

## ENERGY EFFICIENCY IMPROVEMENT SCHEME



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## **EXECUTIVE SUMMARY**

The Energy Efficiency (Cost of Living) Improvement Act 2012 establishes the Energy Efficiency Improvement Scheme (EEIS), administered by the Environment and Planning Directorate (EPD). An EEIS Stakeholder Forum for energy retailers, activity providers and others was held on 28 April 2016.

Forum goals were to:

- » share information about what the EEIS has delivered so far
- » share opportunities for retailers and new abatement providers to deliver activities that deliver greenhouse gas emission abatement
- » invite stakeholders to help shape the EEIS's future by contributing ideas in workshops.

Discussions at the forum were supported by the document ACT Energy Efficiency Improvement Scheme (EEIS) Stakeholder Consultation on 2016 Activities Update (the 2016 Activities Update).

88 stakeholders booked in for the forum and 68 attended, contributing ideas in workshops and discussing proposals for new activities. All the forum goals were achieved:

- » All attendees who provided feedback found the forum useful.
- » There was robust discussion during workshops about the viability and value of the proposed activity updates and new activities.
- » Written feedback was received from 18 organisations, including detailed comments on the proposed updates.
- » Discussions during workshops and written feedback have also been incorporated in the recommendations.

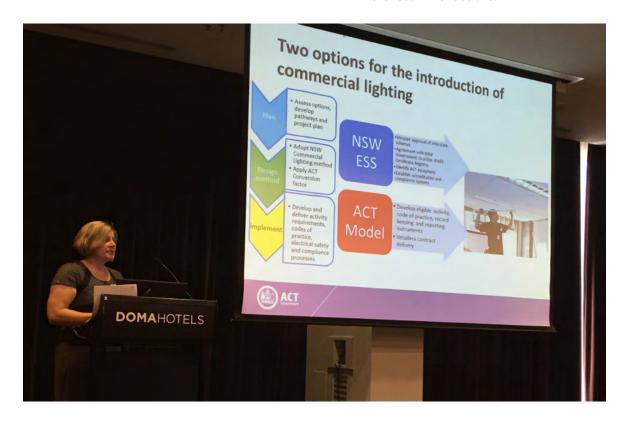


Table 1: The recommendations arising from the forum feedback

| Section number | Recommendation  | Proposed timing |
|----------------|---|-----------------|
| 4.1            | Continue moving ahead with the stand-alone commercial lighting method modelled on the REES commercial lighting activity, taking account of stakeholder support for a 2-year warranty, residual current detectors, speedy introduction and comments on risk management, compliance, co-payments and administrative efficiency. | Mid<br>2016     |
| 4.2            | Continue moving ahead with the New South Wales (NSW) Energy Saving Scheme (ESS) integrated commercial lighting method, taking account of stakeholder interest in maximising participation and minimising administrative costs.  | Early<br>2017   |
| 4.3.1          | Continue moving ahead with the ESS integrated Project Impact Assessment with Measurement and Verification (PIAM&V) method, taking account of stakeholder comments about whether there is a sufficient market to justify this method.  | Early<br>2017   |
| 4.3.2          | Maintain the small-to-medium business eligibility criteria in the EEIS.   | Ongoing         |
| 4.4            | Commence a refrigerated display cabinet method consistent with the Activities Update Report.  | Mid<br>2016     |
| 5.1.1          | Undertake further research before updating refrigerator decommissioning method.   | Early<br>2017   |
| 5.1.2          | Update the SPC activity to restrict it to four devices per household and introduce the standard multiplier for Standby Power Controllers (SPCs), including those on the VEET product register whose abatement has been tested through field trials.   | Mid<br>2016     |
| 5.1.3          | Update the swimming pool pump activity consistent with the Activities Update Report.  | Mid<br>2016     |
| 5.1.4          | At this stage, maintain the current activity definitions for the purchase of new residential appliances for consistency with VEET.  | Early<br>2017   |
| 5.1.5          | Add new activities for the purchase of efficient dishwashers and clothes dryers which were presented in the Activities Update Report.   | Early<br>2017   |
| 5.1.6          | Update abatement values for activities where needed for greater accuracy, consistent with the Activities Update Report.   | Early<br>2017   |
| 5.2.1          | Commence the new approach to space heating and cooling activities consistent with the Activities Update Report.   | Early<br>2017   |
| 5.3.1          | Commence the new approach to hot water service activities consistent with the Activities Update Report.   | Early<br>2017   |
| 5.4.1          | Update the building envelope activities consistent with the Activities Update Report.   | Mid<br>2016     |
| 5.4.2          | Update other building sealing activities in collaboration with VEET.  | 2017            |
| 5.5.1          | Update the residential lighting Activity Abatement Values (AAVs) from January 2017 in line with VEET.   | Early<br>2017   |
| 6.1            | EEIS will work towards the introduction of new activities proposed by stakeholders, taking account of the priority of harmonising with other schemes and meeting local needs.   | Ongoing         |
| 8.1            | Review priority household target.   | 2018            |

Stakeholders were asked to comment on the best things about EEIS. Responses are detailed in Section 8 but, in summary, stakeholders consider the best things about the EEIS are:

- » EEIS team responsiveness and transparency
- » energy efficiency outcomes
- » stimulating energy efficient product supply
- » connecting with other schemes
- » EEIS simplicity
- » raising community awareness.

Stakeholders were asked to comment on the key constraints or things to improve in the EEIS. Responses are detailed in Section 9 but, in summary, stakeholders consider key EEIS constraints to be:

- » low competition and high costs compared with other schemes
- » no certificate means retailers control the market
- » the need to increase activities and check assumptions
- » the need for more resources to speed up administration and strengthen compliance
- » the scope for work is limited without participation of National Greenhouse and Energy Reporting entities
- » nothing EEIS is good as it is, which means it is like the South Australian Retailer Energy Efficiency Scheme
- » there could be more stakeholder communications, such as a regular newsletter
- » the Priority Household Target is restrictive.

Stakeholders were asked to supply key messages for EEIS. These are detailed in Section 10, but in summary the messages are:

- » keep going with current initiatives
- » support competition
- » harmonise and integrate
- » keep it simple and streamlined.

### 1. BACKGROUND

In August 2015 the ACT Legislative Assembly approved a Bill to extend the EEIS until 31 December 2020. The extension was supported by a Review and a Regulatory Impact Statement, which showed that significant economic benefits would flow from the extension. Arrangements for the extension included a communications strategy that called for direct stakeholder consultation as the primary option for delivering information about EEIS development. The strategy calls directly for stakeholder meetings and workshops.

The EEIS Stakeholder Forum was held on 28 April 2016 at the Hotel Realm. The forum invitation is Appendix 1. A concerted effort was made to draw as many stakeholders as possible to the event to maximise the range of views received in feedback. The following actions were implemented to attract a wide group:

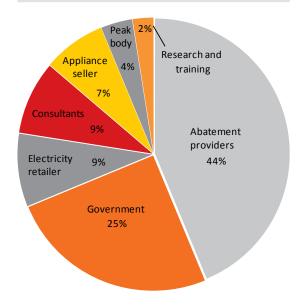
- » Invitations were sent to a contact list of 180 stakeholders listed in the EEIS contacts database.
- » Invitations were also sent to stakeholders in the NSW and Victorian energy efficiency scheme databases. There were about 200 recipients in each state's contacts databases.

Registrations for the forum were received from 88 stakeholders. The proportion of these from each of seven stakeholder groups is shown in Figure 1.

