IPART Energy Sustainability Schemes

Peak Demand Reduction Scheme

Method Guide

October 2026

PDRS »

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We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

The Independent Pricing and Regulatory Tribunal

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About this document

Overview

Accredited C15ertificate Providers (**ACPs**) operating under the Peak Demand Reduction Scheme (**PDRS**) will need to understand and comply with the requirements of the applicable legislation and the conditions in their Accreditation Notice when creating a Peak Reduction Certificate (**PRC**).

The Method Guide provides guidance about the general requirements for the PDRS and specific requirements of each calculation method under the PDRS. It also sets out key requirements that are referred to in the accreditation conditions.

It should be used by:

- Applicants seeking accreditation as a certificate provider to assist them to:
  - understand what is involved in creating a PRC from an activity under the PDRS
  - complete their application for accreditation.
- PDRS ACPs to assist them to understand and comply with their legislative requirements as well as their accreditation conditions when creating a PRC.
- Auditors to assist them in checking an ACP's compliance with PDRS requirements.

This document applies to implementations on or after **15 October 2026** unless indicated otherwise in the guide. Previous versions of the Method Guide should be used for earlier implementations. See the 'Which version of the Method Guide applies' section below for more detail.

Purpose

The Method Guide has 2 main purposes. First, it provides general guidance about the PDRS calculation methods. Second, it contains requirements referenced in an ACP's Accreditation Notice[a] about customer engagement and representatives as well as the Scheme Administrator's record keeping requirements.

The Method Guide is not legal advice. Applicants and ACPs should read and familiarise themselves with the regulatory framework for participating in the PDRS contained in the applicable legislation:

[a] If you're accredited as an ACP, you'll be issued with an Accreditation Notice that sets out the activities for which you're accredited and your accreditation conditions.

- Part 2, Schedule 4A of the *Electricity Supply Act 1995*
- Part 7 of the *Electricity Supply (General) Regulation 2026*, and
- the *Peak Demand Reduction Scheme Rule of 2022*.

ACPs must comply with the applicable legislation and their accreditation conditions when undertaking an activity to create PRCs or face significant penalties.[1]

How to use this document

This document is split into the following sections:

Chapters 1 and 2 explain the structure of the scheme and basic information about certificates and certificate creation under the scheme. If you are new to the PDRS, read these sections.

Chapter 3 covers how you become accredited under the scheme. This section is for anyone who will apply for any PDRS accreditation.

Chapters 4–6 cover information about PDRS methods:

- Chapter 4: About the Reducing Demand Using Efficiency Method
- Chapter 5: About the Store and Shift Capacity Method
- Chapter 6: About the Household Annual Demand Response Method.

Chapters 7 and 8 cover the requirements that apply when you are carrying out your activity.

Chapters 9 and 10 cover what you need to do after your implementation.

Acronyms and key concepts

Appendix A sets out a list of the acronyms referred to in this document as well as a short explanation of key concepts used in the PDRS.

Which version of the Method Guide applies

Version number	Change description	Date published	Applicable dates for Method Guide
V1.0	First published	14 October 2022	No longer applicable
V1.1	Updated for changes to activity definition SYS1 and clause 7.3.7(a) of the PDRS Rule commencing 17 February 2023	20 February 2023	No longer applicable
V1.2	Updated to clarify equivalent ESS activities related to water heaters	26 April 2023	14 October 2022 to 31 July 2024

Version number	Change description	Date published	Applicable dates for Method Guide
V2.0	Major changes made for PDRS Rule change, commencing 1 August 2024, including: • Renaming from RDUE Method Guide to PDRS Method Guide • Introducing new methods and battery activities BESS1 and BESS2 • Removing activity definitions RF1 and SYS1 and amending RF2, SYS2 and WH1.	15 July 2024	1 August 2024 to 15 September 2024
V2.1	Minor changes made for PDRS Rule change, commencing 13 September 2024, including: • Changes to battery warranty requirements for BESS1 and BESS2 • Clarifying that multiple batteries are eligible under BESS1 and BESS2 • Application of BESS1 co-payment • Data that must be provided when registering certificates • Updates to BESS1 and BESS2 evidence requirements based on Rule change • Minor changes to SYS2 and WH1. We have also: • Added information about Banned EUE • Added requirements for serial numbers for BESS1 and BESS2 • Clarified rounding when registering PRCs	16 September 2024	16 September 2024 to 31 October 2024
V2.2	Updated to: • Clarify eligibility and co-payments for batteries (sections 5.2.1, 6.1 and 8.2.5) • Clarify who can be the Purchaser (section 7.1) • Update links to battery fact sheets (section 8.5.3) • Include product information required when registering certificates (section 10.2.1) • Outline interim arrangements for evidencing battery installations under BESS1 are registered on the DER Register (Table B.7) • Clarify BESS2 evidence requirements for contracts (Table B.8) • Update WH1 example calculation to include Capacity Factor (Appendix C.3).	1 November 2024	1 November 2024 to 5 January 2025
V2.3	Updated for: • changes to the PDRS Rule commencing 19 December 2024 (BESS1 DER Register transitional arrangements, BESS1 equipment requirements, WH1 suspension, amended definitions) • requirements to provide battery make and model information • clarifications including monthly reporting requirements and battery evidence requirements.	6 January 2025	6 January 2025 to 30 June 2025
V2.4	Updated for: • changes to PDRS Rule commencing 1 July 2025 (including transitional arrangements for BESS1 and BESS2 implementations before 1 July – see sections 9.1.2 (BESS1) and 9.1.3 (BESS2)) • updating evidence requirements for BESS1 and BESS2 in Appendix B • rounding in example calculations in Appendix C	1 July 2025	1 July 2025 – 11 September 2025
V2.5	Updated for:	12 September 2025	12 September 2025 – 30 June 2026

Version number	Change description	Date published	Applicable dates for Method Guide
	• changes to PDRS Rule commenced 12 September 2025 • updated monthly reporting requirements • door knocking ban, • suspend and reactivate certain refrigerated display cabinet activities, • changes to pool pump calculations monthly reporting requirements		
V3.0	Updated for changes to: PDRS Rule commenced 1 July 2026 proposed changes to Method Guide requirements (section 8.6) proposed changes to evidence requirements (Appendix B)	1 July 2026	1 July 2026 – 2 September 2026
V3.1	Updated for changes to: • PDRS Rule commencing 7 September 2026 • Method Guide requirements (section 8.6) and evidence requirements (Appendix B) following consultation • geo-tagged photograph requirements (section 8.6.5)	3 September 2026	3 September 2026 – 14 October 2026
V3.2	Updated for: • the PDRS Rule commencing 12 October 2026, which removed the requirement for BESS2 contracts to be of at least 12 months duration and included transitional provisions (sections 6, 7.1, 9.1.3 and Appendix B) • the *Electricity Supply (General) Regulation 2014* being remade • clarifying that batteries suspended from the Clean Energy Council's List of approved batteries do not meet Equipment Requirements (sections 5.2 and 6.1). • information on planning requirements for batteries (section 5.2.6)	15 October 2026	Until updated

If you are applying to be accredited under the PDRS, or are amending your accreditation to add PDRS activities, you should use the most up-to-date version of the Method Guide. You should check our website periodically to ensure that this version has not been replaced by a newer version of the Method Guide. If you are accredited under the PDRS, or you have an in-progress application to add a PDRS activity or be accredited under the PDRS, we will email you when we update the Method Guide.

1 About the PDRS

This chapter introduces the Peak Demand Reduction Scheme (**PDRS**), its policy and legislative context and sets out the roles and responsibilities of key stakeholders in the scheme.

- The PDRS is one of the schemes under the Energy Security Safeguard (**the Safeguard**).
- The PDRS aims to increase peak demand reduction capacity during hours of peak demand.
- Accredited Certificate Providers (**ACPs**) can design and implement a Recognised Peak Activity under the PDRS and create Peak Reduction Certificates (**PRCs**).
- IPART is appointed as the administrator and regulator of the PDRS. We monitor an ACP's compliance with its requirements and have regard to the outcome of reasonable assurance audits that are conducted independent of ACPs.

1.1 Overview

The PDRS was established to reduce peak electricity demand and pressure on the electricity system in NSW. This is important because reducing peak demand minimises the risk of blackouts or price spikes during hot summer days when electricity usage can suddenly increase, and demand is at its highest.

The PDRS works by providing financial incentives for households and businesses to implement activities that create "peak demand reduction capacity" (i.e. activities that can reduce demand for electricity during the period between 2.30pm to 8.30pm Australian Eastern Standard Time (**AEST**) from 1 November to 31 March). These incentives are passed on to households and businesses by ACPs that can create tradeable certificates, called PRCs, from the activity.

Liable electricity retailers and other Scheme Participants have a legislative obligation to buy and surrender PRCs every year to meet their obligations under the PDRS.

1.2 Policy context

The PDRS is one of the schemes under the Safeguard.[b] The object of the Safeguard is to improve the affordability, reliability, and sustainability of energy through the creation of financial incentives encouraging energy saving activities and in the case of the PDRS, create "peak demand reduction capacity".[2]

The Safeguard is part of the NSW Government's Electricity Strategy and is one of the ways the NSW Government intends to deliver on its Net Zero Plan.[c] The PDRS also contributes to NSW by improving the reliability of its electricity system and helps households and businesses in NSW save money on their electricity bills.

The NSW Department of Climate Change, Energy, the Environment and Water (**DCCEEW**) is responsible for developing the policy and legislation underpinning the Safeguard.

1.3 Legislative context

The PDRS has been established under Part 2 of Schedule 4A of the *Electricity Supply Act 1995* (**Act**). The Act sets out the legal framework of the PDRS. The *Electricity Supply (General) Regulation 2026*, made under the Act, sets out in greater detail IPART's responsibilities as the Scheme Administrator and Scheme Regulator of the scheme, including matters related to:

- the accreditation of certificate providers
- accreditation conditions
- PRCs, and
- audits.

The *Peak Demand Reduction Scheme Rule of 2022* (**PDRS Rule**), also made under the Act, sets out the requirements for creating PRCs from activities under the PDRS. This Rule is expected to be amended as it is regularly reviewed by DCCEEW.

This Method Guide applies to implementations that occur on or after 1 July 2026 except where indicated otherwise. If you are registering certificates for implementations before 1 July 2026, refer to the relevant Method Guide listed in the 'Which version of the Method Guide applies' section above.

You should make sure you are familiar with the requirements of the legislation and your accreditation conditions as well as the information contained in this Method Guide.

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[b] The other schemes under the Safeguard include the Energy Savings Scheme (**ESS**) and the Renewable Fuel Scheme (commencing in 2027).

[c] The Net Zero Plan Stage 1: 2020-2030 is the foundation for NSW's action on climate change and goal to reach net zero emissions by 2050.

1.4 Methods under the PDRS

The PDRS Rule sets out calculation methods for determining the number of PRCs that can be created from eligible activities. The Rule includes 3 calculation methods, each with one sub-method:

- The Peak Demand Savings Method, for calculating peak demand reduction capacity created through energy savings during peak times. This method is made up of the Reducing Demand Using Efficiency sub-method (**RDUE Method**).
- The Peak Demand Shifting Method, for calculating peak demand reduction capacity created by shifting electricity demand away from peak times. This method is made up of the Store and Shift Capacity sub-method (**SASC Method**).
- The Peak Demand Response Method, for calculating peak demand reduction capacity that can be activated in response to peak demand events, reducing demand overall. This method is made up of the Household Annual Demand Response sub-method (**HADR Method**).

These methods are discussed in more detail in Chapters 4–6.

1.5 Activities under the PDRS

An activity under the PDRS is called a Recognised Peak Activity (**RPA**).

An RPA creates capacity to reduce electricity use during the time of peak electricity demand.[3] This time is between 2.30pm and 8.30pm AEST (this is equivalent to 3.30pm – 9.30pm Australian Eastern Daylight Time) between 1 November and 31 March.[4]

These activities can be used to create PRCs.

1.5.1 Eligible activities

Under the PDRS you can design and implement an RPA that:

- involves one or more Activity Definitions[5]
- involves one or more items of End-User Equipment (**EUE**) covered by the Activity Definitions[6]
- comprises multiple implementations with the same or different Implementation Dates.[7]

RPAs must meet the eligibility requirements in the PDRS Rule, which include:

- occurring at a single site or multiple sites that are located and connected to the electricity network within NSW (see section 8.2.1)[8]
- being lawful in NSW on the Implementation Date (this means requirements in other legislation and standards must also be met).[9]

1.5.2 Ineligible activities

There are certain circumstances where an activity is not an RPA, even if you meet all the requirements of an Activity Definition under the PDRS.[10] These circumstances include where the activity:

- results in the creation of Peak Demand Reduction Capacity by:
  - reducing safety levels or reducing production or service levels under the Peak Demand Savings Method and Peak Demand Shifting Method
  - reducing safety levels or permanently reducing production or service levels under the Peak Demand Response Method[d]
- contributes to a net increase in greenhouse gas emissions
- is done to comply with any mandatory legal requirements (except for "alterations", of a "BASIX development")[e]
- is a standard control service or prescribed transmission service by a network service provider, except if the activity is a non-network option[f]
- is eligible to create tradeable certificates under the *Renewable Energy (Electricity) Act 2000* (Cth), except if the activity is the installation of a battery
- is an activity connected with unsolicited doorknocking.

1.5.3 RPA design and implementation steps

Steps involved in the design and implementation of an RPA include:

- becoming an ACP
- ensuring you're the Capacity Holder
- implementing the RPA in accordance with:
  - legislative requirements
  - the specific requirements of the Activity Definition
  - your accreditation conditions
- calculating peak demand reduction capacity and PRCs in accordance with the methodology in the PDRS Rule
- auditing PRCs that haven't been registered, and
- registering PRCs and auditing PRCs that have been registered.

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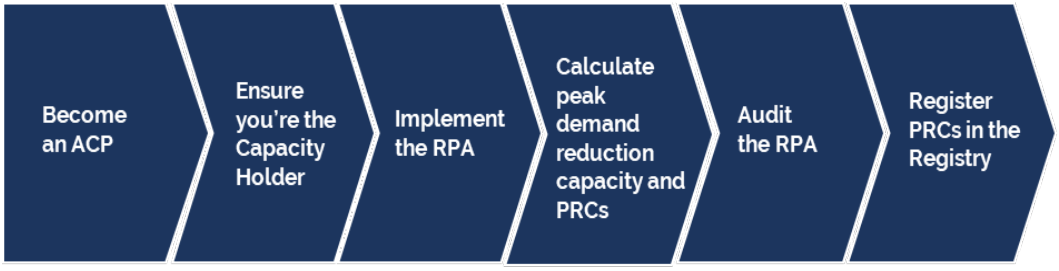
[d] The temporary reduction of production or service levels during the period where peak demand reduction capacity is created by the RPA is not considered "permanent" in this context.

[e] As defined in Schedule 7 of the *Environmental Planning and Assessment Regulation 2021*.

[f] Standard control services, prescribed transmission services and non-network options are defined in the National Electricity Rules under the *National Electricity (NSW) Law*, which govern the operation of the National Electricity Market.

These steps, and the requirements of ACPs under the PDRS and each calculation sub-method, are detailed in this Method Guide.

Figure 1.1 Project steps



1.6 Key participants in the PDRS

The key participants in the PDRS are summarised in Table 1.1.

Table 1.1 Key participants

Key Participants	Role
DCCEEW	DCCEEW is responsible for developing the policy and legislation underpinning the Safeguard. We work closely with DCCEEW to implement the legislation to achieve the policy objectives.
IPART	Our role is to administer the Safeguard and regulate ACPs and Scheme Participants. We accredit you to participate in the PDRS and monitor compliance with your obligations to help ensure each PRC reflects genuine peak demand reduction capacity. We have established and manage the Registry of Certificates where PRC creation, transfer and surrender are tracked. We do not regulate how you buy and sell PRCs in the market.
Households and businesses	Households and businesses participate in the PDRS by undertaking activities that lead to increases in peak demand reduction capacity. They are legally the Capacity Holder until they nominate the ACP as the Capacity Holder. The activities must be an Activity Definition under the PDRS Rule. A household or business can't create PRCs unless it is an ACP.
ACPs and installers	ACPs are participants in the PDRS who can implement RPAs and create PRCs. Sometimes the ACP will also install the equipment but in many cases they will work with third party installers. ACPs are accountable for ensuring that their installers comply with the scheme requirements.
Demand Response Aggregator	Under the HADR method, Demand Response Aggregators (**DRAs**) contract with householders and small businesses to combine and provide demand response to a Market Participant or Network Service Provider. The ACP may be a DRA, or contract with a DRA to create certificates on their behalf.
Auditors	We use auditors (that you must engage from our Audit Services Panel[9]), to conduct reasonable assurance audits to check you have complied with all requirements of designing and implementing an RPA and creating PRCs.
Scheme Participants	Scheme Participants are mainly energy retailers and distributors that have a legislative obligation to buy PRCs to meet their individual certificate target.

[9] Members of the Audit Panel are listed on our website.

Figure 1.2 PDRS stakeholders

2 About Peak Reduction Certificates

This chapter explains what Peak Reduction Certificates (**PRCs**) are, including concepts related to their lifecycle and vintage.

- PRCs are tradeable instruments and are the "currency" of the Peak Demand Reduction Scheme (**PDRS**).
- One PRC equals 0.1 kW of peak demand reduction capacity over one hour.
- PRCs have a lifecycle that includes 3 status types: active, cancelled or expired.
- Each PRC is allocated a vintage year related to the compliance period in which the capacity to reduce peak demand was first made available.
- PRCs expire after 3 years from the beginning of the compliance period during which the capacity is first made available.

2.1 What is a PRC?

PRCs are the "currency" of the PDRS and can be bought and sold in the market.[h] The market for the trade of PRCs is created by the obligation of Scheme Participants (typically electricity retailers) to surrender PRCs to us.

PRCs are created from eligible activities that make peak demand reduction capacity available during a compliance period between 1 November and 31 March. Peak demand reduction capacity is measured in kilowatts (kW).

One PRC is equivalent to 0.1 kW of peak demand reduction capacity averaged over one hour between 3.30pm and 9.30pm Australian Eastern Daylight Time (**AEDT**)[i] on one day in the compliance period (1 November – 31 March).[11]

The number of certificates that can be calculated from an implementation is based on the:

- reduction capacity averaged over **one** hour
- in each of the **6 hours** between 2.30pm and 8.30pm Australian Eastern Standard Time (**AEST**)
- on **one** day within the compliance period.

[h] IPART, as the Scheme Administrator and Scheme Regulator, does not regulate how ACPs buy or sell PRCs once created. The commercial arrangements of buying and selling PRCs is a matter for an ACP.

[i] The period is defined by the legislation as 2.30pm – 8.30pm Australian Eastern Standard Time.

Example

On 1 September 2022, an Accredited Certificate Provider (**ACP**) implemented an activity.

The activity created the capacity to reduce demand for electricity by an average of **0.2 kW** for each of the **6 hours** of peak demand reduction between 2.30pm and 8.30pm AEST.

The activity is eligible to create **12 PRCs** (i.e. 0.2 kW x 6 hours x 10) for the 2022-2023 compliance period and for each subsequent year for the lifetime of the implementation.

See section 9.2 and the worked examples in Appendix C for an explanation about how PRCs are calculated for each Activity Definition including the application of a Network Loss Factor to calculate PRCs.

2.2 The lifecycle of PRCs

PRCs have a lifecycle which includes 3 status types recorded in the Registry of Certificates:

- **Active** - PRCs are tradeable and can be surrendered to meet an obligation
- **Cancelled** - PRCs are no longer tradeable
- **Expired** - PRCs are not tradeable and cannot be forfeited or surrendered (see section 2.2.3 for more details).

2.2.1 Active PRCs

A PRC is active from the day it is registered in the Registry of Certificates until it is cancelled or it expires.[12]

2.2.2 Cancelled PRCs

A PRC is cancelled once it has been accepted for surrender by IPART.

PRCs are primarily surrendered by Scheme Participants to meet their individual certificate target for a compliance period. However, ACPs can be required to forfeit PRCs if the Scheme Administrator is satisfied that they have been improperly created.[13] PRCs can also be surrendered voluntarily.

2.2.3 Expired PRCs

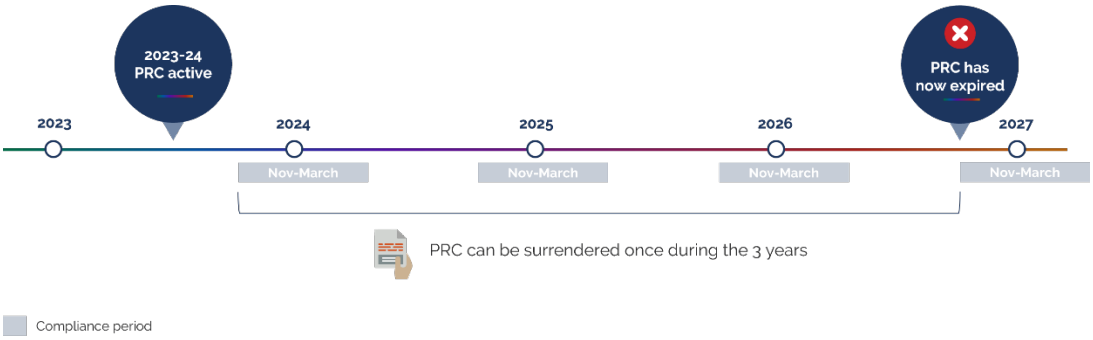
PRCs have a lifespan of up to 3 compliance periods unless sooner cancelled. This is different from the Energy Savings Scheme (**ESS**), where Energy Savings Certificates (**ESCs**) remain in force until the end of the scheme or until they are surrendered. See section 2.5.

Expired PRCs cannot be traded, forfeited or voluntarily surrendered. An expired PRC cannot be surrendered against an obligation unless it was active during the relevant compliance period. See our PRC expiry webpage for more information.

Example – PRC expiry

Using the example above, the 12 PRCs created for the 2022-2023 compliance period are in force until 31 March 2025.

Figure 2.1 PRC lifecycle



2.3 Vintage

Each PRC is allocated a vintage year based on the year that the capacity is created. The allocation occurs based on the first compliance period in which the capacity to reduce peak demand is made available, and the lifetime (in years) of the activity. ACPs can only create one PRC for every 0.1 kW of peak demand reduction capacity generated in a compliance period.[14]

Any implementation occurring between 1 April one year and 31 March of the year after will create PRCs of vintages starting with the year after. This is because the capacity from such an implementation is made available for the first time in the 1 November – 31 March compliance period.

Activities under the scheme have lifetimes of more than one year, and create capacity over multiple years, resulting in PRCs of various vintages across their lifetime. This is called **forward creation**. The implications of forward creation are explained in the next section.

Example – PRC vintage

The 12 PRCs created from PDRS activity above had an Implementation Date of 1 September 2022. Peak demand reduction capacity from the installation was first made available in the 2022-2023 compliance period (1 November 2022 – 31 March 2023). These PRCs will be 2023 vintage PRCs.

2.4 Forward creation and vintage

PRCs can be created upfront for future compliance periods over the lifetime of an implementation. Unlike the ESS, the PRCs created upfront do not have the same vintage. Vintage under the PDRS is linked to when the capacity is made available in each compliance period. This means that where an activity has a lifetime of 10 years it will result in PRCs being generated in each of the 10 years. The PRCs will have 10 different vintages.

All PRCs created upfront including those with future vintages will be active from registration and can be both traded and surrendered to meet an obligation under the PDRS.

Example – Forward creation and vintage

The implementation example above has a lifetime of 10 years. Each year the activity creates peak reduction capacity equivalent to **12 PRCs** starting in the 2022-23 compliance period and ending in the 2031-32 compliance period.

This results in the generation of a total of **120 PRCs** over the 10-year lifetime of the activity. That is 12 PRCs in each of 10 vintages starting with **2023 vintage** and ending in **2032 vintage**.

