



## **CEIG REPORT PROPOSES MEASURES TO IMPROVE FINANCEABILITY OF STORAGE ASSETS AND PROPEL AUSTRALIA'S CLEAN ENERGY TRANSITION**

*Clean Energy Investor Group (CEIG) sheds light on the critical role of diverse energy storage in Australia's renewable energy future, emphasising that longer duration storage is at risk without new markets and policy support.*

**\*\*EMBARGOED UNTIL TUESDAY 12 MARCH\*\***

In a landmark report released today, the Clean Energy Investor Group (CEIG) stresses the urgent need for an expanded and diverse energy storage capacity to power Australia's clean energy transition.

"Energy storage financeability in Australia", a report commissioned by CEIG in collaboration with Nexa Advisory and Baringa Partners, provides critical insights into Australia's energy storage market and the imperative for action.

CEIG CEO Simon Corbell states, "Australia's renewable energy future hinges on our ability to ramp up energy storage capacity. The report underscores the critical role of government policy support and regulatory clarity in unlocking financing for energy storage projects, highlighting the importance of addressing longer duration storage needs to ensure sustained progress."

There is a growing need for electricity storage, of all durations, in the Australian power system. With the Australian Energy Market Operator (AEMO) projecting a demand for 19 GW of storage by 2030. This requires significant growth in capacity, in just over five years, from the 1.4 GW of batteries and 1.6 GW of pumped hydro connected today. By 2050 it is estimated the system will need 57 GW of storage.

Over 50% of current utility-scale battery projects have required government support, indicating the financing challenges, particularly for batteries exceeding 2 hours of duration.

"Developing new markets and revenue streams for battery storage is paramount to ensure a resilient and clean energy system," adds CEO Simon Corbell.

The report identifies operational hurdles, including complex planning processes and difficulties in securing agreements with Transmission Network Service Providers (TNSPs) and AEMO, as further barriers to deployment.

To address these challenges and seize opportunities, the report offers a comprehensive set of strategic recommendations:

- Ensuring transition certainty by implementing an orderly coal closure rule
- Developing new markets for battery storage, with support from the Australian Energy Market Commission (AEMC) and AEMO.
- Investment in Long-Duration Energy Storage (LDES) technologies, supported by Federal and state funding.
- Ensuring transparency in Capacity Investment Scheme(CIS) Mechanism Development through stakeholder involvement.
- Energy ministers should ensure fit-for-purpose approvals for storage.
- Supporting education and outreach efforts, to enhance finance sector awareness in collaboration with government, industry, and investors.
- Reforming superannuation benchmarks and frameworks, enabling investment in Long Duration Energy Storage (LDES).

Baringa's technical research and Nexa's policy framework evaluation and international benchmarking evidences the critical challenges associated with the financeability of storage but also provides a coherent path forward for the advancement of storage projects in the NEM.

#### Quotes attributable to Simon Corbell

"We are at a pivotal moment in Australia's energy transition, and the findings of 'Energy storage financeability in Australia' report underscore the critical role that energy storage must play in our journey towards a sustainable National Electricity Market," says Simon Corbell, CEO of the Clean Energy Investor Group.

"This report not only highlights the challenges facing the energy storage sector but also outlines actionable recommendations that can drive investment, innovation, and policy reform. As we work towards meeting our energy storage needs for 2030 and beyond, collaboration between government, industry, and investors will be key."

Regarding the reports' specific findings on financeability gaps:

"The report unveils a significant financeability gap, particularly for energy storage solutions beyond 2 hours which are pivotal for ensuring grid reliability as we decarbonise the grid. The detailed analysis underscores the necessity for targeted financial sector reform."

#### Quotes attributable to Stephanie Bashir

Nexa Advisory's CEO Stephanie Bashir says 'Our report is an urgent call to action for Federal and state governments. Storage is critical to the future power system. Governments need to facilitate private investment by giving certainty and removing regulatory roadblocks. That will accelerate new markets and contracting of services for energy storage and ensure we can scale investment.

'Yet again, the data show meeting Australia's goals is possible, but the time for discussion, debate and soundbites about intent is over. We need to do this right now.'

The full report, " Energy Storage Financeability in Australia," will be available for download on Tuesday, March 12th. For more information and to access the report, visit [\\_](#)

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## **About the report:**

" Energy Storage Financeability in Australia", aims to identify and address the challenges associated with the bankability of energy storage projects, particularly focusing on batteries of different durations. The project's scope includes understanding various factors influence the investment and financing of battery storage solutions, which play a critical role in the transition to renewable energy and the stabilisation of the grid.

**About the Clean Energy Investor Group:** The Clean Energy Investor Group currently represents more than 20 Australian and global investors who have collectively funded over AUD \$10 billion worth of Australian renewable energy projects. CEIG's members have a combined portfolio of AUD \$38 billion and represent over 16GW of operational clean energy across 76 power stations. It is an investor body, representing the unique perspective of clean energy investors to regulators, policy makers and the broader energy sector. <https://www.ceig.org.au>

**Nexa Advisory:** Nexa Advisory is a full-service advisory firm supporting clients through their clean energy transition. Nexa Advisory was created in 2018 to deliver trusted, value added and future proofed bespoke solutions through a customer lens. Led by our founder and CEO, Stephanie Bashir, the Nexa Advisory team is a collaboration of passionate energy specialists, all committed to the successful transformation of Australia's energy markets. The team is focused on helping clients grasp the unpredicted opportunities the energy transformation will bring. The decentralisation of energy promises, for the first time, to enable a truly democratised ecosystem with people and communities at the centre.

**About Baringa:** Baringa is a global management consultancy operating across sectors including energy, financial services, consumer products and services and government. We set out to build the world's most trusted consulting firm - creating lasting impact for

clients and pioneering a positive, people-first way of working. We work with everyone from FTSE 100 names to bright new start-ups, in every sector. We have hubs in Europe, the US, Asia and Australia, and we can work all around the world – from a wind farm in Wyoming to a boardroom in Berlin. Find us wherever there’s a challenge to be tackled and an impact to be made.