

PDRS Method Guide consultation – What we heard

16 July 2024

Thank you to everyone that provided a submission to our consultation on the draft Peak Demand Reduction Scheme (**PDRS**) Method Guide. This paper outlines the key insights from the consultation including a summary of stakeholder feedback. We have carefully considered the feedback provided in finalising our PDRS Method Guide (**Method Guide**). We have also used feedback on the draft BESS2 Nomination Specification to inform our nomination approach for activity BESS2.

We received 29 written submissions and met with the Clean Energy Council at its request to present the Method Guide and hear member views. Submissions included:

- 18 public submissions that are published on our website
- 10 confidential submissions that have not been published, as well as one submission that did not include a cover sheet. Feedback in these submissions has been included in the summary of stakeholder feedback (section 3).

1 Consultation outcomes

We have taken feedback from the consultation on board by:

- more closely aligning with requirements that the clean energy industry is familiar with for solar installations under the Clean Energy Regulator (**CER**) administered Small-scale Renewable Energy Scheme (**SRES**), including:
 - adding a selfie as example evidence of accredited installer participation
 - adding an annotated site map as example evidence of installation location
- providing further clarification throughout the Method Guide where feedback suggested there was a need for clarity or the intention was misunderstood, including:
 - confirming when in the process the Scheme Administrator will request evidence to be provided within 7 days of the request
 - clarifying the ways a customer nomination and agreement can be made.

We have also now specified the product and installer lists for the battery activities:

- the product list will be the Clean Energy Council's approved battery list
- the installer list will be Solar Accreditation Australia's list of installers holding the Grid Connect Battery Storage Design and Install or Install only accreditations.

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders both past and present. We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

2 Key insights from feedback

- Respondents generally supported the evidence requirements in the Method Guide.
- Stakeholders wanted greater clarity on installer and product list requirements.
- There was a view that the requirements could more closely align with the requirements already in place for solar installs under the SRES which stakeholders are familiar with.
- There was limited support for the proposed requirement to submit implementation data by the 15th day of each calendar month for implementations in the previous calendar month, with many respondents suggesting this could be extended to the end of the month.
- Respondents supported providing factsheets to consumers and suggested that they should be provided on quotation.
- Some respondents highlighted that it might be difficult for consumers to comment on whether they were satisfied with a battery installation without the appropriate technical knowledge.
- Risk management and internal audit policies have been added to the Method Guide to reflect the importance of mitigating risk associated with batteries.
- Several respondents commented on issues outside the scope of the Method Guide that fall under the responsibility of the Department of Climate Change, Energy, the Environment and Water (DCCEEW) as the policy maker. We have passed this anonymised feedback on to the DCCEEW for consideration as part of PDRS Rule development.

3 Summary of stakeholder feedback

Section/question	Summary of stakeholder feedback	IPART response
3 Our approach to the PDRS Method Guide		
<p>Do you support the approach we have taken? Would you prefer a single Method Guide covering all previous versions of the Rule?</p>	<ul style="list-style-type: none"> • Respondents were generally supportive of the approach taken. • Feedback was mixed on whether it is appropriate to have a single Method Guide covering previous versions of the Rule, with some comments suggesting it is hard to say until this document has been developed. 	<ul style="list-style-type: none"> • We will keep separate versions of the Method Guide for different versions of the Rule. We will continue to monitor the impact Rule changes and transitional periods have on the Method Guide application and understanding and adjust our approach as needed.
4 Method Guide Requirements		
4.1 Monthly implementation data requirement		
<p>Do you see any issues or problems with the requirement to provide BESS1 and BESS2 implementation data to us by the 15th day of the following calendar month? Is the timing for providing the data practical to implement? Do you see any issues or problems with the requirement to have and keep photographic evidence that implementations meet requirements by the upload date?</p>	<ul style="list-style-type: none"> • Several respondents suggested that the requirement for implementation data to be provided by the 15th day of the following calendar month should be changed to be the end of the following calendar month. 	<ul style="list-style-type: none"> • We will maintain the requirement to provide implementation data by the 15th day of the following calendar month, reflecting that new battery activities present a higher risk when introduced into the PDRS. Access to data closer to the date of implementation will allow quicker detection of unsafe or non-compliant installations and reduces the potential risk to consumers. We will monitor implementation data provided and adapt our approach as needed to appropriately manage risks.
4.2 Requirement to provide evidence on request		
<p>Do you see any issues or problems with the requirement to provide evidence within 7 days if requested?</p>	<ul style="list-style-type: none"> • Respondents sought clarification over when in the process this evidence may be required. They suggested it should be after certificate registration and it would be difficult to obtain within 7 days before certificate registration. 	<ul style="list-style-type: none"> • We have clarified that the evidence is to be provided within 7 days of the request and that the timing may be before certificate registration. This is important for quick detection of unsafe or non-compliant installations and allows for feedback to inform improvements to installation practices in a timely manner. • The use of requests for evidence will be targeted.

