

RETAILER ENERGY EFFICIENCY SCHEME CODE

REESC/08

January 2015



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Amendment Record

ISSUE NO.	COMMENCEMENT DATE	PAGES
REESC/01	1 January 2009	82
REESC/02	26 March 2009	82
REESC/03	30 August 2010	85
REESC/04	1 January 2012	92
REESC/05	3 January 2013	80
REESC/06	7 February 2013	81
REESC/07	27 February 2014	80
REESC/08	1 January 2015	29

The Essential Services Commission of South Australia is the independent economic regulator of the electricity, gas, ports, rail and water industries in South Australia. The Commission's primary objective is the *protection of the long-term interests of South Australian consumers with respect to the price, quality and reliability of essential services*. For more information, please visit www.escosa.sa.gov.au.

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1 PRELIMINARY

1.1 Authority

- 1.1.1 This Retailer Energy Efficiency Scheme Code is made as an industry code pursuant to the powers of the **Commission** under section 28 of the Essential Services Commission Act 2002 (SA).

1.2 Commencement

- 1.2.1 This Retailer Energy Efficiency Scheme Code commenced on 1 January 2015.

1.3 Definitions and Interpretation

- 1.3.1 In this Retailer Energy Efficiency Scheme Code, words appearing in bold like “**this**” are defined in Schedule 1.
- 1.3.2 This Retailer Energy Efficiency Scheme Code must be interpreted in accordance with the rules set out in Schedule 2.

1.4 Application

- 1.4.1 The provisions of Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012 establish the **Retailer Energy Efficiency Scheme**.
- 1.4.2 Each **energy retailer** is required to comply with the **Retailer Energy Efficiency Scheme**.

1.5 Powers and functions of the Commission

- 1.5.1 The **Commission** is the administrator of the **Retailer Energy Efficiency Scheme** and has such functions and powers as are necessary or expedient to give effect to the **Retailer Energy Efficiency Scheme** including, without limitation, the following:
- (a) administering the **Retailer Energy Efficiency Scheme**;
 - (b) ensuring that **energy retailers** comply with the **Retailer Energy Efficiency Scheme**; and
 - (c) reporting to the **Minister** annually in relation to the operation of the **Retailer Energy Efficiency Scheme**, and from time to time in relation to any other matter with respect to the **Retailer Energy Efficiency Scheme**.

1.6 Retailer’s general obligations

- 1.6.1 While all **energy retailers** are bound at all times by the provisions of the **Retailer Energy Efficiency Scheme**, in respect of any given **REES year** each **obliged retailer** must:
- (a) cause sufficient **energy audits** to be undertaken in respect of **priority group households** so as to meet that **obliged retailer’s** allocation of the **annual energy audit target**;
 - (b) cause sufficient **energy efficiency activities** to be undertaken so as to meet that **obliged retailer’s** allocation of the **annual energy reduction target**;
 - (c) in relation to the **energy efficiency activities** referred to in clause 1.6.1(b), cause sufficient **energy efficiency activities** to be undertaken in respect of

- priority group households** so as to meet that **obliged retailer's** annual allocation of the **priority group energy reduction target**; and
- (d) comply with the provisions of this Retailer Energy Efficiency Scheme Code in relation to those obligations.
- 1.6.2 This Retailer Energy Efficiency Scheme Code establishes requirements in relation to the conduct and operations of **energy retailers** in satisfaction of the **Retailer Energy Efficiency Scheme** obligations, including:
- (a) the allocation and notification of, and obligation to achieve targets;
- (b) record-keeping and reporting obligations; and
- (c) compliance and audit obligations,
- in relation to **energy audit targets**, **energy reduction targets** and **priority group energy reduction targets**.

1.7 *Class of persons experiencing hardship*

- 1.7.1 For the purposes of the definition of **priority group household** under Regulation 23 of the Electricity (General) Regulations 2012 and Regulation 17 of the Gas Regulations 2012, the **Commission** has determined that:
- (a) **hardship program customers** are a class of persons who are experiencing hardship; and
- (b) a **hardship program customer** is a **residential customer** who is, at the time the **energy efficiency activity** or **energy audit** is undertaken, participating in an **energy retailer's** hardship program.
- 1.7.2 For the purposes of clause 1.7.1, an **energy retailer's hardship program** must, as a minimum:
- (a) have a clearly defined entry and exit point of which the **residential customer** is advised in writing upon entering the program;
- (b) protect the participating **residential customer** from credit collection action and disconnection;
- (c) have a specialised team within the **energy retailer** to support the participating **residential customer**;
- (d) offer **residential customers** flexible payment arrangements that have regard to the **residential customer's** usage, capacity to pay and current financial situation; and
- (e) provide additional support to **residential customers** through referral to third party support agencies, applicable Commonwealth and State government concessions and access to energy efficiency advice.

2 DETERMINATION OF OBLIGED RETAILERS

2.1 *Obligation thresholds*

- 2.1.1 A **primary obliged retailer** is an **energy retailer** which has **residential customer** numbers equalling or exceeding the **primary obligation threshold** as at 30 June immediately prior to the commencement of a **REES year**. A **primary obliged retailer** will be set an **energy reduction target**, a **priority group energy reduction target** and an **energy audit target**.
- 2.1.2 A **secondary obliged retailer** is an **energy retailer** that purchases, as at 30 June immediately prior to the commencement of a **REES year**, an amount of electricity and/or gas equalling or exceeding the **secondary obligation threshold** for on-selling to South Australian customers, but does not exceed the **primary obligation threshold**. A **secondary obliged retailer** will only be set an **energy reduction target**.
- 2.1.3 For the avoidance of doubt, an **energy retailer** may have both electricity and gas obligations.

