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Octopus Investments Australia and CEFC project wins Victorian Government VRET2 contract as joint venture continues to develop the Fulham Solar PV and innovative DC-Coupled Battery project

A landmark joint venture between Octopus Investments Australia (“Octopus”) and the Clean Energy Finance Corporation (“CEFC”) to develop renewable energy assets has been awarded a supply contract by the Victorian Government under its reverse VRET2 auction. The landmark joint venture to develop the Fulham utility scale solar and DC-coupled battery project in Gippsland, Victoria, continues after the project received its development approval on 28th March 2022.

The Victorian renewable energy VRET2 reverse auction helps the State meet its renewable energy targets by providing long-term offtake contracts to support investment certainty and build new energy generation projects. Octopus and the CEFC are delighted to have earned the confidence of the Victorian Government to provide a ground breaking and innovative DC-coupled battery. The move will deliver exceptional value to the State by:

1. Delivering numerous grid benefits in the Latrobe Valley and Gippsland region to replace synchronous generation as coal retires.
2. Providing jobs in the Gippsland region during a time of transformation for the existing coal industry.
3. Constructing/developing innovative solar and energy storage with a DC-coupled battery to maximise energy shifting capabilities

The project is positioned on a strong part of AusNet’s distribution network in Gippsland, Victoria. With a solar capacity of 80MWac and large scale storage of 116MWh, the project has the potential to make a significant contribution to the Victorian energy transition in the Latrobe Valley. Construction is scheduled to begin in Q2/Q3 2023.

Fulham is expected to be the first of many landmark projects in the Gippsland region by Octopus and the CEFC as they look to support the energy transition of Gippsland over the coming years. It will join other Octopus renewable energy assets, including the Darlington Point Solar Farm, in the A\$10 billion Institutional and Wholesale platform that Octopus launched July this year, which was financed by a \$75m cornerstone investment from the CEFC. The addition of an asset of this calibre to the already strong portfolio of domestic renewable energy assets brings further depth for investors to this multi-asset, multi-technology renewable portfolio.

Darren Brown, Octopus Co – Head of Investment and Development, said: “We are very excited to be working with the Victorian Government and the Gippsland community to bring Fulham solar farm and DC-coupled battery to market and support the accelerating transition in the Latrobe Valley. Fulham is the perfect addition to Octopus’s recently launched Australian renewable fund and it’s great to be working alongside the CEFC on this innovative project to further accelerate the energy transition in Victoria.”

CEFC Head of Renewables Monique Miller said: “Investment in new, clean energy generation, storage, transmission and infrastructure is critical to help Australia reach net zero emissions. The Fulham solar farm is of great strategic importance, providing clean energy to help decarbonise the energy sector and supporting the Gippsland region’s transition to the low emissions economy of the future. We look forward to working with Octopus, the Victorian Government and the local Gippsland community to develop what we believe will be first of many growth and investment opportunities for the region.”

About the CEFC

The CEFC is a specialist investor at the centre of efforts to help deliver on Australia’s ambitions for a thriving, low emissions future. With a strong investment track record, we are committed to accelerating our transition to net zero emissions by 2050. In addressing some of our toughest emissions challenges, we are filling market gaps and collaborating with investors, innovators and industry leaders to spur substantial new investment where it will have the greatest impact. The CEFC invests on behalf of the Australian Government, with a strong commitment to deliver a positive return for taxpayers across our portfolio.

About Octopus

Octopus Investments Australia is a subsidiary of the Octopus Group. Founded in 2000, it is one of the world’s largest investors in clean energy with over \$6 billion deployed across more than 300 projects. Octopus entered Australia in 2018 and is currently managing over \$1billion of renewable assets domestically. Most notably, this includes being the owner of the 333MWdc Darlington Point Solar Farm, currently the largest solar farm generating into the National Electricity Market and also the 180MW Dulacca Wind Farm in QLD, which is currently under construction.