



Solar farm to integrate pumped hydro storage facility in Australian first with \$500m loan

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Australia's first renewable energy project to combine solar energy and pumped hydro storage will receive half a billion dollars in funding.

The Northern Australian Infrastructure Facility (NAIF) is planning to provide \$516 million for the Kidston solar project near Georgetown in far north Queensland.

It will be one of the largest loans made by the NAIF.

Once built, the project will be the first in Australia to combine solar energy and pumped hydro storage.

Genex Power executive director Simon Kidston said the loan was a significant step for the company as it develops the project's second phase — a 250 megawatt pumped storage hydro project that's fully integrated with an expanded solar farm.

"So what we're seeking to do is use the hydro as a giant water battery," Mr Kidston said.

"All of the energy from the solar farm is used to pump the water from a lower reservoir to a higher reservoir, then we can release that water and generate power at peak demand."

Mr Kidston said it took the NAIF just six months to assess the company's application for a loan.

"They did take their time to understand the risks, understand the opportunities," he said.

"I think they worked through in a very methodical and professional way, so full credit to NAIF for that."

The funding is subject to several conditions, including due diligence and a cost benefit analysis.

Genex Power is also in discussions with banks about providing the rest of the funding needed for the project.

Mr Kidston said once complete, the project will provide reliable energy to the country.

"Pumped storage hydro is the most efficient mature technology to store energy, and integrating this with solar and potentially wind over time, we can deliver the holy grail of renewable which is dispatchable reliable energy," he said.

Deputy Premier Jackie Trad welcomed the announcement but criticised the Federal Government for the time it has taken to deliver NAIF projects for Queensland.

"Five billion dollars was announced in 2014 under NAIF and this would represent less than 20 per cent of that money out the door," Ms Trad said.

The NAIF would provide a long-term debt facility for more than twenty years, at concessional interest rates.

The NAIF has previously announced \$16.8 million in funding for the Onslow Marine Support Base in Western Australia and \$7.18 million for a barramundi farm in the Northern Territory.