

Australia Energy Storage Systems (ESS) Market is anticipated to register a CAGR of 27.56% during 2023 - 2028 - Market Size, Share, Forecasts, and Trends Analysis Report by Mordor Intelligence.

According to a new market research report titled “Australia Energy Storage Systems (ESS) Market (2023 – 2028),” the market studied is expected to register a CAGR of 27.56%. Battery price reductions and rapid adoption of renewable energy, aided by government initiatives, are expected to drive the growth of the market during the forecast period. However, high initial capital requirements and high cost of components are expected to limit the demand for energy storage from the residential and small-scale commercial sectors, stifling market growth.

What is driving the growth of the Australian Energy Storage Systems (ESS) Market?

Battery energy storage is regarded as a critical technology for achieving a sustainable energy system. Battery energy storage systems control voltage and frequency, reduce peak demand charges, integrate renewable energy sources, and provide backup power. Batteries are critical components of energy storage systems, accounting for roughly 60% of the total cost of the system.

The research report by Mordor Intelligence mentions some of the major market trends shaping the Australian energy storage systems market.

- In 2021, Australia witnessed significant growth in rooftop solar PV installations.
- The number of solar PV installations increased from 378.45 thousand units in 2020 to 389.57 thousand units in 2021, a growth of more than 2.5%.
- Due to declining prices, lithium-ion batteries have been witnessing a massive demand in the Australian BESS market.
- Lithium-ion batteries are expected to hold the most significant share of the battery energy storage market.
- Lithium-ion batteries require less maintenance, are lightweight, have a reliable cycle life, have high energy density in terms of volume, and have high charge/discharge efficiency.
- According to the Clean Energy Council, in 2021, 34,731 energy storage batteries with a combined capacity of 347 MWh were installed in Australia.
- According to Clean Energy Council, there were 30 large-scale batteries under construction by the end of 2021, representing more than 921 MW of new storage capacity.
- The battery energy storage systems use utility grids to supply electricity to consumers, reducing energy bills.

The battery energy storage systems used in utilities are a cost-effective alternative to conventional infrastructure, especially in helping substations and transmission and distribution (T&D) lines meet the growing demand. These factors are contributing to the growth of the BESS market in Australia.

Renewable energy is expected to drive the market:

In Australia, the cost of renewable energy generation, particularly solar power, is steadily declining. The primary reasons for falling renewable power generation costs are advances in PV power generation manufacturing and installation, improved wind turbine materials and designs, and economies of scale. Renewable energy is becoming more competitive and cost-effective than conventional power plants as costs fall.

As of 2021, renewable energy sources accounted for 10.3% of Australian energy consumption. In 2021, Australia's renewable electricity generation was estimated at 61.3 TWh, 22.84% higher than the entire renewable electricity generation in 2020. In 2021, 22.9% of Australia's total electricity generation was from renewable energy sources, including solar (9%), wind (9%), and hydro (6%).

The renewables share in Australia's National Electricity Market (NEM) power generation mix is expected to double to 41% by 2030. With the growing share of renewables, the demand for energy storage applications is also expected to grow during the forecast period.

Who are the key players in the Australian Energy Storage Systems (ESS) Market?

The Australian energy storage systems (ESS) market is moderately fragmented. Some of the major players in the market include,

- Pacific Green Technologies Group
- LG Energy Solution Ltd
- Tesla Inc.
- EVO Power Pty Ltd
- Century Yuasa Batteries Pty Ltd
- Battery Energy Power Solutions Pty
- PowerPlus Energy
- Enphase Energy Inc.

Recent developments in the Australian Energy Storage Systems (ESS) Market:

- In January 10, 2022, Woodside Energy submitted a proposal for a 500 MW solar facility and a 400 MWh battery storage to the Western Australian Environmental Protection Authority. The facility would cover 975.6 ha within a development envelope of 1,100.3 ha. According to the proposal, the solar facility will install one million solar panels and support infrastructures, such as a battery energy storage system and an electrical substation.
- In August 2021, Wärtsilä agreed to supply a battery energy storage system (BESS) to AGL Energy, one of Australia's leading integrated energy companies. The 250 MW/250 MWh system will be installed at Torrens Island in South Australia.

In a nutshell, the Mordor Intelligence market research report is a must-read for start-ups, industry players, investors, researchers, consultants, business strategists, and all those who are looking to understand this industry. Get a glance at the www.mordorintelligence.com/industry-reports/australia-energy-storage-systems-market

About Mordor Intelligence:

Mordor Intelligence is a market intelligence and advisory firm. Mordor Intelligence believes in predicting butterfly effects that have the potential to change or significantly impact market dynamics.

The market research reports by Mordor Intelligence are comprehensive. They provide exclusive data, facts and figures, trends, and the competitive landscape of the industry.

Mordor Intelligence constantly tracks industry trends. Some relevant market reports from the analysts that might be of interest to you:

- www.mordorintelligence.com/industry-reports/asia-pacific-energy-storage-systems-market-industry
- www.mordorintelligence.com/industry-reports/battery-energy-storage-system-market
- www.mordorintelligence.com/industry-reports/india-battery-energy-storage-systems-market
- www.mordorintelligence.com/industry-reports/residential-energy-storage-systems-market
- www.mordorintelligence.com/industry-reports/united-kingdom-energy-storage-systems-market-industry