2.2 *Commission determination of obliged retailers*

- 2.2.1 On or before each 31 October immediately prior to the commencement of a **REES year**, the **Commission** will:
- (a) determine whether an **energy retailer** is to be an **obliged retailer** for that **REES year**; and
 - (b) where the **Commission** determines that an **energy retailer** is to be an **obliged retailer** for that **REES year**, advise that **energy retailer** of the **Commission's** determination in writing.
- 2.2.2 In making a determination for a **REES year** under clause 2.2.1, the **Commission** will have regard to:
- (a) data reported to the **Commission** by each **energy retailer** in accordance with the requirements of this Retailer Energy Efficiency Scheme Code (under clauses 5.4.1 to 5.4.3);
 - (b) data made available to the **Commission** by **AEMO**;
 - (c) data made available to the **Commission** by a **distributor**; and
 - (d) any other data or information which the **Commission** considers relevant, in relation to:
 - (i) the number of **residential customers** which an **energy retailer** had at 30 June;
 - (ii) the amount of energy purchases made by that **energy retailer** in the preceding financial year; and
 - (iii) the total **designated energy purchases** by that **energy retailer** to individual customers (the threshold amount to be specified by the **Minister** by notice in the South Australian Government Gazette) in the preceding financial year.

3 ANNUAL ENERGY AUDIT TARGET

3.1 Retailer Energy Efficiency Scheme annual energy audit targets

- 3.1.1 Pursuant to the provisions of the **Retailer Energy Efficiency Scheme**, the **Minister** will set **annual energy audit targets** for each **REES year** by notice in the South Australian Government Gazette.
- 3.1.2 The **Commission** will apportion each **annual energy audit target** amongst **primary obliged retailers**.

3.2 Apportionment of annual energy audit targets

- 3.2.1 On or before each 31 October immediately prior to the commencement of a **REES year**, the **Commission** will:
 - (a) in accordance with the provisions Part 4 of the Electricity (General) Regulations 2012, calculate the **electricity energy audit target** to apply to each **obliged retailer** for that **REES year**;
 - (b) in accordance with the provisions of Part 4 of the Gas Regulations 2012, calculate the **gas energy audit target** to apply to each **obliged retailer** for that **REES year**; and
 - (c) notify each **obliged retailer** in writing of any **electricity energy audit target** and **gas energy audit target** which applies to that **obliged retailer** for that **REES year**.
- 3.2.2 In making a determination for a **REES year** under clause 3.2.1, the **Commission** will have regard to:
 - (a) data reported to the **Commission** by each **energy retailer** in accordance with the requirements of this Retailer Energy Efficiency Scheme Code (under clauses 5.4.1 to 5.4.3);
 - (b) data made available to the **Commission** by **AEMO**;
 - (c) data made available to the **Commission** by a **distributor**; and
 - (d) any other data or information which the **Commission** considers relevant.

3.3 Obligation to achieve energy audit targets

- 3.3.1 Each **obliged retailer** in receipt of a notice issued by the **Commission** under clause 3.2.1 must cause sufficient **energy audits** to be undertaken so as to meet its **electricity energy audit target** and/or **gas energy audit target** for that **REES year**.
- 3.3.2 For the purposes of this clause 3.3, an **energy audit** will only count in satisfaction of an **obliged retailer's electricity energy audit target** or **gas energy audit target** for a **REES year** if:
 - (a) the **energy audit** was performed in accordance with the specifications gazetted by the **Minister**; and
 - (b) the **energy audit** was undertaken by a **competent person** and that person was:
 - (i) an employee, agent or contractor of the **obliged retailer**; or
 - (ii) any other person, whether or not for fee or reward, where that person permits, by notice in writing, the **energy audit** to count in

satisfaction of the **obliged retailer's electricity energy audit target** or **gas energy audit target**; and

- (c) the **obliged retailer** has ensured that the performance, reporting and compliance requirements of this Retailer Energy Efficiency Scheme Code, including the consumer protection obligations outlined in chapter 7, have been complied with in respect of that **energy audit**; and
- (d) the **energy audit**:
 - (i) was performed during a **REES year**; or
 - (ii) formed part of any excess amount notified by the **Commission** under clause 3.5.1.

3.4 Notification of energy audit target shortfalls

- 3.4.1 If the **Commission** determines that a **obliged retailer** in receipt of a notice issued under clause 3.2.1(c) in respect of a **REES year** has failed to achieve its **electricity** and/or **gas energy audit target**, then the **Commission** may, at any time, notify the **obliged retailer** in writing of the amount of that shortfall.
- 3.4.2 Subject to clause 3.4.3, each **obliged retailer** in receipt of a shortfall notice issued by the **Commission** under clause 3.4.1 must cause sufficient **energy audits** to be undertaken in the **REES year** immediately following the **REES year** identified in the shortfall notice so as to make good that shortfall.
- 3.4.3 Where:
 - (a) an **obliged retailer** is in receipt of a shortfall notice issued by the **Commission** under clause 3.4.1 and that notice states that the amount of the shortfall is more than 10 per cent of the relevant **energy audit target**; and
 - (b) the **energy retailer** is not to be an **obliged retailer** in the **REES year** immediately following the **REES year** which was the subject of the shortfall notice,then that **obliged retailer** must make good the shortfall.
- 3.4.4 This clause 3.4 applies in respect of an **obliged retailer** in respect of a **REES year** notwithstanding that it will not be an **obliged retailer** in relation to any subsequent **REES year**.