Forum participants received the ACT Energy Efficiency Improvement Scheme (EEIS) Stakeholder Consultation on 2016 Activities Update¹ (2016 Activities Update) prior to the workshop. It was also available as a paper copy at the event. A feedback form requested responses to proposals by 9 May 2016 either on the paper copy or electronically through an equivalent online survey.

The proposed updates are summarised very briefly throughout this report. For further information please see the 2016 Activities Update, which explains the proposals that were put to the forum.

Figure 1: Registrations for EEIS Stakeholder Forum



<sup>1</sup> http://www.environment.act.gov.au/ data/assets/ pdf\_file/0008/857789/ACT-EEIS-Stakeholder-Consultation-on-2016-activities-update-report-2.pdf

## 2. FORUM ACTIVITIES

The forum was in two parts: a series of presentations before lunch and a set of three workshops after lunch in each of two streams covering commercial and residential activities.

#### 2.1 Presentations

The forum program is at Appendix 1. The following presentations were given:

- » Welcome address
- » International best practice
- » Extending the EEIS and increasing opportunities for participation
- » Harmonising and updating activities
- » Activity-specific presentations during workshops

Slides from the presentations, including the activity-specific presentations given during workshops, are available on the EEIS website.

#### 2.2 Workshops

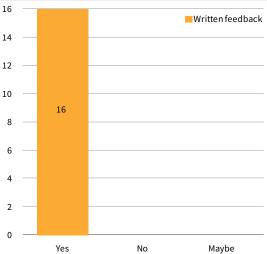
A series of one-hour workshops were held as part of the forum. These were grouped into a commercial stream and a residential stream. Participants chose which workshop to attend. One EEIS Team member was at each workshop, together with one or more of the Common Capital team that had been advising on proposals. A summary of the discussions at each workshop session is below.



#### 2.3 Usefulness of the forum

Stakeholder feedback confirmed that the forum met all its goals and was useful to participants. Figure 2 shows that all responding attendants found the forum useful. Box 1 shows some of the comments made about the value of the forum.

Figure 2: Attendee views on whether the forum was useful



### Box 1: Comments on the value of the stakeholder forum

- EEIS clearly indicates what it is planning to do and provides the opportunity to give input into this plan. Additionally, the lady who organised it was very good in communications.
- Very informative on options to expand the scheme and a good overview of the scheme in ACT.
- The comparison of energy efficiency schemes locally and globally provides confidence the Government is considering global best practice in policy and scheme mechanics. Great networking event for industry and service providers to share experience and models for delivery.
- It was very informative and reassuring of the intentions of the ACT Government to meet the 90% renewable target for 2020.
- It was great to meet and greet colleagues from around Australia and catch up with the Scheme Administrator Team.
- Focused, interactive, outcome driven.
- Informative session and addressed relevant issues.
- Good overview of scheme. Learned lots about how EEIS works.
- Good context of national and international initiatives. A lot of expert knowledge in the room.

## 3. REPORTING METHODOLOGY

The feedback contained in this report comes from four main respondent sources:

- Notes from workshops, attended by 68 forum participants
- · Written feedback provided by 18 organisations
- · A voting activity conducted on priorities for further new activities
- Emails, phone calls and meetings in which stakeholders provided comments on proposals

This approach for analysing and reporting feedback essentially follows a grounded theory approach. That means identifying 'analytical categories' among the results provided.

Analytical categories must achieve the criteria of fitting the data and working to explain what it says.<sup>2</sup> To achieve this, feedback received on each proposal was collated into spreadsheets and scrutinised for patterns. Similar answers were grouped together and then named according to the key themes they raised. They were counted to record number of responses for each theme.

Where individual answers fitted into more than one category they may have been included several times. For instance, one response to the proposal for a stand-alone commercial lighting method was:

"We support incorporating commercial lighting, however under the current framework the risks and costs to a second tier retailer still make participation less attractive than paying the contribution fee and ultimately, a certificate based approach. We would not like to see movement to a certificate approach slowed or jeopardised. Once a certificate regime is operational, we would see the standalone would no longer be required".

This response was counted towards two categories of responses to the stand-alone commercial lighting method proposal. They were 'quick is good' and 'doesn't encourage competition'.

The results are shown in three ways:

- » Bar charts are used to show the overall weight of support for or against a particular proposal. These charts quantify views expressed via feedback forms, workshops or in voting on priorities.
- » Pie charts are used to show the number of times that specific viewpoints were elaborated in feedback.
- » Complete quotes are shown in boxes. These give further detail on the way that views are expressed in the feedback.

It is worth noting that this approach does allow for some double-counting. For instance, a stakeholder who expressed the same view at a workshop and in a feedback form would have that view recorded twice. This approach could allow for 'vote stacking'. This risk is partly mitigated by no stakeholder having submitted multiple feedback forms. The benefit is the maximisation of opportunities for ideas to be submitted for consideration. The net result is a rich dataset of issues raised and shared, which appears to provide a good overview of whether the proposals will deliver the policy outcomes.

<sup>2</sup> For more details on this approach, see Strauss, A. and Corbin, J. (1990) Basics of qualitative research: grounded theory procedures and techniques. Newbury Park: Sage Publications.

## 4. COMMERCIAL METHODS

The 2015 EEIS Stakeholder Forum identified several priorities for new commercial activities. Commercial lighting was identified as the highest priority. Other priorities included project-specific methods and refrigerator display cabinets.

EEIS responded to this feedback by proposing two pathways for a commercial activity in the 2016 Activities Update. The first pathway is a standalone EEIS method. The second proposed pathway is based on near complete integration with the NSW Energy Saving Scheme (ESS). The possibilities of either bringing in just one of the methods, or starting with a stand-alone, and moving to an integrated method were also discussed at the forum.

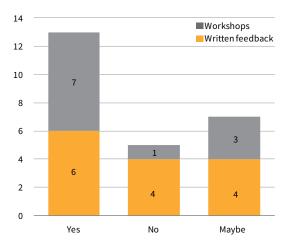
The 2016 Activities Update Report also proposed a new ESS integrated method for Project Impact Assessment with Measurement and Verification (PIAM&V) and a new stand-alone method for commercial refrigerated display cabinets. These methods and stakeholder responses to them are discussed below.

## 4.1 Stand-alone commercial lighting method

The proposed approach adopts the NSW Energy Saving Scheme commercial lighting method and is based closely on REES commercial lighting method. It would be administered in the same way as all current EEIS activities; that is, delivered by retailers in accordance with approved compliance plans. Providers wishing to implement lighting upgrades would need to contract directly with an energy retailer.

Figure 3 shows that support for the stand-alone method outweighed the objections to it.

Figure 3: Support for the proposed stand-alone commercial lighting activity

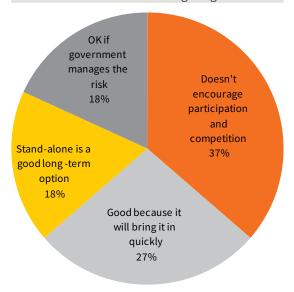


Support for the stand-alone pathway is based on the view that this would be the quickest way to bring in the method and also that having it managed by EEIS is a good long-term option for ensuring quality.

Opposition to, and uncertainty about, this pathway is based on the perception that it will not encourage competition by Tier 2 retailers or approved abatement providers into the scheme. This view is based partly on a concern that energy retailers may only contract a limited number of providers to deliver the stand-alone commercial lighting method. In addition, some Tier 2 retailers don't have the resources to manage installers and compliance risks associated with delivering activities.

Figure 4 gives a breakdown of comments provided on the proposed stand-alone pathway. Some quotes from among the comments reported in the pie chart are listed in Box 2.

