

100 Neighbourhood Batteries Program

Program Overview – September 16, 2024



We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it.

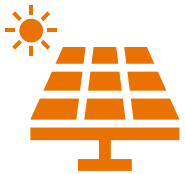
We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

DEECA is committed to genuinely partnering with Victorian Traditional Owners and Victoria's Aboriginal community to progress their aspirations.

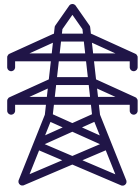
Program Objectives

The 100 Neighbourhood Batteries Program is a \$42.2 million program supporting the uptake of neighbourhood batteries, to make the most of our distributed energy resources and help unlock the value of battery storage for all energy users.

100NB Program has six objectives:



Benefits from local renewable energy generation and storage are passed on to consumers, including lowering household energy bills



Increased energy reliability



Increased energy resilience (NEW)



Reduced costs of network upgrades



Communities feel they are personally contributing to Victoria's energy transition



Scale up the delivery of operational models for neighbourhood-scale batteries

What did we fund under Round 1

Applicant	Organisation Type	Configuration	Community benefits
Indigo Power	Community-owned energy company	BtM	<ul style="list-style-type: none"> • Reduce electricity costs for all IP customers, including low-income households, renters, and apartments through an increased FiT and/or decreased retail tariffs. • Improved network reliability. • Reduction of local solar export limitations.
Totally Renewable Yackandandah (TRY)	Community Energy Group	BtM	<ul style="list-style-type: none"> • Reduce the power bill for the Sports Park so funds can be reallocated to other much needed improvements around the site. • Decrease the Sports Park's carbon emissions by reducing its reliance on coal-powered energy. • Support Yackandandah's drive to 100% renewable energy. • Provide a site of refuge during prolonged power outages and in the aftermath of a fire or flood.
Goulburn Valley Community Energy	Community Energy Group	BtM	<ul style="list-style-type: none"> • Provide energy cost savings to the sites • Increase energy resilience allowing sites to operate during outages • Fund upgrades to the host sites, including a dementia-friendly sensory garden at the Moyola Aged Care Home and site accessibility upgrades for workers at the social enterprise Merriwa Industries

What did we fund under Round 1?

Applicant	Organisation Type	Configuration	Community benefits
Mondo Power (Phillip Island)	Energy Services	BtM and FoM	<ul style="list-style-type: none"> • Reduce solar curtailment issues and increase potential for new solar storage. • Provide a community dividend fund managed and distributed by community group Totally Renewable Phillip Island and local council Bass Coast Shire Council. • Increase community interest around renewable energy and the energy transition.
Mondo Power (Queenscliffe)	Energy Services	FoM	<ul style="list-style-type: none"> • Reduce solar curtailment issues and increase potential for new solar storage. • Provide a community dividend fund managed and distributed by community group Queenscliff Climate Action Now and local council the Borough of Queenscliff. • Increase community interest around renewable energy and the energy transition.
AusNet Electricity Services	Distributed Network Service Provider	FoM	<ul style="list-style-type: none"> • Increase utilisation of locally generated solar power for customers • Increase capacity for rooftop solar exports for customers • Reducing energy system costs by sharing the battery with a third-party to utilise the spare capacity in contestable markets and to offer new services to local communities

Round 2 Overview

	Stream 1: Network and community benefits	Stream 2: Community benefits	Stream 3: Energy Resilience (New)
Total funding available	Up to \$15,000,000 across all three streams		
Funding per battery	Up to \$400,000 per battery		
Funding for	Batteries	Batteries	Batteries Solar PV Back-up generator Islanding controls
Must deliver benefit to	Local electricity consumers and the electricity network	Local electricity consumers	Local electricity consumers*
Minimum cash co-contribution	30%	10%	5%
Minimum battery size	20kW/40kWh		
Maximum battery size	5MW/20MWh		

*To be considered under Stream 3, proponents must also demonstrate need for improved resilience.