2.5 Forward creation and PRC expiry

Creating PRCs upfront and making them all active has consequences for PRC expiry.

PRCs expire at the end of the third compliance period after the beginning of the compliance period during which the capacity is first made available, unless sooner cancelled.

Future vintage PRC capacity is first made available in their vintage year. For example, a 2027 vintage PRC has capacity made available from 1 November 2026 – 31 March 2027. However, if that PRC is registered in 2023, it can be traded and surrendered from its registration date in 2023. This effectively increases the life of that PRC from 3 compliance periods to 7 compliance periods because it can be surrendered in any one of the years between 2023 (year of registration) and 2029 (year of expiry is 3 years after the beginning of the 2026 compliance period).

This is demonstrated in the example and Table 2.1 below.

Example – Forward creation and PRC expiry

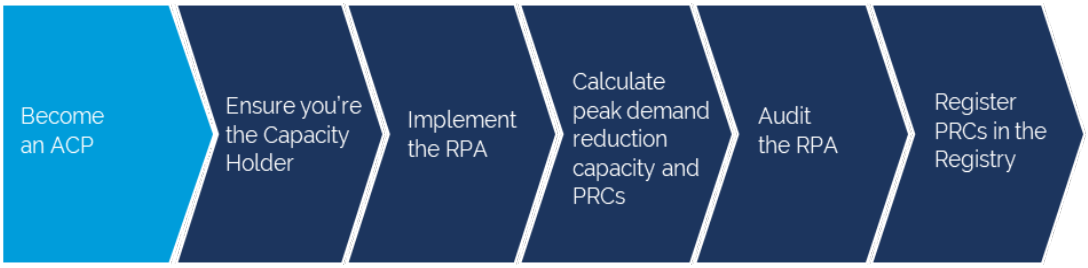
Continuing the same example, the implementation with an Implementation Date of 1 September 2022, creates 120 PRCs spread across its lifetime of 10 years, with 12 PRCs for each year, from **2023 vintage** to **2032 vintage** inclusive. All PRCs are active immediately on registration.

Table 2.1 Example – Forward creation and PRC expiry

Compliance period capacity made available (1 Nov – 31 March)	Number of PRCs	Vintage	PRC expiry	Number of compliance periods active
2022-2023	12	2023	31 March 2025	3 (22-23, 23-24, 24-25)
2023-2024	12	2024	31 March 2026	4 (above plus 25-26)
2024-2025	12	2025	31 March 2027	5 (above plus 26-27)
2025-2026	12	2026	31 March 2028	6 (above plus 27-28)
2026-2027	12	2027	31 March 2029	7 (above plus 28-29)
2027-2028	12	2028	31 March 2030	8 (above plus 29-30)
2028-2029	12	2029	31 March 2031	9 (above plus 30-31)
2029-2030	12	2030	31 March 2032	10 (above plus 31-32)
2030-2031	12	2031	31 March 2033	11 (above plus 32-33)
2031-2032	12	2032	31 March 2034	12 (above plus 33-34)

3 Become an ACP

IPART is responsible for accrediting Accredited Certificate Providers (**ACPs**). This chapter explains when you may want to consider becoming an ACP under the Peak Demand Reduction Scheme (**PDRS**) and what you'll need to include in your application.



- IPART is responsible for accrediting ACPs.
- Anyone can undertake an RPA, but you must be an ACP if you want to create PRCs.
- Consider becoming an ACP if you want to create Peak Reduction Certificates (**PRCs**) from projects involving applicable equipment.
- You must be accredited in the PDRS if you want to create PRCs, regardless of whether you are accredited under the Energy Savings Scheme (**ESS**).
- You'll need to include information in your application about how you collect and keep records, manage your customer engagement and representatives, and show you have the right insurance in place.

3.1 Reasons to become an ACP

While anyone can design and implement a Recognised Peak Activity (**RPA**), you can only create PRCs if you're an ACP.[15]

You may wish to consider accreditation under the PDRS if you are:

- in the business of regularly installing or replacing End-User Equipment (**EUE**) covered by one or more of the Activity Definitions
- a project developer that wants to work with businesses that install or replace EUE covered by one or more of the Activity Definitions
- a Demand Response Aggregator (**DRA**) interested in becoming accredited for BESS2.

If you're already accredited under the ESS for the corresponding Activity Definition (see Table 4.1), you may wish to consider accreditation under the Reducing Demand Using Efficiency sub-method (**RDUE Method**) as some ESS activities are also activities under the RDUE Method.

If you are implementing a small or one-off project or if your business doesn't have the capacity to meet PDRS requirements, you could consider working with an existing ACP who could create PRCs on your behalf.

3.2 How to become an ACP

You can find information about how to become accredited as an ACP under the PDRS, as well as our Application for Accreditation Guide, on our How to become an ACP webpage.[j]

3.3 What you'll need to include in your application

In your application, you will need to demonstrate that:

- you have appropriate processes and procedures in place for:
  - record keeping, quality assurance and a document register
  - customer engagement and complaints handling
  - engagement, management and training of representatives
- your representatives (as appropriate) hold public liability insurance of at least $5 million covering the replacement and/or rectification of a customers' property damaged as a result of work performed by the person, and/or
- your representatives (as appropriate) hold product liability insurance of at least $5 million covering all products used in the RPA.

In addition, if you are applying to be accredited for activities in a household (HVAC1, SYS2, BESS1, BESS2 or BESS3) you must have a documented risk management policy and risk register for each activity. Applicants for battery activities must also have internal audit procedures to monitor implementations.

Compliance with these requirements will be audited in accordance with the audit requirements in your Accreditation Notice (see section 10.1). If your processes and procedures are not effective, we may require them to be changed.

[j] The Application for Accreditation Guide provides guidance on how to apply for accreditation as an ACP, how we communicate during the application process and the types of accreditation conditions that may be set.

3.3.1 Record keeping procedure, quality assurance procedure and a document register

When you apply to become accredited as an ACP, you'll need to show us that you have a documented record keeping procedure, quality assurance procedure and a document register. The information that must be contained in these documents is contained in Table 3.1 below.

Effective record keeping is important because incorrect or inadequate collection of documents (i.e. to evidence you have met a requirement) may lead to non-compliance with the applicable legislation or your accreditation conditions and may result in you improperly creating PRCs.

The record keeping requirements for ACPs in the PDRS are the same as in the ESS.

Table 3.1 Method Guide Record Keeping Requirements

Document required	Description of requirements
Record Keeping Procedure	• Details of the step-by-step process of how each document will be obtained, processed, maintained and controlled • The position(s) of the person(s) responsible for each of these steps • A description of where the document will be sourced and how it's identified and recorded (within the relevant information system(s)) • How each document you're responsible for generating will be created, approved and updated • Details of any information systems, databases, and/or spreadsheets used to collate, manage or store documents • Types of documents that will be listed in the document register • How each document in the document register will be identified (via record identification/naming protocols) and where each record is located • The position of the person responsible for each type of record in the document register • Processes for archiving and retrieving documents • A description of how long documents will be retained for (you must keep appropriate records of each RPA for at least 6 years after the record is made)[16]
Quality Assurance Procedure	• The version control procedures in place for each record • Details of any internal audit and reconciliation procedures you have developed to support your record keeping • The procedure for checking peak demand reduction capacity calculations prior to creation and registration of PRCs • The position of the person(s) who is responsible for performing these actions
Document Register	You must keep a register of the documents that you need to collect and retain to evidence you have met all the requirements to create a PRC. However, at a minimum they should include documents to evidence: • the person undertaking the RPA holds the correct insurance (see Table 3.4) • you're the Capacity Holder for the RPA (see Table B.1) • the location of the RPA is in New South Wales (see Table B.1) • if applicable, that the RPA is conducted at a residential or small business site (see Table B.1) • if applicable, that you have disposed of the replaced/removed EUE (see Table B.1) • that you have met the eligibility, equipment and implementation requirements of the applicable Activity Definition (see Tables B.2 to B.11 in Appendix B)

- you have met the conditions of your accreditation, including the Method Guide Record Keeping Requirements, Method Guide Customer Engagement Requirements and Method Guide Representative Requirements
- the Implementation Date of each RPA (see Table B.1)
- the methodology, data and assumptions that you used to calculate peak demand reduction capacity and PRCs (see section 9)

3.3.2 Customer engagement and complaints handling

Customer engagement is important because if you become an ACP, you and your representatives will be the public face of the PDRS and interact with customers in a range of ways, including:

- marketing PDRS activities
- conducting initial designs and assessment for an activity
- providing quotes
- installing, replacing or removing EUE
- obtaining required documentation (e.g. nomination), and
- providing appropriate after sales customer service.

You must have a documented customer engagement and complaints handling procedure that shows how you will meet the Method Guide Customer Engagement Requirements contained in Table 3.2.

Table 3.2 Method Guide Customer Engagement Requirements

Document required	Requirements
You must have documented processes and procedures in place for customer engagement	• You must identify yourself as the ACP (or in the case of the representative, identify that they are representing you as the ACP) in all forms of communication • You must provide the customer with your contact details as the ACP • ***You must not*** identify yourself as a representative of the ESS, PDRS, IPART or the NSW Government • Before commencing any work, you or your representative must explain to the customer information about the PDRS, including: – how the PDRS works, and providing relevant fact sheets as specified in this Method Guide that the customer should read and understand[k] – the contents and function of the Nomination Form and providing a copy to the customer – any mandatory requirements that must be met (e.g. removal of old equipment) – that IPART auditors may request information about the activity • Before or during installation of the EUE, you or your representative must ensure that the customer understands the EUE, including: – providing details of the make, model and electrical characteristics of the EUE

[k] Some Activity Definitions (HVAC1 and SYS2) may also require a fact sheet to be provided to the customer for the corresponding ESS activity.

	– explaining and demonstrating the features, installation work and process of installation.
You must have documented processes and procedures in place for complaints handling	• You must tell the customer about the after sales assistance and support you will provide, including: – providing a contact number and complaints resolution process to the customer – the process you have for managing and resolving complaints – ensuring that the customer is satisfied with the product(s) as installed – providing a mechanism for replacement of faulty EUE

3.3.3 Engagement, management and training of representatives

If you become an ACP under the PDRS you'll be responsible for the conduct of your representatives. You must ensure they represent you in a way that maintains compliance with the requirements of the PDRS, protects the interests of customers as well as the integrity and reputation of the PDRS (see Table 3.3).

Table 3.3 Method Guide Representative Requirements

Topic	Requirements
Documented procedure	You must have a documented procedure in place that shows how you will meet the Method Guide Representative Requirements.
Effective control	You must ensure that you have effective control over any person undertaking the RPA on your behalf. This includes all activities in the promotion and delivery of the RPA. *Note: You will have the most effective control over your representatives if you have a legal contract with them before they conduct any activities on your behalf. We will hold you accountable for non-compliance with PDRS requirements regardless of any contract in place.*
Compliance with the law	You must ensure that you and any person undertaking the RPA on your behalf complies with all legislation that relates to the delivery of the RPA. This includes, without limitation, the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989* (Cth), the *Work Health and Safety Act 2011*, the *Home Building Act 1989* and the *Fair Trading Act 1987*.
Record keeping	You must maintain a register of all representatives conducting activities for each RPA. The register must contain the following information: • name • contact details • relationship to you (e.g. employee, contractor or business partner) • training completed for the PDRS, including date • other relevant training completed (e.g. WHS), including date • formal qualifications. Licences and certifications (e.g. electrician), including registration/licence numbers • date of employment/commencement • details of any delegated responsibility for processes and tasks involved in designing and implementing the RPA • sites where the representative will act on your behalf
Training and support	You must regularly train your representatives to understand: • how the PDRS works, including its legislative framework • the RPAs you're undertaking your internal procedures, especially those regarding collecting documentation to evidence that requirements have been met unsolicited doorknocking is not allowed • the Method Guide Record Keeping Requirements and the Method Guide Customer Engagement Requirements.

- other obligations they must comply with in addition to the PDRS (e.g. Australian consumer laws and/or occupational work, health and safety laws).

3.3.4 Insurance and accreditation

When you apply to become accredited as an ACP, you'll need to show us evidence that the person undertaking the RPA (i.e. you and/or your representative) holds:

- public liability insurance of at least $5 million, covering the replacement and/or rectification of a customers' property damaged as a result of work performed by the person
- product liability insurance of at least $5 million, covering all products used in the RPA.

You will need to maintain these insurance policies for the life of the RPA. Compliance with this requirement will be audited in accordance with the audit requirements in your Accreditation Notice (see section 10.1).

Examples of the types of documents you can collect to evidence you have met this requirement is contained in Table 3.4 below.

Table 3.4 Examples of evidence that you and your representatives hold insurance

Requirement	Source of requirement	Examples of evidence that requirement is met
That you and/or your representative holds public liability insurance of at least $5 million	Accreditation Notice	• Policy document • Certificate of currency • Letter from insurance company
That you and/or your representative holds product liability insurance of at least $5 million	Accreditation Notice	• Policy document • Certificate of currency • Letter from insurance company

3.3.5 Identifying, monitoring and managing risk

If you are applying to be accredited for activities in households (HVAC1, SYS2, BESS1, BESS2 and BESS3) you must have a documented risk management policy specific to the proposed activity. The risk management policy must include reference to any standards or industry accepted risk management principles that have been adopted in the policy. At a minimum the policy must describe how your business:

- identifies and records key risks
- reviews and monitors these risks
- ensures appropriate controls are in place (i.e. strategies to manage these risks and reduce the likelihood or consequence of the risk occurring).

Before applying for accreditation, you must conduct a risk assessment of the proposed activity or activities. Once the risk assessment is complete, you are required to:

- record the outcomes of the risk assessment in a risk register
- submit the completed risk register with your application
- maintain and update the risk register for the duration of the accreditation.

The risk assessment should consider the following key risk areas (as a minimum):

- safety (e.g. incidents that could occur during, or as a result of, the implementation of an activity at a site resulting in injury to employees, representatives or customers)
- fraud (e.g. installers providing false documentation leading to the ACP improperly creating PRCs in contravention of the Act, or undertaking work in contravention of other relevant legislation)
- property damage (e.g. incidents that could occur during, or as a result of, an implementation of an activity at a site resulting in damage to property)
- regulatory (e.g. the ACP undertakes activities in contravention of relevant legislation).

3.3.6 Internal audit procedures

ACPs accredited for battery activities must have internal audit procedures to monitor implementations. This includes auditing the work and records provided by contractors and representatives. ACPs must have sufficient processes in place to:

- identify discrepancies between their records and the activities actually occurring at each site, including work and records provided by contractors and representatives
- confirm that controls identified in their risk assessment are effectively mitigating risks.

Internal audit procedures will not replace independent audits that may be required by the Scheme Administrator. However, having robust internal audit procedures may assist ACPs to identify errors before creating PRCs and subsequently streamline independent audits. Robust internal audit procedures should also form an integral part of an ACP's process to review and monitor risks associated with their project.

4 About the Reducing Demand Using Efficiency Method

The Reducing Demand Using Efficiency sub-method (**RDUE Method**)[17] incentivises activities that reduce electricity demand during peak times by using energy more efficiently. The method is aligned to activities in the Energy Savings Scheme (**ESS**), so that activities under the RDUE Method are likely to be eligible to create Energy Savings Certificates under the ESS.

Key points

- Eligible activities under the RDUE Method correspond to existing activities in the ESS.
- Activities create capacity to reduce peak demand by installing appliances that run more efficiently during peak hours.

4.1 Eligible activities

You can carry out 4 activities, called Activity Definitions, under the RDUE Method (see Table 4.1). These activities:

- correspond with activities in the ESS, and
- address electricity loads that are likely to be present on the National Electricity Market[l] during peak times.

From 1 July 2026, HVAC1 and HVAC2 allow multi-split air conditioning systems to be installed and HVAC2 allows air conditioners with a cooling capacity greater than or equal to 30 kW. Before 1 July 2026 and after 6 September 2026, air conditioners that are not multi-split or ducted systems with a cooling capacity less than 30 kW are eligible. Note that savings provisions in the PDRS Rule apply for HVAC2 implementations from 1 July to 6 September 2026.

See the *Peak Demand Reduction Scheme Rule of 2022* (**PDRS Rule**) for eligible product classes across the method.

For all implementations with an Implementation Date before 3 September 2026 you should refer to the version of the Method Guide that was current at the Implementation Date. See the 'Which version of the Method Guide applies' section above.

[l] The National Electricity Market is the interconnected power system that spans New South Wales for the wholesale supply and purchase of electricity.

4.2 Alignment with the ESS

Activities under the RDUE Method have a corresponding activity in the ESS. Certificates can be created under both schemes for these activities, providing you have the appropriate accreditations. The eligibility, equipment and implementation requirements are mostly aligned between the PDRS and ESS for these activities.

Table 4.1 ESS and PDRS activity references

End-User Equipment	ESS Activity Definition	ESS calculation method	PDRS Activity Definition	PDRS activity name
Residential air conditioners	D16	Home Energy Efficiency Retrofits	HVAC1	Install a new high efficiency air conditioner or replace an existing air conditioner with a high efficiency air conditioner
Commercial air conditioners	F4	Installation of High Efficiency Appliances for Business	HVAC2	Install a new high efficiency air conditioner or replace an existing air conditioner with a high efficiency air conditioner
Refrigerated cabinets	F1.2	Installation of High Efficiency Appliances for Business	RF2 (Product classes 12-15 are eligible)	Replace an existing refrigerated cabinet with a new high efficiency refrigerated cabinet
Residential pool pumps	D5	Home Energy Efficiency Retrofits	SYS2	Install a new high efficiency pool pump or replace an existing pool pump with a high efficiency pool pump

Requirements for the RDUE Method are set out in clause 7 and Schedule B of the PDRS Rule. You also need to comply with other relevant legislation and the conditions in your Accreditation Notice when implementing your activity.

See Chapters 7–10 for information about implementing activities under this method.

5 About the Store and Shift Capacity Method

The Store and Shift Capacity sub-method (**SASC Method**) incentivises activities that create capacity to shift demand for electricity away from peak demand periods.

Key points

- The SASC Method comprises 4 activities that involve installing batteries.
- Batteries create capacity to reduce peak demand by storing electricity outside of peak times for use during peak times. Multiple batteries may be installed under the SASC Method provided they are installed on the same date behind the same meter and their combined capacity does not exceed equipment requirements.
- From 1 July 2026 BESS1 implementations may be conducted under an Exempt Energy Program (**EEP**) or at a government owned and managed site.
- Activity Definitions BESS3, BESS4 and BESS5 allow larger batteries to be installed in apartment buildings (BESS3) and business settings (BESS4 and BESS5) from 1 September 2026.
- Activities under this method may also be eligible for incentives under the Commonwealth Cheaper Home Batteries Program.

5.1 Eligible activities

This method has 4 Activity Definitions:

- BESS1 – Install a new behind the meter battery energy storage system (single dwelling residential and small business)
- BESS3 – Install a new behind the meter battery energy storage system (apartments)
- BESS4 – Install a new behind the meter battery energy storage system (small and medium businesses)
- BESS5 – Install a new behind the meter energy storage system (commercial and industrial businesses).

From 1 July 2026, Activity Definition BESS1 can be delivered at Government Owned and Managed Sites or through an EEP (the activity was suspended from 1 July 2025 to 30 June 2026). Certificates can be created for this activity only where the Implementation Date is:

- between 1 November 2024 and 30 June 2025 (inclusive), or

- on or after 1 July 2026 and the Implementation is delivered at a Government Owned and Managed Site or through an initiative that was an EEP at the Implementation Date.

Activity Definitions BESS3, BESS4 and BESS5 commenced on 1 September 2026.

5.2 Activity requirements

Requirements for activities under the SASC Method are set out in clause 8 and Schedule C of the *Peak Demand Reduction Scheme Rule of 2022* (**PDRS Rule**). You also need to comply with other relevant legislation and the conditions in your Accreditation Notice when implementing your activity.[m]

Implementations must meet all PDRS Rule requirements, including the following requirements specified by the Scheme Administrator:

- For Activity Definitions BESS1, BESS3 and BESS4:
  - Each battery must be listed on the Clean Energy Council's Approved batteries list[n] and meet Usable Battery Capacity requirements specified in the PDRS Rule (see section 5.2.1).
  - The installation must be conducted by an installer with Grid-Connected Battery Storage 'Design and Install' or 'Install only' accreditation by Solar Accreditation Australia (**SAA**). You will also need to provide the installer's accreditation number with SAA when you register your certificates.
- For Activity Definition BESS5:
  - Usable Battery Capacity must be recorded as 90% of the Nominal Battery Capacity, as defined in the PDRS Rule.
  - Nominal Battery Capacity must be determined according to the nominal battery capacity recorded in the manufacturer's specifications, battery nameplate or compliance label, system design documentation, or signed contract that includes the battery specifications and system design.
  - batteries installed under Activity Definition BESS5 must be tested and pass the performance criteria of the module or unit level test in accordance with the standard UL9540A.

See Chapters 7–10 for more information about implementing activities under this method.

[m] For instance, you may need development consent when installing a battery with a capacity over 20 kWh under the State Environmental Planning Policy. We recommend you check with the relevant council before installation.

[n] Batteries that have been suspended from the Clean Energy Council's List of approved batteries do not meet the Equipment Requirements for the period they are suspended.

5.2.1 Determining Usable Battery Capacity

Usable Battery Capacity is determined according to the definitions of Usable Battery Capacity and Nominal Battery Capacity in the PDRS Rule.

For Activity Definitions BESS1, BESS3 and BESS4 this means Usable Battery Capacity is 90% of the Nominal Battery Capacity listed on the Clean Energy Council's Approved batteries list).

For Activity Definition BESS5 Usable Battery Capacity is 90% of the Nominal Battery Capacity listed on the manufacturer's specifications, battery nameplate or compliance label, system design documentation, or signed contract that includes the battery specifications and system design.

5.2.2 Installing multiple batteries

Multiple batteries installed on the same day are eligible under this method if they can be considered a single Battery Energy Storage System as defined in clause 10 of the Rule.

When installing more than one battery the total Usable Battery Capacity of all the batteries being installed at the National Metering Identifier must meet the capacity requirements set out in the Equipment Requirements for the activity (see section 5.2.1). Nominal Battery Capacity for a Battery Energy Storage System with more than one battery is the sum of the Nominal Battery Capacity for each battery

If the total Usable Battery Capacity of the battery system exceeds the capacity set out in the Equipment Requirements for the activity the battery system is ineligible. For example, for activity BESS1 if the Usable Battery Capacity is 28 kWh or more you cannot create any certificates from the implementation, including for the capacity up to 28 kWh.

5.2.3 Installing additional battery capacity

Installation of additional battery capacity at a site with an existing battery is not eligible under Activity Definition BESS1.

For Activity Definitions BESS4 and BESS5, and Activity Definition BESS3 from 7 September 2026, additional battery capacity can be installed. However, an Implementation of either Activity Definition BESS3, BESS4 or BESS5 must not have been previously conducted at the Site.

5.2.4 Warranty requirements

Battery energy storage systems installed under the PDRS must meet warranty requirements specified in the relevant Activity Definition.

A warranty is a contractually binding promise made in connection with an Implementation. A warranty does not need to be labelled as a warranty to be contractually binding. For example, a contractually binding statement made in a datasheet given to a customer may be a warranty.

5.2.5 Solar photovoltaic requirements

For activity BESS1 a behind the meter solar photovoltaic system must be installed at the same National Metering Identifier(s) that the battery is being installed.

Activities BESS3, BESS4 and BESS5 do not require a solar photovoltaic system to be installed. However, incentives may be higher where a battery is installed within 90 days of new solar photovoltaic capacity being installed.

