

REES Consultation Paper Response

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1.0 Executive Summary

Ecovantage appreciates the amount of effort that has been invested in the review of the REES and the opportunity to respond.

We believe the REES has been successful in achieving energy efficiency outcomes in South Australia with significant benefit and very few issues. In the current volatile energy environment, this is probably a relief to all involved.

However, it does hide a good news story where the state government has proactively encouraged energy efficiency.

We believe that the government should double or even triple the size of the REES to allow more households and businesses to access the benefits. A larger REES would also reduce the stress on the grid and improve energy security. On a per capita basis the REES is significantly smaller than either the ESS in NSW or the VEET in Victoria.

Whilst Ecovantage has supported the 900Gj cap as a reasonable approach to encourage small business participation in the scheme, we believe that coupled with a doubling in the target this cap should be removed.

The requirement to deliver a significant proportion of priority Gj should remain but be reduced over time as non-participating priority customers reduces.

We support harmonisation with the other energy efficiency schemes where this can reduce administrative overhead but we take this opportunity to point out that the REES has led the way in many regards including insulation, SME and Priority segment participation.

2.0 Background

The Department of State Development has invited stakeholders to consider and respond to a list of generic questions for all REES specifications, and to consider additional questions specific to a particular activity.

For simplicity purposes the generic questions will be modified throughout the document as per the following table.

Consultation Question	Modification
Does the specification allow for the activity to be delivered in an efficient and effective way?	Efficiency?
Is the warranty period appropriate?	Warranty?
Are there any health and safety concerns with the delivery of the activity that are not adequately addressed by the specification?	Health and Safety?
Are the assumptions and methods used to determine the energy savings for the activity appropriate? If not, what should be used?	Savings assumptions?
Are the assumptions used by the Energy Efficient Strategies to determine the energy savings appropriate? If not, what alternate methods should be used?	Energy efficient strategy assumptions?
Are the methods used by the Energy Efficient Strategies to determine the energy savings appropriate? If not, what alternate methods should be used?	Energy efficient strategy methods?
Based on the proposed specification and energy saving factors, do you consider that this activity will be delivered through the REES?	Activity delivery through REES?

3.0 Consultation Response to Current Specifications

This document works through each of the specifications as tabled in the Consultation Paper and comments on the generic and specific questions asked for each specification. No detail will be provided where there is no view or comment relating to a specification, or a “nil” will be recorded in similar instances with a partial response.

3.1– Energy Audit Specification (Ref: 3.1)

Question/Answer specific to activity:

Home Energy Audit target volumes are well down for Ecovantage on previous years. Yet we are receiving solid volumes of HEA referrals from financial agencies with hardship customers that at current rates will see leads out strip targets. A solution to this current situation may be to set separate targets for concession and hardship customer types.

The assessment of the thermal performance of the premises (insulation, draught proofing, and shading) and the major energy consuming appliances and energy use practices within the premises will add to the cost of the assessment but will improve the utility of the information collected. If the government is able to justify the additional cost of not only collecting but holding the information we support the change.

We believe that an approach to use a scorecard approach like Vic or a Nabers approach like NSW is warranted.

Ecovantage also supports the mandatory disclosure of the energy efficiency of houses at the point of sale or lease in a similar (but improved) manner to the ACT. A minimum rating, especially for rental properties would deliver the best outcome for housing in the state.

3.2 - Energy Efficiency Activities – General (Ref: 3.2)

Question/Answer specific to activity:

Voltage optimisation at a residential level.

3.3 - Installation of Insulation in an Uninsulated Ceiling Space (Ref 3.3)

Additional comments specific to activity:

Ecovantage supports the inclusion of insulation in the REES and have submitted quite a number of insulation jobs in 2016. We believe that the activity is reasonably supported and the compliance requirements appropriate. It should be noted that SA is regarded as a well-insulated state and that it is unlikely that this will ever produce large numbers. However, it is important that householders are encouraged to undertake this activity.

We cannot comment on the safety requirements adequacy other than to suggest that the white card training being undertaken includes identification of dangerous wiring.

3.4 – Installation of Top Up Insulation in a Ceiling Space

NIL

3.5 - Installation of Insulation to an External Wall

Activity delivered through REES?	NO
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3.6 - Installation of Insulation to Floors

Activity delivered through REES?	NO
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3.7 – Building Sealing Activities (Ref 3.7)

Question/Answer specific to activity:

The savings factor attributed to these activities do not make the activity viable when considering labour costs to deliver and the potential need for customer contribution. Chimney balloons are viable but opportunities are minimal.

3.8 – Replace an Inefficient Window with a Thermal Efficient Window (Ref 3.8)

Activity delivered through REES?	NO
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The savings factor attributed to these activities do not make the activity attractive.

3.9 – Secondary Glazing Retrofit

Activity delivered through REES?	NO
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The savings factor attributed to these activities do not make the activity attractive.