Figure 4: Comments on the proposed standalone commercial lighting method



In response to comments about the probable lack of ACT markets for ACT PIAM&V, EEIS has reviewed the restriction on NGERS. In order to be an eligible business premises under EEIS, the premises must not have an energy consumption reporting obligation under the *National Greenhouse and Energy Reporting Act 2007* (NGER), the Australian Government's Energy Efficiency in Government Operations Policy or the Carbon Neutral ACT Government Framework (Energy Efficiency (Cost of Living) Improvement (Eligible Activities) Code of Practice, Dictionary<sup>3</sup>).

The key reason for the exclusion is the policy position that ACT electricity users should not be subsidising savings among very large organisations, which generally have the capacity to absorb energy savings themselves. EEIS also confirmed that the vast majority of the 24,000 or so small-to-medium enterprises in operating in Canberra will be eligible for EEIS abatement even with the current restrictions in place. Consultation within government confirmed that the commitment to the policy position of excluding NGERS reporters remains within the ACT government.

## Box 2: Comments on the Commercial Lighting - Stand-alone proposal

## Doesn't encourage participation and competition

 The stand-alone method will not enable approved abatement providers to participate in the scheme because retailers will contract a small number of installers to deliver activities, therefore excluding other providers.

#### Good because it will bring it in quickly

- Yes, let's get started.
- This is the shortest path to implementation.

#### Stand-alone is a good long-term option

- Yes to the stand-alone method. EEIS is well run to date, so this is the best way to implement until the end of 2016.
- Yes include the best parts of all schemes.

#### OK if government manages the risk

- Tier 2 retailers do not have the capacity to manage compliance.
- Need to manage the Tier 2 interaction, including risk management with regard to abatement providers.
- A good model would be for ACPs to sell 'certified certificates' to retailers, to remove the market risk for approved abatement providers. Otherwise they have no surety of sale or price, so this would mitigate the risk of over/under supply.

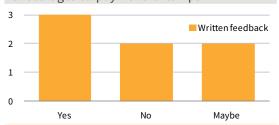
Much of the discussion at workshops focused on whether co-payments would be required for commercial lighting installations and/or whether the ACT EEIS commercial lighting activity should follow the SA REES & VEET commercial lighting model and allow T8 Linear Fluorescents to be upgraded with light emitting diode (LED) linear tubes or not. It is important to clarify that:

- » LED linear tubes modifications of linear T8 fluorescents (i.e. where the ballast and other components are safely removed) are allowed under the NSW ESS scheme with appropriate safety and quality considerations.
- » The VEET and SA schemes also allow LED linear tubes 'replacement'/'retrofits' where the tube alone is replaced with safety, quality considerations.
- Both approaches are being reviewed.

<sup>3</sup> http://www.legislation.act.gov.au/di/2015-266/current/pdf/2015-266.pdf

Figure 5 shows a range of responses to the proposal to require co-payments for commercial lighting. While the EEIS policy framework does not require or obstruct co-payments directly, stakeholders considered that the amount of abatement and the scheme administrative efficiency would dictate whether commercial lighting could be delivered without a co-payment. Comments about co-payments are in Box 3.

Figure 5: Agreement with a system which encourages co-payment for lamps



#### Box 3: Comments on co-payment options

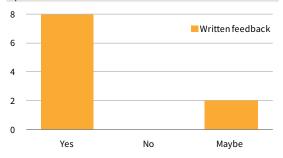
- These are the wrong way.
- The exclusion of LED linear tube only replacements for T8 will end up requiring customer contributions.
- The co-contribution requirement for large customers is an unnecessary requirement.
- Give-away Compact Fluorescent Lights and now LEDs for residential buildings has been successful and led to the incandescent phase-out.
- Free activities, enabled by allowing T8s to be upgraded with LED linear tubes are a compelling argument.
- Some of us see value in co-payment for larger energy users more thought required.

#### 4.1.1 Proposals for a two-year warranty

For the most part, the proposal for a stand-alone commercial lighting pathway proposes an identical set of requirements to those included in the ESS commercial lighting method. There were also two elements where EEIS proposed stronger requirements than ESS. The first was a proposal to require a two-year minimum warranty on installed products, in addition to requiring the equipment to be on the ESS product register. The second was to require that residual current devices (RCDs) be required in all commercial lighting upgrades.

Figure 6 shows the responses to proposals for a 2-year warranty. There was no opposition to this proposal.

Figure 6: Agreement with the proposed 2-year warranty for commercial lighting installed products



Box 4 contains some of the comments made about the proposal for a two-year warranty. Together with the absence of opposition to the proposal, these comments confirm that stakeholders support the two-year warranty proposal.

#### Box 4: Comments on a two-year warranty

- Yes, a shorter warranty is unlikely and would be a reason to question a product.
- Minimum of two years which includes installation is appropriate.
- Where sockets are required there is a hardwire challenge for warranty issues. This would be about \$80 per call-out.
- Yes, agree with extended warranties.
- This would need definition. Does it relate to the supply or the supply and install. If the supply and install then it could be two years.

Box 5 contains comments made about the proposal to require RCDs in all commercial lighting installations. The overall response was that the current AS3000 Electrical Installations standard already supports the inclusion of RCDs in all installations. Hence this safety aspect could be delivered by requiring adherence to the standard.

#### Box 5: Comments on residual current devices

- Yes, this is a requirement under the electrical code anyway, under AS 3000. This would be counted towards a co-payment anyway.
- · Yes to residual current devices.
- RCDs to be installed as per AS3000.

#### 4.1.2 EEIS response to feedback

Recommendation

efficiency.\*

EEIS recommendations taking account of this feedback are in Table 2.

Table 2: Recommendation on the proposal for a stand-alone commercial lighting method

**Proposed** 

|   | timing |
|---|--------|
| 4.1   | Mid    |
| Continue moving ahead with the stand-alone commercial lighting method modelled on the REES commercial lighting activity, taking account of stakeholder support for a 2-year warranty, residual current detectors, speedy introduction and comments on risk management, compliance, co-payments and administrative | 2016   |
| CO-payments and duministrative  |        |

Note that the ACT climatic conditions also impact on the 'air conditioning multiplier', and therefore the activity abatement value for Commercial Lighting, and have the effect of reducing the abatement compared with REES and ESS

## 4.2 Commercial Lighting – ESS Integrated

The ESS integrated pathway is based on near complete integration with the ESS for specified activities. This would streamline the administrative efficiency and simplicity for the Territory, retailers and providers, while assuring abatement, product and installation quality.

Under this proposed new approach, the Territory would enter into agreements with the NSW Government to closely cooperate on scheme policy and administration.

Figure 7: Support for the proposed ESS integrated commercial lighting activity

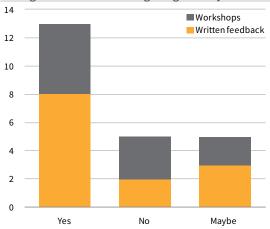
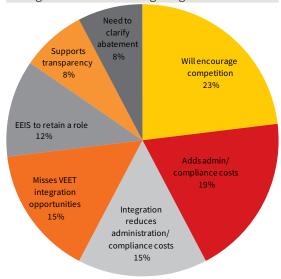


Figure 7 shows that support for the proposed ESS integrated commercial lighting method outweighed the objections to it. Figure 8 gives a breakdown of comments provided on the proposed ESS integrated pathway. Some quotes from among the comments reported in the pie chart are listed in Box 6.

