



ASX & Media Release

Final Investment Decision reached on the 500 MW Liddell battery project

19 December 2023

AGL Energy Limited (AGL) today announced it has reached a Final Investment Decision (FID) on a 500 MW, two-hour duration, grid scale battery to be located at AGL's Hunter Energy Hub in New South Wales.

Construction work for the battery is expected to begin in early 2024, with the commencement of operations targeted for mid-2026. The expected asset life of the battery is 20 years. The total construction cost of this grid forming battery project is estimated to be approximately \$750 million. Fluence has been selected as the preferred engineering, procurement and construction provider.

The project will be supported by both a \$35 million grant awarded by the Australian Renewable Energy Agency (ARENA) as part of its Advancing Renewables Program and a Long-Term Energy Service Agreement (LTESA), arranged by AEMO Services on behalf of the NSW Government.

The battery will be funded on AGL's balance sheet, utilising operating cash flows and existing debt facilities including AGL's recently secured green capex loans.

AGL's Managing Director and CEO, Damien Nicks, said: "the Final Investment Decision on the Liddell battery project marks another significant milestone in AGL's decarbonisation pathway and the transition of its energy portfolio."

"We are excited to approve another major grid scale battery project in our development pipeline, supporting the local economy and creating energy transition jobs at our Hunter Energy Hub."

"Importantly, the Liddell battery will be a key component of achieving our interim target of approximately 5 GW of new renewables and firming capacity in place by 2030."

"Once completed, the Liddell battery will add to AGL's existing suite of grid scale battery assets and contracted capacity from third parties. This includes the 250 MW Torrens Island battery, which commenced operations in August 2023, and the 50 MW Broken Hill battery which will commence operations shortly. We will continue to leverage our innovative, in-house capabilities to optimise the performance of our grid-scale battery assets."

Authorised for release by AGL's Market Disclosure Committee.

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About AGL Energy

At AGL, we believe energy makes life better and are passionate about powering the way Australians live, work and move. Proudly Australian for more than 185 years, AGL supplies around 4.3 million^[1] energy and telecommunications customer services. We're committed to becoming a leading multi-product retailer, making energy and other essential services simple, fair and transparent. AGL operates Australia's largest private electricity generation portfolio within the National Electricity Market, comprising coal and gas-fired generation, renewable energy sources such as wind, hydro and solar, batteries and other firming technology, and gas production and storage assets. We are building on our history as one of Australia's leading private investors in renewable energy to now lead the business of transition to a low emissions, affordable and smart energy future in line with the goals of our Climate Transition Action Plan. We'll continue to innovate in energy and other essential services to enhance the way Australians live, and to help preserve the world around us for future generations.

For more information visit [agl.com.au](https://www.agl.com.au).

^[1] Services to customers number at 10 August 2023.