

Via email: escosa@escosa.sa.gov.au.

10 December 2013

Essential Services Commission of South Australia
GPO Box 2605
Adelaide SA 5001

Re: Clean Energy Council (CEC) Submission the REES Code Proposed Amendments 2013

The Clean Energy Council welcomes the opportunity to participate in the consultation process for the REES Code Proposed Amendments 2013.

The Clean Energy Council works with around 600 solar, wind, energy efficiency, energy storage, bioenergy, hydro, cogeneration, geothermal and marine energy businesses to accelerate the transformation of Australia's energy system into one that is smarter, cleaner and more consumer-focused.

In an era of rising energy prices the Residential Energy Efficiency Code (REES) is fundamental to delivering energy savings and reducing the pressure on household budgets through efficient energy use. Many homes have benefited from REES and continual improvement is paramount to assist households to overcome the barriers that exist in the energy efficiency market to save energy and put downward pressure on bills. To date, the scheme has been a success, achieving an emissions abatement of around 657,000 tonnes over the life of the materials installed. Furthermore, the REES has provided 166,819 South Australian homes with energy efficiency installations and audits, delivering roughly \$4.66 of private benefit for every \$1.00 of REES expenditure.¹

As stated in the *Evaluation of the South Australian Energy Efficiency Scheme* (the Final Report), most households (particularly low-income households), said that they would have been unlikely to purchase energy efficiency appliances independently of participating in the REES. Furthermore, many households indicated their experience with REES had led them to pursue other energy saving activities, leading to a positive 'multiplier' effect.

Standby Power Controllers

Standby Power Controllers (SPCs) have been shown in other State-based energy saving schemes to provide significant power savings where correctly installed, and where the installed units are of a quality such that de-installation rates are minimised. The inclusion of low cost energy saving activities such as SPCs in the scheme provides greater accessibility to householders and particularly low income householders.

¹ [pitt&sherry](#), *Evaluation of the South Australian Energy Efficiency Scheme*, 20 May 2013

The proposal to allow for more than one standby power controller (SPC) activity to be undertaken where the occupant has changed has merit. The CEC agrees that householders are likely to consider SPCs as their property taking it with them when moving house thus disadvantaging new occupiers of the premises. Amending the REES code to allow for multiple installations of SPCs where it can be verified there has been a change in occupancy using the process similar to that for change of occupants in relation to energy audits will ensure the verification of change of occupancy is robust without adding too much unnecessary red tape to the compliance process.

Any amendments to deeming values for SPCs should ensure the deeming values appropriately differentiate between basic and advanced SPCs on a consistent basis. This will permit SPCs that meet additional specifications in the Code to be appropriately valued for their increased abatement achievement.

Efficient Extra Voltage Down Lights to allow lamp retrofits

The proposal to amend the Install Efficient Extra Low Voltage Down Lights to allow lamp retrofits approved by the Commission has merit. Replacement of incandescent lighting (including halogen lights) with light emitting diode (LED) lights rather than compact fluorescent lamps (CFLs) leads to superior outcomes, both in terms of energy saving and consumer acceptance. Many householders will not accept CFLs, even at no cost, because of perceived poor lighting performance. However, LED replacements are significantly more expensive and an electrician is required for complete lamp and driver installation which has resulted in the activity not occurring under REES to date.

However incompatibilities between LED lamp-only retrofits and the existing installed driver and installed dimmer must be addressed to ensure the retrofitted LED lamp is safe, effective and strobing is absent. The Essential Services Commission in Victoria (ESCV) has implemented regulatory measures to ensure only higher performing LEDs can be installed. Utilising the existing approval requirements but adding in the ability to approve LED lights itself, provides the Commission with flexibility whilst still maintaining sufficient control to ensure compatibility issues are mitigated.

The CEC would suggest that the Commission leverage the work of the ESCV. The ESCV has set quite stringent requirements for approval of LED products under Schedules 21A-D. Detailed evidence of compliance with strict international standards is required. These requirements are at least as strict as the requirements of the Lighting Council of Australia SSL scheme. When acting within the proposed Specification 6, the Commission should not restrict itself to accepting ESCV approval only for products under Schedule 21C, but could also accept LED products approved by the ESCV under the other relevant sections of Schedule 21.

The Code's new specification which requires the installer to reinstall the original lamp or replace any components of the light fitting that are causing the replaced lamp not to operate, is a way of overcoming the inability to predict if there will be any incompatibility issues between the LED lamp and driver and dimmer until installation. It goes without saying that any electrical works are carried out only by a qualified electrician.

Closing

The CEC welcomes the Commission's commitment to liaise with retailers during the implementation of the Code given the short timeframe to apply the changes.

The CEC would also like to reiterate its support for the existing state based schemes and for the implementation of a national Energy Savings Initiative. Discontinuation of the state based schemes would highlight the ongoing energy policy uncertainty that makes long-term investment in the energy efficiency industry increasingly difficult and Australia's growing sovereign risk problem. Stable and sound policy-making is needed to maintain an environment where businesses have a high degree of certainty that their investments will not be subject to inconsistent government decision-making.

Please do not hesitate to contact Senior Policy Advisor Felicity Sands on (03) 9929 4100 or via email fsands@cleanenergycouncil.org.au for any queries regarding this submission.

Yours sincerely

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