

# Blacked out: Contract for “world’s most powerful battery” to be kept secret for now

Giles Parkinson (<https://reneweconomy.com.au/author/giles/>) 14 December 2022


0




1  
Shares


 **Tweet** ([https://twitter.com/share?&text=Black](https://twitter.com/share?&text=Black%20out%3A%20Contract%20for%20%E2%80%9Cworld%E2%80%9Cfor-worlds-most-powerful-battery-blacked-out-and-the-regulator-is-not-happy/)

(mailto:?)

 subject=Black%20out%3A%20Contract%20for%20%E2%80%9Cworld%E2%80%9Cfor-worlds-most-powerful-battery-blacked-out-and-the-regulator-is-not-happy/)

 ([https://www.linkedin.com/shareArticle?mini=true&url=https://reneweconomy.com](https://www.linkedin.com/shareArticle?mini=true&url=https://reneweconomy.com.au/blackrocks-akaysha-scores-coup-with-contract-to-build-worlds-most-powerful-battery/)

 (<https://whatsapp://send?text=https://reneweconomy.com.au/contract-for-worlds-most-p>

 ([https://t.me/share/url?&text=Black](https://t.me/share/url?&text=Black%20out%3A%20Contract%20for%20%E2%80%9Cworld%E2%80%9Cfor-worlds-most-powerful-battery-blacked-out-and-the-regulator-is-not-happy/)

The money to be paid by the NSW government to the Waratah super battery, dubbed the world's most powerful, is to be kept secret – at least for now – after the Australian Energy Regulator agreed to black out the details.

The Waratah “super battery” has been commissioned by the NSW government as part of its response to the early closure of the country’s biggest coal generator, the 2.8GW Eraring facility that is now scheduled to shut in 2025.

The battery is designed to act as a sort of giant “shock absorber”, allowing more electricity to be funnelled into the major load centres of Sydney and Newcastle, and in that way will have a similar role to the Victoria Big Battery and the original “Tesla big battery” at Hornsdale in South Australia.

But the scale of the Waratah battery is several times bigger than the ones that preceded it, and the contract could be worth around \$200-\$300 million – or even more – over a five and a half year period.

A tender for the battery was awarded to the newly established Akaysha Energy, (<https://reneweconomy.com.au/blackrocks-akaysha-scores-coup-with-contract-to-build-worlds-most-powerful-battery/>) a surprise winner given it has not yet built its first big battery,

even though it has big plans (<https://reneweconomy.com.au/why-blackrock-chose-australia-to-make-its-largest-big-battery-play/>) and the backing of the US funds management giant BlackRock. (<https://reneweconomy.com.au/us-investment-giant-blackrock-in-1-billion-big-battery-play-in-australia/>).

The Waratah super battery – to be built at the site of the shuttered Munmorah coal plant will have a total capacity of 850MW/1,680MWh. Up to 700MW/1400MWh will be reserved for the System Integrity Protection Scheme (SIPS) contract to be operated by transmission company Transgrid.

The AER report says it is satisfied that there was a “genuine and appropriate” competitive process, which evaluated 27 expressions of interest in full, before whittling the contenders down to just two. But is not happy that the payment details have not being released. All have been blacked out.

(<https://reneweconomy.com.au/wp-content/uploads/2022/12/waratah-payment-battery-scaled.jpg>).

“The AER strongly believes that consumers should be informed of the costs and benefits of

network infrastructure projects that they are ultimately required to pay for,” it says.

“We consider that there is a discipline that transparency imposes and that NSW electricity consumers expect our determinations to provide this transparency for all contestable and non-contestable network infrastructure projects.”

The Hornsdale battery, for instance, is paid \$4 million a year for its services – including the SIPS contract – while the Victoria Big Battery is getting \$12.4 million a year, for a 250MW/125MWh component, and just for the summer months (December to end of March). Both batteries are owned by Neoen Australia.

if the Waratah battery receives a similar sum to the Victoria Big Battery then it could receive more than \$500 million over the course of the contract.

One reason it might be less is that the Waratah contract is based on a “seasonal sculpted” core service, which requires different capacity at different times of the day.

In the summer months, it will reserve at least 700MW and 1400MWh of battery capacity for the SIPS Service between 5am and sunset, when power system demand and paired generation availability levels are relatively high.

At least 500MW and 1000MWh of battery capacity will be reserved for SIPS Service between sunset and 2am, when power system demand and paired generation availability levels are relatively lower, and at least 300MW and 600MWh of battery capacity between 2am and 5am, when power system demand is at its lowest.

For the rest of the time, the battery will be able to operate in contestable markets, providing such services as energy arbitrage, frequency and control services and fast frequency response.