Figure 8: Comments on the proposed ESS integrated commercial lighting method



#### Box 6: Comments on the Commercial Lighting - ESS integrated proposal

#### Will encourage competition

- There is a current lack of competition (among abatement providers and retailers) so it will be good to open that up.
- Most retailers and existing ESS ACPs support the integrated commercial lighting method.

#### Adds admin/ compliance costs

No to ESS paperwork and requirements for retailers.

#### Reduces administration/compliance costs

 The IPART Scheme is well documented and administered. The creation under the current IPART methodology will ensure that quality installations are correctly installed with end users protected from misinterpretation of the scheme and bad practice.

#### **Misses VEET integration opportunities**

- Would be better if it were the Victorian ESC but until the law on VEET is changed this will not be possible. Must make sure that it is not burdened by overly bureaucratic and time-wasting ESS processes.
- EEIS to retain a role.
- Yes to the [EEIS] training.

#### **Supports transparency**

• If this includes ACT-ESCs then a traded market will provide transparency.

#### Need to clarify abatement

- It was unclear from the forum what the price band for potential ACT-ESCs would be. Perhaps EEIS can provide clarity on this (minimum price probably \$0 to maximum price probably determined by the penalty price)?
- We see problems with the potential of differing activity abatement values (depending on the creation source of the ACT ESC). With AAV is 0.194 tCO<sub>2</sub>-e for PIAM&V and the AAV is 0.144 tCO<sub>2</sub>-e for commercial lighting will effectively create two classes of ACT-ESCs (2 classes of pricing) depending on the activity source and the abatement value of it to the retailer. We suggest this may distort the market and create unnecessary administrative burden. We question why the activity abatement value could not accounted for at certificate creation of an ACT ESC and have a one for one conversion for certificates to abatement CO<sub>2</sub>-e for retailer to surrender against their obligation? We do not support multiple activity abatement values as this would make transacting certificates difficult.

#### 4.2.1 EEIS response to feedback

EEIS responses to this feedback are in Table 3.

Table 3: EEIS Responses to feedback on the proposal for an ESS integrated commercial lighting method

| Recommendation   | Proposed timing |
|--|-----------------|
| 4.2 Continue moving ahead with the New South Wales (NSW) Energy Saving Scheme (ESS) integrated commercial lighting method, taking account of | Early<br>2017   |
| stakeholder interest in maximising participation and minimising administrative costs.  |                 |

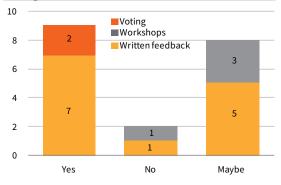
## 4.3 Project Impact Assessment with Measurement and Verification - ESS Integrated Method

Project-specific methods were identified as priorities for new activities in the 2015 EEIS Stakeholder Forum. In response to this, EEIS has proposed an integrated method to enable projects to use the ESS Project Impact Assessment with Measurement and Verification Method (PIAM&V).

PIAM&V is a type of savings calculation method sometimes referred to as project based assessment (PBA). PBA methods differ from the approach used for other current EEIS methods, which are based on pre-calculated, average, default abatement factors (DAFs) for narrowly specified activities.

Figure 9 shows that support for the PIAM&V method outweighed the objections to it, but that many respondents were unsure.

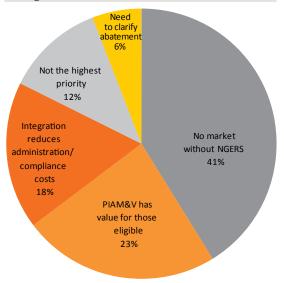
Figure 9: Support for the proposed ESS integrated PIAM&V method



Support for the proposed PIAM&V method is based on the view that this is a valuable approach to achieving abatement outcomes and that an integrated method will reduce administration and compliance costs.

Figure 10 gives a breakdown of comments provided on the proposed integrated PIAM&V method. Some quotes from among the comments reported in the pie chart are listed in Box 7.

Figure 10: Comments on the proposed integrated PIAM&V method



## Box 7: Comments on the PIAM&V - ESS integrated proposal

#### No market without NGERS

 This will have limited application because a high percentage of office buildings are public and/or NGERS reporters.

#### PIAM&V has value for those eligible

 Versatile approach that can be used for bundling multiple activities where deemed methods are inadequate or inappropriate; expect take-up to grow substantially as M&V becomes more widely-understood.

## Integration reduces administration/compliance costs

• If this includes ACT-ESCs then a traded market will provide transparency.

#### Not the highest priority

• Adopt NABERS methods instead of PIAM&V.

#### Need to clarify abatement

• We see problems with the potential of differing activity abatement values.

The high number of uncertain responses was due to the view by many stakeholders that the exclusion of NGERS reporters from EEIS activities limits opportunities to use this method. The NGERS exclusion has been addressed in Section 4.1 above.

In summary the exclusion ensures that EEIS benefits flow to householders and small-to-medium enterprises rather than larger energy users with greater capacity to absorb energy savings themselves. There are no current plans to amend the current exclusion.

EEIS responses to this feedback are in Table 4.

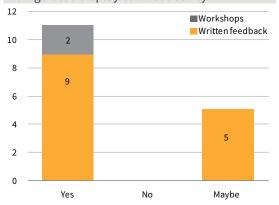
4.3.1 EEIS response to feedback Table 4: EEIS Responses to feedback on the proposal for an ESS integrated commercial lighting method

| Recommendation                             | Proposed timing |
|--|-----------------|
| 4.3.1                                      | Early           |
| Continue moving ahead with the             | 2017            |
| ESS integrated Project Impact              |                 |
| Assessment with Measurement and            |                 |
| Verification (PIAM&V) method, taking       |                 |
| account of stakeholder comments            |                 |
| about whether there is a sufficient        |                 |
| market to justify this method.             |                 |
| 4.3.2                                      | Ongoing         |
| Maintain the small-to-medium               |                 |
| business eligibility criteria in the EEIS. |                 |

## 4.4 Commercial refrigerated display cabinets

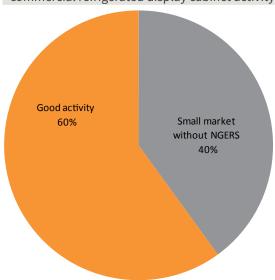
A proposed new commercial refrigerated display cabinet activity was presented at the forum. This was for an activity matching the scope of Australian Standard 1731, part 14, (products regulated for energy efficiency) and harmonised with the VEET scheme. Figure 11 shows that there was considerable support for, and no objection to, the proposed refrigerated display cabinet activity.

Figure 11: Support for the proposed refrigerated display cabinet activity



Support for the proposed activity was based on it being a simple activity which has some potential uptake, although stakeholders also expressed uncertainty about the potential uptake, given the exclusion of NGER reporting entities from EEIS. Figure 12 is a breakdown of comments and Box 8 contains some examples.

Figure 12: Comments on the proposed commercial refrigerated display cabinet activity



Box 8: Comments on the proposed method for refrigerated display cabinets

#### Small market without NGERS

 I do not believe there would be sufficient credits created to encourage meaningful up take of this activity within the scheme.

#### **Good activity**

Seems like a straightforward method.

#### 4.4.1 EEIS response to feedback

The EEIS response to this feedback is in Table 5.

Table 5: EEIS Responses to feedback on proposed refrigerated display cabinet activity

| Recommendation                  | Proposed timing |
|---------------------------------|-----------------|
| 4.4                             | Mid             |
| Commence a refrigerated display | 2016            |
| cabinet method consistent with  |                 |
| the Activities Update Report.   |                 |

## 5. RESIDENTIAL ACTIVITIES

The 2015 EEIS Stakeholder Forum identified several priorities for residential activities. The identified priorities were for an insulation activity, more space and water heating activities and more appliance activities.

