

## HADR – Audit scope – ACPs

Note: If the BESS2 Implementation Date is before 1 July 2025, ACPs may use either the 10 June 2025 or 19 December 2024 version of the Rule to calculate Peak Demand Reduction Capacity (**Capacity**). ACPs must meet the requirements of the Rule used to calculate Capacity. If using the 19 December 2024 version of the Rule to calculate Capacity, please use HADR – Audit scope – ACPs – Method Specific scope items - version 1.1. If using the 10 June 2025 version of the Rule to calculate Capacity, please use HADR – Audit scope – ACPs – Method Specific scope items - version 1.2 (this version).

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

Table 1 Eligibility Scope Items

Requirement	Audit Procedure	Audit Tier
Calculation of peak demand reduction capacity	<ul style="list-style-type: none"> <li>Review the evidence provided to support the parameters used in the peak demand reduction capacity calculations.</li> <li>Check that the correct equations and factors have been used for the applicable Implementation Date and Activity Definition in Schedule D of the PDRS Rule.</li> <li>Check any implementation data sheets or uploads to the Registry of Certificates are correct, including the National Metering Identifier.</li> </ul>	1
Capacity holder requirements <ul style="list-style-type: none"> <li>For Activity Definition BESS2, the capacity holder must have been the account holder of the electricity account for the National Metering Identifier (<b>NMI</b>), and must be the person who has signed the contract with the Demand Response Aggregator (<b>DRA</b>)</li> </ul>	Review evidence to confirm the capacity holder was both: <ul style="list-style-type: none"> <li>the account holder of the electricity account for the NMI where the battery system is installed</li> <li>the person who has signed the contract with the DRA.</li> </ul> Where there is more than one account holder, only one account holder needs to sign the contract with the DRA.	1
Banned VPP or DRA	Check that the implementation did not involve onboarding a battery with a VPP or DRA that is the subject of a Ban Notice published by the Scheme Administrator.	1

Requirement	Audit Procedure	Audit Tier
Implementation date and address requirements	<ul style="list-style-type: none"> <li>Confirm the correct Implementation Date has been recorded by the ACP.</li> <li>Confirm the address where the implementation took place.</li> <li>Check the evidence identifies the date the battery was Onboarded with the DRA.</li> <li>Check the Implementation Date for Activity Definition BESS2 is on or after 1 November 2024.</li> </ul>	1
Demand Response Aggregator	<ul style="list-style-type: none"> <li>Check that the DRA party to the contract meets the definition of a DRA. That is, they: <ul style="list-style-type: none"> <li>aggregate demand response capacity <b>and</b> is either a Market Participant (as defined under clause 2.4 of the National Electricity Rules) or a Network Service Provider (as defined under clause 2.5 of the National Electricity Rules), or</li> <li>have a contract with a Market Participant or a Network Service Provider to aggregate demand response capacity (and related activities) on their behalf.</li> </ul> </li> </ul>	2
Site requirements	Check that:	1
	<ul style="list-style-type: none"> <li>BESS2 activities are implemented in residential buildings (and for implementations from 1 July 2025, in small business sites) in NSW connected to the NSW electricity network.</li> </ul> <p>where:</p> <ul style="list-style-type: none"> <li>a 'residential building' means a building or part of a building classified by the Building Code of Australia (<b>BCA</b>) (within the meaning of the <i>Environmental Planning and Assessment Act 1979</i>) as a Class 1, Class 2 or Class 4 building, and may include any non-habitable building (BCA Class 10a or 10b) on the same site.</li> <li>a 'small business site' means a Site: <ul style="list-style-type: none"> <li>a) that is entirely occupied by one business with ABN recorded to meet the requirements of clause 6.1(d)(viii), and</li> <li>b) where the business, as a consumer of electricity at the Site: <ul style="list-style-type: none"> <li>i. is a Small Customer (and, for the avoidance of doubt, has not aggregated its load at the Site with consumption at other Sites for the purposes of being treated as a Large Customer under its electricity purchase arrangements); or</li> <li>ii. is a customer of an Exempt Seller and has an annual electricity consumption below the Upper Consumption Threshold for electricity.</li> </ul> </li> </ul> </li> </ul>	2
	Check the building type through a phone survey of the account holder.	
Eligibility requirements in Activity Definitions	<ul style="list-style-type: none"> <li>Check that the eligibility requirements of the applicable Activity Definition have been met immediately prior to the implementation date.</li> </ul>	See Activity-specific scope
Equipment requirements in Activity Definitions	<ul style="list-style-type: none"> <li>Check that each item of End-User Equipment meets all the equipment requirements, for the applicable Activity Definition.</li> </ul>	See Activity specific scope

Requirement	Audit Procedure	Audit Tier
Implementation requirements in Activity Definitions	<ul style="list-style-type: none"> <li>Check the completed implementation satisfies all the Implementation Requirements of the applicable Activity Definition.</li> </ul>	See Activity specific scope
Demand response contract	<ul style="list-style-type: none"> <li>Check that the demand response contract is between the DRA, and the account holder of the electricity account for the NMI where the battery is installed.</li> <li>Check that the demand response contract has been signed by the account holder of the electricity account at the Site.</li> <li>Check that the demand response contract is for at least 12 months</li> </ul>	1
No subsequent certificate creation until 3 years after previous Implementation Date.	<ul style="list-style-type: none"> <li>Check that certificates have not been created, or are proposed to be created, at the same NMI for BESS2.</li> </ul>	1
Phone survey requirements	<p>The phone survey should confirm with the account holder:</p> <ul style="list-style-type: none"> <li>that they have been informed who the ACP is</li> <li>that a copy of their Nomination was provided to the account holder</li> <li>that relevant fact sheets were provided to the account holder upon quotation</li> <li>that they signed and dated the Nomination</li> <li>the date that the battery was onboarded with the DRA to assist in confirming the implementation date of the implementation</li> <li>that the site meets the requirements of the Activity Definition</li> <li>that the account holder is satisfied with the implementation and has not experienced issues such as faulty operation, a reduction in safety levels or a permanent reduction in service levels.</li> </ul>	Subset of Tier 2