

PARTICIPANT AGREEMENT

Powerclub's Virtual Power Plant

This agreement is used to confirm participant consent to partake in Powerclub's Virtual Power Plant (VPP), in collaboration with Power Ledger (VPP software provider), Sonnen (battery manufacturer) and Sharpe (PV and Battery installer). The following outlines the elements to which participants must understand and agree to by participating.

1.1. Product Overview

Sonnen (battery manufacturer), Sharpe (PV and Battery installer), Powerclub (retailer) and Power Ledger (VPP software provider) have collaborated to offer a unique Virtual Power Plant (VPP). A VPP is a network of rooftop solar panels and battery storage systems working together to generate, store and feed the electricity grid with clean energy - when it is most profitable to do so, such as when wholesale energy prices rise to meet peak demand periods.

Unlike other VPP's on the market, this product harnesses the collaborative benefits of Power Ledgers VPP platform, Powerclub's no-profit processes, Sonnen's battery technology and Sharpe's commitment to service and price to deliver a unique offering. As a participant, you will receive 100% of the revenue made from selling your solar generation to the wholesale market during high price periods. By taking advantage of wholesale market fluctuations, the VPP can help shorten the payback period of your system and start generating a profit faster.

1.2. Our Objective

The Pilot aims to test the functionality, limits and expected outcomes from Power Ledger's newly developed VPP software. During the Pilot, Powerclub will use the VPP software to import and export from your battery at advantageous times. The benefits of which fall to you, the participant, as we will endeavour to maximise the value of your battery system to either earn or save you money.

1.3. Unique VPP Pilot Benefits

- The first 10 participants will receive a \$2,000 discount to the retail cost of their battery.
- As a Pilot participant, you will receive 100% of the revenue made from selling your stored solar generation to the wholesale market.
- We guarantee that you will not pay more than your daily supply charge and rate per kWh immediately before joining the Pilot and will remain so for the duration of the Pilot.
- Power Ledger will waive the daily service fee for the provision of the VPP software for the duration of the Pilot term.
- You will be the first to access and test-drive improved features designed to optimise your return from the wholesale market.
- You will be the first to receive software upgrades designed to improve visibility of your solar and battery system operations.
- You will receive regular communications and updates on the Pilot, as well as reports detailing the value you receive by participating.

1.4. VPP Pilot Risks

As with all Pilots, there may be some risks to participation. In the early parts of the Pilot, preceding the wholesale market moving from a 30-min spot price to a 5-min spot price, Powerclub's ability to determine the exact price before exporting cannot be 100% assured.

The current 30-min spot price is made up of 6 x 5-min interval prices. The reason it is difficult to estimate the final 30 min spot price is that the first few intervals could be very low, but finishing high or vice-versa, or any such combination.

The market volatility from interval to interval makes forecasting the final spot price challenging and as with any prediction there is an inherent inability to be precise. It is possible for the predictions to ultimately yield negative results however, Powerclub will make its best endeavours to maximise your returns, using its no-profit processes.

With the introduction of 5 min spot prices in the fourth quarter of 2021, the wholesale market price will be known before the export begins, thus eliminating the short-term spot price risk. The risk of predicting the spot price across the day or days, will remain though.

1.5. Powerclub Membership

To participate in the VPP, you will join Powerclub under our standard Terms and Conditions. Members pay an annual membership of \$39 for residential, or \$79 for business and open their Powerbank, which acts like a reserve fund to cover any price gap from the electricity purchased from the market.

Your Powerbank deposit is uniquely tailored to your household or business. Typically, Powerbank is calculated at \$40 for every 1,000 kWh of electricity you use a year, with a minimum opening balance of \$100. VPP Pilot participants will have their Powerbank contribution capped at \$100.

As a Powerclub Member, you can use the Powerwatch app to track live wholesale electricity prices. You will be provided with a Powerclub Portal login to monitor and manage your usage and your Powerbank balance.

1.6. Power Ledgers energy trading technology

Power Ledger is a fast-growing tech company that has developed a world-first blockchain-enabled energy trading platform to make energy markets more efficient. Their VPP technology benefits customers with cheaper energy bills, more attractive payback periods on battery storage, and the opportunity to further monetise their investment in distributed generation.

All energy transactions are recorded on the blockchain, which allows for greater transparency, increased automation, and reduced possibility of human error. Blockchain technology removes friction, streamlines price discovery, and allows for energy to be traded easily.

1.7. Timing

The partnership between Power Ledger's energy trading platform and Sonnen batteries states a minimum of 10 Powerclub Members are required before the formulation of the VPP. Therefore, we cannot guarantee when the VPP technology will be available; however, we anticipate within eight weeks of signing up.

By consenting to this agreement, you understand that you will be on standby until the technology is launched. In the meantime, you will gain full access and associated benefits of being a Powerclub Member, and any addition cost saving benefits of your solar and battery installation.

Powerclub will release the VPP Pilot in two phases:

- Phase 1: will be operating at arbitrage, meaning optimising solar and battery use as related to the times you import and export to the grid.
- Phase 2: is expected to move to a full VPP, offering additional services to the grid, which will create additional revenue streams for you, the participant.

The Pilot group will receive all upgrades before other participants for the Pilot term of 12 months (12 billing cycles). During this time, the platform will be continuously optimised.