An insulation activity has not yet been developed by EEIS and remains on the list of activities under consideration. EEIS has not yet proposed an insulation activity because, at the time of writing, there is no equivalent activity within comparable schemes to form the basis of this activity in EEIS. The South Australian REES insulation activity minimises risks through the statutory requirement for insulation to be installed by licensed contractors. There is no equivalent licensing requirement in the ACT. A VEET insulation activity has been developed, but not commenced and codes of practice are still being finalised. It is anticipated this VEET method will address installation risks in a way that can be picked up by EEIS.

Updates and new methods were proposed in the 2016 Activities Update Report and described at the forum for several residential activities. These included the refrigerator decommissioning and removal activity, the sale of new appliances and space conditioning and water heating methods. The proposals, feedback and EEIS responses to feedback for residential methods are presented here.

#### 5.1 Residential appliance methods

## 5.1.1 Proposed changes to refrigerator removal method

The Activities Update Report proposed new activity abatement values (AAVs) and a new approach to the refrigerator decommissioning activity. Updates to AAVs are called for since the current values (0.5923 for a single door refrigerator and 1.0603 for a 2-door refrigerator) were based on the assumed energy savings from a pre-1996 refrigerator.

However the current activity allows the decommissioning of a refrigerator of any age, because of difficulties experienced in determining the age of old refrigerators. Energy and emissions savings are significantly higher for pre-1996 refrigerators, meaning that the current AAV is far too generous for new products and not generous enough for older products.

The proposed new approach was to introduce four categories for refrigerator decommissioning that offer realistic abatement for fridges of different ages and sizes. The proposal requires that external measurements be taken of each refrigerator and offers higher abatement if a pre-1996 age can be determined. The new approach also distinguishes between secondary and other refrigerators, offering higher abatement for the decommissioning of a secondary refrigerator.

The feedback received from stakeholders did not support the introduction of refrigerator measurement, with stakeholders considering that these changes add unnecessary and impractical complexity, and room for error, into a successful activity. The forum and Activities Update Report did not clearly articulate that the alternative of retaining the current method will involve an AAV reduction of about 20% because of the updated assumptions recognising that the AAV is for both new and old decommissioned fridges. Further research is being undertaken on this activity prior to the finalisation of any changes, see recommendation 5.1.1 in Table 6.

Box 9: Comments on proposed changes to the refrigerator removal activity

- The proposed changes to refrigerator removals will add complexity without adding to abatement. Better not to change it.
- Are refrigerators in garages really less efficient? They are opened less often and don't have to pump as much.
- The proposed age restriction on refrigerator recycling is entirely infeasible and contrary to extensive, successful Australian and international precedent.
- There is typically no age information on fridge labels—most participants are highly uncertain about their old refrigerator's age.
- There is no meaningful information available online about model vintage; accordingly, age is not objectively verifiable.
- The proposed size measurement of refrigerators and freezers is infeasible, unnecessary and contrary to extensive, successful Australian and international precedent.
- If the suggested changes to the fridge activity were to be implemented, the impact would greatly reduce eligibility and likely make operation of the program untenable. The removal of the fridge buyback program would impact the ~20% priority householders from participating in this activity.

#### 5.1.2 EEIS response to feedback

The EEIS responses to feedback on refrigerator decommissioning activities is in Table 6.

Table 6: EEIS Responses to feedback on refrigerator decommissioning activities

| Recommendation   | Proposed timing |
|--|-----------------|
| <b>5.1.1</b> Undertake further research before updating refrigerator decommissioning method. | Early<br>2017   |

## 5.1.3 Proposed updates, feedback and responses to standby power controller activities

The Activities Update Report proposed updates to the standby power controller (SPC) activity to restrict these to four per household and to introduce a new standard multiplier for all SPCs, including those on the VEET product register whose abatement has been tested through field trials. No comments were received on the proposed changes, which will be put forward to action.

The EEIS responses to feedback on standby power controller activities is in Table 7.

Table 7: EEIS Responses to feedback on standby power controller activities

| Recommendation                      | Proposed timing |
|-------------------------------------|-----------------|
| 5.1.2                               | Mid             |
| Update the SPC activity to restrict | 2016            |
| it to four devices per household    |                 |
| and introduce the standard          |                 |
| multiplier for SPCs, including      |                 |
| those on the VEET product           |                 |
| register whose abatement has        |                 |
| been tested through field trials.   |                 |

## 5.1.4 Proposed updates, feedback and responses to the activity to install a high efficiency swimming pool pump

A clarification was proposed so that the qualifying requirement is three stars, consistent with VEET and REES. No comments were received on this proposal, which will be put forward to action.

The EEIS responses to feedback on high efficiency swimming pool pump activities is in Table 8.

Table 8: EEIS Responses to feedback on swimming pool pump activities

| Recommendation                    | Proposed timing |
|-----------------------------------|-----------------|
| 5.1.3                             | Mid             |
| Update the swimming pool          | 2016            |
| pump activity consistent with the |                 |
| Activities Update Report.         |                 |

## 5.1.5 Proposed new method for the sale of new appliances

A new approach to the sale of efficient appliances was proposed in the Activities Update Report. This offered a way for retailers to earn AAV credits for sales-weighted average of all appliances sales above the average market efficiency. The activity would no longer require participation of purchasers to earn credits.

The feedback from stakeholders was very mixed. Figure 13 shows that more people were unsure of this proposal than either supportive or against it.

Figure 13: Support for the proposed methods for the sale of new appliances

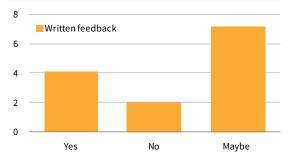
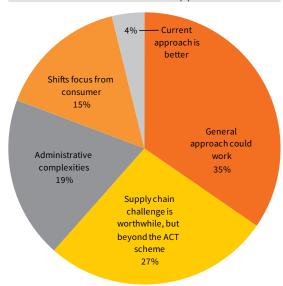


Figure 14 and Box 10 show that support for the proposal was balanced by concerns that the ACT would be too small to successfully implement a method such as this on its own, that administrative complexities could undermine the activity and that other issues, such as consumer education, also warranted attention.

Figure 14: Comments on the proposed methods for the sale of new appliances



### Box 10: EEIS questions on a residential appliances proposal

#### General approach could work

- benchmark could be set, whereby abatement could then be claimed based on the incremental efficiency of the sold appliance, measured by the star rating over and above the current national benchmark. In this way the new appliance retailer would know at the point of sale what is the abatement value being generated. This may help to offer surety for new appliance retailers to adjust their upstream supply of appliances by demanding more efficient products.
- The changes in relation to sales is tricky.
   Establishing a baseline would allow an indication of the potential. It might be a lot of effort for not a lot of outcome but could be tested.

## Supply chain challenge is worthwhile, but beyond the ACT scheme

- There are examples around to show that abatement has given real incentives to retailers to push up the supply chains.
- This method places lots of faith in on retailers to do the right thing.
- This is aiming for supply chain disruption.
  But the ACT is too small to make much difference.

#### Administrative complexities

• How do you handle sales online?

#### Shifts focus from consumer

- The sales-weighted national approach is challenging. Why not give the incentive to the consumer to encourage their buy-in to energy efficiency? Make it meaningful to consumers.
- We believe that the VEET approach to incentives/rebates not only has a profound influence on consumer purchasing behaviour but also creates long-term awareness of energy efficiency in general.
- Current approach is better
- If the proposed changes do not take place, abatement providers will be well-positioned to commit the necessary resources and time to introduce the activity. Some major obstacles have been addressed, such as paper assignment forms and consumer signatures. These have been preventing the take up of new appliance activities in Victoria.

