

Fact Sheet: Amendments in 2018 to the Energy Savings Scheme Rule of 2009

31 July 2018



WHAT

This fact sheet provides important information on and summarises amendments to the *Energy Savings Scheme Rule of 2009 (ESS Rule)* in 2018. It is not a comprehensive list of every amendment and you should ensure that you are familiar with the current ESS Rule.¹



WHY

The NSW Government has committed to reviewing the ESS Rule each year with a major review of the ESS Rule every three years. The most recent major review was in 2015-16.

Annual updates to the ESS Rule are intended to:

- ▼ incorporate stakeholder feedback and evaluation results
- ▼ maintain the effectiveness of the ESS Rule, through updates to savings factors, and adding activity schedules for new technologies
- ▼ complement changes to building and equipment standards
- ▼ incorporate new methods or sub-methods for calculating energy savings, and
- ▼ make other enhancements to the ESS Rule to maintain its integrity or reduce transaction costs.

The Office of Environment and Heritage (OEH) and the Division of Resources and

¹ Refer:

www.ess.nsw.gov.au/How_the_scheme_works/Legal_Framework_and_Rules

Energy (DRE) of the Department of Planning and Environment are responsible for developing the policy behind the Energy Savings Scheme (ESS). DRE is responsible for the ESS legislation, including the ESS Rule, which is the legal framework of the scheme.



WHO

This fact sheet should be read by applicants, Accredited Certificate Providers (ACPs), auditors, installers and other interested parties.



WHEN

As a result of amendments to the ESS Rule during 2018, there were, or will be, the following changes to the ESS requirements:

- ▼ On 20 April 2018 changes relating primarily to the Home Energy Efficiency Retrofits Method and Removal of Old Appliances Method took effect (see Item 1).
- ▼ On 31 July 2018 changes to several methods took effect (see Item 2).
- ▼ On 1 November 2018 changes relating to the Commercial Lighting Energy Savings Formula will take effect (see Item 3).

Clause 11 of the amended ESS Rule provides transitional provisions to allow the previous version of the Rule to be used in certain circumstances.



WHAT NEXT

IPART has updated all relevant method guides and associated documents to reflect the amendments made on 20 April and 31 July. The previous documents will be made available on the [Document Archive](#) page of the ESS Website.

Applicants, ACPs, auditors, installers and other affected parties should note the changes and refer to the current version of the ESS Rule and update their processes, documentation, calculations and compliance practices so they are consistent with the current ESS requirements.

It remains the responsibility of all ACPs to ensure that they comply with the *Electricity Supply Act 1995*, *Electricity Supply (General) Regulation 2014* and the ESS Rule.

1) AMENDMENTS THAT COMMENCED ON 20 APRIL 2018

An amended ESS Rule took effect on 20 April 2018 (the April Rule). The following amendments included in the April Rule commenced on 20 April 2018.

Changes that affect multiple methods

Table A24	Amended	▼ Regional Network Factors updated to include postcodes that cross state boundaries to allow additional upgrades in regional areas.
Clause 10	Amended	▼ Changed definition from “Small Business Building”, which is defined based on the BCA building class, to “Small Business Site”, which is defined based on the electricity consumption of the business that is the sole occupant.

Clause 9.8 – Home Energy Efficiency Retrofits (HEER) sub-method

9.8.1(a), Tables D1, D2, E1, E2, E3, E4, E5, E10 & E11	Amended	▼ Change from term ‘Small Business Building’ to ‘Small Business Site’. Evidence requirements are outlined in the Method Guide – HEER.
9.8.1(g)	Amended	▼ This clause now includes the introduction of a co-payment exemption in the Rule for programs that are approved by the Minister for the Environment for “Exempt Energy Programs”. The Minister has not approved an Exempt Energy Program.

Clause 9.8 – HEER sub-method (cont’d)

Table E9	Amended	▼ The activity is now only eligible for Residential Buildings.
Tables E5.1 & E5.2	Amended	▼ Updates to the Electricity Savings Factors for LCP of replacement LED luminaires for Activity E5.

Clause 9.7 – Removal of Old Appliances (RoOA) sub-method

9.7.1(a), Table C2	Amended	▼ Change from term ‘Small Business Building’ to ‘Small Business Site’.
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2) AMENDMENTS THAT COMMENCED ON 31 JULY 2018

An amended ESS Rule took effect on 31 July 2018 (the July Rule). The following amendments included in the July Rule commenced on 31 July 2018.

