



**Energy Saver Plus Pty Ltd**

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To Whom It May Concern:

Re: Proposed Changes to VEU Space and Water Heating Activities

Energy Saver Plus would like to express our support for the proposed modifications to the VEU program's space and water heating activities. We appreciate the opportunity to provide feedback on this matter. We have identified several concerns and challenges related to the current regulations. These challenges are explained below

**GEMS Register Migration**

During the Water Heating and Space Heating/Cooling Workshop held on April 17, 2023, it was brought to our attention that the commission does not intend to merge the GEMS register with the VEU register for Activity 6. Instead, each product must undergo an individual application process. With the commission's plan to alter the fee structure for product approvals, we strongly believe that failing to integrate the two registries is a significant oversight.

Manufacturers consistently introduce new heating and cooling products to the Australian market. These products may be entirely new or updated versions of existing products, but all must be registered on GEMS with updated model numbers.

Energy Saver Plus contends that the decision not to merge the two registers could lead to several adverse outcomes:

1. Limited customer choice: By not merging the GEMS and VEU registers, we believe that the number of available products will decrease, as reputable manufacturers may be discouraged from participating in the program due to the proposed registration costs (\$500 - \$766 per product). This reduced product variety could ultimately impact customer satisfaction.
2. Encouraging low-quality products: In the past, the VEU program has permitted some manufacturers to import or produce inexpensive, low-quality products to maximize their Victorian Energy Efficiency Certificates (VEECs) creation and profit. Failing to merge the



GEMS and VEU registers may incentivise only profit-driven manufacturers to participate, at the expense of providing high-quality products.

3. Impact on complex upgrades: As the VEU program shifts its focus toward more intricate upgrades, such as heating, cooling, and water heating systems, customer choice becomes increasingly essential. Limiting customer choice could undermine this objective and jeopardize the program's overall success.

4. Additional administrative burden for the commission: The VEU program currently faces an approximately \$11 million shortfall in fees compared to the cost of program administration. Enhancing efficiency within the commission could help address this issue. Creating more administrative work by approving individual products, rather than maintaining a regularly updated, merged registry, seems counterproductive. When questioned about the commission's capacity to manage a large influx of heating/cooling product approvals it was noted that the commission may have to engage extra recourses.

In light of these concerns, Energy Saver Plus implores the department to reevaluate the decision not to merge the two registries, as they may have unintended consequences that negatively affect the program's integrity. We emphasise the importance of ensuring customer choice and access to high-quality products while fostering a competitive market that encourages reputable and established manufacturers to participate.

### **Waste management record keeping for space heating/cooling**

The current regulations lack a precise definition of waste, leaving ambiguity around whether this encompasses materials such as cardboard, polystyrene, and so on.

Maintaining records of

the disposal of materials like packaging is highly impractical and challenging.

Numerous scenarios

render the documentation of waste disposal, particularly for packaging materials, unfeasible, including:

- Construction or renovation sites where multiple trades are operating within a single area.
  - Instances where the customer has independently procured the air-conditioning unit before installation.
  - Remote or rural locations: In areas with limited access to waste disposal facilities or recycling centers, tracking and documenting waste disposal may be logistically challenging.
  - Shared or communal living spaces: In apartment complexes or other shared living situations, waste disposal might be managed collectively, making it difficult to specifically document the disposal of materials from a single installation.



- Time constraints: In cases where the installation team is under strict time limitations, it may not be practical to allocate resources to meticulously document waste disposal.
- Insufficient storage space: Some installation sites may lack sufficient space to store waste materials temporarily, making it difficult to keep track of the waste generated during installation.
- Language barriers: In situations where the homeowner has limited proficiency in the local language, communication challenges may impede the proper documentation of waste disposal.

***Photographic evidence relating to space heating and cooling regulations ‘the removed product located next to the surface to which it was previously attached showing the condition of the surface following completion of the upgrade (where the existing product is removed)’***

We respectfully disagree with this requirement for photographic evidence as outlined in the current guidelines. The stipulations are exceedingly ambiguous regarding the specific nature of the photo documentation that the ESC necessitates. During the forum held on April 17th, 2023, it was mentioned that the purpose of this photographic evidence might be to verify that repair work had been performed at the site of the previous system installation. It is disconcerting that forum participants were unable to provide a clear explanation of this requirement.

Incorporating this type of evidence as a prerequisite leaves ample room for varied interpretations. Conversations with air conditioning installation professionals reveal that it is standard practice to leave installation sites safe and free from any significant openings in walls that could permit the entry of weather, rodents, or other hazards. Nonetheless, they typically do not undertake plastering, painting, or other tasks that may be required in the future, as these remain the homeowner's responsibility.

Many customers would be reluctant to have an air conditioning installer, who may lack the necessary qualifications, perform the repair work. This stipulation is highly impractical and unattainable, warranting careful reconsideration and critique. If left unaddressed, it may have detrimental consequences for the adoption of this initiative.

Yours faithfully

Mr. Dean Logue  
Director

Dr. Robert Logue  
Director