

# Community Batteries Parliamentary Brief

30 March 2023



# Agenda

1. Welcome and Introduction
2. ARENA Background
3. What is a Community Battery?
4. Program Overview
5. Timeline
6. Q&A

# Introductions

## **Darren Miller**

ARENA Chief Executive Officer

## **Dan Sturrock**

Director - Business Development and Transactions

## **Leon Chanter**

Associate Director - Business Development and Transactions

## **Anna Whitelaw**

General Manager – Corporate Affairs

## **Nic Dorward**

Director – Government Relations

## ARENA's Purpose

ARENA is the Australian Renewable Energy Agency.

The Agency was established by the Australian Government in July 2012.

Our purpose is to support the global transition to net zero emissions by accelerating the pace of pre-commercial innovation, to the benefit of Australian consumers, businesses and workers.

To improve the competitiveness of renewable energy technologies and increase the supply of renewable energy through innovation that benefits Australian consumers and businesses.

INVESTED   
**\$2.04B**

PROJECTS   
**653**

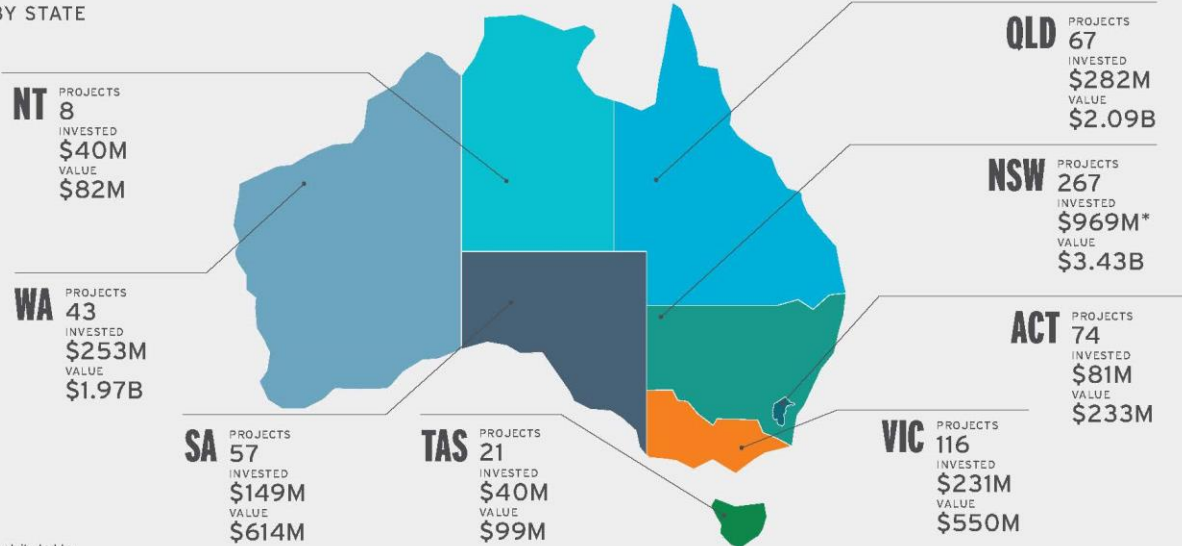
VALUE   
**\$9.06B**

INVESTMENT LEVERAGE   
**\$1:\$3.43**

## INVESTMENT BY TECHNOLOGY



## INVESTMENT BY STATE



## INVESTMENT LEVERAGE ALONG THE INNOVATION CHAIN



\* Includes \$567 million contributed to projects inherited by ARENA in 2012.

# OUR INVESTMENT PRIORITIES



## OPTIMISE THE TRANSITION TO RENEWABLE ELECTRICITY

- › Enable ultra low-cost generation
- › Improve the economics of energy storage
- › Optimise large-scale integration
- › Support flexible demand



## COMMERCIALISE CLEAN HYDROGEN

- › Support a viable clean hydrogen industry across the full value chain



## SUPPORT THE TRANSITION TO LOW EMISSIONS METALS

- › Accelerate the transition to a low emissions steel value chain
- › Accelerate the transition to a low emissions aluminium value chain



