Improving energy security by supporting battery storage and smart energy grids

To meet the UK's 2050 net zero target, it is estimated that the proportion of intermittent wind and solar capacity in our generation mix will need to increase to almost 60 per cent by 2030[20]. Battery storage provides grid operators with the tools and flexibility to deal with this increased variability of supply and finely match it to demand.

Opportunities to accelerate the deployment of this critical technology requires specialist support. In 2021, the Green Investment Group announced its investment in a 187MWh portfolio of new battery storage capacity across the UK, which includes sites in Scotland and South East England.

We also recently entered into a joint development agreement with Bluestone Energy to develop up to 2GW of UK battery storage projects. Projects representing 1.3GW are already in early-stage development, having secured grid connection offers, with the pipeline continuing to grow steadily. These projects play a critical role in enabling more renewable energy capacity to connect to the UK's electricity grid.

Our global efforts to support energy grids have been enhanced through the launch of Eku Energy, a new global specialist battery storage business, headquartered in the UK. Eku Energy's initial portfolio brings together the Green Investment Group's existing battery storage activities in the UK, Australia, Japan and Taiwan. Subject to regulatory approvals, it will hold a pipeline of developed, acquired or identified projects totalling over 3GWh.

Our Commodities and Global Markets business is also a significant funder and supporter of smart energy, with more than one in six homes in the UK benefiting from a Macquarie-owned meter, of which more than two thirds are now smart[21]. The rollout of smart meters is a key enabler for a more efficient energy system and gives customers and energy networks more information and control over their energy use.

20. From a current baseline of c. 40 per cent. Fitch Solutions Analysis, 2021. 21. Data as at 30 September 2022.