



Media Release

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Power trading between neighbours trialled in new pilot

A new trial supported by the Australian Renewable Energy Agency (ARENA) and using blockchain technology could enable households and business to trade or share power with one-another.

AGL Energy Limited (AGL) is leading the project to evaluate a virtual trial at Melbourne homes with a mix of solar panels, batteries to store electricity, and 'smart' air conditioning.

ARENA is providing \$120,000 to support the \$293,800 desktop trial, which was conceived in A-Lab, ARENA's grid integration innovation lab.

ARENA CEO Ivor Frischknecht said exploring ways for consumers to trade their own energy could help make renewables more affordable and better able to support our grids.

"Australia has experienced a rooftop solar boom in the past decade and we are expecting a residential battery boom to follow in the coming years," Mr Frischknecht said.

"This means we'd like to explore new technologies and mechanisms to allow consumers and business to trade their own renewable energy with each other and with network companies. Ultimately these investigations are about getting the most value out of solar and battery systems through a more flexible and modern marketplace.

"By supporting innovators like AGL to conduct projects like this, ARENA is helping to ensure a smooth transition to a renewable energy future.

AGL is partnering with IBM Australia and distributed energy market advisors Marchment Hill Consulting on the project. IBM will focus on the applicability of blockchain technology to recognising, authenticating and settling energy trading and Marchment Hill will provide market analysis.

Blockchain technology, which was originally devised for the digital currency Bitcoin and is used in other industries such as financial markets, is being trialled as a method of peer-to-peer energy trading through this project.

This initial trial will help understand if there is value in peer-to-peer markets and how blockchain technology could facilitate this market in a cost effective way.

It will also provide valuable information for regulators, energy service companies, start-ups, retailers, and networks on how peer-to-peer trading affects markets and market participants, and how this market could be further developed.

The trial is due for completion in July 2017 and could lead to a physical, real-world trial.

About ARENA

On behalf of the Australian Government, ARENA is working to accelerate Australia's shift to affordable and reliable renewable energy. We collaborate with industries and innovators to make renewable energy affordable and reliable for all Australians. Our role is to support the development of local renewable energy technology by helping bring the best ideas to life. We provide funding to researchers, developers and businesses that have demonstrated a pathway to commercialisation for their technologies and projects. Our funding helps find good renewable energy ideas and gets them to market. We build and support networks, and share the knowledge, insights and data from our funded projects to help people and organisations learn from one-another. Our success can be measured by a better energy system, cost effective technologies and an invigorated economy powered by a reliable supply of renewable energy to all Australians. For more information, visit www.arena.gov.au.

About AGL

AGL is one of Australia's leading integrated energy companies. It is taking action to responsibly reduce its greenhouse gas emissions while providing secure and affordable energy to its customers. Drawing on 180 years of experience, AGL serves its customers throughout eastern Australia with meeting their energy requirements, including gas, electricity, solar PV and related products and services. AGL has a diverse power generation portfolio including base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources including hydro, wind, solar, landfill gas and biomass.