3.5 Notification of energy audit target excess

- 3.5.1 If the **Commission** determines that an **obliged retailer** in receipt of a notice issued under clause 3.2.1(c) in respect of a **REES year** has caused more **energy audits** to have been undertaken than would otherwise be necessary to achieve its **electricity** or **gas energy audit target**, then the **Commission** may, at any time, notify the **obliged retailer** in writing of the amount of that excess.

4 ANNUAL ENERGY REDUCTION TARGET

4.1 *Retailer Energy Efficiency Scheme annual energy reduction targets*

- 4.1.1 Pursuant to Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012, the **Minister** will set **annual energy reduction targets** for each **REES year** by notice in the South Australian Government Gazette.
- 4.1.2 Pursuant to Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012, the **Minister** will set a percentage or value of the **annual energy reduction target** to be achieved through the provision of **energy efficiency activities** to **priority group households** for each **REES year** by notice in the South Australian Government Gazette.
- 4.1.3 The **Commission** is required to apportion each **annual energy reduction target** amongst **obliged retailers**. Only **primary obliged retailers** will be set a **priority group energy reduction target**. **Obliged retailers** are required to cause sufficient **energy efficiency activities** to be undertaken to meet their obligations.

4.2 *Apportionment of annual energy reduction targets*

- 4.2.1 On or before each 31 October immediately prior to the commencement of a **REES year**, the **Commission** will:
 - (a) in accordance with the provisions of Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 1997, calculate the **electricity energy reduction target** and/or **gas energy reduction target** and the **priority group energy reduction target** to apply to each **obliged retailer** for that **REES year**; and
 - (b) notify each **obliged retailer** in writing of:
 - (i) any **electricity energy reduction target** and/or **gas energy reduction target** which applies to that **obliged retailer** for that **REES year**; and
 - (ii) the percentage or value, if any, of any **electricity energy reduction target** and/or **gas energy reduction target** which the **Minister** has determined must be achieved through the provision of **energy efficiency activities** to **priority group households**.
- 4.2.2 In making a determination for a **REES year** under clause 4.2.1, the **Commission** will have regard to:
 - (a) data reported to the **Commission** by each **energy retailer** in accordance with the requirements of this Retailer Energy Efficiency Scheme Code (under clauses 5.4.1 to 5.4.3);
 - (b) data made available to the **Commission** by **AEMO**;
 - (c) data made available to the **Commission** by a **distributor**; and
 - (d) any other data or information which the **Commission** considers relevant.

4.3 *Obligation to achieve energy reduction targets*

- 4.3.1 Each **obliged retailer** in receipt of a notice issued by the **Commission** under clause 4.2.1(b) must cause sufficient **energy efficiency activities** to be undertaken so as to

meet its **electricity energy reduction targets** and/or **gas energy reduction targets** for that **REES year**.

4.3.2 For the purposes of this clause 4.3, an **energy efficiency activity** will only count in satisfaction of an **obliged retailer's electricity energy reduction targets** or **gas energy reduction targets** for a **REES year** if:

- (a) the **energy efficiency activity** was performed in accordance with the specifications as gazetted by the **Minister**; and
- (b) the **energy efficiency activity** was undertaken by:
 - (i) an employee, agent or contractor of the **obliged retailer**; or
 - (ii) any other person, whether or not for fee or reward, where that person permits, by notice in writing, that **energy efficiency activity** to count in satisfaction of the **obliged retailer's electricity energy reduction target** or **gas energy reduction target**; and
- (c) the **obliged retailer** has ensured that the performance, reporting and compliance requirements of this Retailer Energy Efficiency Scheme Code, including the consumer protection obligations outlined in chapter 7, have been complied with in respect of that **energy efficiency activity**; and
- (d) the **energy efficiency activity**
 - (i) was performed during a **REES year**; or
 - (ii) formed part of any excess amount notified by the **Commission** under clause 4.5.1.

4.4 *Notification of energy reduction target shortfalls*

4.4.1 If the **Commission** determines that an **obliged retailer** in receipt of a notice issued under clause 4.2.1(b) in respect of a **REES year** has failed to achieve its **electricity energy reduction target** and/or **gas energy reduction target**, then the **Commission** may, at any time, notify the **obliged retailer** in writing of the amount of that shortfall.

4.4.2 Subject to clause 4.4.3, each **obliged retailer** in receipt of a shortfall notice issued by the **Commission** under clause 4.4.1 must cause sufficient **energy efficiency activities** to be undertaken in the **REES year** immediately following the **REES year** identified in the shortfall notice so as to make good that shortfall.

4.4.3 Where:

- (a) an **obliged retailer** is in receipt of a shortfall notice issued by the **Commission** under clause 4.4.1 and that notice states that the amount of the shortfall is more than 10 per cent of the relevant **energy reduction target**; and
- (b) the **obliged retailer** is not required to comply with the **Retailer Energy Efficiency Scheme** in the **REES year** immediately following the **REES year** which was the subject of the shortfall notice,

then the **obliged retailer** must make good the shortfall.

4.4.4 This clause 4.4 applies in respect of an **obliged retailer** in respect of a **REES year** notwithstanding that it will not be an **obliged retailer** in relation to any subsequent **REES year**.

4.5 *Notification of energy reduction target excess*

- 4.5.1 If the **Commission** determines that an **obliged retailer** in receipt of a notice issued under clause 4.2.1(b) in respect of a **REES year** has caused more **energy efficiency activities** to have been undertaken than would otherwise be necessary to achieve its **electricity energy reduction target** and/or **gas energy reduction target**, then the **Commission** may, at any time, notify the **obliged retailer** in writing of the amount of that excess.

