

# PDRS Rule change

16 September 2024

This Guide will help you understand changes to the *Peak Demand Reduction Scheme Rule of 2022 (PDRS Rule)* that will apply to implementations in the coming months. It covers changes made by the *Peak Demand Reduction Scheme (Amendment No. 2) Rule 2024* (published on 6 September 2024 and commenced 13 September 2024). It also covers further changes to our requirements in the PDRS Method Guide.

Changes to the PDRS Rule that commenced on 1 August 2024 are not covered in this guide. Visit the [PDRS Rule](#) page and see the [PDRS Quick Reference Guide – May 2024](#) for details about these changes.

You can subscribe to our [PDRS mailing list](#) to receive the latest information about battery activities and accreditations.

## When the changes take effect

The latest PDRS Rule applies to all PDRS implementations from 13 September 2024. Changes that affect battery activities and Implementation Data requirements will apply to implementations from 1 November 2024.

We have updated our PDRS Method Guide to reflect these changes to the PDRS Rule and have made additional changes to our requirements which will commence on 1 November 2024.

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

## Key changes

### Changes to the Rule

- The following data must be provided as part of **implementation data** for all activities implemented on or after 1 November 2024:
  - For all PDRS activities, the **National Metering Identifier (NMI)** where the activity took place
  - For BESS1 and BESS2 only, the **installer's name and Solar Accreditation Australia accreditation number**.
- **Multiple batteries are allowed** for BESS1 and BESS2 where the installed batteries meet the definition of a Battery Energy Storage System and the updated equipment requirements.
- **Battery warranty requirements have been lowered** for BESS1 and BESS2 activities implemented before 1 April 2026.
- Battery warranty requirements **can now be met by an equivalent to energy throughput** such as battery cycles.
- **Minor changes to pool pump requirements** have been made.
- WH1 savings provisions have been removed - **water heaters installed before 29 September 2022 are no longer eligible** for certificate creation.

### Changes to our requirements

- The Scheme Administrator intends to require the following data to be provided as part of **implementation data** for all activities implemented on or after 1 November 2024:
  - the **licence type and licence number** of each person who performs or supervises work that must be performed/supervised by a licensed person.
- **Battery serial numbers must be collected** for all BESS1 and BESS2 implementations.
- You may also be required to **provide information specified in a Banned EUE Notice to us** (for example, serial numbers).
- **Evidence requirements** for battery activities have been updated.

## What you need to do

1. Review this guide, the latest [PDRS Rule](#) (which will apply to all implementations on or after 13 September 2024) and our updated PDRS Method Guide.
2. Start preparing your business now by updating your processes, documents and systems as needed.
3. Implement the changes to be ready for the commencements of the changes.

If you have any questions about the updated PDRS Rule or our guidance or requirements, please contact us at [ess@ipart.nsw.gov.au](mailto:ess@ipart.nsw.gov.au). 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](mailto:sustainability@environment.nsw.gov.au).

