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## **ASX Announcement**

### **GENEX WELCOMES THE ENERGY STORAGE FOCUS PROPOSED IN DR ALAN FINKEL'S REVIEW OF THE NATIONAL ELECTRICITY MARKET RULES**

Genex Power Limited (**ASX: GNX**) (**Genex** or **Company**) welcomes the recommendations contained within the report commissioned by the Federal and State Energy Ministers by Dr Alan Finkel, Australia's Chief Scientist, into a review of the National Electricity Market (**NEM**) rules (**Finkel Review**) which was presented to the Prime Minister and State Premiers on Friday in Hobart.

The Finkel Review was aimed at providing government with a blueprint for energy sector security across the grid as well as ways to look at affordability and sustainability whilst more renewable energy flows into the electricity system. In particular, the Finkel Review, which focusses on a logical trilogy of energy security, energy reliability and reduced emissions, proposes that broader deployment of renewable and intermittent energy should necessarily be accompanied by energy storage, including batteries and pumped hydro.

Genex believes that the incorporation of this recommendation into national electricity policy will give Genex a distinct advantage over other renewable energy developers, particularly those with limited capacity to incorporate storage facilities into their renewable energy projects.

The Review contains several recommendations which have the potential to be highly significant and beneficial to Genex including:

- The introduction of a clean energy target (**CET**) aimed at decarbonising the electricity sector as part of a long-term vision for Australia's transition to a low emission future;
- Continued renewable energy investment;
- Incentives for, and a bigger focus on energy storage, including pumped hydro which may be mandated also for solar farms;
- The introduction of "despatchable capacity" in the form of baseload power with back up from renewables to tackle reliability and potentially allow Genex to sell storage certificates; and
- Changes to the NEM Rules which include provision for all new large scale renewable projects to have storage capacity to address ongoing reliability issues.

Whilst Genex recognises the role of battery storage as a viable energy alternative in the renewable energy equation, Genex's pumped scheme retains a significant capital cost and lifetime advantage over battery storage in the current investment market.

Genex also welcomes the unveiling by the Queensland State Government of \$1.6 billion to unlock thousands of megawatts of large scale wind, solar and pumped storage hydro projects including a reverse auction of up to 400MW of energy including 100MW of energy storage.

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Commenting on the release of the Review, Genex's Managing Director, Michael Addison, said:

*“Genex believes that the incorporation of the Finkel recommendations into national electricity policy will give Genex a distinct advantage over other renewable energy developers, particularly those with limited capacity to incorporate storage into their renewable schemes.”*

A copy of the Finkel Review is available under the 'News and Media' tab on the Company's website at [www.genexpower.com.au](http://www.genexpower.com.au)

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### **About Genex Power Limited:**

Genex Power is a power generation development company listed on the ASX. The Company is focused on innovative clean energy generation and electricity storage solutions which deliver attractive commercial returns for shareholders. Following Financial Close of Kidston Solar Stage 1 (50MW) Project, the Company's focus will now move onto the development of its 250MW Kidston Pumped Storage Hydro Project and the Kidston Solar Project Phase Two 270MW located at the Kidston Renewable Energy Hub, in Northern Queensland.