

Community Batteries Funding Round 2.

Canonical: <https://northmoregordon.com/grants-and-programs/community-batteries-funding-round-2/>

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Funding program archive

This page preserves a dated funding-program record and links it to current project-planning guidance.

Publication date: 26 February 2025.

Status note: This archive does not confirm that applications are open, funds remain available or the earlier eligibility and co-funding settings still apply. Verify the current administrator page and guidelines.

What this article reported

On 26 February 2025, ARENA announced \$46.3 million to deploy community batteries across Australia under Community Batteries Funding Round 2 of the Community Batteries Funding Initiative.

Background

The October 2022 Federal Budget provided \$200 million for the Community Batteries for Household Solar budget measure to deploy 400 community batteries across Australia. Of this, \$171 million was allocated to ARENA to deliver at least 342 batteries. The Community Batteries Funding Initiative under the Advancing Renewables Program (ARP) seeks to support the deployment of community batteries across Australia to lower energy bills, cut emissions, reduce pressure on the electricity grid and enable further distributed solar installations.

Through Round 1 of the Community Batteries Funding Initiative, ARENA approved \$124.7 million to deploy 318 batteries in all states and the Northern Territory. ARENA has allocated the remaining \$46.3 million of funding towards Community Batteries Round 2 (Round 2).

How it works

The Round 2 Funding Announcement details the process ARENA will use to fund projects. Round 2 will be delivered as a competitive process under the ARP as defined in the ARP Guidelines. The Funding Announcement should be read in conjunction with the ARP Guidelines below (which apply to Round 2).

Key dates

Key dates for the Community Batteries Funding Round 2 (Round 2) are outlined below. For more details, refer to the Funding Announcement.

EOI Open Date: Monday, 17 March 2025

EOI Due Date: Wednesday, 30 April 2025 at 11:59 PM Australian Eastern Standard Time (AEST)

The dates represent the current timetable for Round 2. ARENA retains the right to amend proposed timelines and stages of the Funding Round at its discretion.

Submit your Expression of Interest (EOI)

3.1: Navigate to and create an account with the ARENANet Portal . (EOI Open Date: 17 March 2025)

Submit the following documents with your application:

Project Plan

Budget in Excel or similar format

Financial Model in Excel or similar format

Project Funding and Sources and Uses Table in Excel - applicant must use the template provided (see reference documents)

Conflict of Interest Declaration - applicant must use the template provided (see reference documents)

Submit your expression of interest here

How to use this information now

Before relying on a grant, confirm the current round, applicant and project eligibility, eligible expenditure, co-contribution, assessment process, closing date and evidence obligations. Build the technical case so the project remains understandable with grant support shown separately.

Separate source-reported facts from forecasts, targets and commentary. For a current project, retain the official source, version, effective date, assumptions and decision record in the evidence file.

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What is Community Batteries Funding Round 2 and why was it established?

Community Batteries Funding Round 2 is a \$46.3 million competitive funding round announced by ARENA on 26 February 2025, delivering the remaining allocation from the \$200 million Community Batteries for Household Solar budget measure. Established to deploy community batteries across Australia, the initiative aims to lower household energy bills, reduce emissions, ease pressure on electricity grids, and enable further distributed solar installations. Round 1 approved \$124.7 million to deploy 318 batteries across all states and territories. Round 2 operates under the Advancing Renewables Program (ARP) Guidelines as a competitive process.

What are the key deadlines and process for submitting an application to Community Batteries Funding Round 2?

The Expression of Interest (EOI) portal opened on 17 March 2025, with submissions due by 30 April 2025 at 11:59 PM AEST. Applicants must create an account in the ARENANet Portal and submit documentation including a Project Plan, Budget, Financial Model, Project Funding and Sources and Uses Table, and a Conflict of Interest Declaration. ARENA retains discretion to amend proposed timelines. Interested parties should indicate their interest in a metering and monitoring assessment, after which we will provide further engagement.

What documentation and financial planning are required for a Community Batteries Funding Round 2 application?

Applications must include a detailed Project Plan describing the proposed community battery deployment, a Budget in Excel format, a Financial Model in Excel showing project economics and assumptions, a Project Funding and Sources and Uses Table using ARENA's template, and a signed Conflict of Interest Declaration. These documents establish project viability, cost structure, revenue

assumptions, funding sources and capital allocation. We can assist with developing robust financial models, investment cases and measurement frameworks to support competitive applications, ensuring assumptions are auditable and realistic.

How does measurement and monitoring support a Community Batteries Funding Round 2 application?

Measurement and monitoring establishes baseline energy data, tracks battery performance post-deployment, and generates evidence for performance claims. Under our delivery approach, the Assess stage identifies data gaps and monitoring requirements; the Build the Case stage develops measurement plans; and the Perform stage verifies ongoing outcomes. For community battery projects, reliable metering underpins investment cases, demonstrates grid benefits, supports operational optimisation, and provides evidence for impact reporting to funders. Organisations can indicate interest in a metering and monitoring assessment through the application process.

What operating and technical considerations should be addressed in a Community Batteries Funding application?

Community battery applications should define the service area, eligible household connections, technical specifications, grid connection arrangements, operational strategy (charge/discharge scheduling), system controls and integration with local solar generation. The project must address how the battery will reduce peak demand, improve grid resilience and enable further solar uptake. Investment cases should separately show energy bill savings, demand charge reductions, potential scheme revenue, and capital costs. Our energy optimisation and project assessment services help evaluate these technical and commercial trade-offs within a structured framework aligned with funder expectations.

Can community battery projects access environmental certificates or other funding alongside ARENA support?

Community battery projects may be eligible for Peak Demand Reduction Scheme (PDRS) support under business battery activities BESS4 or BESS5, depending on siting, building classification and operational arrangements. However, eligibility requires detailed assessment against specific activity requirements; business classification alone does not confirm eligibility. Projects should separately evaluate ARENA funding, scheme certificates and internal capital investment using distinct assumptions for each. We can conduct funding-pathway assessments to identify compatible financial mechanisms and assess which incentives can be combined within applicable programme restrictions.

What investment case elements strengthen a Community Batteries Funding Round 2 application?

Competitive applications should present clear business problems (high grid costs, distribution constraints, solar curtailment), realistic energy and demand savings with transparent calculation methods, auditable financial models showing payback and returns, risk identification and mitigation strategies, and measurable outcomes tied to ARENA's stated objectives. The investment case must be presented with and without conditional support, showing the project's merits on operational grounds. We assist with developing investment cases that align business logic with funder criteria, establish credible baselines, separate engineering estimates from verified outcomes, and identify the evidence needed at each project stage.

How should organisations structure community battery projects across multiple sites or regions?

Multi-site deployments should use a consistent assessment framework while recognising that operating conditions, grid constraints, household characteristics and feasibility differ by location. A suggested approach segments sites by evidence quality, identified opportunities and implementation readiness, then prioritises those offering clear decisions. Round 2 applications should clearly define the geographic scope, target community profile, deployment phasing and how performance will be

monitored consistently. Our energy management and performance review services support developing staged implementation plans and defining site-level responsibilities for data and outcomes reporting.