

Welcome to our August & September 2026 Compliance Update.

Canonical: <https://northmoregordon.com/news/welcome-to-our-august-september-2026-compliance-update/>

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About this update

This dated news record has been reorganised for clear reading and connected to current guidance.

Publication date: September 1, 2026.

Status note: Present-tense statements, market figures, deadlines and program details in the archived record belong to its publication date. Check current official sources before making a decision.

What this article reported

This edition confirms Northmore Gordon's accreditation for three new PDRS battery activities, tracks the VEU space heating and cooling changes taking effect this month, and rounds up enforcement action and CER and NSW updates from across both months.

We encourage all partners to familiarise themselves with the updates below and review internal processes to ensure ongoing compliance.

PDRS UPDATE - NORTHMORE GORDON NOW ACCREDITED FOR BESS3 , BESS4 AND BESS5

We're pleased to confirm that Northmore Gordon has been accredited to deliver the three new Peak Demand Reduction Scheme (PDRS) battery activities: BESS 3, BESS 4 and BESS 5 .

BESS 3 - Install a new behind-the-meter battery energy storage system (apartments)

BESS 4 - Install a new behind-the-meter battery energy storage system (small and medium businesses)

BESS 5 - Install a new behind-the-meter energy storage system (commercial and industrial businesses)

IPART has approved these activities to commence on 1 September 2026 , and our accreditation means Northmore Gordon can support partners in this new part of the NSW battery market from day one.

We'll share training and onboarding information over the coming weeks.

Please feel free to contact one of our friendly Sales Managers below if you'd like to start scoping BESS3/4/5 projects now.

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PDRS RULE UPDATE - BESS3/4/5 ELIGIBILITY CLARIFIED FROM 7 SEPTEMBER 2026

The Peak Demand Reduction Scheme (Amendment No. 3) Rule 2026 commences 7 September 2026 and clarifies several BESS3, BESS4 and BESS5 requirements. In brief:

Minimum payments for BESS3 and BESS4 now apply per implementation, not per item of equipment.

Usable Battery Capacity must not exceed six times the Battery Inverter Output across BESS3, BESS4 and BESS5.

BESS3 now allows additional battery capacity at a site, provided no earlier BESS3 implementation has occurred there.

BESS5 batteries must pass UL9540A performance testing and be installed behind the meter.

We're updating our internal systems and processes ahead of commencement. Contact our Compliance Team if you need more clarity or references to these new changes.

VEU UPDATE - SPACE HEATING & COOLING CHANGES COMMENCE 30 SEPTEMBER 2026

The Essential Services Commission (ESC) has confirmed that changes to reverse cycle air conditioner (RCAC) activities under the Space Heating & Cooling Review will commence on 30 September 2026, following DEECA's response to consultation.

Next steps for the Space Heating & Cooling Review

DEECA will update the VEU Specifications for these changes, which are proposed to take effect from 30 September 2026.

Stakeholders strongly supported the need to improve RCAC system design and sizing. DEECA will monitor how these changes affect the Part 6 activity and is considering further changes to improve system sizing practices. It plans to release a consultation paper later in 2026, covering further proposed changes based on customer insights and stakeholder survey feedback.

We'll keep partners updated as the Specifications are finalised and as the further consultation progresses.

VEU UPDATE - RECENT ENFORCEMENT ACTION

The ESC has recently taken several enforcement actions against VEU businesses in August 2026, a reminder of how closely the regulator is scrutinising compliance across the program.

These actions reinforce the ESC's zero-tolerance approach to fraudulent evidence and unauthorised trading.

We expect every partner to take full ownership of their own evidence, marketing and accreditation status, and to keep them fully compliant at all times.

CER UPDATE - CHEAPER HOME BATTERIES PROGRAM & SRES CHANGES

The Clean Energy Regulator continues to expand support for battery installations under the Small-scale Renewable Energy Scheme (SRES). Funding for the Cheaper Home Batteries Program has grown to an estimated \$7.2 billion over four years, and battery Small-scale Technology Certificate (STC) entitlements have followed a tapering schedule since 1 May 2026.