## 5.1.6 EEIS response to other feedback on the sale of new appliances

Proposed

EEIS response to this feedback is in Table 9.

Table 9: EEIS Responses to feedback on residential activities

Recommendation

|  | timing     |
|--|------------|
| <b>5.1.4</b> At this stage, maintain the current activity definitions for the purchase of new residential appliances for consistency with VEET.    | Early 2017 |
| <b>5.1.5</b> Add new activities for the purchase of efficient dishwashers and clothes dryers which were presented in the Activities Update Report. | Early 2017 |
| <b>5.1.6</b> Update abatement values for activities, where needed for greater accuracy, consistent with the Activities Update Report.              | Early 2017 |

## 5.2 Residential space heating and cooling

The Activities Update Report proposed a new approach to the space heating and cooling activities involving the introduction of a comprehensive matrix of options that cover a wider range of technologies.

Figure 15 shows that there was strong support for the proposed new approach to space heating and cooling methods as well as a high proportion of respondents who were unsure.

Figure 15: Support for the proposed new space heating and cooling activities

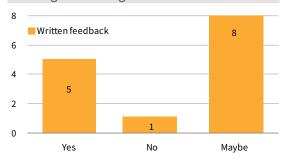
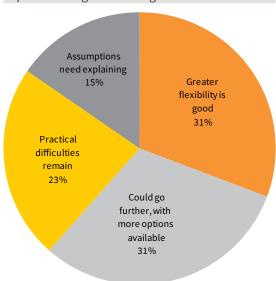


Figure 16 is a breakdown of comments provided in feedback about the proposed updates to space heating and cooling methods. Box 11 contains some examples of the detailed comments. The flexibility and the additional options provided by this approach were welcomed by stakeholders, who also sought further clarification of assumptions and the resolution of some practical issues. This clarification can be provided through codes of practice and other supporting material as the activities are commenced.

Figure 16: Comments on the proposed new space heating and cooling activities



Box 11: Comments on the proposed new approach to residential heating and cooling activities

#### Greater flexibility is good

 We support the proposed changes to heating and cooling as it now allows for greater activity flexibility in market application.

#### Could go further, with more options available

- The ductwork activity should be expanded to electrical system ductwork, not just gas.
- We are concerned to see that a system is not eligible if it has a minimum size less than 10 kW for a fixed system. What about in the case of a small house where the householder wants to install, for example, an efficient 8 kW central or multi-split reverse cycle system? Will they instead need to select a system with a rated capacity of 10 kW? If installers favour the larger capacity units over the smaller units, they may contribute to the residence in question achieving lower energy efficiency than would be achieved with an optimally-sized unit.

#### Assumptions need explaining

- The rebound effect is potentially very important for space conditioning. Pay careful attention to assumed usage behaviour. Analysis pre- and post- activity is needed.
- Regarding the negative abatement assigned to RC A/C units to account for cooling energy— around 10% for most units—has any projection of usage of residential space cooling in the ACT been undertaken? Would expect increased usage in future compared to past as more and more people are becoming accustomed to conditioning their living space in summer as well as in winter. Also due to the increased likelihood of extreme heat periods/heatwaves. I understand that the factors being used are based on systems registered over the past five years, but would expect market penetration of R/C systems in the ACT will continue to grow and there will be a corresponding increase in the use of space cooling in the summer months relative to heating in the winter months.

#### Practical difficulties remain

Please consider simplifying the installation of 'plug and play' electric dampers so that a 24 volt system does not require installation by an electrician. Wiring work on the equipment that operates at a voltage of not greater than 90 V is not considering electrical wiring work. This information is further supported in ACT Planning and Land Authority's Electrical Note 8 – Certificate of Electrical Safety (CES), available at: http://www.planning.act.gov.au/ data/ assets/pdf\_file/0007/28933/2012\_-\_

Electrical Note 08.pdf.

#### 5.2.1 EEIS response to feedback

The EEIS response to feedback on a new approach to residential space heating and cooling activities is in Table 10.

Table 10: EEIS Responses to feedback on proposed new approach to residential space heating and cooling activities

| Recommendation                 | Proposed timing |
|--------------------------------|-----------------|
| 5.2.1                          | Early 2017      |
| Commence the new approach      |                 |
| to space heating and cooling   |                 |
| activities consistent with the |                 |
| Activities Update Report.      |                 |

#### 5.3 Hot water service activities

The Activities Update Report proposed updates to hot water service activities including:

- the introduction of a comprehensive matrix of options that cover a wider range of technologies, such as hot water heat pumps
- shower head replacements
- tap improvements.

Feedback for these three proposed changes was received together through forms and is reported as a group in Figures 17 and 18 and Box 12.

The responses indicate support for the proposals and some remaining uncertainty. Figure 18 and Box 12 show enthusiasm for the greater flexibility associated with the proposed approach. Box 12 provides examples of comments made about the proposals. Residual uncertainty was in part a call for further clarification about the practical issues involved. The codes of practice being developed for the activities will assist in this clarification and so this issue will be addressed as the activities are finalised.

Figure 17: Comments on the proposed new water heating activities

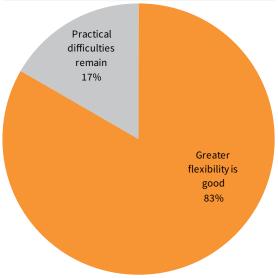
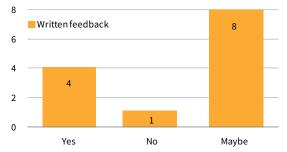


Figure 18: Support for the proposed new water heating activities



Box 12: Comments on proposed new approach to water heating activities

#### Greater flexibility is good

- · Clear benefit.
- The matrix approach is excellent. This gives more accurate results and is similar to the ESS commercial lighting method.

#### Practical difficulties remain

One concern I have which I believe was not explicitly considered under the ESS (not clear on whether it is considered under VEET or REES) is the issue of the operating characteristics of the water heating unit supplying hot water to the showerhead. I am aware of several examples where an ultra low flow showerhead or even a low flow showerhead has been installed, then this unit was found by the resident to result in the hot water supply cutting out and only cold water coming though. This is due to minimum flow limitations of some instantaneous hot water systems. If the system cannot accommodate a very low flow (say, 6 L/min) as it was not designed for this, then the fitting of the low flow showerhead will cause the heating element to cut out to avoid overheating. The only way around this for the householder would be to increase the flow to the unit (e.g. turn on bathroom hot water tap and let water run down the drain while they have a shower) or otherwise fit a higher flow showerhead, reversing the energy savings achieved. Given this concern, I would suggest that one possibility would be to require that in the case of instantaneous hot water systems, the unit must have a minimum flow requirement of (say) 4 L/min or similar, so that it can continue to heat water even if the only hot water end use at a particular point in time is a 6 L/minute showerhead.

#### 5.3.1 EEIS response to feedback

The EEIS response to feedback on a new approach to hot water service and cooling activities is in Table 11.