5.2.6 Implementation requirements

Activities must meet Implementation Requirements set out in the Activity Definitions in the PDRS Rule including:

- End-User Equipment installed under activities BESS3, BESS4 and BESS5 must have received all required planning and network approvals. BESS1 does not explicitly require all planning and network approvals to be obtained. However, there may be some instances where they are required under other legislation. See the Peak Shifting page for more information.
- End-User Equipment installed under activity BESS3 must be installed outdoors and, from 7 September 2026, supply electricity to common property loads and/or be capable of supplying electricity across multiple dwellings in the Apartment Building.
- End-User Equipment installed under activity BESS5 must be installed by a suitably licensed person in compliance with relevant standards and legislation and, from 7 September 2026, be installed behind the meter.

6 About the Household Annual Demand Response Method

The Household Annual Demand Response sub-method (**HADR Method**) incentivises demand response activities. These activities provide capacity to reduce demand for electricity in peak demand periods by managing household or small business site electricity consumption in response to supply constraints, demand spikes, or price increases in the electricity network.

Key points

- The HADR Method currently comprises one activity, BESS2, that involves onboarding batteries in residential buildings, and from 1 July 2025, in small business sites, with a Demand Response Aggregator (**DRA**).
- From 1 July 2026, activity BESS2 implementations may only be conducted in BCA Class 1 or small business sites.
- The activity requires that the electricity account holder signs a contract to provide demand response with a DRA.
- The Implementation Date is the date the battery is onboarded with the DRA.

6.1 Eligible activities

The HADR Method includes one Activity Definition: BESS2 – Onboard a behind the meter battery energy storage system with a Demand Response Aggregator. The electricity account holder must sign a contract with a DRA to provide demand response capacity and be onboarded with the DRA.

Certificates can be created for this activity only where the Implementation Date is:

- on or after 1 November 2024 in residential buildings
- on or after 1 July 2025 at small business sites.

Only one BESS2 implementation at a National Metering Identifier can be used to create certificates.

Requirements for the HADR Method are set out in clause 9 and Schedule D of the *Peak Demand Reduction Scheme Rule of 2022* (**PDRS Rule**). You also need to comply with other relevant legislation and the conditions in your Accreditation Notice when implementing your activity.

BESS2 implementations must meet all PDRS Rule requirements, including the following requirement specified by the Scheme Administrator:

- Each battery must be listed on the Clean Energy Council's list of approved batteries.[o]

The total Usable Battery Capacity of the battery energy storage system being signed up to a demand response contract must be greater than 2 kWh and less than or equal to 50 kWh. Certificates may be created for capacity up to 28 kWh. If the total usable battery capacity of the system is greater than 50 kWh, you cannot create any certificates from the implementation, including for the capacity up to 28 kWh.

When determining Usable Battery Capacity, you must use the Nominal Battery Capacity for the battery as listed on the Clean Energy Council's Approved batteries list and convert to Usable Battery Capacity (i.e. 90% of the Nominal Battery Capacity, as defined in the PDRS Rule).

See Chapters 7–10 for more information about implementing activities under this method.

6.2 Demand Response Aggregators

Under this activity, the DRA is the party that aggregates the demand response capacity of multiple residential and small business site batteries. By coordinating many small batteries together, they can operate similar to a large generation station and are known as a Virtual Power Plant (VPP).

For activity BESS2, DRAs sign contracts with householders or small businesses to be able to control their batteries as part of a VPP. The battery energy storage system must be able to respond to signals from the National Electricity Market to ensure genuine peak reduction capacity is created. The battery must be onboarded with the DRA to be eligible to create certificates (i.e the battery must have been demonstrated to respond to remotely provided commands from the DRA).

The DRA must either be a Market Participant or a Network Service Provider, or they must have a contract with a Market Participant or a Network Service Provider to aggregate demand response capacity on its behalf (see section 8.2.6).

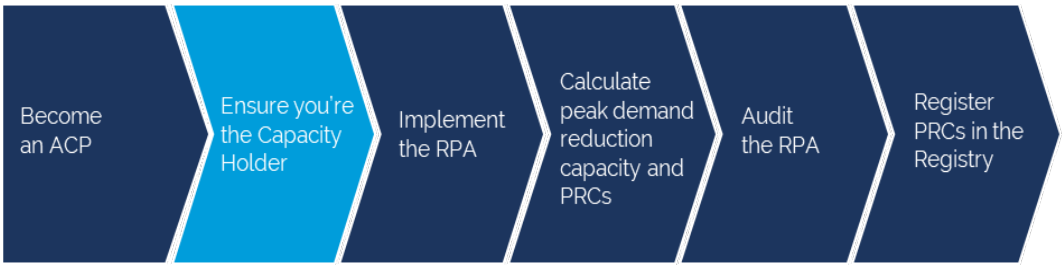
As the ACP you may be the DRA, or you may contract with a DRA to create certificates on its behalf. Regardless of your business arrangements, the ACP must be nominated as the Capacity Holder by the account holder, and the DRA is the counterparty to the contract that the householder signs.

[o] Batteries that have been suspended from the Clean Energy Council's List of approved batteries do not meet the BESS2 Equipment Requirements for the period they are suspended.

If you are working with a DRA to create certificates on its behalf, the DRA and its representatives are considered your representatives for the purpose of the Method Guide Requirements tables in section 3.3.

7 Ensure you're the Capacity Holder

This chapter explains the concept of a Capacity Holder under the Peak Demand Reduction Scheme (**PDRS**) and what you must do to become the Capacity Holder for a Recognised Peak Activity (**RPA**).



- A Capacity Holder is the person that has the right to the capacity to reduce demand.
- A Capacity Holder can nominate their rights to an Accredited Certificate Provider (**ACP**) using the Nomination Form (or Nomination Specification for activity BESS2).
- You must collect and keep evidence that you're the Capacity Holder for each RPA.

7.1 Determine if you have the right to the capacity to reduce peak demand

To create Peak Reduction Certificates (**PRCs**) you must be the person with the right to the capacity to reduce peak demand. Under the PDRS, this person is called the "Capacity Holder". The concept of Capacity Holder is like the concept of "Energy Saver" under the Energy Savings Scheme (**ESS**).

The person that is the Capacity Holder for each Activity Definition is defined under the *Peak Demand Reduction Scheme Rule of 2022* (**PDRS Rule**) and is detailed in Table 7.1. The Capacity Holder is determined as at the Implementation Date for all activities except BESS2.[18]

Table 7.1 Capacity Holder for each Activity Definition

Activity Definition	The Capacity Holder is:
HVAC1, HVAC2, RF2, SYS2, BESS1, BESS3, BESS4, BESS5	• the Purchaser
BESS2	• the person who is the account holder of the electricity account for the National Metering Identifier and has signed the demand response contract with the Demand Response Aggregator to provide demand response capacity.

Generally, you're the Purchaser if you buy or lease the goods or services that lead to the reduction in electricity demand during the peak period.[19]

You cannot be the Purchaser if you purchase or lease the goods or services for the purpose of reselling the equipment,[p] or if you are an ACP and you aren't the owner, occupier or operator of the site where the equipment is located.

Example – Capacity Holder

For activities under HVAC1, *Install a new high efficiency air conditioner or replace an existing air conditioner with a high efficiency air conditioner*, the Purchaser is typically the owner or occupier of the residence or small business that is installing the new high efficiency air conditioner.

The Purchaser cannot be a person that paid for the installation of the new high efficiency air conditioner if that person does not own, occupy or operate the site. Similarly, the Purchaser cannot be a small business that intends to resell the high efficiency air conditioner to a third-party.

7.2 How to become the Capacity Holder

If you're not the Capacity Holder for an RPA you'll need to be nominated on or before the Implementation Date of the project for all Activity Definitions except BESS2.[q] For Activity Definition BESS2 you need to be nominated within 90 days of the Implementation Date. This nomination process can occur more than once provided the previous nomination has been revoked before the Implementation Date.

Your Accreditation Notice will require you to comply with the Method Guide Requirements when engaging with your customers, including when seeking their nomination as the Capacity Holder (see Table 3.2 and Table 3.3).

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[p] Unless the resale of the equipment is included as part of a property sale. See clause 10 of the PDRS Rule.

[q] The nominee must not have withdrawn its consent before the Implementation Date. Clause 4.1(b)(i) of the PDRS Rule. For all Activity Definitions under the RDUE, SASC or HADR methods, where the ACP demonstrates the nomination, they are also deemed to have consented to being nominated.

7.2.1 Nomination as Capacity Holder – all activities except BESS2

For all Activity Definitions except BESS2, the Implementation Date is the date the End-User Equipment (**EUE**) is installed.[20] It is the date that all work is done for the installation.

Example – Nomination by the Implementation Date

An ACP is accredited for Activity Definitions HVAC1 (residential air conditioning) and SYS2 (residential pool pumps).

The ACP installs a high efficiency air conditioner at a residential property in NSW on 15 November 2022.

The ACP returns 2 weeks later, on 6 December 2022, to install a new high efficiency pool pump at the same residence. The ACP can't complete the entire installation on 6 December and returns on 9 December 2022 to complete the installation.

The Implementation Date for the HVAC1 activity is 15 November 2022 and the Implementation Date for the SYS2 activity is 9 December 2022. The ACP must be nominated for both activities prior to each Implementation Date respectively.

For all Activity Definitions except BESS2, you must be nominated by the original Capacity Holder (see Table 7.1 above) using the Nomination Form Template we have published on our website.[r]

7.2.2 Nomination as the Capacity Holder – BESS2

For BESS2 implementations occurring from 1 July 2025 to 30 June 2026 you must be nominated on or before the Implementation Date (i.e. the date the battery is onboarded with the Demand Response Aggregator (**DRA**)).[21] For BESS2 implementations occurring from 1 July 2026 you must be nominated within 90 days of the Implementation Date.

You must comply with the BESS2 Nomination Specification to be validly nominated, though you may use your own forms in any format to comply with the specification. This specification has been designed to facilitate the signing of demand response contracts online.

You may work with a DRA to create certificates on their behalf. To be eligible to create certificates, you, not the DRA, must be the nominated as the Capacity Holder by the account holder, otherwise you will not be able to create certificates.

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[r] If changes are made to the nomination form without the written consent of the signatories, IPART and/or IPART's auditors may consider the nomination form invalid. This may result in PRCs being deemed to have been improperly created. Clause 4.1(b)(ii) of the PDRS Rule.

7.3 Evidencing you're the Capacity Holder

7.3.1 Capacity Holder

You must collect and keep appropriate documents to evidence you're the Capacity Holder for each RPA.

Examples of the types of documents you can collect is contained in Table B.1.

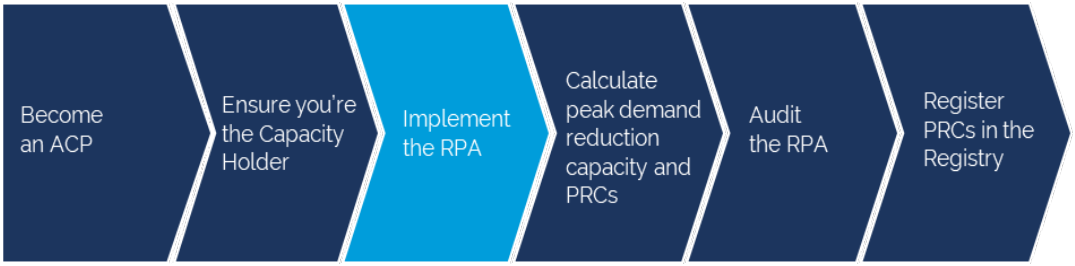
7.3.2 Implementation Date

You must collect and keep appropriate documents to evidence the Implementation Date of each activity under the RPA. For all activities except BESS2, the Implementation Date cannot be prior to completion of testing by a suitably qualified person that electrical wiring and any new load is operating correctly and complies with all safety laws and Australian standards. The document(s) must clearly show the Implementation Date and the address where the work took place. For BESS2, the document(s) must clearly show the date the battery was onboarded with the DRA.

Examples of the types of documents you can collect is contained in Table B.1.

8 Implement the RPA in accordance with all requirements

This chapter sets out the requirements that must be met to successfully implement a Recognised Peak Activity (**RPA**) under the Reducing Demand Using Efficiency sub-method (**RDUE Method**), the Store and Shift Capacity sub-method (**SASC Method**), and the Household Annual Demand Response sub-method (**HADR Method**). Records you must collect and keep to show you have met the requirements are set out in Appendix B.



- You must comply with legislative requirements, the specific requirements of the activity you're accredited for, as well as the conditions of your accreditation.
- You must collect and keep appropriate documents to show you have met all the requirements.

8.1 Overview

You should read and familiarise yourself with the requirements for implementing an RPA. The requirements are contained in:

- Schedule 4A, Part 2 of the *Electricity Supply Act 1995* (**Act**), the *Electricity Supply (General) Regulation 2026* (**Regulation**) and the *Peak Demand Reduction Scheme Rule of 2022* (**PDRS Rule**) (**Relevant Legislation**)
- the specific Activity Definition you are accredited for contained in Schedules B, C, and D of the PDRS Rule, and
- your Accreditation Notice.

You should also understand and comply with any other legislative requirements that may be applicable to the activities you are accredited for (for example, the requirements of consumer law and electrical safety legislation).

Significant penalties may apply if you do not comply with legislative requirements. For more information about our approach to compliance see our Compliance Guide for Accredited Certificate Providers (**ACPs**).[s]

8.2 You must comply with the requirements of the Relevant Legislation

8.2.1 RPAs must be conducted in New South Wales

You can only design and implement an RPA at a site located in New South Wales and connected to the electricity transmission or distribution network in New South Wales.[22]

An RPA may occur at a single site or across multiple sites.

When undertaking RPAs, you must define a site by:

- a street address within New South Wales; or
- another unique identifier, as specified for the relevant implementation that identifies the affected End-User Equipment (**EUE**) (for example, a reference to a registered plan identifier).

You must collect and keep appropriate documents to evidence the site of your RPA meets the requirements.

Examples of the types of documents you can collect is contained in Table B.1.

8.2.2 Certain RPAs must only be conducted at Residential, Small Business or Government Owned and Managed Sites

An RPA for the following Activity Definitions can only be conducted at **residential building or small business sites**:[23]

- HVAC1 – Install a new high efficiency air conditioner or replace an existing air conditioner with a high efficiency air conditioner
- SYS2 – Replace an existing pool pump with a high efficiency pool pump
- BESS2 – Onboard a behind the meter battery energy storage system with a Demand Response Aggregator (**DRA**) (from 1 July 2026 BESS2 implementations can only be conducted at Building Code of Australia (**BCA**) Class 1 residential buildings or small business sites).

[s] See the ACP Compliance Guide on our website.

An RPA for Activity Definition BESS1 (Install a new behind the meter battery energy storage system (single dwelling residential and small business)) can be conducted at **government owned and managed sites as well as residential building or small business sites**. To be eligible the installation can only be delivered through an Exempt Energy Program or at a government owned and managed site from 1 July 2026.[24]

An RPA for Activity Definition BESS3 (Install a New Behind the Meter Battery Energy Storage System (apartments)) can only be conducted at **BCA Class 2 buildings (apartment buildings)** with a minimum of 4 individual dwellings.

Residential buildings

The Rule defines a residential building as a building or part of a building classified as a BCA Class 1, 2 or 4 building, and may include any non-habitable building (BCA class 10a or 10b) on the same site.

More information about BCA building classifications is available on the National Construction Code website.

Small business sites

A small business site is defined in the PDRS Rule as a site that is entirely occupied by one business and is either:

- a "Small Customer" or
- a customer of an "Exempt Seller" and has an annual electricity consumption below the "Upper Consumption Threshold" for electricity (see Figure 8.1).[25]

Small Customer, Exempt Seller and Upper Consumption Threshold have the same meaning as in the *National Energy Retail Law* (NSW). Applying these meanings, a site will generally be a small business site if it is entirely occupied by a business that is an electricity customer, and that business consumes less than 100 MWh of electricity per year (from any source, including on-site generation) at the site. A business will generally be an electricity customer if it is sold electricity by a seller (including an Exempt Seller).[t]

Government owned and managed sites

The PDRS Rule defines a government owned and managed site as a site that on the Implementation Date is owned and directly controlled by:

- the Australian Government
- the NSW Government, or
- a Local Council.

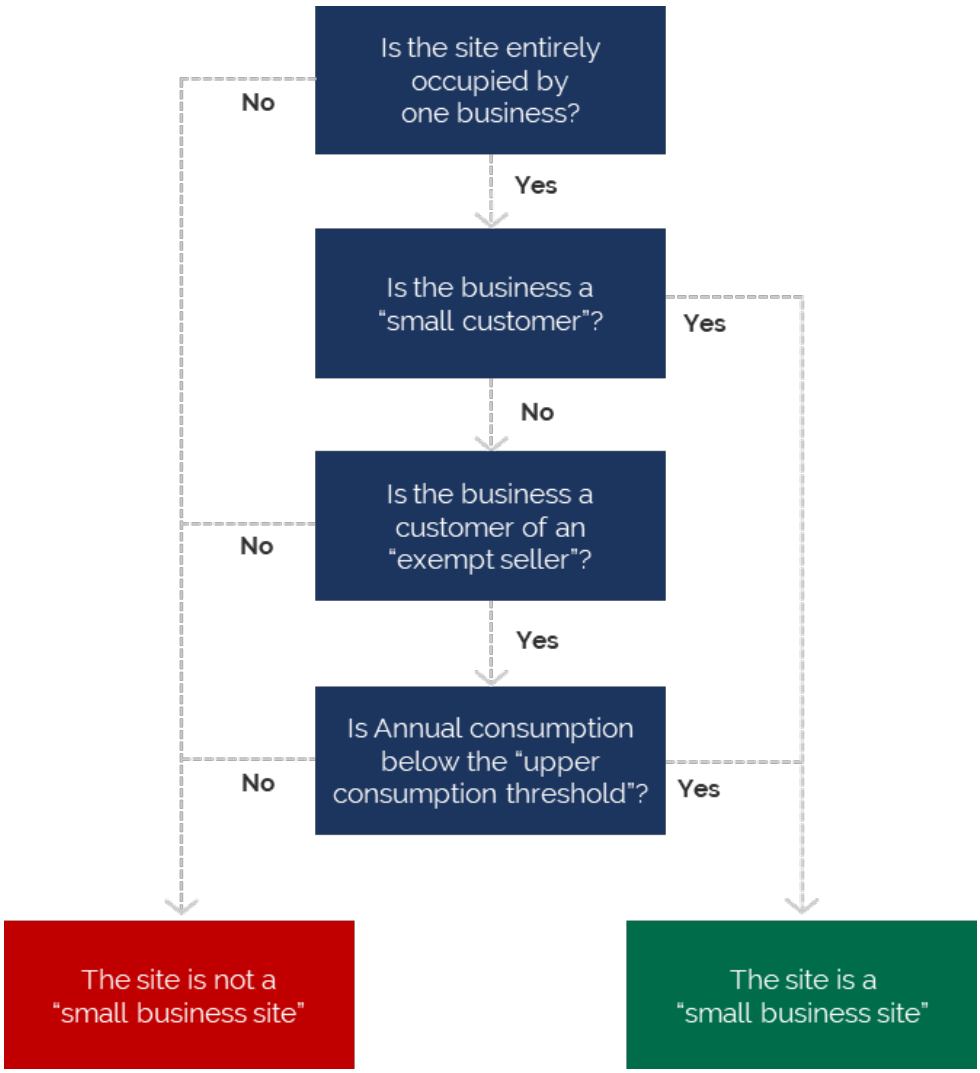
[t] The Australian Energy Regulator provides guidance on the type of activities that are likely to constitute the sale of electricity, and those activities that are not considered a sale of electricity in its *Retail Exempt Selling Guideline*.

Evidencing the site meets requirements

You must collect and keep appropriate documents to evidence each RPA you're implementing meets the site requirements in the PDRS Rule.

Examples of the types of documents you can collect as evidence that site requirements are met is contained in Table B.1.

Figure 8.1 How to assess whether a site is a small business site



8.2.3 Certain RPAs cannot be conducted at residential buildings or data centres

For the following Activity Definitions, you cannot conduct the RPA at a **residential building**:[26]

- HVAC2 – Install a new high efficiency air conditioner or replace an existing air conditioner with a high efficiency air conditioner

  - This activity may be carried out in a residential building only when it is the replacement of an existing air conditioner in a centralised system or in the common areas of a BCA Class 2 building
- RF2 – Replace an existing refrigerated cabinet with a new high efficiency refrigerated cabinet

You cannot conduct an RPA for the following Activity Definitions at a **residential building or data centre**:

- BESS4 – Install a New Business Behind the Meter Battery Energy Storage System (small and medium businesses)
- BESS5 – Install a New Behind the Meter Energy Storage System (commercial and industrial businesses).

8.2.4 Old End-User Equipment must be correctly disposed of or recycled

The RDUE Method covers activities that involve replacing and removing EUE including:

- air conditioning equipment (HVAC1 and HVAC2)
- refrigerated cabinets (RF2)
- pool pumps (SYS2).

For an activity to be considered an RPA, you must not refurbish, re-use or re-sell the EUE that is replaced or removed.[27] This is so the inefficient equipment is not installed elsewhere.

You are responsible for disposing of the EUE in accordance with applicable NSW and Commonwealth law. If the EUE contains refrigerants (e.g. air conditioners and refrigerated display cabinets), you must obtain evidence that refrigerants have been disposed of or recycled.[28]

If you're undertaking an activity that involves replacing or removing EUE, you must collect and keep appropriate documents to evidence the old EUE is disposed of appropriately.

Examples of the types of documents you can collect is contained in Table B.1 where relevant.

8.2.5 The minimum payment amount has been paid

For activities BESS1, BESS3 and BESS4 the purchaser is required to pay a net amount towards the cost of the implementation (**minimum payment**).[29] See our Upgrade costs page for more details.

When installing multiple batteries as a single system the minimum payment must be paid for each Battery Energy Storage System (as defined in clause 10 of the Rule) installed at a National Metering Identifier (**NMI**). See section 5.2.1 for more details about installing multiple batteries.

The minimum payment must not be reimbursed, credited by a third party, or made in part or in full by a non-cash inducement or in-kind payment. The minimum payment must be paid before the ACP can register Peak Reduction Certificates (**PRCs**). Evidence that the payment was made before the PRC registration date will be checked at audit.

The PDRS Rule specifies that the minimum payment requirement does not apply to implementations that are delivered through a low-income energy program or an exempt energy program. The Exempt and low income energy programs webpage provides more details.

The documents you can collect as evidence the payment has been paid or does not apply are set out in Table B.7, Table B.8 and Table B.9.

8.2.6 Demand response contract is with a Demand Response Aggregator

For the BESS2 activity under the HADR Method, the account holder at the NMI must sign a demand response contract and onboard their battery with a DRA.[30] You, as the ACP, may be the DRA yourself, or you may work with a DRA to create certificates on their behalf.

A person is a DRA only if:[31]

- they aggregate demand response capacity, and are either a Market Participant or a Network Service Provider, or
- they have been engaged in a contract with a Market Participant or Network Service Provider to aggregate demand response capacity (and related activities) on their behalf.

Market Participant and Network Service Provider are defined respectively in clauses 2.4 and 2.5 of the National Electricity Rules.

You will need to demonstrate that the counterparty to the demand response contract is a DRA. Examples of documents you can collect as evidence are set out in Table B.11.

8.3 You must comply with the requirements of the Activity Definition you're accredited for

Each of the Activity Definitions in Schedules B, C and D contain activity-specific eligibility, equipment, and implementation requirements.

Where applicable, you must ensure:

- the eligibility requirements for the relevant Activity Definition are met immediately prior to the Implementation Date of the project[32]
- each item of installed EUE meets all the Equipment Requirements,[33] and
- the completed implementation satisfies all the relevant implementation requirements.[34]

Examples of the types of documents you can collect to evidence you have met the relevant eligibility, equipment and implementation requirements for each Activity Definition are contained in Table B.1 to Table B.11 in Appendix B.

8.4 You must meet your monthly reporting requirements

Clause 6.11 of the PDRS Rule requires ACPs to report any PDRS activities carried out in a calendar month in the following month.

