



Independent Pricing and Regulatory Tribunal

Method Guide Sale of New Appliances Deemed Energy Savings Method

Energy Savings Scheme
January 2015

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1 About this guide

This guide details how the Sale of New Appliances sub-method under the Deemed Energy Savings Method of the NSW Energy Savings Scheme (ESS) operates, the eligibility requirements to use the method, and how to calculate energy savings. This guide should be used by:

- ▼ applicants seeking accreditation, to assist them in completing their application, and
- ▼ those persons already accredited (Accredited Certificate Providers), to assist them in accurately calculating Energy Savings for this method.

Please refer to this guide to complete the *Application Form: Part B – Method Details - Sale of New Appliances* (Application Form: Part B – Method Details) which can be found on the ESS Apply for Sale of New Appliances webpage¹.

2 Method overview

The Sale of New Appliances Method provides a way to calculate and create Energy Savings Certificates for the energy savings resulting from the sale of household appliances that consume less electricity than the average appliance of the same type.

The method provides appliance retailers an incentive to market and sell higher efficiency appliances to consumers who benefit from the ongoing electricity savings.

3 Method eligibility

A number of requirements must be met for the creation of Energy Savings Certificates using the Sale of New Appliances Method, which are outlined below.

3.1 Energy saver

Only a qualified energy saver can create Energy Savings Certificates using the Sale of New Appliances Method. There are 2 types of energy savers, as described in the following sections.

¹ The Application Form: Part B – Method Details can be found on the ESS website at: http://www.ess.nsw.gov.au/Methods_for_calculating_energy_savings/Sale_of_New_Appliances/Apply_for_Sale_of_New_Appliances.

Energy saver by definition

Under the Sale of New Appliances Method, the energy saver is an appliance retailer who sells a high efficiency appliance to a purchaser. The appliance retailer does not need to be located in NSW and can either have a traditional bricks and mortar store or an online store.

Becoming the energy saver through nomination

The appliance retailer can nominate a third party as the energy saver by completing a nomination form, generated from the [Nomination Form Template](#)² specific to this method, which is available on the ESS website at http://www.ess.nsw.gov.au/Methods_for_calculating_energy_savings/Sale_of_New_Appliances/Apply_for_Sale_of_New_Appliances.

3.2 Purchaser

For a sale to be eligible, the appliance must be sold to a purchaser who will benefit from the ongoing end-use service that the appliance provides. This means that the purchaser will use the appliance or will benefit from the service provided in some way.

This requirement also means that any sales from a wholesaler or distributor to appliance retailers are not eligible under this method.

The appliance must be delivered to a NSW address, and/or the purchaser must provide a valid NSW address when purchasing the appliance.

3.3 Implementation and implementation date

Implementations (i.e. the sales) and implementation dates (dates of the sales) are used to determine the number of Energy Savings Certificates and from when they can be created.

An implementation under the Sale of New Appliances Method is the sale of one or more high efficiency appliances to a single purchaser in a single sale.

The implementation date is the date of the sale of the appliance to the purchaser, which is when title to the appliance passes from the appliance retailer to the purchaser. This will typically be on payment of the purchase price but, for example in the case of payment of the purchase price by instalments, this could be on payment of the deposit or of the final instalment. This date affects the

² The Nomination Form Template can be found on the ESS website at: http://www.ess.nsw.gov.au/Methods_for_calculating_energy_savings/1-for-1_Residential_Downlight_Replacement

eligibility to create energy savings from a sale, as only implementations after the date the energy saver is registered as an Accredited Certificate Provider³ and (where applicable) nominated by the appliance retailer, are eligible.

3.4 Eligible appliances

The appliance sale must be included in an activity definition in Schedule B of the ESS Rule. Each activity definition defines a class of appliance that can be sold and the requirements the appliance must meet. The activity definitions are listed in Table 3.1.