5 RECORD KEEPING, REPORTING AND ASSURANCE

5.1 Compliance plans

- 5.1.1 By no later than 31 March in each **REES year**, each **obliged retailer** must submit to the **Commission** a compliance plan for the **REES year** in accordance with the requirements of this clause 5.1.
- 5.1.2 An annual compliance plan must be signed and dated by:
- (a) the Chief Executive Officer of the **obliged retailer**; or
 - (b) a person holding an equivalent position to Chief Executive Officer of the **obliged retailer**; or
 - (c) a person delegated to exercise the powers and functions of the **obliged retailer** at a level equivalent to that held by a Chief Executive Officer; or
 - (d) the person acting as Chief Executive Officer or equivalent position during an absence of the substantive officeholder.
- 5.1.3 A compliance plan must include at least the following matters:
- (a) a statement from the Chief Executive Officer (or other person as authorised under clause 5.1.2) of the **obliged retailer**:
 - (i) acknowledging the obligations and responsibilities of that **obliged retailer** under the **Retailer Energy Efficiency Scheme** and this Retailer Energy Efficiency Scheme Code;
 - (ii) acknowledging the consumer protection provisions under chapter 7, for the **REES year**, including assurance that all installers have completed the required training outlined in chapter 7 of this Retailer Energy Efficiency Scheme Code;
 - (iii) providing assurance as to the capacities, and systems and processes of the **obliged retailers** contractors and/or agents; and
 - (iv) identifying any REES related reviews or audits, undertaken or planned to be undertaken in the **REES year** by the **obliged retailer** of their own or contractors' and/or agents' systems and processes.
 - (b) information about the **obliged retailer's** complaint and dispute resolution procedures in relation to the **Retailer Energy Efficiency Scheme**, demonstrating that the procedures:
 - (i) are established in accordance with Australian Standard ISO 10002-2006; and
 - (ii) are readily accessible to any **customer** that has had an **energy audit** or **energy efficiency activity** undertaken in their **premises**;
 - (c) a description of the training provided to the **obliged retailer's** employees, contractors and/or agents in relation to the performance of **energy audits** and **energy efficiency activities**;
 - (d) a description of the systems and processes in place to ensure that persons undertaking activities in a **customer's premises**, where training requirements are identified in the specification for that activity (as gazetted by the

- Minister**), have fulfilled the mandatory training requirements outlined in chapter 7 of this Retailer Energy Efficiency Scheme Code;
- (e) a description of the systems and processes in place to ensure those persons undertaking an **energy audit** or **energy efficiency activity** in a **customer's premises** are fit and proper;
 - (f) a description of the **obliged retailer's** internal allocation of obligations and responsibilities under the **Retailer Energy Efficiency Scheme** and this Retailer Energy Efficiency Scheme Code for the **REES year**;
 - (g) a description of the resources, systems and processes which the **obliged retailer** intends to use to ensure that the **obliged retailer's** obligations and responsibilities under the **Retailer Energy Efficiency Scheme** and this Retailer Energy Efficiency Scheme Code will be met for the **REES year**;
 - (h) a template copy of the **information statement** and **activity record** in relation to **energy audits** and **energy efficiency activities** performed, as required by clause 5.2.1; and clause 7.1.2; and
 - (i) nomination of a senior officer of the **obliged retailer** to sign declarations relating to addresses errors and change of occupancy for reporting purposes.
- 5.1.4 An **obliged retailer** must advise the **Commission** in writing within 20 **business days** of any material changes to its compliance plan.
- 5.1.5 An **obliged retailer** must advise the **Commission** in writing within 20 **business days** of any compliance concerns raised through REES related internal reviews or audits undertaken in the **REES year** by the **obliged retailer** of their own or contractors' and/or agents' systems and processes.
- 5.1.6 An **obliged retailer** must provide to the **Commission** any additional information in relation to REES compliance matters as sought by the **Commission** from time to time.

5.2 Energy audit and energy efficiency activity records

- 5.2.1 An **obliged retailer** must collect and record the information specified in Schedule 3 in relation to each **energy audit** and **energy efficiency activity** at the time the activity is performed.

5.3 Record keeping obligations

- 5.3.1 All records maintained for the purpose of clause 5.2.1 must be:
- (a) kept within the possession or control of an **obliged retailer** for at least a period of 5 years following the expiry of Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012;
 - (b) kept readily accessible; and
 - (c) made available to the **Commission** or the **Energy and Water Ombudsman** upon request in a form required by the **Commission**.

5.4 Reporting obligations

- 5.4.1 An **obliged retailer** must report data in the format and manner specified by the **Commission**.
- 5.4.2 For the purposes of determining obligations and the setting of individual **obliged retailer** targets for a **REES year**, **energy retailers** must provide the **Commission** with

the statistical information outlined in Energy Industry Guideline No. 6 – Retailer Energy Efficiency Scheme Guideline – Statistical Information, no later than 31 August of the year preceding a **REES year**.

- 5.4.3 For the avoidance of doubt, the reporting requirements outlined in clause 5.4.2 apply to all **energy retailers** (including **NERL retailers**) and are not limited to **obliged retailers**.
- 5.4.4 For reported data to count towards a **REES year**, that data must be applied to a target and all applicable documentation relating to reported data must be provided to the **Commission** by the **obliged retailer** within 20 **business days** after the end of that **REES year**.

5.5 *Substance to prevail over legal form*

- 5.5.1 Data reported to the **Commission** must report the substance of transactions and events.
- 5.5.2 Where substance and legal form differ, the substance rather than the legal form of a transaction or event must be reported.
- 5.5.3 In determining the substance of a transaction or event, all its aspects and implications will be considered, including the expectations of, and motivations for, the transaction or event.
- 5.5.4 For the purposes of determining the substance of a transaction or event, a group or series of transactions or events that achieves, or is designed to achieve, an **energy audit** or an **energy efficiency activity** will be viewed in aggregate.

