

Obligations and Program Guide for Accredited Persons

1 November 2023



Acknowledgement

We acknowledge the Traditional Owners of the lands and waterways on which we work and live.

We acknowledge all Aboriginal and Torres Strait Islander communities, and pay our respects to Elders past and present.

As the First Peoples of this land, belonging to the world's oldest living cultures, we recognise and value their knowledge, and ongoing role in shaping and enriching the story of Victoria.

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Guide overview

This guide is intended to provide accredited persons (APs), and those considering becoming accredited, with key information about the Victorian Energy Upgrades program, their obligations as APs under the program and how to create Victorian energy efficiency certificates (VEECs) in accordance with the program's legislation.

About this guide

This Obligations and Program Guide for Accredited Persons provides information about the Victorian Energy Upgrades (VEU) program, summarises key requirements that apply to all accredited persons under the program and explains the creation and registration of Victorian energy efficiency certificates (VEECs).

The purpose of this guide is to promote a better understanding of the relevant legislative framework governing the VEU program, the VEEC creation and registration process, and to provide an overview of the obligations and the commission's expectations for those seeking to become accredited and remain accredited under the program.

For information on undertaking a specific activity under the program, you should review the relevant activity guide:

- Space Heating/Cooling and Water Heating Activity Guide (for activities 1, 3, 5, 6, 7, 9, 10, 23 and 28)
- Space Conditioning and Shower Rose Activity Guide (for activities 12, 13, 14, 15, and 17)
- Appliances Activity Guide (for activities 22, 24, 25, 26, 30, 31, 32, 33 and 36)
- Building Based Lighting Upgrade Activity Guide (for activity 34)
- Non-Building Based Lighting Upgrade Activity Guide (for activity 35)
- Public Lighting Upgrade Activity Guide (for activity 27)
- Gas Efficiency Activity Guide (for activities 37, 38, 39, 40 and 41)
- Cold Room Activity Guide (for activity 43)
- Commercial and Industrial Heat Pump Water Heater Activity Guide (for activity 44)
- Home Energy Rating Assessment Activity Guide (for activity 45)
- Measurement and Verification Method Activity Guide
- Benchmark Rating Method Activity Guide.

These activity guides are available at www.esc.vic.gov.au/veu-activities.

New requirements for applying to be approved as an accredited provider came into effect from 1 July 2023 as a result of the Victorian Energy Efficiency Target (Amendment) Act 2022. This includes applicants having to satisfy new ‘fit and proper person’ and ‘competent and capability’ requirements.

Further requirements applicable to the renewed accreditation of existing accredited persons and broadening of the commission’s to regulate scheme participants will be introduced over time. An updated version of this guide will be released once these requirements come into effect.

Who should use this guide?

You should use this guide if you are:

- considering, or seeking, accreditation to participate in the VEU program .
- accredited to undertake any of the activities under the program.

Legal context for this guide

This guide provides a general summary of requirements and VEEC creation information set out in:

- Victorian Energy Efficiency Target Act 2007 (the VEET Act)
- Victorian Energy Efficiency Target Regulations 2018 (the VEET Regulations)
- Victorian Energy Efficiency Target (Project-Based Activities) Regulations 2017 (PBA Regulations)
- Victorian Energy Upgrades Specifications 2018 (VEU Specifications)
- Victorian Energy Efficiency Upgrades Amendment Act 2022 (VEET Amendment Act)
- Measurement and Verification in Victorian Energy Upgrades – Specifications (M&V Specifications)
- Benchmark Rating in Victorian Energy Upgrades – Specifications (Benchmark Rating Specifications)
- Victorian Energy Efficiency Target Guidelines (the VEET Guidelines).

Note: References to “the regulations” refer to both the VEET Regulations and the PBA Regulations. References to “the specifications” refer to the VEU Specifications, M&V Specifications, and the Benchmark Rating Specifications”.

View these documents at www.esc.vic.gov.au/veu-legislation.

The information in this publication is intended to provide general guidance only. It does not constitute legal or other professional advice and should not be relied on as a statement of the law in any jurisdiction. While the commission has made every effort to provide current and

accurate information, you should obtain professional advice if you have any specific concern, before relying on the accuracy, currency or completeness of this information.

About the Victorian Energy Upgrades program

The VEU program aims to reduce greenhouse gases by making energy efficiency improvements more affordable for consumers, as well as reducing their long-term energy consumption. It does this by providing access to discounted energy efficient products and services through a market-based energy-efficiency certificate program.

The program, which started on 1 January 2009, was established under the VEET Act. Changes to the VEET Act, the regulations and the specifications are the remit of the Department of Energy, Environment and Climate Action (DEECA).

The Essential Services Commission (commission) administers the VEET Act and regulates participants in the program. The commission's key goal is to safeguard the integrity of the program by maintaining confidence in the energy efficiency benefits delivered to consumers and by delivering a balanced, transparent and efficient program for participants.

Under the program, energy retailers, known as relevant entities, are required to acquire and surrender Victorian energy efficiency certificates (VEECs) to meet annual targets set in Victorian legislation. Accredited persons, being a person accredited by the commission under the program, that carry out certain energy efficiency activities in residential or non-residential premises can create VEECs. The number of VEECs able to be created is based on the greenhouse gas savings associated with the specific activity. The level of incentive or discount received by households and businesses varies depending on the market activity and VEEC price, as the VEU program is market-based.

