

PDRS Rule change – December 2024

6 January 2025

This guide will help you understand changes to the Peak Demand Reduction Scheme Rule of 2022 (**PDRS Rule**) made by the *Peak Demand Reduction Scheme (Amendment No. 3) Rule 2024* (published and commenced on 19 December 2024).

The guide also covers Scheme Administrator requirements to provide battery make and model information and clarifications for battery activities in the PDRS Method Guide.

We've also updated our PDRS Method Guide, audit scopes, application forms and website – see our [What's Out Now](#) page for details.

When the changes take effect

Changes to the PDRS Rule apply from 19 December 2024. Changes to the PDRS Rule and Scheme Administrator requirements are summarised on the next page. Further details, including when each of the changes apply, are provided in the table at the end of the guide.

What you need to do

1. Review this guide, the latest [PDRS Rule](#), our updated [PDRS Method Guide](#) and other guidance.
2. Make sure you understand the changes and how to comply.
3. Update your processes, documents and systems as needed.

For questions about policy changes in the PDRS Rule please contact the Department of Climate Change, Energy, the Environment and Water at sustainability@environment.nsw.gov.au.

If you have any questions about the operation of the updated PDRS Rule or our guidance or requirements, please contact us at ess@ipart.nsw.gov.au.

Key changes

PDRS Rule changes

Heat pump water heater activity (WH1)

- **Suspending Activity Definition WH1 until further notice.** WH1 implementations with an implementation date after 19 December 2024 are not eligible for certificate creation. ACPs can still register certificates for implementations on or before this date.

Battery activities

- Introducing **transitional arrangements for registering battery installations on the DER Register.** These arrangements temporarily allow ACPs to register certificates from BESS1 activities where they have not been able to meet the DER registration requirement after making a proper application to register the battery. The transitional arrangements apply when registering PRCs on or before 19 June 2025.
- Updating the definition of Battery Energy Storage System to clarify that **BESS1 battery installations that use an existing inverter are eligible** for certificate creation provided all PDRS requirements are met.
- Updating BESS1 Equipment Requirements to require **existing inverters used as part of a BESS1 implementation have a warranty of at least 10 years** from the date it was installed.

Scheme Administrator requirement changes

- From 3 March 2025, ACPs will need to provide **make and model data for batteries and new inverters** installed as part of BESS1 implementations when applying to register certificates (make and model data will not be required for existing inverters). Make and model data will also be required to meet monthly reporting requirements.

Change	Impacts	What you need to do
PDRS Rule: Heat pump water heaters (WH1)		
Activity Definition WH1 is suspended until further notice. Clauses 6.9 and 11.8 Activity Definition WH1	WH1 implementations with an Implementation Date after 19 December 2024 are not eligible for PRC creation. PRCs can still be created from WH1 implementations on or before 19 December 2024 provided they meet PDRS requirements. If you have a current application for WH1 accreditation we will contact you to discuss your application.	Ensure you do not register PRCs for WH1 activities where the Implementation Date is after 19 December 2024. See section 9.1.3 of the PDRS Method Guide.
PDRS Rule: Battery installations (BESS1)		
Transitional arrangements for the BESS1 DER Register Implementation Requirement apply to applications to create PRCs from BESS1 implementations made on or before 19 June 2025 (or another date specified by IPART). ACP must have made a proper application to register the battery installation on the DER Register and ensure the battery installation is registered on the DER Register within 60 days of the Implementation Date. Clauses 11.6 and 11.7 Definition of Implementation Requirement Table B.7 of the PDRS Method Guide	Transitional arrangements provide flexibility for ACPs that experience difficulties registering battery installations on the DER Register. ACPs can register PRCs provided they have made a proper application to register the battery. The battery must also be registered on the DER Register within 60 days of the Implementation Date. This will be tested at audit.	Where you experience difficulties registering a battery installation on the DER Register and you want to register certificates from the implementation, you must evidence that you have made a proper application to register the battery installation and ensure the battery is registered on the DER Register within 60 days of the Implementation Date. Understand what IPART considers to be evidence of a proper application for the purposes of the DER Register requirement.– see Table B.7 of the PDRS Method Guide for more details. Update your systems and processes to ensure you're collecting documents that evidence the requirements are met.
Clarifying that existing inverters (e.g. a hybrid inverter installed as part of an existing solar PV system) are considered part of the Battery Energy Storage System. Clause 10, Definition of Battery Energy Storage System	Battery installations that use an existing inverter are eligible for certificate creation provided other PDRS requirements are met.	Understand that a battery implementation is eligible where an existing inverter is used provided other PDRS requirements are met. Ensure you hold evidence that inverters meet scheme requirements (see Table B.7 of the PDRS Method Guide for evidence examples).
Existing BESS1 Equipment Requirement 5 renumbered to 6. Activity Definition BESS1, Equipment Requirement 6	No impact	No action needed.

Change	Impacts	What you need to do
Scheme Administrator requirements to provide make and model data: Battery installations (BESS1)		
<p>From 3 March 2025, make and model data for batteries and new inverters installed under BESS1 must be provided as part of implementation data when applying to register certificates and in monthly reporting information.</p> <p>Clause 6.1(d)(xiv) Condition 4 of your SASC Accreditation Notice Sections 8.4.1 and 10.2.1 of the PDRS Method Guide Table B.7 of the PDRS Method Guide</p>	<p>From 3 March 2025, you must provide battery and inverter make and model data for BESS1 implementations when you apply to register certificates and in your monthly reporting.</p> <p>Inverter make and model is only required where a new inverter is installed as part of the implementation. You do not need to provide inverter make and model data where an existing inverter is used in a battery implementation.</p>	<p>We acknowledge that ACPs have been providing battery make and model data in their monthly reporting and certificate registrations and request that you continue to provide battery data. Please wait until 3 March to start providing inverter make and model data.</p> <p>Start preparing your systems and processes to:</p> <ul style="list-style-type: none"> • identify if a new inverter is being installed as part of a battery installation • collect make and model data for any new inverter being installed. <p>We will provide updates (including updating TESSA and the PDRS CSV Examples template used to upload your data) closer to the commencement date. Keep up to date by reading any scheme updates we send through email.</p> <p>Ensure you provide battery and inverter make and model data once the requirement commences.</p>
Other changes to our Method Guide		
<p>Clarifying eligibility requirements in the PDRS Rule</p> <p>Section 1.5.1 of the PDRS Method Guide</p>	No impact	Make sure you understand and comply with the requirements.
<p>Clarifying warranty requirements and adding examples of how to evidence that inverter warranty requirements are met.</p> <p>Section 5.2.2 and Table B.7 of the PDRS Method Guide</p>	No impact	Review the PDRS Method Guide to understand how you may evidence meeting the scheme requirements. Update your systems and processes accordingly.
<p>Editorial changes to improve clarity in the HADR chapter</p> <p>Section 6.1 of the PDRS Method Guide</p>	No impact	Make sure you understand and comply with HADR requirements.
<p>Editorial changes to improve clarity about how to meet monthly reporting requirements for battery activities</p> <p>Sections 8.4.1 and 8.5.1 of the PDRS Method Guide</p>	No impact	Make sure you understand and comply with your monthly reporting requirements.
<p>Clarifying the wording of examples of how to evidence the following scheme requirements are met:</p> <ul style="list-style-type: none"> • AS/NZS 5139 battery installation requirement • Battery installation must be internet connectable and controllable requirement. <p>Table B.7 of the PDRS Method Guide</p>	No impact	Understand the changes and update your systems and processes to ensure you are collecting documentation that appropriately evidences that the requirements are met.