

Review of the Victorian Energy Efficiency Target Guidelines

Draft Decision

4 March 2019

An appropriate citation for this paper is:

Essential Services Commission 2019, Review of the Victorian Energy Efficiency Target Guidelines: Draft Decision, 4 March.

C/19/535

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Consultation on proposed amendments

Purpose

The purpose of this draft decision is to inform accredited persons, relevant entities and other interested parties of proposed amendments to the Essential Services Commission's (commission's) Victorian Energy Efficiency Target Guidelines (Guidelines) and seek feedback on those proposed amendments. The proposed draft guidelines are attached to this draft decision.

Background

The Victorian Energy Upgrades (VEU) program is a Victorian Government initiative established by the Victorian Energy Efficiency Target Act 2007 (Act). The purpose of the program is to reduce greenhouse gas emissions by encouraging efficient use of electricity and gas in both residential and non-residential sectors.

The commission is responsible for the administration of the Act and Regulations. Section 74 of the Act authorises us to issue guidelines relating to any matter required or permitted by the Act to be provided for by the Guidelines.

Since its commencement, the VEU program, including the Act and Regulations, has undergone several phases of amendment and expansion. The Guidelines must be updated occasionally to reflect new or amendments made to the Regulations and provide for any new administrative requirements.

The government introduced the Victorian Energy Efficiency Target Regulations 2018 on 10 December 2018 and amended the Victorian Energy Efficiency Target (Project-Based Activities) Regulations 2017 (PBA Regulations) on 11 December 2018. The Victorian Energy Efficiency Target Regulations 2018 replaced the Victorian Energy Efficiency Target Regulations 2008. The PBA Regulations were amended because of the addition of benchmarking to those regulations.

Summary of key amendments to the Guidelines

The proposed changes to the Guidelines reflect the following amendments contained in the Victorian Energy Efficiency Target Regulations 2018:

1. Victorian Energy Efficiency Target Regulations 2018
 - Changing the Register of Products' requirements
 - Allowing products that are contained in the GEMS Register and National Electricity Market Load Tables for Unmetered Connection Points published by the Australian Energy Market Operation to be installed under the VEU program

- Allowing the commission to set requirements for certain installations (e.g. minimum standards for lighting equipment).
2. Victorian Energy Efficiency Target (Project-Based Activities) Regulations 2017
 - Addition of benchmarking as a measure of energy use
 3. Amendments to reflect rebranding from the Victorian Energy Efficiency Target scheme to the Victorian Energy Upgrades program, the use of both the VEU Registry and Commission website to support the administration of the program, and changing the name of explanatory notes to guidance documents.
 4. Confirming the commission has the power to require Accredited Persons (APs) to provide certain training and has the power to require APs to use licensed installers.

Stakeholder submissions

The consultation documentation consists of the following:

1. This draft decision paper; and
2. Attachment A: The proposed amendments to the Guidelines in a marked-up version (draft Guidelines).

Stakeholders are invited to comment on any issue relating to the content of the draft Guidelines. The consultation documentation is publicly available on the commission website at www.esc.vic.gov.au/veu.

The consultation period will be open for four weeks. Submissions must be received no later than 5.00pm Friday **29 March 2019**, in electronic format if possible.

Electronic submission should be made via email to veu@esc.vic.gov.au and contain the following subject line: 'VEET Guidelines Submission'.

Submissions by mail should be addressed to:

Victorian Energy Upgrades
Essential Services Commission
Level 37
2 Lonsdale St
Melbourne VIC 3000

Our general approach is that submissions will be published on our website, except for any information that is commercially sensitive or confidential. Submissions should clearly identify which information is sensitive or confidential and be accompanied by a request that it not be made publically available.

Should you require further information, please contact VEU support on veu@esc.vic.gov.au or (03) 9032 1310. Please note that the commission is not seeking submissions on matters of policy as part of this consultation, or matters which have been addressed through previous consultations of the commission or the Department of Environment, Land, Water and Planning.

Timeline

We propose the following timeline for decision-making for this review of the Guidelines:

Publish proposed draft changes to the Guidelines for consultation	4 March 2019
Public submissions close	29 March 2019
Commission decision on changes	24 April 2019
Updated Guidelines gazetted in the Government Gazette	29 April 2019
Updated Guidelines published on the commission website	29 April 2019