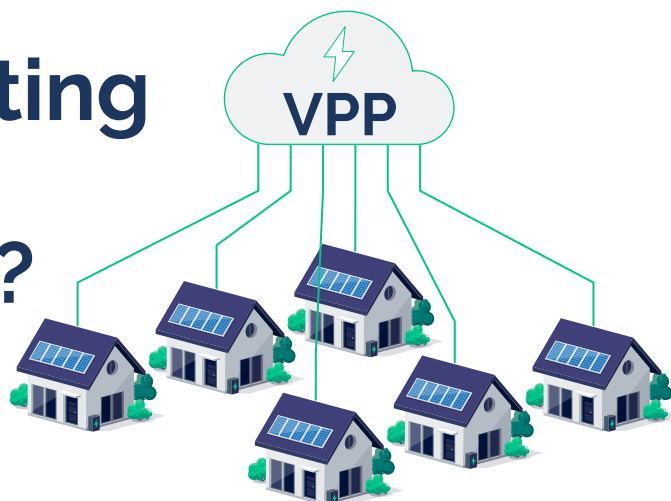


Thinking of connecting your battery to a Virtual Power Plant?

Households and small businesses can access incentives when connecting their solar battery to the electricity grid under the NSW Government's Peak Demand Reduction Scheme (PDRS).



How does the scheme work?

Under the PDRS, accredited businesses can offer you an incentive to onboard your battery into a network of batteries called a Virtual Power Plant (VPP). VPPs can help supply the grid with electricity during peak times. The incentive is generated through the sale of certificates created when you onboard your battery.

Who is eligible?

To connect to a VPP, you need a solar system and compatible battery. Check with your VPP provider if your battery brand, model and storage capacity are eligible.

You also need a stable internet connection as VPPs connect to your battery remotely.

If you don't already have solar panels and/or an eligible battery, some providers may combine the NSW PDRS incentive with installations using the federal [Cheaper Home Batteries Program discount](#).

Which VPP offer should I choose?

There are a range of VPP providers. Their incentives could include:

- up-front payments or sign-up credits
- energy bill credits
- solar feed-in tariffs for the excess electricity you send back to the grid
- payments for the ongoing use of your battery.

Offers from providers vary and may depend on factors such as:

- your battery's model, size and usable capacity
- whether you need to switch to a particular energy retailer
- the contract you sign with your VPP provider.

Your contract will explain how much you'll earn for extra electricity you supply and the times your battery will be available to the VPP.

We recommend you research and compare provider offers. You can only receive the PDRS incentive once, so make an informed decision before you sign a contract.

Other benefits of connecting to a VPP

- Support a more reliable grid by reducing demand during peak times.
- Support a cleaner grid by supplying your community with renewable energy.
- Reduce reliance on fossil fuels by contributing towards NSW's goal of net zero by 2050.

The scheme provides incentives (not rebates) to battery owners. The NSW Government doesn't set prices or endorse specific VPP providers.



How to get the incentive

1. Research VPP providers

Visit the NSW Energy's [Connect your battery to a VPP](#) page. It has a list of VPP providers. Look at their websites and review their offers. Shop around for features that are important to you.



- Make sure the VPP provider operates in your area.
- Consider that some offers are bundled with electricity plans, while others are separate.
- Compare payment rates for surplus electricity. The largest upfront payment may not always be the best deal.
- Check the access times for your battery. Some VPPs are automated, while others allow for more control.

Contact the VPP provider if you have questions. It's important that you make an informed decision.

2. Review the offer and contract

The VPP provider will give you a contract. You'll need to sign up for at least 12 months, so take time to consider whether it suits your energy needs, location and equipment.



- Read the contract terms and conditions carefully.
- Check for impacts on your battery's warranty by visiting the NSW Energy [Guide to owning a battery](#) page.
- Know your obligations – households with life support equipment cannot participate.

3. Sign the contract and nomination form

You will need to sign a contract with your VPP provider and a nomination form. Your VPP provider will give you a cooling-off period under the contract.



During this time, you can decide if the VPP offer suits you and then request a change or cancellation.

The nomination form will tell you who your accredited business is and enable them to generate the incentive for your VPP.

Note: You may be contacted by an auditor to confirm your VPP details. This helps maintain the integrity of the PDRS.

What to do if you're not happy with the VPP



Record the name of your VPP provider and the accredited business. If you have questions or issues, contact your VPP provider first. You can find their details on the nomination form you signed. If the issue isn't resolved, contact [NSW Fair Trading](#) or the Australian Energy Regulator for help. The Australian Energy Regulator is responsible for regulating electricity contracts in Australia.

[Contact](#) IPART (Independent Pricing and Regulatory Tribunal) for information about the PDRS scheme.

Where to learn more

✔ Virtual Power Plants (VPPs)

NSW Energy's [Connect your battery to a VPP](#) page.

✔ Solar batteries

The NSW Energy's [Guide to owning a battery](#) page.
The Australian Government's [Cheaper Home Batteries Program](#) page.

✔ Household upgrades

[Upgrades for households and small business.](#)

✔ Reducing peak demand

IPART's [Reducing peak demand with PDRS](#) page

Get the online version of this fact sheet with active links by searching 'PDRS BESS2 Fact Sheet' in your web browser