You must provide this report even if you have not undertaken any implementations or you have already registered PRCs for the implementations.

The Reporting Requirements webpage provides more information about monthly reporting.

8.4.1 Report timing

The deadline for reporting activities for each method is set out in Table 8.1.

Table 8.1 Deadline for reporting by method

Method	Reporting deadline
Reducing Demand Using Efficiency (RDUE)	End of the following month
Store and Shift Capacity (SASC)	15th day of the following month
Household Annual Demand Response (HADR)	15th day of the following month

8.4.2 How to report

Use the PDRS Example Template to ensure your information is submitted in the correct format. Provide information for all implementations that could be used to create PRCs. Save the completed template as a CSV file and email it to ess.compliance@ipart.nsw.gov.au. See the Reporting requirements webpage for more details on how to report.

8.5 You must comply with the requirements of your Accreditation Notice

When you're accredited as an ACP you're issued an Accreditation Notice that sets out the activities you're accredited for and the conditions imposed on your accreditation.[35] Your Accreditation Notice will state your requirements for auditing PRCs (see section 10.1), the type and amount of insurance you must hold (see section 3.3.4) and any additional conditions applicable to your accreditation. Your Accreditation Notice will also state that you need to comply with the following requirements set out in this Method Guide:

- Method Guide Record Keeping Requirements (see Table 3.1)
- Method Guide Customer Engagement Requirements (see Table 3.2)
- Method Guide Representative Requirements (see Table 3.3).

You should carefully review your Accreditation Notice as it contains mandatory requirements with which you must comply.

8.6 You must comply with the requirements in this Method Guide

This section sets out obligations that we intend to generally impose as conditions on any PDRS accreditation.

8.6.1 You must hold evidence when you submit your monthly report

When you submit your monthly report (see section 8.4), you must also have and keep geo-tagged photos and any other evidence that you are required to keep under the evidence requirements listed in Appendix B.

8.6.2 You must provide evidence to the Scheme Administrator on request

For all PDRS activities you must provide any of the geo-tagged photographs related to an implementation that you've collected under the evidence requirements listed in Appendix B if we request it. You must provide this evidence within 7 days of receiving our request.

We will request you to provide this information as part of our compliance activities to ensure that activities are being conducted in compliance with the Rule and relevant standards and legislation.

8.6.3 You must provide relevant fact sheets to the customer

You must provide fact sheets to the customer upon quotation under the Method Guide Customer Engagement Requirements (see Table 3.2) for the following activities:

- BESS1 (Install a new behind the meter battery energy storage system (single dwelling residential and small business)) – BESS1 Fact Sheet
- BESS2 (Onboard a behind the meter battery energy storage system with a Demand Response Aggregator) – BESS2 Fact Sheet
- BESS 3 (Install a New Behind the Meter Battery Energy Storage System (apartments)) – BESS3 Fact Sheet
- BESS 4 (Install a New Behind the Meter Battery Energy Storage System (small and medium businesses)) – BESS4 Fact Sheet.

This requirement aims to help customers make informed decisions about installing a battery or connecting their battery to a Virtual Power Plant (**VPP**) under the scheme.

Examples of how you can evidence meeting this requirement are provided in Table B.7 to Table B.11.

8.6.4 You must collect serial numbers

You must collect and retain the serial numbers of all EUEs installed under PDRS implementations. These records must be maintained in a format that allows individual EUE to be easily and quickly identified by serial number, for example, where a product recall affects a particular model or batch of equipment.

The Scheme Administrator may require you to provide this information in response to a Ban Notice issued under the scheme rules. See section 8.7.1 for further information.

For BESS5 implementations, if it is not practical to collect and retain serial numbers for all individual components, you may instead retain the serial number of the Battery Storage System container. However, the information you retain must be sufficient to support product recalls and to respond to any Scheme Administrator Ban Notice. Where a container serial number alone is not sufficient for these purposes, additional component-level serial number information must also be collected and retained.

You are required to collect and keep this information under the Record Keeping Requirements condition of any PDRS accreditation.

8.6.5 Taking geo-tagged photographs

When you use photographs to evidence an implementation, the photographs must contain sufficient detail and contextual site features to demonstrate the existence and location of the equipment being installed or removed.

Photographs should enable an independent reviewer to verify that the equipment is present at the implementation site and corresponds to the activity being claimed. File names should assist the reviewer to understand what is evidenced in each photograph. Where necessary, provide explanatory notes.

Where photographs are required to identify the make and model of equipment, multiple photographs may be necessary. This may include wider-angle photographs showing the equipment in situ, together with close-up photographs clearly displaying manufacturer labels, model numbers, serial numbers, or other identifying information. The purpose of each photo should be clear. Provision of extraneous photographs, excessive numbers of photographs, staging photographs or other forms of obfuscation may constitute misleading the Scheme Administrator.

Table 8.2 provides the requirements when using geo-tagged photographs as evidence.

Table 8.2 Requirements when using geo-tagged photographs

Requirement	Description
Image quality	Photographs must be clear, in focus and of sufficient resolution to enable the relevant equipment, labels, markings and site features to be identified.
Complete view of equipment	Photographs must show the entire item of installed equipment unless otherwise specified.
Equipment identification	Photographs must clearly show the make, model, serial number and other identifying information where required.
Location verification	Photographs must clearly show both the implementation and sufficient surrounding site features to substantiate and verify its location.
Geo-tagging	Photographs must be geo-tagged and contain location metadata that accurately identifies the site where the implementation occurred.
Date and time	Photographs must contain date and time metadata or otherwise demonstrate when the photograph was taken. The date and time metadata of the photographs should align with the recorded installation start and completion times.
Photograph labelling	Photographs must be clearly labelled to identify the requirement being evidenced and the feature or equipment shown in the photograph. If necessary, include explanatory notes
Lighting and visibility	Photographs must be taken in adequate lighting and must not be obscured by shadows, glare, vegetation, vehicles, building materials or other objects.
No alterations	Photographs must not be edited, cropped or altered in a way that obscures relevant information or affects their evidentiary value.
Multiple photographs	Where a single photograph cannot capture all required information, multiple photographs must be taken to demonstrate compliance with the relevant requirement. Do not include excessive photographs or extraneous photos
Consistency with other evidence	Photographs must be consistent with other records provided for the implementation, including site address, equipment details and installation documentation.

8.7 You must comply with notices from the Scheme Administrator

8.7.1 You must not create certificates for banned equipment, VPPs or DRAs

If the Scheme Administrator bans EUE, a VPP or DRA by publishing a Ban Notice, you must not create certificates for implementations that involve installing EUE or onboarding a battery with a VPP or DRA specified in the notice. For example, the Scheme Administrator may ban equipment that is subject to a product recall under the Australian Consumer Law.

The Ban Notice may also require you to provide certain information to the Scheme Administrator. For example, you may be asked to provide the serial numbers of equipment that is the subject of a product recall.

8.8 Compliance checklist

Before implementing an RPA, check you're meeting the requirements of the Relevant Legislation, the Activity Definition you're accredited for and your Accreditation Notice and that you have records to evidence this compliance (see Appendix B).

Table 8.2 Compliance checklist

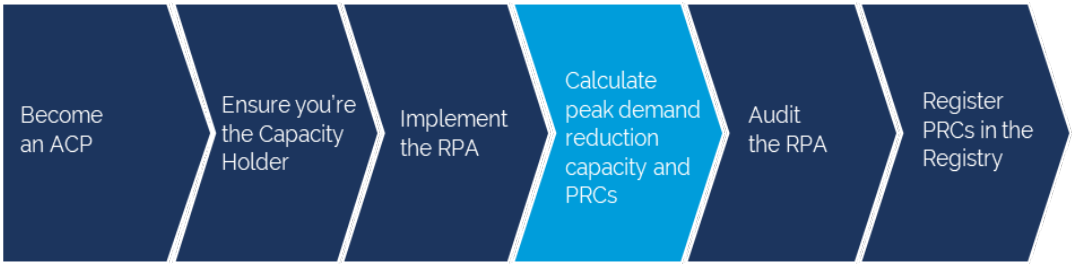
RPA Stage	Checklist	Source of requirement	Method Guide section reference
Developing RPA business opportunities (marketing)	Do I know who is representing me at each site? Is this person in my representative register?	Accreditation Notice	Section 3.3.3
	Has the person acting on my behalf received appropriate training?	Accreditation Notice	Section 3.3.3
	Is my representative engaging in unsolicited doorknocking?	PDRS Rule	Section 3.3.3
	Is my representative telling the customer the right things?	Accreditation Notice	Section 3.3.2
Initial feasibility assessment	Is the site in NSW?	PDRS Rule	Section 8.2.1
	Is the site connected to the electricity network in NSW? Do I have records to evidence this?	PDRS Rule	Section 8.2.1
	For HVAC1, SYS2 and BESS1, is the site a residential building or small business? For BESS2, is the site a residential site, or from 1 July 2025 a small business site? Do I have records to evidence this?	PDRS Rule	Section 8.2.2

	Does the site meet the eligibility requirements of the Activity Definition? Do I have records to evidence this?	PDRS Rule	Section 8.3
	Am I the Capacity Holder and if not, do I know how I will become the Capacity Holder (i.e. through nomination or deeming)? Do I have records to evidence this?	PDRS Rule	Section 7.1
Before I get to site	Does the person doing the work hold suitable licences? Do I have records to evidence this?	PDRS Rule	Section 3.3.3
	Does the person doing the work hold the requisite insurance? Do I have records to evidence this?	Accreditation Notice	Section 3.3.4
When I'm on site	Does the customer know who the ACP is and that my representative is acting on my behalf?	Accreditation Notice	Section 3.3.2
	Does the customer have my contact details?	Accreditation Notice	Section 3.3.2
Before I commence any work	Have I or my representative explained how the PDRS works and provided any relevant fact sheets?	Accreditation Notice	Section 3.3.2 and section 8.6.3
	Have I or my representative explained the contents and function of the nomination, received a signed version and provided a copy to the customer?	Accreditation Notice	Section 3.3.2 and section 7.2.1
	Where applicable, have I or my representative explained to the customer that old EUE will need to be removed?	Accreditation Notice	Section 3.3.2
	Does the customer know that IPART auditors may request information about the project in the future?	Accreditation Notice	Section 3.3.2
When I start work	Does the new EUE comply with the equipment and implementation requirements of the Activity Definition? Do I have records to evidence this?	PDRS Rule	Section 8.3
When I have finished the work	Is the work acceptable to the customer?	Accreditation Notice	Section 3.3.2
	Does the customer have my contact details for after sales service and complaints?	Accreditation Notice	Section 3.3.2
	Do I have evidence to show what date the project was finished (i.e. to evidence the Implementation Date?)	PDRS Rule	Section 7.3.2
	Where applicable, has old EUE been correctly disposed of or recycled?	PDRS Rule	Section 8.2.4

9 Calculate peak demand reduction capacity and PRCs

If you have complied with all requirements for designing and implementing a Recognised Peak Activity (**RPA**), you can calculate peak demand reduction capacity and the amount of Peak Reduction Certificates (**PRCs**) from each project.

This chapter explains what a PRC is and how it's calculated for RPAs.



- PRCs can be created up to 6 months from the end of the compliance period in which capacity is made available and are active for 3 compliance periods.
- PRCs are calculated using equations in the *Peak Demand Reduction Scheme Rule of 2022* (**PDRS Rule**).

9.1 Timing of PRC creation

9.1.1 You must create PRCs within 6 months after the end of the compliance period

Accredited Certificate Providers (**ACPs**) must create PRCs within 6 months after the end of the compliance period in which the peak demand reduction capacity is made available.[36]

Example – PRC creation and timing

On 1 September 2022, an ACP installed an air conditioner at a small business under Activity Definition HVAC1.

The air conditioner created the capacity to reduce demand for electricity by an average of **0.2 kW** for each of the **6 hours** of peak demand reduction between 2.30pm and 8.30pm Australian Eastern Standard Time (**AEST**).

The installation of the air conditioner is eligible to create **12 PRCs** for the 2022-2023 compliance period and for each year after for the lifetime of the project.

144 PRCs (12 PRCs x 12 years of forward creation) are eligible to be created from the project. As the end of the compliance period is 31 March 2023, the ACP must create at least the first 12 PRCs by 30 September 2023.

9.1.2 Registering PRCs for activities RF2 and BESS1

To create certificates from the following activities your implementation needs to meet the date requirements set out in Table 9.1.

Table 9.1 Dates for implementations used for certificate creation

Activity Definition	Implementation date
Install a new behind the meter battery energy storage system (BESS1)	Either: • on or before 1 July 2025, or • on or after 1 July 2026 for implementations under an Exempt Energy Program or at a Government Owned and Managed Site only
Replace an existing refrigerate cabinet with a new high efficiency refrigerated cabinet (RF2 – Classes 1–11 only)	On or before 11 September 2025
Install a new behind the meter battery energy storage system (BESS3, BESS4 and BESS5)	On or after 1 September 2026

9.1.3 Registering PRCs for BESS2

For BESS2 implementations with an Implementation Date before 1 July 2025 where certificates are registered on or after 1 July 2025, ACPs may use either the *Peak Demand Reduction Scheme (Amendment No. 1) Rule 2025*, or the Rule in force immediately before the *Peak Demand Reduction Scheme (Amendment No. 1) Rule 2025* to calculate capacity.[37] You must meet the requirements of the Rule used to calculate capacity to register certificates.

For BESS2 implementations with an Implementation Date between 1 July 2025 and 12 October 2026 (inclusive), where certificates are registered on or after 12 October 2026, ACPs may use either the *Peak Demand Reduction Scheme (Amendment No. 4) Rule 2026*, or the Rule in force immediately before the *Peak Demand Reduction Scheme (Amendment No. 4) Rule 2026* to calculate capacity.[38]

9.2 Calculating PRCs

9.2.1 Equations used to calculate PRCs

The PDRS Rule sets out the equations to calculate the number of PRCs that can be created from an implementation.

Equation 1 is used to calculate the number of PRCs based on the Peak Demand Reduction Capacity and the network loss factor.[39] [u]

Peak Demand Reduction Capacity for Equation 1 is calculated using the following equations:

- Equation 2a for RDUE Method activities – calculates Peak Demand Reduction Capacity using Peak Demand Savings Capacity, summer peak demand reduction duration and lifetime of the Activity Definition[40]
- Equation 2b for SASC Method activities – calculates Peak Demand Reduction Capacity using Peak Demand Shifting Capacity, summer peak demand reduction duration and lifetime of the Activity Definition[41]
- Equation 2c for HADR Method activities – calculates Peak Demand Reduction Capacity using Peak Demand Response Capacity, summer peak demand reduction duration and lifetime of the Activity Definition.[42]

Each Activity Definition contains specific equations that calculate the inputs to the above equations.

Worked examples for each Activity Definition are provided in Appendix C.

9.2.2 You can develop your own calculation tool

You can develop your own calculation tool to assist in calculating PRCs. Spreadsheets and tools used to calculate peak demand reduction capacity must be developed in accordance with the most recent requirements of the method under the PDRS Rule and maintained to help ensure they are up to date with such requirements.

9.2.3 Collecting documents to support inputs to calculations

You will need to collect and keep documents to support the values you have used in the PRC calculations.

[u] When using Equation 1 to calculate the number of PRCs for Peak Demand Reduction Capacity arising from an Implementation under Activity Definition HVAC1, a maximum of 500 PRCs can be created under a single Implementation using one or more Multi-split systems.

9.3 Equations and explanations

9.3.1 Equation 1

Equation 1

Number of PRCs = **Peak Demand Reduction Capacity** x Network Loss Factor x 10

Peak Demand Reduction Capacity, in kilowatts, is calculated using Equation 2a, 2b or 2c.

The Network Loss Factor is a factor that accounts for energy losses in the network and is determined using values from Table A3 of the PDRS Rule.

9.3.2 Equation 2a (RDUE Method)

Equation 2a

Peak Demand Reduction Capacity = **Peak Demand Savings Capacity** x Summer Peak Demand Reduction Duration x Lifetime

Peak Demand Savings Capacity is calculated using an activity-specific peak demand savings capacity equation set out in the PDRS Rule (see example below).

The Summer Peak Demand Reduction Duration (6 hours) is based on the peak demand reduction period of 2.30pm to 8.30pm AEST.

Lifetime is lifetime of the End-User Equipment as set out in each Activity Definition in the PDRS Rule.

9.3.3 Equations for Peak Demand Savings Capacity (RDUE Method)

Equations in RDUE Activity Definitions

Peak Demand Savings Capacity = ((Baseline Input Power x Baseline Peak Adjustment Factor) – (Input Power x Peak Adjustment Factor)) x Firmness Factor

$$\left(\text{Baseline Input Power} \times \text{Baseline Peak Adjustment Factor} - \text{Input Power} \times \text{Input Peak Adjustment Factor}\right) \times \text{Firmness Factor}$$

Peak Demand Savings Capacity is made up of:

- The difference between the baseline power put into an average reference product (called the "baseline input power") and the power put into the new product (called the "input power"). These values are both adjusted to consider conditions such as temperature that are typical of a summer peak demand event.
- A "firmness factor", representing the likelihood of peak demand reduction capacity being both available and able to contribute to reducing peak demand. The firmness factor is set out in Table A6 of the PDRS Rule.

9.3.4 Equation 2b (SASC Method)

Equation 2b

Peak Demand Reduction Capacity = **Peak Demand Shifting Capacity** x Summer Peak Demand Reduction Duration x Lifetime

Peak Demand Shifting Capacity is calculated using an activity specific peak demand shifting capacity equation set out in the PDRS Rule (see example below).

The Summer Peak Demand Reduction Duration is **6 hours** and is based on the peak demand reduction period of 2.30pm to 8.30pm AEST.

Lifetime is lifetime of the End-User Equipment as set out in each Activity Definition in the PDRS Rule.

9.3.5 Equation for Peak Demand Shifting Capacity (SASC Method)

Equation in SASC Activity Definition

Peak Demand Shifting Capacity = Demand Shifting Component x Firmness Factor

Peak Demand Shifting Capacity is made up of:

- The "demand shifting component" is the capacity that is created that can shift demand away from the peak period.
- A "firmness factor" is the likelihood of capacity being available and able to contribute to reducing peak demand. The firmness factor is set out in Table A6 of the PDRS Rule.

9.3.6 Equation 2c (HADR Method)

Equation 2c (HADR Method)

Peak Demand Reduction Capacity = **Peak Demand Response Capacity** x Summer Peak Demand Reduction Duration x Lifetime

Peak Demand Response Capacity is calculated using an activity specific peak demand shifting capacity equation set out in the PDRS Rule (see example below).

The Summer Peak Demand Reduction Duration is **6 hours** and is based on the peak demand reduction period of 2.30pm to 8.30pm AEST.

Lifetime is lifetime of the End-User Equipment as set out in each Activity Definition in the PDRS Rule.

9.3.7 Equation for Peak Demand Response Capacity (HADR Method)

Equation in HADR Activity Definition

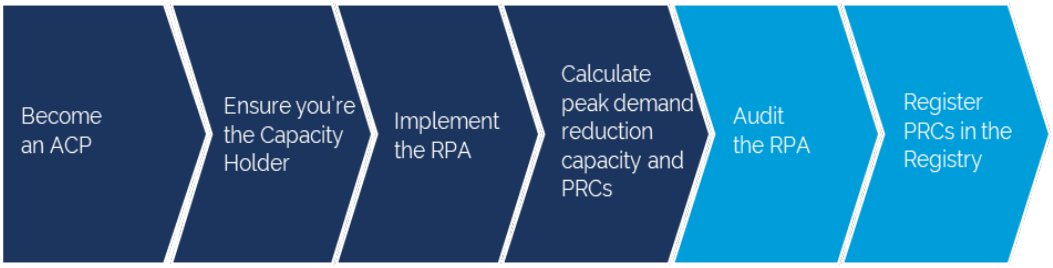
Peak Demand Response Capacity = Demand Response Component x Firmness Factor

Peak Demand Response Capacity is made up of:

- The "demand response component" is the additional capacity that is unlocked through the coordination of multiple batteries by a Demand Response Aggregator.
- A "firmness factor" is the likelihood of capacity being available and able to contribute to reducing peak demand. The firmness factor is set out in Table A6 of the PDRS Rule.

10 Next steps in the project cycle

Depending on your accreditation conditions you may be required to conduct an audit of your Recognised Peak Activity (**RPA**) before you create Peak Reduction Certificate (**PRCs**) in the PRC registry (called the Registry of Certificates). This chapter explains these next steps in the RPA project cycle.



- Your accreditation conditions will determine whether you're required to audit your RPA before or after you create PRCs.
- Audits must be performed by a member of the Audit Panel at your cost.
- You must create, transfer or surrender PRCs in accordance with the relevant procedure.

10.1 You may need to have your RPA audited

Auditing of Accredited Certificate Providers (**ACPs**) is one of the ways we monitor compliance under the Peak Demand Reduction Scheme (**PDRS**).

Your Accreditation Notice sets out when you need to engage an auditor and the scope of the audit.[43] We may also conduct an audit of your participation in the PDRS at any time. For Reducing Demand Using Efficiency sub-method (**RDUE Method**) accreditations, if you are also an ACP under the Energy Savings Scheme, we will try and align your audit requirements under both schemes, where possible.

We use the audit process to check that you have complied with all the requirements for your ongoing eligibility to participate as an ACP and that the PRCs you have created (or are proposing to create) reflect real and accurate peak demand reduction capacity.

Audits must be performed by an approved member of the Audit Services Panel[v] and you're responsible for negotiating the commercial arrangements and paying the costs of the audit. Panel members have been assessed by us to check that they hold the necessary qualifications to conduct reasonable assurance audits.

[v] Members of the Audit Panel are listed on our website.

We have prepared an ACP Audit Guide[w] to help you understand the requirements and processes relating to audits under the Safeguard.

10.2 Creating, transferring and surrendering PRCs

10.2.1 Creating PRCs

We have established a Registry of Certificates,[44] which can be accessed in our online portal TESSA.[x]

Provided an ACP has complied with the requirements of an RPA as set out in the applicable legislation and the conditions of its accreditation, an ACP can apply to register PRCs from its RPAs. A PRC has no effect until the Scheme Administrator registers the creation of the PRC in the Registry of Certificates.[45]

When you register your PRCs on TESSA, you must provide Implementation Data for each Implementation. For more information about how to upload your Implementation Data and in what format, please refer to the guidance information we have provided on our website.[y]

You can include implementations from one Accreditation and one base vintage in a single application to register PRCs.

Implementation Data required to be uploaded in TESSA includes:[46]

- the Accredited Certificate Provider identifier
- the Recognised Peak Activity identifier
- the address(es) of the Site or Sites where the Implementation(s) took place
- any other identifiers required to identify the Site or Sites where the Implementation(s) took place
- where the Implementation Date is on or after 1 November 2024, the National Metering Identifier of the Site connection point(s) to the Electricity Network
- the Implementation Date of the Implementation(s)
- the Network Factor applied for each Implementation
- the Australian Business Number (if any) of the entity utilising the End-Use Service
- the cost to the person who pays for the goods or services that comprise the Implementation, excluding GST
- the type of the End-Use Service for which Peak Demand Reduction Capacity was created in accordance with Table A1 of Schedule A of the *Peak Demand Reduction Scheme Rule of 2022* (**PDRS Rule**)

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[w] The ACP Audit Guide is available on our website.
[x] TESSA can be accessed here.
[y] Guidance can be accessed here.

