

IJGlobal ESG Award – BESS, Europe – Zenobē

Angus Leslie Melville

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The first phases of Zenobe's Blackhillock and Kilmarnock South battery energy storage system (BESS) projects win the IJGlobal ESG Award 2023 in this category for Europe.

One of the judges described the development as – quite simply – "needed and well-conceived".

The financing of the Zenobē BESS facilities <u>reached financial close</u> in February (2023) with CIBC, NatWest, Rabobank, Santander and Siemens Bank providing loans of £234 million (\$281.8m) alongside £155 million of equity.



Zenobē announced in November 2022 that it had begun construction on the Blackhillock site, part of its pioneering battery storage projects in

Scotland totalling £750 million, including Kilmarnock South and Eccles, bringing its total portfolio to 2,100MWh in Scotland which – at the time of announcement – equates to more than the total MWh of all grid-connected batteries operating in the UK.

Over their 15 years of operation, the sites are forecast to save up to 13.4 million tonnes of CO2, equivalent to taking 490,000 diesel or petrol cars off the road for 15 years – or the equivalent of removing more than all the cars in Glasgow and Edinburgh.

They are also forecast to lower consumers' bills by more than £1 billion by reducing the curtailment of wind farms over the same period.

The new projects are all contracted to provide stability services to NGESO to improve the reliability of the UK's increasingly renewable power system.

These are the first commercial contracts in the world to use transmission connected batteries to provide short-circuit level and inertia, essential for the grid to function efficiently as fossil fuel plants phase out.

The 2 sites are being constructed in zones with intense thermal constraint which results in material wind curtailment of offshore wind in Scotland.

The buildout of the sites reduces the cost of wind curtailment to the National Grid which can therefore pass on cost savings to its customers by reducing consumer bills and increase reliability of renewable generation.

With the Scottish government announcing an ambition to deliver 20GW of additional low-cost renewable electricity generation capacity by 2030 – including 12GW of onshore wind – Zenobē's battery storage assets will play a crucial role in increasing the efficiency of the grid and enabling more renewable generation to be transmitted by it.

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The batteries will provide a wide range of services including the balancing of supply and demand. This will ease constraints on the network by storing electricity at times of peak renewable generation and ensure network demand and consumer cost expectations are met.

The projects that are being financed through Project Franklin are not only being developed with the latest state-of-theart battery technology from industry recognised suppliers, but Zenobē is ensuring that the expected term of use is maximised over the course of a number of years to ensure the greatest positive impact through their use for grid support services.

Zenobe has also ensured that built into its procurement of the battery infrastructure that it has ensured specific commitments on the use of certain materials and cell recycling from its supply chain.

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