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Firming Australia's Largest Renewable Microgrid

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Energy and Mines Conference
14 June 2023



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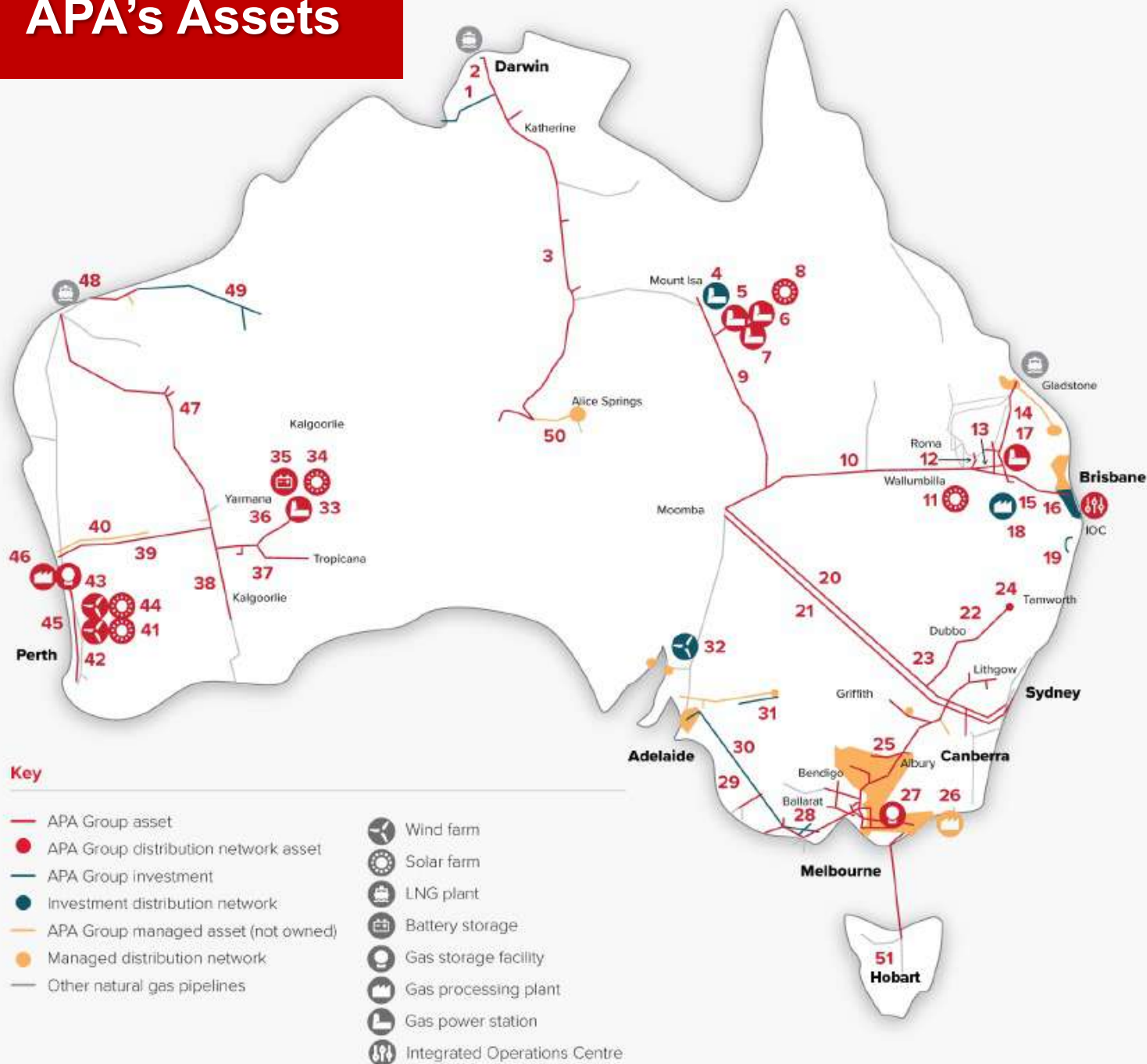
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In the spirit of reconciliation APA acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community.

We pay our respects to their elders past and present, and extend that respect to all Aboriginal and Torres Strait Islander Peoples today.