5.6 *Information provided must be verifiable*

- 5.6.1 **Obliged retailers** must maintain reporting arrangements which enable information provided to the **Commission** to be verified.

5.7 *Materiality*

- 5.7.1 All reports provided to the **Commission** by an **obliged retailer** must accurately set out all material matters.
- 5.7.2 The **Commission** will apply the following standard of **materiality**:
 - (a) an item is **material** if its omission, misstatement or non-disclosure has the potential to prejudice the understanding of the **energy audit** and **energy efficiency activities** undertaken by the **obliged retailer**;
 - (b) the **materiality** of an individual item, or aggregate of items, will depend upon both the size and nature of the omission, misstatement or non-disclosure having regard to the particular circumstances;
 - (c) the assessment of **materiality** shall consider qualitative as well as quantitative factors; and
 - (d) qualitative factors which impact on the **materiality** of an item, include:
 - (i) the significance of an item to the **Commission** in its administration of the **Retailer Energy Efficiency Scheme**;
 - (ii) the pervasiveness of a misstatement; and

- (iii) the effect of misstatement on other data reported by the **obliged retailer**.

5.8 *Quality assurance requirements*

- 5.8.1 The **Commission** may require an **obliged retailer** to:
 - (a) undertake an audit of its operations in relation to, and its compliance with its obligations under, the **Retailer Energy Efficiency Scheme**, in accordance with the requirements of Energy Industry Guideline No. 4 issued by the **Commission** (as amended from time to time);
 - (b) report to the **Commission** the results of audits conducted for the purpose of this clause 5.8.1, in a manner approved by the **Commission**; and
 - (c) use an independent expert approved by the **Commission** to conduct audits under this clause 5.8.1.
- 5.8.2 When independent assurance is required by the **Commission** for the purposes of this clause 5.8, it must be consistent with the requirements of Energy Industry Guideline No. 4 - Compliance Systems and Reporting.

5.9 *Field Audits*

- 5.9.1 From time to time, the **Commission** may require an **obliged retailer** to conduct field audits for **energy efficiency activities** and **energy audits** it conducted in order to meet the **obliged retailer's** obligations.
- 5.9.2 The **Commission** will notify the **obliged retailer** in writing of this requirement and advise the **obliged retailer** the specifications of the field audit, the number of audits to be conducted and the timeframe for completion (which is to be no less than 28 days).

6 ASSESSMENT OF PERFORMANCE

6.1 Commission assessment of quarterly achievement

- 6.1.1 For a quarter other than a quarter ending on 31 December (quarters January to March, April to June or July to September), the **Commission** will, based on the information then available to it:
- (a) assess the extent to which the **energy audits** reported in that quarter contribute towards the satisfaction of the **obliged retailer's energy audit target**; and
 - (b) assess the extent to which the **energy efficiency activities** reported in that quarter contribute towards the satisfaction of the **obliged retailer's energy reduction targets**.
- 6.1.2 The **Commission** will advise the **obliged retailer** in writing of the **Commission's** assessments under clause 6.1.1 within 10 **business days** of the assessments being made.
- 6.1.3 An assessment under this clause 6.1 does not constitute a determination of a **Retailer Energy Efficiency Scheme** annual target achievement for the purposes of this Retailer Energy Efficiency Scheme Code.

6.2 Commission determination of annual target achievement

- 6.2.1 For each **REES year** ending 31 December, the **Commission** will, based on the information then available to it:
- (a) determine the extent to which the **energy audits** reported in that **REES year** contribute towards the satisfaction of the **obliged retailer's energy audit target**;
 - (b) determine the extent to which the **energy efficiency activities** reported in that **REES year** contribute towards the satisfaction of the **obliged retailer's energy reduction target/s**; and
 - (c) determine whether the **obliged retailer** has satisfied its **energy audit target** or **energy reduction target/s** (as the case may be) for that **REES year**.
- 6.2.2 The **Commission** will advise the **obliged retailer** in writing of the **Commission's** determinations under clause 6.2.1 within 10 **business days** of the determinations being made.

6.3 Information subsequent

- 6.3.1 Where the **Commission** becomes aware of information which demonstrates (to the **Commission's** satisfaction) that a determination made under clause 6.2 is incorrect, then the **Commission** may re-determine that matter and will advise the **obliged retailer** of its new determination within 10 **business days** of that new determination being made.

6.4 Shortfalls and excesses

- 6.4.1 Where the **Commission's** determination is that an **obliged retailer** has failed to meet an **energy audit target** or an **energy reduction target**, the **Commission** will issue a shortfall notice under clause 3.4 or clause 4.4 (as the case may be).

- 6.4.2 Where the **Commission's** determination is that an **obliged retailer** has exceeded an **energy audit target** or an **energy reduction target**, the **Commission** will issue an excess notice under clause 3.5 or clause 4.5 (as the case may be).

6.5 *Energy audit credit*

- 6.5.1 If an **obliged retailer** accrues an **energy credit** in relation to **energy audits** undertaken during the **REES year**, the **Commission** will take the **energy credit** into account in its determination of whether or not the **obliged retailer** has met its **energy audit targets** in any subsequent year where the **energy credit** is applied by the **obliged retailer**.

6.6 *Energy efficiency activity credit*

- 6.6.1 If an **obliged retailer** accrues an **energy credit** in relation to **energy efficiency activities** undertaken during a **REES year**, the **Commission** will take the **energy credit** into account in its determination of whether or not the **obliged retailer** has met its **energy reduction targets** in any subsequent year where the **energy credit** is applied by the **obliged retailer**.