1. How to participate in the program

1.1. Accreditation

To create VEECs under the program, you must be an accredited person. To become accredited, you need to complete an accreditation application form and forward it to the commission, together with any required supplementary documentation, and application fee.

From 1 July 2023, the accreditation application fee for new applicants will be \$3,000.

Please refer to the Application Guide for Accredited Persons to learn more about the accreditation process which is available at www.esc.vic.gov.au/become-veu-accredited.

1.2. Eligible activities and installation environment

There are different eligible activity types¹ under the VEU program, comprising deemed activities and project-based activities methods. Activities listed in the VEET Regulations are referred to as deemed activities, given a specified number of VEECs are deemed for a particular activity or activity scenario in the VEU Specifications.

The program also provides for project-based activities methods to be undertaken as set out in the PBA Regulations, specifically measurement and verification and benchmark rating.

Table 1 lists all activities which can be undertaken under the VEU program and the eligible installation environments, that is, whether the activity can be undertaken in residential premises and/or the business or the non-residential sector.

Table 1: Activities eligible under the Victorian Energy Upgrades program

No.	Activity category	Activity number(s)	Residential sector ²	Business/non-residential sector ³
1	Water heating	1 and 3,	Yes	Yes

¹ The term 'activity' is used to refer to prescribed activities as defined in the VEET Act. The term 'installation' is used to refer to the act of installing and decommissioning a valid product in accordance with the requirements of an activity as defined in the program's legislation.

² The 'residential sector' encompasses residential premises only, defined as buildings classified under Part A3 of the Building Code of Australia as Class 1, 2, 3, or 4 Buildings.

³ The 'business/non-residential sector' encompasses premises that are neither (i) a residential premises (as defined above) nor (ii) a 'scheduled activity premises' as defined in Regulation 4 of the VEET Regulations, unless it has been 'opted in' to the VEU program pursuant to Regulation 10AA of the VEET Regulations.

No.	Activity category	Activity number(s)	Residential sector ²	Business/non-residential sector ³
2	Space heating and cooling ⁴	5, 6, 7, 9, 10, 23, and 28	Yes	Yes
3	Underfloor insulation	12 ⁵	Yes	Yes
4	Windows	13 and 14	Yes	Yes
5	Weather sealing	15	Yes	No
6	Shower rose	17	Yes	Yes
7	Refrigerator or freezer	22	Yes	Yes
8	Television	24	Yes	Yes
9	Clothes dryer	25	Yes	Yes
10	Pool pumps	26	Yes	Yes
11	Public lighting upgrade	27	No	Yes
12	In-home displays (IHDs)	30	Yes	No
13	High efficiency motors	31	No	Yes
14	Refrigerated cabinets ⁶	32	No	Yes
15	Refrigeration and ventilation fan motors	33	No	Yes
16	Building based lighting upgrade ⁷	34	No	Yes
17	Non building-based lighting upgrade	35	No	Yes
18	Pre-rinse spray valve	36	No	Yes

⁴ Activities 5, 7, 9, 10 and 23 will no longer be prescribed activities after 30 June 2023. Installations after this date will no longer be eligible for the creation of VEECs.

⁵ A review is pending relating to administrative and installation requirements for the underfloor insulation activity. This review will be undertaken when ceiling insulation is re-introduced into the program. Until this review is complete, VEECs cannot be created for this activity.

⁶ Refrigerated cabinet installations are subject to a discount factor of zero for installation of products belonging to class 1 to 11 inclusive under the GEMS (Refrigerated Cabinets) Determination 2020 (Cth) effective from 29 June 2022.

⁷ This activity is also allowed in a Class 3 building, or the common areas of a Class 2 building as classified under Part A6 of Volume One of the Building Code.

No.	Activity category	Activity number(s)	Residential sector ²	Business/non-residential sector ³
19	Gas-fired steam boiler ⁸	37	No	Yes
20	Gas-fired hot water boilers or gas-fired water heaters ⁹	38	No	Yes
21	Electronic gas/air ratio control ⁹	39	No	Yes
22	Combustion trim ⁹	40	No	Yes
23	Gas fired burners ⁹	41	No	Yes
24	Economisers ⁹	42	No	Yes
25	Cold room	43	No	Yes
26	Commercial and industrial heat pump water heater ⁹	44	No	Yes
27	Home energy rating assessment ¹⁰	45	Yes	No
28	Project-based activities	N/A	No	Yes

1.3. Eligible products and our Register of Products

The commission maintains a [Register of Products](#) listing the product brand and model that can be installed under each of the relevant activities of the program. To be listed on the Register of Products, a product must meet the minimum criteria specified in the VEET Regulations, VEU Specifications and applicable matters specified by the commission in the product application guides.

Under the VEET Regulations, generally, VEECs can only be created for upgrades that involve products that have been approved and listed on the commission's Register of Products. The exception are certain products which are listed on the GEMS Register, AEMO load table for public lighting, gas products installed under activities 37 to 42, cold room upgrades under activity 43 and home energy rating assessments under activity 45 of the program (see further below).

