



2021 Compliance Outcomes

This document summarises compliance outcomes for the Retailer Energy Productivity Scheme (REPS) in 2021. For further information on the compliance framework for REPS, please refer to Bulletin no 11 - Compliance Framework, available at: www.escosa.sa.gov.au/industry/reps/bulletins.

The Retailer Energy Productivity Scheme (REPS) is a South Australian Government (**Government**) energy productivity scheme that provides incentives for South Australian households and businesses. The objective of REPS is to improve energy productivity for households, businesses and the broader energy system, with a focus on low-income households. It does this through establishing energy productivity targets to be met by electricity and gas retailers through the delivery of energy productivity activities to South Australian households and businesses.

As the administrator of REPS, the Essential Services Commission (**Commission**) has functions and powers as are necessary to give effect to REPS in South Australia. The Commission administers REPS in accordance with *the Electricity (General) Regulations 2012* and *the Gas Regulations 2012*. The Commission's role is to facilitate obligated energy retailers' and activity providers' compliance with scheme requirements.

To promote data quality, the REPS system has built-in checks to promote the collection of accurate data. At the simplest level, the system's automated compliance testing restricts entry to valid data types and specific ranges of numerical data. To provide further data quality assurance, the Commission also conducts planned audits of REPS transactions reported during the course and at the conclusion of the year, based on issues that were identified and considered possibly medium to high risk throughout the year.

2021 Compliance plans

Obligated energy retailers are required to submit a Compliance Plan to the Commission each year. All retailers had a Compliance Plan in place for 2021 that complied with the requirements of the REPS Code.

2021 Compliance focus

Activities relating to the installation of water heaters in rental properties and the installation of air-conditioners were a compliance focus during the year, due to consumer complaints received. The Commission assisted the resolution of these complaints and conducted a targeted investigation of activities that were lodged, to verify compliance with the REPS requirements. As a result, a number of activities were rejected, as they did not meet the requirements of the scheme. Communication was sent to all obligated retailers, advising them of the requirements for the installation of water heaters in properties that are either private rental or public housing.

The Commission is continuing to monitor these types of activities.

2021 End of year compliance review

To close out the 2021 REPS year, desktop audits were undertaken on a sample of data submitted. A small amount of non-compliant energy productivity activity data was identified, with retailers given the opportunity to respond to identified non-compliances. The Commission was satisfied with the response by retailers and no activities were rejected for non-compliance as a result of the review.

The Commission acknowledges the efforts made by energy retailers under REPS to maintain ongoing compliance with scheme requirements. The Commission will continue to review REPS activities to verify that important consumer protections are being met and to confirm that each retailer is implementing robust systems to promote compliance.

Review process and outcomes

Evidence packs were provided by all retailers for 10 different activity types. The evidence provided for most activities by the retailers was in line with the Schedule 3 requirements of the REPS Code, and relevant specifications. Follow up was completed by Commission staff for some activities where further evidence was requested to complete the review.

Install or replace new air-conditioning – Air-conditioning activities were targeted due to increased complaints from customers. Customer complaints related to significant delays or the failure to install agreed air-conditioners. In some cases, customers were advised that the “government rebate” had ended. REPS is not a rebate scheme, in that no set cash rebate is provided by the Government. Education will be provided to ensure that retailers are monitoring their targets and that advertising is reviewed once they near their targets. Advertising material should not refer to a “government rebate”.

Commercial Lighting is an activity that is completed in large commercial businesses and usually has a high deemed value saving. Reviewing the activities are complex due to the large volume of information that is required to be kept and recorded by the installers (as outlined in Bulletin no 13). The review completed for commercial lighting identified some minor errors which include:

- ▶ Calculation errors of claimed savings - categorisation of light bulbs and keying errors were identified during the audit which resulted in minor variance to calculated savings. Retailers and activity providers should ensure they are using the calculator correctly as outlined in Bulletin no 13. Future errors may result in activities being required to be amended by retailers or rejected by the Commission.
- ▶ Building classification errors – several retailers were contacted to confirm the building class of some of the activities. Retailers provided evidence to support the building class declared. Incorrect building classification can result in the over calculation of savings and thus it is important that all parties ensure the correct classification is used.
- ▶ Site Plan diagrams –some site plans provided were not detailed enough which may affect the accuracy of saving calculations. Feedback will be provided to those retailers that did not provide detailed plans.

The Commission thanks the retailers and activity providers that participated in the end-of-year review process.

The Essential Services Commission is an independent statutory authority with functions in a range of essential services including water, sewerage, electricity, gas, rail and maritime services, and also has a general advisory function on economic matters. For more information, visit www.escosa.sa.gov.au.

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