

Hydrostor Inks Lease with NSW Government for Silver City Project in Step Toward Mini-Grid for Broken Hill Region

Hydrostor and the New South Wales Government have officially signed a Crown Lands agreement to enable the construction of the Silver City Energy Storage Centre

NEW SOUTH WALES, AUSTRALIA, November 8, 2024 /EINPresswire.com/ -- Global long duration energy storage (LDES) developer and operator, Hydrostor, and the New South Wales (NSW) Government have officially signed a Crown Lands agreement to enable the construction of the Silver City Energy Storage Centre, designed to provide crucial backup power to Broken Hill and support the stability of energy in the region by enabling a mini-grid system.

The lease between Hydrostor and Crown Lands, part of the Department of Planning, Housing and Infrastructure (DPHI), marks a significant milestone in the development of the critical energy project. The agreement will see Hydrostor lease the land for a period of 65 years, with construction expected to begin next year following development approval.

The Silver City Energy Storage Centre is set to be housed near the Potosi mine site, a Crown Lands site located on the Northeast outskirts of Broken Hill. The project will support Broken Hill's energy grid by incorporating the increased generation of reliable, renewable energy and provide



Pictured: Minister for Climate Change and Energy, Penny Sharpe, Hydrostor VP of Origination and Development, Martin Becker, Hydrostor President, Jon Norman, NSW Minister for Small Business, Steve Kamper



Hydrostor President, Jon Norman

a reliable backup power solution to the city when required. The facility will have the capacity to generate 200 megawatts of power, which can provide 8 hours of storage when discharging at full capacity, and much longer durations at a lower output.

Hydrostor has also welcomed the support of the NSW Government for its mini-grid concept, which would enable Silver City to draw from existing renewable energy infrastructure in the region to form a 'closed circuit', independent energy solution capable of supplying the entire town without needing connection to the NEM. The implementation of this solution is set to protect Broken Hill from future outages and help protect against intermittency challenges in the region.

At a critical juncture for energy stability in the region, once completed, the new energy storage facility will replace certain ageing diesel fuelled turbines. The Silver City project is also significant to the State as it looks to increase the deployment of long-duration energy storage solutions to enable the transition toward a stable National Electricity Market (NEM).

In addition, the Silver City Energy Storage Centre will provide more than 700 jobs in the region during construction and into the operation phase. It is estimated that the project will support up to 780 direct and indirect jobs throughout the construction phase.

Minister for Climate Change and Energy Penny Sharpe said:

"Recent events in the Far West region of NSW have demonstrated the need for long duration storage to secure energy supply for Broken Hill and the Far West.

"This Silver City Energy Storage Facility is a solution that will make Broken Hill a renewable energy leader. The city will be generating, storing and distributing cleaner and more affordable energy to the Far West region and the rest of the state.

"This project will replace the older large-scale back-up diesel generator, preventing a repeat of the recent energy emergency in the Far West region of NSW."

Speaking on the significance of the agreement, Hydrostor's VP of Origination and Development, Martin Becker, said:

"This is a major milestone in our journey toward realising an extremely important project, not just for Broken Hill, but for Australia. We look forward to delivering Silver City which is a critical missing piece in the state's energy mix, and a much-needed solution for the region.

"We want to thank the NSW Government for recognising the value of Silver City, long duration energy storage technology more broadly, and most importantly the potential for this project to protect the region's energy through the establishment of a mini-grid closed system in the event of outages. We are excited to deliver this project, which we are confident will benefit every member of the community."

The Silver City Energy Storage Centre submission is currently under assessment and can be viewed on the Major Projects portal.

ENDS

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About Silver City Energy Storage Centre

The Silver City Energy Storage Centre (“Silver City”) is an Advanced Compressed Air Energy Storage project capable of 200 MW generation for 8 hours duration (1600MWh). The project is located adjacent the Potosi Mine in Broken Hill, New South Wales, Australia. Silver City will operate as a large energy storage asset, connected to the NSW grid and able to trade large quantities of energy on a daily basis. It will also act as an emission-free, long-term grid reliability solution for Broken Hill and the wider region, supporting existing and new renewable energy generation, and serving communities and mining loads in the most cost-effective manner. This Project received development funding from the NSW Government under the Emerging Energy Opportunities Program and project funding from the Australian Renewable Energy Agency (ARENA) as part of ARENA’s Advancing Renewables Program. To learn more, visit

<https://silvercityenergystorage.com/>

About Hydrostor Inc.

Hydrostor is a leading developer and operator of long-duration energy storage systems. Hydrostor leverages a proven technology solution for delivering long-duration energy storage to power grids around the world. Hydrostor’s technology uses compressed air and water to store energy. This patented technology allows grid operators to draw on clean energy, even when there is no sun to fuel solar panels and no wind to generate energy from turbines. Hydrostor has a successful utility scale facility commercially contracted to Independent Electricity System Operator (IESO) located in Goderich, Ontario, and two advanced projects in development in Kern County, California and New South Wales, Australia. We have an extensive early-stage pipeline of projects in North America, Australia, and Europe. Hydrostor, founded in 2012, is backed by Goldman Sachs Asset Management, the Canada Pension Plan Investment Board (CPPIB) and other forward-thinking institutional investors, providing financial security to commit to top-tier energy projects. We are headquartered in Toronto, Canada and Melbourne, Australia. Follow us on LinkedIn and learn more at hydrostor.ca.

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