

# Neighbourhood Batteries

## Retailer Opportunities

The 2nd Future of Neighbourhood Batteries in Australia conference

29 November 2023 | Sanket Wankhede, VPP Leader



**EnergyAustralia**  
LIGHT THE WAY

# Acknowledgement of Country

EnergyAustralia acknowledges the Traditional Owners and Custodians of this Country. We pay our respects to Elders past, present and emerging and we recognise and respect their connection to cultures, lands and waters.

Artwork by Mandy Nicholson, Wurundjeri-willam artist and Traditional Custodian of Melbourne and surrounds

# EnergyAustralia is simplifying the consumer transition

We are delivering propositions and services that allow households and business to accelerate their transition towards decarbonisation

## Who is EnergyAustralia?

- ✓ Headquarters: Melbourne, Victoria
- ✓ 2.4 million household and business accounts across the National Electricity Market.
- ✓ Operator of a diverse generation portfolio of coal, gas and renewable assets with a “brown to green strategy” allowing us to lead the change to a cleaner energy future.
- ✓ Combining behind-the-meter solutions with our growing flexible generation portfolio, and importantly, removing the complexity for consumers to help speed the energy transition.
- ✓ A Climate Transition Action Plan (CTAP) target of net zero Scope 1 and 2 emissions by 2050, with an additional ambition to extend this to Scope 3 emissions.

## The EnergyAustralia Way

Our Purpose	To lead and accelerate the clean energy transformation for all			
Our Strategy	We make the energy transition simple for customers, combining behind the meter solutions into our growing flexible energy portfolio			
Our EA way	Be Purposeful	Play More Together	Make a Difference	Be Bold and Move Fast



### Be Purposeful

- Connect your every day work to our strategy and purpose
- Proactively embrace change and own it
- Build on ideas to improve outcomes



### Be Bold and Move Fast

- Stay curious and never stop looking for new ways to improve
- Be courageous, communicate honestly and openly
- Deliver quality results with a fast paced approach



### Make a Difference

- Consider our customers in every decision, anticipate what they expect and value
- Do the right thing for each other, our stakeholders, communities and environment



### Play More, Together

- Use teamwork intentionally to explore, solve and learn
- Harness and leverage diverse perspectives
- Collaborate and focus on the success of our whole team

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## Key Themes



***Neighbourhood Batteries – Operating Models in consideration***



***Neighbourhood Batteries – Customer Benefit Sharing Models in consideration***

# EnergyAustralia offers unique consumer propositions

Helping consumers benefit from renewables and obtain cost of living relief

## Providing Renewable Assets to Consumers

### Solar Home Bundle

Solar panels & battery installed with no upfront costs. For \$0 upfront, get a complete solar panel and battery system installed and managed as part of a 7-year energy plan.<sup>1</sup>

For eligible NSW residential customers only.<sup>4</sup>

[Check Eligibility](#)



### Consumer Offer

- ✓ No-cost solar battery storage system
- ✓ No installation or upfront costs
- ✓ Rate Hike Protection for seven years
- ✓ Ownership of a \$15k system after seven years
- ✓ System maintained and managed by EA

## Helping Households Maximise Renewable Investments

### Solar Optimiser

Make your solar panels and battery work smarter and be rewarded with up to 40c/kWh feed-in tariff (FIT).

[↓ Check my eligibility](#)