Table 11: EEIS Responses to feedback on proposed new approach to hot water service activities

| Recommendation                  | Proposed timing |
|---------------------------------|-----------------|
| 5.3.1                           | Early 2017      |
| Commence the new approach       |                 |
| to hot water service activities |                 |
| consistent with the Activities  |                 |
| Update Report.                  |                 |

## 5.4 Residential building envelope activities

The Activities Update Report proposed updates to residential building envelope activities, including three building envelope activities. The proposed updates were as follows:

- » In the activity to install a thermally efficient window, remove the requirement for a minimum of 5 m² of window to be replaced and change the abatement calculation to take account of the U Value and Solar Heat Gain Coefficient, instead of the Window Energy Rating Scheme rating.
- » For the activity to retrofit thermally efficient glazing, films were proposed to no longer be permitted, with the product to be specified as "simply removable by the home owner so as to permit access to the formed air gap for cleaning/drying purposes".
- » For the activity to install thermally efficient window coverings, the proposed update was only to the AAVs, so they accurately reflect the Canberra climate and building stock.

Feedback for these three proposed updates was received together through the feedback forms, and is reported as a group in Figures 19 and 20 and Box 13.

Please note that VEET is in the process of reviewing its Schedule 15, Building Sealing activities. EEIS will take this into account during the next review.

The responses indicate support for the proposals, with some remaining uncertainty. Figure 20 and the comments in Box 13 show that the changes are considered positive, with the uncertainty based on a sense that even more abatement could be offered through further research into the genuine energy efficiency outcomes that can be achieved by improving the building envelope. Comments also indicate support for public education on energy efficiency through better building envelopes. Such public education will be supported by the introduction of the proposed updates and so this comment is seen as consistent with the proposals.

Figure 19: Support for the proposed updates to residential building envelope activities

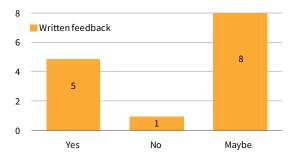
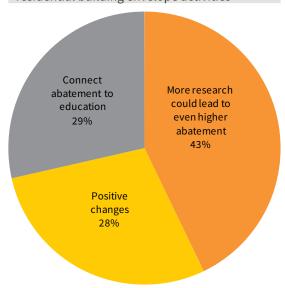


Figure 20: Comments on proposed updates to residential building envelope activities



#### 5.4.1 EEIS response to feedback

The EEIS response to feedback on a new approach to building envelope activities is in Table 12.

Table 12: EEIS Responses to feedback on proposed updates to building envelope activities

|                                       | •               |
|---------------------------------------|-----------------|
| Recommendation                        | Proposed timing |
| 5.4.1                                 | Mid             |
| Update the building envelope          | 2016            |
| activities consistent with the        |                 |
| Activities Update Report.             |                 |
| 5.4.2                                 | 2017            |
| Update other building sealing         |                 |
| activities in collaboration with VEET |                 |

Box 13: Comments on proposals to update residential building envelope activities

## More research could lead to even higher abatement

- We support any positive changes to AAVs. In the case of double glazing, we support an amendment to the AAV modelling adjusting for a greater than 1 degree drop in thermostat settings due to reduced drafts and radiant losses. We would be interested in monitoring the results of a third party project to determine if new data on energy emissions would allow for a more accurate assumption in the thermostat settings. If an increase to the AAV is achieved we could re-evaluate various business models for this activity and determine if a double glazing program could be included in a future mix of activities.
- Concerned about 1.4—space needs to be conditioned. How is 'conditioned' defined? Is a space which is subject to the occasional use of, for example, plugin portable electric resistance heaters or plug-in portable air conditioners considered 'conditioned'? If so, OK. If not, I am concerned that this approach provides a disincentive to installing a thermally efficient window in a house which lacks fixed heating or cooling systems but in which plug-in portable heating or cooling systems are used by the householder.

#### Positive changes

- Logical changes.
- We support these positive changes.

#### Connect abatement to education

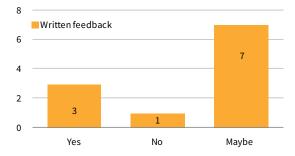
 Some discussion on door sealing seemed to complicate what should be a relatively simple activity. Additional education material may be beneficial.

#### 5.5 Residential lighting

The Activities Update Report proposed updates to current residential lighting AAVs in line with updates delivered in VEET in April 2016. These AAV changes are not proposed for introduction to the EEIS until 2017. The AAVs are lower than in the current scheme because high efficiency light globes now make up a greater proportion of lights both in place and on sale than when the current AAVs were adopted.

Figure 21 shows that support for these updates outweighed disagreement, but that most respondents were unsure. Comments are shown in Box 14 and suggest that stakeholders are broadly supportive of harmonisation with other schemes, but would appreciate further information and discussion about how EEIS and other schemes calculate and update their AAVs and how the scheme supports competition.

Figure 21: Responses to proposed updates to residential lighting activities



## Box 14: Comments on proposals to update residential lighting activities

- We would like to understand more about the proposal. Whilst we would agree with VEET alignment for residential lighting activities, it is not clear to us whether the EEIS market will be more competitive after the proposed changes or not? We would support changes that implement a more competitive market but it is not clear to us how this might be delivered? ... It is difficult to see how any of the changes will make the EEIS more competitive.
- With LEDs getting more efficient every year, how do we capture that in terms of previous installed LEDs? I.e. is a 2013 LED worth replacing with a 2016 LED or a 2018 LED?

#### 5.5.1 EEIS response to feedback

The EEIS response to feedback on updating the residential lighting activities is in Table 13.

Table 13: EEIS Responses to feedback on proposed updates to residential lighting activities

| Recommendation  | Proposed timing |
|---|-----------------|
| <b>5.5.1</b> Update the residential lighting Activity Abatement Values (AAVs) from January 2017 consistent in line with VEET. | Early 2017      |

## 6. ADDITIONAL ACTIVITY PRIORITISATION

During the forum, stakeholders were invited to suggest additional activities that could be added to the EEIS. Several opportunities to propose new activities included:

- on feedback forms submitted either on the day or through an online form
- · during the final workshop of the forum
- through a voting system on display throughout the day.

Stakeholder suggestions for new activities are shown in Figure 22, together with the number of times each proposed new activity was mentioned. Responses to some additional points are here:

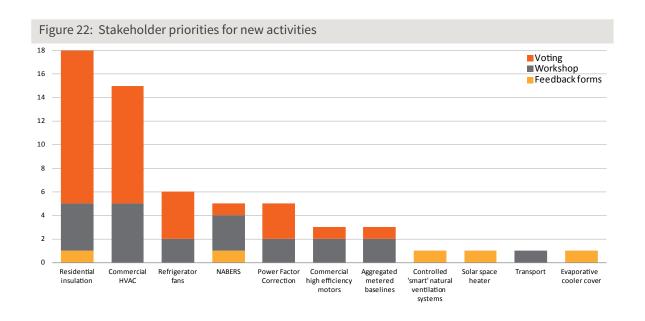
- A proposed activity to 'replace a portable air conditioner' will be supported by the proposed new space heating activities.
- An activity for 'retailer assisted abatement creation' needs further clarification.

#### 6.1 EEIS response to feedback

The EEIS response to proposals for additional activities is in Table 14.

Table 14: EEIS Responses to feedback on proposed updates to building envelope activities

| Recommendation                    | Proposed timing |
|-----------------------------------|-----------------|
| 6.1                               | Ongoing         |
| EEIS will work towards the        |                 |
| introduction of new activities    |                 |
| proposed by stakeholders,         |                 |
| taking account of the priority of |                 |
| harmonising with other schemes    |                 |
| and meeting local needs.          |                 |



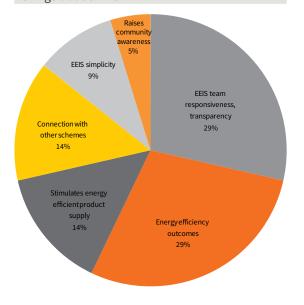
## 7. EEIS BENEFITS AND OPPORTUNITIES

The stakeholder feedback form contained a question about the benefits and opportunities associated with the EEIS. Responses to this question are in Figure 23.

