



Victorian Energy Upgrades Forum

8 December 2022

Version 2 as at 13/01/2023 – updated with hyperlinks



**Victorian
Energy
Upgrades**



Important information

During our session please:



Keep your microphone on mute when not speaking



Type questions into the chat



Raise your hand to ask a question in Q&A



Complete our feedback survey



This session will be recorded and published on our website



Welcome

Kate Symons

Commissioner and Chairperson

Essential Services Commission

Agenda

Time	Item	Presenter
10:00	Welcome	Kate Symons, Commissioner and Chairperson, Essential Services Commission
10:05	Program update and market insights	Gabrielle Henry, Executive Director, VEU, Essential Services Commission
10:20	Australia's telemarketing laws and the Victorian Energy Upgrades Program	Jeremy Fenton, Executive Manager Consumer, Consent & Numbers Branch, Australian Communications and Media Authority
10:30	Q+A session	Panel
10:50	VEET Amendment Act 2022	Lashae Roulston, Director, Energy Demand and Efficiency Policy Department of Environment, Land, Water and Planning
11.05	Q+A session	Panel
11.25	Closing remarks	Gabrielle Henry, Executive Director, VEU, Essential Services Commission
11.30	Close	



Program update and market insights

Gabrielle Henry
Executive Director VEU
Essential Services Commission

Program achievements 2021 vs 2022 (to date)

2021

2022

657,443

758,243

Total upgrades



633,346

695,517

Residential



24,097

62,726

Non-residential



2021

2022

7,512,776

7,471,266

Certificates registered



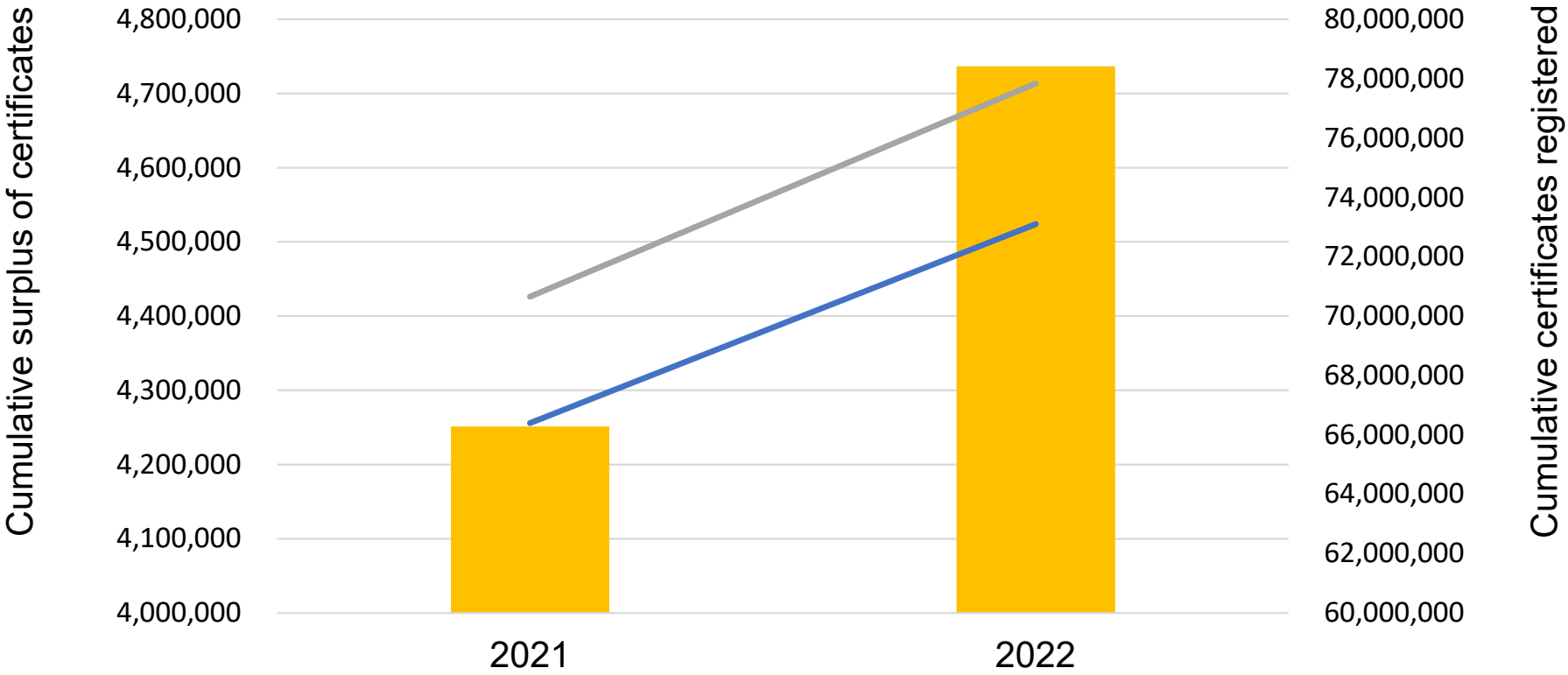
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New Accredited Persons

