

1st July 2024

ESS Team
IPART
Level 16, 2-24 Rawson Place
SYDNEY NSW 2000

Consultation on Draft PDRS Method Guide

Dear ESS team,

Electric Future Sustainability Services (EFSS) welcomes the opportunity to comment on the draft PDRS Method Guide consultation.

EFSS strongly supports the introduction of clear and practical guideline for the industry with some level of flexibility. Please see below our response to the questions raised in the consultation.

Response to the Consultation Questions

3. IPART approach to the PDRS Method Guide

- Do you support the approach we have taken?
- Would you prefer a single Method Guide covering all previous versions of the Rule??

Answer: Yes, we support the general approach to the method guide and provide further feedback on the specific of each item further below.

To assist in tracking and staying on top of changes, we suggest adopting a single Method Guide approach that consolidates all information into one comprehensive document. This would enhance clarity and ease of reference for all stakeholders

4. Method Guide Requirements

1.1. Monthly implementation data requirement

- 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?

Answer: The purpose of this report is not entirely clear. Understanding whether IPART aims to address customer complaints or for other reporting purposes would enable us to suggest a more effective approach.

As an aggregator of certificates, we often experience delays in receiving information from live installations, ranging from a few weeks to a couple of months. While we can provide reports based on the data available in our system, it is important that IPART does not hold the ACP responsible for reporting with 100% accuracy. There will inevitably be some jobs missing in each month's report, and this should be acknowledged and accepted in the reporting process.

- **Is the timing for providing the data practical to implement?**

Answer: *No, the current timing is not practical to implement. Given that there is a similar reporting requirement under the HEER/IHEAB accreditation for each ACP, we recommend harmonizing the timing of these reports with the same level of flexibility as the HEER/IHEAB method. Specifically, we suggest reporting on the implementation data by the end of the next month rather than by the 15th. This adjustment would provide a more manageable timeframe and align with existing reporting practices.*

- **Do you see any issues or problems with the requirement to have and keep photographic evidence that implementations meet requirements by the upload date? Please provide details or examples where possible.**

Answer: *Yes, this requirement presents several challenges. As an aggregator ACP, we may not have received the necessary documentation by the upload date, or the jobs may still be undergoing our internal QA process due to missing evidence. This can result in delays and inaccuracies in reporting, making it difficult to comply with the requirement consistently.*

1.2. Requirement to provide evidence on request

- **Do you see any issues or problems with the requirement to provide evidence within 7 days if requested? Please provide details or examples where possible.**

Answer: *Yes, as explained above this will be very problematic. We suggest changing this requirement to provide the requested evidence within 7 days from the registration of the certificates. This adjustment would offer a more feasible timeframe for compliance.*

1.3. Fact sheet requirements

- **Do you see any issues or problems with the requirement to provide fact sheets to BESS1 and BESS2 consumers?**

Answer: *No*

- **Is the proposed timing for providing the fact sheet practical to implement?**

Answer: *Considering that the solar industry already has an established process that includes providing detailed proposals to customers, we suggest adjusting the timing requirement to coincide with the sales process. Including the fact sheet as part of the quoting process would allow customers to make an informed decision based on comprehensive information provided upfront. This adjustment would allow the customer to make an educated decision ensure practicality and enhance customer satisfaction.*

- **How could you provide the fact sheet to consumers?**

Answer: *We suggest sending the fact sheet with the proposal (or embedded in the proposal / or Nomination form) at the time of the sales.*

Please note that we suggest including in the nomination form only if it is signed prior to the upgrade not on the day of the implementation.

- **What records could be kept as evidence that fact sheet requirements have been met? Please provide details or examples where possible.**

Answer: It could be a copy of dated customer proposal/Nomination form showing the fact sheet is embedded or evidence of an auto generated email from the system showing that proposal and fact sheet has been provided to the customer prior to the activity date.

5. Capacity holder nomination requirements

- **Do you see any issues or problems with the proposed nomination specification?**

Answer: Considering the forms will be autogenerated, we suggest allowing the prefilled areas ie name of the original capacity holder, which is currently highlighted in blue, to be filled out by the system rather than manually by the person.

Additionally, considering that Power Purchase Agreements (PPA) are a common approach in the solar industry, there is some ambiguity regarding who will be designated as the capacity holder and the purchaser for the purpose of BESS2 and BESS1. Since the equipment will be leased for the period of the contract at each address by the PPA provider, we request that IPART clarify different scenarios to define who should be listed as the capacity holder and purchaser in such arrangements. This clarification would help ensure compliance and avoid confusion in the nomination process.

In the PPA scenario, the designated capacity holder should be the service provider. The service provider holds the ownership and control of the battery system and provides access to the selected energy retailer. The end-user does receive an on-bill discount for the lifetime of the agreement by giving the control over to the service provider and energy retailer at contract execution.

- **How would you meet the requirements in the BESS2 Nomination Specification?**
- **What format would you likely implement for your contract?**

Answer:

Most likely the text will be embedded in the contract and signature will be collected through automated process.