7 CONSUMER PROTECTION OBLIGATIONS

7.1 Information provision

- 7.1.1 Where an **energy audit** or **energy efficiency activity** has been performed at a **premises**, a written **information statement**, containing the matters required under clause 7.1.2, must be provided to the **customer** at the time activity is performed.
- 7.1.2 An **information statement** must set out:
- (a) the name and contact details of the person or entity which performed the **energy audit** or **energy efficiency activity**;
 - (b) a description of the **energy audit** and/or **energy efficiency activity** undertaken at the **premises**;
 - (c) a notice that the **energy audit** or **energy efficiency activity** is intended to be counted in satisfaction of an **obliged retailer's** obligations under the **Retailer Energy Efficiency Scheme**; and
 - (d) the manner in which the **customer** may access the dispute resolution processes required under clause 7.2.1 in relation to the **energy audit** or **energy efficiency activity** and relevant contact details for those processes.
- 7.1.3 For the avoidance of doubt clauses 7.1.1 and 7.1.2 apply to **energy audits** or to **energy efficiency activities** that require installation at a **premises**.

7.2 Complaints

- 7.2.1 An **obliged retailer** must ensure that a **customer** has access to complaint handling and dispute resolution procedures established in accordance with AS ISO 10002-2006 for any complaints in relation to an **energy audit** or **energy efficiency activity** undertaken at a **premises** arising under the **Retailer Energy Efficiency Scheme** or this Retailer Energy Efficiency Scheme Code.

7.3 Identification

- 7.3.1 An **obliged retailer** must ensure that each person conducting an **energy audit** or **energy efficiency activity** at a **customer's premises** for the purposes of the **Retailer Energy Efficiency Scheme** wears an identification badge containing:
- (a) the person's full name;
 - (b) a photograph of the person;
 - (c) the full name of the company that they are representing (including ABN); and
 - (d) a contact telephone number of the company that they are representing.

7.4 General conduct standards

- 7.4.1 An **obliged retailer** must ensure a person conducting an **energy audit** or **energy efficiency activity** at a **customer's premises** for the purposes of the **Retailer Energy Efficiency Scheme** complies with the following minimum standards of conduct:
- (a) all applicable Commonwealth and State laws must be complied with;
 - (b) the **customer** must be advised as to the purpose of the contact;

- (c) there must be no misleading, deceptive or unconscionable conduct, whether by act or omission;
- (d) undue pressure must not be exerted on the **customer**, and that the **customer** must not be harassed or coerced;
- (e) information provided to **customers** must be truthful and in plain language; and
- (f) the person must leave the **premises** immediately when asked.

7.5 *Mandatory safety requirements*

- 7.5.1 By no later than 31 March of each REES year, an **obliged retailer** must ensure that all persons conducting **energy audits** or **energy efficiency activities** on behalf of that **obliged retailer** at a **premises** have undertaken all necessary training (including, without limitation, occupational health, safety and welfare training) to provide those **energy audits** or **energy efficiency activities** in accordance with the specifications of this Retailer Energy Efficiency Scheme Code and other legislative requirements.
- 7.5.2 At the request of the **Commission**, an **obliged retailer** must provide evidence (in the manner and form specified by the **Commission**) of the matters specified under clause 7.5.1.

7.6 *Fit and proper person test*

- 7.6.1 An **obliged retailer** must:
 - (a) ensure that an assessment is made of the fitness and propriety of each person conducting an **energy audit** or **energy efficiency activity** at a **customer's premises** on the behalf of the **obliged retailer**; and
 - (b) be satisfied that the person is a fit and proper person to conduct **energy audits** or **energy efficiency activities** in **customers' premises**.
- 7.6.2 At the **Commission's** request, an **obliged retailer** must supply evidence in relation to the obligations imposed under clause 7.6.1.

7.7 *Provision of general information about the Retailer Energy Efficiency Scheme*

- 7.7.1 When contacted by a **customer**, an **obliged retailer** shall provide general information about the **Retailer Energy Efficiency Scheme**. The minimum information to be provided includes:
 - (a) that the retailer is an **obliged retailer** for the purposes of the **Retailer Energy Efficiency Scheme**;
 - (b) advice on the particular **energy efficiency activities** and **energy audits** that the retailer provides; and
 - (c) an offer to take bookings to have the **energy efficiency activity** and/or **energy audit** performed at the **customer's premises**, and if so, assist the customer in that regard.
- 7.7.2 In meeting the requirements of 7.7.1, the **Commission** considers it appropriate for the call centre operator to transfer the caller to a nominated contact officer, or provide the caller with the telephone number of a nominated contact officer (or contractor) to address the caller's questions on behalf of the **obliged retailer**.

8 TRANSITIONAL ARRANGEMENTS

8.1 *Conversion of energy credits and shortfalls*

- 8.1.1 If an **obliged retailer** has accrued an unused **energy credit**, expressed in tonnes of carbon dioxide equivalent, in relation to **energy efficiency activities** undertaken during a **REES year**, the **Commission** will convert that **energy credit** into an amount of energy taken to have been saved by that **obliged retailer**.
- 8.1.2 Where the **Commission's** 2014 determination is that an **obliged retailer** has failed to meet a **greenhouse gas reduction target**, then the **Commission** will convert that shortfall into an amount of energy and that **obliged retailer** must cause sufficient **energy efficiency activities** to be undertaken in the **REES year** immediately following so as to make good that shortfall.
- 8.1.3 The **Commission** will determine and publish the manner in which **energy credits** and shortfalls accrued by **obliged retailers** before 1 January 2015 and expressed in tonnes of carbon dioxide equivalent will be converted into **energy credits** and shortfalls expressed as an amount of energy taken to have been saved by the **obliged retailer**.