- the Business Classification of the entity using the End-Use Service in accordance with Table A2 of Schedule A of the PDRS Rule
- the Method or sub-method and Activity Definition, where relevant, used to calculate the Peak Demand Reduction Capacity
- the Peak Demand Reduction Capacity calculated under each Activity Definition that is used for the Implementation
- for BESS1, BESS3 and BESS4 only, the name of the installer, and their accreditation number as shown on the approved installer list specified by the Scheme Administrator[47]
- product details including brand and model number when registering certificates for certain RDUE Method activities[z] and Store and Shift Capacity activities
- for BESS1, BESS3, BESS4 and BESS5:
  - battery make and model number
  - inverter make and model number where a new inverter is installed as part of the implementation
  - details of existing, new and total solar photovoltaic capacity and inverter capacity
- for HVAC1 implementations from 1 July 2026, whether the air conditioner is a multi-split system
- from 1 July 2026:
  - whether activities are delivered through an Exempt Energy Program or at a Government Owned and Managed Site
  - details of any Exempt Energy Program or Low-income Energy Program under which implementations are delivered
- the licence number and type of each person who performs/supervises work that must be performed/supervised by a licensed person, and
- any other data providing evidence of Peak Demand Reduction Capacity from the Implementation as published, from time to time, by the Scheme Administrator.

See the CSV Specification Guide for details.

Where an application to register the creation of PRCs is made for an amount of Peak Demand Reduction Capacity (as adjusted by the Network Loss Factor) the number of certificates is to be rounded down to the nearest whole certificate.[48]

Peak Demand Reduction Capacity is to be apportioned as equally as possible between all compliance periods over the lifetime of an implementation provided that each compliance period:

- is allocated a whole number of PRCs, and

[z] See the CSV Specification on our Uploading Implementation Data to TESSA webpage for details.

- is allocated a number of PRCs that is within one PRC of the annual average number of PRCs created over the lifetime of the implementation.

TESSA apportions PRCs across all compliance periods. If the whole number of PRCs cannot be apportioned equally across all compliance periods, earlier compliance periods are allocated higher numbers of PRCs than later compliance periods.[49]

Example – Allocation of PRCs to vintages

An implementation under Activity Definition HVAC1 has a lifetime of **10 years**.

Over its lifetime, the implementation results in total peak demand reduction capacity of 1090.1 kW (**10,901 PRCs**).

The PRCs are allocated such that 1091 PRCs are allocated to the first compliance year and 1090 PRCs are allocated to each of the 9 compliance years that follow.

You must pay the registration fee when you apply to register PRCs.[aa] An invoice will be generated by TESSA as part of your application to register PRCs. The registration fee is adjusted on 1 November each year.[50]

10.2.2 Transferring and surrendering PRCs

Once PRCs are registered, you may apply to transfer them to another party through TESSA.[bb] [51]

You may be required to surrender PRCs[cc] [52] if you have:

- improperly created PRCs, or
- are in breach of your accreditation conditions.

We may require you to set aside PRCs under the terms of an undertaking signed at the time of accreditation.[dd]

[aa] For the current registration fee, see our website. We have also included information about how the registration fee can be paid.

[bb] A summary of how the transfer process works in TESSA is on our website.

[cc] More information about how PRCs are surrendered in TESSA is on our website.

[dd] More information about undertakings and setting aside PRCs is on our website.

10.3 The market for PRCs

The PDRS creates a market for PRCs by requiring Scheme Participants (mainly electricity retailers) to surrender a certain number of PRCs each year to meet their individual certificate target.

After you have registered PRCs, you can sell them to Scheme Participants or other buyers in the market. They are transferred from the seller to the buyer in the Registry of Certificates. There are no standard contracts, and it is up to you to negotiate the commercial arrangements of this transaction.

The Registry of Certificates is not a trading platform. Trading of certificates occurs outside the Registry of Certificates, which records all current and past ownership of certificates. When a trade occurs, the transfer in ownership of those certificates must be recorded in the Registry of Certificates by transferring the certificates to the new owner.

Our role as the administrator and regulator of the PDRS finishes once PRCs are registered. We do not have a substantive role in the buying or selling of PRCs (apart from registering the transfer of ownership of PRCs in the Registry of Certificates), including setting prices or developing standard contracts.

Appendices

A Acronyms and key concepts

A.1 Acronyms

Acronym / Abbreviation	Full Name
Act	*Electricity Supply Act 1995*
ACP	Accredited Certificate Provider
AEDT	Australian Eastern Daylight Time
AEST	Australian Eastern Standard Time
BASIX	Building Sustainability Index
BCA	Building Code of Australia
BESS	Battery energy storage system
CCEW	Certificate of Compliance of Electrical Work
CEC	Clean Energy Council
DCCEEW	NSW Department of Climate Change, Energy, the Environment and Water
DRA	Demand Response Aggregator
ESC	Energy Savings Certificate
ESS	Energy Savings Scheme
EUE	End-User Equipment
GEMS	Greenhouse and Minimum Energy Standards
HADR Method	Household Annual Demand Response Method
HEER Method	Home Energy Efficiency Retrofits Method
IHEAB Method	Installation of High Efficiency Appliances for Business Method
IPART	Independent Pricing and Regulatory Tribunal
MEPS	Minimum Energy Performance Standards
NEL	National Electricity Law
NEM	National Electricity Market
NER	National Electricity Rules
NERR	National Energy Retail Rules
NMI	National Metering Identifier
PDRS	Peak Demand Reduction Scheme
PDRS Rule	*Peak Demand Reduction Scheme Rule of 2022*
PRC	Peak Reduction Certificate
Regulation	*Electricity Supply (General) Regulation 2026*
RESA	Recognised Energy Saving Activity
RDUE Method	Reducing Demand Using Efficiency Method
RFS	Renewable Fuel Scheme
RPA	Recognised Peak Activity
SAA	Solar Accreditation Australia
Safeguard	Energy Security Safeguard
SASC Method	Store and Shift Capacity Method
TESSA	The Energy Security Safeguard Application
VPP	Virtual Power Plant

A.2 Key concepts

Term	Description
Accreditation conditions	Conditions imposed by the Scheme Administrator on the accreditation of an ACP under clause 114(1)(b) of Part 2 of Schedule 4A of the Act and specified in your Accreditation Notice.
Accreditation Notice	A written notice issued by the Scheme Administrator under section 99 of the Regulation specifying any accreditation conditions.
Accredited Certificate Provider (ACP)	Voluntary participants in the Peak Demand Reduction Scheme (**PDRS**) and are parties that are accredited to create Peak Reduction Certificates (**PRCs**) from Recognised Peak Activities (**RPAs**) that create peak demand reduction capacity.
Activity Definitions	The types of activities that can comprise an RPA and are set out in Schedules B, C, and D of the PDRS Rule.
Audit	An assessment of whether the ACP has complied, in all material respects, with the requirements of the ESS and/or PDRS. Audits can occur either before certificate registration (pre-registration) or after certificate registration (post-registration).
Ban Notice	A notice published by the Scheme Administrator specifying a Demand Response Aggregator, End-User Equipment, or a virtual power plant is to be banned for the purposes of this Rule.
Battery Energy Storage System	A term defined by the Rule as one or more batteries and other related equipment, which collectively constitute a system, are installed behind a single NMI, are installed on the same day (except the inverter, which may form part of the system despite being installed on an earlier day) and which collectively constitute a system.
Capacity Holder	The person with the right to the capacity to reduce peak demand (e.g. the property owner) and defined in the PDRS Rule for each Activity Definition. The Capacity Holder is usually the end customer for the activity.
Compliance period	The period commencing on 1 November and ending on 31 March the following year.
Demand Response Aggregator	The party who combines the demand reduction capacity from smaller end-user equipment together to create large dispatchable demand response capacity. This capacity is then provided to the electricity grid in response to price or demand fluctuations.
End-User Equipment	The equipment (new or existing) that causes, controls or influences electricity consumption.
Energy Saver	The person who has the right to create ESCs for energy savings arising from an implementation of a RESA at a site, as defined in the relevant calculation method of the *Energy Savings Scheme Rule of 2009* (**ESS Rule**). The ESS equivalent of 'Capacity Holder.'
Energy Savings Certificate (ESC)	Certificates created and traded under the ESS. One ESC represents one notional megawatt hour (MWh) of energy.
Energy Security Safeguard (the Safeguard)	The Safeguard is part of the NSW Government's Electricity Strategy and aims to improve the affordability, reliability and sustainability of energy through the creation of financial incentives encouraging "energy activities" and in the case of the PDRS, "peak demand reduction capacity".
Exempt Energy Program	An energy initiative which has been a program approved by the Minister, and notified to the Scheme Administrator as being exempt from specified clauses of the PDRS Rule.
Government Owned and Managed Site	A Site that is, as at the Implementation Date, owned and directly controlled by the Australian Government, the NSW Government or a Local Council.
Implementation Data	Data that must be uploaded for each Implementation when registering PRCs. See section 10.2.1 above and our TESSA for ACPs webpage for more information.
Implementation Date	The date from which peak demand reduction can be calculated. Defined by the PDRS Rule for each activity.
Improperly created PRCs	PRCs that are not created in a way that meets the requirements of the Act, Regulation, PDRS Rule and/or any accreditation conditions imposed on the ACP. In general, improperly created PRCs must be surrendered by the ACP.

Term	Description
Nominal Battery Capacity	Nominal Battery Capacity is defined in the PDRS Rule. For BESS1, BESS2 BESS3 and BESS4, Nominal Battery Capacity is as listed on the Clean Energy Council Approved Battery list. For BESS5, Nominal Battery Capacity is determined by the manufacturer's specifications, battery nameplate/compliance label, system design documentation, or signed contract that includes the battery specifications and system design.
Onboarded	The End-User Equipment has been demonstrated to respond to remotely provided commands from the Demand Response Aggregator.
Peak demand reduction capacity	The capacity to reduce demand for electricity during the period between 2.30pm to 8.30pm AEST from 1 November to 31 March.
Peak Reduction Certificate (PRC)	One PRC represents 0.1 kilowatt of peak demand reduction capacity averaged over one hour on 6 hours of one day of the compliance period (i.e. between 2.30pm and 8.30pm AEST).
Recognised Energy Savings Activity (RESA)	An energy savings activity that is eligible under the Energy Savings Scheme.
Recognised Peak Activity (RPA)	An activity that provides capacity to reduce electricity use during the time of peak demand in accordance with the requirements of the PDRS Rule.
Registry of Certificates	The registry of Energy Savings Certificates and PRCs established and managed by IPART and accessed through The Energy Security Safeguard Application or "TESSA".
Safeguard	See Energy Security Safeguard above.
Scheme Participants	Mandatory participants in the ESS and PDRS, primarily electricity retailers, who are required to meet individual targets through the surrender of ESCs/PRCs or payment of a penalty.
TESSA	Our online system and portal for the schemes. It houses the Registry of Certificates and the Accepted Products List and is where ACPs and Scheme Participants can conduct most of their business relating to the scheme. Stands for The Energy Security Safeguard Application.
Unsolicited Doorknocking	Visiting a person's business or residential premises for the purpose of contracting for, marketing of, or promoting, an activity with an intent to create PRCs, without that person providing express prior consent to being visited for those purposes.
Usable Battery Capacity	Defined in the PDRS Rule as 90% of Nominal Battery Capacity (see above).
Warranty	A warranty is a contractually binding promise made in connection with an Implementation. A warranty does not need to be labelled as a warranty to be contractually binding. For example, a contractually binding statement made in a datasheet given to a customer may be a warranty.

B How to meet the evidence requirements

B.1 Evidence requirements common to all PDRS activities

The records specified in the evidence requirement tables represent the minimum documentation an ACP must retain to support the creation of ESCs. However, in some circumstances, the minimum required records may not be sufficient to demonstrate compliance with all applicable requirements.

ACPs must ensure they retain sufficient evidence to demonstrate compliance with scheme requirements. This may require the retention of additional records beyond the minimum specified in these tables, particularly for complex projects or where further evidence is needed to support or clarify the information contained in other records. This may also include circumstances where known industry or installer practices may affect the reliability or integrity of the evidence, or where issues identified in an installer's other implementations raise concerns about the sufficiency or appropriateness of the evidence provided.

Table B.1 Evidence requirements for all PDRS activities

Requirement	Documents	Description	PDRS Rule reference
You are the original Capacity Holder For BESS2, this means you are the account holder of the electricity account for the National Metering Identifier and are the person who has signed the demand response contract with the DRA. For all other activities, this means you are the Purchaser.	For BESS2: an electricity bill that shows the NMI and account holder name. For all Activity Definitions except BESS2: a purchasing receipt or lease agreement showing you are the Purchaser	For BESS2, the evidence must clearly show the account holder of the electricity account for the National Metering Identifier. The account holder must be the same person who has signed the demand response contract with the Demand Response Aggregator to provide demand response capacity. The evidence must show you are the "Purchaser".	Cls 4.1(a), 7.1.3, 7.1.6, 8.1.5, and for BESS2 9.1.3

Requirement	Documents	Description	PDRS Rule reference
If you're not the original Capacity Holder, you must be correctly nominated as the Capacity Holder For BESS2, the Capacity Holder must be nominated within 90 days (on or before 90th day) from the Implementation Date.	Nomination form	For all Activity Definitions **except** BESS2: signed Nomination Form in the required form (i.e. using the relevant template available from the website) For Activity Definition BESS2: BESS2-specific nomination form: signed nomination form that complies with the Nomination Specification for BESS2 available on our website	Cl 4.1(b)
Implementation Date	For RDUE and SASC activities: Certificate of Compliance of Electrical Work (**CCEW**) and tax invoice For BESS2: signed contract that shows the date the contract takes effect	For RDUE and SASC activities: The evidence must show the date that installation of all End-User Equipment is completed (completion of installation includes all electrical work, electrical testing, and compliance declarations) For BESS2 on or after 1 July 2025: Evidence must show the date the battery is onboarded with the Demand Response Aggregator	Cls 7.1.2, 7.1.5, 8.1.4 and 9.1.2
An RPA must occur at a Site connected to the Electricity Network (transmission and distribution systems) within NSW	A recent electricity bill **or** Certificate of Compliance of Electrical Work (**CCEW**)	The document used must show: • the date the work was completed • the address of the site • NMI • electricity provider, and • the address where the work took place is connected to the electricity network.	Cl 5.1(b), Cl 10 (Definitions of Site, Address and Electricity Network)
The site is a residential or small business site. HVAC1 and SYS2 to be conducted at Residential Buildings and Small Business Sites only	Electricity bill **or** for a customer of an exempt seller:	The document must clearly show: • the name of the residence or business where the work took place • the Australian Business Number (ABN) or Australian Company Number (ACN) of this business • that the annual electricity consumption/usage is under 100MWh per year (or where it is not possible to establish the annual figure, an equivalent figure, such as average daily usage, that allows for annual consumption to be calculated for the business site where the work took place. You should evidence why you could not establish the annual electricity consumption. Take care to manage factors such as shutdowns/maintenance, seasonal or production variations that may distort the estimation. You may need to evidence how you managed these). • information on electricity consumption/usage that shows consumption under the upper consumption threshold per year (currently 100MWh) for the business site where the work took place, and	Cls 6.10.1, 7.1.1(a), 7.1.4(a), 8.1.1(a), 8.1.7,8.1.12(a), 8.1.17(a) and 9.1.1(a)

Requirement	Documents	Description	PDRS Rule reference
	electricity bill, or a retailer or metering data extract showing annual consumption or an extract showing the exemption **or** for evidence of a business: business evidence	• if the seller holds a registered exemption, an extract from the public register of retail exemptions showing the exempt seller's name. Or for evidence of a business, if the electricity bill does not provide evidence of the site being occupied by a business, an additional piece of evidence must be provided for the site at which the work took place, such as: • the ABN or ACN certificate confirming the business name for the Site • an ASIC extract confirming the business name, or • receipts produced by the business showing the business name and ABN or ACN.	
EUE is not refurbished, re-used or resold	Recycling receipt or tax invoice **or** disposal receipt **and if relevant** geo-tagged photograph	Tax invoice or tax receipt from the disposal or recycling company showing that the old EUE has been removed from site and disposed of and, if relevant, geo-tagged photo evidence of decommissioning	Cl 5.3(a)
EUE is correctly disposed	Tax invoice **or** tax receipt	Tax invoice or tax receipt from the disposal or recycling company showing the old EUE and the method of disposal	Cl 5.3(b)

B.2 Evidence requirements for each Activity Definition

Table B.2 Evidence requirements – activity HVAC1 – residential and small business air conditioning

Requirement	Document	Description	PDRS Rule reference
Installation of a new high efficiency air conditioner or a replacement of an existing air conditioner with a high efficiency air conditioner	A site assessor declaration **and** an installer declaration **and** a geo-tagged and time stamped photograph showing the new EUE in place at the site **and if applicable** a geo-tagged and time stamped photograph showing the existing EUE	The declaration: • may be based on the template provided on the ESS website • must be completed and signed by the person who identifies that the eligibility requirements are met. The photograph(s) must show: • for replacement, the existing equipment installed at the site **or** • for installation of new equipment, that there is no existing equipment installed at the site (the photo(s) must have identifiable features of the site).	HVAC1 Eligibility Requirement HVAC1 Implementation Requirement 2
New or replacement EUE must be a registered GEMS product under the relevant product classes and comply with the relevant Greenhouse and Energy Minimum Standards Determination and relevant minimum standards	Dated extract or screenshot of the GEMS Registry **and** a manufacturer's specifications sheet showing approved indoor and outdoor unit combinations	The evidence must show the new or replacement EUE on the Implementation Date; and is registered in the GEMS Registry as complying with the: • Greenhouse and Energy Minimum Standards (Air Conditioners up to 65kW) Determination 2019; or • Greenhouse and Energy Minimum Standards (Air Conditioners above 65kW) Determination) 2022, and • has the requisite Cooling Capacity or Rated AEER variables recorded in the GEMS Registry, as set out in the respective activity definition. The extract or screenshot must clearly show the date as product listings on the GEMS Registry are subject to change	HVAC1 Equipment Requirements 1 and 2
New or replacement EUE make and model must match the GEMS registry. The manufacturer brand must be the same for all indoor and outdoor EUE, and combinations must be approved by the manufacturer.	Extract or screenshot of GEMS registry **and** geo-tagged photograph(s) of both indoor and outdoor units showing the make and model number	The evidence must show the make and model numbers of the new or replacement EUE from the relevant product classes at the Implementation Date	Equipment Requirements 3 and 4

	of EUE installed **and** manufacturer's specifications sheet		
Existing EUE must be removed	A post-implementation declaration **and** a geo-tagged and time stamped photograph	The declaration must include the name and contact details of the company where the existing EUE was disposed of The photographic evidence must show the existing EUE before and after removal	HVAC1 Implementation Requirement 1
New or replacement EUE must be designed and installed in accordance with AS/NZS 5141:2018	Installer declaration **or** heat load calculation report **or** commissioning sheet with measurements	Evidence showing the installation meets the requirements of this standard.	HVAC1 Implementation Requirement 2
Activities must be carried out by suitably licensed people	A post-implementation declaration **or** installation receipt showing registered licence information **and** Certificate of Compliance of Electrical Work (**CCEW**)	The evidence must show the installation was carried out by a licensed installer with the relevant license. If connecting an AC to an existing circuit via a general purpose outlet (GPO), the evidence should include a declaration from a competent person that they have assessed and calculated that the circuit supports all loads on the circuit	HVAC1 Implementation Requirement 3
Recycling refrigerant of the existing EUE	Recycling/disposal receipt **and if applicable** time stamped photo showing degassing if refrigerant is recovered on site **and** geo-tagged photo of the recovery cylinders with visible ID **and** recycling receipt or document to show refrigerant from the cylinder was correctly disposed of	The recycling receipt or certificate must show that any replaced equipment has been removed from the site and disposed of in accordance with clause 5.3A(b) of the ESS Rule **and** if refrigerant is removed onsite, evidence must show the recycling or disposal of the equipment and refrigerant A recycling receipt may be used to evidence disposal of refrigerant from more than one implementation. Implementations should be grouped so that it is clear how many and which implementations tie to each cylinder and recycling certificate.	Cl 5.3(b)

Table B.3 Evidence requirements – activity HVAC2 – Large commercial air conditioning

Requirement	Document	Description	PDRS Rule Reference
The new or replacement EUE is a high efficiency air conditioner. If the EUE is eligible for product classes 20, 21, 27, the rated cooling capacity under Equation HVAC2.1, must be greater than or equal to 30kW	A manufacturer's specifications sheet **and** geotagged photographs showing the make and model number of EUE installed **and** dated extract or screenshot of the GEMS registry at the time of implementation	The evidence must show the make and model number of the new or replacement EUE from the relevant product classes The evidence must show the new/replacement EUE, on the Implementation Date: • is registered in the GEMS Registry as complying with the Greenhouse and Energy Minimum Standards (Air Conditioners up to 65kW) Determination 2019; or • is registered in the GEMs Registry as complying with the Greenhouse and Energy Minimum Standards (Air Conditioners above 65kW) Determination) 2022 and • has the requisite Cooling Capacity or Rated AEER variables recorded in the GEMS Registry, as set out in the respective activity definition.	HVAC2 Eligibility Requirements 1 and 2 HVAC2 Equipment Requirements 1 and 2
The new or replacement EUE must be installed in a Large Business Site and cannot be installed in a Residential Building or Small Business Site; unless the activity is the replacement of an existing air conditioner in a centralised system or in the common areas of a Class 2 building.	Electricity bill **and** business evidence if the electricity bill does not provide the evidence of the site being occupied by a business **and if applicable** site assessment report if the installation is the replacement of a centralised system or in the common areas of a Class 2 Building.	If the Site is a Large Business Site: electricity bills showing: • the name of the business where the work took place, • the Australian Business Number (ABN) or Australian Company Number (ACN) of the business, and • that the annual electricity consumption/usage is over 100MWh per year (or an equivalent figure, such as average daily usage, that allows for annual consumption to be calculated for the business site where the work took place. **and business evidence if required:** • the ABN or ACN certificate confirming the business name • an ASIC extract confirming the business name, or • receipts produced by the business showing the business name and ABN or ACN. **OR** If the site is not a Large Business Site, evidence that the installation is a replacement of a centralised system or in the common areas of a Class 2 Building	HVAC2 Eligibility Requirement 3

New EUE must be a registered GEMS product and comply with the Greenhouse and Energy Minimum Standards Determination and relevant minimum standards	An extract or screenshot of the GEMS Registry **and** geo-tagged photographs of the make and model numbers	The evidence must show the new or replacement EUE, on the Implementation Date: is registered in the GEMS Registry as complying with the relevant Greenhouse and Energy Minimum Standards.	HVAC2 Equipment Requirements 1 and 2
New / replacement EUE make and model must match the GEMS registry. The manufacturer brand must be the same for all indoor and outdoor EUE, and combinations must be approved the manufacturer.	A manufacturers specifications sheet showing approved indoor and outdoor unit combinations **and** geotagged photographs of both indoor and outdoor units showing the make and model number of EUE installed **and** dated extract or screenshot of the GEMS Registry	The evidence must show the make and model number of the new or replacement EUE from the relevant product classes	Equipment Requirements 3 and 4
Existing EUE must be removed	An installer declaration **and** a geo-tagged and time stamped photograph showing the existing EUE before and after removal.	The declaration must include the name and contact details of the company where the existing EUE was disposed of. The photographic evidence must show the existing EUE before and after removal	HVAC2 Implementation Requirement 1
New EUE must be installed	An installer declaration **and** a geo-tagged and time stamped photograph showing the new EUE in place at the site.	The evidence must show the new EUE was installed	HVAC2 Implementation Requirement 2
Activities must be carried out by suitably licensed people	An installer declaration, **or** Installation receipt showing registered licence information **and** A certificate of compliance (e.g. a CCEW)	The evidence must show the installer was a suitably licensed person	HVAC2 Implementation Requirement 3
Recycling refrigerant of the existing EUE	Recycling/disposal receipt **And if applicable** Time stamped photo showing degassing if refrigerant is recovered on site **and** geo-tagged photo of the recovery cylinders with visible ID **and** recycling receipt or document to show refrigerant from the cylinder was correctly disposed of	The recycling receipt or certificate must show that any replaced equipment has been removed from the site and disposed of in accordance with clause 5.3A(b) of the ESS Rule **and** If refrigerant is removed onsite, evidence must show the recycling or disposal of the equipment and refrigerant A recycling receipt may be used to evidence disposal of refrigerant from more than one implementation. Implementations should be grouped so that it is clear how many and which implementations tie to each cylinder and recycling certificate.	Cl 5.3(b)

Table B.4 Evidence requirements – activity WH1 – commercial heat pump water heaters

Note: Activity Definition WH1 is deleted from the PDRS Rule

Table B.5 Evidence requirements – activity RF2 – replacement of refrigerated cabinets

Requirement	Documents	Description	PDRS Rule Reference
New EUE must be a registered GEMS product and comply with the Greenhouse and Energy Minimum Standards Determination and relevant minimum standards	Extract or screenshot of the GEMS Registry	The evidence must show the new EUE, on the Implementation Date is defined as a refrigerated cabinet and registered product under the *Greenhouse and Energy Minimum Standards (Refrigerated Cabinets) Determination 2024*, and: • has an Energy Efficiency Index (**EEI**) below 81 as recorded in the GEMS Registry, except Integral Ice Cream Freezer Cabinets (class 5) which must have an EEI below 51, and • is a registered product based on the *Greenhouse and Energy Minimum Standards (Refrigerated Cabinets) Determination 2024* or the New Zealand Energy Efficiency (Energy Using Products) Amendment Regulations 2020, as updated from time to time.	RF2 Equipment Requirements 1-3
New EUE must not have 2 or more display sides.	Geo-tagged photo(s)	The evidence must show the number of sides of the new EUE and the material that each side is made from	RF2 Equipment Requirement 4
Existing EUE is of the same Refrigerated Cabinet Product Class or of a corresponding AS 1731 Product Type (as set out in Table RF.2.1 of the PDRS Rule) as the new equipment	Geo-tagged photos of the new and existing EUE showing their model and make **and** extracts of the GEMS Registry showing the product class of both EUE.	The evidence must show that on the Implementation date, the existing EUE is of the same Refrigerated Cabinet Product Class or of a corresponding AS 1731 Product Type (as set out in Table RF2.1 of the PDRS Rule) as the new EUE.	RF2 Equipment Requirement 5
Existing EUE must be removed	An installer declaration, **or** a geo-tagged and time stamped photograph showing the existing EUE before and after removal.	The evidence must show the existing EUE was removed	RF2 Implementation Requirement 1
New EUE must be installed	An installer declaration, **or** A geo-tagged and time stamped photograph showing the new EUE in its intended place of use and operating at the site.	The evidence must show the new EUE was installed	RF2 Implementation Requirement 2
Activities must be carried out by suitably licensed people	An installer declaration, **or** installation receipt showing registered licence information **and** certificate of compliance (e.g. a CCEW).	The evidence must show the installer was a suitably licensed person	RF2 Implementation Requirement 3
Recycling refrigerant of existing EUE	Recycling/disposal receipt **and if applicable**	The recycling receipt or certificate must show that any replaced equipment has been removed from the site and disposed of in accordance with clause 5.3A(b) of the ESS Rule **and**	

time stamped photo showing degassing if refrigerant is recovered on site
and
geo-tagged photo of the recovery cylinders with visible ID
and
recycling receipt or document to show refrigerant from the cylinder was correctly disposed of

If refrigerant is removed onsite, evidence must show the recycling or disposal of the equipment and refrigerant

A recycling receipt may be used to evidence disposal of refrigerant from more than one implementation. Implementations should be grouped so that it is clear how many and which implementations tie to each cylinder and recycling certificate.

