



Retailer Energy Efficiency Scheme

Annual Report 2015

June 2016

Enquiries concerning the currency of this Annual Report should be addressed to:

Essential Services Commission
GPO Box 2605
Adelaide SA 5001

Telephone: (08) 8463 4444
Freecall: 1800 633 592 (SA and mobiles only)
E-mail: escosa@escosa.sa.gov.au
Web: www.escosa.sa.gov.au

Table of contents

Glossary of terms.....	ii
1 Executive summary.....	1
1.1 REES 2015 outcomes.....	1
2 Introduction.....	3
2.1 Role of the Commission.....	3
2.2 Purpose of this report.....	4
3 Structure of the Scheme.....	5
3.1 Obligated retailers for 2015.....	6
3.2 Priority group households.....	6
3.3 Energy audits.....	6
3.4 Energy efficiency activities.....	7
3.5 Energy credits.....	8
4 REES targets and achievements.....	9
4.1 Targets and achievements.....	9
5 Analysis of outcomes.....	12
5.1 Energy efficiency activities.....	12
5.2 Commercial activities.....	18
5.3 Energy audits.....	21
5.4 Households and businesses receiving a REES activity or energy audit.....	23
6 Administration of REES.....	26
6.1 REES Code.....	26
6.2 REES Guideline.....	26
6.3 REES IT system.....	26
6.4 REES communication.....	27
6.5 Compliance.....	27
6.6 Consumer complaints and REES enquiries.....	29
6.7 Energy Efficiency Fund Initiative.....	30
Appendix A – Individual retailer 2015 achievement.....	33
Appendix B – Postcodes applying to location categories.....	35

Glossary of terms

TERM	DESCRIPTION
AV	Audio Visual
CFL	Compact Fluorescent Lamps
Commission	Essential Services Commission of South Australia, established under the ESC Act
EAT	Energy Audit Target
EEFI	Energy Efficiency Fund Initiative
EET	Energy Efficiency Target
Electricity Regulations	Electricity (General) Regulations 2012
ESC Act	Essential Services Commission Act 2002
Gas Regulations	Gas Regulations 2012
GJ	Gigajoules
Government	South Australian Government
IT	Information Technology
LED	Light Emitting Diode
Minister	South Australian Minister for Mineral Resources and Energy
Ministerial Protocol	A REES Protocol set by the Minister for maintaining the list of approved Energy Efficiency Activities and Reporting Requirements. Available at: http://www.sa.gov.au/_data/assets/pdf_file/0006/135915/REES-Ministerial-Protocol.pdf
MWh	Megawatt Hours
NNRC	Normanville Natural Resource Centre
Orana	Orana Incorporated
PGEET	Priority Group Energy Efficiency Target
Priority Group Household	Households: <ul style="list-style-type: none"> ▶ with eligibility for various Commonwealth and State Government Concessions, as defined in the Electricity and Gas Regulations; and ▶ otherwise defined in the REES Code.

TERM	DESCRIPTION
REES	Retailer Energy Efficiency Scheme (Residential Energy Efficiency Scheme for 1 January 2009 - 31 December 2014)
REES Code	Retailer Energy Efficiency Scheme Code
REES-R	Retailer File Validation System
REES Stage One	1 January 2009 to 31 December 2011
REES Stage Two	1 January 2012 to 31 December 2014
REES Stage Three	1 January 2015 to 31 December 2020
Regulations	Electricity (General) Regulations 2012 and Gas Regulations 2012
SPC	Standby Power Controller
T5	A fluorescent lamp that is 5/8 inch in diameter
T8	A fluorescent lamp that is one inch in diameter
T12	A fluorescent lamp that is 1.5 inches in diameter
tCO ₂ -e	Tonnes of carbon dioxide equivalent
UCWCSA	Uniting Care Wesley Country SA

1 Executive summary

Energy retailers that exceed prescribed customer number and sales thresholds are set annual Retailer Energy Efficiency Scheme (REES) targets for the delivery of energy efficiency activities to households and/or businesses. In addition, retailers with larger residential customer bases are set targets to deliver a prescribed amount of the energy efficiency activities to priority group households and to provide energy audits to priority group households.¹

REES initially commenced on 1 January 2009 as the Residential Energy Efficiency Scheme and is due to operate until 31 December 2020.

The Essential Services Commission (**Commission**) administers REES within the parameters defined by the South Australian Government's policy framework and in accordance with Parts 4 of the Electricity (General) Regulations 2012 and the Gas Regulations 2012 and the provisions of the Essential Services Commission Act 2002.

This seventh REES Annual Report evaluates scheme outcomes for 2015.

1.1 REES 2015 outcomes

The key operational outcomes for REES in 2015 were:

- ▶ The overall annual REES targets were achieved (Table 1.1) and all retailers met their targets (Table 1.2).
- ▶ A total of 8,692 energy audits were undertaken and obliged retailers applied an additional 1,679 energy audit credits (earned in prior years). Overall the 2015 target was exceeded by 83 percent.
- ▶ 1,118,820 gigajoules (GJ) of energy savings were delivered in 2015², nine percent less than in 2014. When prior year credits are included, the energy efficiency target was exceeded by 35 percent. Many obliged retailers have significant credit balances to carry over towards 2016 targets.
- ▶ Of the total energy savings delivered in 2015, 18 percent were delivered to priority group households. When prior year credits are included, the 2015 priority group target was exceeded by 79 percent.
- ▶ 2015 was the first year that activities could be undertaken in businesses (referred to as commercial activities); however, the annual target remains global, in the sense that the scheme does not set individual commercial and residential energy savings targets.
- ▶ Thirty seven percent of energy savings in 2015 were from commercial activities; 17 percent from commercial lighting and 20 percent from commercial showerheads. In 2015, 1,284 businesses received REES activities.
- ▶ There was a 43 percent fall in residential energy savings in 2015 as a result of the shift to undertake activities in businesses.
- ▶ Lighting activities (both residential and commercial) increased in importance in 2015, accounting for 41 percent of energy savings. Over 340,000 energy efficient lights were reported installed under REES in 2015.
- ▶ There was a six percent drop in the number of households to which REES activities or audits were delivered in 2015, due to a shift towards undertaking commercial activities and slightly lower energy savings delivery overall.

¹ Priority group households include those where a person with a recognised concession card resides and those where a person participating in an energy retailer's customer hardship program resides.

² Energy efficiency activities are deemed and receive the full lifetime saving in the year the activity is undertaken.

Table 1.1: 2015 REES targets and achievements

	2015 target	Accepted reports	Credits applied ⁽²⁾	Total 2015 achievement
Energy audits (number of audits)	5,667	8,692	1,679	10,371
Energy efficiency (GJ)	1,200,000	1,118,820	496,690	1,615,510
Priority group energy efficiency (GJ)	230,769 ⁽¹⁾	202,670	209,447	412,117

Notes: (1) Subset of energy efficiency target.

(2) Applied credits are energy efficiency activities or energy audits accrued in excess of an obliged retailer's previous years REES target which were applied to a 2015 target.

Table 1.2: 2015 Obligated retailer target achievement

Obligated retailer	Energy audit target	Energy efficiency target	Priority group energy efficiency target
AGL	●	●	●
Alinta Energy	●	●	●
Energy Australia	●	●	●
ERM Power	N/A	●	N/A
Lumo Energy	●	●	●
Momentum Energy	N/A	●	N/A
Origin Energy	●	●	●
Powerdirect	●	●	●
Simply Energy	●	●	●

Note: ● = target achieved.

2 Introduction

The Retailer Energy Efficiency Scheme (**REES**) requires energy retailers that exceed prescribed thresholds be set annual targets for the delivery of energy efficiency activities to households and/or businesses. In addition, retailers with larger residential customer bases³ are set targets to deliver a prescribed amount of the energy efficiency activities to priority group households; and to provide energy audits to priority group households.⁴

Under REES, the South Australian Minister for Mineral Resources and Energy (**Minister**) sets the overall policy framework and fixes annual energy efficiency and energy audit targets. The Essential Services Commission (**Commission**) administers the scheme within the parameters defined by the South Australian Government's (**Government**) policy framework and in accordance with Parts 4 of the Electricity (General) Regulations 2012 and the Gas Regulations 2012 (**Regulations**) and the provisions of the Essential Services Commission Act 2002 (**ESC Act**).

The Minister sets overall REES targets for each calendar year. The Commission then apportions those targets among obliged retailers in accordance with objective criteria specified in the Regulations.

The scheme initially commenced on 1 January 2009 as the Residential Energy Efficiency Scheme, with the first stage running until 31 December 2011. The second stage commenced on 1 January 2012 and concluded on 31 December 2014. From 1 January 2015, the Residential Energy Efficiency Scheme was amended to become the Retailer Energy Efficiency Scheme, and was expanded to allow activities to be undertaken in businesses.

The Government's stated objective for the scheme from 2015 is to reduce household and business energy use, with a focus on low-income households (implemented through priority group targets).

2.1 Role of the Commission

The Commission has functions and powers necessary to give effect to REES including:

- ▶ Administering REES
 - allocation of individual annual retailer targets
 - establishing requirements in relation to the conduct and operation of energy retailers through a Residential Energy Efficiency Scheme Code (**REES Code**), and
 - encouraging effective participation in the scheme.
- ▶ Monitoring energy retailer compliance with REES
 - receiving and assessing reports of activities and audits undertaken
 - establishing and implementing a targeted compliance program, and
 - determining annual target achievement.
- ▶ Reporting to the Minister annually in relation to the operation of REES, and from time to time in relation to any other matter with respect to REES.

³ Refer to Section 3 of this report for REES obligation thresholds.

⁴ Priority group households include those where a person with a recognised concession card resides and those where a person participating in an energy retailer's customer hardship program resides.

The rules to be followed by retailers in meeting their obligations under REES are set out in the REES Code.⁵ The main administrative activities undertaken by the Commission in 2015 are described in Section 6 of this report.

2.2 Purpose of this report

The Commission has prepared this 2015 REES Annual Report in accordance with its reporting obligations under the Regulations in order to advise the Minister on the REES outcomes, to facilitate ongoing evaluation of REES and inform future target setting.⁶

Information and supporting commentary to satisfy the requirements of the REES Ministerial Protocol⁷ (**Ministerial Protocol**) and the Regulations is provided in this report and is based on data provided by energy retailers which the Commission understands to be accurate at the time of publication.

⁵ Essential Services Commission, Retailer Energy Efficiency Scheme Code, REESC/08 January 2015 (as in force in 2015); available at <http://www.escosa.sa.gov.au/library/20141218%20-%20REES%20-%20REESCode08.pdf>.

⁶ This obligation is in the form of a Ministerial Protocol which can be found on the Commission's website at: http://www.sa.gov.au/_data/assets/pdf_file/0006/135915/REES-Ministerial-Protocol.pdf.

⁷ The REES Ministerial Protocol requires annual reporting of activities, energy audits and benefiting households by number, location, and household tenure.

3 Structure of the scheme

The Minister has set the methodology by which the Commission determines which retailers have REES obligations in any year. A retailer will be obliged under REES if in the preceding financial year it exceeds one of the following thresholds:

- ▶ Primary threshold - retailed electricity to 5,000 or more South Australian residential customers, or retailed gas to 5,000 or more South Australian residential customers.
- ▶ Secondary threshold - its total electricity purchases less designated electricity purchases were greater than 27,000 megawatt hours (**MWh**), or its total gas purchases less designated gas purchases were greater than 100,000 Gigajoules (**GJ**).⁸

Retailers that meet the primary threshold are referred to as primary obliged retailers and are set a REES Energy Efficiency Target (**EET**), a REES Priority Group Energy Efficiency Target (**PGEET**) and a REES Energy Audit Target (**EAT**).

Retailers that don't meet the primary threshold but meet the secondary threshold (electricity and/or gas) are referred to as secondary obliged retailers and are only set a REES energy efficiency target.

The value of each energy efficiency activity is 'deemed', in terms of energy savings, in the sense that the full value of future estimated energy saving is credited at the time the activity is undertaken.

Accordingly, the scheme's annual energy savings outcome does not mean that energy savings at that level were actually achieved within that year.

Retailers can elect to provide the energy efficiency activities and/or energy audits themselves or to engage the services of third-party providers to provide the activities on their behalf. Obligated retailers have generally chosen to engage third-party providers. However, while the provision of energy efficiency activities and energy audits may be 'outsourced', REES obligations continue to rest with obliged retailers, not with their contractors.

It is for retailers to determine how and when energy efficiency activities and energy audits are offered to customers, in order to achieve REES targets. Obligated retailers can also determine whether activities are provided free of charge to the recipient, whether recipients are asked to make a copayment or if another incentive is offered to take up the activity. Overall, obliged retailers have significant discretion as to how they achieve targets.

