

1 July 2024

Independent Pricing and Regulatory Tribunal of NSW  
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## Draft PDRS Method Guide Consultation

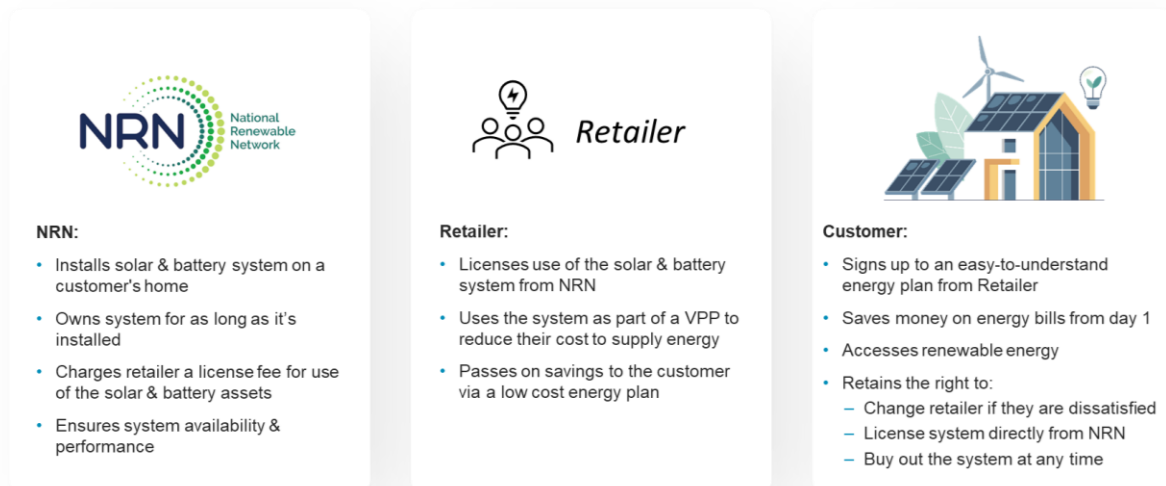
The National Renewable Network (NRN) welcomes the opportunity to comment on the Draft PDRS Method Guide.

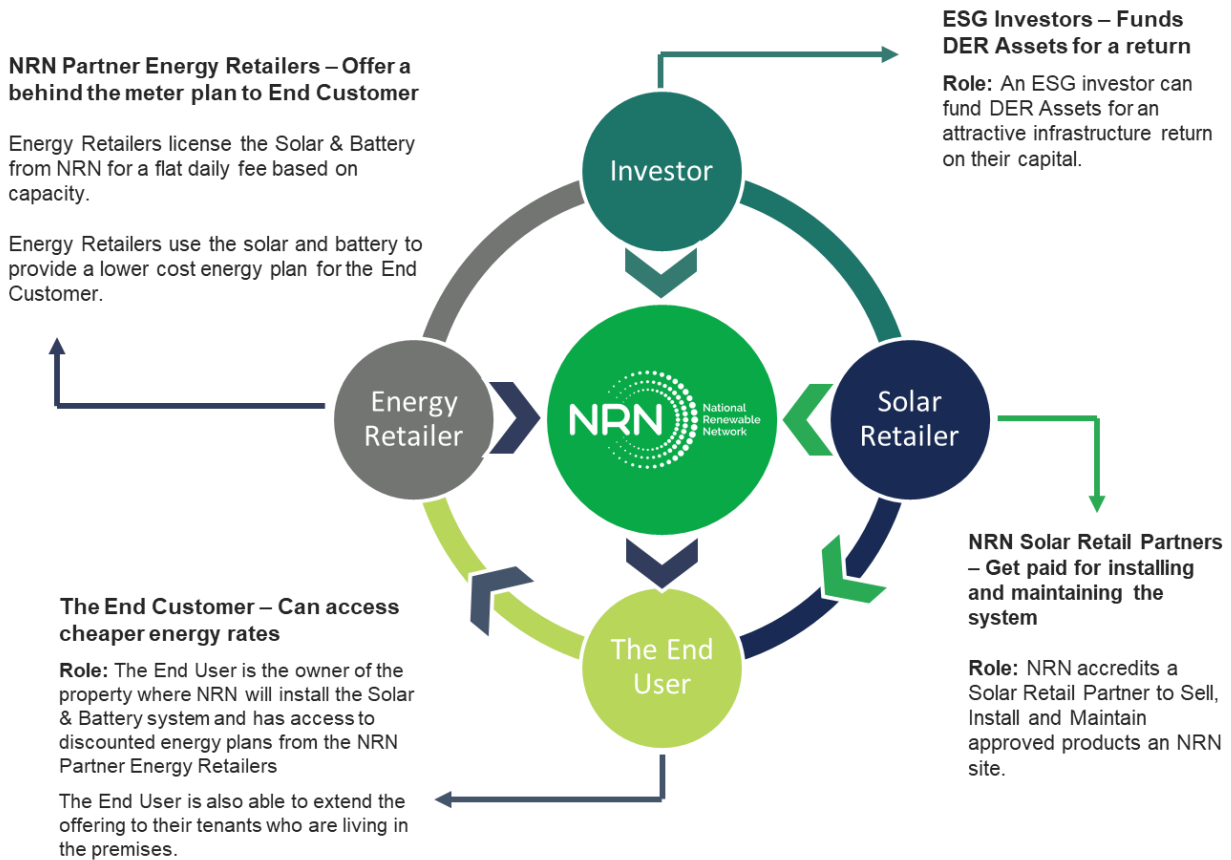
As NRN has a unique business model, perhaps not explicitly contemplated by the PDRS Method Guide, we will first outline how we see the BESS1 applying in the context of NRN's business model.