APA at a glance

APA's Assets



Key

- APA Group asset
- APA Group distribution network asset
- APA Group investment
- Investment distribution network
- APA Group managed asset (not owned)
- Managed distribution network
- Other natural gas pipelines
- ☪ Wind farm
- ☀ Solar farm
- 🏭 LNG plant
- 🔋 Battery storage
- 🗄 Gas storage facility
- 🏭 Gas processing plant
- 🏭 Gas power station
- 🏭 Integrated Operations Centre

Pipeline

- 3 Amadeus Gas Pipeline (inc laterals)
- 13 Berwyndale Wallumbilla Pipeline
- 1 Bonaparte Gas Pipeline
- 9 Carpentaria Gas Pipeline
- 22 Central Ranges Pipelines
- 23 Central West Pipeline
- 37 Eastern Goldfields Pipeline
- 47 Goldfields Gas Pipeline
- 38 Kalgoorlie Kambalda Pipeline
- 40 Mid West Pipeline
- 20 Moomba Sydney Pipeline
- 21 Moomba to Sydney Ethane Pipeline
- 28 Mortlake Gas Pipeline
- 39 Northern Goldfields Interconnect¹
- 45 Parmelia Gas Pipeline
- 48 Pilbara Pipeline System
- 12 Reedy Creek Wallumbilla Pipeline
- 15 Roma Brisbane Pipeline (inc Peat lateral)
- 30 SEA Gas Pipeline
- 29 SESA Pipeline
- 10 South West Queensland Pipeline
- 49 Telfer/Nifty Gas Pipelines and lateral
- 25 Victorian Transmission System
- 14 Wallumbilla Gladstone Pipeline (inc laterals)
- 2 Wickham Point Pipeline
- 36 Yamarna Gas Pipeline

Gas processing and storage

- 27 🗄 Dandenong (680TJ / 12000t)
- 35 🗄 Gruyere Battery Station (4.4 MW/MWh)
- 18 🗄 Kogan North (12TJ/d)
- 46 🗄 Mondarra (18PJ)
- 26 🗄 Orbest (55.9TJ/d)²

Gas Distribution

- 16 Allgas Gas Network
- 50 Australian Gas Networks
- 24 Tamworth Gas Network

Electricity transmission

- 51 Basslink
- 19 Directlink
- 31 Murraylink

Generation

- 17 🏭 Daandine (30 MW)
- 6 🏭 Diamantina (242 MW)
- 33 🏭 Gruyere (45 MW)
- 7 🏭 Leichhardt (60 MW)
- 5 🏭 Thomson (22 MW)
- 4 🏭 X41 (41 MW)

Solar Farm

- 43 ☀ Badgingarra (19 MW)
- 11 ☀ Darling Downs (110 MW)
- 41 ☀ Emu Downs (20 MW)
- 34 ☀ Gruyere Solar Farm (13.2 MW)
- 8 ☀ Mica Creek (88 MW)¹

Wind Farm

- 44 🌀 Badgingarra (130 MW)
- 42 🌀 Emu Downs (80 MW)
- 32 🌀 North Brown Hill (132 MW)

1. Under construction.

2. Average rate as reported by Cooper Energy Limited (ASX:COE) on 22 October 2022.

The Mount Isa Microgrid

Network Overview



- **6 main consumers** (Ergon, Mount Isa Mines, Dugald River mine, Ernest Henry mine, New Century mine, Capricorn Copper mine)
- **>20,000 residents** in Mount Isa & Cloncurry
- **220 kV** Ergon transmission network
- **365 MW** power station capacity
- **230 MW** avg. / **310 MW** max. load

• APA Assets

- **942 km** Carpentaria Gas Pipeline
- **365 MW** Power Station (natural gas)
 - 242MW Diamantina (CCGT)
 - 60MW Leichhardt (OCGT)
 - 22MW Thompson (Recip)
 - 41 MW XPS / X41 (Recip)
- **88MWac / 100MWp** Solar Farm
- **> \$1 Billion** invested by APA

APA Performance



High Reliability

- Ergon supply reliability >99.9% over last 5 years.
- Mining customer reliability >99.8% over last 5 years



