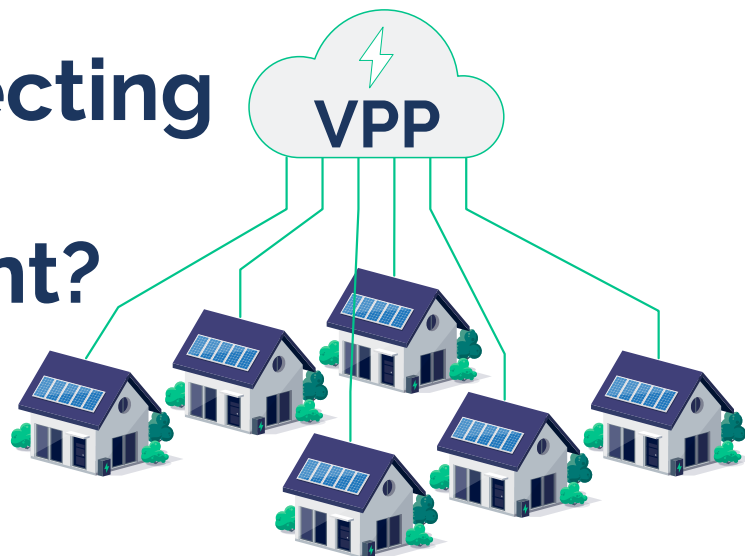


Thinking of connecting your battery to a Virtual Power Plant?

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



How does the scheme work?

Under this scheme, 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 funded through the sale of certificates that the accredited business creates when a battery is onboarded. IPART administers the scheme.

Who is eligible?

To connect to a VPP, you need a compatible battery. Check with your VPP provider if your battery brand, model and storage capacity are eligible. Visit NSW Energy [VPP incentive](#) page for information on eligible battery sizes.

Things to note:

- You need a stable internet connection as VPPs connect to your battery remotely.
- You can connect your battery to a VPP even if you do not have solar panels.

How to choose the right VPP offer

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

- up-front payments or sign-up credits
- energy bill credits
- 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:

- 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 when your battery is connected to solar panels.

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 [Virtual Power Plant incentive](#) page. It includes links to comparison websites where you can find VPP providers. Review offers and 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 your battery warranty to see if connecting to a VPP affects any warranty conditions.
- Know your obligations – households with life support equipment cannot participate.

3. Sign the contract and nomination form

If you decide to connect, you will need to sign a contract with your VPP provider. The provider will give you a cooling-off period under the contract.



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

You will also sign a nomination form either when you sign the contract or within 90 days of onboarding your battery. The form tells you who your accredited business is and allows 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 scheme.

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 this scheme.

Where to learn more

✔ Virtual Power Plants (VPPs)

NSW Energy's [VPP incentive](#) page.

✔ 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

✔ Scan this QR code to get the online version of this fact sheet with active links.