Table B.6 Evidence requirements – activity SYS2 – residential pool pumps

Requirement	Documents	Description	PDRS Rule Reference
Installation of a new high efficiency pool pump or a replacement of an existing pool pump with a high efficiency pool pump	A site assessor declaration	The evidence must show the new or replacement EUE was installed	SYS2 Eligibility Requirement
New EUE must be a registered GEMS product and comply with the Greenhouse and Energy Minimum Standards Determination	• Extract from the GEMS registry at implementation	The evidence must show the new EUE, on the Implementation Date: • is registered in the GEMS Registry as complying with the Greenhouse and Energy Minimum Standards (Swimming Pool Pump-units) Determination 2021, and • has a star rating, as recorded in the GEMS Registry, equal to or greater than 4	SYS2 Equipment Requirements 1 and 2
New EUE must have a warranty period of at least 3 years	• The warranty document for the new EUE	The evidence must show the warranty period of the new EUE	SYS2 Equipment Requirement 3
Existing EUE must be removed	• A post-implementation declaration, **or** • A geo-tagged and time stamped photograph showing the existing EUE before and after removal.	The evidence must show the existing EUE was removed	SYS2 Implementation Requirement 1
New EUE must be installed	• A post-implementation declaration, **or** • A geo-tagged and time stamped photograph showing the new EUE in place at the site.	The evidence must show the existing EUE was installed	SYS2 Implementation Requirement 2
Activities must be carried out by suitably qualified licence holder[a]	• A post-implementation declaration signed by the person who performs or supervises the installation of the activity, **or** • Installation receipt showing registered licence information, **or** • A certificate of compliance (e.g. a CCEW).	The evidence must show the installer was a suitably licensed person	SYS2 Implementation Requirement 3
Existing pool pump must be removed according to relevant safety standards and legislation	• A post-implementation declaration, **or** • Installation receipt showing registered licence information, **or** • A certificate of compliance (e.g. a CCEW).	The evidence must show the existing pool pump was removed as per the relevant safety standards	SYS2 Implementation Requirement 4

a: In certain scenarios, qualified licence holders are required to do installations. For example:
If the replacement pool pump is hard wired, then electrical work is required to do the installation. These types of installs can only be done by a licenced electrician.
If the old pool pump is hard wired, but the new one is plugged in, then the work to remove the old one must also be done by a licenced electrician.

Table B.7 Evidence requirements – activity BESS1 – installation of battery energy storage system (single dwelling residential and small business)

Note: Activity Definition BESS1 was suspended from 1 July 2025 until further notice. Implementations on or before 30 June 2025 are still eligible to create PRCs provided they meet requirements. From 1 July 2026 BESS1 can be delivered through an Exempt Energy Program or at government owned and managed sites.

Requirement	Documents	Description	PDRS Rule Reference
Minimum payment for each battery unit being installed **Unless** The implementation was delivered through a low-income Energy Program or Exempt Energy Program that has been approved to have this exemption	Tax invoice **and** Sales ledger	The tax invoice must clearly show all the following: • the amount paid for the implementation, • the name of the purchaser, • the ABN of the purchaser (if applicable), • the goods or services purchased, • the date of the purchase. The sales ledger must clearly show all the following: • the amount paid for the implementation, • when the payment was made (where finance is used – it is the date the finance provider makes the payment to the supplier/installer on behalf of the Purchaser – not the date the Purchaser contracts with the finance provider), • who made the payment.	Cl 8.1.1(f)
BESS1 Implementations can only be delivered at a Government Owned and Managed Site, **or** delivered through an initiative that was an Exempt Energy Program as at the Implementation Date.	Land title registers or other property ownership records **or** Government asset registers **or** Government property index record **Or if applicable** Evidence to support implementation was delivered through EEP: • Appointment letter, contract or other documents showing that the ACP has been engaged by the Exempt Energy Program for the purpose of creating PRCs under BESS1; **and** • Appointment letter, contract or other documents showing that the Site has been endorsed by the Exempt Energy Program	The evidence provided must support that the Site is a Government Owned and Managed Site, as defined in the Rule. or Evidence supporting the implementation was delivered through an Exempt Energy Program	6.10.2

Requirement	Documents	Description	PDRS Rule Reference
There must **not** be an existing battery energy storage system installed at the same National Metering Identifier (**NMI**)	A declaration by the householder and installer **and** a geo-tagged photo of the switchboard prior to installation that demonstrates no other battery is connected to the switchboard.	The evidence must show that there is no existing battery energy storage system	BESS1 Eligibility Requirement 1
A behind the meter solar photovoltaic system must be installed at the same NMI that the new EUE is being installed	A geo-tagged photo of the solar photovoltaic system installed at the site **or** evidence of the DER Register showing that a solar PV system has been installed at the NMI **and** a geo-tagged photo of the switchboard showing that a PV system is installed.	The evidence must show a solar photovoltaic system at the same NMI.	BESS1 Eligibility Requirement 2
Batteries installed must be listed on the approved product list specified by the Scheme Administrator on the Implementation Date, and be listed as having a Usable Battery Capacity greater than 2kWh and less than 28kWh *Note: where a Battery Energy Storage System is comprised of multiple batteries, each individual battery unit must be listed on the CEC's list of approved batteries, and the combined Usable Battery Capacity of the battery system must be greater than 2kWh and less than 28kWh.*	Dated extract or screenshot of the CEC list of approved batteries **and** a geo-tagged photo of the installed end-user equipment, clearly showing the make(s) and model(s) of the equipment.	The evidence must show the battery make(s) and model(s) listed on the Clean Energy Council's list of approved batteries, as of the Implementation Date	BESS1 Equipment Requirements 1 and 2
EUE must be internet connectable and controllable by a DRA	Screenshots from the battery or inverter monitoring portal showing the device is online and connected to a cloud-based platform **or** an onboarding or registration confirmation from a DRA confirming that the battery has been successfully enrolled in the aggregator's platform **or** evidence of a command-response test (such as a ping test or dispatch test) demonstrating that the DRA can communicate with and control the battery remotely	The evidence must show that each battery can be connected to the internet and can be controlled. For batteries without a built-in inverter (marked 'pre-assembled battery system' on the CEC's product list), this can be evidence that the inverter that controls the battery is able to be internet connected and can be controlled.	BESS1 Equipment Requirement 3

Requirement	Documents	Description	PDRS Rule Reference
	or data sheet or fact sheet for the make and model of installed battery or inverter that outlines the EUE is internet connectable and controllable by a DRA		
EUE's (battery and existing or new inverter) warranty must meet the warranty requirements listed in the PDRS Rule	The document must show the warranty details for the make and model of the EUE. A copy of the warranty for the installed battery's make and model **and** a copy of the warranty for the new or existing inverter's make and model and CCEW **and if there is an existing inverter** • a CCEW **or** • tax invoice	Evidence of the warranty containing the required conditions for the make and model of the installed battery. And if there is an existing inverter, you must evidence the installation date	BESS1 Equipment Requirements 4, 5 and 6
New EUE must be installed in accordance with AS/NZS 5139	Declaration from the installer that the installation complies with AS/NZS 5139 (**the Standard**) **and** Geo-tagged photos demonstrating all of the following: • Long shot showing the context of the installation and showing the surroundings of where the battery is installed, • The battery has not been installed in a restricted location as set out in the Standard, and that it has not been installed within the prescribed distance of any exit, window, building ventilation or appliance not associated with the battery, • The distance of the battery from any habitable room or point of egress, • The building materials of any barriers within 1.5m of the battery, and • Photographic evidence of other material risk mitigation measures identified in the risk assessment. Risk mitigation measures may include any measures to protect the battery such as additional enclosure or housing, or specific labelling required because of the design of the installation. **and** An annotated map of the site (hand-drawn or electronic), clearly showing the battery's location and clearance relative to other nearby rooms and equipment (e.g. windows and exits). **and**	The evidence must show the EUE was installed in accordance with AS/NZS 5139 standard.	BESS1 Implementation Requirement 1

Requirement	Documents	Description	PDRS Rule Reference
	A copy of the battery risk assessment by the installer, identifying the hazards associated with the battery installation as required under the Standard. **and** Evidence of signage for the battery on and around the switchboard, demonstrating that the labelling and signage requirements under Standard (AS/NZS 5139) have been met • e.g. ES labels and if necessary, layout/location of battery. **and** Evidence that the switchboard has been labelled according to AS/NZS 3000 (the Wiring Rules).		
New EUE must be installed by an installer on the approved installer list specified by the Scheme Administrator *Note: The installer's name and their accreditation number (as it appears on the approved installer list specified by the Scheme Administrator) must be provided for each implementation as part of the implementation data uploaded when registering certificates.*	A copy of the installers Grid-Connected Battery Storage 'Design and Install' or 'Install only' accreditation with Solar Accreditation Australia **and** • CCEW, **or** • installer declaration. **and** Geo-tagged photos evidencing the installer was at the site for the 2 stages of the installation (job setup, and testing and commissioning). The easiest way is through selfies that: • clearly show the installer's face • show the 2 stages of installation, for example: – a letterbox or the front of the property for setup – the installed system for testing and commissioning • include date and time metadata.	You must have evidence of the installer's Grid-Connected Battery Storage 'Design and Install' or 'Install only' accreditation with Solar Accreditation Australia **and** Evidence that the installer conducted the work **and** The installer was at the site	BESS1 Implementation Requirement 2
Activities must be carried out by suitably licensed people in compliance with the relevant standards and legislation	• Copy of the installers licence **and** • Evidence of any other licences necessary for the activity at the site.	Evidence of the installer's unrestricted electrical licence, showing the name and electrical licence number of the installer.	BESS1 Implementation Requirement 3
Where the new EUE is installed indoors, a working smoke alarm that meets AS 3786 must be installed in the immediate vicinity	• Geo-tagged photo(s) taken with a wide angle, demonstrating that the battery is not installed indoors, **and** • Declaration by the installer that the smoke alarm complies with AS 3786 and was tested by the installer to be in working order on the Implementation Date.	The evidence must show there is a working smoke alarm in the vicinity of the new EUE	BESS1 Implementation Requirement 4

Requirement	Documents	Description	PDRS Rule Reference
Details of the solar photovoltaic system, including size and inverter capacity	Geo-tagged photo(s) clearly showing the existing or new solar photovoltaic system **or** geo-tagged photo(s) clearly showing the distribution board with the electric cabling for the solar photovoltaic system **and** a tax invoice clearly showing the make and model of the PV system **and** manufacturer specifications of the system installed that clearly show the PV system size and inverter capacity	Evidence of solar photovoltaic system, including the photovoltaic system size and inverter capacity	Cl 8.1.6 (b) and (c)
Relevant fact sheets are provided	Copy of email to the customer with the fact sheet attached **or** Customer declaration that they have received the relevant fact sheet	Evidence must show the Fact Sheet was provided to the customer	Section 8.6.3 and Table 3.2 of the method guide

Table B.8 Evidence requirements – activity BESS3 – installation of battery energy storage system (apartments)

Requirement	Documents	Description	PDRS Rule Reference
Minimum payment for each battery unit being installed	Tax invoice **and** Sales ledger	The tax invoice must clearly show all the following: the amount paid for the implementation, • the name of the purchaser, • the ABN of the purchaser (if applicable), • the goods or services purchased, • the date of the purchase. The sales ledger must clearly show all the following: • the amount paid for the implementation, • when the payment was made, (where finance is used – it is the date the finance provider makes the payment to the supplier/installer on behalf of the Purchaser – not the date the Purchaser contracts with the finance provider), • who made the payment.	Cl 8.1.7(f)
The minimum payment requirement does not apply where the implementation is delivered through a Low-income Energy Program or Exempt Energy Program	Appointment letter, contract or other documents showing: the ACP has been engaged by the Low-Income Energy Program or Exempt Energy Program for the purpose of creating PRCs under BESS3; **and** the Site has been endorsed by the Low-Income Energy Program or Exempt Energy Program	The evidence must show that the ACP was engaged by the Low-Income Energy Program or Exempt Energy Program for the purpose of creating PRCs under BESS3 and the site was endorsed by the Low-Income Energy Program or Exempt Energy Program	Cl8.1.9
The Site must be an Apartment Building, comprising not less than four individual dwellings	Strata Plan **or** Title records **or** Extract from to real estate databases or similar	Evidence showing that the Site is an Apartment building and the number of apartments	BESS3 Eligibility Requirement 1
An implementation of Activity Definition BESS3 must not have previously been conducted at the site	A declaration by the owners corporation representative **and** installer (owners corporation should not authorise installer to make a declaration on its behalf)	Evidence that Activity Definition BESS3 has not previously been conducted at the site. Where additional capacity has been added it should distinguish the additional capacity from any previous capacity.	BESS3 Eligibility Requirement 2

Requirement	Documents	Description	PDRS Rule Reference
Batteries installed must be listed on the approved product list specified by the Scheme Administrator on the Implementation Date, and be listed as having a Usable Battery Capacity greater than 20kWh and less than 200kWh *Note: where a Battery Energy Storage System is comprised of multiple batteries, each individual battery unit must be listed on the CEC's list of approved batteries, and the combined Usable Battery Capacity of the battery system must be greater than 20kWh and less than 200kWh.*	Dated extract or screenshot of the CEC list of approved batteries (showing date of screenshot) **and** a geo-tagged photo of the installed end-user equipment, clearly showing the make(s) and model(s) of the equipment.	The evidence must show the battery make(s) and model(s) listed on the Clean Energy Council's list of approved batteries, as of the Implementation Date	BESS3 Equipment Requirements 1 and 2
Usable Battery Capacity of the EUE (kWh) must not exceed six times the Battery Inverter Output (kW).	A geo-tagged photo of the installed EUE, **and** manufacturer specifications showing the make, model(s) and Usable Battery Capacity of the equipment **and** manufacturer specifications showing the make, model and Battery Inverter Output. of the inverter **and** dated extract or screenshot from the CEC's list showing the relevant information	The evidence must clearly show the make(s), model(s) and compatibility compliance of each equipment component of the installed EUE	BESS3 Equipment Requirement 3
EUE must be internet connectable and controllable by a DRA	**Screenshots from the battery or inverter monitoring portal** showing the device is online and connected to a cloud-based platform, or An **onboarding or registration confirmation from a DRA**, confirming that the battery has been successfully enrolled in the aggregator's platform or Evidence of a **command-response test** (such as a ping test or dispatch test) demonstrating that the DRA can communicate with and control the battery remotely. **or** Data sheet or fact sheet for the make and model of installed battery or inverter	Evidence showing that each battery can be connected to the internet and controlled by a DRA. For batteries without a built-in inverter (marked 'pre-assembled battery system' on the CEC's product list), this can be evidence that the inverter that controls the battery can be internet connected and controlled by a DRA	BESS3 Equipment Requirement 4
EUE's (battery and new inverter) warranty must meet the warranty requirements listed in the PDRS Rule	A copy of the warranty for the installed battery's make and model, **and** a copy of the warranty for the new inverter's make and	Evidence of the warranty containing the required conditions for the make and model of the installed battery.	BESS3 Equipment Requirements 5

Requirement	Documents	Description	PDRS Rule Reference
	model, **or** evidence demonstrating an existing inverter was installed prior to the Implementation Date, **and** evidence demonstrating the Implementation Date (see Table B.1 above).		
EUE must be installed outdoors	Geo-tagged photo of the EUE in situ.	Evidence must show the EUE is installed outdoors	BESS3 Implementation Requirement 1
New EUE must be installed in accordance with AS/NZS 5139	Declaration from the installer that the installation complies with AS/NZS 5139 (**the Standard**) **and** Geo-tagged photos, with an accompanying description, demonstrating all of the following: • Long shot showing the context of the installation and showing the surroundings of where the battery is installed, • The battery has not been installed in a restricted location as set out in the Standard, and in particular that it has not been installed within the prescribed distance of any exit, window or building ventilation or hot water unit or air conditioning unit or other appliance not associated with the battery, • The distance of the battery from any habitable room or point of egress, • The building materials of any barriers within 1.5m of the battery, and • Photographic evidence of other material risk mitigation measures identified in the risk assessment. Risk mitigation measures may include any measures to protect the battery such as additional enclosure or housing, or specific labelling required because of the design of the installation. **and**	The evidence must show the EUE was installed in accordance with AS/NZS 5139 standard.	BESS3 Implementation Requirement 2

Requirement	Documents	Description	PDRS Rule Reference
	an annotated map of the site (hand-drawn or electronic), clearly showing the dimension of surrounding area, battery's location and clearance relative to other nearby rooms and equipment (e.g. windows and exits). **and** a copy of the battery risk assessment by the installer, identifying the hazards associated with the battery installation as required under the Standard. **and** evidence of signage for the battery on and around the switchboard, demonstrating that the labelling and signage requirements under Standard (AS/NZS 5139) have been met e.g. ES labels and if necessary, layout/location of battery. **and** evidence that the switchboard has been labelled according to AS/NZS 3000 (the Wiring Rules).		
The installation must have received all required planning and network approvals	Evidence of the relevant planning approvals and evidence of network approval **and if applicable** Evidence of relevant planning and network approvals.	Complying Development Certificate (CDC) or Development Application (DA) approval Network approval	BESS3 Implementation Requirement 5
New EUE must be installed by an installer on the approved installer list specified by the Scheme Administrator *Note: The installer's name and their accreditation number (as it appears on the approved installer list specified by the Scheme Administrator) must be provided for each implementation as part of the implementation data uploaded when registering certificates.*	Installers accreditation number **and** CCEW or installer declaration. **and** geo-tagged photos evidencing the installer was at the site for the 2 stages of the installation (job setup, and testing and commissioning). The easiest way is through selfies that: • clearly show the installer's face • show the 2 stages of installation e.g. a letterbox or the front of the property for setup	Evidence of the installer's Grid-Connected Battery Storage 'Design and Install' or 'Install only' accreditation with Solar Accreditation Australia.	BESS3 Implementation Requirement 3

Requirement	Documents	Description	PDRS Rule Reference
	• the installed system for testing and commissioning • include date and time metadata.		
Activities must be carried out by suitably licensed people	Copy of the installers unrestricted electrical licence, showing the name and electrical licence number of the installer **and** A copy of any other licences necessary for the activity at the site **and** A declaration from the installer that the work conducted complies with the relevant standards and legislation	Evidence of the installer's unrestricted electrical licence, showing the name and electrical licence number of the installer.	BESS3 Implementation Requirement 4
The EUE must supply electricity to common property and/or be capable of supplying electricity across multiple dwellings in the apartment building	Geo-tagged photographs of the switchboard showing battery connections, circuit labelling **or** commissioning report demonstrating electricity supply to common property or across multiple dwellings	Evidence of the EUE capabilities to supply electricity to common areas and/or across multiple dwellings.	
If the EUE is installed within 90 days of a New Solar Photovoltaic	CCEW showing the date of installation or installer commissioning report	The evidence must show the installation of a new solar PV installation	Equation requirement
If Equation BESS3.2 is used, evidence that NSW Government funding has not been received	If using Equation BESS3.2: Installation contract and invoices showing the customer paid the full cost of the PV system	If using Equation BESS3.2: evidence that NSW Government funding has not been received. For example:	Equation requirement

Table B.9 Evidence requirements – activity BESS4 – installation of battery energy storage system (small and medium businesses)

Requirement	Documents	Description	PDRS Rule Reference
Minimum payment for each Implementation	Tax invoice **and** Sales ledger	The tax invoice must clearly show all the following: • the amount paid for the implementation, • the name of the purchaser, • the ABN of the purchaser (if applicable), • the goods or services purchased, • the date of the purchase (where finance is used – it is the date the finance provider makes the payment to the supplier/installer on behalf of the Purchaser – not the date the Purchaser contracts with the finance provider) The sales ledger must clearly show all the following: • the amount paid for the implementation, • when the payment was made, who made the payment.	Cl 8.1.12(f)
The End-User Equipment must not be installed in or at Residential Building or a Data Centre.	Electricity bills showing: the name of the business or entity at the site, the Australian Business Number (ABN) or Australian Company Number (ACN) of the business, the site address **or** If the electricity bill does not provide evidence of the site being occupied by a business, additional evidence must be provided, such as: • the ABN or ACN certificate confirming the business name • an ASIC extract confirming the business name, **or** • receipts produced by the business showing the business name and ABN or ACN.	The evidence must show the battery must not be installed in or at a residential building or a data centre	Cl 8.1.13(a)
A BESS4 or BESS5 Implementation must not have previously been conducted at the Site.	A declaration by the customer and installer (customer should not authorise installer to make a declaration on its behalf)	Evidence that there is no previous BESS4 or BESS5 implementation. Where additional capacity has been added it should distinguish the additional capacity from any previous capacity.	BESS4 Eligibility Requirement 2

