

2024 PDRS Rule change

28 May 2024

This Quick Reference Guide will help you understand changes to the *Peak Demand Reduction Scheme Rule of 2022 (PDRS Rule)*, and how and when they will apply to implementations.

The Rule change covered by this Quick Reference Guide is the *Peak Demand Reduction Scheme (Amendment No. 1) Rule 2024* published on 24 May 2024.

When the changes take effect

Changes to existing activities will apply to all implementations on or after 1 August 2024, except for the requirement to provide the National Metering Identifier (NMI) which commences on 1 November 2024.

The introduction of new battery activities will commence on 1 November 2024.

The PDRS Rule dated 17 February 2023 will continue to apply to all implementations that occur before 1 August 2024.

Key changes

Changes to the PDRS Rule are summarised on the next page. Details are provided in Table 1 at the end of the guide.

More information on battery activities will be available soon.

PDRS Rule changes

- For all activities, the **National Metering Identifier (NMI) must be provided** as part of implementation data from 1 November 2024
- Heat pump water heater activity (WH1) has changed:
 - Heat pump water heaters with a **volumetric capacity less than or equal to 425L** are no longer eligible
 - **Capacity factor** introduced to scale energy savings to the size of the existing water heater system.
 - The climate zones for heat pump water heater activities are determined by reference to AS/NZS 4234
- Replacement of refrigerated cabinets activity (RF2) has changed:
 - Replacement refrigerated cabinets must **replace an existing product of the same type**, either in the GEMS Registry or by being of a corresponding type under AS 1731
 - Refrigerated cabinets with **four or more display sides are not eligible**
 - **Lifetimes reduced to 8 years from 12 years** for Class 7, 8 and 11 refrigerated cabinets with more than 3.3m² of display area
- Pool pump activity (SYS2) has changed:
 - **Installation of a new pool pump** is now eligible under the same activity definition.
 - The new pool pump must be registered in the GEMS Registry as **complying with the GEMS Determination only**.
 - **Lower minimum star rating** of 4 stars.
 - **Changes to peak demand savings capacity calculations**, including amended equations, increased adjustment factors, and decreased lifetime.
- Activities have been removed from the Rule:
 - The installation of high efficiency motors and the removal of a spare fridge or freezer are **no longer eligible activities** (SYS1, RF1)
- New methods and activities commencing from 1 November 2024.
 - **Installation of a new home battery system** (BESS1), a new activity under the Store and Shift Capacity method.
 - **Signing of a home battery system up to a demand response contract** (BESS2), a new activity under the Household Annual Demand Response method.
- **New and amended definitions** to improve clarity and consistency

What you need to do

1. Review this guide, the latest PDRS Rule (which will apply to all implementations on or after 1 August 2024) and our [PDRS Rule](#) webpage. We'll update our other guidance and documents soon and keep you informed.
2. Start preparing your business now by updating your processes, documents and systems as needed. More information to help you get ready for battery activities will be available soon.
3. Implement the changes from **1 August 2024**.

If you have any questions about the updated PDRS Rule or our guidance, please contact us at ess@ipart.nsw.gov.au. For questions about policy changes in the PDRS Rule, please contact the Department of Climate Change Energy Environment and Water at sustainability@environment.nsw.gov.au.