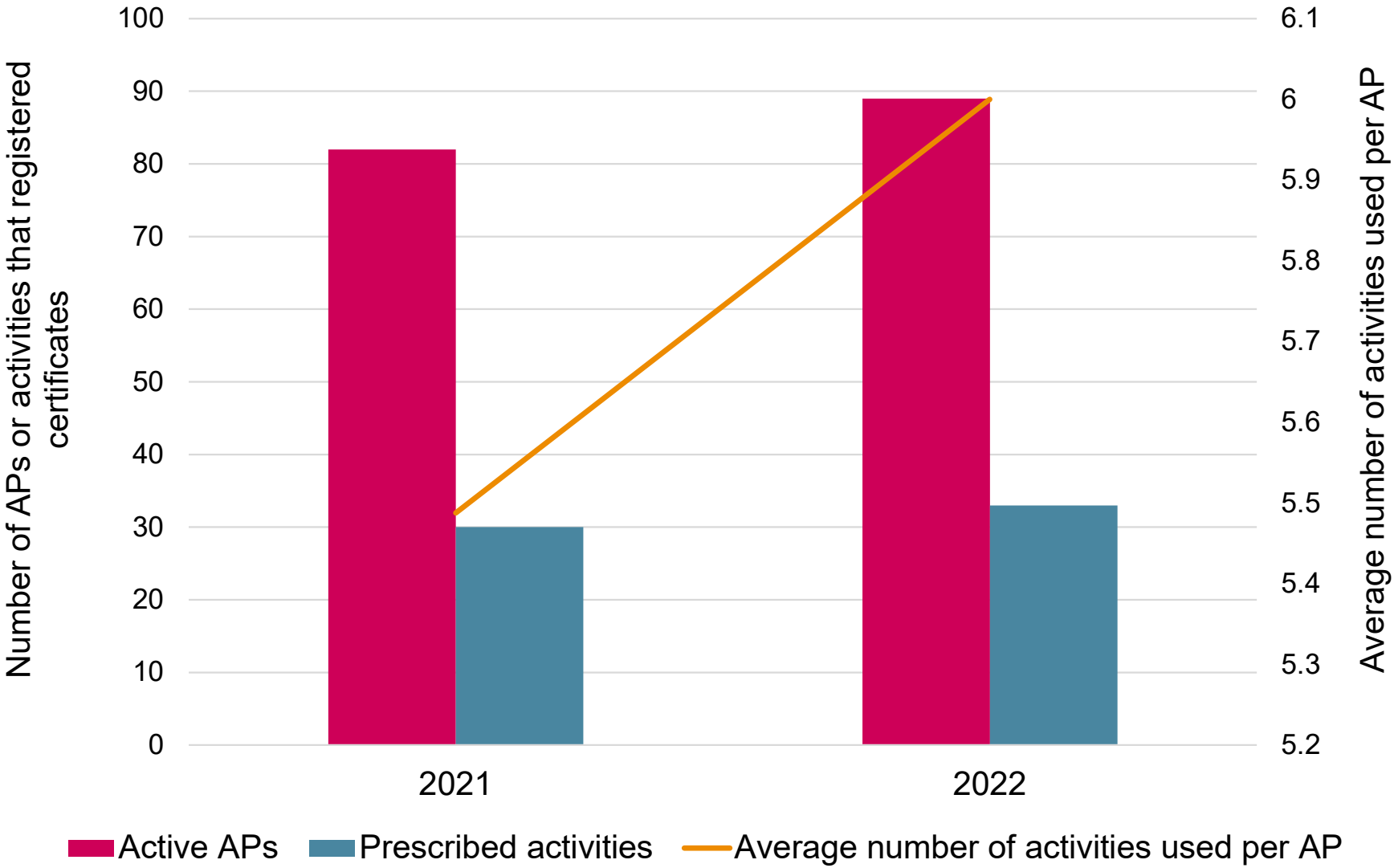


Surplus of certificates keeps growing



- Cumulative surplus of registered certificates
- Cumulative registered certificates
- Cumulative certificate target

