

Environment

## Coalition gives \$54m from CEFC to large-scale solar and renews pumped hydro push

Paul Karp  
16 February 2017  
The Guardian

Plan for pumped hydro project co-located with a large-scale solar farm demonstrates government's 'strong commitment to energy security', PM says

The Turnbull government has given a \$54m loan from the Clean Energy Finance Corporation to a large-scale solar development which it says has the potential for pumped hydro storage.

Malcolm Turnbull and the energy minister, Josh Frydenberg, have announced the government had directed the CEFC and Australian Renewable Energy Agency (ArenA) to fund large-scale storage and other flexible capacity projects including pumped hydro.

The solar development will take place at **Genex Power's** Kidston renewable energy hub, 270km north-west of Townsville.

ArenA has provided \$4m to study the next phase, a 250 MW pumped hydro-storage project. If a large-scale pumped hydro project is eventually built, it will be the first time such a form of storage has been co-located with a large-scale solar farm.

Turnbull and Frydenberg said the project demonstrated the government's "strong commitment to energy security".

"Developing storage technology for renewables is important for stabilising the grid as electricity can still be used when the sun is not shining or the wind is not blowing.

Related: [Hard facts unmask the fiction behind Coalition's 'coal comeback'](#) | [Lenore Taylor](#)

"Now, more than ever, we have to ensure that renewable energy is being properly integrated into the grid following a series of blackouts in South Australia."

Renewable energy policy and energy security have become a key political battleground since parliament returned last week.

The Coalition has targeted Labor for its policy aspiration of achieving 50% of energy from renewable sources by 2030, [a policy Bill Shorten struggled to explain on Wednesday](#).

Although Turnbull has been at pains to stress a "technology neutral" approach to energy, several ministers have spruiked the benefits of ultra-super critical coal power plants.

The treasurer, [Scott Morrison, brought a lump of coal](#) to question time, while [the deputy prime minister, Barnaby Joyce](#), and northern Australia minister, [Matt Canavan, are open to subsidies for new coal plants](#).

Turnbull has walked a fine line, calling for an "all-of-the-above" approach to energy policy and [saying the renewable energy target will not last forever](#).

He has been forced to defend [comments in September following the South Australian blackout](#) which acknowledged it was caused

by transmission towers being blown over but nevertheless saying the storm was a “wake-up” call on reliance on renewable energy.

In evidence to a parliamentary committee on Friday, [the CEFC warned against investment](#) in so-called “clean coal” power plants.