High Efficiency

- In the Top 10 lowest emission gas generators in Australia
- Emission intensity of 0.41t CO₂-e/ MWh (prior to renewables) against a QLD average of ~0.7t CO₂-e/ MWh

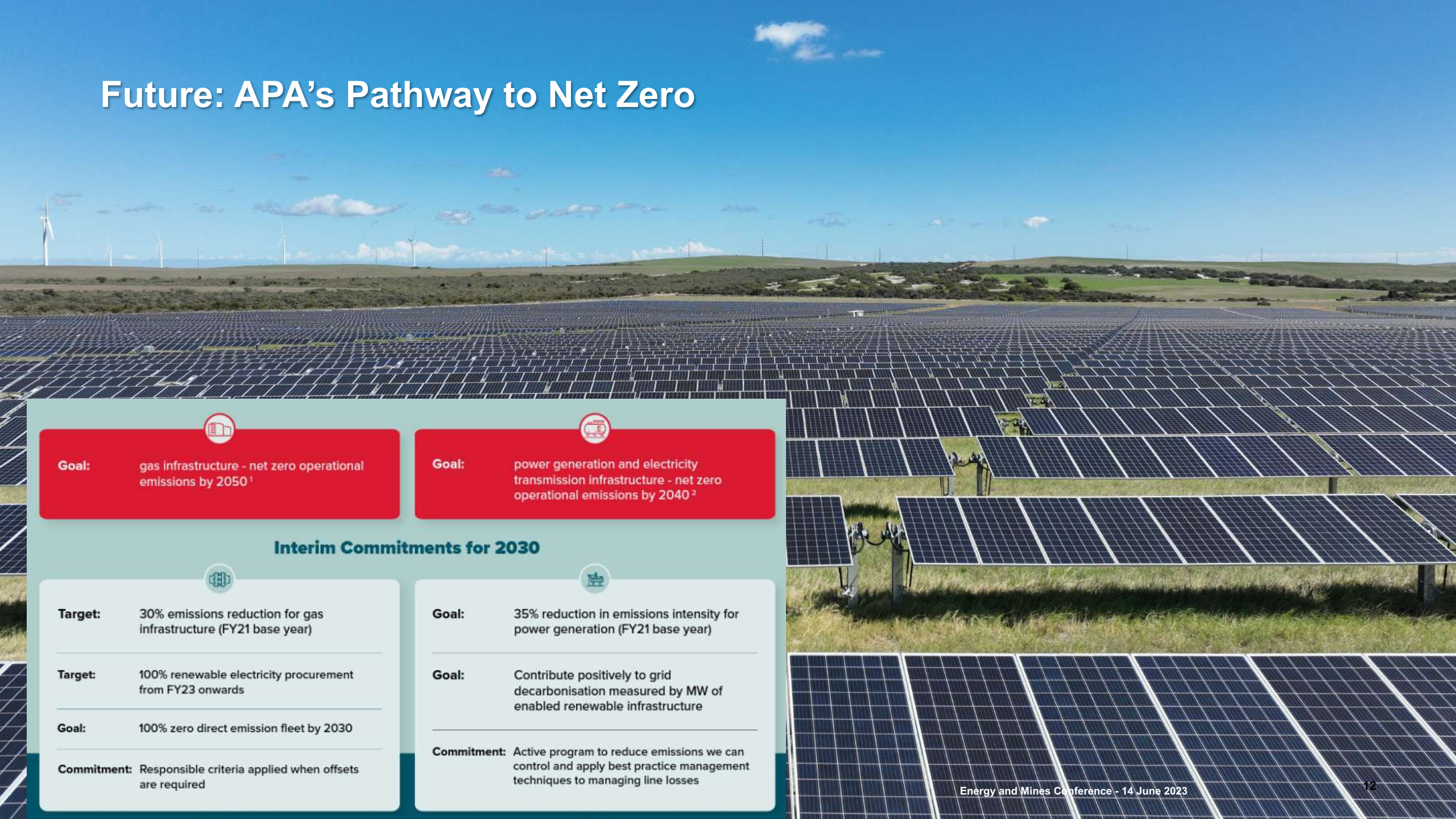


Renewables at Mount Isa

Current: APA's Dugald River Solar Farm

- **Plant Size:** 100 MW_{dc} / 88 MW_{ac} producing approx. 240GWh p.a. = 12% of the energy requirements
- **Customers:** MMG, Mount Isa Mines, and New Century
- **Technology:** Single axis tracking array with >150,000 bi-facial solar panels
- **Investment:** \$150m CAPEX
- **Jobs:** Up to 200 jobs onsite during construction