Source of certificates keeps expanding



Program accreditation

Average number of days to approve accreditation applications improved by **45%** in 2022 compared to 2021

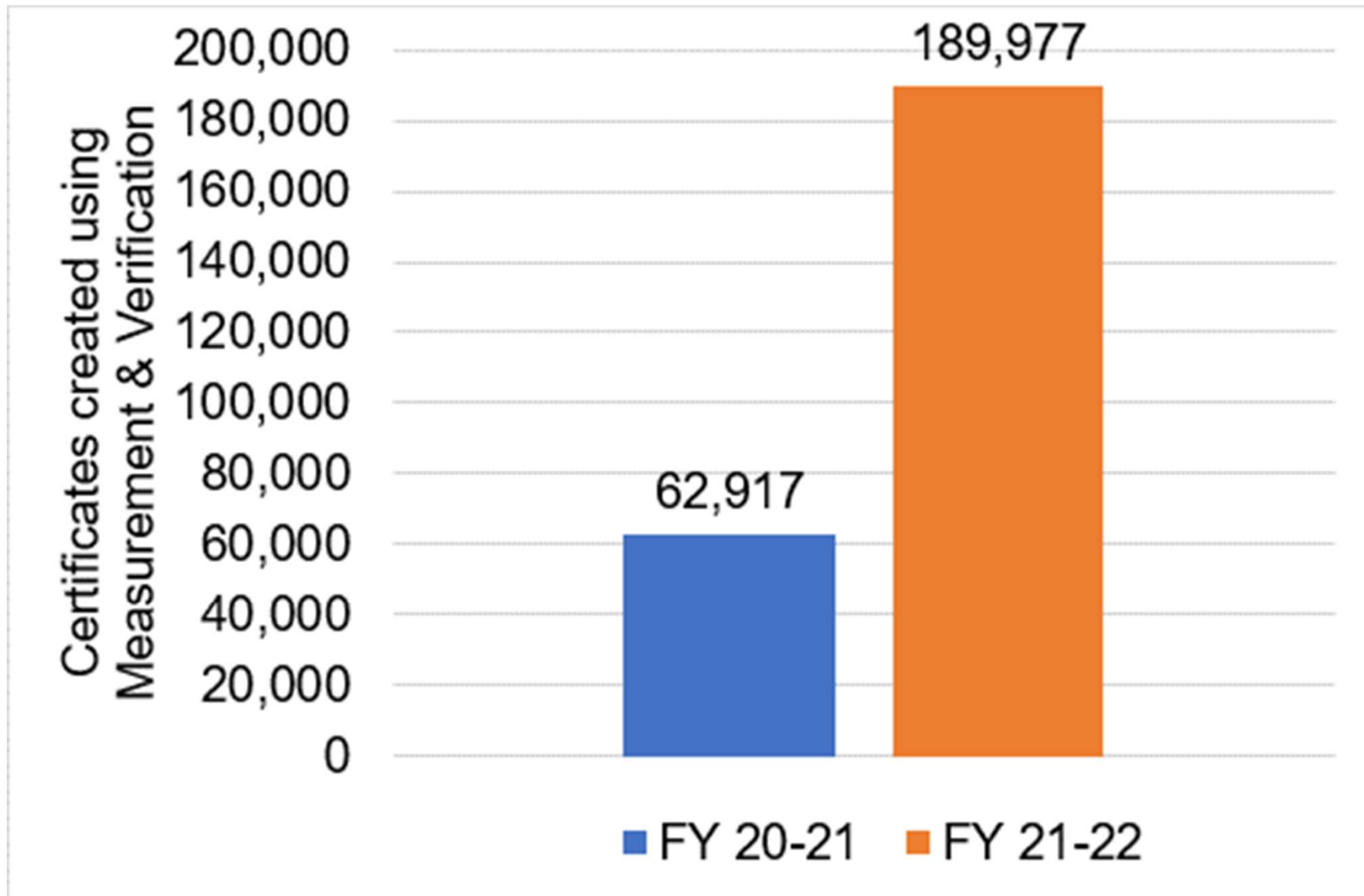
Applications approved in 2022 (so far)

- 24 new accreditations
- 81 additional activities
- 2 Project-based activities accreditations