⁸ These activities are allowed in a Class 2 or 3 building as classified under Part A6 of Volume One of the Building Code.

⁹ This activity is also allowed in the common areas of a Class 2 building as classified under Part A6 of Volume One of the Building Code.

¹⁰ This activity is allowed in Class 1a or Class 2 building as classified under Part A6 of Volume One of the Building Code, and which is not situated on retirement village land within the meaning of the *Retirement Villages Act 1986*.

It is the responsibility of the accredited person to ensure that any certificates created relate to prescribed activities involving the installation of eligible products.

Please note that if you install products not yet listed on the commission's Register of Products, you do so at the risk that VEECs for that activity may not be able to be created where the product is not subsequently approved. This is because VEECs can only be created for activities involving products which have been approved and listed on the commission's Register of Products.

Information on applying to have a product listed on our register is available at:

www.esc.vic.gov.au/veu-product-applicants.

1.3.1. GEMS listed products

For some activities with products which are listed on the GEMS Register (activities 6, 22, 25, 31 and 32), the VEET Regulations provide that the products only need to be listed on the GEMS Register at the time of installation and VEEC creation. From a commission systems perspective, products need to be recorded in our Register of Products to create VEECs in the VEU Registry.

An accredited person can apply to the commission to list a GEMS-registered product on the register with minimal supporting documentation, such as a screenshot of the product listed in the GEMS Register showing its minimum performance criteria.

1.3.2. AEMO approved products

AEMO approved products to be installed under public lighting upgrade (activity 27) are also not required by the VEET Regulations to be listed on our Register of Products to be eligible to create VEECs. As the same systems considerations apply, an accredited person will need to apply to the commission, with minimal supporting documentation, to have a product listed on the commission's register prior to creating VEECs for these activities.

1.3.3. Removal of a product from the register

We may remove a product from the Register of Products if we are satisfied that:

- the product may be unsafe
- the product may not be of acceptable quality
- the product may not be fit for its intended purpose
- information provided to the commission with the application to list the product on the Register of Products was incorrect.

Once removed, the product is no longer eligible to create VEECs. You should familiarise yourself with the terms included in the VEU Registry disclaimer, available at www.veu-registry.vic.gov.au/disclaimer.

2. Your obligations as an accredited person under the program

2.1. Legal requirements overview

In addition to the requirements placed on accredited persons in the VEET Act, regulations and specifications, accredited persons must ensure that prescribed activities are undertaken in accordance with the:

- Electricity Safety Act 1998 (Vic)
- Gas Safety Act 1997 (Vic)
- Building Act 1993 (Vic)
- Occupational Health and Safety Act 2004 (Vic)
- Australian Consumer Law (Victoria)
- Environmental Protection Act 2017 (Vic)
- Ozone Protection, Synthetic Greenhouse Gas Management Act 1989 (Cth)

There are rules about the changes tenants can make to a property. They will often need permission from the landlord. Accredited persons should advise tenants to take steps to ensure that any proposed activity is consistent with their tenancy agreement.

2.2. Occupational health and safety legislation obligations

All activities under the VEU program must be undertaken in compliance with the Occupational Health and Safety Act 2004 (Vic). It is the responsibility of accredited persons and installers to be aware of, and understand their occupational health and safety (OHS) obligations.

Information on complying with OHS obligations can be found on the [WorkSafe Victoria website](#).

2.3. Training and licence requirements

2.3.1. Mandatory safety training requirements

As part of the 'fit and proper person' and 'competent and capable' requirements, applicants are required to provide evidence of all training provided in relation to the VEU program.

The commission requires that installers obtain units of competency prior to undertaking the following activities:

- double glazed window (activity 13)
- thermally efficient window product (activity 14)
- weather sealing (activity 15)

- low flow shower rose (activity 17)
- high efficiency pool pump (activity 26).

Referred to as ‘mandatory safety training (MST) requirements’, these units have been identified as a means of providing installers with the appropriate skills and understanding needed to carry out these activities safely. Installers are approved for certain program activities by obtaining a certificate of competency from a registered training organisation (RTO) for the relevant units. See Appendix A for list of MST units for these activities.

Licensed electricians and plumbers, and registered builders are exempt from most of these MST requirements. However, to undertake weather sealing (activity 15) under the program, licensed electricians, licensed plumbers (except those licensed to undertake gas fitting work, Type A appliance conversion work and/or Type A appliance servicing) and registered builders are required to complete the training module: Weather sealing safely with gas appliances.

Where installers may be exposed to working at height risks, we strongly recommend that all installers (irrespective of their licence and qualifications) complete relevant working at heights training units. This will help ensure all installers have up-to-date training and the skills needed to work safely in this high-risk environment.

You should also note the following:

- The MST requirements do not replace any existing obligations you have under the *Occupational Health and Safety Act 2004* (Vic) or other applicable legislation. We expect you to take all steps necessary to comply with your OHS obligations.
- When applying for accreditation, you must provide information regarding the training of your installers, including management arrangements in place to ensure training is completed.

2.3.2. Licence requirements

As part of the ‘fit and proper person’ and ‘competent and capable’ requirements, applicants are required to demonstrate anyone undertaking installations is appropriately licensed and qualified.

