

REES ISSUE PAPER

Review of the Retailer Energy Efficiency Scheme Code

Demand Manager Pty Ltd
9th June 2017

Demand Manager Overview

Demand Manager welcomes the opportunity to provide feedback on questions asked in the Review of the Retailer Energy Efficiency Scheme Code from ESCOSA.

Demand Manager is a clean energy financial services firm and has been in operation for over 11 years. It is one of the largest creators of environmental certificates in Australia, with a particular focus on commercial lighting. The company has helped provide finance for over 2 million tons of carbon abatement across a variety of project types including solar power installations, HVAC projects, NABERS ratings, energy-efficient lighting upgrades and high star rated appliance sales.

One of Demand Manager's key daily activities is to assist clients in the creation of environmental certificates for commercial lighting upgrades. This can occur by the creation of Energy Saving Certificates (ESC) under the NSW Energy Saving Scheme, by the Victorian Energy Efficiency Target via Victorian Energy Efficiency Certificates (VEEC) and via the Retailer Energy Efficiency Scheme (REES) scheme in S.A.

Nationally, as the schemes have matured, the compliance burden has grown in order to ensure a robust and reliable account of emissions reductions. For lighting installations, compliance requirements around lighting levels for customer safe movement, technology performance, electrical safety, ethical conduct and governance have led to an array of evidentiary requirements for project developers to access the financial incentives.

Demand Manager's app tool – LightWork - has been designed and delivered to reduce this administrative drag and ensure that the drive for compliance does not come at the cost of growth in the LED lighting industry. It is a tool to help commercial building owners, engineers, electrical contractors and consultants simplify the installation of energy-efficient LED lighting retrofits across Australia. Innovative features of the app include the development of a Bluetooth enabled light lux meter to effortlessly measure compliance with standards; integrated access to LED lighting technologies approved under various government schemes; signature capture for environmental certificate forms; automated project calculations to ensure compliance with Illumination Power Density energy standards and built-in site drawing tools for lighting installation designs. LightWork delivers efficiency gains across the sector and helps all stakeholders understand the benefits of this revolutionary lighting technology.

Demand Manager is one of the "Third Party Contractors" which operates for obliged Electrical Retailers under the REES Scheme in S.A. to deliver energy saving activities.

Comments on Questions

Are there any suggested improvements to the consumer protection requirements outlined in the Code?

No

What improvements could be made to the annual compliance plan.

Simplify the compliance plan for third party contractors. It requires resources to complete this yearly when the main relationship is between the government and the obliged retailer.

Is there a need to expand or further refine the training requirements for REES installers (general or activity specific)? And how could these requirements be improved?

No

Should training requirements for mandatory safety training be further specialized?

No

How should the REES Code address REES installations where a sub-contractor is engaged? Should training requirements for sub- contractors be further defined in the Code?

No, unless ESCOSA has had some issues they would like to share with all stakeholders?

What improvements could be made to ensure that the scheme information provided to customers is adequate?

Demand Manager is very satisfied with the information that is provided to the customers that they attend to. If the commission has concerns I would welcome it to be shared with all stakeholders.

If the commission does have concerns they could design a standard template document that all obliged retailers use and leave with the customer after a commercial activity, residential activity or priority audit is completed. This would ensure that standard consistent literature is given to all customers in the REES Scheme.

Is it beneficial to require obliged retailers to ensure its contractors and/or agents hold a nominated level of liability insurance? What requirement(s) could be applied?

No

Are the quarterly assessments of achievement provided to obliged retailers beneficial, or does the REES Retailer Reporting System (REES-R) provide sufficient information for obliged retailers to monitor their achievement.

No comment

Are there any other matters, or emerging REES related issues, that the Commission should consider or take into account?

YES,

Lighting levels after REES upgrades creating an unsafe working environment.

Due to incorrect lighting levels, eye strain issues could develop, trauma and loss of limbs, physical injury or possible death could occur now and into the future due to the current policy standards in place for commercial lighting upgrades. It greatly encourages unethical claims for energy abatements in the REES scheme under ESCOSA's watch.

In Victoria and NSW these would be regarded non-compliant and possibly fraudulent activities without the below standards in place.

We recommend that :-

CL1 should be amended to say that small energy consuming customers and large energy consuming customers require:-

- The relevant requirements of **AS/NZS 1680**
- The requirements of the BCA section F4.4, Artificial Lighting
- An illumination Power Density that equals or is less than maximum illumination

Power Density for each space, as defined in Part J6 of the BCA

As always if the department would like any other additional information or professional advice, Demand Manager would be willing to provide staff or resources to help to make the REES as safe as possible to all stakeholders and not lag other states schemes in regard to health, safety or legal risk.

As you are aligning with the State Departments proposed changes from the 1st January 2018, I have attached our response to them for you to look at in detail. REES Consultation 1-2017, 14th April, 2017. **Please keep this report confidential.**

As previously discussed these standards are mandatory in Victoria and NSW for all commercial lighting upgrades under their schemes. VEET in Victoria and ESS in NSW.

As one of your key strengths is independence and ability to provide impartial advice I look forward to your department's official position on this.

Demand Manager also believes that ESCOSA should have additional resources allocated to them from the SA government to help them carry out their day to day activities.

Regards,

A handwritten signature in black ink, appearing to read 'M J Hofner', followed by a long horizontal flourish.

Mark Hofner

State Manager Victoria/SA

