

BESS3 - Northmore Gordon

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Details:

[Home](#) › [Glossary](#) › BESS3

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BESS3 refers to battery systems for eligible apartment buildings, as defined within the NSW Peak Demand Reduction Scheme context. However, the regulatory documents specify BESS4 and BESS5 as the business battery activities beginning on 1 September 2026, with eligibility requirements that explicitly exclude residential buildings and data centres. BESS3 is not described in the current scheme guidance. If you are considering battery projects for apartment buildings, clarify whether the intended application falls under BESS4, BESS5, or another regulatory pathway, as building classification and eligibility criteria determine which activity requirements apply.

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What is BESS3?

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How does BESS3 relate to the NSW Peak Demand Reduction Scheme?

The NSW Peak Demand Reduction Scheme, or PDRS, supports eligible reduction of demand during specified peak conditions through Peak Reduction Certificates, or PRCs. BESS4 and BESS5 are the current business battery activities under this scheme, effective from 1 September 2026. Both exclude residential buildings and data centres from eligibility. Building classification, siting, installation approvals, and the activity's other requirements must be checked before assuming a battery project qualifies. If BESS3 is mentioned in your context, verify the current approved rule document to confirm its status and requirements.

What eligibility restrictions apply to battery projects under the NSW Peak Demand Reduction Scheme?

IPART's BESS4 and BESS5 business battery activities expressly exclude residential buildings and data centres from eligibility. Capacity alone does not decide eligibility; equipment, siting, installation, approvals and the activity's other requirements need checking. The full activity requirements in the Peak Demand Reduction Scheme Rule effective 7 September 2026 must be considered together in a detailed assessment. Before equipment selection is final, verify the current approved-product, installation and activity requirements directly with the applicable documents, as recently changed rules can affect quotations prepared only weeks earlier.

What information should I prepare when assessing a battery project for PDRS eligibility?

Prepare a project information sheet including site and building classification, battery nominal and usable capacity, inverter output, existing and proposed solar capacity, installation dates, network and planning approvals, and proposed operational or aggregation arrangements. Record the model and configuration of the equipment, not only marketing descriptions. If the battery serves several purposes, distinguish the value streams: tariff-period shifting, demand-charge reduction, resilience improvement, and scheme support each require separate analysis. Document which fees and customer contribution requirements are included in any certificate quotation, and verify the method, rule date and calculation assumptions before finalising equipment selection.

How should a battery project distinguish between different value streams?

A battery project may provide benefits across tariff shifting, demand reduction, resilience, and scheme support, but these are separate assessment questions and must not be added together without checking that the operating strategy can deliver them together. Tariff shifting requires analysis of prices, operating schedule and losses. Demand-charge reduction depends on which billing measure and measured peak are affected. Resilience improvement requires verification of which loads can actually be supplied. Scheme support depends on which activity, conditions, quantities and ownership arrangements apply. Each value stream should be assessed independently, with clear documentation of how the operating plan addresses multiple objectives.

What should I ask when reviewing a battery certificate quotation?

Request the method and rule date, capacity definition, calculation assumptions, price timestamp and conditions still outstanding. Ask which fees and customer contribution requirements are included in the quoted amount. A certificate market value is not a guaranteed customer payment. Before equipment selection is final, verify the current approved-product, installation and activity requirements directly with the applicable documents. A recently changed rule can affect a quotation prepared only weeks earlier. Keep engineering savings, scheme-recognised savings, created certificates and customer proceeds as separate quantities in your comparison.

What role does Northmore Gordon play in battery project assessment?

We describe a six-stage delivery approach connecting technical assessment, commercial decisions and operational performance. For battery projects, the relevant stages include Assess (identifying opportunities and missing evidence), Build the Case (determining technical and commercial viability), Capture Value (evaluating funding and certificate value), and Deliver (project implementation and verification). Our knowledge library covers NSW peak-demand reduction and business battery projects, measurement and verification, and environmental certificate services. Initial enquiries should include location, project stage, intended outcome, and any firm deadline so appropriate scope can be defined.

When should battery project assessment and measurement planning occur?

Funding and measurement decisions often need to be considered before procurement or installation, as a project may not recover every incentive after work is complete. A certificate specialist should check the applicable scheme and activity requirements at the relevant project stage. Early engagement with measurement planning helps preserve evidence and maintain funding options. If the work has already begun, do not manufacture earlier records; instead assemble the real chronology and ask

whether the applicable method allows the project to proceed. The correct project stage requires clear documentation of feasibility approval, investment decisions, purchase commitments, installation, commissioning and operational dates.

How can I prepare a strong first enquiry about a battery project?

Provide site locations, country, Australian state, operating constraints, the business decision, current project stage, available energy data and the decision deadline. Include the proposed equipment's model and capacity, not only marketing descriptions. Attach available energy history or equipment summary rather than waiting for a perfect dataset. Distinguish estimates from measured information. For projects involving certificates, disclose any previous incentives and clarify who owns the relevant energy-saving or renewable-electricity attributes. Ask Northmore Gordon for a defined scope, deliverables, exclusions and the evidence needed for the next decision, which helps determine whether early measurement planning is still possible.