

## Important changes to the Victorian Energy Upgrades program from 1 July 2023, Webinar – 11 July 2023

### Summary of responses to questions raised at the Q&A session

#### New accreditation standards

Can you please provide an example of accreditation conditions which may be applied?

From 1 July 2023, the commission will grant approval of accreditation or renewal of accreditation with any conditions the commission considers to be appropriate. These conditions may be:

- standard to all accredited persons, or
- apply to all accredited persons with approval to undertake a particular prescribed activity, or
- be particular to an accredited person and responsive to the particular matters raised as part of the assessment for accreditation or renewal of accreditation.

An example of a condition applied to all accredited persons where a particular prescribed activity is undertaken, is that accredited persons must not create more than a certain number of Victorian energy efficiency certificates (VEECs) per installer per day for a particular prescribed activity.

An example of a condition particular to an accredited person would be a condition imposed to provide additional safeguards in response to an accredited person's compliance history.

Further information on the changes to the program can be found [here](#).

Is the ESC able to outline what the assessment framework of 'documentation' vs 'operations' looks like and how it will be applied.

The intent is understood and makes sense, however given there is large degree of subjectivity this may present some challenges/ ambiguity for both applicants and the commission. E.g. Will this be via series of interviews or another method of investigation from the ESC?

Some detail around this may support a smoother process for APs and the ESC.

Our assessment includes considering whether you are fit and proper, and competent and capable, to be accredited to participate in the program. At this stage:

- we do not anticipate using interviews as a standard tool for assessing these applications.
- we expect that the assessment will be done primarily based on required information and documentation (and other information that the commission may obtain separately).

Further information about the new accreditation process can be found [here](#).

As part of the accreditation process there is a competence and capability test. This test mandates compliance with Continued Professional Development (CPD), which imposes certain restrictions relating to telemarketing. Will phone audits be governed by the same regulations? The competent and capable person test (section 10C of the [Victorian Energy Efficiency Target Act 2007](#)) requires accredited persons to provide evidence of how they have met their CPD requirements. At this time there are no specific CPD requirements, however the commission may create requirements in the future, information will be available on our [website](#).

On 22 June 2023, the Minister for Energy and Resources Lily D'Ambrosio announced a ban on telemarketing and other high-risk forms of unsolicited marketing under the program to protect consumers from high-pressure sales tactics and other inappropriate marketing. Under the ban, accredited providers will no longer be allowed to use cold-calling and other high-risk forms of unsolicited marketing to spruik products and services included in the program. The consultation process is underway, and more details will emerge once the process concludes. For information, visit: <https://engage.vic.gov.au/marketing-under-the-victorian-energy-upgrades-program>

What is the impact (if any) on the assessment timelines for accreditations?

The commission is required to make a decision on an application for accreditation within 20 business days, starting from the day we receive your complete application with the accompanying fee.

However, where we require further information in relation to your application, the timeframe may be paused to enable that information to be provided. We may also seek your agreement to extend the timeframe to consider your application.

## Accreditation renewal

Do we get the expiry date of current accreditation in email or by post, and when?

We have published accreditation expiry and renewal dates for each existing accredited person on our [website](#). This includes the date by which each existing accredited person's accreditation expires and the date by which it must apply for renewal of accreditation. Accredited persons have also received this information via post (mailed letter) and email.

The timeframe for the expiration of the accreditations will commence from October this year (2023), once an AP has received notification of expiration at what point will they have to lodge a renewal application?

Information relating to the accreditation transition period and expiry dates for accredited persons [is available on our website](#). Applications for annual renewal of accreditation must be submitted at least 90 calendar days before your existing accreditation status expires.

If your renewal time isn't till later next year and you wish to gain accreditation for HERA etc, shall we just apply as per normal for now?

If accredited persons wish to undertake the home energy rating assessment (HERA) activity, we request that you complete Appendix G of the [VEU Accreditation Application Form](#). This provides us with important information in relation to a new activity that we are closely monitoring.

Alternatively, you can seek approval to undertake this activity as part of your application for renewal of accreditation. Information about the new accreditation process can be found [here](#).

