Integration of a large number of flexible consumers in a smart grid requires a scalable power balancing strategy. We formulate the control problem as an optimization problem to be solved repeatedly by the aggregator in a model predictive control framework. To solve the large-scale control problem in real-time requires decomposition methods. We propose a decomposition method based on Douglas–Rachford splitting to solve this large-scale control problem. The method decomposes the problem into smaller subproblems that can be solved in parallel, e.g., locally by each unit connected to an aggregator. The total power consumption is controlled through a negotiation procedure between all cooperating units and an aggregator that coordinates the overall objective. For large-scale systems, this method is faster than solving the original problem and can be distributed to include an arbitrary number of units. We show how different aggregator objectives are implemented and provide simulations of the controller including the computational performance.