Requirement	Documents	Description	PDRS Rule Reference
Batteries installed must be listed on the approved product list specified by the Scheme Administrator on the Implementation Date, and be listed as having a Usable Battery Capacity greater than 20kWh and less than 200kWh *Note: where a Battery Energy Storage System is comprised of multiple batteries, each individual battery unit must be listed on the CEC's list of approved batteries, and the combined Usable Battery Capacity of the battery system must be greater than 20kWh and less than 200kWh.*	Dated extract or screenshot of the CEC list of approved batteries **and** a geo-tagged photo of the installed end-user equipment, clearly showing the make(s) and model(s) of the equipment.	The evidence must show the battery make(s) and model(s) listed on the Clean Energy Council's list of approved batteries at the time of implementation	BESS4 Equipment Requirements 1 and 2
Usable Battery Capacity of the EUE (kWh) must not exceed six times the Battery Inverter Output (kW).	Manufacturer specifications showing the make and model(s) of the equipment **and** A geo-tagged photo of the equipment **and** Dated extract or screenshot from the CEC's list showing the relevant information	The evidence must show the Usable Battery Capacity in kWh does not exceed six times the Battery Inverter Output in kW.	BESS4 Equipment Requirement 3
Where Equation BESS4.2A, BESS4.2B or BESS4.2C is used calculate the Demand Shifting Component, the New Solar Photovoltaic Capacity must not be less than a quarter of the Usable Battery Capacity of the EUE as recorded on a list specified by the Scheme Administrator.	A geo-tagged photo showing the make and model of the equipment, **and** Manufacturer specifications showing the make and model(s) of the equipment **and** Extract of the Usable Battery Capacity for the equipment specified by the CEC's list of batteries.	Evidence of the Usable Battery Capacity and New Solar Photovoltaic Capacity.	Cl 8.1.16(b) & BESS4 Equipment Requirement 4
EUE must be internet connectable and controllable by a Demand Response Aggregator	**Screenshots from the battery or inverter monitoring portal** showing the device is online and connected to a cloud-based platform, **or** An **onboarding or registration confirmation from a DRA** confirming that the battery has been successfully enrolled in the aggregator's platform **or** Evidence of a **command-response test** (such as a ping test or dispatch test) demonstrating that the	Evidence showing that each battery can be connected to the internet and can be controlled. For batteries without a built-in inverter (marked 'pre-assembled battery system' on the CEC's product list), this can be evidence that the inverter that controls the battery is able to be internet connected and can be controlled by a DRA.	BESS4 Equipment Requirement 5

Requirement	Documents	Description	PDRS Rule Reference
	DRA can communicate with and control the battery remotely. **or** data sheet or fact sheet for the make and model of installed battery or inverter showing the EUE is listed as compatible		
EUE's (battery and new inverter) warranty must meet the warranty requirements listed in the PDRS Rule	a copy of the warranty for the installed battery's makes and model, a copy of the warranty for the new inverter's makes and model, and evidence demonstrating the Implementation Date (see Table B.1).	Evidence of the warranty containing the required conditions for the make and model of the installed battery.	Cl 8.1.16(b) & BESS4 Equipment Requirement 6
New EUE must be installed in accordance with AS/NZS 5139	Declaration from the installer that the installation complies with AS/NZS 5139 (**the Standard**) **and** geo-tagged photos, with an accompanying description, demonstrating all of the following: • Long shot showing the context of the installation and showing the surroundings of where the battery is installed, • The battery has not been installed in a restricted location as set out in the Standard, and in particular that it has not been installed within the prescribed distance of any exit, window or building ventilation or hot water unit or air conditioning unit or other appliance not associated with the battery, • The distance of the battery from any habitable room or point of egress, • The building materials of any barriers within 1.5m of the battery, and • If any other material risks were identified in the risk assessment, photographic evidence of the risk mitigation measures. Risk mitigation measures may include any measures to protect the battery such as additional enclosure or housing, or specific labelling required because of the design of the installation. **and**	Evidence that the new EUE has been installed in accordance with AS/NZS 5139	BESS4 Implementation Requirement 1

Requirement	Documents	Description	PDRS Rule Reference
	an annotated map of the site (hand-drawn or electronic), clearly showing the battery's location and clearance relative to other nearby rooms and equipment (e.g. windows and exits). **and** a copy of the battery risk assessment by the installer, identifying the hazards associated with the battery installation as required under the Standard. **and** evidence of signage for the battery on and around the switchboard, demonstrating that the labelling and signage requirements under Standard (AS/NZS 5139) have been met • e.g. ES labels and if necessary, layout/location of battery. **and** evidence that the switchboard has been labelled according to AS/NZS 3000 (the Wiring Rules).		
New EUE must be installed by an installer on the approved installer list specified by the Scheme Administrator *Note: The installer's name and their accreditation number (as it appears on the approved installer list specified by the Scheme Administrator) must be provided for each implementation as part of the implementation data uploaded when registering certificates.*	A copy of the installer's accreditation details and number **and** CCEW or installer declaration. **and** Geo-tagged photos evidencing the installer was at the site for the 2 stages of the installation (job setup, and testing and commissioning). The easiest way is through selfies that: • clearly show the installer's face • show 2 stages of installation, for example: – the front of the property for setup – the installed system for testing and commissioning • include date and time metadata.	Evidence of the installer's Grid-Connected Battery Storage 'Design and Install' or 'Install only' accreditation with Solar Accreditation Australia.	BESS4 Implementation Requirement 2

Requirement	Documents	Description	PDRS Rule Reference
Activities must be carried out by suitably licensed people in compliance with the relevant standards and legislation	Copy of the installers unrestricted electrical licence, showing the name and electrical licence number of the installer **and** a copy of any other licences necessary for the activity at the site **and** a declaration from the installer that the work conducted complies with the relevant standards and legislation	Evidence of the installer's unrestricted electrical licence	BESS4 Implementation Requirement 3
The installation must have received all required planning and network approvals	Evidence of the relevant planning approvals **and** Evidence of the network approval	Complying Development Certificate and The network approval	BESS4 Implementation Requirement 4
Where the new EUE is installed indoors in a Class 3 Building, a working smoke alarm that meets AS 3786 must be installed in the immediate vicinity.	Site assessment report if the installation is in a Class 3 building. **and** geo-tagged photo(s) clearly showing the location of the smoke alarm in relation to the installed battery **and** declaration by the installer that the smoke alarm complies with AS 3786 and was tested by the installer to be in working order on the Implementation Date.	Evidence that the EUE has been installed in a class 3 Building and a working smoke alarm that meets AS 3786 has been installed in the immediate vicinity	BESS4 Implementation Requirement 5
Relevant fact sheets are provided	Copy of email to the customer with the fact sheet attached **or** customer declaration that they have received the relevant fact sheet	The evidence must show the customer was provided with a copy of the fact sheet	Section 8.6.3 and Table 3.2 of the method guide
If the EUE is installed within 90 days of a New Solar Photovoltaic	Installer commissioning report **or** CCEW showing the date of installation	Evidence of the new solar PV installation	Equation requirement

Table B.10 Evidence requirements – activity BESS5 – installation of battery energy storage system (commercial and industrial businesses)

Requirement	Documents	Description	PDRS Rule Reference
The End-User Equipment must not be installed in or at Residential Building or a Data Centre.	Electricity bills showing: • the name of business at the site, • the Australian Business Number (ABN) or Australian Company Number (ACN) of the business, and • the site address **or** • the ABN or ACN certificate confirming the business name, or • an ASIC extract confirming the business name, or • receipts produced by the business showing the business name and ABN or ACN.	The evidence must show the EUE is not installed in or at a residential building or data centre. If the electricity bill does not provide evidence of the site being occupied by a business, additional evidence must be provided for the site at which the work took place.	Cl 8.1.18(a) and BESS5 Eligibility Requirement 1
Batteries installed must be tested and pass the performance criteria in accordance with UL9540A	Test certificate or equivalent showing the EUE was tested and passed the performance criteria of the module or unit level test in accordance with UL9540A	Evidence must show the battery installed meets the performance criteria of UL9540A	BESS5 Equipment Requirement 1
EUE must have a Usable Battery Capacity greater than 200kWh and less than or equal to 30,000kWh as recorded in a manner specified by the Scheme Administrator.	Document showing nominal battery capacity: • Manufacturer's specification, or • Battery nameplate/compliance label, or • System design documentation, or • Signed contract that includes the battery specifications and system design **and** a geo-tagged photo of the installed end-user equipment, clearly showing the make(s) and model(s) of the equipment.	The evidence must show the battery make(s) and model(s) and the manufacturer's specified nominal battery capacity. Usable Battery Capacity is 90% of Nominal Battery Capacity.	BESS5 Equipment Requirement 2
Usable Battery Capacity of the EUE (kWh) must not exceed six times the Battery Inverter Output (kW).	Geo-tagged photo of the installed EUE and inverter, clearly showing the make, model(s) and battery capacity of the equipment in kW **and** manufacturer specifications showing the make. model(s) and battery inverter output in kW of the inverter	The evidence must show the usable battery capacity in kWh does not exceed six times the battery inverter output in kW	BESS5 Equipment Requirement 3
Where Equation BESS5.2 is used to calculate the Demand Shifting Component, the New Solar Photovoltaic Capacity must not be less than a quarter of the Usable Battery Capacity of the EUE	A geo-tagged photo of the equipment **and** manufacturer specifications showing the make and model(s) of the equipment.	Evidence of the Usable Battery Capacity and New Solar Photovoltaic Capacity	Cl 8.1.21(b) & BESS5 Equipment Requirement 4

Requirement	Documents	Description	PDRS Rule Reference
EUE must be internet connectable and controllable by a DRA	**Screenshots from the battery or inverter monitoring portal** showing the device is online and connected to a cloud-based platform, or an **onboarding or registration confirmation from a DRA**, confirming that the battery has been successfully enrolled in the aggregator's platform, or evidence of a **command-response test** (such as a ping test or dispatch test) demonstrating that the DRA can communicate with and control the battery remotely, or data sheet or fact sheet for the make and model of installed battery or inverter showing the EUE is listed as compatible	Evidence showing that each battery can be connected to the internet and can be controlled. For batteries without a built-in inverter (marked 'pre-assembled battery system' on the CEC's product list), this can be evidence that the inverter that controls the battery is able to be internet connected and can be controlled.	BESS5 Equipment Requirement 5
The EUE must be installed behind the meter by suitably licensed people in compliance with the relevant standards	A copy of the installer's unrestricted electrical licence, showing the name(s) and electrical licence number(s) of the installer(s) **and** A copy of any other licences necessary for the activity at the site **and** A declaration from the installer that the work conducted complies with the relevant standards and legislation And CCEW	The Evidence must show that the EUE was installed behind the meter by suitably licensed people in compliance with the relevant standards	BESS5 Implementation Requirement 1
A BESS4 or BESS5 Implementation must not have previously been conducted at the Site	A declaration by the customer and installer. The customer should not authorise the installer to make a declaration on its behalf.	Evidence showing there is no previous BESS4 or BESS5 implementation. Where additional capacity has been added it should distinguish the additional capacity from any previous capacity.	BESS5 Eligibility Requirements 2
Installation of EUE must have received all required planning and network approvals	Evidence of the relevant planning approvals **and** evidence of the network approval	The Development Application approval and The network approval.	BESS5 Implementation Requirement 2
If the EUE is installed within 90 days of a New Solar Photovoltaic	Installer commissioning report **and** CCEW	Evidence of the new solar PV installation	Equation requirement

Table B.11 Evidence requirements – activity BESS2 – onboard a residential or small business site battery with a demand response aggregator

Requirement	Documents	Description	PDRS Rule Reference
The site is a BCA Class 1 Building or Small Business Site	Electricity bills showing: • the name of business at the site, • the Australian Business Number (ABN) or Australian Company Number (ACN) of the business, and • the site address and • annual electricity consumption/usage under 100MWh per year or equivalent figure that allows for annual consumption calculation (e.g. average daily usage) for the business site at which the work took place. Note: If the annual electricity consumption is calculated and results in a consumption close to the 100MWh per year threshold you must contact us to confirm the validity of the calculation before calculating energy savings from this activity.	The evidence must show the site is a BCA class 1 building or small business site	Clause 9.1.1(a)
The demand response contract must meet the relevant requirements	A copy of the signed contract showing: • the contract is for the provision of demand response capacity with a Demand Response Aggregator, and • is signed by the account holder for the electricity account of the NMI where the Battery Energy Storage System is installed	The evidence must include the signed contract showing: • the account holder for the electricity account of the NMI where the Battery Energy Storage System is installed. • the terms and duration of the contract • it is between the Capacity Holder and the Demand Response Aggregator to provide demand response capacity	Clause 9.1.1(f)
The counterparty to the demand response contract aggregates demand response capacity, and is either: • a Market Participant, or • a Network Service Provider	A copy of the signed contract **and** a dated screenshot or PDF from the AEMO registration register (or equivalent AEMO-issued registration evidence) showing that same legal entity is registered under the National Electricity Rules.	The evidence must show the contract was signed by the account holder of the NMI and the counterparty. The evidence must also show that the same counterparty is registered as a Market Participant or Network Service Provider under the National Electricity Rules.	Cl 9.1.1(f); Clause 10.1, definition of "Demand Response Aggregator", sub-clause (a)
The counterparty has engaged in a contract to aggregate demand response capacity (and related activities) on behalf of either: • a Market Participant, or • a Network Service Provider	A copy of the signed contract between the account holder of the NMI and the counterparty that shows the counterparty's name **and**	The evidence must show the contract was signed by account holder of the NMI and the counterparty.	Cl 9.1.1(f); Clause 10.1, definition of "Demand Response Aggregator", sub-clause (b)

Requirement	Documents	Description	PDRS Rule Reference
	A copy of a contract between the counterparty and a Market Participant or Network Service Provider for the aggregation of demand response capacity and any related activities on their behalf, **and** a dated screenshot or PDF from the AEMO registration register (or equivalent AEMO-issued registration evidence) showing that same legal entity is registered under the National Electricity Rules.	The evidence must also show that the person on whose behalf the demand response capacity is being aggregated is registered as a Market Participant or Network Service Provider under the National Electricity Rules.	
The battery must be Onboarded with the Demand Response Aggregator	• DRA onboarding confirmation (showing onboarding date) • Screenshot of the battery in the DRA portal showing device online status • Command-response (ping) test record; and • Dispatch/test event evidence showing the battery responded to a DRA command	Evidence of the battery being Onboarded (the EUE has been demonstrated to respond to remotely provided commands from the DRA).	Cl 9.1.2; Clause 10.1, definition of "Onboarded"
There is an existing Battery Energy Storage System installed at the same National Metering Identifier (**NMI**)	A geo-tagged photo of the existing battery	The evidence must show there is an existing battery energy storage system	BESS1 Eligibility Requirement 1
There is no Registered Life Support Equipment used at the Site	A declaration by the owner that there is no Registered Life Support Equipment at the site.	The evidence must demonstrate there is no registered life support equipment at the site	BESS2 Eligibility Requirement 2
EUE must be listed on the approved product list specified by the Scheme Administrator, and be listed as having a Usable Battery Capacity greater than 2kWh and less than or equal to 50kWh *Note: where a Battery Energy Storage System is comprised of multiple batteries, each individual battery unit must be listed on the CEC's list of approved batteries, and the combined Usable Battery Capacity of the battery system must be greater than 2kWh and less than 28kWh.*	Dated extract or screenshot of the CEC list of approved batteries as of implementation date **and** A geo-tagged photo of the installed end-user equipment, clearly showing the make and model of the equipment.	The evidence must show the battery make and model is listed on the Clean Energy Council's list of approved batteries, as of the Implementation Date	BESS2 Equipment Requirements 1 and 2
EUE warranty must meet the warranty requirements listed in the PDRS Rule	• Tax invoice or contract for installation, • CCEW, or • Payment receipt. **and**	Evidence of the installation date of the EUE and warranty length for the installed battery	BESS2 Equipment Requirement 3

Requirement	Documents	Description	PDRS Rule Reference
	A copy of the warranty for the installed battery's make and model **and** evidence demonstrating the Implementation Date (see above).		
Participation in the activity must not void or diminish the EUE's warranty	A copy of the warranty of the installed EUE, including what the warranty for the battery guarantees **and** evidence that the DRA's control of the battery will meet the requirement.	Evidence of what the warranty for the battery guarantees	BESS2 Equipment Requirement 4
Internet connection and DRA control of the EUE must be demonstrated to be operational to the satisfaction of the Scheme Administrator	Dated screenshot of the battery in the DRA portal showing device online status **and** command-response (ping) test record; **and** dispatch/test event evidence showing the battery responded to a DRA command	Evidence that DRA has the ability to control the battery.	BESS2 Implementation Requirement 1
Relevant fact sheets are provided to the customer at quotation	Copy of email to the customer with the fact sheet attached **or** customer declaration that they have received the relevant fact sheet	• Declaration by the customer, or • Copy of email to the customer with the fact sheet attached.	Section 8.6.3 and Table 3.2 of the method guide

C Certificate calculations: Worked examples

These worked examples are calculated using the number of decimal places as shown. In practice you do not need to round figures until calculating Peak Demand Reduction Capacity, which is rounded to 2 decimal places to reflect the approach used to calculate Peak Reduction Certificates (**PRCs**) in TESSA. The number of PRCs is rounded down to a whole number to reflect PDRS Rule requirements.

C.1 HVAC1 – Install a new high efficiency air conditioner or replace an existing air conditioner with a high efficiency air conditioner

Step	Description
Scenario	The activity is a new installation and not a replacement Location of implementation: Coffs Harbour (Postcode: 2450) (BCA Climate Zone 2 / Essential Energy distribution) The product meets the Equipment Requirements The product has a Residential TCSPF_mixed value recorded in the GEMS Registry
Product	Installation of a Panasonic non ducted split system air conditioner (U-71PZH3R5/S-6071PT3E) (Configuration: Air-air, non-ducted, single-split system (Source: GEMS Registry) Residential TCSPF_mixed value: 5.133 (Source: GEMS Registry, Column DX) Rated AEER: 3.8118 (Source: GEMS Registry, Column FJ)
Step 1: Baseline input power	**Equation HVAC1.1**: Baseline Input Power = Rated Cooling Capacity ÷ Baseline AEER Rated Cooling Capacity[31] = 6.8 kW (Source: GEMS Registry, Column Q) Baseline AEER = 3.22 (Source: Table HVAC1.1 of the PDRS Rule) **Baseline Input Power = 6.8 ÷ 3.220 = 2.112 kW**
Step 2: Baseline Peak Adjustment Factor	**Equation HVAC1.2**: Baseline Peak Adjustment Factor = Temperature Factor x Usage Factor Temperature Factor = 0.48 (Source: Table A5 of the PDRS Rule) Usage Factor = 0.72 (Source: Activity Definition HVAC1) **Baseline Peak Adjustment Factor = 0.48 x 0.72 = 0.346**
Step 3: Input Power	Rated cooling input power at 35°C: 1.74 kW (Source: GEMS Registry, Column O)
Step 4: Peak Adjustment Factor	**Peak adjustment factor** = Baseline Peak Adjustment Factor = 0.346 (Source: Calculation Step 2)
Step 5: Firmness Factor	**Firmness Factor** = 1 (Source: Table A6 of the PDRS Rule)
Step 6: Peak Demand Savings Capacity	**Peak Demand Savings Capacity** = ((Baseline Input Power x Baseline Peak Adjustment Factor) – (Input Power x Peak Adjustment Factor)) x Firmness Factor Baseline Input Power = 2.112 kW (Calculation Step 1) Baseline Peak Adjustment Factor = 0.346 (Calculation Step 2) Input Power = 1.74 kW (Calculation Step 3) Peak Adjustment Factor = 0.346 (Calculation Step 4)

[31] The GEMS Registry uses the term "C-Total Cool Rated" for the cooling capacity.

Step	Description
	Firmness Factor = 1 (Calculation Step 5) Peak Demand Savings Capacity = ((2.112 x 0.346) – (1.74 x 0.346)) x 1 = 0.129 kW
Step 7: Peak Demand Reduction Capacity	**Equation 2a**: Peak Demand Reduction Capacity = Peak Demand Savings Capacity x Summer Peak Demand Reduction Duration x Lifetime Peak Demand Savings Capacity = 0.129 kW (Calculation Step 6) Summer Peak Demand Reduction = 6 hrs (Source: Equation 2a) Lifetime = 12 years (Activity Definition HVAC1) **Peak Demand Reduction Capacity = 0.129 x 6 x 12 = 9.29**
Step 8: PRCs	**Equation 1**: Number of Certificates = Peak Demand Reduction Capacity x Network Loss Factor x 10 Peak Demand Reduction Capacity = 9.29 (Calculation Step 7) Network Loss Factor = 1.05 (Source: Table A3 of the PDRS Rule) Number of Certificates = 9.29 x 1.05 x 10 = 97.55 **Number of Certificates = 97**

Note: A maximum of 500 PRCs can be created for a single Implementation using one or more Multi-split systems under activity HVAC1.

C.2 HVAC2 – Install a new high efficiency air conditioner or replace an existing air conditioner with a high efficiency air conditioner

Step	Description
Scenario	The activity is a replacement and not a new installation Location of implementation: Randwick, Sydney (Postcode: 2031) (BCA Climate Zone 5 / Ausgrid distribution) The product meets the Equipment Requirements The product has a Cooling Capacity recorded in the GEMS Registry The product has a Commercial TCSPF_mixed value recorded in the GEMS Registry
Product	Installation of a DAIKIN ducted split system air conditioner (RZAS140C2V1 / FDYA140AV1) Configuration: Air-air, ducted, single split system (Source: GEMS Registry, Columns I-M) Commercial TCSPF_mixed value: 5.801 (Source: GEMS Registry, Column EA) Rated AEER: 3.5179 (Source: GEMS Registry, Column FJ)
Step 1: Baseline input power	**Equation HVAC2.1**: Baseline Input Power = Rated Cooling Capacity ÷ Baseline AEER Rated Cooling Capacity = 14 kW (Source: GEMS Registry, Rated cooling capacity at 35˚C as recorded in Column Q of GEMS Registry) Baseline AEER = 2.8 (Source: Table HVAC2.1 of the PDRS Rule) **Baseline Input Power = 14 ÷ 2.8 = 5.0 kW**
Step 2: Baseline Peak Adjustment Factor	**Equation HVAC2.2**: Baseline Peak Adjustment Factor = Temperature Factor x Usage Factor Temperature Factor = 0.55 (Source: Table A5 of the PDRS Rule) Usage Factor = 0.6 (Source: PDRS Rule) **Baseline Peak Adjustment Factor = 0.55 x 0.6 = 0.33**
Step 3: Input Power	**Rated cooling input power at 35˚C**: 3.93 kW (Source: GEMS Registry, Column O)
Step 4: Peak Adjustment Factor	**Peak adjustment factor** = Baseline Peak Adjustment Factor (Source: Calculation Step 2)
Step 5: Firmness Factor	**Firmness Factor** = 1 (Source: Table A6 of the PDRS Rule)
Step 6: Peak Demand Savings Capacity	**Peak Demand Savings Capacity** = ((Baseline Input Power x Baseline Peak Adjustment Factor) – (Input Power x Peak Adjustment Factor)) x Firmness Factor Baseline Input Power = 5.0 kW (Calculation Step 1) Baseline Peak Adjustment Factor = 0.33 (Calculation Step 2) Input Power = 3.93 kW (Calculation Step 3) Peak Adjustment Factor = 0.33 (Calculation Step 4) Firmness Factor = 1 (Calculation Step 5) Peak Demand Savings Capacity = ((5.0 x 0.33) – (3.93 x 0.33)) x 1 = 0.353 kW
Step 7: Peak Demand Reduction Capacity	**Equation 2a**: Peak Demand Reduction Capacity = Peak Demand Savings Capacity x Summer Peak Demand Reduction Duration x Lifetime Peak Demand Savings Capacity = 0.353 kW (Calculation Step 6) Summer Peak Demand Reduction = 6 hrs (Source: Equation 2a) Lifetime = 12 years (Activity Definition HVAC1) **Peak Demand Reduction Capacity = 0.353 x 6 x 12 = 25.42**
Step 8: PRCs	**Equation 1**: Number of Certificates = Peak Demand Reduction Capacity x Network Loss Factor x 10 Peak Demand Reduction Capacity = 25.42 (Calculation Step 7) Network Loss Factor = 1.04 (Source: Table A3 of the PDRS Rule) Number of Certificates = 25.42 x 1.04 x 10 = 264.37 **Number of Certificates = 264**

C.3 RF2 – Replace an existing refrigerated cabinet with a new high efficiency refrigerated cabinet

Note: RF2 implementations of Activity RF2 involving installation of End-User Equipment that is of Refrigerated Cabinet Product Classes 1-11 is suspended from 12 September 2025.