Table 3.1 Eligible equipment types for the Sale of New Appliances Method

Activity Definitions	Appliance Type
B1	Clothes Washing Machine
B2	Clothes Dryer
B3	Dishwasher
B4	1-Door Refrigerator
B5	2-Door Refrigerator
B6	Chest Freezer or Upright Freezer
B7	Television

3.4.1 Equipment Requirements

Equipment requirements are specified under each activity definition as outlined in Appendix A. Generally, the appliance must be registered for energy labelling⁴.

From time to time we may also publish, on our website, additional safety or performance requirements that the appliance will need to meet, which are in addition to the requirements specified in the ESS Rule.

3.4.2 Checking the appliance meets the equipment requirements

We do not maintain a list of accepted products that meet the equipment requirements referred to above.

The Commonwealth of Australia maintains an online E3 database⁴ of products registered for energy labelling, which can be used for determining if an appliance meets the requirements. However, you may need to use the “advanced details” or “export to CSV” functions to access it.

³ The ESS website provides information on applying to become an Accredited Certificate Provider at http://www.ess.nsw.gov.au/How_to_apply_for_accreditation

⁴ http://reg.energyrating.gov.au/comparator/product_types/

A listing in the E3 database does not, however, guarantee an appliance meets all the equipment requirements, as certain activity definitions place additional restrictions on equipment. These include:

- ▼ Restrictions on the type of appliance. For example, a combination washer/dryer is not eligible under Activity Definition B2, even if the dryer is registered for energy labelling.
- ▼ Limiting eligibility to certain subsets or groups. For example a 1-Door Refrigerator must be defined as a group 1, 2 or 3 Refrigerator to be eligible under Activity Definition B4 under the method.
- ▼ Restrictions on which version of a standard was used for testing.

You must ensure that the appliance is compliant with these requirements to be eligible to create Energy Savings Certificates.

Appendix A includes the full list of equipment requirements that the appliance must meet.

3.4.3 New appliances

The appliance must be new at the time of sale. This means that the appliance must not have been sold previously. For example, the following do not count as new:

- ▼ any appliance that has been returned regardless of whether it was used or not, as the energy savings will have been captured by the original sale
- ▼ appliances which have been refurbished by the manufacturer, and
- ▼ second hand sales.

A factory second is considered new if the appliance is not a refurbished product and defects are cosmetic in nature. Demonstration or floor stock is considered new.

3.4.4 Applying to have an appliance accepted as meeting the requirements of the ESS Rule

We do not accept applications to have an appliance accepted as we are not involved in the energy labelling registration process.

The E3 website provides information on the registration process for having an appliance accepted for energy labelling.

3.4.5 Tax invoice and sales ledger requirements

You must be able to provide either a tax invoice⁵ or a sales ledger that demonstrates the sale was compliant with the requirements of the Sale of New Appliances Method. These requirements include:

- ▼ the make and model of the appliance(s) sold
- ▼ the identity of the appliance retailer who sold the appliance(s), and
- ▼ the identity of the purchaser who bought or leased the appliance(s).

Further information on what these documents must demonstrate is included in the **Evidence Manual - Sale of New Appliances** available on our website⁶. If you use a sales ledger it will need to be signed by someone authorised by the appliance retailer to confirm its accuracy.

3.4.6 Data collection

The Sale of New Appliances Method requires appliance retailers to provide us (and other parties such as ESS Auditors) with information on each sale. This includes information about the customer such as their name, address and phone number.

In providing this information the appliance retailer must ensure that they comply with all relevant legislation including privacy obligations.

4 Calculating energy savings

The energy savings resulting from a sale are the sum of the Deemed Equipment Energy Savings from each of the appliances included in that sale.⁷

If a single eligible appliance is sold to a purchaser, the energy savings from that sale are the Deemed Equipment Energy Savings of the appliance sold.

If a purchaser buys multiple appliances in a single purchase, all the appliances are treated as belonging to a common implementation (sale), and the energy savings for that sale are the sum of the Deemed Equipment Energy Savings for each eligible appliance purchased.

⁵ The Australian Taxation Office provides guidance on tax invoices on their website at www.ato.gov.au/Business/GST/Issuing-tax-invoices/

⁶ www.ess.nsw.gov.au/appliance_sales

⁷ As specified in equation 5 of the ESS Rule.