1.8. Terms, Conditions and Benefits of Participation

- Through Powerclub's Member-owned, no-profit processes, we guarantee participants will receive 100% of the revenue made from importing and exporting from their battery.
- Powerclub guarantees that participants will not pay more than their daily supply charge and rate per kWh immediately before joining the Pilot and will remain so for the duration of the Pilot.
- Pilot participants will receive a \$2,000 discount on the purchase price of Sonnen hybrid 9.53 battery.
- The Pilot term is 12 months (12 billing cycles) and starts once your solar, battery and Smart Meter is installed, and your transfer to Powerclub is complete.
- Participation in the VPP Pilot is for the 12-month term, effective from the date of system install or transfer to Powerclub, whichever is later. If the participant chooses to leave the pilot prior to the end date, the participant is liable to repay the \$2,000 discount, on a prorated basis. The exit fee is calculated as "days left in 12-month term/365 *\$2000"
- Participation in the VPP Pilot is dependent on the following:
 1. You must own the property where the VPP will operate.
 2. You must install or have previously installed a minimum 6kw solar PV system, unless otherwise agreed.
 3. You must install or have previously installed a minimum 10kw Sonnen battery system.
 4. You must have, or upgrade to a Smart Meter.
 5. You must transfer your electricity contract to Powerclub.
 6. You are required to provide feedback during the Pilot to assist in improvements and developments via questionnaires or surveys.
- Powerclub reserves the right to end the Pilot early if the Pilot objectives are met.
- Powerclub will only be able to provide the VPP Services and associated benefits when it is able to communicate through the internet with a device that controls your battery.
- Participants are responsible for ensuring the battery is operational and connected to the Sonnen cloud for the duration of the Pilot period.
- To gain the full benefits of Powerclub's VPP, you must agree to give Powerclub full control over the electricity available in your battery system to utilise for your benefit by;
 1. Participation A: Exporting to the electricity market when wholesale prices are at an expected premium.
 2. Participation B: Importing into your battery when wholesale prices are at a minimum or likely to increase above the wholesale price at the time of importing to enable a profitable export later.
 3. Participation C: Importing into your battery when wholesale prices are at a minimum for your later use.
- In Phase two, Powerclub expects to be able to provide additional services by using your battery system for your benefit by;
 1. Participation D: Exporting to the electricity market to provide services to AEMO, such as Demand Response or other services.

2. Participation E: Exporting to the electricity market to provide services to the Network Service Provider to help balance network load or other network services requiring the provision of electricity to the network.
 3. Participation F: Importing energy from the grid into your battery to provide Demand Response services to AEMO or to your local Network Service Provider.
- All participants will share the financial benefits in proportion to their participation being:
 1. For Participation in A, B, C: per kWh at Powerclub's FIT or the Spot price, whichever is greater; and
 2. For Participation in D, E, F: per kWh as part of total kWh provided to perform the service.
 - By participating in the Pilot, you acknowledge that the VPP Software may not always predict the forward prices correctly and that on those occasions, it may prove to be a disadvantage to you.
 - You agree to Powerclub using the VPP Software for controlling, monitoring and managing your energy storage in accordance with this contract, including:
 1. charging your battery from your solar PV system or the grid,
 2. discharging your battery to your premises or the grid,
 3. determining the operating mode of the battery.
 - You agree that we may engage third party providers to assist in delivering the VPP services.
 - The daily service fee for the provision of the VPP software will not be charged for the pilot term.
 - Participants will have access to Power Ledgers software and visibility of battery activities.
 - Participants will be able to view their live position in the market through the Power Ledger Portal. Participants can also use the Powerclub Portal to track their usage and solar exports.
 - At the end of the Pilot period, Power Ledger will provide a report detailing the results of the VPP.
 - At the end of the Pilot period, Powerclub May make an offer to you, the participant, to continue with the VPP.

1.9. Billing

- Powerclub will send participants a monthly electricity bill. The bill will show:
 1. New electricity charges based on your usage for the period
 2. Your solar/battery exports for the period
- If the VPP Pilot is your entry into solar and battery, you will naturally see a reduction in your electricity consumption and therefore, your bill.
- All participants will receive Powerclub's minimum feed-in-tariff, which is based on the expected wholesale market value for every kWh exported.
- In South Australia, Powerclub's current solar Feed-in-tariff is 5.3c per kWh.
- It is anticipated that the VPP Pilot will yield a more significant revenue than Powerclub's minimum feed-in-tariff. Where VPP trading exceeds Powerclub's solar feed-in-tariff, the additional value will be paid to you, the participant quarterly.

1.10. Fees and charges

Powerclub passes on the wholesale market price and your Network fees as we receive them. When you join the Club, Powerclub will match you to your retail plan based on your Network tariff and meter configuration.

Once transferred, and if required, Powerclub's team will contact you to arrange a Smart Meter upgrade. Powerclub's energy plans are around 23% less than the AER reference price based on general usage in the SA Power Network. The two most common tariffs for households with Solar and Smart Meter are:

Powerbank Plan Name	Daily Supply Charge	Rate per kWh	Solar FIT per kWh
Powerbank Home Flat + Solar + Smart	115.16c	Peak 26.46c	5.3c
Powerbank Home Flex + Solar + Smart	115.16c	Peak 30.25c Shoulder 15.09c Off Peak 18.88c	5.3c

At Powerclub, you will always pay wholesale for the energy you use; however, your rates will depend on your meter and Network configuration. You will receive a Rate Confirmation with your Powerbank Plan rates during your 10-business day cooling off period.

Powerclub charges an annual membership fee of \$39 including GST, or \$79 for business. Through our no-profit processes, we provide Members with access to wholesale electricity prices, charges and operational expenses at cost, so you only pay for the energy you use, the services you get and nothing more. To support our operating costs, we include 028.6c in the daily Supply Charge and 0.836c (less than one cent) per kWh used.

Power Ledger's daily VPP supply fee will be waived for VPP Pilot participants for the duration of the Pilot term.