<https://reneweconomy.com.au/wp-content/uploads/2022/12/waratah-payments--scaled.jpg>

The AER says it expects that at least the aggregate and total payments for the battery SIPS services, and the “paired generation” that will be subject to another auction in 2023, will ultimately be revealed.


“For this determination we have agreed to redact the total and annual amounts in the public version of the determination on the basis that we will publish the aggregate total and annual amounts payable for the SIPS Service and Paired Generation Services once we have made our determination for Paired Generation Services,” it said.


See RenewEconomy’s [Big Battery Storage Map of Australia](https://reneweconomy.com.au/big-battery-storage-map-of-australia/)  
(<https://reneweconomy.com.au/big-battery-storage-map-of-australia/>).

1  
Shares


 **Tweet** ([https://twitter.com/share?&text=Black](https://twitter.com/share?&text=Black&url=https://reneweconomy.com.au/contract-for-worlds-most-powerful-battery-black&via=RenewEconomy)

(mailto:?

 subject=Black&url=https://reneweconomy.com.au/contract-for-worlds-most-powerful-battery-black-out-and-the-regulator-is-not-happy/)

 ([https://www.linkedin.com/shareArticle?mini=true&url=https://reneweconomy.com](https://www.linkedin.com/shareArticle?mini=true&url=https://reneweconomy.com.au/contract-for-worlds-most-powerful-battery-black-out-and-the-regulator-is-not-happy/)

 ([whatsapp://send?text=https://reneweconomy.com.au/contract-for-worlds-most-p](https://whatsapp://send?text=https://reneweconomy.com.au/contract-for-worlds-most-powerful-battery-black-out-and-the-regulator-is-not-happy/)

 ([https://t.me/share/url?&text=Black&url=https://reneweconomy.com.au/contract-for-wc](https://t.me/share/url?&text=Black&url=https://reneweconomy.com.au/contract-for-worlds-most-powerful-battery-black-out-and-the-regulator-is-not-happy/)

 ([http://www.reddit.com/submit?url=https://reneweconomy.com.au/contract-for-wc](http://www.reddit.com/submit?url=https://reneweconomy.com.au/contract-for-worlds-most-powerful-battery-black-out-and-the-regulator-is-not-happy/)

Giles Parkinson (<https://reneweconomy.com.au/author/giles/>)

Giles Parkinson is founder and editor of [Renew Economy](https://reneweconomy.com.au/)

(<https://reneweconomy.com.au/>), and is also the founder of [One Step Off The Grid](http://onestepoffthegrid.com.au/) (<http://onestepoffthegrid.com.au/>), and founder/editor of the EV-focused [The Driven](https://thedriven.io/)

(<https://thedriven.io/>). Giles has been a journalist for 40 years and is a former business and deputy editor of the Australian Financial Review.

 (<https://twitter.com/GilesParkinson>)  
 (<https://www.linkedin.com/in/giles-parkinson-47b21516/>)



---

← **Previous**

Here comes the sun tax: The export tariffs proposed for households with rooftop PV (<https://reneweconomy.com.au/here-comes-the-sun-tax-the-export-tariffs-proposed-for-households-with-rooftop-pv/>)

**Next** →

Adani's Carmichael coal mine is not alleviating energy poverty in Asia, it's making it worse (<https://reneweconomy.com.au/adanis-carmichael-coal-mine-is-not-alleviating-energy-poverty-in-asia-its-making-it-worse/>)

---

(<https://onestepoffthegrid.com.au/stand-alone-solar-qube-power-system-begins-trial-in-nsw/>)

## **Stand-alone Solar Qube power system begins trial in NSW**

(<https://onestepoffthegrid.com.au/stand-alone-solar-qube-power-system-begins-trial-in-nsw/>)

by [Joshua S Hill \(//onestepoffthegrid.com.au\)](https://onestepoffthegrid.com.au) on 13 December 2022

[\(https://onestepoffthegrid.com.au/can-tidal-energy-help-power-coastal-and-island-microgrids/\)](https://onestepoffthegrid.com.au/can-tidal-energy-help-power-coastal-and-island-microgrids/)

## **Can tidal energy help power coastal and island microgrids?**

**(<https://onestepoffthegrid.com.au/can-tidal-energy-help-power-coastal-and-island-microgrids/>)**

by [Lisa Cohn \(//onestepoffthegrid.com.au\)](https://onestepoffthegrid.com.au) on 12 December 2022

[\(https://onestepoffthegrid.com.au/king-islands-world-leading-renewable-micro-grid-to-add-another-big-solar-farm/\)](https://onestepoffthegrid.com.au/king-islands-world-leading-renewable-micro-grid-to-add-another-big-solar-farm/)

## **King Island's world leading renewable micro-grid to add another big solar farm**

**(<https://onestepoffthegrid.com.au/king-islands-world-leading-renewable-micro-grid-to-add-another-big-solar-farm/>)**

by [Sophie Vorrath \(//onestepoffthegrid.com.au\)](https://onestepoffthegrid.com.au) on 12 December 2022

---

(<https://thedriven.io/2022/12/14/energyaustralia-and-planet-ark-to-offer-solar-battery-and-ev-charging-to-transport-groups/>).