## DECARBONISING LAND TRANSPORT

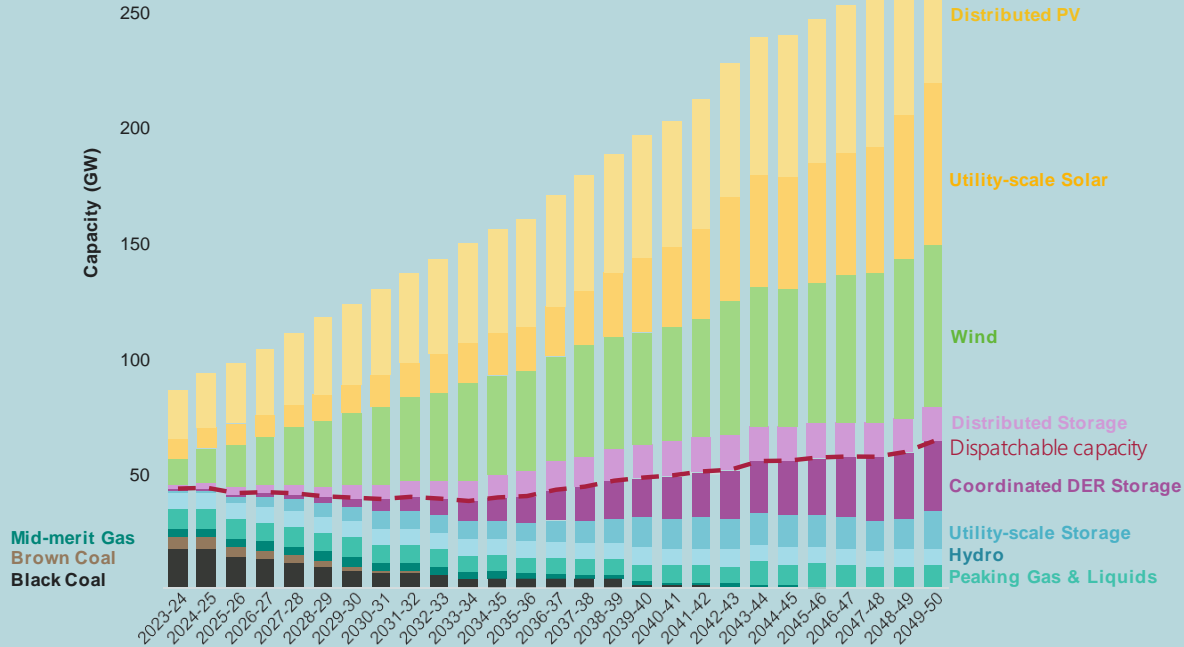
- › Accelerate the decarbonisation of urban and long-distance land transport

## Why do we need Community Batteries?

- Rapid electricity sector transition is driving the need for new storage.
- Community Batteries are an emerging technology with technical, regulatory and commercial challenges.
- ARENA expects to support organisations with appropriate experience to deploy these emerging and complex assets.

# Electricity Transition Driving Storage Demand

Forecast NEM capacity to 2050, Step Change scenario



Source: 2022 Integrated System Plan June 2022, AEMO



# ARENA Support for Battery Storage

- 10 years of support for the sector:
  - > \$300m in grant funding committed
  - Large-scale battery storage round (2 GW)
  - Residential VPP portfolio
- Recent projects include:
  - Darlington Point Energy Storage System (2022 | \$6.6m)
  - United Energy Low Voltage Battery Trial (2021 | \$4.0m)
  - Shell Energy Smart Hubs (2022 | \$9.1m)



# Community Batteries – the 'Missing Middle'

## ARENA's parameters for a Community Battery:

- 50 kW to 5000 kW nameplate capacity
- Connected in the distribution network
- Behind-the-meter (BTM) or front-the-meter (FTM) configuration

# Proposed Format for Delivering Community Batteries

## Round One (Scale and Speed)

Metric	Stream A (DNSP)	Stream B (Non-DNSP)
Stream funding	\$60m	\$60m
Minimum grant	\$3m	\$3m
Maximum grant	\$20m	\$20m
Capacity range (per site)	50kW – 5MW	50kW – 5MW
Minimum number of batteries	5	5
Configuration	Front of Meter	Front of Meter & Behind the Meter

## Round Two (Slower)

Round design	Detailed to be informed by the learnings of Round One
Round funding	\$51m

# Timeline for Round One



**Note:** Full Applications may be submitted at any time once ARENA's feedback at the EOI stage has been addressed.

# Q&A



# Community Batteries Parliamentary Brief

30 March 2023

