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**National
Carbon Bank
of Australia**



**Green Energy
Trading**

Independent Pricing and Regulatory Tribunal (IPART)

2-24 Rawson Pl,

Sydney NSW 2000

Re: Draft PDRS Method Guide

- 1. Do you support the approach we have taken [to the PDRS Method Guide]? Would you prefer a single Method Guide covering all previous versions of the Rule?**

We support the approach taken by the Scheme Administrator, ensuring the PDRS Method Guide is a singular source of information pertaining to RDUE activities. However, despite the increased complexity, it would be our preference that the Method Guide also covers all previous versions of the Rule. This will streamline version tracking and documentation template management, increasing ACPs visibility of changes.

- 2. 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?**

We see significant issues with this approach, based on the current evidence available. NCBA and GET, as independent aggregators of implementations, may not have projects submitted to us for compliance until weeks and/or months after the implementation. It is therefore untenable to ensure that every single implementation can be included in a report by the 15th of the following month. We seek further guidance on how the Scheme Administrator will treat implementations that may not be included in the monthly report for this reason, and to address this we suggest that ACPs include all implementations in the next monthly report after the data is submitted.

Regarding the reporting timing for the implementation data, we request that the Scheme Administrator aligns this with the Item 5 requirements for Home Energy Efficiency Retrofit (HEER) Accreditations, being the end of each calendar month for implementations that occurred in the previous month. This is a requirement that is already well understood by ACPs and will avoid having two different deadlines for effectively very similar requirements. The additional estimated 2 weeks afforded by this change will also ensure help to address the issues identified in the paragraph above.

- 3. 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. 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

As identified above, NCBA and GET are independent aggregators, therefore there are limiting factors that would prevent our ability to comply with the above requirement. We instead suggest that the requirement is reworded to state that *"For BESS1 and BESS2 activities only, you must provide any of the geo-tagged photographs related to an implementation that you **have registered peak reduction certificates (PRCs)** if we request it. You must provide this evidence within 7 days of receiving our request, so long as this follows PRC registration."* It is essential that ACPs are provided with appropriate time to assess, process and seek rectification work for projects to ensure the best outcome for NSW customers.

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

We do not foresee any issues in ensuring that consumers receive a fact sheet, as this is a requirement for a number of other activities under the Energy Savings Scheme (ESS) and is well understood by ACPs. We expect many parties to include the Fact Sheet on their Proposals for the work, referring customers to this information prior to signing off on the Proposal. This will ensure that the customer has been provided with the information before making a commitment or any investment decisions regarding the work. Other delivery models may include incorporating the Fact Sheet as part of the ACP Nomination Form. In either of these cases, the evidence kept on file would be the signed Proposal or Nomination Form, clearly containing the Fact Sheet.

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

We support the terminology and flexibility the Scheme Administrator has shown in the Nomination Specification for BESS2 activities. There are numerous engagement and market strategies employed by VPP operators, so it is essential to have flexibility in the inclusion of Nomination wording for their contracts, as well as provide opportunities to engage with their existing VPP base for supplementary PRC opportunities. However, to ensure ease of completion for the consumer, we seek confirmation that it is acceptable in the Nomination Specification to have the text *"I, the Original Capacity Holder listed below, nominate ..."* in place of the [Original Capacity Holder name] in the Declaration. This will ensure that signature collection is streamlined and the customer will only need to complete one section, being their name, signature and date.



6. Are the [BESS1 and BESS2] 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.
7. Are the [EUE] 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? How would you evidence the BESS2 Life Support requirement? How would you evidence that EUE is internet connectable and controllable by a DRA? Please provide details or examples where possible.
8. Are the elements of AS/NZS 5239 we have focused on appropriate? Should we include other elements of AS/NZS 5239? Are the evidence requirements in the Method Guide relating to AS/NZS 5239 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? Please provide details or examples where possible.

We generally support the requirements and examples listed in Table B.7 and B.8 in the Method Guide. However, we note specific examples, included below, where we either disagree with the proposed example or require further clarification.

- Warranty Requirements: We seek that the Scheme Administrator takes a less prescriptive view to the warranty requirements of '70% efficiency after 10 years', as many BESS manufacturers express warranty in the form of number of cycles rather than a fixed time period. This better reflects the true lifetime of the battery in line with the usage, as more or less cycles per day will degrade the unit in different manners. We ask the Scheme Administrator to publish an equivalent number of cycles to match the fixed 10-year period, and any batteries that exceed that number of cycles (with at least 70% efficiency) be deemed as eligible under the PDRS.
- Approved Battery Register: We note that the Scheme Administrator will specify at a later stage the approved product list for BESS1 and BESS2, however, leveraging the learnings from other ESS activities, we ask that the Scheme Administrator specifically manages the Battery Register directly. This will enable the Scheme Administrator to take action against non-compliant or faulty products quickly and effectively, whilst also ensuring all modelling/performance figures are accurate and up to date. We support the Scheme Administrator leveraging existing Registers (i.e. Clean Energy Council Approved Battery Register) in a manner similar to hot water heat pump activities, whereby manufacturers or suppliers submit their products to the separate Register and, once approved, they are hosted on the IPART Approved Products List. However, we specifically request the Scheme Administrator takes an active role in confirming the Warranty Requirement of the BESS at the time of



approval, rather than requiring each individual ACP to keep and maintain a register of warranty documents for every battery make and model. We propose that as part of the application to have a battery listed on the IPART Product List, the manufacturer must provide a copy of the warranty that complies with 1. a period is at least 10 years and guarantees that at least 70% of the usable capacity is retained, 2. defined normal use conditions that are not less than an ambient temperature range of negative 10°C to 50°C, and 3. a warranted throughput of 3.65MWh per kWh of usable battery capacity.

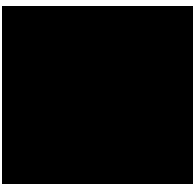
- AS/NZS 5139: As this is a new area for many ACPs, we cannot comment as to the practicality of meeting the listed requirements. However, we would certainly appreciate the Scheme Administrator collaborate with Industry Accreditation Bodies (such as SAA) to produce materials with appropriate visuals demonstrating examples of compliance with AS/NZS 5139 being met. Given the potential risk associated with the installation of BESS technology, it is essential that ACPs are provided with as much information as possible to ensure best practice installations occur across NSW.

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

Whilst not specifically related to the Method Guide, we call for the PDRS to open the eligibility criteria for BESS1 to include sites that may already have a battery in place. We believe the Scheme should not be restrictive to exclude customers that may already have a small battery at the NMI, but wish to increase their capacity given the recent strides made in BESS technology. Our opinion is that should the original plus any additional capacity not exceed the 28kWh maximum claimable cap, this be deemed eligible.

Please do not hesitate to contact either NCBA or GET should you have any further questions regarding the evidence or information presented in our response.

Kind Regards,



Adam Bertino

General Manager – Commercial

National Carbon Bank of Australia