**Table 1 Detailed changes to the PDRS**

Change	Impacts	What you need to do
<b>All PDRS activities: Implementation Data to be provided</b>		
<p>The following must be collected and provided with your Implementation Data when you apply to register certificates, where the Implementation Date is on or after 1 November 2024:</p> <ul style="list-style-type: none"> <li>For all PDRS activities – National Metering Identifier (NMI) – <b>clause 6.1(d)(v)</b></li> <li>For all PDRS (and all ESS) activities – Installer licence number and type – <b>will be required by the Scheme Administrator under clause 6.1(d)(xiv)</b></li> <li>For all BESS1 activities – Installer name and accreditation number with Solar Accreditation Australia (SAA) – <b>clause 8.1.6</b></li> </ul>	<p>You will need to collect the relevant data for each implementation from 1 November 2024.</p> <p>You will need to provide this data as part of your Implementation Data upload in TESSA when registering certificates.</p>	<p>Review and update your systems to collect NMIs, installer licence data and (for BESS1 only) SAA accreditation data.</p> <p>We will publish updated CSV specifications soon.</p> <p>If you are accredited for any ESS activities, you will need to update your systems for all ESS activities.</p>
<b>All PDRS activities: Banned equipment</b>		
<p>You must not register certificates for equipment that has been banned by the Scheme Administrator in a Banned EUE Notice.</p> <p>You may also be required to provide information specified in a Banned EUE Notice to the Scheme Administrator.</p> <p><b>Clause 6.6 Definition of Banned End-User Equipment Notice Section 8.6 of the PDRS Method Guide</b></p>	<p>If the Scheme Administrator bans EUE (for example, if there is a product recall), you will not be able to register certificates for that EUE, even if the implementation date is before the date of the Notice.</p> <p>You may also be required by a Banned EUE Notice to provide certain information to the Scheme Administrator.</p>	<p>Prepare your systems and processes so you can readily identify any banned EUE implementations and provide information if required by the Scheme Administrator.</p> <p>Review your internal audit processes to ensure you do not register certificates for banned EUE.</p> <p>Check our website regularly and read our communications to ensure you are aware of changes to the scheme.</p>
<b>BESS1 and BESS2</b>		
<p>Multiple batteries are now eligible where they meet the following requirements:</p> <ul style="list-style-type: none"> <li>They are installed on the same day behind the same NMI, and collectively constitute a system. A system can be comprised of batteries with or without built-in inverters.</li> <li>Each individual battery must be listed on the Clean Energy Council's approved batteries list.</li> <li>The total Usable Battery Capacity of all the batteries (as they are listed on the Clean Energy Council's approved batteries list) must be greater than 2 kWh and less than 28 kWh.</li> <li>Each battery must meet the warranty requirements in the Activity Definitions.</li> </ul>	<p>Multiple batteries are eligible if they meet the definition of Battery Energy Storage System in the Rule.</p> <p>The total capacity (not the capacity of each individual battery) must be greater than 2 kWh and less than 28 kWh.</p> <p>For BESS1, a site with an existing battery is still ineligible – the installation of additional capacity at a site with an existing battery is not eligible for certificates.</p>	<p>Review the definitions for <b>Battery Energy Storage System</b> and <b>Usable Battery Capacity</b> in the PDRS Rule.</p> <p>Ensure you and your representatives:</p> <ul style="list-style-type: none"> <li>understand how the scheme's requirements apply to multiple batteries, including the total capacity that can be installed</li> <li>refer to the Usable Battery Capacity on the Clean Energy Council's approved batteries list (not the battery's nameplate capacity) when determining which batteries to install</li> <li>collect a minimum co-payment of \$200 (excluding GST) for each battery being installed.</li> </ul>

Change	Impacts	What you need to do
<p>A minimum co-payment of \$200 (excluding GST) must be paid for each individual battery being installed</p> <p><b>Clauses 8.1.1(f) and 8.1.4</b>  <b>Definition of Battery Energy Storage System</b>  <b>Definition of Usable Battery Capacity</b>  <b>Activity Definitions BESS1 and BESS2</b></p> <p>Minimum warranted cumulative energy throughput of batteries lowered to 2.8 MWh per kWh of Usable Battery Capacity where the implementation date is before 1 April 2026.</p> <p>This minimum increases to 3.65 MWh per kWh where the implementation date is on or after 1 April 2026 onwards.</p> <p>The Rule now allows warranties to meet this requirement through an equivalent to MWh per kWh (e.g. battery cycles)</p> <p><b>Activity Definitions BESS1 and BESS2</b></p>	<p>Minimum warranted throughput requirements have been lowered for implementations before 1 April 2026.</p> <p>Warranties that define their normal use operating conditions through other means (such as battery cycles) can satisfy the minimum warranted throughput requirement.</p>	<p>Review the warranty requirements in Activity Definitions BESS1 and BESS2.</p> <p>Review your product offerings and ensure they meet PDRS requirements. Ensure your representatives understand which products are eligible.</p>
<p>Battery serial numbers must be collected for all BESS1 and BESS2 implementations. They must be kept in a way that allows you to easily and quickly identify a battery by its serial number. You may also need to provide this information to us.</p> <p><b>Section 8.5.4 of the PDRS Method Guide</b></p>	<p>You will be required to collect and keep serial numbers for each implementation of BESS1 and BESS2. You may be required to quickly extract this information or a subset of it, and/or provide it to us if we request it. For example, we may request this information in response to a product recall.</p>	<p>Prepare your systems and processes to collect serial numbers. Store these serial numbers in a way that will allow you identify specific batteries quickly and easily.</p> <p>You may be asked to provide this information to the Scheme Administrator as part of a Banned EUE Notice.</p>
<b>Pool pumps (SYS2)</b>		
<p>Implementation Requirement 4 removed for pool pump activities.</p> <p><b>Activity Definition SYS2</b></p>	<p>No impact.</p> <p>You must still ensure that any removal of an existing pool pump complies with relevant standards and legislation.</p>	<p>Continue to ensure your installers and representatives remove pool pumps in compliance with relevant standards and legislation.</p>
<b>Water heater activities (WH1)</b>		
<p>Savings provisions for water heater activities implemented before 29 September 2022 removed.</p>	<p>Water heater implementations before 29 September 2022 are no longer eligible for certificate registration.</p>	<p>Ensure that you do not register PRCs for WH1 activities where the Implementation Date is before 29 September 2024.</p>