

# Review of the Victorian Energy Efficiency Target Guidelines

Final Decision

1 May 2019



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# Guidelines review and final decision

## Purpose

The purpose of this decision is to amend the Essential Services Commission's (commission's) Victorian Energy Efficiency Target Guidelines (Guidelines).

## 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 scheme 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 current Guideline amendments:

- reflect the introduction of benchmarking to the PBA Regulations (PBA)
- reflect the introduction of the Victorian Energy Efficiency Target Regulations 2018
- reflect the change of name of the scheme from the Victorian Energy Efficiency Target scheme to the VEU program and the VEU website becoming part of the commission website.

Draft amendments to the Guidelines were published for public consultation on 4 March 2019. Consultation closed on 29 March 2019.

## Summary of key changes to the Guidelines

The key changes to the amended Guidelines are listed below. The commission has decided to implement all the key amendments. The key amendments are:

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<sup>1</sup> 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.

## **Submissions received**

We received two submissions, one from the Department of Environment, Land, Water and Planning (DELWP) and one from the Lighting Council Australia (LCA).

The DELWP submission made several suggestions and was concerned that parts of chapter 8 were not clear. Clauses 8.4 and 8.5 have been amended to make it clear assignment forms can be either paper based or electronic.

The LCA submission raised concern over the term 'periodically update' in relation to the VEU register of products to include products from the National Electricity Market Load Tables for Unmetered Connection Points. The commission has amended clause 5.1.4 of the Guidelines to state the register will be updated 'at least annually'.

The issues raised by DELWP and the LCA have been addressed in the Guidelines. The final Guidelines (version 8) with the amendments are attached to this final decision paper (see Attachment A).

## **Final decision**

The commission approves the amended Guidelines (version 8) to commence on 3 June 2019.

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<sup>1</sup> The VEU registry processes applications for registered certificates and assists in certificate transfers.