- **Do you see any issues or problems complying with the Method Guide Representative Requirements for DRAs? How could these issues or problems be overcome? Please provide details or examples where possible**

Answer: This requirement could be very challenging specially where the DRA that are possibly large energy retailers with wide range of employers offering the solution to customers. Complying with this requirement would be a complicated and unnecessary exercise, placing a significant burden on the ACPs' processes.

6. Evidence requirements

3.1. BESS1- and BESS2-specific eligibility 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?**
Please provide details or examples where possible

Answer: *While some of the examples in method guide are practical, we found the following unreasonable:*

1. *Evidence of min copayment is not reasonable. The solar and battery industry operates on an established business model that includes a few financing options, which differs significantly from other activities under ESS & PDRS. Common approaches include asset financing/leasing or Power Purchase Agreements (PPA), where the customer pays according to a finance plan agreed upon in a contract or pays nothing during the PPA contract duration. Expecting certificate creation only after sufficient payment is made and evidenced is unreasonable. Demonstrating that a finance or PPA contract is in place should suffice to meet the minimum copayment requirement.*
2. *Evidence of complying with AS/NZS 5139, the suggested evidence requirement seems unreasonable and unclear particularly around the following requirements:*
 - a) *Geotagged photos: While all suggested photos can be captured on site, given the complexity and unique features of each site, it will be challenging to establish eligibility by reviewing the photos on a desktop. We recommend retaining the long shot photo showing the context and surroundings of the battery installation and replacing the other photos with a site map, which is already required under RES. A hand-drawn or electronic site map showing the battery's location relative to other parts of the building (e.g., exit, window, air conditioning unit, hot water tank, habitable room) should suffice.*
 - b) *Signage and labels: The requirement of labels and stickers on the battery and the switchboard is very complex. While each battery comes with over 20 sticker, it is not quite clear which label required for which upgrade scenario.*

We strongly suggest IPART to publish some example and clear guidelines on this topic specifically to allow the industry to educate their workforce and compliance teams to ensure meeting the requirements.

3. *Evidence of unrestricted electrical licence- Considering that the accredited installers for installation of the battery are already verified as part of the accreditation process, this extra evidence proposed by IPART seems to be redundant and place an extra burden on ACPs.*
4. *Installer evidence: We suggest keeping the selfie photo of the installer in line with STC requirement for solar PV installations.*

3.2. Equipment requirements

- **Are the examples in the Method Guide practical?**
- **Do you see any issues or problems with the proposed examples?**

Answer: *Please see below:*

1. *Evidence of warranty for product and internet connectivity must be considered as part of the product approval instead of being a burden for ACPs.*

Additionally, IPART need to review the minimum requirement of the warranty in more detail as it seems that majority of main battery manufacturers reports the warranty differently where they are using the number of cycles instead of the number of years. This requirement currently excludes well-established brands such as Tesla, Sonen and Sungrow. NSW residents not only will be disadvantaged to use the reputable and well-established brands but also exposed to NSW specific brands with no proven track record.

2. *Evidence that the DRA's control of the battery will meet the requirement, is not quite clear what evidence is expected. This should be considered as part of the product approval process rather than a burden on ACPs.*

- **Are there other ways you could evidence that requirements have been met?**

Answer: Product approval list should be used for product eligibility.

- **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?**

Answer: EFSS does not believe that customer declaration is useful considering that customers don't understand the technical requirement of the installation and the relevant standards. They may confirm they are overall happy on the interactions with installers and smooth delivery of the installation but no further to confirm the quality of the installation.

- **How would you evidence the BESS2 Life Support requirement?**

Answer: We suggest the adding the declaration wording to the proposed Nomination specification for BESS2.

- **How would you evidence that EUE is internet connectable and controllable by a DRA? Please provide details or examples where possible.**

Answer: This should be covered by the product specification and checked as part of the product approval process

3.3. Implementation requirements

- **Are the elements of AS/NZS 5139 we have focused on appropriate? Should we include other elements of AS/NZS 5139?**

Answer: It seems to be appropriate

- **Are the evidence requirements in the Method Guide relating to AS/NZS 5139 practical for you and your installers to meet?**

Answer: This is discussed in detail in section 6.1.

- **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?**

Answer: N/A

- **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? Please provide details or examples where possible.**

Answer: Please refer to our response in section 6.1

3.4. Do you have any other feedback on the Method Guide? Please provide details or examples where possible

Answer:

We strongly suggest adding further battery capacity should be considered eligible, currently many early adapters with battery sizes around 1.6KW will be ineligible to receive an appropriate size battery. EFSS supports the ability for an “upgrade” of an old system to be eligible under the BESS1. We suggest considering an overall cap for the existing battery and the new battery rather than excluding the existing customers with existing batteries.

Kind Regards,

Mahsa Sistani
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Electric Future Sustainability Services