

Essential Updates

Victorian Energy Upgrades program May 2024



From our Acting Executive Director

It has been another busy few months for the Victorian Energy Upgrades (VEU) program and the market, with more significant changes on the horizon.

Industry preparedness and engagement for the telemarketing and doorknocking bans was a significant focus ahead of the telemarketing ban taking effect on 1 May 2024 and the doorknocking ban commencing on 1 August 2024. You can read more about this below.

Improving the way we support and engage industry remains a high priority. Thank you to those who completed surveys to tell us about your preferences and requirements for support and engagement.

These survey insights are informing our compliance and engagement activity for this year and we have more webinars and guidance material planned for upcoming changes and other priority areas. This is in line with the survey feedback that showed strong industry appetite for more engagement and resources to support compliance. We will continue to seek your feedback to make sure we get this right.

Strengthening relationships and collaborating with other regulators and agencies is another focus to protect consumers across jurisdictions. Great examples of this are the multi-agency project with Solar Victoria and other Victorian regulators to improve compliance of heat pump water heater installations, and collaboration with the Australian Communications and Media Authority and other regulators about the telemarketing and doorknocking hans

We recently farewelled our Executive Director, Baethan Mullen who has taken on a great opportunity as CEO of The Superpower Institute and I will be acting Executive Director of VEU in the interim until the role is filled substantively. I would like to thank Baethan for leading us through a significant period of change for the VEU program.

Dan Keely

Acting Executive Director, Victorian Energy Upgrades

Program updates (Dec 2023 -May 2024)

- May 2024: Reminder of upcoming changes to product requirements for water heating activities
- Apr 2024: <u>Non-building</u> <u>based lighting upgrades</u> (<u>Activity 35) update</u>
- Apr 2024: <u>Changes to VEEC creation and assignment forms</u>
- Dec 2023: <u>Anomalous</u>
 <u>Total Cooling Seasonal</u>

 Performance Factors and <u>implications for category 6</u>
 products
- Dec 2023: <u>Water</u>
 <u>heating, space heating</u>
 <u>and cooling, gas efficiency</u>
 <u>and cold room updates</u>
- Dec 2023: <u>Update to</u>
 VEEC calculator for
 commercial and industrial
 heat pump water heaters
 (activity 44)

View all program updates.

Contact us

VEU support service: (03) 9032 1310 or veu@esc.vic.gov.au

Telemarketing and doorknocking bans – telemarketing ban commences and industry support

The ban on 'cold-call' telemarketing under the VEU program took effect on 1 May 2024, with the doorknocking ban to commence on 1 August 2024. We have supported accredited persons and scheme participants to prepare and comply with the bans, including an industry webinar, direct engagement with accredited persons that use telemarketing and doorknocking, and updated industry guidance material and resources.

All accredited persons and scheme participants must comply with the bans from commencement. We are actively monitoring compliance through an expanded range of tools and will take strong enforcement action for breaches. Read more on <u>our website</u>.

Upcoming program changes and consultations

Changes to product requirements for water heating activities

A reminder of below changes to water heating activities as outlined in <u>Victorian Energy</u> <u>Upgrades (VEU) Specifications – v.16.0</u>:

- Only heat pump water heaters using refrigerants with a global warming potential (GWP) of less than 700 will be eligible to be installed under activities 1D and 3C of the program from 1 July 2024.
- Only water heater products (electric boosted solar water heaters and heat pump water heaters) registered as being tested in accordance with AS/NZS 4234:2021 in the ESC register of products under product categories 1C and 1D will be eligible to be installed under the program from 1 July 2024. Water heater products which have been registered in the ESC register of products as being tested in accordance with AS/NZS 4234:2028 will no longer be eligible to be installed in the program after 30 June 2024.

Refrigerated cabinets activity review

The Department of Energy, Environment and Climate Action (department) has published a response to consultation for the Refrigerated Cabinet Review, to ensure the activity is successfully reintroduced into the program to deliver emissions reductions and energy bill savings for businesses. The department expects to publish updated regulations and specifications, and reintroduce the activity by 1 July 2024.

We will consult on proposed record-keeping requirements, product application requirements, and certificate creation form changes for the proposed revised refrigerated cabinet activity before it is reintroduced into the VEU program. Read more on Engage Victoria.

VEET scheme registry account requirements

From 1 November 2023, a requirement to hold a VEET scheme registry account was introduced for VEU program participants that hold, transfer and surrender Victorian energy efficiency certificates (VEECs). This includes accredited persons, relevant entities and other parties that hold or transfer VEECs. If you were holding VEECs on 1 November 2023, you have until 1 November 2024 to obtain your registry account. Read more about VEET scheme registry accounts and how to apply on our website.

Proposed changes to the VEU program

The Department of Energy, Environment and Climate Action recently released consultation papers on the following proposed changes to the VEU program. While the opportunity for public comment have closed you can still visit the Engage Victoria website to access information:

- Proposed new induction cooktop activity closed 21 April 2024
- Proposed co-payments and warranties for electrification activities closed 21 April 2024
- Proposed changes to project-based activities closed 29 April 2024

The inaugural accreditation renewal process is well underway, with over 80 applications received and nine approved to date, and most remaining applications still under assessment. The high number of applications received has resulted in delays in our assessment timeframes.

To enable a smooth process, accredited persons should carefully review the application guide and renewal form to ensure all information and documentation requirements are met. Issues we have seen that may affect the success of renewal applications include missing occupational, health and safety documentation; incomplete application forms; and noncompliance with VEU Code of Conduct Requirements. Applications for renewals must be submitted at least 90 calendar days before expiry.

Informed by stakeholder feedback, we will soon release an updated accredited application form to simplify and streamline the process as much as possible. Read more about accreditation renewal requirements, application due dates and accreditation expiry dates on our website.

Compliance and enforcement update

VEU compliance and enforcement priorities

We have shared our current and enduring compliance and enforcement priorities for the VEU program. With a focus on consumer safety and wellbeing, quality, integrity and reputation, these priorities will help us focus our resources on the right areas to protect consumers and uphold program integrity. Read more about these priorities and our updated commission-wide compliance and enforcement policy on our website.

Multi-agency heat pump hot water system compliance project

In line with our recently released VEU compliance and enforcement priorities, we are working with Solar Victoria and other regulators to improve compliance of heat pump water heater installations. This reflects our proactive approach to supporting and monitoring compliance with the VEU program rules, and taking enforcement action when the program rules are not followed. Read more on our website.

Clarifying weather sealing (Activity 15) requirements

We recently updated the Space Conditioning and Shower Rose Activity Guide and VEEC assignment forms to clarify the requirements of weather sealing (Activity 15) in response to identified compliance issues and requests for additional guidance on how to comply. Read more on our website.

Recent enforcement action

We took enforcement action against several accredited persons in recent months due to alleged breaches of the program rules, such as non-compliant marketing activity, poor quality installations and baseline manipulation. Action included suspension; requiring accredited persons to undertake an audit or rectify installations; certificate refusal/surrender; and warnings. Accredited persons must have adequate systems, policies and procedures to ensure the compliance of anyone undertaking activities on their behalf. Read more about the enforcement action on our website.

Program statistics

Program statistics can be found on our website.

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