Only licensed electricians registered with Energy Safe Victoria can complete the following activities:

- weather sealing – sealing existing ceiling or wall exhaust fan (activity 15D)
- incandescent lighting (activities 21A, 21C, 21D, 21E, 21F)
- building based lighting upgrade (activity 34)
- non-building based lighting upgrade (activity 35).

There are specific licence requirements for installers seeking to undertake water heating activities 1 and 3), space heating and cooling (activity 6), refrigeration/ventilation fan motor (activity 33), gas

efficiency (activities 37 to 42), cold room (activity 43) and commercial and industrial heat pump water heater (activity 44).

Please refer to the relevant activity guide for further information.

2.4. Registration of installers and assessors

2.4.1. Registration of installers

As part of the 'fit and proper person' and 'competent and capable' requirements, applicants are required to demonstrate anyone undertaking installations is appropriately licensed and qualified.

All installers for the above activities (activities 13, 14, 15, 17 and 26) need to be registered by the commission prior to undertaking any installations under the program. This includes licensed electricians, plumbers and builders. Applications for registration are submitted via the VEU Registry. Accredited persons must keep your installer database up to date and keep files on record to support those entries, whether that be a copy of their licence or training module certificates for the relevant MST unit.

For guidance on how to submit installers for registration, access our VEU Registry Manual available via 'Help' at www.veu-registry.vic.gov.au when logged in to your VEU account. You should select the relevant training or licensing code and upload a copy of relevant certificate and/or licence.

2.4.2. Registration of assessors

All scorecard assessors for Home Energy Rating Assessment (activity 45) need to be registered by the commission prior to an accredited provider submitting Home Energy Rating Assessment activities completed by the assessor under the VEU program. Applications for registration are submitted via the VEU Registry.

For guidance on how to submit assessors for approval, access our VEU Registry Manual available via 'Help' at www.veu-registry.vic.gov.au when logged in to your VEU account. You should select training code 'Scorecard assessor' under the Installer training tab and upload a copy of their Residential Efficiency Scorecard Accreditation Certificate.

2.5. Code of conduct and Australian Consumer Law

Accredited persons, their employees, and any scheme participant must comply with the:

- Code of conduct provisions in Schedule 6 of the VEET Regulations
- Australian Consumer Law (ACL) when engaging in marketing practices under the program
- [Telecommunications \(Telemarketing and Research Calls\) Industry Standard 2017](#) when engaging in telemarketing practices under the program.

2.5.1. Code of conduct

A scheme participant is any person (other than the accredited person) who undertakes, or claims to undertake, any, or part of, a prescribed activity (upgrade) on behalf of an accredited person. This includes employees of an accredited person.

This remains true even if the accredited person's accreditation is suspended, expired or cancelled, or if their actions do not meet the full requirements of a prescribed activity.

Under the code of conduct, a scheme participant is anyone who undertakes any regulated action that contributes to the upgrade and subsequent creation of a certificate. Regulated actions cover any activities of an accredited person, or anyone acting on their behalf, which may lead to the creation of a certificate. Third parties do not need to have a formal agreement with an accredited person in place to be considered a scheme participant, however it is highly recommended that this occurs noting that it is an accredited person's responsibility to ensure scheme participants comply with the code of conduct.

The code of conduct (the Code) covers the behaviour of accredited persons, their employees, and any scheme participant when conducting 'regulated actions'. These actions encompass:

- lead generation and marketing
- entering into a contract for the sale or supply of a prescribed activity
- undertaking any part of a prescribed activity
- follow-on activities.

As a general principle, accredited persons, their employees, and any scheme participant must take reasonable steps to ensure:

- clear information is provided about the VEU Program and the role of the scheme participant
- the customer engaged is an adult during all stages of the upgrade
- the customer does not face difficulty understanding the information provided. This can be due to
 - mental illness
 - mental impairment
 - difficulty understanding the language
- telemarketing approaches are not made to anyone registered on the 'Do Not Call' (DNC) register administered by the Australian Communications and Media Authority (ACMA).

Detailed requirements of what accredited persons, their employees, and scheme participants must do to comply with the code are set out in the [VEET Code of Conduct Guideline](#).

2.5.2. Consequence of not complying with the code or Australian Consumer Law

We take non-compliance with the code very seriously and will actively investigate all complaints associated with non-compliance. Non-compliance with the code could result in accredited persons not being able to register certificates. Regulation 15(2) of the VEET Regulations provides that a certificate cannot be created in relation to a prescribed activity if the code has not been complied with (in relation to that prescribed activity).

Other compliance and enforcement actions are also available to the commission. These will be undertaken in a manner consistent with the commission's [Compliance and Enforcement Policy](#).

We may also refer relevant potential breaches of Australian Consumer Law (ACL) to Consumer Affairs Victoria for consideration. The ACL and accompanying legislation provide a range of enforcement options to deal with minor to very serious breaches of those laws. Penalties for a breach include:

- issuing formal warnings and infringement notices
- seeking enforceable undertakings
- taking civil court action.

Criminal and civil penalties for companies for breach of ACL may be imposed for any false claims that you are a government representative for obtaining a consumer's agreement.

For further information on Australian consumer requirements and required sales practices, visit the following websites:

- Consumer Affairs Victoria (www.consumer.vic.gov.au)
- Australian Competition & Consumer Commission (www.accc.gov.au/consumers).