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4.3 Fact sheet requirements		
<p>Do you see any issues or problems with the requirement to provide fact sheets to BESS1 and BESS2 consumers? Is the proposed timing for providing the fact sheet practical to implement? How could you provide the fact sheet to consumers? What records could be kept as evidence that fact sheet requirements have been met?</p>	<ul style="list-style-type: none"> • Respondents were supportive of the fact sheet requirements with many suggesting this could be done digitally via email. • At the time of quotation was suggested as the best timing for providing factsheets, with a customer declaration or copy of email providing evidence that the requirement has been met. 	<ul style="list-style-type: none"> • We have clarified that fact sheets can be provided digitally. • Fact sheets are to be provided at the time of quotation to enable consumers to make informed decisions.
5 Capacity holder nomination requirements		
<p>Do you see any issues or problems with the proposed nomination specification? How would you meet the requirements in the BESS2 Nomination Specification? What format would you likely implement for your contract? Do you see any issues or problems complying with the Method Guide Representative Requirements for DRAs? How could these issues or problems be overcome?</p>	<ul style="list-style-type: none"> • Most respondents agreed with the format of the proposed BESS2 nomination specification. • Some respondents suggested alternatives to digital or physical signatures should be allowed, such as agreement on a digital form or a verbal agreement when signed up over the phone. 	<ul style="list-style-type: none"> • The use of verbal agreements will not be accepted as evidence of implementing a contract. Financial incentives through certificate creation presents a risk of high pressure sales tactics. • Digital forms will be accepted, in addition to physical or digital signatures, as these options allow the consumer time to consider their options.
6 Evidence requirements		
6.1 BESS1- and BESS2-specific eligibility requirements		
<p>Are the examples in the Method Guide practical? Do you see any issues or problems with the proposed examples? Are there other ways you could evidence that requirements have been met?</p>	<ul style="list-style-type: none"> • Respondents were generally supportive of the examples provided. • Some respondents suggested aligning closer with existing requirements under the SRES, such as site maps that annotate the location of the battery and selfies as evidence that an approved installer has completed the installation. 	<ul style="list-style-type: none"> • We have included additional examples in the Method Guide.
6.2 Equipment requirements		
<p>Are the examples in the Method Guide practical? Do you see any issues or problems with the proposed examples? Are there other ways you could evidence that requirements have been met? For BESS1, would a declaration signed by the customer (after implementation) confirming installation details and their satisfaction with the installation be useful for evidencing requirements have been met? Do you see any issues with introducing this requirement?</p>	<ul style="list-style-type: none"> • Respondents were generally supportive of the approach taken. • Some respondents suggested consumers may not have the technical knowledge to be able to sign off on whether a system has been installed to their satisfaction. 	<ul style="list-style-type: none"> • We have amended the declaration to require that the consumer has been provided with the details of who to contact if any issues arise with the installation.

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<p>How would you evidence the BESS2 Life Support requirement? How would you evidence that EUE is internet connectable and controllable by a DRA?</p>		
<p>6.3 Implementation requirements</p> <p>Are the elements of AS/NZS 5139 we have focused on appropriate? Should we include other elements of AS/NZS 5139? Are the evidence requirements in the Method Guide relating to AS/NZS 5139 practical for you and your installers to meet? If you are already installing batteries, what are your current systems and processes to ensure installations are meeting AS/NZS 5139 and what records do you currently keep? For other BESS1 and BESS2 implementation requirements, are the examples in the Method Guide practical? Do you see any issues or problems with the proposed examples? Are there other ways you could evidence that requirements have been met?</p>	<ul style="list-style-type: none"> The feedback from some respondents suggested the photos selected to prove compliance with AS/NZS 5139 will not be a replacement for a site inspection. However, respondents suggested the focus on location will provide a good indication of quality of compliance with high-risk items under the installation standard. 	<ul style="list-style-type: none"> We have maintained the evidence requirements relating to AS/NZS 5139. We will continue to monitor which elements of AS/NZS 5139 are being monitored through evidence requirements as implementations occur and as audits or inspections take place, either within the scheme or through external compliance programs.
<p>Other feedback</p>		
<p>Do you have any other feedback on the Method Guide?</p>	<ul style="list-style-type: none"> Several respondents commented on the commencement date of battery activities and the equipment requirements listed in the PDRS Rule. 	<ul style="list-style-type: none"> IPART has passed anonymised feedback that relates to commencement timing and the PDRS Rule to DCCEE, which is responsible for the policy settings and Rule development.