Step	Description
Scenario	The product meets the Equipment Requirements (*Only Product classes 12 to 15 are eligible under this activity from 12 September 2025*) Location of implementation: Wollongong (Postcode: 2500) (Endeavour Energy distribution)
Product	The product meets the Equipment Requirements Location of implementation: Wollongong (Postcode: 2500) (Endeavour Energy distribution) The product is Hussman Glass Door Freezer (RLA-3), Remote Freezer Vertical, Refrigerated Display Cabinet (GEMS Registry, Columns AD and AF) Total display area: 3.55m2 (GEMS Registry, Column M) Product type: RVF4 (GEMS Registry, Column AL) Product class: 15 (GEMS Registry, Column AM) Energy Efficiency Index: 61.68 (Source: GEMS Registry, Column AH) Total Energy Consumption (kWh/24h): 42.82 (Source: GEMS Registry, Column AE)
Step 1: Baseline input power	**Equation RF2.1**: Baseline Input Power = TEC x af x [Baseline EEI ÷ Product EEI] ÷ 24 TEC = 42.82 kWh/day (Source: GEMS Registry, Column AE) af = 1 (Source: Table RF2.1 of the PDRS Rule) Baseline EEI = 100 (Source: Table RF2.1 of the PDRS Rule) Product EEI = 61.68 (Source: GEMS Registry, Column AH) **Baseline Input Power = 42.82 x 1 x [100 ÷ 61.68] ÷ 24 = 2.89 kW**
Step 2: Baseline Peak Adjustment Factor	**Equation RF2.3**: Baseline Peak Adjustment Factor = Temperature Factor x Usage Factor Temperature Factor = 1.81 (Source: Table RF2.2 of the PDRS Rule) Usage Factor = 1 (Source: Activity Definition RF2) **Baseline Peak Adjustment Factor = 1.81 x 1 = 1.81**
Step 3: Input Power	**Equation RF2.2**: Input Power = TEC x af ÷ 24 TEC = 42.82 (Source: GEMS Registry, Column AE) af = 1 (Source: Table RF2.1 of the PDRS Rule) **Input Power = 42.82 x 1 ÷ 24 = 1.78 kW**
Step 4: Peak Adjustment Factor	**Peak adjustment factor**: equal to Baseline Peak Adjustment Factor (Source: Calculation Step 2)
Step 5: Firmness Factor	**Firmness Factor** = 1 (Source: Table A6 of the PDRS Rule)
Step 6: Peak Demand Savings Capacity	**Peak Demand Savings Capacity** = ((Baseline Input Power x Baseline Peak Adjustment Factor) – (Input Power x Peak Adjustment Factor)) x Firmness Factor Baseline Input Power = 2.89 kW (Calculation Step 1) Baseline Peak Adjustment Factor = 1.81 (Calculation Step 2) Input Power = 1.78 kW (Calculation Step 3) Peak Adjustment Factor = 1.81 (Calculation Step 4) Firmness Factor = 1 (Calculation Step 5) **Peak Demand Savings Capacity = ((2.89 x 1.81) – (1.78 x 1.81)) x 1 = 2.01 kW**
Step 7: Peak Demand Reduction Capacity	**Equation 2a: Peak Demand Reduction Capacity** = Peak Demand Savings Capacity x Summer Peak Demand Reduction Duration x Lifetime Peak Demand Savings Capacity = 2.01 kW (Calculation Step 6) Summer Peak Demand Reduction = 6 hrs (Source: Equation 2a) Lifetime = 12 years (Source: Table RF2.3 of the PDRS Rule) **Peak Demand Reduction Capacity = 2.01 x 6 x 12 = 144.45 kW** (number differs due to rounding)
Step 8: PRCs	**Equation 1**: Number of Certificates = Peak Demand Reduction Capacity x Network Loss Factor x 10 Peak Demand Reduction Capacity = 144.45 kW (Calculation Step 7) Network Loss Factor = 1.05 (Source: Table A3 of the PDRS Rule) Number of Certificates = 144.45 x 1.05 x 10 = 1516.76 **Number of Certificates = 1516**

C.4 SYS2 – Install a new high efficiency pool pump or replace an existing pool pump with a high efficiency pool pump

Step	Description
Scenario	Location: Blacktown (Postcode: 2148) (Endeavour Energy distribution)
Product	The product is Reltech PLTV5+ Star rating: 6 Speed: Variable Maximum Tested Input Power (or 'High' in the GEMS Registry): 1328 W Warranty period: 3 years
Step 1: Baseline Input Power	**Baseline Input Power** = 1.2 kW (Source: Table SYS2.1 of the PDRS Rule)
Step 2: Input Power	**Equation SYS2.1:** Input Power = PAEC ÷ (365 x DRT) PAEC = 476.69 kWh/year (Source: GEMS Registry, Column L) DRT = 5.893 hours/day (Source: GEMS Registry, Column K) **Input Power = 476.69 ÷ (365 x 5.893) = 0.222 kW**
Step 3: Peak Demand Savings Capacity	**Peak Demand Savings Capacity** = ((Baseline Input Power x Baseline Peak Adjustment Factor) – (Input Power x Peak Adjustment Factor)) x Firmness Factor Baseline Input Power = 1.2 kW (Calculation Step 1) Baseline Peak Adjustment Factor = 0.41 (Source: Table A4 of the PDRS Rule) Input Power = 0.222 kW (Calculation Step 2) Peak Adjustment Factor = 0.41 (Source: Table A4 of the PDRS Rule) Firmness Factor = 1 (Source: Table A6 of the PDRS Rule) **Peak Demand Savings Capacity = ((1.2 x 0.41) – (0.222 x 0.41)) x 1 = 0.401 kW**
Step 4: Peak Demand Reduction Capacity	**Equation 2a**: Peak Demand Reduction Capacity = Peak Demand Savings Capacity x Summer Peak Demand Reduction Duration x Lifetime Peak Demand Savings Capacity = 0.401 kW (Calculation Step 3) Summer Peak Demand Reduction = 6 hrs (Source: Equation 2a) Lifetime = 10 years (Activity Definition SYS2) **Peak Demand Reduction Capacity = 0.401 x 6 x 10 = 24.06 kW**
Step 5: PRCs	**Equation 1**: Number of Certificates = Peak Demand Reduction Capacity x Network Loss Factor x 10 Peak Demand Reduction Capacity = 24.06 (Calculation Step 4) Network Loss Factor = 1.05 (Source: Table A3 of the PDRS Rule) Number of Certificates = 24.06 x 1.05 x 10 = 252.63 **Number of Certificates = 252**

C.5 BESS1 – Install a new behind the meter battery energy storage system (single dwelling residential and small business)

Step	Description
Scenario	No existing battery at the site prior to installation. There is a solar photovoltaic system installed behind the meter at the site. Location: Mosman (Postcode: 2088) (Ausgrid distribution)
Product	The product is a pre-assembled integrated battery system, TESLA 1707000-ACPW3-13.5 (AS4777-2 2020) Equipment meets the Equipment Requirements
Step 1: Demand Shifting Component	**Equation BESS1.2**: Demand Shifting Component = Battery Capacity x 0.0853 kW/kWh Battery Capacity = 90% x 14.4 kWh = 12.96 kWh (Source: Nominal Battery Capacity from approved product list) **Demand Shifting Component = 12.96 kWh x 0.0853 kW/kWh = 1.105kW**
Step 2: Peak Demand Shifting Capacity	**Peak Demand Shifting Capacity** = Demand Shifting Component x Firmness Factor Demand Shifting Component = 1.105 kW (Calculation Step 1) Firmness Factor = 1 (Source: Table A6 of the PDRS Rule) **Peak Demand Shifting Capacity = 1.105 x 1 = 1.105 kW**
Step 3: Peak Demand Reduction Capacity	**Equation 2b**: Peak Demand Reduction Capacity = Peak Demand Shifting Capacity x Summer Peak Demand Reduction Duration x Lifetime Peak Demand Shifting Capacity = 1.105 kW (Calculation Step 2) Summer Peak Demand Reduction = 6 hrs (Source: Equation 2b) Lifetime = 15 years (Activity Definition BESS1) **Peak Demand Reduction Capacity = 1.105 x 6 x 15 = 99.45 kW**
Step 4: PRCs	**Equation 1**: Number of Certificates = Peak Demand Reduction Capacity x Network Loss Factor x 10 Peak Demand Reduction Capacity = 99.45(Calculation Step 3) Network Loss Factor = 1.04 (Source: Table A3 of the PDRS Rule) Number of Certificates = 99.45 x 1.04 x 10 = 1,034.28 **Number of Certificates = 1,034**

Note that battery energy storage systems with a total usable capacity 2 kWh or less or 28 kWh or greater are not eligible for certificate creation. See section 5.2.1 for more information.

C.6 BESS2 – Onboard a behind the meter battery energy storage system with a Demand Response Aggregator

Step	Description
Scenario	There is a solar photovoltaic system and a battery energy storage system installed behind the meter at the site. There is no life support equipment at the site. Location: Mosman (Postcode: 2088) (Ausgrid distribution)
Product	The battery at the site is a pre-assembled integrated battery system, TESLA 1707000-ACPW3-13.5 (AS4777-2 2020). The battery at the site meets the Equipment Requirements.
Step 1: Demand Response Component	**Equation BESS2.2**: Demand Response Component = Battery Capacity x 0.0734 kW/kWh Battery Capacity = 90% x 14..4 kWh = 12.96 kWh (Source: Nominal Battery Capacity from approved product list) **Demand Response Component = 12.96 kWh x 0.0734 kW/kWh = 0.951 kW**
Step 2: Peak Demand Response Capacity	**Peak Demand Response Capacity** = Demand Response Component x Firmness Factor Demand Response Component = 0.951 kW (Calculation Step 1) Firmness Factor = 0.8 (Source: Table A6 of the PDRS Rule) **Peak Demand Response Capacity = 0.951 x 0.8 = 0.761 kW**
Step 3: Peak Demand Reduction Capacity	**Equation 2c**: Peak Demand Reduction Capacity = Peak Demand Response Capacity x Summer Peak Demand Reduction Duration x Lifetime Peak Demand Response Capacity = 0.761 kW (Calculation Step 2) Summer Peak Demand Reduction = 6 hrs (Source: Equation 2c) Lifetime = 6 years (Activity Definition BESS2) **Peak Demand Reduction Capacity = 0.761 x 6 x 6 = 27.40 kW**
Step 4: PRCs	**Equation 1**: Number of Certificates = Peak Demand Reduction Capacity x Network Loss Factor x 10 Peak Demand Reduction Capacity = 27.40 kW (Calculation Step 3) Network Loss Factor = 1.04 (Source: Table A3 of the PDRS Rule) Number of Certificates = 27.40 x 1.04 x 10 = 284.96 **Number of Certificates = 284**

Note that connecting a battery energy storage system with a total usable capacity less than or equal to 2 kWh or greater than 50 kWh to a VPP is not eligible for certificate creation under the PDRS. See section 6.1 for more details.

C.7 BESS3 – Install a new behind the meter battery energy storage system (apartments)

Step	Description
Scenario	The building comprises 6 individual dwellings. No existing battery existed at the site prior to installation. A solar photovoltaic system was installed behind the meter at the site 30 days before the battery was installed. Location: Alexandria (Postcode: 2015) (Ausgrid distribution)
Product	The product is a pre-assembled integrated battery system, SigenStor-25T-EV25-26.14 (AS4777-2 2020) Equipment meets the Equipment Requirements
Step 1: Demand Shifting Component	**Equation BESS3.2**: Demand Shifting Component = Battery Capacity x 0.12kW/kWh Battery Capacity = 90% x 26.14 kWh = 23.53 (Source: Nominal Battery Capacity from approved product list) **Demand Shifting Component = 23.53 kWh x 0.12 kW/kWh = 2.82 kW**
Step 2: Peak Demand Shifting Capacity	**Peak Demand Shifting Capacity** = Demand Shifting Component x Firmness Factor Demand Shifting Component = 2.82 kW (Calculation Step 1) Firmness Factor = 1 (Source: Table A6 of the PDRS Rule) **Peak Demand Shifting Capacity = 2.82 x 1 = 2.82 kW**
Step 3: Peak Demand Reduction Capacity	**Equation 2b**: Peak Demand Reduction Capacity = Peak Demand Shifting Capacity x Summer Peak Demand Reduction Duration x Lifetime Peak Demand Shifting Capacity = 2.82 kW (Calculation Step 2) Summer Peak Demand Reduction = 6 hrs (Source: Equation 2b) Lifetime = 15 years (Activity Definition BESS3) **Peak Demand Reduction Capacity = 2.82 x 6 x 15 = 253.8 kW**
Step 4: PRCs	**Equation 1**: Number of Certificates = Peak Demand Reduction Capacity x Network Loss Factor x 10 Peak Demand Reduction Capacity = 253.8 (Calculation Step 3) Network Loss Factor = 1.04 (Source: Table A3 of the PDRS Rule) Number of Certificates = 253.8 x 1.04 x 10 = 2639.52 **Number of Certificates = 2639**

C.8 BESS4 – Install a new behind the meter battery energy storage system (small and medium businesses)

Step	Description
Scenario	The site is a business site. No existing battery exists at the site prior to installation. A solar photovoltaic system was installed behind the meter at the site 12 months before the battery installation. Location: Lithgow (Postcode: 2790) (Endeavour Energy distribution)
Product	The product is a pre-assembled integrated battery system, Risen SU96E48LM (AS4777-2 2020) with Usable Battery Capacity 96 kWh. The Battery Inverter Output is 20 kW. Equipment meets the Equipment Requirements
Step 1: Demand Shifting Component	**Equation BESS4.3B**: Demand Shifting Component = (50 x 0.067 kW/kWh x 0.5) + ((Battery Capacity – 50) x 0.067 kW/kWh x 0.7) Battery Capacity = 4 hours x 20 kWh = 80.00 kWh (Source: Lesser of Usable Battery Capacity from approved product list or 4 hours multiplied by the Battery Inverter Output) **Demand Shifting Component = (50 x 0.067 kW/kWh x0.5) + ((80 – 50) x 0.067 kW/kWh x 0.7) = 3.082kW**
Step 2: Peak Demand Shifting Capacity	**Peak Demand Shifting Capacity** = Demand Shifting Component x Firmness Factor Demand Shifting Component = 3.082 kW (Calculation Step 1) Firmness Factor = 1 (Source: Table A6 of the PDRS Rule) **Peak Demand Shifting Capacity = 3.082 x 1 = 3.082 kW**
Step 3: Peak Demand Reduction Capacity	**Equation 2b**: Peak Demand Reduction Capacity = Peak Demand Shifting Capacity x Summer Peak Demand Reduction Duration x Lifetime Peak Demand Shifting Capacity = 3.082 kW (Calculation Step 2) Summer Peak Demand Reduction = 6 hrs (Source: Equation 2b) Lifetime = 15 years (Activity Definition BESS4) **Peak Demand Reduction Capacity = 3.082 x 6 x 15 = 277.38 kW**
Step 4: PRCs	**Equation 1**: Number of Certificates = Peak Demand Reduction Capacity x Network Loss Factor x 10 Peak Demand Reduction Capacity = 277.38 (Calculation Step 3) Network Loss Factor = 1.05 (Source: Table A3 of the PDRS Rule) Number of Certificates = 277.38 x 1.05 x 10 = 2,912.49 **Number of Certificates = 2,912**

C.9 BESS5 – Install a new behind the meter energy storage system (commercial and industrial businesses)

Step	Description
Scenario	The site is an industrial business site. A solar photovoltaic system was installed behind the meter at the site 1 month before the battery installation. Location: Blacktown (Postcode: 2148) (Endeavour Energy distribution)
Product	The product is a meter energy storage system tested and passed the unit or module level test in accordance with UL9540A with a Usable Battery Capacity of 15,000 kWh and Battery Inverter Output 3,000 kW Equipment meets the Equipment Requirements
Step 1: Demand Shifting Component	**Equation BESS5.2**: Demand Shifting Component = Battery Capacity x 0.1 kW/kWh Battery Capacity = 10,000 kWh (Source: Lesser of Usable Battery Capacity, 10,000 kWh or 4 times Battery Inverter Output) **Demand Shifting Component = 10,000 kWh x 0.1 kW/kWh = 1,000 kW**
Step 2: Peak Demand Shifting Capacity	**Peak Demand Shifting Capacity** = Demand Shifting Component x Firmness Factor Demand Shifting Component = 1000 kW (Calculation Step 1) Firmness Factor = 1 (Source: Table A6 of the PDRS Rule) **Peak Demand Shifting Capacity = 1,000 x 1 = 1,000 kW**
Step 3: Peak Demand Reduction Capacity	**Equation 2b**: Peak Demand Reduction Capacity = Peak Demand Shifting Capacity x Summer Peak Demand Reduction Duration x Lifetime Peak Demand Shifting Capacity = 1,000 kW (Calculation Step 2) Summer Peak Demand Reduction = 6 hrs (Source: Equation 2b) Lifetime = 15 years (Activity Definition BESS5) **Peak Demand Reduction Capacity = 1,000 x 6 x 15 = 90,000 kW**
Step 4: PRCs	**Equation 1**: Number of Certificates = Peak Demand Reduction Capacity x Network Loss Factor x 10 Peak Demand Reduction Capacity = 90,000 (Calculation Step 3) Network Loss Factor = 1.05 (Source: Table A3 of the PDRS Rule) Number of Certificates = 90,000 x 1.05 x 10 = 945,000 **Number of Certificates = 945,000**

[1] Cls 108 and 114 of Schedule 4A to the *Electricity Supply Act 1995.*
[2] Cl 83(1) of Schedule 4A to the *Electricity Supply Act 1995*.
[3] Cl 5.1 of the *Peak Demand Reduction Scheme Rule of 2022*.
[4] S 76 of the *Electricity Supply (General) Regulation 2026*.
[5] Cl 5.2(a) of the *Peak Demand Reduction Scheme Rule of 2022*.
[6] Cl 5.2(a) of the *Peak Demand Reduction Scheme Rule of 2022*.
[7] Cl 5.2(c) of the *Peak Demand Reduction Scheme Rule of 2022*.
[8] Cl 5.2(b) and cl 5.1(b) of the *Peak Demand Reduction Scheme Rule of 2022*.
[9] Cl 5.1(c) of the *Peak Demand Reduction Scheme Rule of 2022.*
[10] Cl 5.4 of the *Peak Demand Reduction Scheme Rule of 2022*.
[11] Cl 106(4) of Schedule 4A to the *Electricity Supply Act 1995*.
[12] Cl 118(7) of Schedule 4A to the *Electricity Supply Act 1995* and cl 6.5 of the *Peak Demand Reduction Scheme Rule of 2022*.
[13] Cl 117 of Schedule 4A to the *Electricity Supply Act 1995.*
[14] Cl 6.1(c) of the *Peak Demand Reduction Scheme Rule of 2022*.
[15] Cl 109(1) of Schedule 4A to the *Electricity Supply Act 1995.*
[16] Cl S 97(3)(a) of the *Electricity Supply (General) Regulation 2026*.
[17] Cl 7.1 of the *Peak Demand Reduction Scheme Rule of 2022*.
[18] Cls 4.1 and 6.1(b) of the *Peak Demand Reduction Scheme Rule of 2022*.
[19] Defined in cl 10 of the *Peak Demand Reduction Scheme Rule of 2022*.
[20] Cl 7.1.2, cl 7.1.5 and cl 8.1.4 of the *Peak Demand Reduction Scheme Rule of 2022*.
[21] Cl 9.1.3 of the *Peak Demand Reduction Scheme Rule of 2022*.
[22] Cl 5.1(b) of the *Peak Demand Reduction Scheme Rule of 2022*.
[23] Cl 7.1.1(a) and cl 9.1.1(a) of the *Peak Demand Reduction Scheme Rule of 2022*.
[24] Cl 8.1.1(a) of the *Peak Demand Reduction Scheme Rule of 2022*.
[25] Defined in cl 10 of the *Peak Demand Reduction Scheme Rule of 2022*.
[26] Cl 7.1.5(a) of the *Peak Demand Reduction Scheme Rule of 2022*.
[27] Cl 5.3(a) of the *Peak Demand Reduction Scheme Rule of 2022*.
[28] Cl 5.3(b) of the *Peak Demand Reduction Scheme Rule of 2022*.
[29] Cl 8.1.1(f) of the *Peak Demand Reduction Scheme Rule of 2022*.
[30] Cls 9.1.1(f) and 9.1.2 of the *Peak Demand Reduction Scheme Rule of 2022*.
[31] Defined in cl 10 of the *Peak Demand Reduction Scheme Rule of 2022*.
[32] Cl 7.1.1(b), cl 7.1.4(b), cl 8.1.1(b) and cl 9.1.1(b) of the *Peak Demand Reduction Scheme Rule of 2022*.
[33] Cl 7.1.1(d), cl 7.1.4(d), cl 8.1.1(d) and cl 9.1.1(d) of the *Peak Demand Reduction Scheme Rule of 2022*.
[34] Cl 7.1.1(c), cl 7.1.4(c), cl 8.1.1(c) and cl 9.1.1(c) of the *Peak Demand Reduction Scheme Rule of 2022*.
[35] Cl 114 of Schedule 4A to the *Electricity Supply Act 1995.*
[36] Cl 106(5) of Schedule 4A to the *Electricity Supply Act 1995.*
[37] Cl 11.10 of the *Peak Demand Reduction Scheme Rule of 2022*.
[38] Cls 9.1.1(g) and 11.14 of the *Peak Demand Reduction Scheme Rule of 2022*.
[39] Cl 6.2 of the *Peak Demand Reduction Scheme Rule of 2022*.
[40] Cl 7.1 of the *Peak Demand Reduction Scheme Rule of 2022*.
[41] Cl 8.1 of the *Peak Demand Reduction Scheme Rule of 2022*.
[42] Cl 9.1 of the *Peak Demand Reduction Scheme Rule of 2022*.
[43] S 106(1) of the *Electricity Supply (General) Regulation 2026*.
[44] Cl 133(1)(b) of Schedule 4A to the *Electricity Supply Act 1995.*
[45] Cl 118(1) of Schedule 4A to the *Electricity Supply Act 1995.*
[46] Cl 6.1(d) of the *Peak Demand Reduction Scheme Rule of 2022*.
[47] Cls 8.1.6(a), 8.1.12(a) and 8.1.17(a) of the *Peak Demand Reduction Scheme Rule of 2022*.
[48] Cl 6.4 of the *Peak Demand Reduction Scheme Rule of 2022*.
[49] Cl 6.8.3 and cl 6.8.4 of the *Peak Demand Reduction Scheme Rule of 2022*.
[50] Sch 1, s 3 of the *Electricity Supply (General) Regulation 2026*.
[51] S 105 of the *Electricity Supply (General) Regulation 2014*.
[52] Cl 117 of Schedule 4A to the *Electricity Supply Act 1995* and s 105 of the *Electricity Supply (General) Regulation 2026*.