objectives of accelerating the renewable energy transition and increasing the supply of renewable, affordable, reliable energy to Victorian households, businesses and industries.

For more information visit, secvictoria.com.au.

Quote attributable to Premier Jacinta Allan

"We're building critical energy projects under the SEC – investing in our grid so household bills go down for every Victorian with cheaper and more reliable renewable energy across the state."

Quote attributable to Minister for the State Electricity Commission Lily D'Ambrosio

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“The investment is a huge step forward in increasing Victoria’s renewable storage capacity – which is critical to meeting our nation leading targets of 95 per cent renewable energy generation by 2035.”

Quote attributable to Member for Sunbury Josh Bull

“Fraser Rise will be home to Victoria’s first government owned battery project – creating local jobs, supplying cheaper power to homes and businesses and generating value for every Victorian.”

Quote attributable to Equis Managing Director David Russell

“Equis is excited to partner with Victoria’s SEC to develop the Melbourne Renewable Energy Hub. Without this partnership, this project would not be going ahead at this scale and capacity today.”