Separately, the CER has confirmed that solar PV eligibility under SRES will expand from 100 kW to 1 MW, subject to regulations being made.

Partners undertaking battery or solar installations should confirm current STC entitlements and eligibility settings before promoting incentives to customers.

Click on the CER News for more information - <https://cer.gov.au/news-and-media/news>

NSW eCERT & BRIDGE SELECT UPDATE

The BCNSW eCert portal has been mandatory for all Certificates of Compliance for Electrical Work (CCEWs) since 1 July 2026; handwritten and PDF forms are no longer accepted. Gasfitters moved to

portal-only submission from March 2026, and the Smart Meter Tool for metering work has been phased out.

Bridge Select's integration with the eCert platform is now completed and live now.

Should you have any questions or experience any issues with Bridge Select, please contact our Compliance team.

ESS (NSW) UPDATE

Partners are reminded that installations or replacements involving gas-fired boilers, gas-boosted water heaters and gas space heaters have not been eligible under the Energy Savings Scheme (ESS) since 1 July 2026 .

Please verify project eligibility before commencing works, and contact our Compliance team where clarification is required.

IMPORTANT REMINDER - CONSUMER COMPLAINTS

Consumer complaints remain a key area of regulatory focus across the VEU program. All complaints must be investigated promptly and managed professionally, covering workmanship, product performance, warranties and customer service.

Failing to address consumer complaints properly can increase regulatory scrutiny and put your ongoing participation in the VEU program at risk. Strong complaint handling and timely communication with customers protect both consumer outcomes and program integrity.

COMPLIANCE TIP OF THE MONTH

Never Reimburse or Cash Back the Customer Co-Payment

The ESC has confirmed that co-payments are a mandatory part of program integrity and must never be reimbursed, discounted after the fact, or returned to the customer as a cashback. Duplicate or multiple VEEC claims across accredited persons for the same activity are treated the same way - as a compliance breach.

Before closing out a job, confirm:

The customer has genuinely paid the full co-payment amount.

No rebate, discount or cashback arrangement offsets that payment.

Only one accredited person is claiming certificates for the activity.

CLOSING REMARKS

August and September brought real momentum for our partners - new PDRS battery activities, confirmed VEU specification changes, and Northmore Gordon's own accreditation for BESS3, BESS4 and BESS5 - alongside a reminder, through the ESC's recent enforcement actions, of how important it is to keep evidence, co-payments and accreditation status beyond reproach.

Northmore Gordon is committed to supporting our partners through these changes while maintaining the integrity of the programs and delivering positive outcomes for consumers.

Should you require clarification on any of the updates outlined above, please contact our Compliance Team via compliance@northmoregordon.com or call 03 9046 1914.

Kind regards, Northmore Gordon Compliance Team

How to use this information now

For current use, confirm the applicable scheme rules, regulator notices, market date and reporting period. Keep historical prices or forecasts separate from present quotes and verified outcomes.

Separate source-reported facts from forecasts, targets and commentary. For a current project, retain the official source, version, effective date, assumptions and decision record in the evidence file.

Related guidance

Environmental certificates

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Contact Northmore Gordon

What are BESS3, BESS4 and BESS5, and why does Northmore Gordon's accreditation across all three matter?

BESS3, BESS4 and BESS5 are three new battery storage activities under the NSW Peak Demand Reduction Scheme (PDRS), commencing 1 September 2026. BESS3 targets apartment buildings, BESS4 supports small and medium businesses, and BESS5 covers commercial and industrial businesses. Our accreditation across all three allows it to assess eligibility, design systems, manage evidence collection and support certificate creation for battery projects across these three customer segments, rather than requiring clients to engage multiple providers.

What key technical changes did the Peak Demand Reduction Scheme Rule amendment introduce on 7 September 2026?

The PDRS (Amendment No. 3) Rule 2026, effective 7 September 2026, introduced four critical changes: minimum payments for BESS3 and BESS4 now apply per implementation rather than per equipment item; usable battery capacity must not exceed six times the inverter output across all three battery activities; BESS3 now permits additional battery capacity at a site if no earlier BESS3 system exists there; and BESS5 batteries must pass UL9540A performance testing and operate behind the meter. These changes affect equipment selection, system sizing, site eligibility assessment and technical documentation requirements.