8.2 *Cut-off date for reporting of energy efficiency activities and energy audits in tonnes of carbon dioxide equivalent*

- 8.2.1 The **Commission** will designate, by notice in the South Australian Government Gazette, a day by which **obliged retailers** must report to the **Commission**, **energy efficiency activities** and **energy audits** undertaken prior to 1 January 2015.
- 8.2.2 **Energy efficiency activities** undertaken prior to 1 January 2015 must be reported prior to the designated cut-off date referred to in clause 8.2.1 and must be reported in tonnes of carbon dioxide equivalent.

8.3 *2014 reporting provisions*

- 8.3.1 For the purposes of finalisation of reporting for the 2014 **REES year**, sections 5.4 and 5.5 of the Residential Energy Efficiency Scheme Code - version 7 (REESC/07), will remain in force until 31 March 2015.

SCHEDULE 1. DEFINITIONS

In this Retailer Energy Efficiency Scheme Code:

activity record refers to the document under which the information as required under clause 5.2.1 and Schedule 3 is collected and recorded.

AEMO means the Australian Energy Market Operator [ABN 94 072 010 327].

annual energy audit target for a **REES year** means the number determined by the **Minister** for the purposes of Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012.

annual energy reduction target for a **REES year** means the value determined by the **Minister** for the purposes of Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012.

business day means a day that is not a Saturday, a Sunday or a public holiday in the State of South Australia.

Commission means the Essential Services Commission of South Australia established under the Essential Services Commission Act 2002 (SA).

competent person has the meaning given to that term in the minimum specification published by the **Minister** for the purposes of Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012.

customer is a person or business receiving an **energy efficiency activity** or **energy audit** for the purposes of the **Retailer Energy Efficiency Scheme**.

designated energy purchases are designated electricity purchases as defined in s22(4) of the Electricity (General) Regulations 2012 and designated gas purchases as defined in s16(4) of the Gas Regulations 2012.

distributor means a holder of a licence authorising the operation of a distribution network under Part 3 of the Electricity Act 1996 or the Gas Act 1997 (as the case may be).

electricity licence means a licence authorising the sale of electricity, issued under Part 3 of the Electricity Act 1996 (SA), or a retailer authorisation issued under Part 5 of the **National Energy Retail Law** for the sale of electricity.

electricity energy audit target is the proportion of the **annual energy audit target** which is applicable to an **electricity retailer** in relation to a **REES year** in accordance with Part 4 of the Electricity (General) Regulations 2012 as notified to the **electricity retailer** from time to time in accordance with chapter 3 of this Retailer Energy Efficiency Scheme Code.

electricity energy reduction target is the proportion of the **annual energy reduction target** which is applicable to an **electricity retailer** in relation to a **REES year** in accordance with Part 4 of the Electricity (General) Regulations 2012 as notified to the **electricity retailer** from time to time in accordance with chapter 4 of this Retailer Energy Efficiency Scheme Code.

electricity retailer means the holder of a licence authorising the retailing of electricity, issued pursuant to Part 3 of the Electricity Act 1996 (SA), or a **NERL retailer** authorised to sell electricity,

which is bound by the provisions of Part 4 of the Electricity (General) Regulations 2012 in respect of a **REES year**.

energy audit means an audit of a **priority group household** undertaken by an **energy retailer** in accordance with guidelines published by the **Minister** for the purposes of Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012.

energy audit target means either or both of (as the case may be) an **electricity energy audit target** and **gas energy audit target**.

energy credit has the meaning given to that term in Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012.

energy efficiency activity means an activity specified in the specifications gazetted by the **Minister** from time to time.

energy reduction target means either or both of (as the case may be) an **electricity energy reduction target** and a **gas energy reduction target**.

energy retail licence means an **electricity licence** or **gas licence**.

energy retailer means either or both of (as the case may be) an **electricity retailer** and a **gas retailer**.

Energy and Water Ombudsman means the Ombudsman appointed under the scheme approved by the **Commission** in accordance with the requirements of the Electricity Act 1996 (SA) and Gas Act 1997 (SA).

gas licence means a licence authorising the sale and **supply** of gas, issued under Part 3 of the Gas Act 1997 (SA), or a retailer authorisation issued under Part 5 of the **National Energy Retail Law** for the sale of gas.

gas energy audit target is the proportion of the **annual energy audit target** which is applicable to a **gas retailer** in relation to a **REES year** in accordance with Part 4 of the Gas Regulations 2012 as notified to the **gas retailer** from time to time in accordance with chapter 3 of this Retailer Energy Efficiency Scheme Code.

gas energy reduction target is the proportion of the **annual energy reduction target** which is applicable to a **gas retailer** in relation to a **REES year** in accordance with Part 4 of the Gas Regulations 2012 as notified to the **gas retailer** from time to time in accordance with chapter 4 of this Retailer Energy Efficiency Scheme Code.

gas retailer means the holder of a licence authorising the retailing of gas, issued pursuant to Part 3 of the Gas Act 1997 (SA), or a **NERL retailer** authorised to sell gas, which is bound by the provisions of Part 4 of the Gas Regulations 2012 in respect of a **REES year**.

hardship program customer has the meaning given to that term in clause 1.7.1.

information statement has the meaning given to that term under clause 7.1.1.

materiality has the meaning given to that term in clause 5.7 and **material** has a corresponding meaning.

Minister means the **Minister** responsible for the administration of the Electricity Act 1996 (SA) and/or the Gas Act 1997 (SA).

National Energy Retail Law means the Schedule to the National Energy Retail Law (South Australia) Act 2011.

