

## Hon Dan van Holst Pellekaan

Minister for Energy and Mining

Thursday 20 December 2018

### More reliable power this summer

The Marshall Government has welcomed a 50 MW increase in the capacity of the Heywood interconnector that will help reduce the threat of blackouts in South Australia this summer and add further downward pressure to electricity prices for households and businesses.

Australian Energy Market Operator's (AEMO) decision to increase the limit of electricity that can be transmitted across the Heywood interconnector from 600 MW to 650 MW is a result of the performance of the Hornsdale Power Reserve owned by Neoen.

AEMO has decided to increase the carrying capacity of the Heywood interconnector as a result of the Hornsdale battery's successful inclusion in the System Integrity Protection Scheme (SIPS) designed to protect the Heywood interconnector from tripping.

"An additional 50 MW of electricity will provide invaluable additional capacity on our hottest days when electricity demand is at its peak and the system is vulnerable to blackouts," said Minister for Energy and Mining Dan van Holst Pellekaan.

"The increase in the capacity of the Heywood interconnector also brings greater competition into the South Australian electricity market and the benefits of reduced prices for South Australian households and businesses.

"This announcement highlights the importance of the Marshall Government's push for greater storage capacity to be attached to South Australia's abundant renewable energy sources and additional interconnection to New South Wales.

"The recent AEMO South Australian Electricity Report highlighted the importance of the Marshall Government's Home Battery Scheme, interconnection to New South Wales and grid scale storage.

"Under the Home Battery Scheme up to 40,000 households will enjoy reduced electricity prices as a result of the grants up to \$6000 for a home battery and low interest loans for the balance of home energy schemes.

"The installation of 40,000 batteries will reduce demand on the network which will ultimately result in lower prices for all South Australian households."

Technical background information:

- The SA Government has contracted output capacity and energy storage of the Hornsdale Power Reserve (HPR).
- As part of this contract Hornsdale Power Reserve is required to provide the SA Governments reserved capacity (70 MW) for SIPS subject to negotiations with ElectraNet.

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- SIPS has been developed by ElectraNet and AEMO under the national electricity rules (NER) for network loading control ancillary services (NLCAS).
- Hornsdale Power Reserve and ElectraNet have now agreed the commercial and technical arrangements required for the battery to operate under SIPS.
- Hornsdale Power Reserve, ElectraNet and AEMO have completed a successful SIPS test.
- The purpose of SIPS is to protect the Heywood interconnector from tripping due to extreme import flows from Victoria into South Australia over the interconnector.