⁸ Designated electricity (or gas) purchases are defined by the Regulations as 'purchases of 1,000 MWh or more of electricity (or 3,600 GJ of gas) for on-selling and subsequent use in South Australia through an individual contract for sale'.

3.1 Obligated retailers for 2015

Table 3.1 shows the nine obligated retailers for 2015. Retailers have separate electricity and gas REES obligations. ERM Energy and Momentum Energy were REES obligated retailers for the first time in 2015.

Table 3.1 – REES 2015 obligated retailer energy obligations

Energy Retailer	Type of REES obligation ⁽¹⁾	Electricity	Gas
AGL SA	Primary	✓	✓
Alinta Energy	Primary	✓	✓
EnergyAustralia	Primary	✓	✓
ERM Power	Secondary	✓	-
Lumo Energy	Primary	✓	-
Momentum Energy	Secondary	✓	-
Origin Energy	Primary	✓	✓
Powerdirect ⁹	Primary	✓	-
Simply Energy	Primary	✓	✓

Notes (1) Primary obligated retailers are set an energy efficiency target, priority group energy efficiency target and energy audit target. Secondary obligated retailers are set an energy efficiency target only.

3.2 Priority group households

Consistent with the Government's stated policy objective of assisting low-income consumers, REES requires that all energy audits and a specified amount of energy savings from energy efficiency activities (in any year) must be provided to priority group households.

For 2015, the Minister set the priority group energy savings target at 230,769 (just over 19 percent of the overall energy efficiency target).

The Regulations define priority group households; the category generally covers those households in which a person with a recognised concession card resides. The Commission has power to determine additional categories of priority group customers, and has identified those participating in an energy retailer's customer hardship program as an additional class of priority group household.

3.3 Energy audits

The Minister establishes the minimum specification for the conduct of energy audits.¹⁰ Only those audits which meet the specification in full can be counted towards an energy audit target.

For the purposes of REES, energy audits may only be provided to priority group households. They are aimed at assessing current energy use practices, comparing these to energy efficient practices and identifying practical ways to enhance energy efficiency.

⁹ Powerdirect is a wholly owned subsidiary of AGL.

¹⁰ SA Government Gazette, 18 December 2014, available at http://www.governmentgazette.sa.gov.au/sites/default/files/documentstore/2014/December/2014_090.pdf, applied for REES Stage Three requirements.

Obligated retailers are generally required to conduct energy audits inside the home of the householder. However, in limited circumstances, such as remote premises, interview and phone audits are permitted. Each phone audit is worth half an in-home audit.

3.4 Energy efficiency activities

Energy efficiency activities may be provided to any South Australian household and some energy efficiency activities are also available to be undertaken in commercial premises. Generally, an individual energy efficiency activity may only be delivered once per premises unless otherwise permitted in the activity's minimum specification. As is the case with energy audits, an energy efficiency activity may only count towards the satisfaction of an energy efficiency target, to the extent that the particular activity meets the minimum specification for that energy efficiency activity.

The Minister has the function of maintaining, reviewing and amending the list of eligible Energy Efficiency Activities (including energy savings values and minimum specifications¹¹) for the purposes of REES. The list of REES activities that applied for 2015 is detailed in Table 3.2 below.

Table 3.2 – List of approved REES activities in 2015

Activity description	Residential	Commercial
Ceiling insulation - install ceiling insulation where no insulation has previously been in place	✓	
Top up ceiling insulation - install ceiling insulation to an under-insulated ceiling space	✓	
External wall and floor insulation – install insulation in an uninsulated external wall an uninsulated suspended ground floor	✓	
Building sealing - install products designed to restrict airflow through doors, windows, chimneys/open fireplaces, exhaust fans or wall vents	✓	
Window replacement or glazing retrofit – replace external single glazed windows with thermally efficient windows or retrofit secondary glazing to a pre-existing external single glazed windows	✓	
Install new flued gas space heater (non-ducted) – install an efficient new (non-ducted) flued gas space heater	✓	
Install new reverse cycle air conditioner (non-ducted) install an efficient new (non-ducted) reverse cycle air conditioner	✓	
Upgrade ductwork - install insulated ductwork of higher than standard to a ducted reverse cycle air conditioner or gas central heater	✓	
Installation of enhanced air conditioning ductwork system – replacement of an existing flexible ductwork system for a reverse cycle air conditioner with a new flexible ductwork system (including all fittings)	✓	
Water heaters - install or replace a water heater with a water heater of specified type	✓	
Showerheads - replace an inefficient showerhead with an efficient showerhead	✓	✓
Install compact fluorescent lamp (CFL) or light emitting diode (LED) general purpose lamp - replace an incandescent or halogen lamp with a CFL or LED	✓	
Install LED down light or LED down light luminaire – replace an existing downlight lamp or luminaire with an LED downlight or luminaire with optional ceiling insulation reinstatement	✓	

¹¹ Detailed specifications and deemed savings factors (expressed in units of GJ) for each activity can be found on the Commission's website at: <http://www.escosa.sa.gov.au/residential-energy-efficiency-scheme-rees/rees-energy-efficiency-activities.aspx>.

Activity description	Residential	Commercial
Replace halogen floodlight luminaire – replace halogen floodlight luminaire with an LED luminaire	✓	
Replace linear fluorescent luminaire – replace T8 or T12 fluorescent luminaire with T5 fluorescent or LED luminaire	✓	
Install standby power controllers – Audio Visual (AV) or Information Technology (IT) – install a standby power controller to automatically reduce standby power consumption of AV and IT equipment	✓	
Purchase high efficiency appliances - purchase an efficient new fridge, fridge-freezer, separate freezer, clothes dryer, or television	✓	✓
Remove and dispose of unwanted fridge or freezer – remove and dispose of an existing fridge or freezer	✓	✓
High efficiency pool pumps – install upgraded high energy efficient pool pump	✓	
Aggregated metered baseline	✓	✓
Commercial lighting upgrade – upgrade lighting in a commercial premises to efficient lighting		✓

3.5 Energy credits

Obligated retailers have the ability to bank any excess achievement in relation to individual annual targets and apply that credit to REES targets in subsequent years.

Energy credit means the following (if the relevant differences are positive):

- ▶ In relation to energy audits, the difference (expressed as a number of energy audits) between the number of energy audits reported by a retailer in a year and the Energy Audit Target that applies to the retailer for that year.
- ▶ In relation to energy efficiency activities, the difference (expressed in GJ) between the actual GJ reported by a retailer in a year through the conduct of energy efficiency activities and the Energy Efficiency Target that applies to the retailer for that year.
- ▶ In relation to energy efficiency activities for priority group households, the difference (expressed in GJ) between the actual GJ reported by a retailer in a year through the conduct of energy efficiency activities for priority group households and a Priority Group Energy Efficiency Target that applies to the retailer for that year.

Energy credits are accrued on an annual basis following the Commission's annual determination of individual retailer's target achievement.

4 REES targets and achievements

This section sets out achievements against the targets for energy audits, energy savings and priority group energy savings.¹² Further details on the overall targets and achievements can be found in the REES time series data, available on the Commission's website. To allow for comparison, 2009-2014 REES achievement figures have been converted from tonnes of carbon dioxide equivalent (**tCO₂-e**) to GJ.¹³

4.1 Targets and achievements

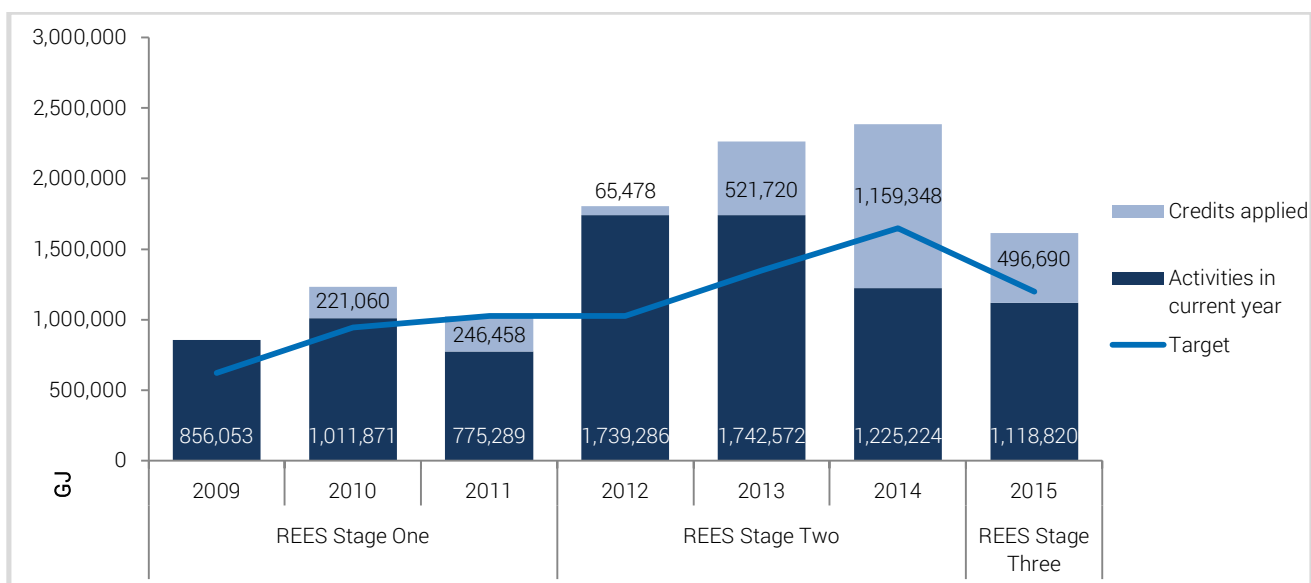
The overall targets set by the Minister were achieved in 2015. Refer to Appendix A – Individual retailer 2015 achievement for a summary of individual retailer achievement. Achievement against the REES targets for energy savings, priority group energy savings and energy audits respectively, is set out in Figures 4.1 - 4.3 below.

4.1.1 Energy savings (GJ) from energy efficiency activities

Figure 4.1 illustrates the energy savings achieved and the target for each year of REES.

Actual reported energy savings were slightly less than the 2015 target, and were nine percent lower than in 2014; however, retailers had accrued significant credits in prior years that could be applied to meet their 2015 targets.¹⁴ When applied credits are included, the 2015 target was exceeded by 35 percent. All retailers met their 2015 energy savings targets.

Figure 4.1 – Energy savings (GJ) from energy efficiency activities - actual v target



¹² For annual reports relating to previous years refer: <http://www.escosa.sa.gov.au/residential-energy-efficiency-scheme-rees/rees-annual-reports.aspx>.

¹³ The conversion rate is 4.02 normalised GJ/tCO₂-e. Refer REES Code Final Decision – December 2014 for further details on the conversion rate: <http://www.escosa.sa.gov.au/library/20141218%20-%20REES%20-%20REES%20Code%20Review%20Final%20Decision.pdf>.

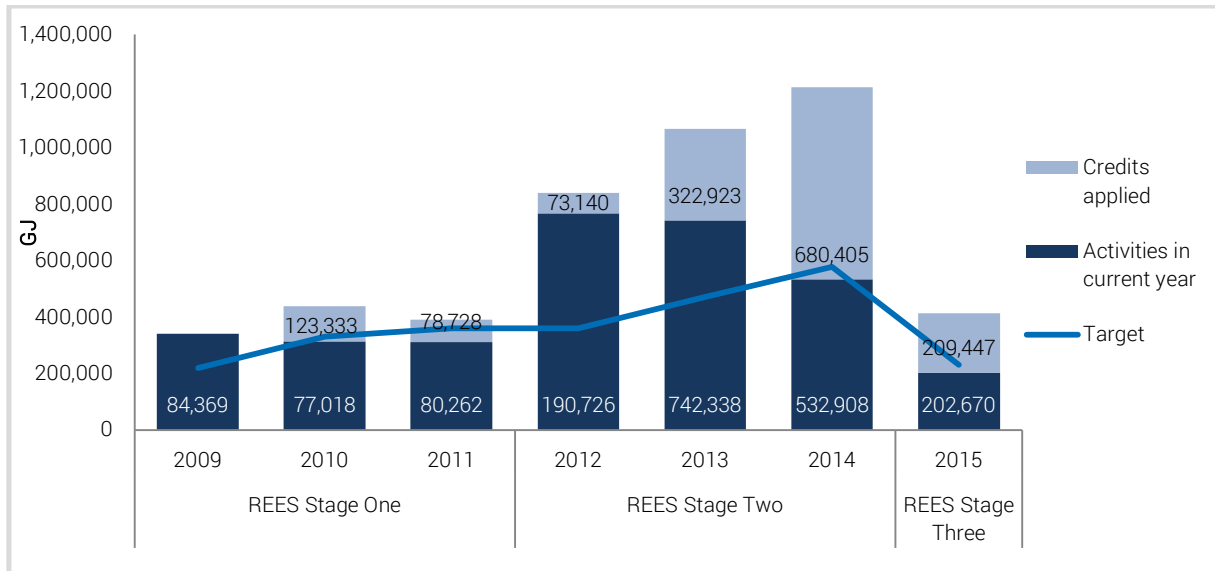
¹⁴ Banked credits from any year are undifferentiated in terms of whether they apply to an electricity or gas target. It is not the Commission's role to assume how an obliged retailer may wish to apply any 'credits' earned in a given year to future years of the scheme. Nevertheless, the Commission encourages retailers to apply all credits in the following year as this shows an accurate estimate of their progress towards the next target.