4.1 Appliance energy savings

To calculate the Deemed Equipment Energy Savings for an appliance sold, you first need to determine the energy star rating of the appliance and the size of the appliance. The Deemed Equipment Energy Savings for the appliance are determined using the table in the activity definition that covers that appliance. A copy of each Activity Definition is included in Appendix A.

4.1.1 Appliance energy star ratings

The energy star ratings of eligible appliances are displayed on the energy star rating label on each appliance. These ratings are also included as part of the appliance's entry in the E3 database⁸. You should check that the value used for your calculation matches the entry in the E3 database, as this will be the value accepted by ESS auditors.

Determining the energy star rating of televisions

The energy star rating system for televisions was revised on 1 April 2013 to reflect the improvements in the energy efficiency of televisions.

Depending on when the appliance was imported for sale, it may be labelled under the current Tier 2 MEPS rating system or the older Tier 1 MEPS rating system. You should check the star rating using the E3 database, which provides the star rating for televisions under both rating systems.

4.1.2 Appliance sizes

You can determine the size of appliances using the E3 database, and certain appliances will also have the size listed on the energy star rating. You should ensure that the value that you use matches the E3 database as this will be the value accepted by ESS auditors.

4.1.3 Calculation Tool for determining the Deemed Equipment Energy Savings

Section 1 of the Sale of New Appliances Method Evidence Package features a built in calculation tool which you can use to determine the energy savings for each appliance sale.

⁸ http://reg.energyrating.gov.au/comparator/product_types/

5 Creating Energy Savings Certificates

The **Evidence Manual - Sale of New Appliances** provides instructions on how to register Energy Savings Certificates from your eligible appliance sales and details the requirements for keeping records that verify that the energy savings occurred.

The **Evidence Package** that accompanies the **Evidence Manual - Sale of New Appliances** is available on the ESS website⁹.

6 Applying for accreditation

A completed application tailored to this energy savings method is required for an appliance retailer or organisation to become an Accredited Certificate Provider and generate Energy Savings Certificates.

An application has multiple parts, which are explained in the *Application Guide for ESS Accreditation* (Application Guide). As a minimum, you will have to provide:

- ▼ Application Form: Part A - General Details, available at www.ess.nsw.gov.au/appliance_sales
- ▼ Application Form: Part B - Method Details, available at www.ess.nsw.gov.au/appliance_sales.

For a full explanation of the process, please read the Application Guide.

⁹ www.ess.nsw.gov.au/appliance_sales

7 Glossary

Table 7.1 Sale of New Appliance Method Definitions

Term	Definition
ACP	Accredited Certificate Provider
Activity Definition	Refer to section 3.4 of this document
Appliance Retailer	Refer to section 3.1 of this document
E3	Equipment Energy Efficiency Program
Energy Labelling	Energy rating labelling under the Commonwealth's Energy Rating Labelling Scheme
Energy Saver	Refer to section 3.1 of this document
ESC	Energy Savings Certificate
ESS	Energy Savings Scheme
ESS Rule	Energy Savings Scheme Rule of 2009
GEMS	Greenhouse and Energy Minimum Standards
Implementation	Refer to section 3.3 of this document
MEPS	Minimum Energy Performance Standards
Purchaser	Refer Section 3.2 of this document



Appendices

A Activity definitions and equipment requirements

A.1 Activity Definition B1: Clothes Washing Machine

Activity Definition B1

Name of Activity

SELL A HIGH EFFICIENCY CLOTHES WASHING MACHINE

Equipment Requirements

1. The End-User Equipment must be a Clothes Washing Machine as defined in *AS/NZS 2040:2005 Performance of household electrical appliances—Clothes washing machines*.
2. The Clothes Washing Machine must be registered for energy labelling.
3. The Clothes Washing Machine must be either a top loader or a front loader.
4. The Clothes Washing Machine must have a rated capacity, load in kilograms, recorded in the GEMS Registry.

