

Akuo will build the largest storage project in the South Pacific

Tonga, Nuku'alofa, December 6, 2019 – Akuo, a global renewable energy independent power producer and developer, and Tonga Power Limited, Tonga Islands grid's public operator, signed on November 14th an Engineering, Procurement and Construction (EPC) contract for a 23.4 MWh / 6 MW Battery Energy Storage System (BESS) project. This success is the second of its kind in Tonga and is therefore named "Tonga 2". Tonga 2 is, today, set to become the largest storage project in the South Pacific (excluding Hawaii).

The contract was signed by Akuo's Asia Pacific Chief Operating Officer Mr. Adrien Nayan Bock and Tonga Power Limited Chief Financial Officer Mr. Steven 'Esau.

Context: An electricity production mainly ensured by fossil fuel

According to the Asian Development Bank and Tonga Power Limited, "around 90% of Tonga overall grid-connected electricity demand is supplied by generators fueled by imported diesel".



Projects in bold font are the ones currently in operation

Indeed, Tongatapu's (Tonga's biggest island) electricity production is mainly supplied by diesel power plants (14 MW production capacity); while the renewable energy plants – three solar farms and one wind farm – make up for a total of 5.6 MW of the production. The penetration rate of renewable energies in the electricity mix thus reaches only 10%.

Yet, the Kingdom of Tonga is committed to move from 10% renewable energy to 50% by 2020, and hence to save around 7 million liters of fuel per year for electricity production. To reach this target, it subsequently established the "Tonga Renewable Energy Project" scheme.

Funded by the Green Climate Fund (56%), the Asian Development Bank (23%), the Government of Tonga (10%), Tonga Power Limited (6%) and the Australian Government (5%) for a total of 53 M USD, this scheme allows energy-specialist companies like Akuo to submit their renewable energy projects as part of a tender process.

A new milestone to ensure Tonga reaches its renewable energy target

Akuo won the call for tender launched by the Asian Development Bank and Tonga Power Limited for its 23.4 MWh / 6 MW Tonga 2 project in October. Complementary to the Group's first battery storage project in the archipelago - Tonga 1, which has a capacity of 5 MWh/10 MW and aims at improving grid stability - Tonga 2 is designed for load-shifting purpose. Tonga 1 and Tonga 2 will help addressing the need for the archipelago to strengthen its stand-alone storage capacity to allow more renewable energy to feed in the grid. Both the projects will be operational by Q3 2020.

Akuo is proud to partner with Tonga Power Limited for the implementation of Tonga 1 and Tonga 2 battery storage systems.

An innovative energy storage solution

Akuo will set up its innovative modular energy storage containers Storage GEM® to help securing the Kingdom's grid.

These two projects, developed in such a small and remote country, demonstrate Akuo's proven expertise on island grids and pave the way for similar Battery Energy Storage System solutions to be implemented in other Pacific islands.

Jean Ballandras, Akuo's Asia Pacific CEO, declares: *"Back in 2013, IRENA was pointing out in its "Pacific Lighthouse" report about Tonga that "Unfortunately, the Tonga solar generation will not be able to address the peak load without adding a substantial storage component". Akuo decided to address this issue first and foremost: as of today, Tonga will be able to deploy renewable energy at a much faster pace and we are thankful to both the Asian Development Bank and the Green Climate Fund for accompanying us."*

About Akuo, Entrepreneurs by nature

Akuo is a global renewable energy independent power producer and developer. The company is present across the entire value chain, including project development, financing, construction, and operation. As of end-2018, Akuo had invested more than EUR 2.2 billion for a total capacity of more than 1 GW in operation or under construction, and had over 3 GW in projects being developed. With more than 350 employees, the Group, whose headquarters are in Paris, France, has offices in some 15 countries around the world. Akuo is targeting a global production capacity of 3,500 MW by 2022. For more information, visit www.akuoenergy.com/en.

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