3.10 – Install an Efficient New Gas Space Heater

Activity delivered through REES?	NO
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3.11 – Install an Efficient New Reverse Cycle Air Conditioner Non-ducted

Question/Answer specific to activity:

The values attributed to the early retirement of a pre-existing air conditioner do not make this activity attractive from a commercial sense. Values attributed to the replacement of a pre-existing fixed resistance heater are more attractive, however it is felt the opportunity size is quite small

3.12 – Install an Efficient New Reverse Cycle Air Conditioner Ducted

NIL

3.13 – Install Efficient New Ductwork

NIL

3.14 – Replace Ductwork with Enhanced Ductwork

NIL

3.15 – Replace or Upgrade Water Heater

Efficiency?	YES
Warranty?	YES
Health and Safety?	YES
Savings assumptions?	YES
Energy efficient strategy assumptions?	YES
Energy efficient strategy methods?	YES
Activity delivery through REES?	YES

3.16 – Replace an Inefficient Showerhead with an Efficient Showerhead

Efficiency?	YES
Warranty?	YES
Health and Safety?	YES
Savings assumptions?	YES
Energy efficient strategy assumptions?	YES
Energy efficient strategy methods?	YES
Activity delivery through REES?	YES

3.17 – Install CFL LED General Purpose Lamp

Efficiency?	YES
Warranty?	YES
Health and Safety?	YES
Savings assumptions?	YES

Energy efficient strategy assumptions?	YES
Energy efficient strategy methods?	YES
Activity delivery through REES?	YES

Question/Answer specific to activity:

It is Ecovantages view that we should not increase the assumed lifespan to from 10000 to 15000 hours. 10 years' lifespan is reasonable and any increase in this is superfluous. In addition, this will merely drive up the cost of the bulb from a wholesale cost perspective due to enhanced warranties and drive up labour costs due to increased warranty call outs.

3.18 – Install LED Downlight Lamp or Luminaire

Efficiency?	YES
Warranty?	YES
Health and Safety?	YES
Savings assumptions?	YES
Energy efficient strategy assumptions?	YES
Energy efficient strategy methods?	YES
Activity delivery through REES?	YES

Question/Answer specific to activity:

It is the authors view that we should not increase the assumed lifespan to 15000 hours. This will merely drive up the cost of the bulb from a wholesale cost perspective due to enhanced warranties and drive up labour costs due to increased warranty call outs.

No, activities delivered under L2 should not require an Electrical Certificate of Safety. This activity is merely a globe swap out and is already bordering on non-viable under current commercial constructs. Adding the additional costs associated with ECC will drive L2 programme costs up for the direct customer and reduce the level of activity.

3.19 – Replace Halogen Floodlight Luminaire

Efficiency?	YES
Warranty?	YES
Health and Safety?	YES
Savings assumptions?	YES
Energy efficient strategy assumptions?	YES
Energy efficient strategy methods?	YES
Activity delivery through REES?	YES

Contrary to the comments in the consultation paper, Ecovantage have replaced in excess of 1000 Halogen Floodlights over the past 9 months. We fully support this activity and we believe that the activity is reasonably supported and the compliance requirements appropriate.

3.20 – Replace Linear Fluorescent Luminaire

NIL

3.21 – Commercial Lighting Upgrade

Efficiency?	YES
Warranty?	YES
Health and Safety?	YES
Savings assumptions?	YES
Energy efficient strategy assumptions?	YES
Energy efficient strategy methods?	YES
Activity delivery through REES?	YES

Question/Answer specific to activity:

We have found no reason for concern with the delivery of CL1 to small customers that are not addressed by the current specification. Providing additional evidence of compliance with AS 1680 will add additional cost to the customer for immaterial gain.

In the vast majority of cases, the replacements are one for one and the new LED has higher specifications than the one being removed, our experience has shown customers do not accept an

installation that does not provide adequate lighting for purpose and refuse to sign off on work conducted if this is the case

We would be interested in any evidence that illustrates a systemic problem in this area – that small customers are suffering from inadequate light due to replacement under the scheme.

3.22 – Standby Power Controllers

NIL

3.23 – High Efficiency Appliances

NIL

3.24 – Remove/Dispose of an Unwanted Household Refrigerator or Freezer

NIL

3.25 – Installation of a High Efficiency Pool Pump

Ecovantage is currently investigating this activity to understand its viability

3.26 – AMB Aggregate Metered Baseline Methodology

NIL

4.0 - Consultation Response to Proposed New Specifications

4.1 - Install and Commission of an In home Display Unit

Efficiency?	YES
Warranty?	YES
Health and Safety?	YES
Savings assumptions?	There are no savings assumptions, this device provides information only. The customer must act on the information for savings to occur. Although a customer may have information relating to consumption, they may have no understanding of how to effect change.
Energy efficient strategy assumptions?	NIL
Energy efficient strategy methods?	NIL
Activity delivery through REES?	Yes, however it is questionable as to whether this activity will impact any change to energy efficiency

Question/Answer specific to activity:

In home display units are a proposition that should provide a level of education to a customer regarding their level of consumption, but don't result in savings unless the customer acts on that information. They are also prone to become a "forgotten toy" once initial interest has worn off.....

Due to the requirement for behavioural responses by the householder, Ecovantage suggest the householder should be required to buy the IHDU for \$5 or \$10 minimum. The householder will then be more likely to seek savings and change behaviour. It should be noted that this activity is different in this regard than other activities which deliver energy savings directly. This activity if introduced for free will potentially drive an influx of low grade cheap imports that will impact the credibility of the scheme and this appliance into the future....

4.2 – Install a Self-Contained High Efficiency Refrigerated Display Cabinet

Question/Answer specific to activity:

Ecovantage fully supports the introduction of this activity and is currently investigating its viability.