Note that, in addition to applied credits, some retailers have significant balances of unapplied credits at the end of 2015. The total credit balance (both applied and unapplied) at the end of 2015 is 654,275 GJ. This is approximately 38 percent of the 2016 target.¹⁵

4.1.2 Priority group energy savings (GJ) from energy efficiency activities

Figure 4.2 illustrates the energy savings achieved and the priority group target for each year of REES.

Figure 4.2 - Priority group energy savings (GJ) from energy efficiency activities - actual v target



There was a significant fall in reported priority group energy savings in 2015. Eighteen percent of energy savings were in priority group households in 2015 compared to 42 percent in 2014. When applied credits are included, the 2015 target was exceeded by 79 percent. All retailers met their 2015 priority group energy savings targets.

The fall in the proportion of energy savings from priority group households reflects that:

- ▶ The priority group target reduced from 35 percent of energy savings to approximately 19 percent, as REES expanded to include commercial activities.
- ▶ Retailers had accrued large priority group credit balances in prior years, and did not need to actively pursue priority group activities.

Including credits unapplied in 2015, retailers had a total of 659,940 GJ of priority group credits at the end of 2015. This is enough to meet the 2016 target and approximately 75 percent of the 2017 target.¹⁶

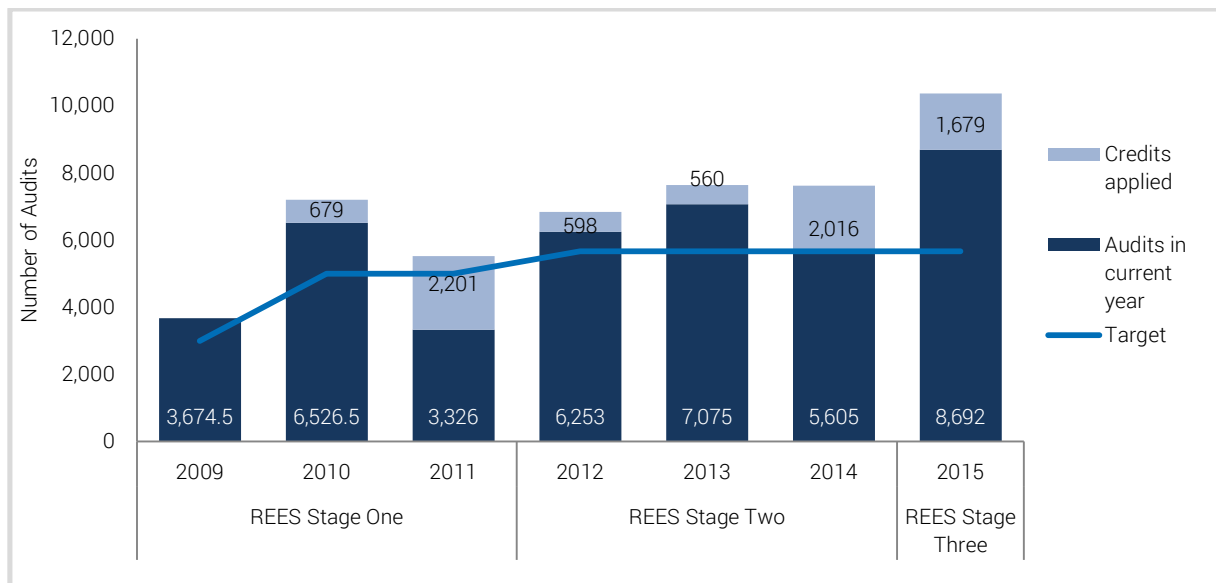
¹⁵ The 2016 energy savings target is 1,700,000 GJ. The 2017 energy savings target is 2,300,000 GJ.

¹⁶ The 2016 priority group energy savings target is 326,923 GJ. The 2017 priority group energy savings target is 442,308 GJ.

4.1.3 Energy audits

Figure 4.3 illustrates energy audits undertaken and the target for each year of REES.

Figure 4.3 - Energy Audits - Actual v Target



There was a significant increase in energy audits in 2015, with a total of 8,692 energy audits undertaken during the year (see Figure 4.3). When applied credits are included, the 2015 target was exceeded by 83 percent. All retailers met their 2015 energy audit targets.

Including credits unapplied in 2015, retailers had a total of 5,282 energy audit credits at the end of 2015, approximately 93 percent of the 2016 target.¹⁷

¹⁷ The 2016 and 2017 energy audit targets are 5,667 energy audits for each year.

5 Analysis of outcomes

This section analyses the distribution of energy efficiency activities and energy audits undertaken and the type of households and businesses that received energy efficiency activities and energy audits.¹⁸ Figures provided in this section of the report relate to actual reported energy efficiency activities and energy audits for the relevant year and do not include any credits applied from previous years.¹⁹

5.1 Energy efficiency activities

In 2015, 70,801 energy efficiency activities²⁰ were undertaken, resulting in 1,118,820 GJ of energy savings. Over 430,000 energy efficient products were reported installed in 2015.

5.1.1 Energy efficiency activities by type

Table 5.1 shows the proportion of the different types of energy efficiency activities undertaken in 2015.

Table 5.1 - Energy efficiency activities undertaken in 2015

Activity	Percentage	Premises type
Standby power controllers	40.6%	Residential
Residential lighting	35%	Residential
Residential showerheads	19.8%	Residential
Commercial lighting	1.3%	Commercial
Water heaters	1.2%	Residential
Draught proofing	1.1%	Residential
Commercial showerheads	1%	Commercial
Ceiling insulation	0.01%	Residential

Of the 28 approved activities (refer section 3.4), nine were utilised during 2015.²¹ Residential activities represent 98 percent of activities undertaken. There were 1,639 commercial activities undertaken in 2015. Installation of standby power controllers (SPCs) remains the major activity undertaken, representing 40 percent of activities, followed by residential lighting (35 percent) and residential showerheads (20 percent). More lighting and fewer showerhead and draught proofing activities were undertaken in 2015 compared to 2014. Figure 5.1 shows the split of energy efficiency activities undertaken in each year of REES.

¹⁸ The information presented in this section fulfils the Commission's reporting requirements as outlined in the Ministerial Protocol.

¹⁹ In some cases activities reported by retailers were rejected by the Commission in its compliance checking process, eg due to duplicated activities at a single premises. Consequently reported activities in this report refer to those activities reported in a given year that were accepted as compliant by the Commission and excludes any applied credits.

²⁰ The term 'activity' means the implementation of an activity at an individual premises. For example, the installation of two showerheads in a single premises on a particular day is considered to be one activity, but installing one showerhead and five light globes is considered two activities.

²¹ These nine activities are SPCs (AV & IT), General Service Lighting, Residential Downlights, Showerhead Replacement (residential and commercial), Water Heaters, Draught Proofing and Ductwork and Commercial Lighting. SPCs contain two activities. Refer REES time series data for a detailed breakdown.

Figure 5.1 - Energy efficiency activities undertaken (%)

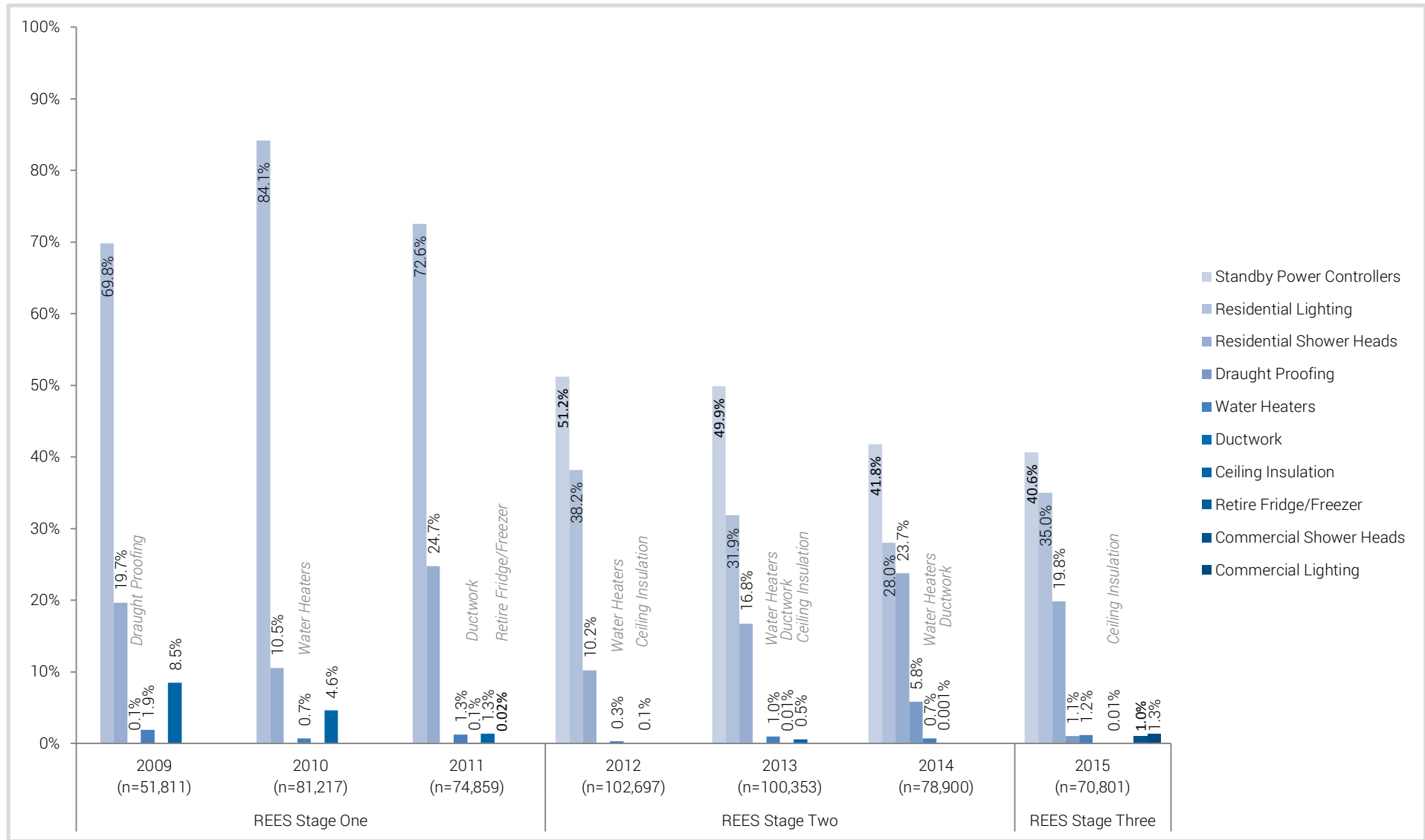


Table 5.2 shows the proportion of energy savings from the different types of energy efficiency activities undertaken in 2015.