Why is the distinction between engineering savings and scheme-recognised savings important for battery projects?

A battery system may reduce energy costs or demand charges (engineering savings), but scheme support under PDRS depends on meeting specific activity requirements, capacity limits, equipment standards and operational conditions (scheme-recognised savings). These quantities must remain separate in initial estimates. Our assessment process distinguishes what a battery can technically achieve from what the scheme will recognise and fund, preventing overstatement of revenue and ensuring clients understand both the operational and incentive value separately.

What compliance issues regarding co-payments has the Essential Services Commission reinforced for VEU participants?

The ESC has confirmed that customer co-payments are mandatory and must never be reimbursed, discounted after sale, or returned as cashback. Additionally, duplicate VEEC claims across multiple accredited persons for the same activity constitute a compliance breach. Before closing a job, accredited persons must confirm the customer paid the full co-payment in good faith, no rebate or discount offset that payment, and only one accredited person is claiming certificates. Non-compliance

exposes accredited businesses to enforcement action; Our certificate support services include this compliance verification step.

How do the solar PV eligibility expansion and battery STC changes affect renewable certificate planning?

The Clean Energy Regulator has announced an expansion of solar PV eligibility from 100 kW to 1 MW, subject to regulations being made and effective from 1 October 2026. Simultaneously, battery STC entitlements under the Cheaper Home Batteries Program (\$7.2 billion estimated funding over four years) follow a tapering schedule since 1 May 2026. Projects combining solar and battery storage need separate eligibility assessment under each technology pathway, with careful timing of installations to confirm enacted requirements for both. Our renewable certificate services assess these pathways separately and track regulatory timing to ensure installations capture intended entitlements.

What practical changes to NSW electrical certification affect battery installation projects?

The BCNSW eCert portal has been mandatory for all Certificates of Compliance for Electrical Work (CCEWs) since 1 July 2026; handwritten and PDF forms are no longer accepted. Bridge Select's integration with the eCert platform is now live and completed. The Smart Meter Tool for metering work has been phased out. For battery projects requiring electrical work and compliance certification, installers and system designers must use the portal-based submission process. Our project delivery scope includes coordination with installers to ensure electrical compliance documentation meets current portal requirements.

Why are VEU space heating and cooling activity changes relevant to Northmore Gordon's commercial building clients?

The Essential Services Commission confirmed that changes to reverse cycle air conditioner (RCAC) activities under the Space Heating & Cooling Review commence 30 September 2026. DEECA will update VEU Specifications, with further consultation planned for later in 2026 on RCAC system sizing practices. Commercial building retrofit projects involving HVAC upgrades need assessment under current eligibility rules before 30 September and under updated rules thereafter. Our VEU assessment services track these regulatory changes and advise clients on activity eligibility, project timing and certificate creation under the applicable rule date.

What does the ESC's enforcement action in August 2026 signal about certificate scheme compliance expectations?

The ESC took enforcement action against VEU businesses in August 2026, reinforcing a zero-tolerance approach to fraudulent evidence and unauthorised trading. This action emphasises that accredited persons bear full responsibility for evidence quality, marketing claims and accreditation status. Our environmental certificate services include evidence gathering, independent review and compliance verification to protect both clients and the accredited provider from enforcement risk. Clients should expect rigorous evidence protocols from any scheme-supporting partner, particularly where co-payments, nominations or certificate claims are involved.

How should organisations assess battery storage for multiple benefits without overstating scheme support?

A battery system may deliver multiple benefits: shifting purchases between tariff periods, reducing site demand charges, improving resilience, or earning scheme support. These are separate assessment questions and must not be added together without checking that the proposed operating strategy can deliver them simultaneously. Our approach involves building a project information sheet that distinguishes value streams, establishes which billing measures and loads are affected, and confirms the operational configuration can serve all intended purposes. This prevents conflating operational benefits with scheme eligibility and ensures realistic financial modelling.

