

December Newsletter | Issue No.49

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INTRODUCTION

As 2018 draws to a close, the ESS team remains committed to maintaining the integrity of the Energy Savings Scheme (**ESS**). We are continually reviewing and refining our processes and documentation to reflect this commitment.

As many of you would agree, 2018 has been a very busy year - a brief snapshot is presented below.

- The ESS was subject to two *Energy Savings Scheme Rule of 2009* (**ESS Rule**) changes, with different aspects commencing on 3 separate dates. We have revised a large number of our documents to reflect these changes.
- The close of the 2017 compliance year saw the largest number of certificates created under the ESS, and correspondingly the largest number of audits processed within just two months.
- The Minister for Energy and Utilities released the 2017 ESS [Annual Report](#). It observed that compliance was generally high for both Scheme Participants and Accredited Certificate Providers (**ACPs**).
- The number of applications for accreditation decreased overall, but towards the end of this year we have observed an increase in the number of applications and application enquiries for the Home Energy Efficiency Retrofits (**HEER**) method. The number of applications for acceptance for emerging lighting technologies (**ELTs**) has also shown a downward trend.
- We have seen an increase in the number and complexity of audits, particularly for the Project Impact Assessment with Measurement and Verification (**PIAM&V**) method.
- We undertook significant compliance investigation and enforcement actions throughout 2018, including the issuing of a number of [penalty notices](#). We are currently conducting a number of investigations that will continue into 2019.

We are well advanced in our planning for 2019 and are looking forward to the addition of new team members in mid-January. Some important activities coming up in early 2019 include the release of revised [Minimum Requirements](#) and a revised Detailed Scope of Works (**DSW**) template for audits. Additionally, the Scheme Participant compliance period will be in full swing.

The ESS team would like to wish our stakeholders all the very best for the holiday season, and a happy and healthy 2019.



ESS STAKEHOLDER FORUM



We held our annual ESS Stakeholder Forum on 6 November 2018. The session focused on the importance of Scheme integrity.

We discussed significant compliance matters and reviewed current issues identified with the Commercial Lighting and PIAM&V methods. We also gave an overview of the HEER method and demonstrated the upgrades planned for the new ESS website.

We were lucky to have Chester Li and Ilona Valeikaite from the Office of Environment and Heritage provide an update on the upcoming ESS Rule change process and an overview of their current programs.

It was a successful event and we appreciate the invaluable feedback received from all of our stakeholders. These events help to inform compliance strategies, streamline our operations and improve communications. Feedback or ideas for upcoming events can be sent into ess_compliance@ipart.nsw.gov.au.



OFFICE CLOSURE

Our office will be closed between 24 December 2018 and 4 January 2019 inclusive.

This will affect energy saving certificates (**ESC**) registration for ACPs in the ESS Registry as follows:

- ESC registration payments received during this period will be processed on 7 January 2019, and
- Implementation data submissions entered into the ESS Portal after 2pm on Friday 21 December 2018 will be processed on 7 January 2019.

The ESS Portal, the ELT Portal and the ESS Registry will be available during the office closure period.



SCHEME PARTICIPANT COMPLIANCE

All Scheme Participants must lodge an Annual Energy Savings Statement (**AESS**) with IPART by 30 April each year. IPART uses the AESS to review a Scheme Participant's self-assessment of its individual energy savings target. Scheme Participants with no liable acquisitions must submit a Scheme Participant Nil Return Form.

Key steps:

1. January/February 2019 – Submit audit DSWs with Deed Poll (if an audit is required)
2. Early February 2019 – Receive electricity market (AEMO) acquisition data from IPART
3. February/March 2019 – Prepare AESS and conduct audit (if required)
4. April 2019 – Update the ESS Registry for ESCs that are being offered for surrender to meet the energy savings target
5. By 30 April 2019 – Submit AESS (with audit report if applicable) or Nil Return Form (if no liable acquisitions) to IPART

The current versions of support documents are on our [website](#). Questions and submissions should be forwarded to ESSRegulator@ipart.nsw.gov.au.



ESC REGISTRATION FEE

The ESC registration fee is increasing to \$0.86 per ESC on 1 January 2019 in accordance with Schedule 3 of the *Electricity Supply (General) Regulation 2014*.

This means applications to register ESCs must be completed by 31 December 2018 for the previous \$0.84 per ESC registration fee to apply.

Critical activities and dates are:

Before 12:00pm, Friday 21 December 2018:

1. Complete the Implementation Data Sheet.
2. Login to the ESS Portal and upload the Implementation Data Sheet.
3. If the upload is successful, the details of your submission will be entered into the ESS Registry and a Reference Number provided by email.

Before midnight, Monday 31 December 2018:

4. Log on to the ESS Registry and complete the application to register ESCs through the function "Register ESCs". We recommend this step is completed before 12:00pm on Friday 21 December 2018, in case issues arise.

The complete process for applying to register ESCs is detailed on our [website](#).



PENALTY RATE INCREASE

We have published the scheme penalty rate for the 2019 calendar year. The scheme penalty rate increases from \$28.01 to \$28.56 per notional MWh for 2019.

The 2019 scheme penalty rate has been calculated based on the adjusted base penalty rate, which will increase from \$29.80 to \$30.39 per notional MWh for 2019, due to movements in the consumer price index.



PROPOSED UPDATE TO ESS NOTICE 01/2013 - MINIMUM REQUIREMENTS

We are updating the *ESS Notice 01/2013: Minimum Requirements for conduct of persons acting on behalf of Accredited Certificate Providers (Amended July 2014)*. Compliance with this Notice is a standard condition of accreditation for most RESAs.

The proposed updates will improve clarity for stakeholders and address changes to the ESS Rule. We are seeking feedback on the proposed changes. The consultation period will run from 30 November 2018 to 14 January 2019, see [2018 Consultation: Minimum Requirements](#) on our website.



AUDIT PANEL

ACPs and Scheme Participants are required to select appointed [Audit 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 highly encourage new applicants to the Audit Services Panel.



WORKSHOPS & EVENTS

We recommend that applicants and key stakeholders participate in our online workshops. Register through the links below for an upcoming session or an event:

- ▼ 29 January 2019 - [Module 13: Scheme Participant Compliance \(NEW\)](#)

Stay tuned for the release of the [2019 Events Calendar](#). Coming soon!



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ESS REGISTRY AND ACCREDITATION STATISTICS

Table 1: ESS Registry and accreditation statistics

Total ESCs created under the ESS since 2009 ^a	2018 estimated target	ESCs available for surrender ^a	ESCs created in 2018 ^a	Total current accreditations ^{ab}	New accreditations this quarter ^c
26,647,111	4,300,000	7,183,891	4,619,823	182	3

Notes:

a) Data as at 30 November 2018

b) Multiple project accreditations count as single accreditations

c) During the period 1 September 2018 to 30 November 2018

Table 2: Recent accreditations under the Energy Savings Scheme

Company name	Accreditation name	Project type	Sector
Beyond Carbon Solutions Pty Ltd	Beyond Carbon Roads and Public Lighting Plus	Lighting	Commercial/Industrial
Gasex Pty Ltd	Fridge Recycle Program	Refrigerator & freezer removal	Residential
National Carbon Bank of Australia Pty Ltd	Home and Small Business Energy Upgrades	Multiple activities	Residential/Small Business

Note: During the period 1 September 2018 to 30 November 2018