Eligibility

Eligible applicants:

- must be a commercial business, not for profit organisation, co-operative or local government authority
- must be incorporated body, co-operative or association (including business associations)
- must provide evidence of being financially solvent (ie. 3 years financial reports)
- must have an Australian Business Number (ABN) and be registered for GST.



Assessment criteria

Merit criteria	Weighting
1. Alignment with the intended outcomes of the 100 Neighbourhood Batteries Program	30%
2. Applicant capability and capacity	20%
3. Project business case	30%
4. Value for money	20%

Defining network and community benefits

Network benefits

May include but not limited to:

- reduced thermal and voltage constraints
- delayed network upgrades

Community benefits:

May include but not limited to:

- lower energy costs
- more reliable supply
- more resilient energy supply
- greater access to locally generated renewable energy
- other benefits to local communities (e.g. directing energy cost savings into community energy projects)



Example: Direct bill reductions for households

Decreasing bills for low income and vulnerable households by installing neighbourhood batteries on new or existing social and public housing stock, especially where onsite solar PV is present.

Decreasing bills for low income and vulnerable households living in aged care or caravan parks by installing neighbourhood batteries.



Example: Lower operating costs for community services

Decreasing costs for not-for-profit organisations, community groups or local sporting clubs by installing batteries on Council-owned or community-owned facilities such as community kitchens, sport pavilions, community halls and neighbourhood houses.



Example: Increasing energy resilience

Increasing energy resilience for communities located in network areas vulnerable to prolonged power outages by installing energy back-up systems to continue to supply power to publicly-accessible buildings during grid outages.



Streams 1 and 2 funding priorities

Projects with one or more of the following attributes will be given priority:

1. Deliver benefits to low income and vulnerable households
2. Deliver benefits to households with no access to solar PV generation, such as renters and apartment-dwellers
3. Deliver a greater number of batteries and faster deployment timelines (delivery within FY 25-26 is preferred)
4. Demonstrate increased benefits for local electricity consumers via a novel battery operational and/or commercial models
5. Located in network areas with poor reliability, particularly in regional areas where addition of a neighbourhood battery will increase energy reliability
6. Located in constrained networks with solar export limits where addition of a neighbourhood battery will reduce network constraints and increase local hosting capacity for solar
7. Located within one or more of the 29 Local Government Areas (LGAs) committed to by the Victorian Government



Stream 3 funding priorities

Projects with one or more of the following attributes will be given priority:

1. high incidence of historical electricity outages (both frequency and duration)
2. significant percentage of local population impacted by electricity outages
3. no or limited other local, publicly accessible, powered buildings available during electricity outages
4. located in network areas with poor reliability, particularly in regional areas where addition of a neighbourhood battery will increase energy reliability
5. vulnerability to extreme weather events likely to impact electricity infrastructure (e.g. storms, bushfires).
6. located within one or more of the 29 Local Government Areas (LGAs) committed to by the Victorian Government (see Appendix 1)
7. delivering a greater number of batteries and faster deployment timelines (delivery within FY 25-26 is preferred).



Exclusions

100NB will NOT fund:

- business as usual costs, including salaries and wages for personnel *not* employed directly on the project
- routine or ongoing maintenance activities, including but not limited to, operational and/or maintenance costs of running a neighbourhood battery
- land acquisition and related expenses
- expenditure on other projects
- projects that have already commenced construction
- where duplicate services are in operation or planned for in a targeted community
- the use of any new or nascent technologies that are lower than Technology Readiness Level (TRL) 9 (See arena.gov.au/assets/2014/02/Technology-Readiness-Levels.pdf)
- feasibility studies or business cases
- projects that do not include installation of a neighbourhood battery
- projects that do not include integration of new or existing solar PV – **applies to Stream 3 only**
- installation, operation or maintenance of generation technologies (e.g. solar panels, diesel generators) – **applies to Streams 1 and 2 only**
- activities located outside the State of Victoria.