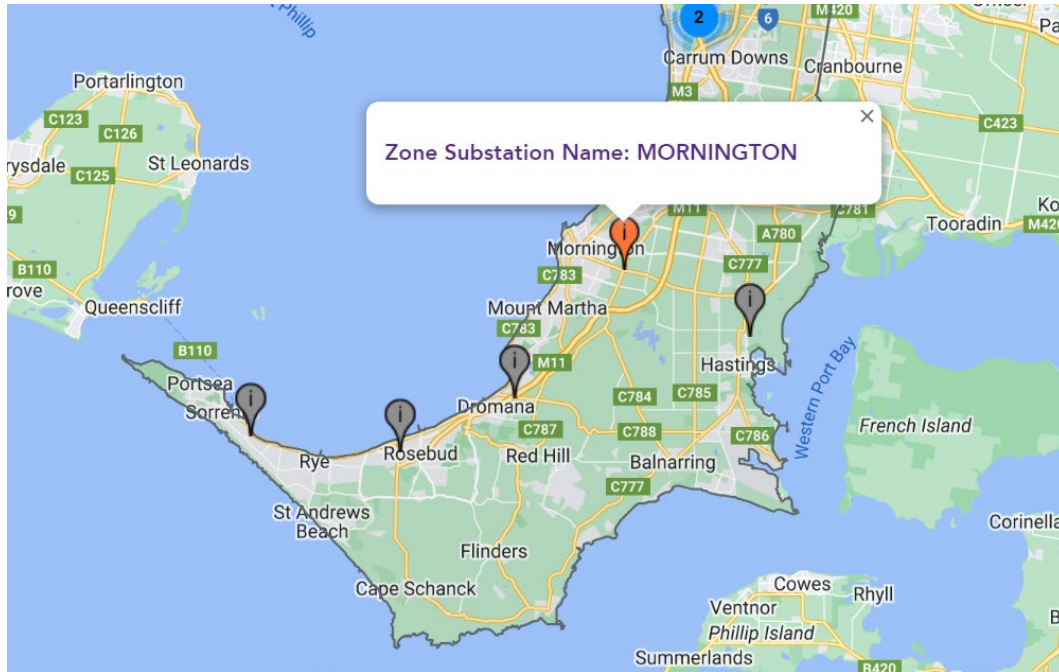


### Consumer Offer

- ✓ A market leading Feed-In Tariff
- ✓ Accelerating the return in the storage system
- ✓ Competitive electricity usage rates
- ✓ Flexibility to change providers at any time
- ✓ System partially managed by EA



# Operating Models - Own



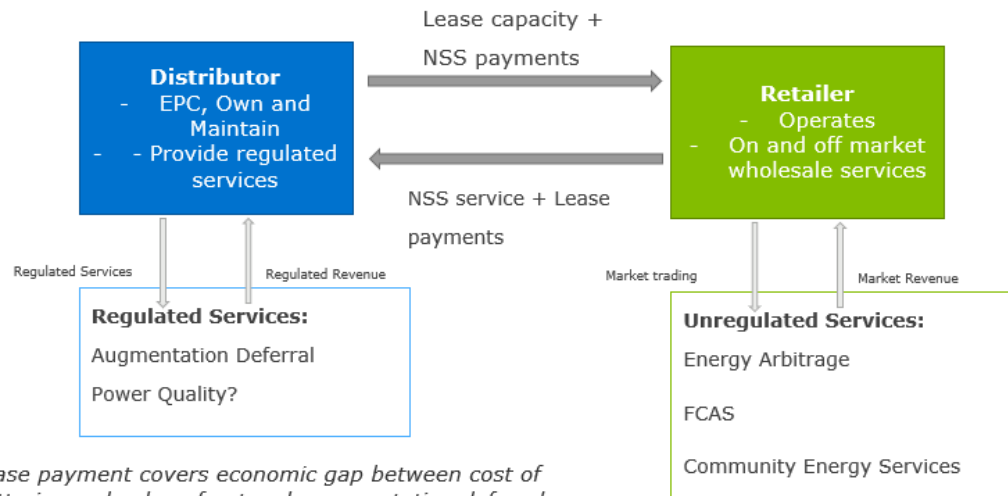
Constraints

N asset rating (kVA)	N-1 asset rating (kVA)	Number of customers	Peak demand (kVA)	Asset utilisation under maximum demand (%)	Demand reduction required under peak demand (kVA)	Estimated augmentation cost (\$)	Maximum annual augmentation deferral payment (\$)
91620	45810	25504	57471	63%	1300	\$6,900,000	\$233,653

United Energy <[United Energy - Rosetta Network Visualisation Portal](#)>

- Locational signals by Network Operators (Access to information)
- Access to additional Network Value Streams
- Network Tariffs for BESS connection point
- Uncertainty in Market Revenues (e.g., FCAS)
- Network connection/ other approvals
- Non economic benefits

# Operating Models - Operate



*Lease payment covers economic gap between cost of batteries and value of network augmentation deferral*

*Does not capture Network Tariff Benefits*

- Access to inputs - Network Operators (Access to information)
- Electrical/ Geographical locations can impact customer benefit sharing models
- Network Tariffs for BESS connection point
- BESS Availability/Override
- Contract duration
- Non economic benefits

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## Customer Benefit Sharing Models in consideration

### Contracted Capacity

Customers pay a fixed membership fee to access a portion of the neighbourhood battery's storage capacity. Customers can export their solar energy at certain times of the day and import later in the evening at favourable rates.

### Simple Retail Tariff

Simple tariffs with an improved FIT and a reduced energy usage rate. Rate improvements can be developed through lowering of network tariff costs for all customers connected to the battery network (reduced network use of service charges) or implementation of two – way tariffs.

Simple and consistent across all network areas.



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# Customer Benefit Sharing Models in consideration

- Problem statement - product offering for different consumer sectors
  - Engage Customers with/ without solar
  - Customers with/without battery
  - Rent/ socially disadvantaged/ physical space limitations
  - Aligning products with grid and operational needs – products may encourage wrong behaviours
- DUOS/TUOS offsets – sharing benefits – Network tariffs
- Consumer engagement and support model
- BESS locations have different objectives (solar population %)

# Thank you

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