**EnergyAustralia and Planet Ark to offer solar, battery and EV charging to transport groups (<https://thedriven.io/2022/12/14/energyaustralia-and-planet-ark-to-offer-solar-battery-and-ev-charging-to-transport-groups/>)**

by [Joshua S. Hill](#) ([//thedriven.io](https://thedriven.io)) on 14 December 2022

(<https://thedriven.io/2022/12/14/tesla-ev-used-listings-fall-20-as-prices-finally-come-down/>).

**Tesla EV used listings fall 20% as prices finally come down (<https://thedriven.io/2022/12/14/tesla-ev-used-listings-fall-20-as-prices-finally-come-down/>)**

by [Riz Akhtar](#) ([//thedriven.io](https://thedriven.io)) on 14 December 2022

(<https://thedriven.io/2022/12/14/new-nsw-funding-round-to-focus-on-bigger-and-faster-ev-charging-stations/>).

**New NSW funding round to focus on bigger and faster EV charging stations**  
(<https://thedriven.io/2022/12/14/new-nsw-funding-round-to-focus-on-bigger-and-faster-ev-charging-stations/>)

by [Amalyah Hart](#) ([//thedriven.io](https://thedriven.io)) on 13 December 2022

## Multimedia

---

**“Epic stuff:” Renewables reach 84 pct share of world’s biggest isolated grid**  
(<https://reneweconomy.com.au/epic-stuff-renewables-reach-84-pct-share-of-worlds-biggest-isolated-grid/>)

14 Dec 2022   **1**  
▼

**Chart of the Day: Australia's top performing wind farms in November**  
(<https://reneweconomy.com.au/chart-of-the-day-australias-top-performing-wind-farms-in-november/>)

12 Dec 2022 **3**  
▼

**Energy Insiders Podcast: Andrew Forrest's big Australian power play**  
(<https://reneweconomy.com.au/energy-insiders-podcast-andrew-forrests-big-australian-power-play/>)

9 Dec 2022 **1**  
▼

**WA's biggest solar farm tops list of best performing PV assets in November**  
(<https://reneweconomy.com.au/was-biggest-solar-farm-tops-list-of-best-performing-pv-assets-in-november/>)

8 Dec 2022 0  
▼

**W.A.'s isolated grid sets new instantaneous and monthly records for wind and solar**  
(<https://reneweconomy.com.au/w-a-s-isolated-grid-sets-new-instantaneous-and-monthly-records-for-wind-and-solar/>)

7 Dec 2022 4  
▼

**Energy Insiders Podcast: Biden's tax-driven push for ultra low cost wind and solar**  
(<https://reneweconomy.com.au/energy-insiders-podcast-bidens-tax-driven-push-for-ultra-low-cost-wind-and-solar/>)

2 Dec 2022 2  
▼

## RenewEconomy Comment Policy

We welcome relevant and respectful discussion, but rudeness and personal attacks will not be tolerated.

Please read our [Comment Policy](#) before commenting.

Got it

1 Comment

 Login ▼

G

Join the discussion...

LOG IN WITH

OR SIGN UP WITH DISQUS 

Name

Share

Best Newest Oldest

AP

**Ann Peerkat**

🕒 5 minutes ago

There's a degree of difference between commercial entity contracts (though shareholders may disagree), and government contracts where every citizen of that state is a virtual shareholder. Too much liquid paper!

0 0 • Reply • Share ›

[Subscribe](#)

[Privacy](#)

[Do Not Sell My Data](#)

About RenewEconomy (<https://reneweconomy.com.au/about/>)

Contact Us (<https://reneweconomy.com.au/contact/>)

Merchandise (<https://reneweconomy.wpengine.com/solar-future-t-shirts/>)

Jobs Board (<https://reneweconomy.com.au/jobs-board/>)

Webinars (<https://reneweconomy.com.au/category/multimedia/webinars/>)

Donate (<https://reneweconomy.com.au/donate/>)

Glossary (<https://reneweconomy.com.au/98687-2/>)

Advertise (<https://reneweconomy.com.au/advertise/>)

Press Releases (<https://reneweconomy.com.au/category/press-releases/>)

Governments & Companies (<https://reneweconomy.com.au/governments-companies/>)

Terms of Use (<https://reneweconomy.com.au/terms/>)

(<https://reneweconomy.com.au/>)



Get up to 3 quotes from pre-vetted solar (and battery) installers.

Postcode

\_()