2.6. VEEC assignment form requirements

Accredited persons must obtain a completed and signed VEEC assignment form from the consumer for any activity undertaken under the program. The assignment form collects the necessary information for the creation of VEECs.

A VEEC assignment form template for all activities is available on the commission's website.

Accredited persons can customise the form to incorporate additional text, logos and to incorporate different information requirements into the one form. For example, a business that installs lamps, low flow shower roses and space heating products in both the residential and business sectors may create their own assignment form to capture the information requirements of each activity for both sectors.

Persons applying for accreditation will need to provide a copy of their VEEC assignment form to the commission for review as part of the accreditation application process. The commission may

also request you submit amended assignment forms for review and approval further to any updates made to our mandatory information for VEEC assignment form documents changes.

A copy of the VEEC assignment form (or a document containing the same information) must be provided to consumers at the time of signing (written assignment) or within 10 business days of signing (electronic assignment). Accredited persons should consider taking steps to ensure that all personal information collected in the VEEC assignment form is held in accordance with the Information Privacy Principles (IPPs) under the Privacy and Data Protection Act 2014 (Vic). Details of how to comply can be found at www.ovic.vic.gov.au.

You should note that the VEEC assignment form is a legal document. Any changes to the details recorded on the form after it is first signed by the consumer must be initialled and dated by all signatories.

If changes are made to the VEEC assignment form without the written consent of the signatories, the commission may consider the VEEC assignment form invalid.

When completing VEEC assignment forms in individual dwellings and common areas¹¹ of Class 3 buildings, accredited persons must complete two separate forms:

- A residential premises VEEC assignment form detailing the total quantity of products installed into residential areas, accompanied by a document providing a complete breakdown of the numbers and products for each individual dwelling.
- A business and non-residential premises VEEC assignment form detailing the total quantity of products installed into common areas, accompanied by a document providing a complete breakdown of the numbers and products installed for each area.

2.7. Decommissioning declaration

Accredited persons, and scheme participants must not install a product for the purposes of decommissioning it as part of an activity under the program.

For an activity requiring a product(s) to be decommissioned, both the accredited person (and their installer) and the consumer will need to provide a declaration stating that the decommissioned product was not installed for the purposes of decommissioning it as part of an activity under the program. This declaration must be made:

¹¹ The definition of common areas is as follows:

- for buildings owned under strata title, the common property as defined in the *Owner Corporations Act 2006* (Vic)
- for buildings not owned under strata title (e.g. under company title), the non-residential property of BCA Class 2 buildings.

- as part of the VEEC assignment form between the energy consumer and the installer, either in electronic or in written form
- as part of an accredited person accepting the terms and conditions of their VEEC creation claim made via their VEU Registry account.

2.8. Disposal requirements

2.8.1. Disposal requirements for water heating and space heating and cooling products

Products decommissioned under water heating (activities 1 and 3) and space heating and cooling (activity 6) in the VEU program, together with any waste or debris generated from the activity, must be removed from the consumer’s premises (where it is practical and safe to remove the product) and disposed of in accordance with the waste management requirements of the Environment Protection Act 2017 and its regulations.

Obligations to manage waste in accordance with the applicable waste management legislation are known as ‘waste duties’. Find out more about waste duties on the [Environment Protection Authority Victoria’s \(EPA\) website](#) and in [EPA’s publication on managing industrial waste](#).

2.8.2. Recycling requirements for mercury-containing lighting equipment

For activities involving decommissioning of lighting equipment, we can require disposal of particular lighting equipment in a waste disposal facility of a class determined by the commission prior to VEEC creation.

Table 2 sets out the class of waste disposal facilities the commission has determined are suitable for particular lighting equipment decommissioned under the program.

Table 2: Eligible disposal facilities for lighting equipment decommissioned under the VEU program

Type of lighting equipment	Eligible disposal facilities
Mercury-containing equipment: lamps that use mercury for their operation and any other lighting equipment potentially contaminated with mercury (for example, as a result of in-house recycling or disassembling attempts).	A licensed recycling facility ¹² : a facility licensed by the EPA to accept D120 waste for the purpose of recycling at that facility (has a license for treatment code R4) or a facility licensed to recycle mercury containing wastes by the relevant environmental protection regulator in other jurisdictions.

¹² Facilities licensed to recycle mercury-containing waste by the relevant environmental protection regulator in other jurisdictions, are also considered a licensed recycling facility for the purposes of this determination.

This requirement does not preclude transportation of lighting equipment to a licensed temporary holding facility¹³ that will forward the lighting equipment to a licensed recycling facility for recycling. As evidence of proper disposal and decommissioning, a recycling invoice from the licensed recycling facility for the decommissioned lighting equipment must be obtained prior to VEEC creation.

2.9. Record-keeping requirements

Accredited persons have an obligation to collect and retain records relating to the carrying out of activities under the VEU program.

Table 3 provides an overview of the record-keeping requirements. More specific details of the specific records to be kept for each activity are detailed in the VEET Guidelines and relevant activity guide.