Future: APA's Pathway to Net Zero



Goal: gas infrastructure - net zero operational emissions by 2050¹



Goal: power generation and electricity transmission infrastructure - net zero operational emissions by 2040²

Interim Commitments for 2030



Target: 30% emissions reduction for gas infrastructure (FY21 base year)

Target: 100% renewable electricity procurement from FY23 onwards

Goal: 100% zero direct emission fleet by 2030

Commitment: Responsible criteria applied when offsets are required



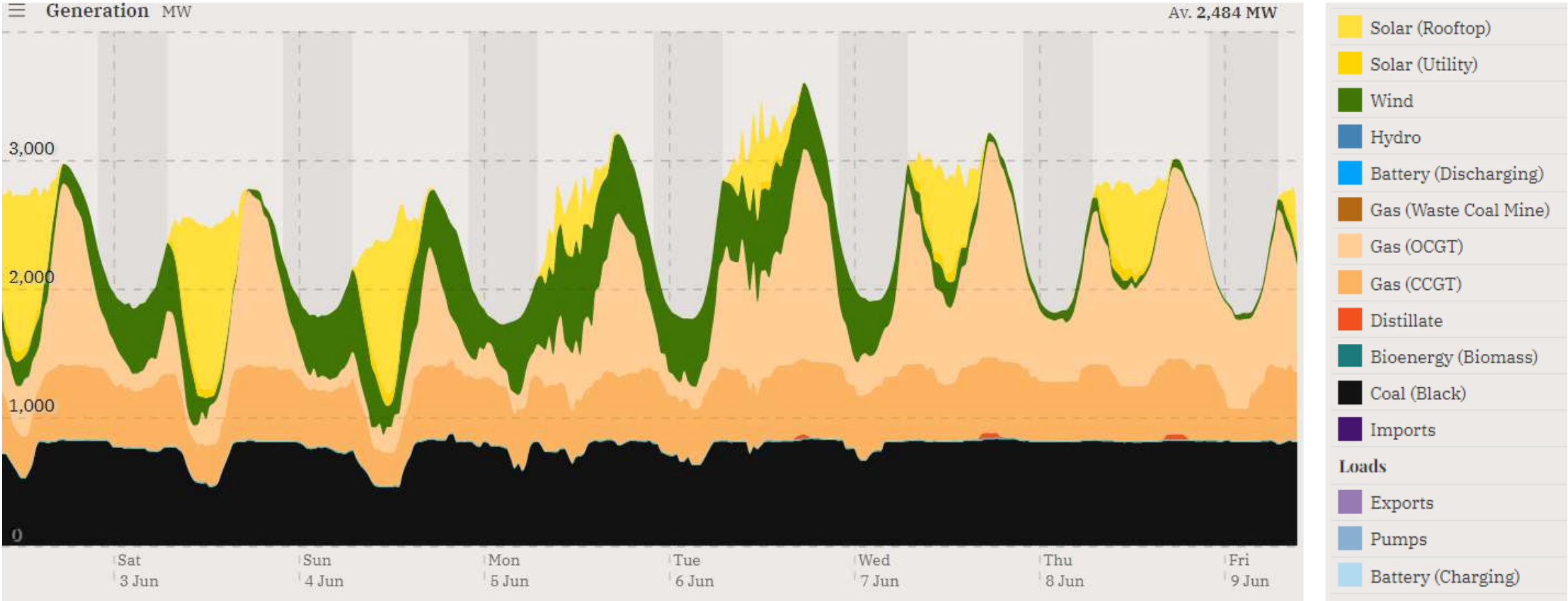
Goal: 35% reduction in emissions intensity for power generation (FY21 base year)