NERL retailer has the meaning given to that term in the Electricity Act 1996 and Gas Act 1997, being the holder of a retailer authorisation under the **National Energy Retail Law** or an exempt seller within the meaning of the **National Energy Retail Law**.

obligation threshold is the threshold number as set by the **Minister** of **residential customers**, or electricity or gas purchases which an **energy retailer** must have before any obligations under the **Retailer Energy Efficiency Scheme** arise.

obliged retailer is an **energy retailer** with an obligation to meet one or more targets in a **REES year**.

premises is the residence or place of business of a **customer** receiving an **energy audit** or **energy efficiency activities** where installation is required.

primary obligation threshold is the **obligation threshold** of residential customer numbers set by the **Minister**.

primary obliged retailer refers to an **energy retailer** which has residential customer numbers equalling or exceeding the **primary obligation threshold** as at 30 June immediately prior to the commencement of a **REES year**. A **primary obliged retailer** will be set an **energy reduction target**, a **priority group energy reduction target** and an **energy audit target**.

priority group energy reduction target means a target as determined under Part 4 of the Electricity (General) Regulation 2012 and Part 4 of the Gas Regulations 2012 (as the case may be).

priority group household has the meaning given to that term in Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012 and includes **residential premises** in which a person resides who is a **hardship program customer**.

REES Retailer File Validation System (REES-R) is the IT system developed by the **Commission** for the purposes of reporting and validation of **energy efficiency activities** and **energy audits** undertaken.

REES year means each consecutive twelve-month period 1 January to 31 December, commencing on 1 January 2009.

residential customer means a natural person who is a **small customer** and purchases, or proposes to purchase, energy primarily for domestic purposes.

Retailer Energy Efficiency Scheme means the scheme of that name established by the combined operation of the provisions of Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012.

secondary obligation threshold is the **obligation threshold** of electricity and/or gas purchases set by the **Minister**

secondary obliged retailer refers to **gas** or **electricity retailers**, which are not **primary obliged retailers**, that purchase, in the year immediately prior to the commencement of a **REES year**, an

amount of electricity or gas equalling or exceeding a **secondary obligation threshold** for on-selling to South Australian customers. A **secondary obliged retailer** is set an **energy reduction target**.

small customer has the meaning given to that term in the Electricity Act 1996 or the Gas Act 1997 (as the case may be), or on commencement of the National Energy Retail Law (South Australia) Act 2011 in South Australia, the meaning given to that term under section 5 of the **National Energy Retail Law**.

submitted data refers to data accepted by the **obliged retailer** in the **REES File Validation System (REES-R)** for the application to a target/s in a **REES year**.

supply means the physical delivery of electricity or gas.

SCHEDULE 2. INTERPRETATION

In this Retailer Energy Efficiency Scheme Code, unless the context otherwise requires:

1. Headings and footnotes are for convenience or information only and do not affect the interpretation of this industry code or of any term or condition set out in this industry code.
2. Words importing the singular include the plural and vice versa.
3. An expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency and vice versa.
4. A reference to a clause or appendix is to a clause or appendix of this industry code.
5. A reference to any statute includes all statutes varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, ordinances, by-laws and determinations issued under that statute.
6. A reference to a document or a provision of a document includes an amendment or supplement to, or replacement of or novation of, that document or that provision of that document.
7. A reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns.
8. Other parts of speech and grammatical forms of a word or phrase defined in this industry code have a corresponding meaning.

SCHEDULE 3. REES ACTIVITY RECORDS

In accordance with clause 5.2 of the Retailer Energy Efficiency Scheme Code an **obliged retailer** must collect and record information specified in this Schedule 3 in relation to each **energy audit** and **energy efficiency activity** at the time the activity is performed. This information must be collected in addition to any information specified in the individual **energy audit** and **energy efficiency activity** specifications as gazetted by the **Minister** and published on the **Commission's** website.

General (excluding High Efficiency Appliances – where details should be collected if available)

- Transaction Id
- Installer Company Name
- Occupational Licence Number (where applicable)
- ABN (where applicable)
- Certificate of Compliance Number (where applicable)
- Transaction Date
- Customer Details, including:
 - first name and surname (or business name)
 - address
 - telephone number (if consent received from customer) and
 - email address (optional)
- Concession Type (if applicable)
- Household Type (owner occupied, private rental, public rental)
- A signed statement from the installer certifying that the **energy efficiency activities** and/or **energy audits** have been undertaken in accordance with the minimum requirements of REES
- A signed statement from the customer certifying that the **energy efficiency activities** and/or **energy audits** have been undertaken in the **customer's premises** and that a copy of the REES information statement has been left with the customer

High Efficiency Appliances

- Transaction Id
- Installer Company Name
- Transaction Date

Aggregate Metered Baseline Activities

Information must be collected and recorded per the Aggregate Metered Baseline activity specification (as Gazetted) and as specified separately by the **Commission**.

Energy Audits

- Auditor Id
- Audit Type (in home, interview, phone)

Energy Efficiency Activities

Details collected under this section should relate to the minimum specification of the **energy efficiency activity** undertaken. **Obligated retailers** should ensure that sufficient records are collected for reporting and audit purposes. Information collected must include at least the following:

- **Energy Efficiency Activity** (individual unit (type))
- Total units installed/supplied

In relation to Standby Power Controller (SPC activities):

- An additional signed statement from the householder and installer certifying that in relation to Standby Power Controller (SPC) activities:
 - If the SPC(s) does not have an inbuilt surge protection and is replacing a powerboard which did, then the resident has been advised specifically of this reduction in the level of protection.
 - The SPC has a minimum warranty period which has been stated to the resident.
 - The householder has been provided with adequate instruction on the working of the SPC(s), and provided with printed instructions including a helpline number.



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