Table 3: Record-keeping requirements

Requirement	Reference
A person who is an accredited person must keep records that record and explain all transactions and other acts engaged in, or required to be engaged in, by the accredited person under the VEET Act.	s 72(1) of the VEET Act
<p>The records kept by an accredited person must include any documents relevant to ascertaining:</p> <ul style="list-style-type: none"> • details of all VEECs created by the accredited person during the year • records in relation to assignment of rights to create VEECs • sales, purchase and/or service records of each product or service for which VEECs have been created, including make and model number if applicable, and street address and postcode of consumer • the street address and postcode of the consumer (if in a residential premises) or the ABN, business name, address and postcode (if in a business or non-residential premises) • evidence of removal or destruction of existing products where removal or destruction is required by the VEET Regulations • evidence of mandatory safety training units conducted by relevant installers • any additional record-keeping requirement set out in our activity guides as published on our website. 	<ul style="list-style-type: none"> • s 72(2) of the VEET Act • cl 13.1 of the VEET Guidelines • cl 7 of the VEET Guidelines
Records must be kept in writing in the English language or be readily accessible and convertible into writing in the English language.	s 72(4) of the VEET Act

¹³ A facility licensed by the EPA to accept D120 waste for storage pending recycling or accumulation of material intended for recycling (i.e. has a license with treatment codes D15 and/or R13 for D120 waste).

Requirement	Reference
An accredited person must retain any records required to be kept under the Act until the end of 6 years after those records were made, or the completion of transactions to which the records relate, whichever is later.	s 72(5) of the VEET Act

When applying for, or renewing existing, accreditation, accredited persons need to provide a description of their record-keeping policy, including a description of the methods of collecting and storing relevant information associated with activities undertaken under the program.

These records may be the subject of periodic audits or compliance investigations as detailed in the VEET Guidelines.

2.10. Audit obligations

To ensure the integrity of the program, the commission may undertake audits to substantiate information provided to us with respect to the creation of VEECs. These audits provide assurance that VEECs have been created in accordance with the VEET Act and regulations. Accredited persons must comply with the commission’s audit regime and provide all information and assistance as is reasonably necessary.

For more information on our audit framework, access the VEEC Creation Audit Guide for Accredited Persons at www.esc.vic.gov.au/veu-accredited-persons.

3. Calculating the number of eligible VEECs

3.1. VEEC calculations for deemed activities

The VEU Specifications sets out methods and variables for determining abatement (the amount of carbon dioxide equivalent (CO₂-e), in tonnes, of greenhouse gas emissions) reduced by each 'deemed' activity under the program (not including project based activities), and therefore the number of VEECs able to be created for each activity given one VEEC is the equivalent of one tonne of CO₂-e abated.

Rounding is applied to the calculation of VEECs for each activity. For instance, 2.51 is rounded up to 3 VEECs, whilst 2.49 is rounded down to 2 VEECs.

To assist with VEEC calculations, a VEEC Calculator is available on the website at www.veu-registry.vic.gov.au/calculators. To use the calculator, you will need to have product details on hand, such as the type of decommissioned product, installed product brand and model number and the installation postcode.

Another way of calculating how many VEECs are able to be created for an activity is to upload a VEEC creation form in the VEU registry. This is particularly useful for complex activities like the lighting upgrade activities (for example, activities 27, 34 and 35) where the VEEC Calculator may not be able to accommodate a complex installation, such as where there is more than one baseline or upgrade zone. Once the number of VEECs have been established the uploaded form can be deleted from an accredited persons activity queue. You must not submit an uploaded activity for creation unless the activity has been validly undertaken.

For more detailed information about the methods and variables which apply to each activity, access the VEU Specifications at www.esc.vic.gov.au/veu-legislation.

4. Creating and registering VEECs

3.1 Who can create VEECs and assign the rights for VEECs?

Only accredited persons can create VEECs under the VEU program.

If you are an accredited person, you can only create VEECs if you have been assigned the right to create a VEEC by the energy consumer that benefits from that installation. The energy consumer can be:

- a tenant of the premises (whether or not they are named on the bill)
- the landlord of the premises
- the owner of the premises being constructed or renovated which are not currently connected for electricity or gas
- for business consumers, an authorised signatory of the business.

In a rental property, the person responsible to assign VEECs depends on who is involved in the activity. Tenants must seek the permission of the landlord prior to entering into any contractual arrangement related to an upgrade and the subsequent VEEC/s created

While energy consumers can become accredited and create VEECs, they would then have to comply with a range of obligations under the VEET Act, VEET Regulations and other legislation (as detailed in this guide). Generally, consumers are more likely to access the energy efficiency benefits of the program if they assign their rights to an accredited person in exchange for some financial benefit.

The energy consumer needs to complete and sign a VEEC assignment form when assigning their right to create VEECs to an accredited person. The assignment form must comply with requirements as set out in Section 2.6.

