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\$120 million to roll out community batteries across Australia

On behalf of the Australian Government, the Australian Renewable Energy Agency (ARENA) has announced \$120 million in funding will be made available for Round 1 of the Community Batteries Funding Program.

The program aims to support the deployment of community batteries across Australia to lower energy bills, cut emissions and reduce pressure on the electricity grid.

ARENA is now seeking applications for up to \$20 million funding to deploy a minimum of five community batteries.

To be eligible for ARENA funding, each community battery must be between 50 kW and 5 MW in size and connected to the distribution network.

ARENA has allocated \$120 million in funding for Round 1, split equally across two streams:

- Stream A: Distributed Network Service Providers (DNSP)
- Stream B: Applicants that are not DNSPs

Community batteries provide energy storage in the distribution network that can store excess solar energy for later use, putting downward pressure on household electricity costs, and easing pressure on the local electricity grid.

ARENA CEO Darren Miller said community batteries represent the next step in optimising distributed energy resources in the electricity grid.

“Not everyone is able to install rooftop solar, but by storing electricity close to the point of consumer demand, we can reduce network costs and alleviate constraints in areas with high solar penetration. This will ultimately reduce electricity costs for all consumers.”

“We’re excited to be working on this initiative to support the roll out of these 342 batteries across Australia.”

As part of the 2022/23 Federal Budget, the Australian Government allocated \$200 million for the Household Solar budget measure to deploy 400 community batteries across Australia.

ARENA was allocated \$171 million of this funding to deliver at least 342 batteries.

ARENA has allocated \$120 million to Round 1 and intends to allocate the remaining funding to a future round, based on learnings from this tranche.

The Department of Climate Change, Energy, the Environment and Water (DCCEEW) will deliver an initial 58 community batteries through the [Business Grants Hub](#). This round is now closed, with DCCEEW now assessing applications.

ARENA will be hosting two information sessions on the Community Batteries Funding Program in April. More information on the application process can be found at [ARENA's funding page](#).