

Scheme Administrator
Victorian Energy Efficiency Target Scheme
Level 37
2 Lonsdale Street
Melbourne
VIC, 3000

2 February 2017

Via email

veet@esc.vic.gov.au

Consultation submission - VEET Insulation Administrative Requirements

Thank you for the opportunity to respond to the issues raised in the consultation paper titled Victorian Energy Efficiency Scheme – Insulation administrative requirements.

Energy Makeovers is a significant participant in the VEET scheme having created more than 3.3 million VEECs to date. We are the only VEET AP that is approved to create VEECs for all current VEET activities and work closely with the Department and the Essential Services Commission to continually improve the VEET scheme. In addition Energy Makeovers subsidiary company Ambisol is one of the largest suppliers and installers of insulation products and services in Victoria. We therefore consider ourselves well placed to provide expert commentary on this matter.

In response to the specific questions raised in the consultation paper, the following comments are provided.

Consultation question 1: In light of our objective to ensure that VEET insulation installers hold appropriate training and qualifications, does the above list of installer certification program characteristics require the addition or removal of any items?

No. Energy Makeovers believes the list of installer certification requirements is appropriate.

Consultation question 2: A pre-installation assessment is a necessary measure to ensure that a potential work environment is low risk. Are there any additional pre-installation measures that should be implemented to ensure the health and safety of installers and householders?

No. Energy Makeovers believes that the cost of inspection will outweigh the financial benefit provided through the VEET scheme. The insulation services market is very competitive and suppliers are competing with very slender margins. As a result, it is our belief that few insulation service providers will consider utilising the VEEC benefits available to customers to enhance their quotations and proposals to customers. Some insulation service providers may choose to add the net cost of VEEC participation into their quotations and proposals and promote the benefits of a safety inspection and VEEC financial support, however Energy Makeovers believes this will represent a very small part of the

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insulation services market. As such it is our belief that few customers will be offered solutions that engage the VEET scheme.



Consultation question 3: Are the proposed random, real-time inspections of VEET insulation installations the most efficient and effective means to ensure that safe work practices and activity requirements are being followed by APs and installers?

Yes. Ambisol was appointed by the Federal Government to provide insulation installation inspection services following the closure of the federal Home Insulation Program and therefore has deep experience and domain knowledge in the provision of insulation inspection services.

Consultation question 4: A post-installation assessment is a necessary measure to assess that the installation has satisfied all activity requirements and will not constitute a safety, electrical or fire hazard. Are there any additional post-installation measures that should be implemented to ensure the health and safety of householders?

No. Energy Makeovers believes that the proposed requirements already place an onerous cost burden on insulation service providers that will result in little take up of this activity under the VEET scheme. We estimate that the a VEET compliant insulation installation will cost 150% to 200% of the cost of an installation completed outside of VEET scheme requirements.

If you wish to discuss this matter further, please feel free to contact me on 0408 900 092 or roy@energymakeovers.com.au

Yours sincerely,

A handwritten signature in black ink, appearing to be "R. Zandona", written in a cursive style.

Roy Zandona

Chief Executive Officer

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