3.2 When are VEECs not able to be created?

Clauses 15 to 27 of the VEET Regulations state various conditions for when a VEEC cannot be created. Of note are the clauses which prohibit accredited persons from creating VEECs in the following circumstances:

- if the activity is undertaken as a performance requirement under the Building Code in relation to the premises
- if, at the time the activity is undertaken, the person proposing to create the VEEC is a person whose accreditation is suspended
- if the activity is not undertaken in accordance with the provisions of the Australian Consumer Law, the Electricity Safety Act 1998, the Gas Safety Act 1997, the Occupational Health and Safety Act 2004 or the Building Act 1993, and regulations under any of these Acts

- if any person who undertakes any part of an activity has not complied with the code of conduct
- if the product installed is not listed on our Register of Products at the time the VEEC is created - with the exception of certain products which are listed on the GEMS register (products installed under activities 22, 24, 25, 31 and 32), AEMO load table for public lighting, gas products installed under activities 37 to 42 of the program and all products excepting lighting products installed under the PBA methods
- if the activity is undertaken in a scheduled activity premises unless the activity is undertaken on or after the day on which a notice is given in relation to those premises.

For more information about scheduled activity premises and their requirements under the program, access our large energy users' [scheduled activity premises guide](#) at www.esc.vic.gov.au/veu-sap.

3.3 When can accredited persons create VEECs?

Accredited persons can only create VEECs after completing an activity in accordance with all applicable requirements. Schedule 3 of the VEET Regulations and section 13 of the PBA Regulations identify when the activity is deemed to have been undertaken.

Accredited persons can create VEECs up to 30 June in the year after completing the activity.

When submitting a VEEC claim for an activity, an accredited person will need to accept the terms and conditions of creation.

3.4 Creating VEECs in the VEU Registry

VEECs can be created by completing the relevant VEEC creation upload form, available through an accredited person's account page at the VEU Registry (www.veu-registry.vic.gov.au). Prior to engaging in an activity, we encourage accredited persons to download a copy of that activity creation form to determine the information fields you will need to complete to create VEECs for the activity as an accredited person.

Once the accredited person submits the form through their VEU Registry account, the system automatically calculates the number of VEECs eligible to be created based on the methodology detailed in the VEU Specifications. VEEC calculations are rounded up from 0.5, or otherwise rounded down to the nearest number.

Once VEECs are created in an accredited person's VEU Registry account, they will appear in one of the activity pages. To familiarise yourself with these pages, review our VEU Registry User Manual available via 'Help' at www.veu-registry.vic.gov.au.

Appendix C provides guidance on how to submit address data in our VEEC creation upload forms to meet our data validation checks.

A certificate creation fee of \$2.33 per certificate is invoiced at the point of VEEC creation for all VEECS you submit. We issue invoices on Tuesdays and Thursdays each week for VEECs created before 6am on that day. If an activity you created is returned to you as an external duplicate, you may withdraw the activity in the VEU registry system before the 6 am invoicing deadline on Tuesdays and Thursdays to avoid being charged the fee. You will be able to reconcile invoices with your created activities in the VEU registry.

3.5 VEEC validation processes

The commission's key goals include safeguarding the integrity of the VEU program by:

- maintaining confidence in the energy efficiency benefits delivered to consumers
- delivering a balanced, transparent and efficient program that ensures a level playing field for program participants.

The commission seeks to maintain the integrity of the program through an effective and integrated risk-based compliance program before and after VEEC creation and registration.

3.5.1 VEEC batch checks

Once VEECs are created in the VEU Registry and the certificate creation fees paid, the commission assesses and validates VEEC claims for registration. Automated checks, manual checks, and desktop audits of the VEEC creation information are conducted as part of this process.

These assessments are based on considerations such as:

- anomalies in the data or installation patterns of the activities
- whether the addresses at which the activities are undertaken are residential premises or business premises.

VEECs are assessed in batches made up of activities.

A processing timeframe is applied to each batch, with the number of days for assessment depending on the combined risk rating for the accredited person and the activity.

You, as an accredited person, can identify the assessment timeframe for a batch by reviewing the anticipated invoicing window in the batch status page of your VEU account.

Please note that the target timeframe only counts the days the batch is with us for assessment and only applies to batches under 'regular' assessment – it does not apply to batches with the status of 'first creation' or 'delayed'.

Requests for further information

The commission may issue requests for further information and documents (RFIs) to assess the eligibility of the VEECs that have been created for registration. Where documents and information are requested by the commission, they are identified in the notes field at the bottom of the activity page in the VEU Registry.

Any information requested must be provided within the time specified in the request, unless otherwise agreed. The commission may also require production of information and documents using its compulsory information gathering powers.

The evidence provided in response to a request is then assessed against assessment standards. The assessment standards can be accessed via an accredited person's VEU Registry account.

Duplicate verification

If an accredited person attempts to create VEECs for an activity at an address previously claimed by yourself or by another accredited provider, a duplicate will be flagged on creation. Accredited persons are then required to provide additional information in the internal or external duplicate justification fields of an activity creation form and supporting documents to satisfy the commission that the VEECs are eligible.

It is a commission expectation that an accredited person will investigate and provide valid reasons for the duplicate supported by evidentiary documents such as VEEC assignment forms, geo-tagged photos and/or phone audit records.

Failure to provide adequate justification and the requested evidence may result in delays or a refusal to register VEECs.

Critical issues

The information an accredited person provides as part of the VEEC creation process is classified as a pass, or a non-critical issue or critical issue is flagged. If an activity is assessed as having a critical issue, the activity creation form will be returned for further action. Accredited persons will find the details of the critical issue listed on the right-hand side of the activity page in the VEU Registry. Click the plus (+) symbol to view the description and instructions on how to respond to the issue.