Goal: Contribute positively to grid decarbonisation measured by MW of enabled renewable infrastructure

Commitment: Active program to reduce emissions we can control and apply best practice management techniques to managing line losses

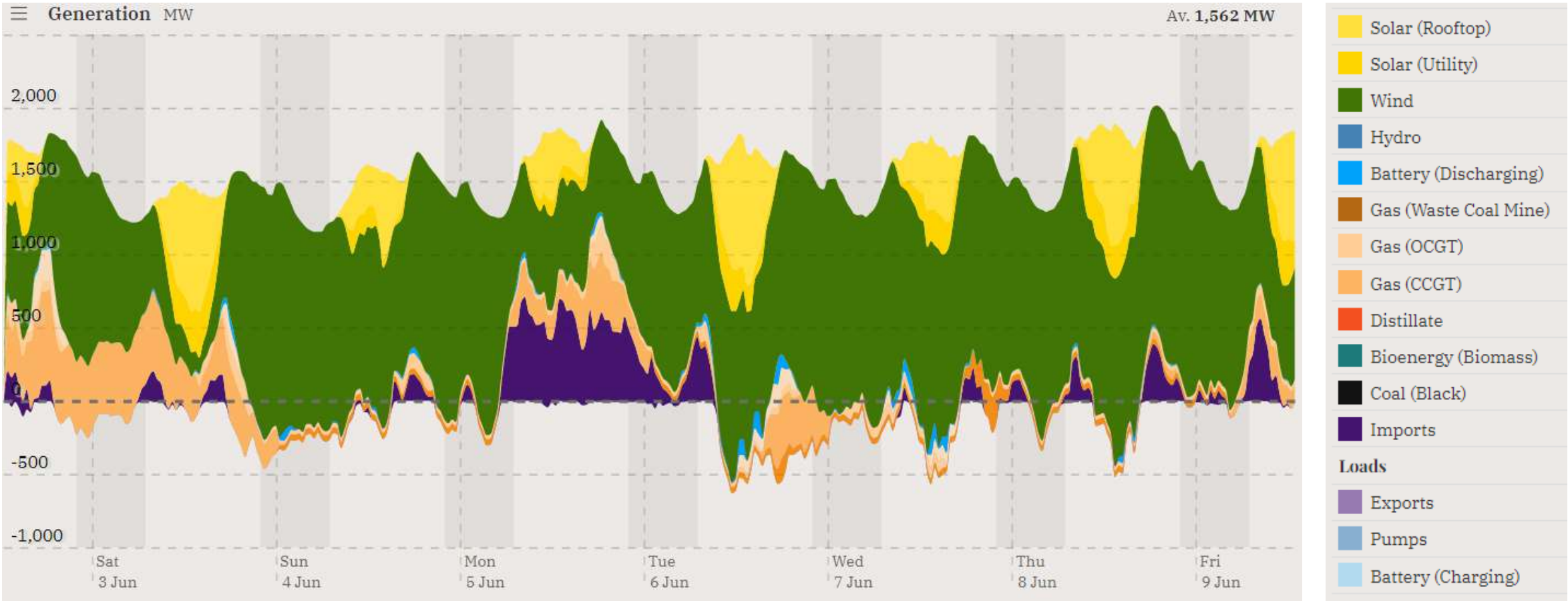
Firming Examples: Energy Markets

Western Australia: 4th to 9th June 2023



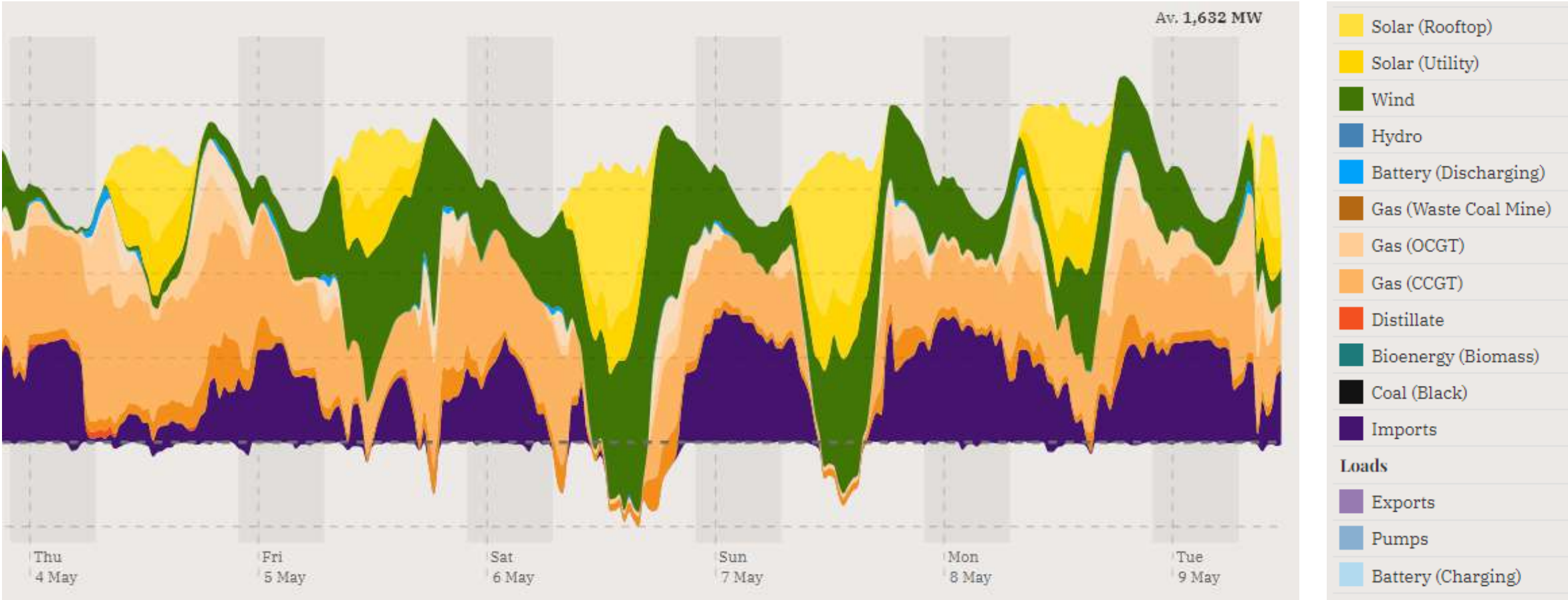
Source: OpenNEM www.opennewm.org.au

South Australia: 4th to 9th June 2023



Source: OpenNEM www.opennwm.org.au

South Australia: 4th to 9th May 2023



Source: OpenNEM www.opennem.org.au

Outcome Balance: Reliability, Cost and Emissions

Reliability

- **Power Station Capacity:** 100% of maximum instantaneous demand
- **Gas Pipeline Capacity:** 100% of maximum hourly demand
- **Gas Supply Capacity:** 100% of maximum daily demand
- **Reliability Improvements:** demand management, battery storage, gas storage, pipelines over trucked energy, experienced partners and people.

Cost

An aerial photograph showing a vast solar farm in a desert environment. The solar panels are arranged in neat, parallel rows across a large area of reddish-brown earth. In the background, there is a complex of mining or industrial structures, including conveyor belts, large piles of material, and various buildings, all set against a backdrop of rugged, hilly terrain under a clear sky.

- **Renewables:** solar + wind + battery for 50% to 80% of all energy.... but with impacts on Gas Supply, Firming and Funding
- **Gas Supply:** reduce costs with gas storage e.g. Mondarra and pipeline line pack and smart gas management
- **Firming:** flexible operation to minimise renewable energy curtailment
- **Funding:** minimise interfaces and lower investment risks to reduce funding costs

Emissions

An aerial photograph of a wind farm. The landscape is a mix of green fields and brownish soil, with a dirt road winding through it. Several wind turbines are visible, with one in the foreground being particularly prominent. The sky is clear and blue.

- **Renewables:** as much as economically practical
- **Firming:** pipeline gas is lower emission than alternatives such as diesel, LNG and CNG
- **Indirect reduction:** carbon offsets
- **Emerging options:** hydrogen, fleet electrification, carbon capture & storage

APA: Your Net Zero Partner



For further information

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