HADR – Audit scope – ACPs

For **certificate creation from 12 October 2026**, the 12 October 2026 Rule allows ACPs to create certificates from BESS2 implementations under the 12 October 2026 Rule or, where the implementation date is from 1 July 2025 to 12 October 2026 (inclusive), the previous Rule.

Certificates created prior to 12 October 2026 must be created in accordance with rule prevailing at the time of creation.

Method specific scope items – Household Annual Demand Response (HADR) (Clause 9.1 of the PDRS Rule)

This document should be used in conjunction with the BESS2 audit scope.

Table 1 Eligibility Scope Items

Requirement	Audit Procedure	Audit Tier
Calculation of peak demand reduction capacity	• Review the evidence provided to support the parameters used in the peak demand reduction capacity calculations. • Check that the correct equations and factors have been used for the applicable. • Implementation Date and Activity Definition in Schedule D of the PDRS Rule. • Check any implementation data sheets or uploads to the Registry of Certificates are correct, including the National Metering Identifier.	1
Capacity holder requirements • For Activity Definition BESS2, the capacity holder must have been the account holder of the electricity account for the National Metering Identifier (**NMI**), and must be the person who has signed the contract with the Demand Response Aggregator (**DRA**)	Review evidence to confirm the capacity holder was both: • the account holder of the electricity account for the NMI where the battery system is installed. • the person who has signed the contract with the Demand Response Aggregator (**DRA**). Where there is more than one account holder, only one account holder needs to sign the contract with the DRA.	1

Requirement	Audit Procedure	Audit Tier
Banned Virtual Power Plant (**VPP**) or DRA	Check that the implementation did not involve onboarding a battery with a VPP or DRA that is the subject of a Ban Notice published on the ESS website.	1
Implementation Date and address requirements	• Confirm the correct Implementation Date has been recorded by the ACP. • Confirm the address where the implementation took place. • Check the evidence identifies the date the battery was Onboarded with the DRA. • Check the Implementation Date for Activity Definition BESS2 is on or after 1 November 2024.	1
Demand Response Aggregator	• Check that the DRA party to the contract meets the definition of a DRA. That is, they: – aggregate demand response capacity **and** is either a Market Participant (as defined under clause 2.4 of the National Electricity Rules) or a Network Service Provider (as defined under clause 2.5 of the National Electricity Rules), or – have a contract with a Market Participant or a Network Service Provider to aggregate demand response capacity (and related activities) on their behalf.	2
Site requirements	Check that: • BESS2 activities are implemented in residential buildings (and for implementations from 1 July 2025, in small business sites) in NSW connected to the NSW electricity network. where: • a 'residential building' means a building or part of a building classified by the Building Code of Australia (**BCA**) (within the meaning of the *Environmental Planning and Assessment Act 1979*) as a Class 1, Class 2 or Class 4 building, and may include any non-habitable building (BCA Class 10a or 10b) on the same site. • a 'small business site' means a Site: a) that is entirely occupied by one business with ABN recorded to meet the requirements of clause 6.1(d)(viii), and b) where the business, as a consumer of electricity at the Site: i. is a Small Customer (and, for the avoidance of doubt, has not aggregated its load at the Site with consumption at other Sites for the purposes of being treated as a Large Customer under its electricity purchase arrangements); or ii. is a customer of an Exempt Seller and has an annual electricity consumption below the Upper Consumption Threshold for electricity. Check the building type through a phone survey of the account holder.	1 2
Eligibility Requirements in Activity Definitions	• Check that the Eligibility Requirements of the applicable Activity Definition have been met immediately prior to the Implementation Date.	See Activity-specific scope

Requirement	Audit Procedure	Audit Tier
Equipment Requirements in Activity Definitions	• Check that each item of End-User Equipment meets all the Equipment Requirements of the applicable Activity Definition.	See Activity specific scope
Implementation Requirements in Activity Definitions	• Check the completed implementation satisfies all the Implementation Requirements of the applicable Activity Definition.	See Activity specific scope
Demand response contract	• Check that there is a contract between the account holder of the electricity account for the NMI where the battery is installed and the DRA to provide demand response capacity, • Check that the demand response contract has been signed by the account holder of the electricity account at the Site. • For certificates created before 12 October 2026, Check that the contract between the Capacity Holder and the DRA is to provide demand response capacity is for at least 12 months.	1
No subsequent certificate creation for the same activity at the NMI	• Check that certificates have not been created, or are proposed to be created, at the same NMI for BESS2.	1
Phone survey requirements	The phone survey should confirm with the account holder: • that they have been informed who the ACP is • where the Implementation Date is on or after 12 September 2025, how they heard about the offer, and whether door knocking was part of the process (to confirm the implementation did not result from Unsolicited Doorknocking) • that a copy of their Nomination was provided to the account holder • that relevant fact sheets were provided to the account holder upon quotation • that they signed and dated the Nomination • the date that the battery was onboarded with the DRA to assist in confirming the Implementation Date of the implementation • that the site meets the requirements of the Activity Definition • that the account holder is satisfied with the implementation and has not experienced issues such as faulty operation, a reduction in safety levels or a permanent reduction in service levels.	Subset of Tier 2