If one activity within a batch has a critical issue, the target timeframe no longer applies and the anticipated invoicing window will display as 'N/a' for the entire batch. Because all activities within a batch are processed together, the entire batch may be delayed as a result of any critical issue(s) identified.

3.6 Registering VEECs

Once the commission is satisfied that the VEECs have been created in compliance with the VEET Act and regulations, the VEECs will be accepted for registration. The VEECs will be issued with a unique identification code.

Once registered, accredited persons are then able to trade the VEECs to another party in the market or to surrender the VEECs to us.

3.7 Audit and compliance on registered VEECs

Even after VEECs are registered they may be subject to further scrutiny by the commission.

The post-registration compliance functions undertaken by the commission include the undertaking of audits and other compliance monitoring activities, This may be promoted by concerns of potential compliance failings but, will not be limited to where that is the case.

Further information on the commission's approach to promoting and enforcing compliance with the VEET Act and regulations is provided in the Compliance and Enforcement Policy available at www.esc.vic.gov.au/veu-audit-compliance.

Appendix A: Mandatory Safety Training (MST) Units

Mandatory Safety Training unit requirements

Mandatory safety training units				
Activities and Schedules	GROUP A	GROUP B		
	VU23076 Retrofit to improve energy and water efficiency	CPCCM2012 Work safely at heights	CPCCM2010 Work safely on scaffolding higher than two meters	RIIWS204E Work safely at heights
Installers require to complete:				
External window activities (Activities 13 & 14)	The above unit, and	one of the above units.		
Weather sealing (Activities 15A, 15B, 15C, 15E, 15F, 15G, 15H)	The above unit, and	one of the above units.		
Shower rose (Activity 17)	The above unit.	<i>Not required</i>		
Incandescent lighting replacement (Activity 21B)	The above unit, and	one of the above units.		
Pool pumps (Activity 26)	The above unit.	<i>Not required</i>		

Appendix B: Address data entry requirements

When completing an upload form for multiple activities or submitting an individual activity, accredited persons will need to enter address data as follows to minimise delays in their ability to create VEECs in the system and minimise delays in our processes to register VEECs:

3.7.1.1 Approved format for entry for address data

Unit type	Unit number	Level type	Level number	Street number	Street name	Street type	Street type suffix	Town/suburb	State	Postcode
Unit	12	Level	5	35	Spring	Street		Melbourne	VIC	3000
Apartment	1	Level	1	174	Toorak	Road	West	South Yarra	VIC	3141
Townhouse				56	Collins	Street		Melbourne	VIC	3000

- PO Box/GPO Box/Locked bag addresses entered in the VEEC upload form will not be accepted by the commission.
- Data should be submitted in sentence case format – that is, standard capitalisation with first letter uppercase and subsequent letter lowercase (e.g. Brunswick East).

Please note that when uploading activities that were undertaken within a Class 3 building, accredited persons must ensure that each individual dwelling is submitted as an individual activity under the residential sector. For all products installed in common areas, a single activity upload under the business and non-residential sector will suffice.

3.7.1.2 Approved format for entry for address data for class 3 installations under the residential sector

Unit type	Unit number	Level type	Level number	Street number	Street name	Street type	Street type suffix	Town/suburb	State	Postcode
Apartment	2	Level	1	174	Toorak	Road	West	South Yarra	VIC	3141
Apartment	3	Level	1	174	Toorak	Road	West	South Yarra	VIC	3141

Document version control

Version	Amendments made	Date published
1.0	First release	10 December 2018
1.1	'Safe use and care of portable ladders' section in Appendix A updated to clarify occupational health and safety requirements	3 May 2019
1.2	Update to include e-waste management requirements introduced by the Waste Management Policy (E-Waste)	1 July 2019
1.3	Update to training/licensing requirements for lighting activity 21A	16 August 2019
1.4	Update to: <ul style="list-style-type: none"> include duplicate verification process info under section 4.5.1 include emergency measure legislative requirements under section 2.1 include minor changes to section 2.4 	2 December 2020
1.5	Update to remove activity 19: Destruction of pre-1996 refrigerator or freezer	10 December 2020
1.6	Update to reflect changes in MST course units	22 January 2021
1.7	Update to reflect inclusion of cold room activity into the VEU program	17 August 2021
1.8	Update to reflect revision to refrigerated cabinet activity 32 with release of VEU Specifications v. 11	30 October 2021
1.9	Update to reflect inclusion of commercial and industrial heat pump water heater activity into the VEU program	1 February 2022
2.0	Update to include Australian Consumer Law requirements relating to misleading conduct (section 2.4.2)	31 March 2022
2.1	Update to include the new code of conduct requirements effective 1 July 2022	1 July 2022
2.2	Update to reflect VEU Specifications – version 14.0	31 January 2023
2.3	Update to reflect amendments to VEET Regulations arising from Victorian Energy Efficiency Target Amendment (Electrification and Home Energy Rating Assessment) Regulations 2023; VEU Specifications – version 15.0 and other minor changes.	31 May 2023
2.4	Update to reflect changes under the VEET Amendment Act 2022 effective 1 July 2023	1 July 2023
2.5	Revision to reflect changes to VEEC creation fee and invoicing process	1 November 2023