

**Media Release**

27 October 2022

**AUSTRALIAN ENERGY OPERATIONS AWARDED SYSTEM STRENGTH CONTRACT**

Australian Energy Operations (AEO) welcomes the announcement by the Australian Energy Market Operator (AEMO) and the Victorian State Government that it has been awarded the service contract to provide system strength services to the Western Renewable Energy Zone (WREZ) in Victoria.

The project involves the development and construction of a 250 MVA synchronous condenser, located adjacent to the existing Ararat Terminal Station.

The synchronous condenser is expected to provide up to 600 megawatts (MW) of services to strengthen the power system and increase renewable generation capacity in the Western Victoria region. It is expected to be operational in the latter half of 2025.

The project supports the Victorian Government's efforts to reach its target of 50% renewable energy by 2030.

Glen Thomson, Chief Executive Officer of AEO, said the project would unlock significant renewable energy generation in the WREZ.

"We're proud to be delivering this project on behalf of our partners, Victorian Government and AEMO, to provide significant system strength for WREZ."

"With the synchronous condenser in place, this means increased certainty for connections for renewables developers and a more stable grid for all customers. It is an exciting time for our industry, and we look forward to playing our part in facilitating increased renewable investment in Victoria."

A subsidiary of AEO will construct, own and operate the synchronous condenser, with construction to be performed by Beon Energy Solutions.

**About Australian Energy Operations:**

Australian Energy Operations (AEO) constructs, owns and operates electricity transmission assets in the growing Australian market, specialising in connecting generation assets and load requiring assets to the existing electricity network, with more than 700 MW of wind farm connections in Victoria.

AEO is jointly owned by CK Infrastructure Holdings Ltd (CKI) (50%) and Power Assets Holdings Ltd (PAH) (50%).