Table 5.2 – Energy savings (GJ) from different types of energy efficiency activities in 2015

Activity	Percentage	Premises type
Residential lighting	24.3%	Residential
Commercial showerheads	20.3%	Commercial
Standby power controllers	17.9%	Residential
Commercial lighting	16.8%	Commercial
Residential showerheads	13.3%	Residential
Water heaters	6.9%	Residential
Draught proofing	0.4%	Residential
Ceiling insulation	0.1%	Residential

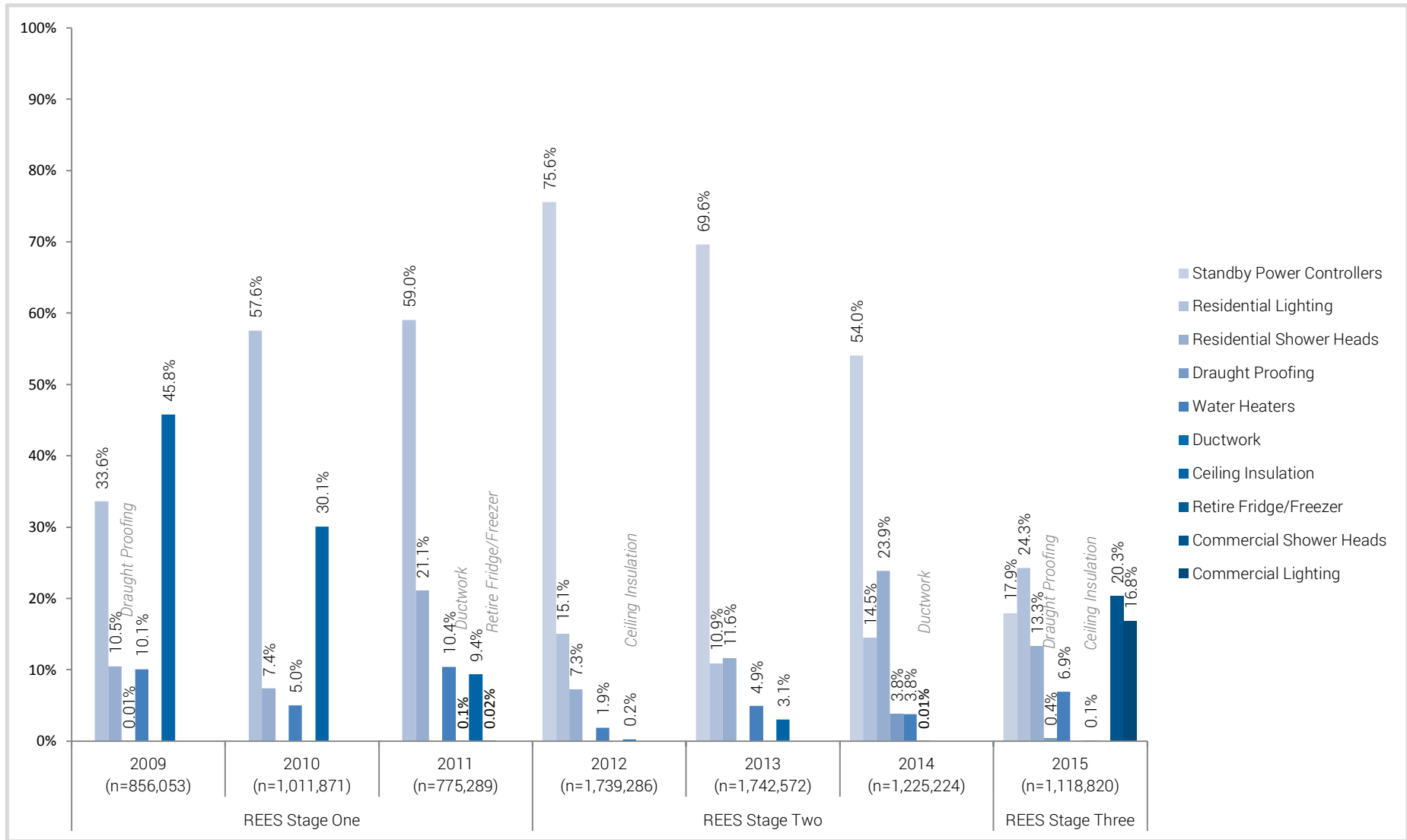
Residential activities accounted for 63 percent of energy savings from REES activities in 2015. Commercial activities (commercial lighting and commercial showerheads) accounted for 37 percent of energy savings from 2.3 percent of activities (1,639 activities) undertaken.

Key observations for energy savings in 2015:

- ▶ Energy savings from residential activities fell by 43 percent compared to 2014.
- ▶ In relation to energy savings from residential activities, there were significant increases in the proportion of savings from lighting and water heaters, but a significant fall in savings from SPCs and showerheads.
- ▶ Savings from SPCs fell by 70 percent and savings from showerheads fell by 49 percent, due to a fall in the deemed values of both activities from the start of 2015 and fewer activities being undertaken.
- ▶ Savings from residential lighting increased by 53 percent, due to more lighting activities being undertaken and providers beginning to undertake LED downlight installations (148,000 reported installed in 2015) for which energy savings are greater than for general purpose CFL lights (of a similar lighting output).
- ▶ Savings from water heaters increased by 67 percent due to more activities being undertaken.

Figure 5.2 shows the proportion of energy savings from different types of energy efficiency activities in each year of REES.

Figure 5.2 – Energy savings (GJ) from different types of energy efficiency activities (%)



5.1.2 Energy efficiency activities by premises location

Activity information received from retailers has been categorised into three locations - metro/near Adelaide, regional and remote. The postcodes applying to each location are detailed in Appendix B. The proportion of activities undertaken in each of these locations is outlined in Figure 5.3, and the proportion of energy savings from those activities in each location is in Figure 5.4.

Figure 5.3 – Location of energy efficiency activities (%)

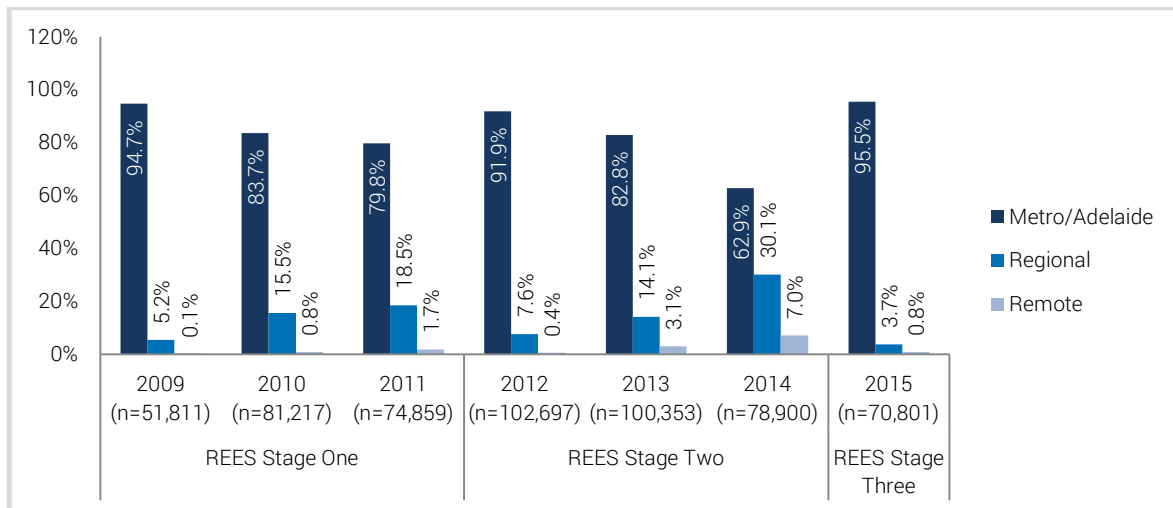
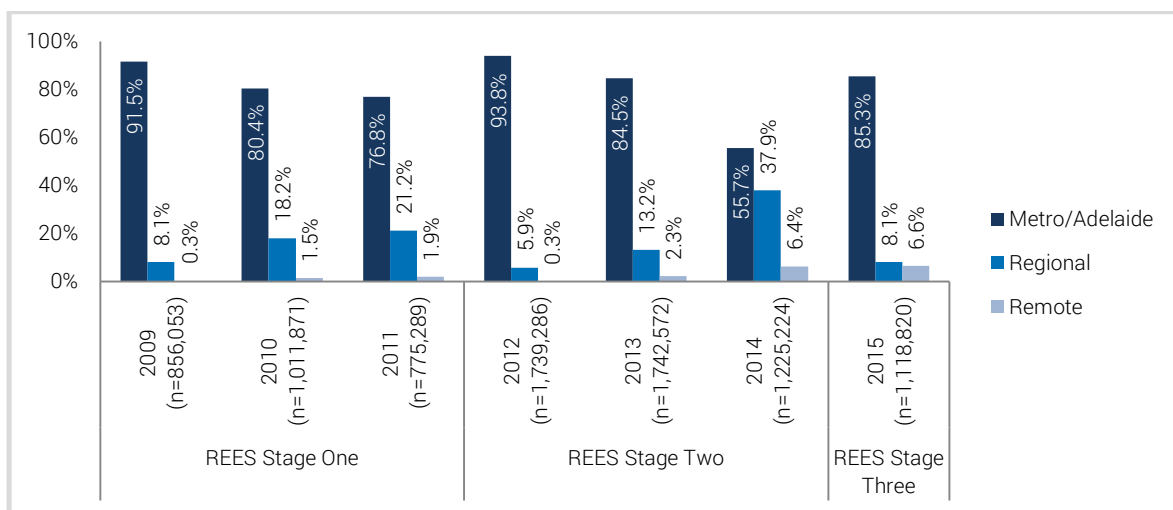


Figure 5.4 – Location of energy savings (GJ) (%)



The proportion of activities conducted in regional and remote areas decreased to 4.5 percent in 2015, compared to 37 percent in 2014; with energy savings falling in similar proportions, from 44 percent to 15 percent in 2015 (a level comparable to pre-2015 levels). The key drivers of this were:

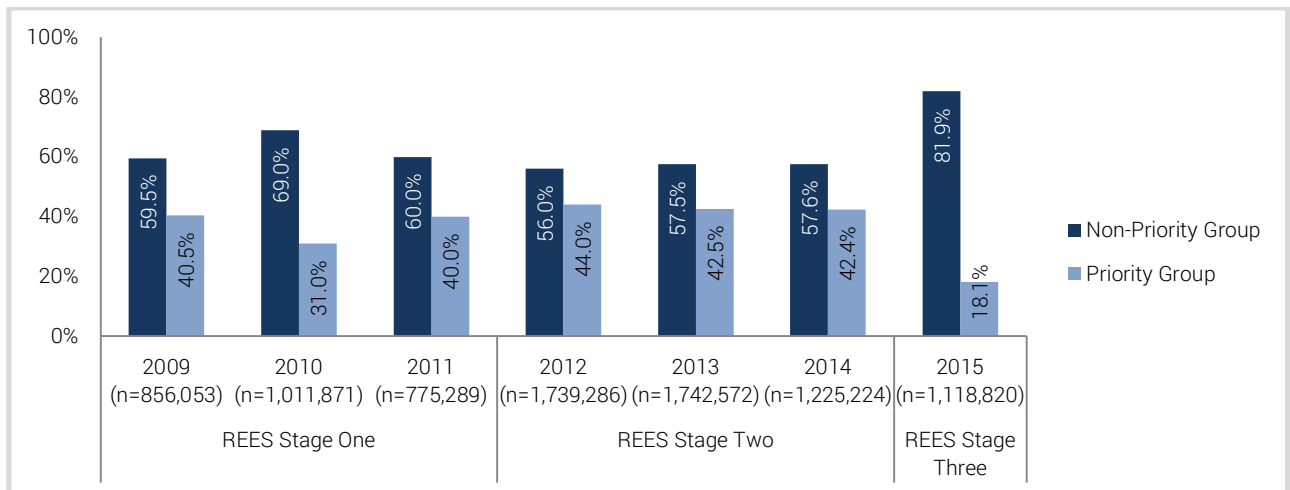
- ▶ Significantly higher numbers of activities being undertaken in rural and remote areas in 2014 (more than in the period 2009-2013).
- ▶ As observed in REES Stages One and Two, new activities tend to be rolled out in metropolitan areas first. Once the metropolitan area becomes saturated with particular REES activities, those activities are then rolled out to regional and remote areas. Ninety-nine percent of downlight activities in 2015 were undertaken in Metropolitan areas.
- ▶ Seventy-four percent of rural and remote energy savings were from commercial activities, predominantly showerhead installations – nearly 50 percent of all commercial showerhead installations were in rural or remote areas (see Section 5.2).

Data on energy efficiency activities performed, segmented by postcode, is available in the time series data.

5.1.3 Energy efficiency activities by premises type

Primary obliged retailers are set a priority group energy efficiency target as a proportion of their general energy efficiency target based on their number of South Australian residential customers. The proportion of energy savings from activities in priority and non-priority group households is outlined in Figure 5.5. The proportion of energy savings from activities in different tenure properties is outlined in Figure 5.6.

Figure 5.5 – Energy savings (GJ) - priority group v non-priority group premises (%)



Eighteen percent of energy savings were achieved through activities provided to priority group households in 2015. Considering the residential only (excluding commercial activities) portion of activities undertaken, 29 percent of residential energy savings were in priority group households in 2015. This is a much lower proportion than in previous REES years. This reflects that the priority group target reduced from 35 percent to about 19 percent in 2015. Of residential activities undertaken in 2015, 36 percent were in priority group households, compared to 45 percent between 2009 and 2014.