Most comments relate to the simplicity and effectiveness of the scheme and the responsiveness of EEIS administration.

Harmonisation with other schemes is also a recognised benefit. Box 15 contains some direct quotes about the best features of the EEIS.

Figure 23: Stakeholder comments on the best things about EEIS



Box 15: Comments on the best things about the EEIS

#### **EEIS** team responsiveness, transparency

- The responsiveness of the EEIS team.
- Transparency and open consultation.
- Staff are very helpful and approachable.

#### **Energy efficiency outcomes**

• The energy saving outcomes benefit all participants living in the ACT.

#### Stimulates energy efficient product supply

 Provides commercial incentive to suppliers of energy efficient services and products to favour more efficient product/service offerings over less efficient offerings.

#### Connection with other schemes

- Complementary to ACT renewable policy initiatives.
- EEIS can learn from experience of ESS,
   VEET & REES and take the best of these.

#### **EEIS** simplicity

- Simple and straightforward.
- Simplicity of calculation methods.

#### Raises community awareness

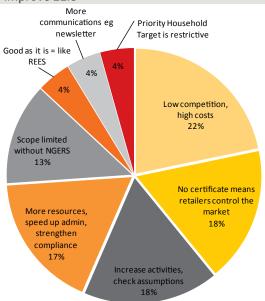
 Any residential customer has access to the scheme and through delivering scheme targets it raises community awareness of energy efficiency.

## 8. EEIS CONSTRAINTS AND IMPROVEMENTS

The stakeholder feedback form contained a question about the ways to improve the EEIS. Responses to this question are in Figure 24.

Most comments were about the current lack of competition in the scheme and the high costs associated with that. Comments were also made about the restricted scope of the scheme, including the exclusion of NGERS reporters (discussed in the Section on an integrated PIAM&V method). There were also calls for additional resources in the EEIS team, to speed up administrative tasks, especially with the scheme expansion that is currently underway. Box 16 contains some direct quotes about EEIS constraints and how it could be improved.

Figure 24: Stakeholder comments on how to improve EEIS



#### 8.1 EEIS response to feedback

EEIS responses to feedback for improving the EEIS is in Table 15

Table 15: Recommendations for improving the EEIS

| Recommendation                   | Proposed timing |
|----------------------------------|-----------------|
| 8.1                              | 2018            |
| Review Priority Household Target |                 |

### Box 16: Comments on the value of the stakeholder forum

#### Low competition, high costs

 EEIS is currently not a traded market and therefore costs appear to be higher than in other schemes. A traded market may overcome this

## No certificate means retailers control the market

 Market for provision of energy efficiency services under the EEIS will be controlled by the retailers—just one Tier 1 retailer and the few Tier 2 retailers.

#### Increase activities, check assumptions

- Assumption that cooling is not important should be revised as emissions decrease.
- Expand to more activities.

## More resources, speed up admin, strengthen compliance

• Resources (if decides to internalise commercial lighting).

#### **Scope limited without NGERS**

· Not including NGERS buildings.

#### Good as it is = like REES

 I believe continuing with a model similar to the REES program is the best outcome for the EEIS.

#### More communications e.g. newsletter

• Maybe a monthly/quarterly newsletter?

#### **Priority Household Target is restrictive**

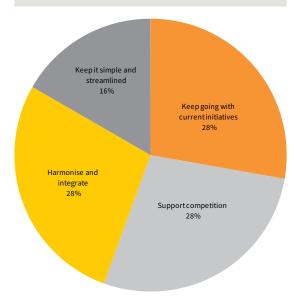
 Removal of the PHT from 2018 (as discussed with EEIS team).

## 9. KEY MESSAGES FOR EEIS

The feedback form contained a question inviting stakeholder key messages for EEIS. Responses to this question are in Figure 25.

Most messages encourage EEIS to continue with the current trajectory and in particular to support competition, ensure harmonisation with other schemes and keep the scheme simple and streamlined. Box 17 contains some direct quotes from among the key messages.

Figure 25: Stakeholder key messages for EEIS



#### Box 17 Stakeholder key messages for EEIS **Keep going with current initiatives**

- Great job—keep up the effort.
- Continue with consultative approach in changing initiatives under the EEIS.

#### Support competition

- ESS integrated new activities with ACT-ESCs seems to provide lowest barriers to entry. Different requirements in schemes create hurdles and increase transaction costs and therefore participation. The end result is that the price to provide energy efficiency services to the end user will be higher.
- When the commercial lighting methodologies are introduced, Tier 2 retailers will only participate if project and product compliance requirements rest with the AP, rather than the retailer. Otherwise it will not be worth our while to participate and will still pay the Compliance Cost once per year.

#### Harmonise and integrate

- We hope to see streamlined accreditation under EEIS for existing companies.
- · Harmonisation!

#### Keep it simple and streamlined

- To expand the program to include commercial lighting and follow a stand-alone method.
- Keep it simple.

## APPENDIX 1 STAKEHOLDER FORUM PROGRAM

# ENERGY EFFICIENCY IMPROVEMENT SCHEME STAKEHOLDER FORUM

WHERE: Hotel Realm, 18 National Circuit, Barton ACT WHEN: 10am to 5pm, 28 April 2016

#### FORUM GOALS AND PROGRAM

- Learn what the Energy Efficiency Improvement Scheme (EEIS) has delivered so far
- Find out about new eligible activities and opportunities for retailers and new abatement providers
- Help to shape the Scheme's future by contributing your ideas in workshops

| Time        | Торіс  | Presenter  |
|-------------|--|--|
| 10am        | Registration   |  |
| 10:30       | Welcome Address  | Dorte Ekelund, Director-General,<br>Environment and Planning Directorate   |
| 10.45       | International Best Practice  | Su Wild-River, EEIS Senior Project Officer   |
| 11am        | Extending the EEIS and increasing opportunities for participation  | Antonia Harmer, EEIS Manager   |
| 11:15       | Harmonising and updating activities  | Henry Adams, Common Capital  |
| 12:15       | Lunch  |  |
| 1pm         | Commercial Stream<br>Interactive workshop sessions   | Residential Stream Interactive workshop sessions   |
|             |  |  |
| 1pm         | Commercial lighting (Option 1)   | Residential appliances   |
| 1pm<br>2pm  |  | · /  |
|             | Commercial lighting (Option 1)  NSW Energy Savings Scheme Integration  Commercial lighting (Option 2)  | Residential appliances  Residential heating, cooling, hot water  |
| 2pm         | Commercial lighting (Option 1)  NSW Energy Savings Scheme Integration  Commercial lighting (Option 2)  Project Impact Assessment with measurement and verification   | Residential appliances  Residential heating, cooling, hot water  |
| 2pm         | Commercial lighting (Option 1)  NSW Energy Savings Scheme Integration  Commercial lighting (Option 2)  Project Impact Assessment with measurement and verification  Afternoon tea and voting on additional activities                              | Residential appliances  Residential heating, cooling, hot water systems and priority households  |
| 3pm<br>3:30 | Commercial lighting (Option 1)  NSW Energy Savings Scheme Integration  Commercial lighting (Option 2)  Project Impact Assessment with measurement and verification  Afternoon tea and voting on additional activities  Other commercial activities | Residential appliances  Residential heating, cooling, hot water systems and priority households  Home retrofit: Building fabric and lighting |

#### **CONTACTS**

#### **EEIS TEAM**

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## **APPENDIX 2 EVALUATION**



