



MELBOURNE RENEWABLE ENERGY HUB RAISES \$400M IN LANDMARK DEBT FINANCING FOR VICTORIAN BATTERY ENERGY STORAGE SYSTEM

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Melbourne Renewable Energy Hub (MREH), co-owned by Equis Australia (Equis) and Victoria's [SEC](#), has closed the largest non-recourse debt financing package for an Australian grid-scale battery energy storage system (BESS), raising \$400m from a debt syndicate comprising Export Development Canada, Societe Generale, Standard Chartered, and Westpac (MREH Debt Financing).

This is a landmark debt transaction as the first financial close of a 4-hour BESS in Australia's National Electricity Market (NEM), which will deliver a significant state-wide contribution to energy storage and the transition to renewable energy in Victoria. The MREH Debt Financing will finance the construction of the 200MW/800MWh BESS project which the SEC will be responsible for operating (MREH A3).

MREH comprises 3 projects of 200MW each including MREH A3 and is Australia's largest BESS once all stages are fully built. MREH connects to the NEM's high voltage 500kV transmission system, allowing a volume of electricity to be rapidly dispatched that is unmatched by other battery storage systems.

MREH is uniquely positioned at the confluence of several of Victoria's critical transmission routes to the Melbourne metropolitan load and is the only BESS in Victoria capable of supporting three Victorian Renewable Energy Zones, namely the Murray River, Western Victoria, and South Victoria Renewable Energy Zones.

Once complete, MREH will provide 1.6GWh of energy storage, enough to power up to 200,000 homes during peak periods.

The project is a co-investment partnership with the SEC, a Victorian Government-owned renewable energy company working to deliver renewable, affordable, reliable energy for all Victorians and gives Victorians a direct stake in the state's renewable energy future. The SEC's participation has been critical for the success of the MREH project, having been the catalyst for it to start construction and enabled the project to expand from a 2-hour to 4-hour storage capacity.

Once MREH A3 is completed in 2025, the SEC will manage its market operation, providing firming services to support the SEC's supply of electricity to Victorian Government customers.

"We have found the equity partnership model to be a very effective vehicle for government industry collaboration to bring forward renewable energy projects," co-founder and Managing Director of Equis David Russell said.

"We think this model should be considered by other state governments because it allows their investments to earn sustainable returns that can be reinvested in further renewable energy initiatives."

Mr Russell said Equis has a strong pipeline of projects underway and had completed 116 solar projects and 76 wind projects across eight Asia Pacific countries (including Australia) totalling 15.4GW for Equis Energy (now Vena Energy) and a further 2.2GW across other platforms. Equis is also currently developing over 60 renewable and waste to energy assets across Australia, Japan, and Korea.



Equis' Transmission and Distribution division has developed 27 projects across six Asia Pacific countries (including Australia) involving substation and transmission line upgrades, comprising a total of 574km of transmission lines. This includes the recent Victorian experience developing Australia's first underground 500kV line.

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