### 1. About NRN

NRN's mission is "To rapidly close the energy inequality gap in Australia by breaking down barriers to accessing renewable energy. Our innovative nationwide network will pioneer a cheaper, easier, and better transition to sustainable energy for all."

NRN invests in distributed solar and battery systems, and licenses them to energy retailers who in turn use them to provide lower cost energy plans to residential and small business customers.





NRN targets customers with high energy bills, specifically those over \$500 per quarter, and aims to help them save money on their energy costs. For example, customers with quarterly bills of \$700 can save about \$1,000 per year by using NRN’s services. Case studies of customer savings are included in Appendix A.

NRN’s model is aligned with PDRS’s objective to reduce peak electricity demand in NSW by providing financial incentives for households and businesses to implement activities that create “peak demand reduction capacity”:

- BESS1 will allow NRN to incentivise more customers to install VPP-ready batteries in their homes and small businesses
- More customers will benefit from cost savings associated with solar and VPP-ready battery
- NRN’s batteries are licensed to retailers for use, many of whom operate them as part of a VPP as market participant under BESS2

## 2. Application of BESS1 in Context of NRN Business Model

Applying the PDRS Method Guide, we interpret the following roles for BESS1:

### Purchaser

NRN is the Purchaser. NRN procures from residential homeowners and small businesses the right to install, own and operate batteries at their site. NRN pays the full purchase, installation and maintenance cost of these batteries. NRN has full rights over how the battery capacity is utilised. These rights are licensed to retailers in order to provide the residential or small business customer with lower cost energy plans.

### **Capacity Holder**

As Purchaser, NRN will nominate an ACP as Capacity Holder at the implementation date.

### **ACP**

NRN will work with an existing ACP who will create PRCs on our behalf and ensure compliance with requirements relating to Record Keeping and Customer Engagement, amongst others.

## **3. Responses to Consultation**

### *5. Capacity holder nomination requirements*

NRN do not see any issues with the proposed nomination specification, assuming that

- NRN is considered the Customer and can nominate an ACP as capacity holder at implementation date.

### *6 Evidence requirements*

NRN consider the BESS1 evidence requirements to be reasonable, assuming that:

- The minimum co-payment is made by NRN as the Purchaser of the BESS
- As NRN are the Purchaser, a fit-for-purpose Fact Sheet may be provided to the end-Customer (the residential or small business customer at whose property the BESS will be installed), providing only the information relevant to them as

Regards,

Jess Padman  
Director of Energy Products  
The National Renewable Network



## APPENDIX A: NRN Case Studies



### Case Study – Diamond Energy Customer 1

- High Energy User – 58 kWh per day
- System – 13kWp Solar & 16kWh Battery
- Cost to Customer- \$0.00
- Network – Essential Energy
- Renewable Usage – 72%

### Comparison to AGL Value Saver Plan\*

**\$588**

Diamond Energy  
Monthly Bill

**\$740**

AGL  
Monthly Bill

**\$1,817**

Savings Per Year  
Annualised Bill



### Case Study – Diamond Energy Customer 2

- Medium Energy User – 36 kWh per day
- System – 6.6kWp Solar & 9.6kWh Battery
- Cost to Customer- \$0.00
- Network – Ausgrid
- Renewable Usage – 64%

### Comparison to AGL Value Saver Plan\*

**-12%**

**\$432**

Diamond Energy  
Monthly Bill

**\$484**

AGL  
Monthly Bill

**\$624**

Savings Per Year  
Annualised Bill

\*AGL Value Saver Plan rates at time of install