Table 1 Detailed changes to the PDRS Rule

Change	Impacts	What you need to do
All activities		
Introduces the National Metering Identifier (NMI) as part of the implementation data requirements – clause 6.1(d)(v)	NMI data needs to be supplied as part of implementation data for all PDRS implementations on or after 1 November	Prepare your systems to collect NMI data from the householder. From 1 November 2024 onwards, you will need to upload the householder's NMI as part of your implementation data when registering certificates.
Replacement of water heaters (WH1)		
Heat pump water heaters must have a volumetric capacity greater than 425L – Schedule B	All heat pump water heaters that have a volumetric capacity less than or equal to 425L are no longer eligible under the scheme.	Review your product offerings and ensure that your representatives are aware of which products are eligible.
Equation for the calculation of capacity amended to include a capacity factor – Schedule B	Capacity calculations must now be scaled using a capacity factor when replacing an existing water heater system with a larger system.	Review the new equations and use the capacity factor correctly when replacing a water heater system with a larger system. Collect evidence to support these calculations.
Replacement of refrigerated cabinets (RF2)		
Refrigerated cabinets with four or more display sides are no longer eligible for RF2 – Schedule B	Certain equipment models will no longer be eligible under the Rule.	Review your product offerings, and ensure your representatives are aware that products with four or more display sides are no longer eligible.
All Class 7, 8 and 11 refrigerated cabinets now have the same lifetime of 8 years for RF2 – Schedule B	Products of classes 7, 8 or 11 with a display area greater than 3.3m ² now have shorter deemed lifetimes and are now eligible for the creation of fewer certificates.	Review your product offerings and your calculation of peak demand savings capacity for these products.
Clarifies that replacement refrigerated cabinets must be the same type of product as the existing refrigerated cabinet under RF2 – Schedule B	<p>Replacement refrigerated cabinets must be of a particular class, depending on the type of the original refrigerated cabinet.</p> <p>The existing refrigerated cabinet will not be eligible for replacement under the scheme if it is not of a relevant Product Type (see Table RF2.1) within AS 1731 or if it is not listed as a refrigerated cabinet on the GEMS Registry.</p>	Review the requirement and make sure you and your installers understand how to check the product type of the existing equipment and are offering appropriate options to the purchaser.

Change	Impacts	What you need to do
Pool pump activities (SYS2)		
Installing a new pool pump now included in Activity Definition SYS2	Installing a new pool pump is now an eligible activity under the PDRS.	If you are accredited for Activity Definition SYS2, you will automatically be able to create PRCs when you install new pool pumps on or after 1 August 2024. You do not need to apply to have this added to your accreditation.
New pool pumps must be registered in the GEMS Registry as meeting the <i>Greenhouse and Energy Minimum Standards (Swimming Pool Pump-units) Determination 2021</i> . They must also achieve minimum star ratings of at least 4. New pool pumps meeting the Voluntary Energy Rating Labelling Program are no longer eligible.	New pool pumps must comply with GEMS (Swimming Pool Pump-units) Determination 2021 and have a minimum 4-star rating. Some pool pumps may now be excluded under the new equipment requirements.	Review the new Activity Definition SYS2 and the amended equipment requirements and calculations. Make sure installed EUE meets the new equipment requirements.
Equations to calculate capacity have been simplified, and now rely on data available from the GEMS Registry. Lifetime of equipment has been reduced from 12 to 10 years. Peak adjustment factor and baseline peak adjustment factors have been increased from 0.28 to 0.41.	Peak demand savings capacity calculations have changed, and now use the Nameplate Input Power, the Projected Annual Energy Consumption and Daily Run Time factors from the GEMS Registry. Equipment Lifetime has also been reduced to 10 years.	Make sure you are calculating peak demand savings capacity using the correct factors and lifetimes for implementations on or after 1 August 2024.
High efficiency motors and removal of spare refrigerator or freezer (SYS1 and RF1)		
The installation of a high efficiency refrigeration or ventilation motor and replacement activity has been removed from the PDRS Rule – SYS1	The activity will no longer be eligible under the PDRS.	Review your product offerings, and ensure your representatives are aware that this activity is no longer eligible.
The remove a spare refrigerator or freezer activity has been removed from the PDRS Rule – RF1	The activity will no longer be eligible under the PDRS.	Review your product offerings, and ensure your representatives are aware that this activity is no longer eligible.

Change	Impacts	What you need to do
New battery activities		
<p>Introduced new activities for the installation of a battery energy storage system, under the new Store and Shift Capacity method, and the signing up of a residential battery to a demand response contract, under the new Household Annual Demand Response method.</p>	<p>Battery installations and signing of demand response contracts that occur on or after 1 November will be eligible for certificate creation.</p> <p>More information will be available on these activities soon.</p>	<p>You can subscribe to our PDRS mailing list to receive the latest information about battery activities and becoming accredited.</p>