Clause 7A – Project Impact Assessment with Measurement and Verification (PIAM&V)

7A.5(b)(iv)	New	▼ Defines the Measurement Period for calculation of Additional Energy Savings.
7A.12(a)	Amended	▼ ACPs will not be required to use a Persistence Model to set a Maximum Time Period for Forward Creation when using default decay factors.
7A.14(b) 7A.14A	Amended New	▼ Top-up of certificate creation will be allowed for one or more years at the same time, provided they calculate the Additional Energy Savings for each year separately.
7A.21 7A.21A	New	▼ Lighting products installed under the PIAM&V method will need to meet the equipment requirements relating to safety imposed on lighting products used for Commercial Lighting (Tables A9.1 and A9.3).

Clause 8 – Metered Baseline Method

8.4A & 8.4B	New	▼ Lighting products installed under the MBM method will need to meet the equipment requirements relating to safety imposed on lighting products used for Commercial Lighting (Tables A9.1 and A9.3).
8.8	Amended	▼ The NABERS Baseline sub-method was amended to include NABERS-rated apartments as eligible NABERS buildings (Tables A20 and A21).

Clause 9 – Deemed Energy Savings Method (all sub-methods)

Many of the tables and schedules relating to the deemed methods have been updated with new and amended factors, activity requirements and references to relevant standards. Stakeholders should ensure they have reviewed the tables and schedules relevant to their activities in detail prior to calculating energy savings using the amended ESS Rule.

Clause 9.3 – Sale of New Appliances (SONA) sub-method

Schedule B – Activity Definitions for the Sale of New Appliances (clause 9.3)

Schedule B	Amended	▼ The deemed electricity equipment savings for all activities in Schedule B have been updated to use a baseline that reflects the sales-weighted average star rating of appliance sales in NSW in 2017 and updated equipment requirements to use the terms consistent with Greenhouse and Energy Minimum Standards (GEMS) Registry listings.
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Clause 9.4A – Public Lighting Energy Savings Formula sub-method

9.4A.5	Deleted	
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6A, 7A & 9A	New	▼ Included new equations for the calculation method.
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Clause 9.8 – Home Energy Efficiency Retrofits (HEER) sub-method

Schedules D & E	Amended	▼ Throughout the activities there are updates to savings factors for building fabric activities, including window treatments, draught proofing, chimney dampers and pool pumps.
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Tables D13, D14, D15 & E12	New	▼ Inclusion of new eligible activities including natural and fan-forced roof space ventilators, self-sealing exhaust fans and modify exhaust fans with a sealing product.
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Table E9	Amended	▼ Specific exclusion of chimney balloons as an eligible activity.
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Table E10	Amended	▼ Changed to install external blind to a window or door.
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Table A26	New	▼ Updates to residential and small business site Electricity Savings Factors for existing and new BCA climate zones.
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Tables E5.1 & E5.2	Amended	▼ Updates to the Electricity Savings Factors for LCP of replacement LED luminaires for Activity E5.
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Clause 9.9 – Installation of High Efficiency Appliances for Business sub-method

Schedule F	Amended	▼ Amendment to Installation requirement for Activity F5.
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3) AMENDMENTS COMMENCING 1 NOVEMBER 2018

The following changes that were included in the July Rule will commence on 1 November 2018.

Clause 9.4 – Commercial Lighting Energy Savings Formula sub-method

ACPs accredited to use the Commercial Lighting Energy Savings Formula method must, up until 31 October 2018, calculate and create ESCs applying the 2017 version of the ESS rule. From 1 November 2018, ACPs must calculate and create ESCs applying the amended ESS Rule.

9.4.1(i):	New	▼	Addition of a requirement that maintained emergency lighting must be replaced by maintained emergency lighting equipment.
Table A9.2:	Amended	▼	Introduction of a cap on the LCP/NLP of high bay metal halide and mercury vapour lamps removed as part of a lighting upgrade. The cap applies to indoor lighting only.
Tables A10.1, A10.2 & A10.3	Amended	▼	Updates to asset lifetime values to reflect the changes to the lighting market in NSW.
A10.6	New	▼	Updates to asset lifetime values to reflect the changes to the lighting market in NSW.

Clause 10 – Definitions and Interpretation

A number of new definitions and ESS amendments have been included in this list to support and clarify changes throughout the Rule.

Clause 11 – Savings and Transitional Arrangements

The transitional arrangements for the Commercial Lighting Energy Savings Formula are outlined for the period 31 July 2018 until 31 October 2018.

FREQUENTLY ASKED QUESTIONS

Where do I find information on the policy intent behind the ESS Rule amendments?

DRE released a position paper outlining the policy intent for the amendments to the ESS Rule. This paper also summarises feedback from the public consultation process and the NSW Government's position. A track change (non-official) version of the ESS Rule is also available on the [DRE website](#). If you have any questions about the general amendments or method specific amendments, please contact DRE at: energysavings.scheme@planning.nsw.gov.au.

I have a question on the ESS Rule amendments. Who do I speak to?

If you have any questions about administration of the amended ESS Rule, please contact IPART at: ess_compliance@ipart.nsw.gov.au.