

## Newsletter | Issue No.# 51



### INTRODUCTION

With the end of the financial year, and the 2018 ESC creation deadline approaching, we have observed a significant increase in activity. We have seen a record number of audits and amendments to accreditation conditions, and have also been busy working through Scheme Participant annual compliance assessments and several new applications to become Accredited Certificate Providers (ACPs).

In order to respond to our growing work commitments, we are pleased to announce the appointment of two new team members, Oliver Breckell and David Tadros. Both Oliver and David have strong analytical skills and have legal and compliance backgrounds that will add significant value to our team.

We are sorry to announce that Hugo Harmstorf, IPART's CEO for the past 5 ½ years has resigned. We are thankful to Hugo for his outstanding leadership and support of the Energy Savings Scheme (ESS) over this time and wish him the best in his new endeavours. Fiona Towers will be acting CEO until such time that a new CEO is appointed.



### 2018 VINTAGE ESC REGISTRATION DEADLINE – 30 JUNE 2019

As we have advised in previous emails and notices, all Energy Savings Certificates (ESCs) for energy savings that occurred in 2018 (2018 vintage ESCs) must be registered by **30 June 2019**. This is a requirement of the *Electricity Supply Act 1995* and is not a matter over which the Scheme Administrator has discretion. If you have not yet commissioned an audit or requested an amendment to your conditions of accreditation that is required to allow 2018 vintage ESC creation, you have not allowed sufficient time.

To ensure your ESCs are registered by the due date, please upload all necessary data to the ESS Portal and apply to register all 2018 vintage ESCs on the ESS Registry **no later than 5pm on Friday, 28 June 2018**.

Failure to do so may mean you miss the statutory deadline, and we may be unable to assist you in registering 2018 vintage ESCs after this date.



### AUDITOR WORKSHOP

We held an ESS Auditor Workshop on 7 May 2019. We want to thank the auditors for their participation. As usual, the discussion was robust and we received valuable feedback.

Hugo Harmstorf started the workshop by paying tribute to auditors in their role as “the front line of regulation”. However, he also stressed the need for that front line “to be a straight line”. Along with other speakers, Hugo highlighted the key statutory function that our auditors perform for us. In undertaking audits, auditors are performing a statutory function **on behalf of IPART**. Auditors are not independent of IPART, they are independent of ACPs.

There was much discussion around the need for consistent approaches to conducting audits (particularly around applying IPART's interpretations of statutory provisions during audits), building the compliance culture of the industry, and ensuring regular communications with IPART's team whenever difficult issues arise. We also delved into some detailed issues in relation to the application of the Project Impact Assessment with Measurement and Verification (PIAM&V) method.

The feedback from our auditors was that these are effective and useful meetings for all parties and, therefore we have decided to run another workshop later in the year.



### AUDIT DOCUMENTATION UPDATE

Thank you for your submissions into IPART's consultation on standardising the Detailed Scope of Works (DSWs) under the ESS. We have published the new DSW Submission Form and the List of Sites. These two documents must be used by ACPs and auditors when submitting a DSW. The List of Sites also includes sampling guidelines on how to determine sample sizes.

There were a few minor formatting issues found by auditors and ACPs when using the new forms, but they were resolved quickly. So far the feedback from both auditors and ACPs has been very positive. Please contact [ess\\_compliance@ipart.nsw.gov.au](mailto:ess_compliance@ipart.nsw.gov.au) if you experience any further issues or have questions about how to use the forms.

All documents can be found on our website at [https://www.ess.nsw.gov.au/Audits\\_and\\_Compliance/Audit\\_scopes](https://www.ess.nsw.gov.au/Audits_and_Compliance/Audit_scopes).



### NEW ESS WEBSITE

On 29 May 2019 we launched the new ESS Website. The new website aligns with the IPART website's look and feel, and is now device responsive (mobiles and tablets). Website content is arranged around stakeholder groups – Accredited Certificate Providers, Auditors and Professionals, Scheme Participants, and Householders and Businesses. It has generic information centralised under the 'About ESS' section.

One of the new features is the 'Document Search' which allows users to search all ESS publications – guides, notices, newsletters, forms, templates - by using keywords and filters based on calculation methods, sectors, or document types. Publications are labelled to make it clear whether the document is 'current' or has been 'superseded'.

We take this opportunity to thank the stakeholders that participated in testing and provided feedback on the new website. If you have any more feedback or further suggestions for improvement please email them to [ess\\_development@ipart.nsw.gov.au](mailto:ess_development@ipart.nsw.gov.au).



## SCHEME PARTICIPANT COMPLIANCE

Under the *Electricity Supply Act 1995*, electricity retailers (and some other parties) must meet an individual energy savings target each year. Entities with an individual energy savings target are called Scheme Participants.

For 2018, the target is 8% of liable acquisitions, ie the purchase of electricity for consumption by, or on-sale to, end users in NSW or for use in NSW. The target can be met by surrendering a number of ESCs equivalent to a Scheme Participant's target, or by paying a penalty.

During 2018 there were 74 Scheme Participants in the ESS (compared with 65 in 2017). They comprise 71 electricity retail suppliers, two direct suppliers and one direct customer. Of these Scheme Participants, all but three complied with their obligations. All Scheme Participants that were required to have their Annual Energy Savings Statements audited did so, and no issues were identified.



## APPROVED MEASUREMENT & VERIFICATION (M&V) PROFESSIONALS

ACPs should note that the list of approved M&V Professionals has been updated, effective 10 May 2019.

The list of approved M&V Professionals is available on the ESS website:

<https://www.ess.nsw.gov.au/Auditors-Professionals/Measurement-and-Verification-Professionals>



## AUDIT SERVICES PANEL – NEW PANEL MEMBER

ACPs and Scheme Participants are required to select appointed Audit Services Panel members to conduct their audits. We accept applications to the Audit Services Panel at any time. There is a steady stream of audits and we are keen to see new applications for the Audit Services Panel.

We would like to welcome a new Panel Member, C&N Audit Services Pty Ltd (**C&N Audit Services**) who offer a full range of audit services and assist clients across Australia with a variety of audit and assurance needs.



## UPCOMING EVENTS

We recommend that applicants, new staff of ACPs and key stakeholders participate in our online workshops. Register through the links below for an upcoming session:

Date	Description	Register
11 Jul 2019	<a href="#">Module 6: The Emerging Lighting Technology Process</a>	<a href="#">Attend online</a>
8 Aug 2019	<a href="#">Module 7: The ESS Portal</a>	<a href="#">Attend online</a>
5 Sep 2019	<a href="#">Module 8: Accredited Certificate Providers</a>	<a href="#">Attend online</a>



## ESS REGISTRY AND ACCREDITATION STATISTICS

Table 1: ESS certificate statistics

Total ESCs created under the ESS since 2009 <sup>a</sup>	ESCs available for surrender <sup>a</sup>	Compliance Year	Estimated target	ESCs created <sup>a</sup>
28,540,314	4,757,555	2018	4,300,000	4,341,205
		2019	4,600,000	430,800

Table 2: Current and recent accreditations

Total current accreditations <sup>ab</sup>	167
New accreditations this quarter <sup>c</sup>	0

Notes:

- a) Data as at 30 May 2019
- b) Multiple project accreditations count as single accreditations
- c) During the period 1 March 2019 to 30 May 2019



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