Figure 5.6 – Energy savings (GJ) - nature of tenure of premises (%)

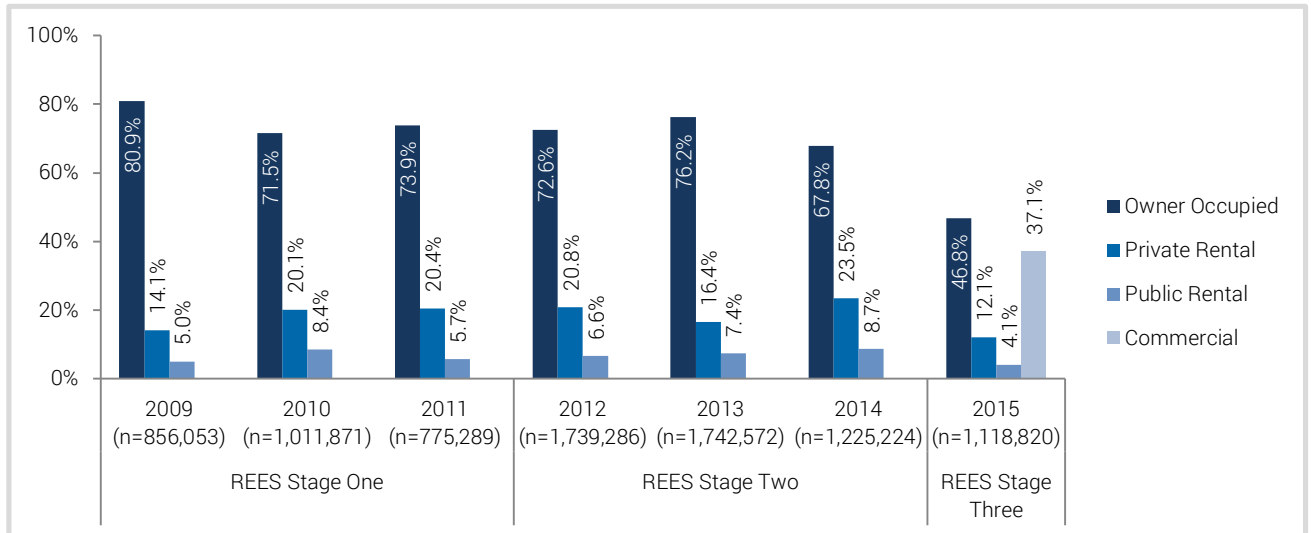


Figure 5.6 shows a significant reduction in the proportions of REES energy savings undertaken in owner occupied and renting households. When energy savings from commercial activities are excluded, 74 percent of residential energy savings were in owner occupied households and 26 percent were in renting households – a similar split to 2009 to 2013. Of residential activities undertaken in 2015, 64 percent of them were in owner occupied households - compared to 71 percent between 2009 and 2014.

Energy savings per activity in owner occupied households were 62 percent higher than in renting households (11.8 GJ per visit for owner occupied households, 7.3 GJ per visit for renting households). A major driver of this was the high levels of energy savings from LED downlights, of which 98 percent were installed in owner occupied households in 2015. Typically REES providers require a customer co-contribution towards downlight installations, which may lead to a higher rate of activities in owner occupied homes as opposed to renting households.

The REES time series data provides a detailed breakdown of the nature of energy efficiency activities conducted by household tenure.

5.2 Commercial activities

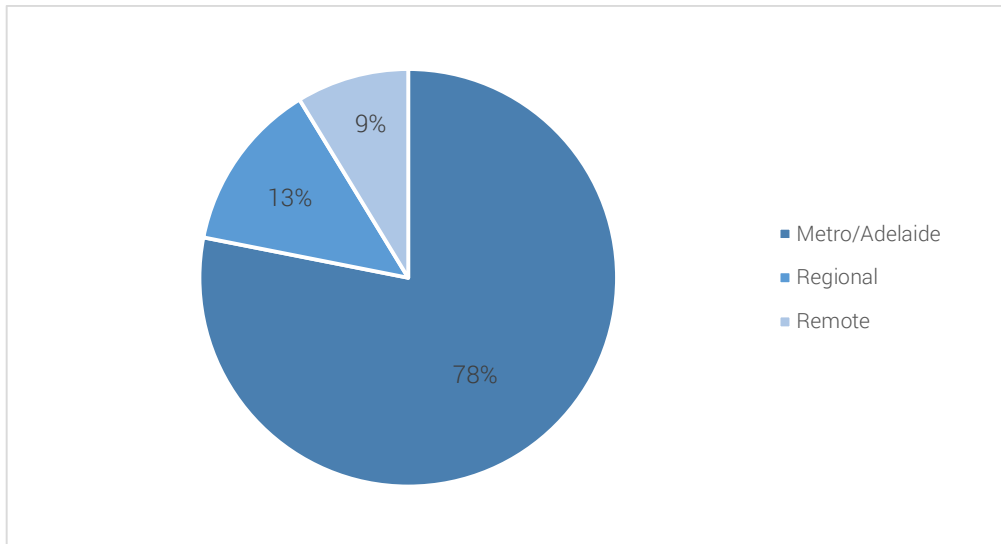
REES was expanded from 2015 to allow activities to be undertaken in commercial premises. Table 3.2 lists the types of activity that can be undertaken in businesses. In 2015, only commercial showerheads and commercial lighting activities were undertaken.

There were 1,639 commercial activities undertaken in 2015, accounting for 2.3 percent of activities undertaken and 37 percent of energy savings. A total of 1,284 businesses received REES activities – either commercial lighting, commercial showerheads or both.

5.2.1 Location of commercial activities

Figure 5.7 shows that 78 percent of commercial activities were undertaken in metropolitan areas in 2015. Less than one percent of commercial lighting activities (only one) were undertaken in rural or remote areas, whereas 49 percent of commercial showerhead activities were undertaken in rural or remote areas.

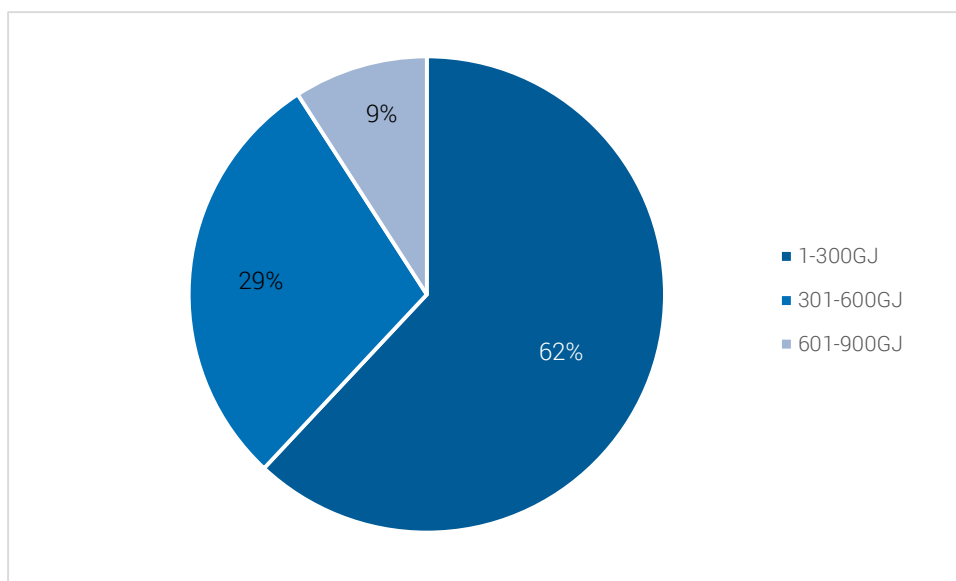
Figure 5.7 – Location of commercial activities (%)



5.2.2 Commercial lighting

In 2015, 912 commercial lighting activities were reported across 647 business premises.²² Figure 5.8 shows the breakdown of those installations by size of energy savings. Note that the maximum energy savings that can be claimed at a business premise under REES is 900 GJ, although up to 900 GJ can be claimed for activities where energy savings exceed that cap.

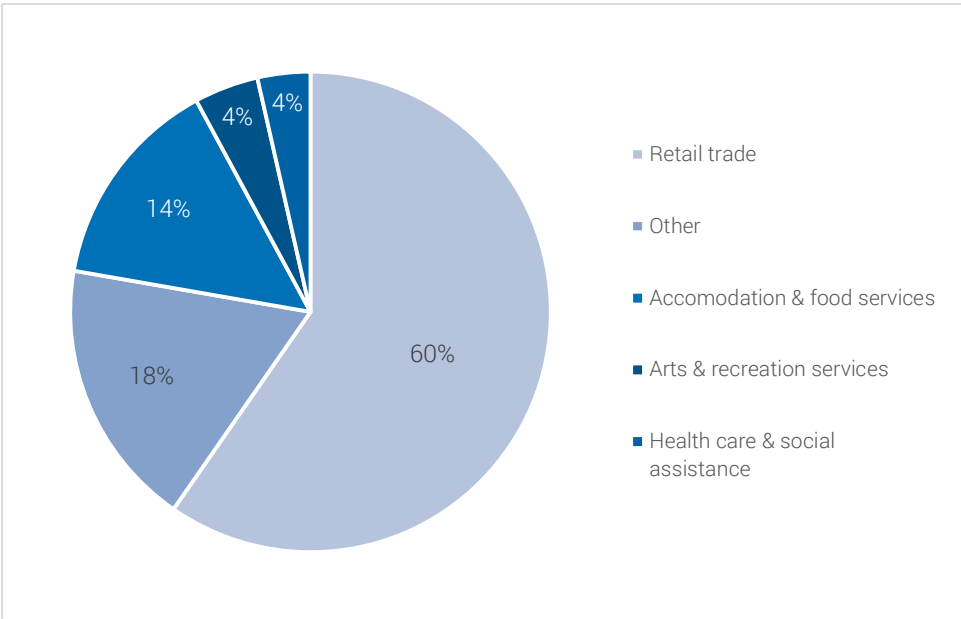
Figure 5.8 – Commercial lighting installations - energy savings per premise (%)



²² One premises may receive multiple types of lighting (ie downlights and linear lighting) in one visit, each counting as one activity.

Figure 5.9 shows the breakdown of the 647 commercial lighting installations by type of business. Notably, retail businesses made up 60 percent of businesses receiving a REES commercial lighting installation in 2015.

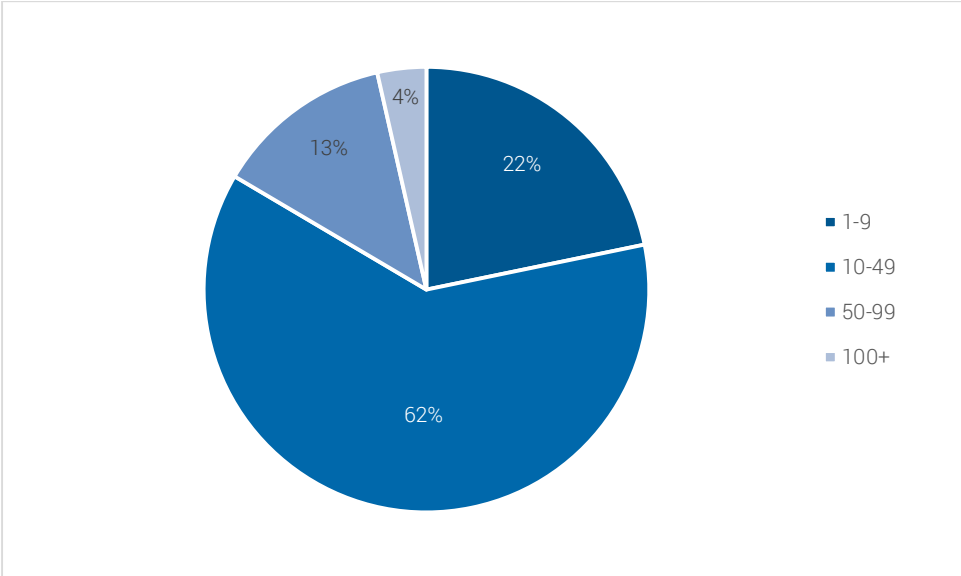
Figure 5.9 – Type of business receiving commercial lighting installations (%)



5.2.3 Commercial showerheads

In 2015, 727 commercial showerhead activities were reported across 648 business premises.²³ Figure 5.10 shows the breakdown of the 648 installations by number of showerheads installed. Fifty five percent of energy savings related to installations at 107 businesses where 50 or more showerheads were installed at each premise.