Co-contribution

- co-contribution is mandatory
- co-contribution must be a monetary co-contribution and may **not** include an in-kind contribution
- the project budget/cashflow template separates reporting on monetary and in-kind expenditure
 - *monetary contribution + grant funding sought = total project budget*
 - *monetary contribution + in-kind contribution + grant funding sought = total project cost*

Example – Stream 2 (10% cash co-contribution)

- Grant requested: \$400,000
- **Minimum** cash co-contribution: \$40,000



Application Form

Eligible Lead Organisation

*Is the applicant one of the following:

- Co-Operative
- Education Institution
- Local Government Authority
- Not for Profit
- Public Entity
- Private Sector Business / Agency

☒ Yes ☐ No

* Does the Lead Organisation have an Australian Business Number (ABN) that is registered for GST?

☒ Yes ☐ No

* Can the Lead Organisation or Lead Organisation's parent company demonstrate at least three years operating history?

☒ Yes ☐ No

Application Form

* How many batteries are being proposed?

* What is the size of each proposed battery?



50 words remaining.

Where will your project be located?

* List all addresses

Full street name, suburb and postcode

50 words remaining.

Application Form

ASSESSMENT CRITERIA 1 - (30%)

Alignment with the intended outcomes of the 100 Neighbourhood Batteries Program

Please summarise your response here, ensuring you cross reference your points with relevant supporting documents.

* Describe how the project will contribute to the intended outcomes of the program including:

- benefits from local renewable energy and energy storage are passed on to consumers, including lowering household energy bills
- increased energy reliability
- increased energy resilience
- reduced costs of network upgrades
- communities feel they are personally contributing to Victoria's energy transition
- scaled up delivery of operational models for neighbourhood-scale batteries

Please note you must:

- provide a quantification of the network and community benefits expected to be delivered by the project and identify all assumptions underpinning your calculations
- identify which of the 100NB priorities for funding would be addressed by this project (see section 5 of the [Application Guidelines](#)) .

Application Form

ASSESSMENT CRITERIA 2 - (20%)

Applicant capability and capacity

Please summarise your response here, ensuring you cross reference your points with relevant supporting documents.

- * Describe the capability and capacity of your organisation including:
 - listing key participating organisations and their proposed roles and responsibilities during the project and over the lifetime of the battery
 - providing details of the full-time equivalent (FTE) and remuneration for each role (e.g., Project Manager - 0.6 FTE, \$80,000)
 - describing the skills and experience of individual personnel from the lead organisation as well as from participating organisations (if relevant)

Please note you must:

- upload any relevant letters of support from participating organisations to the Supporting Documents section
- where a grid connection agreement is required, upload a letter of support from the Distributed Network Service Provider (DNSP) that includes the size and location of the battery to the Supporting Documents section.

Application Form

ASSESSMENT CRITERIA 3 - (30%)

Project business case

Upload your Project Plan describing the project design and deliverables to the Supporting Documents section. Refer to the [Application Guidelines](#) for full details required to be included in the Project Plan.

NOTE: Proposals that feature a greater number of batteries and faster deployment timelines will score more highly on this criterion.

* Please tick this box to confirm that you have completed a Project Plan and will upload to the Supporting Documents section.



Application Form

ASSESSMENT CRITERIA 4 - (20%)

Value for money

Please upload your Financial Model ensuring the document includes:

- expected Return on Investment over the life of the battery(s)
- expected revenues over the life of the battery(s), including the source of these revenue projections
- expected costs over the lifetime of the battery(s), with clear breakdown of cost categories
- calculation of the battery(s) capital cost per kilowatt hour
- calculation of the total project cost per kilowatt hour of total installed battery(s)
- clear identification of all assumptions underpinning model.