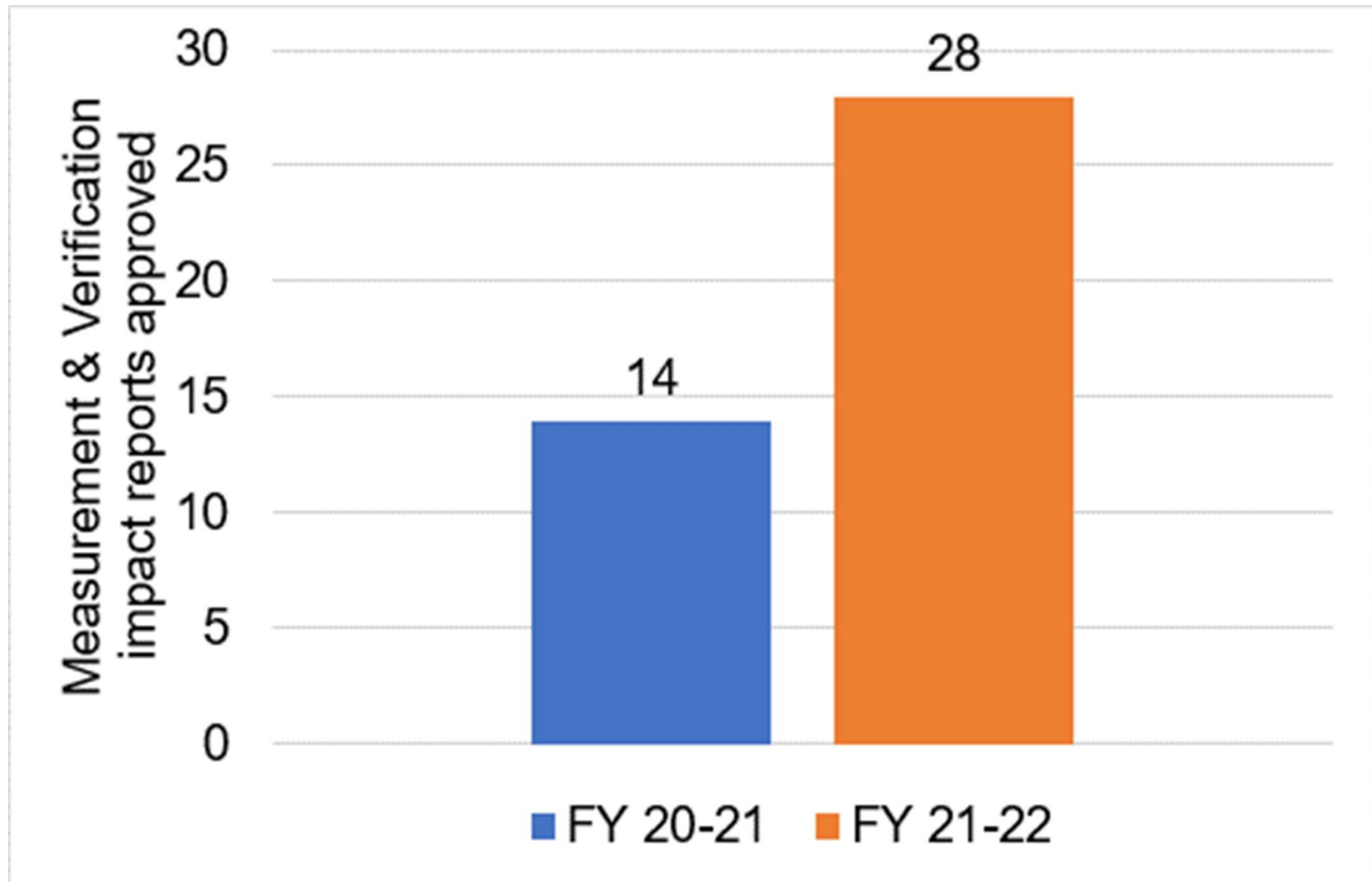
Applications currently in the queue

- 14 accreditations
- 46 additional activities

Project-based activities



Project-based activities – impact reports approved



Electricity emissions factor changes

From 1 February 2023, the electricity emissions factor (EEF) will change.