Figure 5.10 – Size of commercial showerhead installations – number per premises (%)



²³ One premises may receive multiple types of showerheads (ie, 6L/minute and 9L/minute) in one visit, each counting as one activity.

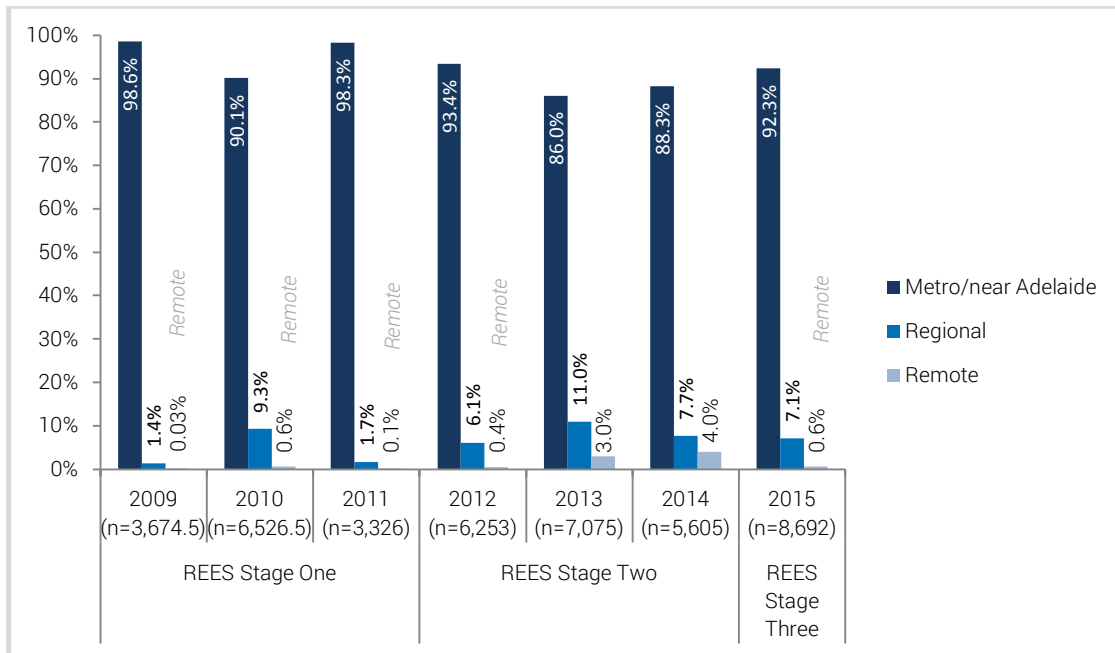
5.3 Energy audits

In 2015, 8,692 energy audits were delivered to South Australian households. All energy audits are required to be undertaken in priority group households.

5.3.1 Energy audits by household location

Figure 5.11 shows the level of energy audit activity in the metro/near Adelaide, regional and remote areas of South Australia.

Figure 5.11 - Location of energy audits (%)



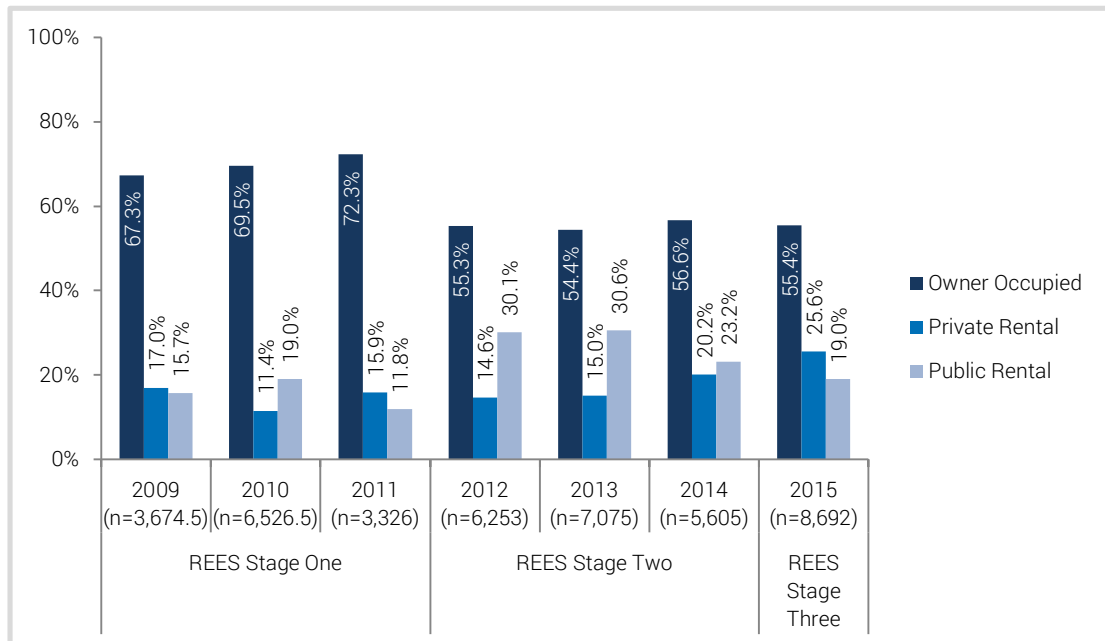
In 2015, 92 percent of energy audits were performed in the metro/near Adelaide area, similar to the average between 2009 and 2014.

Data on energy audits performed, segmented by postcode, is available in the time series data.

5.3.2 Energy audits by household type

Figure 5.12 shows the nature of tenure of households where energy audits have been undertaken.

Figure 5.12 – Energy audits - nature of tenure of households (%)



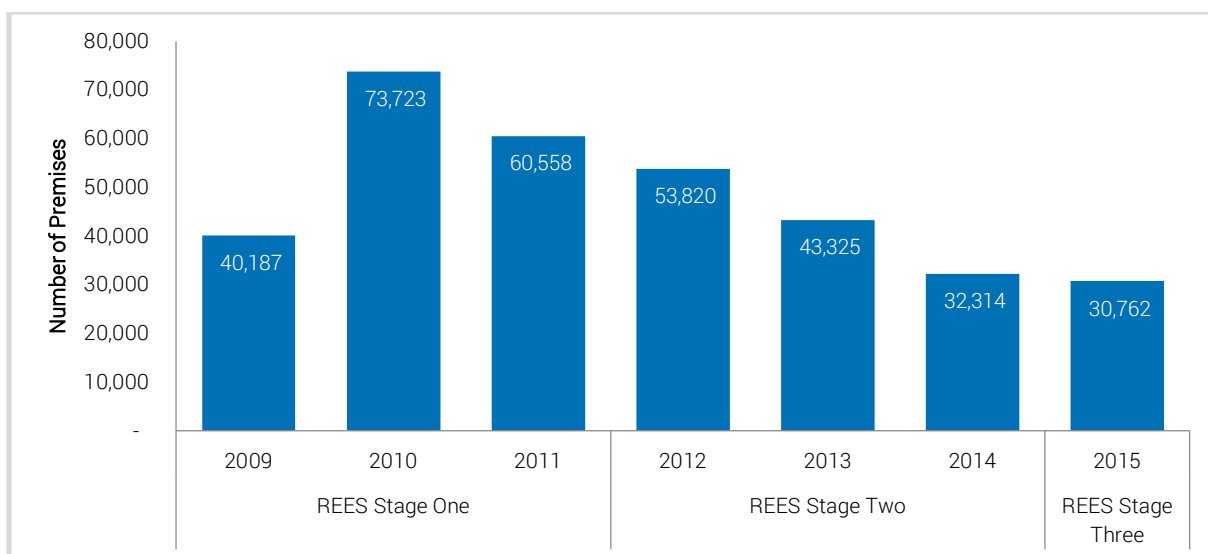
Of the 8,692 audits undertaken in 2015, 55 percent were conducted in owner occupied households. This is a similar proportion to 2012 to 2014, but lower than the proportion of households in South Australia that are owner occupied (68 percent).²⁴ The proportion of energy audits undertaken in private rental households again increased in 2015.

²⁴ Sixty eight percent of households are owner occupied, 28 percent rented and 4 percent unknown, Source Australian Bureau of Statistics Census Data 2011: Quick Stats (refer www.abs.gov.au).

5.4 Households and businesses receiving a REES activity or energy audit

Figure 5.13 shows the annual number of premises that have received either a REES activity or energy audit.²⁵

Figure 5.13 - Number of premises receiving a REES activity or energy audit²⁶



In 2015, there were 30,762 premises²⁷ that received a REES activity or energy audit. This was a five percent decrease compared to 2014. This reflects that six percent fewer activities and audits were undertaken in 2015 compared to 2014.

Excluding the 1,284 commercial premises which received a REES activity in 2015, the average energy savings per household were 24 GJ in 2015, compared to 38 GJ in 2014. The key reasons for this fall in energy savings per household were:

- ▶ Sixty five percent fall in energy savings per household from installing SPCs, due to a 52 percent fall in deemed values of SPCs, 27 percent decrease in the number of SPCs installed per household (average of 2.2 SPCs per household in 2014 to 1.6 in 2015) and 13 percent fewer houses fitted with SPCs.
- ▶ Thirty nine percent fall in energy savings per household from installing residential showerheads, due to a 39 percent fall in deemed values of showerheads and 25 percent fewer houses fitted with showerheads.

The decreases in energy savings per household from SPCs and showerheads are partly offset by a 38 percent increase in energy savings per household from lighting, due to a 14 percent increase in the number of lights installed per household, a 12 percent increase in houses having REES lighting activities, and higher average savings per light because of the high proportion of downlights being installed.

A total of 264,497 premises have received a REES activity or energy audit since REES began in 2009. Due to multiple visits to some premises to perform different activities, this is less than the sum for years 2009 to 2015 (334,689).

²⁵ Some households may have received benefits from both energy audits and energy efficiency activities but are only counted once.

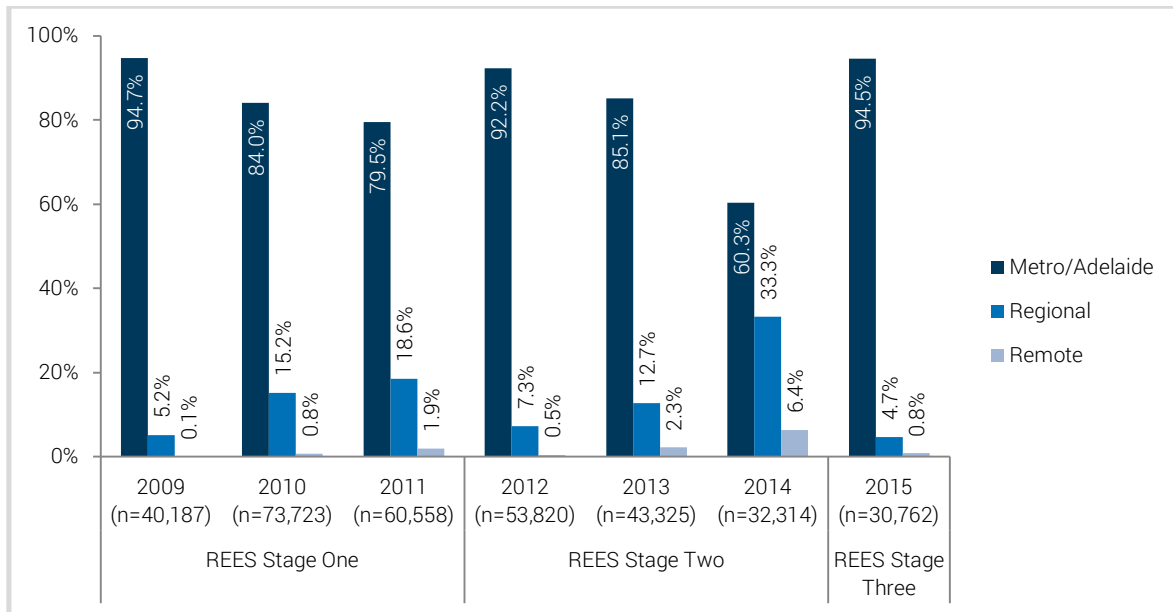
²⁶ Historical figures used in Section 5.4 vary slightly (by a maximum of 1.5 percentage points) from the 2013 Annual Report as that report used a different calculation method.

²⁷ These premises comprised of 29,123 households and 1,639 commercial premises.

5.4.1 Household and business location

Figure 5.14 shows the location of premises that have received an energy efficiency activity or energy audit.

Figure 5.14 - Location of premises receiving an energy efficiency activity or energy audit (%)



The proportion of energy efficiency activities and energy audits conducted in regional and remote areas decreased to six percent in 2015, compared to 40 percent in 2014. The key drivers for this are the same as set out in section 5.1.2.