Applicants proposing a Behind the Meter (BtM) installation must also provide:

- size of existing solar photovoltaic (PV) installation
- data from onsite electricity consumption and generation, and modelling on how the battery will reduce premises' energy costs and/or improve energy reliability.

* Please tick this box to confirm that you have completed a Financial Model description and will upload to the Supporting Documents section.



Application Form

APPLICATION CHECKLIST

The following documents are mandatory documents to attach to your application. DEECA templates can be downloaded from the [Program website](#).

Please tick the check boxes to confirm the following have been completed to be submitted as attachments on the following page:

* Project Plan

☒

* Budget (DEECA template use is mandatory. Only upload separate budget if it was not included in the Project Plan)

☒

* Risk Management Log (DEECA template use is optional. Only upload separate Risk Management Log if it was not uploaded in the Project Plan)

☒

* Three years of financial records for Lead Organisation or Parent Company (preferably audited)

☒

* Project Delivery Schedule (DEECA template use is optional)

☒

* Financial Model

☒

* Completed Project Plan

Upload Files

max size 10 MB

Clear

Completed Budget

Upload Files

max size 10 MB

Clear

Completed Risk Management Log

Upload Files

max size 10 MB

Clear

* Three years of financial records for Lead Organisation or Parent Company

Upload Files

max size 10 MB

Clear

Completed Project Delivery Schedule

Upload Files

max size 10 MB

Clear

* Financial Model

Upload Files

max size 10 MB

Clear

SUPPORTING DOCUMENTS PAGE 2

Letter(s) of support from Participating Organisations

Upload Files

max size 10 MB

Clear

Other supporting evidence

Upload Files

max size 10 MB

Clear

Other supporting evidence

Upload Files

max size 10 MB

Clear

← Page 13

← Page 14

← Page 15

Round 2 timelines

Applications open	30 August 2024
Questions close	5.00 pm, seven calendar days before applications close
Applications close	11 am Tuesday 29 October 2024
Assessment of applications	November 2024 – February 2025
Ministerial approval and successful applicants notified	March 2025
Funding agreement execution and projects commence	April 2025
Projects completed	By 31 August 2026

Tools and Resources

Tools and resources

Check out our Project Readiness Assessment Tool plus other resources designed to help you run a neighbourhood battery.

On this page:

[Free Online Training – An Introduction to Neighbourhood Batteries – From concept to feasibility](#)

[Project Readiness Assessment Tool](#)

[Neighbourhood Battery Initiative Industry and Community Report](#)

[The Knowledge Hub](#)

[Read more about neighbourhood batteries](#)

[Fast tracking neighbourhood batteries guide](#)

Neighbourhood batteries

Neighbourhood batteries can provide benefits to your community and the electricity system.

On this page:

[What is a neighbourhood battery?](#)

[Objectives of the 100 Neighbourhood Battery Program](#)

[Benefits of a neighbourhood battery](#)

[In front of the meter versus behind the meter](#)

[Alternatives to neighbourhood batteries](#)

[Current funded 100 Neighbourhood Battery projects](#)

<https://www.energy.vic.gov.au/100-neighbourhood-batteries>

Application process and contacts

PROCESS

- applications are **OPEN** and must be submitted via the online grant management portal
- any questions must be submitted by **5pm AEST, 7 calendar days before application close date (22 October 2024)**
- applications must be received by DEECA no later than **11am on Tuesday 29 October 2024**

CONTACTS

- full details can be found at:
<https://www.energy.vic.gov.au/100-neighbourhood-batteries>
- contact the 100NB Project Team at
neighbourhood.batteries@deeca.vic.gov.au
- grants online support at grantsinfo@deeca.vic.gov.au



Q&A Session

We'll now run through the questions that have been posted in the chat.

We may not be able to get through all the questions, however we will endeavour to respond to these questions soon after today's Information Session and make them available via the FAQ document on our website:
<https://www.energy.vic.gov.au/100-neighbourhood-batteries>