Equipment Energy Savings

Energy Star Rating	Deemed Equipment Energy Savings (MWh per washing machine sold)	
	Rated capacity > 4kg to < 8kg	Rated capacity ≥ 8kg
3.5	0.4	0.9
4.0	1.1	1.7
4.5	1.6	2.5
5.0	2.1	3.1
5.5	2.6	3.6
6.0	2.9	4.1

Lifetime (for information purposes only)

Lifetime = 10 years.

A.2 Activity Definition B2: Clothes Dryer

Activity Definition B2

Name of Activity

SELL A HIGH EFFICIENCY CLOTHES DRYER

Equipment Requirements

1. The End-User Equipment must be a Clothes Dryer as defined by “Rotary clothes dryer” in *AS/NZS 2442.1:1996 and 2442.2:2000 Performance of household electrical appliances—Rotary clothes dryers*
2. The Clothes Dryer must be registered for energy labelling.
3. The Clothes Dryer must not form part of a combination washer/dryer.
4. The Clothes Dryer must have a rated capacity, load in kilograms, recorded in the GEMS registry.

Equipment Energy Savings

Energy Star Rating	Deemed Equipment Energy Savings (MWh per clothes dryer sold)		
	Rated capacity < 5kg	Rated capacity ≥ 5kg to <7kg	Rated capacity ≥ 7kg
2.0	0.1	0.0	0.0
2.5	0.3	0.2	0.0
3.0	0.4	0.4	0.0
3.5	0.5	0.5	0.4
4.0	0.6	0.7	0.6
4.5	0.7	0.8	0.7
5.0	0.8	1.0	0.9
5.5	0.9	1.1	1.1
6.0	1.0	1.2	1.2

Lifetime (for information purposes only)

Lifetime = 10 years.

A.3 Activity Definition B3: Dishwasher

Activity Definition B3

Name of Activity SELL A HIGH EFFICIENCY DISHWASHER

Equipment Requirements <ol style="list-style-type: none"> 1. The End-User Equipment must be a Dishwasher as defined in <i>AS/NZS 2007:2005 Performance of household electrical appliances—Dishwashers</i>. 2. The Dishwasher must be registered for energy labelling. 3. The Dishwasher must have a rated capacity, in number of place settings, recorded in the GEMS Registry.

Equipment Energy Savings			
Energy Star Rating	Deemed Equipment Energy Savings (MWh per dishwasher sold)		
	Rated capacity < 9 place settings	Rated capacity ≥ 9 place settings to < 13 place settings	Rated capacity ≥ 13 place settings
3.0	0.1	0.4	0.0
3.5	0.4	0.9	0.1
4.0	0.6	1.3	0.6
4.5	0.8	1.6	0.9
5.0	1.0	1.9	1.2
5.5	1.1	2.1	1.5
6.0	1.2	2.3	1.7

Lifetime (for information purposes only) Lifetime = 10 years.

A.4 Activity Definition B4: 1-Door Refrigerator

Activity Definition B4

Name of Activity

SELL A HIGH EFFICIENCY 1-DOOR REFRIGERATOR

Equipment Requirements

1. The End-User Equipment must be a 1-door Refrigerator of Groups 1, 2, or 3 as defined in *AS/NZS 4474.1:2007 and 4474.2:2009 Performance of household electrical appliances—Refrigerating appliances*.
2. The Refrigerator must be registered for energy labelling.
3. The Refrigerator must have a rated capacity, volume in litres, recorded in the GEMS Registry.

Equipment Energy Savings

Energy Star Rating	Deemed Equipment Energy Savings (MWh per refrigerator sold)	
	Rated capacity < 300 litres	Rated capacity ≥ 300 litres
2.0	0.2	0.1
2.5	0.6	0.5
3.0	0.9	1.0
3.5	1.2	1.3
4.0	1.5	1.7
4.5	1.8	2.0
5.0	2.0	2.2

Lifetime (for information purposes only)

Lifetime = 12 years.