5.4.2 Household and business type

Figure 5.15 shows the proportion of priority group households that have received an energy efficiency activity or energy audit. Figure 5.16 shows the tenure of premises that have received an energy efficiency activity or energy audit.

Figure 5.15 - Priority group v non-priority group premises receiving a REES activity or energy audit (%)

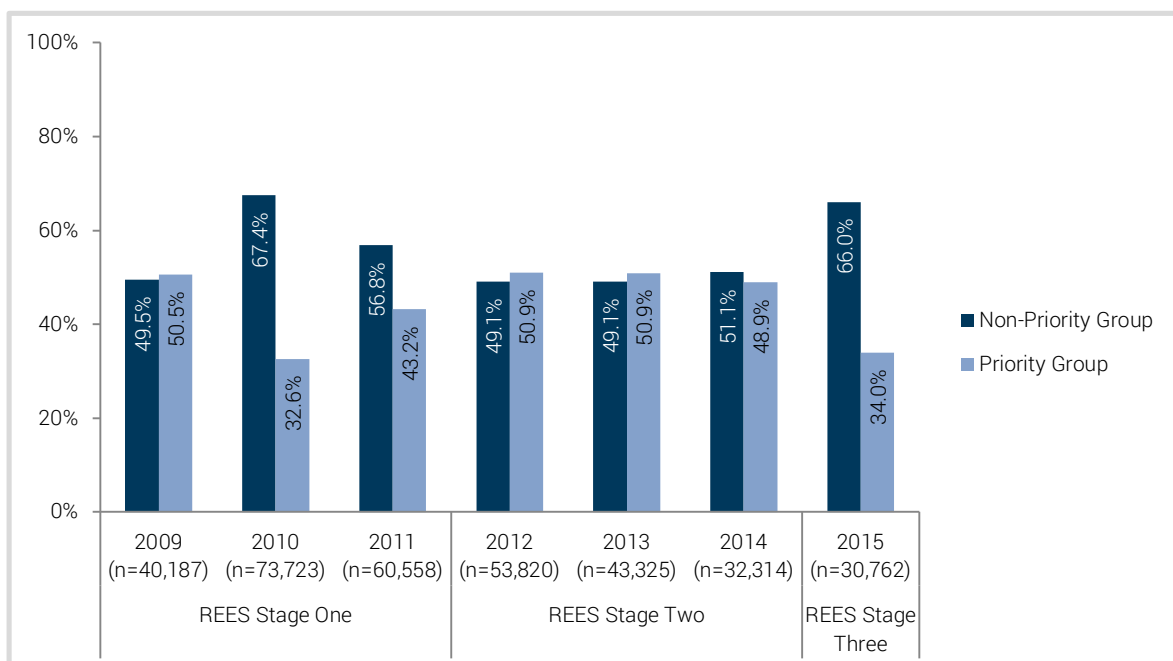
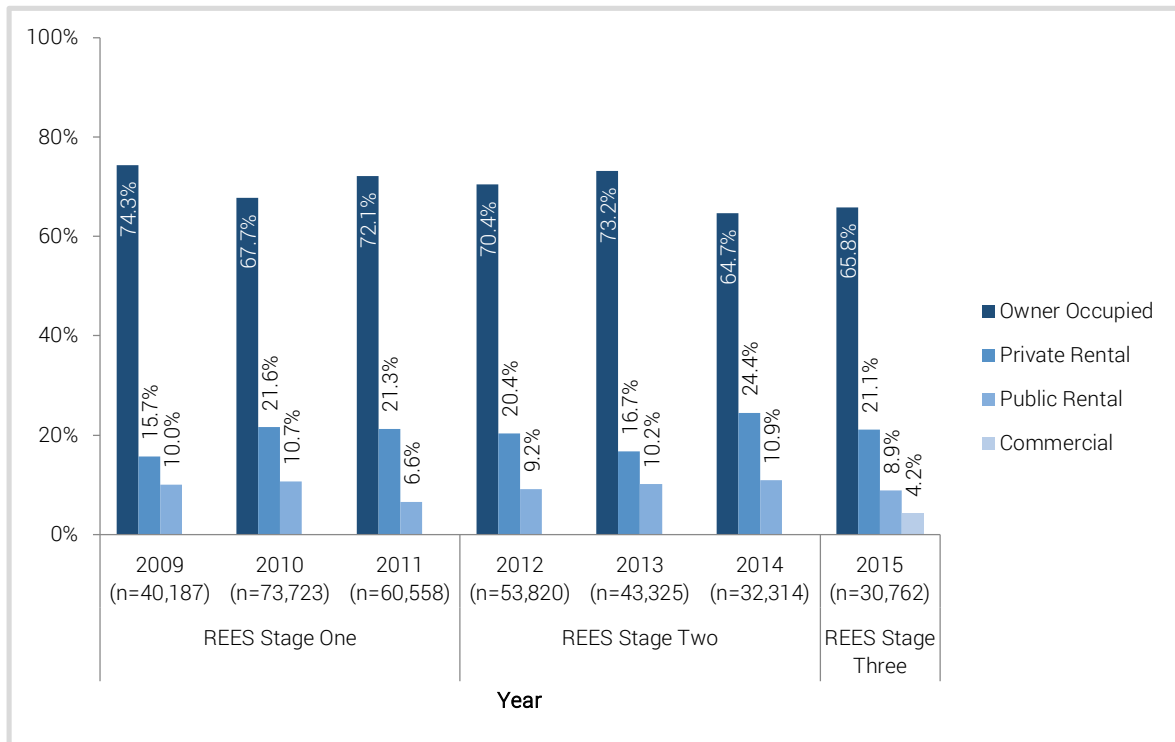


Figure 5.16 - Nature of tenure of premises receiving a REES activity or energy audit (%)



Priority group households accounted for 34 percent of premises receiving an energy efficiency activity or energy audit in 2015. This was significantly less than in prior years. This largely reflects the reduction of the priority group target and introduction of commercial activities in 2015 (see Section 5.1.3).

Owner occupied households accounted for 66 percent of premises receiving a REES activity or energy audit in 2015. The split between owner occupied and renting households is broadly reflective of the property ownership profile in South Australia.²⁸

²⁸ Sixty eight percent of households are owner occupied, 28 percent rented and 4 percent unknown, Source Australian Bureau of Statistics Census Data 2011: Quick Stats (refer www.abs.gov.au).

6 Administration of REES

As the administrator of REES, the Commission's main functions in 2015 relating to REES included:

- ▶ Reporting on REES progress and outcomes.
- ▶ Reviewing the REES Guideline, which sets the reporting requirements for the data that retailers report to the Commission to enable it to apportion REES targets.
- ▶ Redevelopment of the REES IT system, with associated internal controls and processes.
- ▶ Provision of regulatory advice on REES matters to obliged retailers, and regular review of the REES page on the Commission's website.
- ▶ Ensuring compliance with the REES Code and relevant Acts and Regulations, including assessing achievement of targets.
- ▶ Managing customer complaints and enquiries.
- ▶ Administering the Energy Efficiency Fund Initiative.

6.1 REES Code

The REES Code establishes requirements in relation to the conduct and operations of energy retailers in satisfaction of their REES obligations. In October 2014, the Commission consulted on changes to the REES Code relating to the proposed changes to the scheme from 1 January 2015. The final amendment to the REES Code, released in December 2014, came into effect from 1 January 2015.²⁹ No revisions were made to the REES Code in 2015.

6.2 REES Guideline

The REES Guideline sets out reporting requirements for the data that retailers report to the Commission to enable it to apportion REES targets. The Commission consulted on changes to the REES Guideline in 2015 and released an amended Guideline in September 2015. The main changes to the Guideline were to clarify what data should be reported to the Commission, provide examples of types of evidence to be maintained by retailers and to require retailers to have a documented process in place regarding producing designated energy purchases data. The changes aim to ensure consistency of reporting by retailers.

6.3 REES IT system

The Commission maintains a REES IT system, consisting of two main parts:

- ▶ The Retailer File Validation System (**REES-R**) – a web based system for retailer and third party validation and reporting of data to the Commission. The REES-R provides retailers with a live summary of their year to date achievement levels against their REES targets.
- ▶ REES Data Management Systems (**DMS**) – data management and reporting systems used by the Commission to maintain REES master data, monitor target achievement and administer user access etc.

During 2014, the Commission began redeveloping the REES-R and REES DMS in response to the Government's decisions to expand the scheme from 2015.

²⁹ Refer: <http://www.escosa.sa.gov.au/projects/214/rees-code-proposed-amendments-2014.aspx>.

The REES-R was redeveloped to a data 'submission' system where by retailers and third party providers can validate data against a full suite of compliance rules and lodge compliant data in the system for retailers to review and submit towards annual targets. Previously the Commission could only undertake a full compliance assessment on an annual basis at the close of the REES year. The REES-R now provides real time information on the compliance of data and retailer progress towards annual targets, greatly improving the certainty of data compliance and improving the efficiency of REES data reporting for retailers and third party providers. Further refinements and improvements were made to the system during 2015.

Improvements made to the REES-R and REES DMS have led to a significant reduction in the manual processing of data by Commission staff, allowing resources to be better utilised in other areas of REES, such as compliance and risk management.

6.4 REES communication

The Commission places great importance on working cooperatively with scheme participants and other stakeholders. This has involved regular informal telephone discussions and written communications with obliged retailers and third party providers, face to face meetings, and the issuing of advisory REES Bulletins which provide interpretations and practical advice of specific REES issues. In 2015, the Commission released or updated the following REES bulletins:

- ▶ Bulletin No. 6 – Consumer protection obligations
- ▶ Bulletin No. 7 – Household addresses without a delivery point identifier
- ▶ Bulletin No. 11 – Mandatory training obligations
- ▶ Bulletin No. 13 – Electronic activity and audit records
- ▶ Bulletin No. 14 – Conduct of energy audits in a household where the occupant has changed
- ▶ Bulletin No. 19 – REES activities in government owned housing
- ▶ Bulletin No. 20 – Commercial lighting
- ▶ Bulletin No. 21 – Residential lighting activities

The Commission updates the REES related pages on its website regularly to ensure current and consistent communication to all interested parties. A direct link to the REES main page is provided on the Commission's website homepage.

6.5 Compliance

The Commission takes a risk based approach towards REES compliance. This balances the need for a strong culture of compliance against the associated costs for regulated entities. It relies on obliged retailers having robust compliance systems and processes in place (based on the Australian Standard on Compliance Programs, AS 3806-2006). Obligated retailers' compliance systems and processes should allow retailers to adequately identify and appropriately respond to their obligations and report any breaches to the Commission at the earliest opportunity.

The Commission's REES compliance regime consists of:

- ▶ Requiring obliged retailers to develop annual compliance plans.
- ▶ Assessing whether obliged retailers met their REES annual targets.
- ▶ Conducting, or requiring obliged retailers to conduct, compliance audits in response to identified areas of risk.

- ▶ Compliance, monitoring and reporting.
- ▶ Administering the penalty regime.

The compliance approach taken by the Commission for REES is similar to the Commission's approach to compliance in general; however, given the nature of the risks inherent in the REES design, the Commission has taken a stronger up-front approach to compliance, actively seeking information and assurance on retailers' activities and actions.

In undertaking its compliance role, the Commission is guided by its legislative objectives in particular the need to protect the long term interests of South Australian consumers. The Commission has published an Enforcement Policy, providing guidance on the criteria and processes it uses in determining the type of enforcement action required on a case by case basis.

6.5.1 Momentum Energy REES target error

In 2015 the Commission undertook enforcement action against Momentum Energy in relation to a data omission which resulted in the re-apportionment of individual retailer 2015 annual targets.

The Commission issued 2015 REES targets in April 2015. Momentum Energy subsequently notified the Commission of a significant omission in the data it reported to the Commission which affected the apportionment of the 2015 EET. Having regard to the legal operation of the statutory regime, the nature and extent of Momentum's omission and the feedback provided to it, the Commission reapportioned 2015 EETs for all obliged retailers, so as to give effect to the EETs set by the Minister for 2015.

The Commission was of the view that Momentum was not compliant with clause 5.4.2 of the REES Code (REESC/08), in relation to the provision of statistical information for the purposes of determining obligations and the setting of individual obliged retailer targets for the 2015 REES year. The Commission undertook enforcement action against Momentum in relation to this matter. In light of the serious impacts of this non-compliance on the REES, the Commission exercised its formal statutory Warning Notice and Assurance powers under the Electricity Act 1996 and issued a formal Written Warning and required Momentum to formally acknowledge its non-compliance and undertake and agree to various remedial actions. A copy of the Written Warning and Undertaking and Acknowledgement can be found on the Commission's website.