## Fees

How will the new fees be invoiced? Will we need to make payments through the portal or will they be invoiced externally as the VEEC registration fee are?

How frequently will invoices be issued, how are payments acknowledged/ tracked to avoid any delays?

Invoices will be issued manually in the interim. We are working to automate and integrate the new fees in terms of the issuance and invoicing with our current online IT registry system.

Please note, an application is only considered complete and ready for assessment by the commission if it includes payment of the associated fees.

Information on the new program fees can be found [here](#).

Is there any fee for an additional activities application for the APs already accredited for other activities?

Fees will be applied once an accredited person has transitioned to the new accreditation system. At that stage applications to add activities will be considered a 'variation to accreditation conditions' application as per the legislation and a variation fee will apply to those applications.

Information on the new program fees can be found [here](#).

## Audits

Is the independent auditor to be selected from the accredited auditor list? Will this be funded by the AP?

Would you be able to provide details about the new auditing framework?

Would these audits be incorporated into the applications for renewal?

Is the ESC considering possibly implementing a similar compliance regime to IPART in NSW?

Under the new legislation from 1 July 2023, the commission is required to conduct assurance audits. Assurance audits must be undertaken at least once in every 24-month period for every accredited person. These audits are always conducted by an independent auditor who is listed on the commission's list of independent auditors. The cost of the audit is paid by the accredited person.

The commission is finalising its framework for the new assurance audits and will provide more information shortly. The commission must publish a schedule for the conduct of assurance audits before 1 July 2024.

## New Activities

As the reaccreditation process shall be extensive, when will APs be able to consider if it is worth remaining in the program, by what is on offer in terms of updated timelines re new activities etc.

This is a commercial decision for each accredited person individually. For information about new activities, visit the [Department of Energy, Environment and Climate Action's Victorian Energy Upgrades program industry specifications page](#).

The cost barrier of entry to register products will contribute to a lack of choice for consumers. This will also reduce manufacturers utilising new technologies and efficiencies. Will this be looked at again, as this will kill choice for consumer?

The Department of Energy, Environment and Climate Action has completed a public consultation on the program fee structure in April 2023. Information on this process and the outcome is available at <https://engage.vic.gov.au/revised-victorian-energy-upgrades-fees>

Do we know when the new activities are going to come into VEU e.g., Hot Water Systems?

The program recently added new activities to promote electrification in water heating, space and heating and cooling. More information on these activities including updates to respective guides and application forms is available on our [website](#).

Regarding the prohibition of dual benefits, when is this to be implemented and is it the activity date of the upgrade to be considered?

The prohibition of dual benefits applied from the activity commencement date for commercial industrial heat pump water heaters (activity 44) as specified in the VEET Act and VEET Regulations. We made changes to our [activity guide](#) on 29 June 2023 to highlight this prohibition.

## Products

Do product applications also have 20 working days to get approved?

There is no statutory time frame for product applications. We prioritise the products that we think are most urgently needed on the product register, but there's no statutory time frame the way there is for accreditation applications.

Information about product applications can be found [here](#).

Will the products listed under activity 1D automatically be listed under 3C as they are similar type of activities and products?

New requirements under the VEU Specifications require heat pump water heater products) to be installed under activity 3C to be approved and modelled under a new standard (AS/NZS 4234:2021). Therefore, no products can be automatically listed under activity 3C as product applications need to be re-submitted for existing 1D products using updated information reflecting the new standard for us to review and approve for installation under 3C.

With a large number of products already submitted and still pending assessment, would you have an indication as to the approval timelines please.

We are currently assessing a large number of applications, including new product categories introduced on 31 May 2023. To facilitate this process, we encourage Accredited Persons to make sure your product applications are fully completed and include all required information.

Information about product applications can be found [here](#).

## VEET Scheme Registry Accounts

What would happen to your VEET account if you are suspended?

If an accredited person is suspended from the program by the commission, they are no longer permitted to create certificates. The commission deactivates the VEU accounts of suspended accredited persons as part of its enforcement outcomes.

As part of the program reforms, from 1 November 2023, existing VEU account holders must apply for a VEET scheme registry account. The commission will have power to cancel or suspend those accounts.