A.5 Activity Definition B5: 2-Door Refrigerator

Activity Definition B5

Name of Activity SELL A HIGH EFFICIENCY 2-DOOR REFRIGERATOR
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Equipment Requirements <ol style="list-style-type: none"> 1. The End-User Equipment must be a 2-door Refrigerator of Groups 4, 5B, 5T or 5S as defined in <i>AS/NZS 4474.1:2007 and 4474.2:2009 Performance of household electrical appliances—Refrigerating appliances</i>. 2. The Refrigerator must be registered for energy labelling. 3. The Refrigerator must have a rated capacity, volume in litres, recorded in the GEMS Registry.
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Equipment Energy Savings

Energy Star Rating	Deemed Equipment Energy Savings (MWh per refrigerator sold)		
	Rated capacity < 300 litres	Rated capacity ≥ 300 litres to < 500 litres	Rated capacity ≥ 500 litres
2.5	0.6	0.3	0.6
3.0	1.1	1.0	1.5
3.5	1.6	1.6	2.2
4.0	2.0	2.1	2.9
4.5	2.4	2.6	3.4
5.0	2.7	3.0	3.9

Lifetime (for information purposes only) Lifetime = 12 years.

A.6 Activity Definition: B6 Chest Freezer or Upright Freezer

Activity Definition B6

Name of Activity

SELL A HIGH EFFICIENCY CHEST FREEZER OR UPRIGHT FREEZER

Equipment Requirements

1. The End-User Equipment must be a Chest Freezer or Upright Freezer of Groups 6C, 6U or 7 as defined in *AS/NZS 4474.1:2007 and 4474.2:2009 Performance of household electrical appliances—Refrigerating appliances*.
2. The Freezer must be registered for energy labelling.
3. The Freezer must have a rated capacity, volume in litres, recorded in the GEMS Registry.

Equipment Energy Savings

Energy Star Rating	Deemed Equipment Energy Savings (MWh per freezer sold)		
	Rated capacity < 300 litres	Rated capacity ≥ 300 litres to < 500 litres	Rated capacity ≥ 500 litres
2.5	0.2	0.7	0.0
3.0	0.7	1.4	0.8
3.5	1.0	2.0	1.6
4.0	1.4	2.5	2.3
4.5	1.7	2.9	2.9
5.0	2.0	3.3	3.5

Lifetime (for information purposes only)

Lifetime = 12 years.

A.7 Activity Definition B7: Television

Activity Definition B7

Name of Activity SELL A HIGH EFFICIENCY TELEVISION
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Equipment Requirements
<ol style="list-style-type: none"> The End-User Equipment must be a Television as defined in <i>AS/NZS 62087.1:2010 Power consumption of audio, video and related equipment</i>; and <i>62087.2.2:2011 Power consumption of audio, video and related equipment—Minimum energy performance standards (MEPS) and energy rating label requirements for Television Sets</i>. The Television must be registered for energy labelling. The Television must have a rated capacity, diagonal screen size in centimetres, recorded in the GEMS Registry.

Equipment Energy Savings

Energy Star Rating	Deemed Equipment Energy Savings (MWh per television sold)		
	Rated capacity Diagonal screen size > 40cm to ≤ 80cm	Rated capacity Diagonal screen size > 80cm to ≤ 120cm	Rated capacity Diagonal screen size > 120cm
Tier 2 MEPS: 4.5	0.2	0.3	0.2
Tier 1 MEPS: 8 Tier 2 MEPS: 5	0.3	0.5	0.7
Tier 2 MEPS: 5.5	0.4	0.7	1.1
Tier 1 MEPS: 9 Tier 2 MEPS: 6	0.5	1.0	1.5
Tier 1 MEPS: 10 Tier 2 MEPS: 7	0.7	1.3	2.2
Tier 2 MEPS: 8	0.8	1.6	2.8
Tier 2 MEPS: 9	0.9	1.8	3.2
Tier 2 MEPS: 10	1.0	2.0	3.6

Lifetime (for information purposes only) Lifetime = 10 years.