6.5.2 Compliance plans

The Commission requires that obliged retailers submit a compliance plan at the beginning of each REES year (due by 31 March).

The Commission reviews these plans to assess the extent to which obliged retailers have put into place mitigation and management strategies aimed at ensuring that they are able to meet their REES obligations and manage various risks. The REES Code sets out the minimum requirements of a compliance plan. A comprehensive compliance plan reduces the risk that activities reported towards annual REES targets will be precluded by the Commission for failing to comply with the REES Code or other relevant legal requirements.³⁰

The Commission's review of retailer draft compliance plans in 2015 identified various improvements which retailers were required to make to their final plans to ensure they met the requirements set out in the REES Code.

Retailers are required to advise the Commission of any material changes to the information provided in their compliance plans (such as a change in the activities it intends to undertake) within 20 business days of such a change occurring.

³⁰ Refer: <http://www.escosa.sa.gov.au/residential-energy-efficiency-scheme-rees/rees-bulletins.aspx>.

6.5.3 Annual target compliance

The Commission assesses whether obliged retailers have met their REES annual targets for energy efficiency activities and audits. In assessing obliged retailers' REES annual achievements, the Commission undertakes compliance assessments of all activities and audits against the requirements of the REES Code. There was minimal identified non-compliant energy efficiency activity and audit data reported in 2015. Reporting changes implemented from the start of 2015 allow for reported data to be assessed for compliance throughout the REES year, instead of solely at year end as occurred in previous years.

6.5.4 Other compliance work

In addition to the automated compliance testing built in to the REES-R system, Commission staff also undertake further compliance testing; including: data reasonableness checks and desktop data audits focussing on areas identified as having a higher risk of non-compliance or where requirements under the scheme were new or varied from previous REES years.

The Commission will reject data submitted by obliged retailers towards their targets if it is found to be non-compliant with the REES Code or applicable activity specification. In 2015, most data rejections by the Commission were made to correct administrative errors, such as reporting under a wrong activity code, rather than for non-compliant installations or paperwork.

The Commission continues to monitor retailers' compliance with the REES Code by undertaking projects such as (but not limited to):

- ▶ 'Mystery shopping' telephone calls to ensure that call centre staff are providing customers with basic information about REES.
- ▶ Undertaking targeted audits on obliged retailers' compliance systems from time to time to ensure compliance with the REES Code provisions.
- ▶ Follow-up calls to customers to ensure that activities/audits have been implemented according to the relevant specification in response to complaints received.
- ▶ Data reasonableness checks and desktop data audits focusing on areas identified as having a higher risk of non-compliance.

In general, the Commission has been satisfied with the level of compliance demonstrated by obliged retailers from the compliance investigations undertaken in 2015.

6.6 Consumer complaints and REES enquiries

The REES Code requires that call centre operators of obliged retailers must be able to provide basic information about the scheme and refer or transfer the caller to the appropriate contact officer for further information. In some cases where these calls have not been dealt with by obliged retailers or their third party provider, consumer and complaints are referred to the Commission.

The Commission handled customer enquiries and complaints during the year, the majority of which were from customers seeking to access activities offered through REES, and queries in relation to becoming involved in the scheme as a third party contractor. Twenty-one complaints were received in 2015, mainly concerning workmanship or performance of installed products and the conduct of persons carrying out energy efficiency activities or energy audits on behalf of obliged retailers. The Commission investigated all of these complaints and ensured that the issues were resolved to the satisfaction of the customer or complainant.

6.7 Energy Efficiency Fund Initiative

In 2011, Lumo Energy did not meet its REES targets. The Commission imposed a financial penalty of \$243,750 on Lumo Energy, in accordance with the statutory REES penalty shortfall regime.

Consistent with the requirements of that regime the Commission used those funds to establish a grant regime, under which not-for-profit organisations could obtain funding to deliver energy efficiency assistance programs to low-income consumers. As a result, the Energy Efficiency Fund Initiative (EEFI) was established in 2012.

Grants were made available through an open and transparent tender process. Following public nomination processes in September 2012 and April 2013, the Commission approved funding for the following not-for-profit organisations:

- ▶ Uniting Care Wesley Country SA
- ▶ Normanville Natural Resource Centre
- ▶ Orana Incorporated, and
- ▶ Uniting Communities.

All grantees have now successfully completed their programs. In doing so, all grantees used the funds appropriately and in accordance with the terms of the relevant grant agreements. Further, the programs offered by grantees met the objective of providing energy efficiency benefits for low income households in innovative ways. Those programs are summarised below.

6.7.1 Uniting Care Wesley Country SA

Uniting Care Wesley Country SA (UCWCSA) received funding to distribute 5,000 energy efficient light globes over three years and to provide 30 families (either home owners or those privately renting) with grants of up to \$2,000 to purchase energy efficient products. The funding provided under EEFI complemented Commonwealth funding received by UCWCSA in 2012 for the Home Energy Saver Scheme, which provided no-interest loans and home energy audits.

Distribution of light globes

UCWCSA purchased 5,000 bayonet and screw type LED globe to be distributed to households. UCWCSA has undertaken to distribute all light globes by June 2016.

Community Education Sessions

UCWCSA conducted Community Education Sessions in Port Augusta, Port Pirie, Mt Gambier, Murray Bridge and Whyalla from 2013-2015 and advised that the EEFI grants and light globes were mentioned in each session, receiving positive feedback.

Small Grants

UCWCSA provided 39 small grants to households in regional South Australia from 2013-2015, exceeding the proposed 30 households.

Goods and services purchased with the small grants included:

- ▶ Replacement hot water systems.
- ▶ Block out curtains, blinds and external shutters.
- ▶ Electric blankets and throw rugs.
- ▶ Quilts and blankets.

- ▶ Heaters.
- ▶ Supply and installation of ceiling fans and supply of pedestal fans.
- ▶ Replacement of an existing air conditioner with an air conditioner rated as a 5 star or higher.
- ▶ Replacement of a white good appliance (that is fridge, washing machine) with a higher star rated appliance.
- ▶ Efficient microwaves, small kitchen appliances and ovens.
- ▶ Floor coverings and rugs.

UCWCSA received positive feedback from clients that received the small grants, with many advising that they had noticed a decrease in their energy bills.

6.7.2 Normanville Natural Resource Centre

Normanville Natural Resource Centre (**NNRC**) received funding to:

- ▶ Conduct energy audits (including training for volunteers to undertake energy audits).
- ▶ Install simple energy saving devices (including light globes, showerheads, eco switches, electric rugs and heat mats).
- ▶ Conduct energy efficiency education for households in the Yankalilla area.
- ▶ Provide small grants to those households that had received energy audits.

NNRC conducted energy audits at 76 households from 2013-2014. Of these 76 households, 48 households received simple energy saving devices, two households received small grants and 20 households received both simple energy saving devices and a small grant.

Goods purchased with the small grants included fridges and freezers, pedestal and ceiling fans, air conditioning and a heated towel rail.

Two public workshops were conducted to demonstrate how to undertake an in-home energy audit using NNRC's home energy toolkit.

6.7.3 Orana Incorporated

Orana Incorporated (**Orana**) is an organisation that provides employment and living arrangements for people with a disability. Orana received funding to install solar power units for its newly renovated housing complex for adults.

Orana purchased solar panels and installed these in its Galway Road supported accommodation service at Marleston. The Orana Galway apartments house 20 residents who have intellectual disabilities. Orana completed its program in December 2013.

Due to the success of the grant program, Orana has advised the Commission that it plans to install solar panels at all its disability supported accommodation services.

6.7.4 Uniting Communities

Uniting Communities received funding to distribute 350 energy efficiency retrofit packs (containing showerheads, six light globes, two door snakes, power boards, kill switches, window seals, a shower timer and thermometer) and provide small grants for items such as fridge seals, external shading and similar products. Only items identified through a home audit as being beneficial were installed.

Uniting Communities assisted 251 households. This included 189 households receiving retrofit packages, 25 households receiving grants for a new energy efficient appliance and 37 households receiving both a new energy efficient appliance and retrofit package.

Uniting Communities used EEFI funding to expand its retrofit packages to include electric throw rugs and pedestal fans, as it identified that the biggest area of need within most people's home is related to heating and cooling.

The small grants were used for larger white good items including replacement washing machines and fridges/freezers.

Between April and June 2014, Uniting Communities expanded its program to assist households on Kangaroo Island. Uniting Communities informed the Commission that the local community appreciated the services that were made available through EEFI, especially as many services and programs do not go to the Island.

Uniting Communities received positive feedback from clients receiving the small grants and retrofit packages. In the final report to the Commission, Uniting Communities stated that:

'the additional support made possible through ESCOSA has been very much appreciated by Uniting Communities staff, the clients and their support workers, with fantastic feedback being provided about how delighted clients are to be provided with these free items, and the incentive this provides for the householder to implement immediate behavioural change.'

Appendix A – Individual retailer 2015 achievement

Table A1: Energy efficiency target (GJ)

		Target	Accepted reports	Credit applied	Total achievement
AGL SA	Electricity	461,521	411,070	227,774	638,844
	Gas	46,113	103,255	11,376	114,631
Lumo Energy	Electricity	47,147	62,444	23,867	86,311
Origin Energy	Electricity	193,204	239,222	1,093	240,315
	Gas	1,454	109,785	-	109,785
Powerdirect	Electricity	58,215	23,158	45,454	68,612
Simply Energy	Electricity	75,382	5,495	75,382	80,877
	Gas	10,211	-	10,211	10,211
Alinta Energy	Electricity	26,297	28,303	1,190	29,493
	Gas	2,163	2,468	-	2,468
EnergyAustralia	Electricity	133,397	56,809	82,723	139,532
	Gas	20,974	3,354	17,620	20,974
ERM Power	Electricity	5,192	8,026	-	8,026
Momentum	Electricity	28,732	65,429	-	65,429
Grand Total		1,200,000	1,118,820	496,690	1,615,510

*Figures may not sum due to rounding

Table A2: Priority group energy efficiency target (GJ)

		Target	Accepted reports	Credit applied	Total achievement
AGL SA	Electricity	72,183	117,679	22,086	139,765
	Gas	26,009	22,761	11,857	34,618
Lumo Energy	Electricity	8,595	7,678	24,819	32,497
Origin Energy	Electricity	29,894	27,879	29,894	57,773
	Gas	36,393	19,586	33,585	53,171
Powerdirect	Electricity	3,387	-	3,387	3,387
Simply Energy	Electricity	13,975	1,845	13,975	15,820
	Gas	6,525		6,525	6,525
Alinta Energy	Electricity	4,886	3,795	2,021	5,816
	Gas	2,047	-	2,047	2,047
EnergyAustralia	Electricity	16,143	638	26,631	27,269
	Gas	10,732	809	32,620	33,429
Grand total		230,769	202,670	209,447	412,117

Table A3: Energy audit target

		Target	Accepted reports	Credit applied	Total achievement
AGL SA	Electricity	1,773	4,799	41	4,840
	Gas	639	1,152	580	1,732
Lumo Energy	Electricity	211	233	35	268
Origin Energy	Electricity	734	649	203	852
	Gas	894	1,074	-	1,074
Powerdirect	Electricity	83	121	83	204
Simply Energy	Electricity	343	349	37	386
	Gas	160	-	160	160
Alinta Energy	Electricity	120	129	6	135
	Gas	50	51	-	51
EnergyAustralia	Electricity	396	3	396	399
	Gas	264	132	138	270
Grand total		5,667	8,692	1,679	10,371

Appendix B – Postcodes applying to location categories

Table B1: Postcode location categories

Location category	Postcodes
Metro/Adelaide	5000 – 5202 5210 – 5214 5231 – 5236 5240 – 5252 5350 – 5352 5355 5360 – 5372 5400 5800 - 5950
Regional	5203 – 5204 5237 – 5238 5253 – 5263 5271 5277 – 5291 5321 – 5346 5353 – 5354 5356 – 5357 5373 – 5374 5401 – 5416 5451 – 5453 5455 – 5464 5495 – 5573 5600 5608 – 5909 5700 - 5710
Remote	0872 5220 - 5223 5264 – 5270 5272 - 5276 5301 - 5320 5381 5417 - 5440 5454 5470 - 5493 5575 - 5583 5601 - 5605 5607 5630 - 5690 5720 - 5734



The Essential Services Commission
Level 1, 151 Pirie Street Adelaide SA 5000
GPO Box 2605 Adelaide SA 5001
T 08 8463 4444

E escosa@escosa.sa.gov.au | W www.escosa.sa.gov.au