Activity	Timeframe	EEF value
All activities	From 1 February 2022 to 31 January 2023	EEF = 0.8142
	From 1 February 2023 to 31 January 2024	EEF = 0.6738
Activity 44	From 1 February 2022 to 31 January 2023	EEF = 0.516
	From 1 February 2023 to 31 January 2024	EEF = 0.473

Program updates and engagements

Month	Activity
Jul	<ul style="list-style-type: none"> • <u>VEU Forum – plenary session</u> • Code of Conduct workshop (introduction for industry) • <u>VEET scheme consumer fact sheet</u> • <u>Code of Conduct Consumer Information Resource</u>
Aug	<ul style="list-style-type: none"> • Code of Conduct workshop (aggregator accredited persons) • <u>Updated-approval forms for project-based activities</u> • Update on assessment of refrigerated display cabinet certificates pending registration – investigation ongoing • Code of Conduct workshop (small business accredited persons) • Code of Conduct workshop (scheme participants)
Sep	<ul style="list-style-type: none"> • Code of Conduct workshop (community sector) • <u>Changes to the VEU product application portal and product application guides and forms</u> • Update on assessment of refrigerated display cabinet certificates pending registration – investigation ongoing • <u>VEU Specification changes - gas efficiency activity and other changes</u>
Oct	<ul style="list-style-type: none"> • Update on assessment of refrigerated display cabinets certificates pending registration – investigation ongoing
Nov	<ul style="list-style-type: none"> • <u>Updated Code of Conduct Guideline</u> <u>New Code of Conduct resources and checklists for industry</u> • Energy retailers' compliance under the VEU program (2021 compliance year) – p 25, <u>2021-22 Victorian Energy Market Report</u> • Launch of new <u>accredited person search tool</u>
Dec	<ul style="list-style-type: none"> • <u>Updates to VEU accreditation forms to reflect the Code of Conduct</u>

Helping consumers contact accredited persons

www.esc.vic.gov.au/victorian-energy-upgrades/energy-saving-information-consumers/find-accredited-provider




ESSENTIAL SERVICES COMMISSION

Last updated
12/7/2022 12:00:00 AM

Find an accredited provider

email: veu@esc.vic.gov.au
 web: www.esc.vic.gov.au/victorian-energy-upgrades-program

VEU enquiries and complaints: +61 3 9032 1310 (option 2 in the menu)



Victorian Energy Upgrades

Are you a business or residential consumer?

Business
 Residential

*some upgrades are only available to business consumers, and some are only available to residential

Choose the type of upgrade

All ▼

Select your region

All ▼

These are the accredited providers active in the Victorian Energy Upgrades program **in the last twelve months** for consumers like you, the upgrade that you want and in the location that you have selected. We make no representation as to their compliance record or quality of their services. It is up to you to satisfy yourself that the accredited person and product or service provided meets your needs. The commission will not be held liable for the service provided by the accredited person. Higher number of upgrades does not mean better services or products. Please see contact details below.

Accredited provider	Premises upgraded	Upgrades undertaken	Phone	Website
Energy Savers Victoria Pty Ltd	74489	74489	is not available	www.energysaversvictoria.com.au
Smart User	61625	114436	is not available	www.smartuser.com.au
ecovantage	60123	65201	03 9015 6888	www.ecovantage.com.au
Aussie Greenmarks	39359	64695	1300246533	www.aussiegreenmarks.com.au
Emerging Environmental Group	38307	43607	0425807861	is not available
OPT ENERGY	21609	28726	0396060987	www.optenergy.com.au
Glower	16927	25569	0423711885	www.glower.com.au
Auspro Group	16370	23255	1300287770	www.ausprogroup.com.au
LED Savers	15000	24154	0200880285	www.ledsavers.org



VEU compliance and enforcement activities



Relevant entity compliance

- Victorian energy retailers were set a certificate surrender target of 6.5 million energy efficiency certificates for the 2021 compliance year (1 January to 31 December 2021)
- 35 energy retailers were identified as relevant entities under the VEET Act
- 6,542,681 certificates were surrendered by 33 relevant entities
- 27 relevant entities surrendered sufficient certificates to meet their annual liability
- 8 relevant entities had an energy efficiency certificate shortfall, totalling 32,860 certificates
- Further information: *Victorian Energy Market Report 2021-22*, p 25

Relevant entity compliance

Issues identified for the 2021 compliance year

- Incorrect unit of measurement used in reporting of scheme acquisition data
- Incorrect collation of scheme acquisition data for the reporting period
- Error in extraction and reporting of scheme acquisition data
- Relevant entity received incorrect guidance from its auditor on ability to carry forward obligatory surrender liability to the next compliance year

Tip: Relevant entities can surrender additional certificates as a buffer for any administrative errors to avoid a shortfall penalty. Surplus certificates will be returned.

Recent enforcement actions

Suspension of accreditation

- accreditation suspended for a period of three months over allegations the business breached program rules
- ordered to surrender over 14,000 energy efficiency certificates worth approximately \$1 million

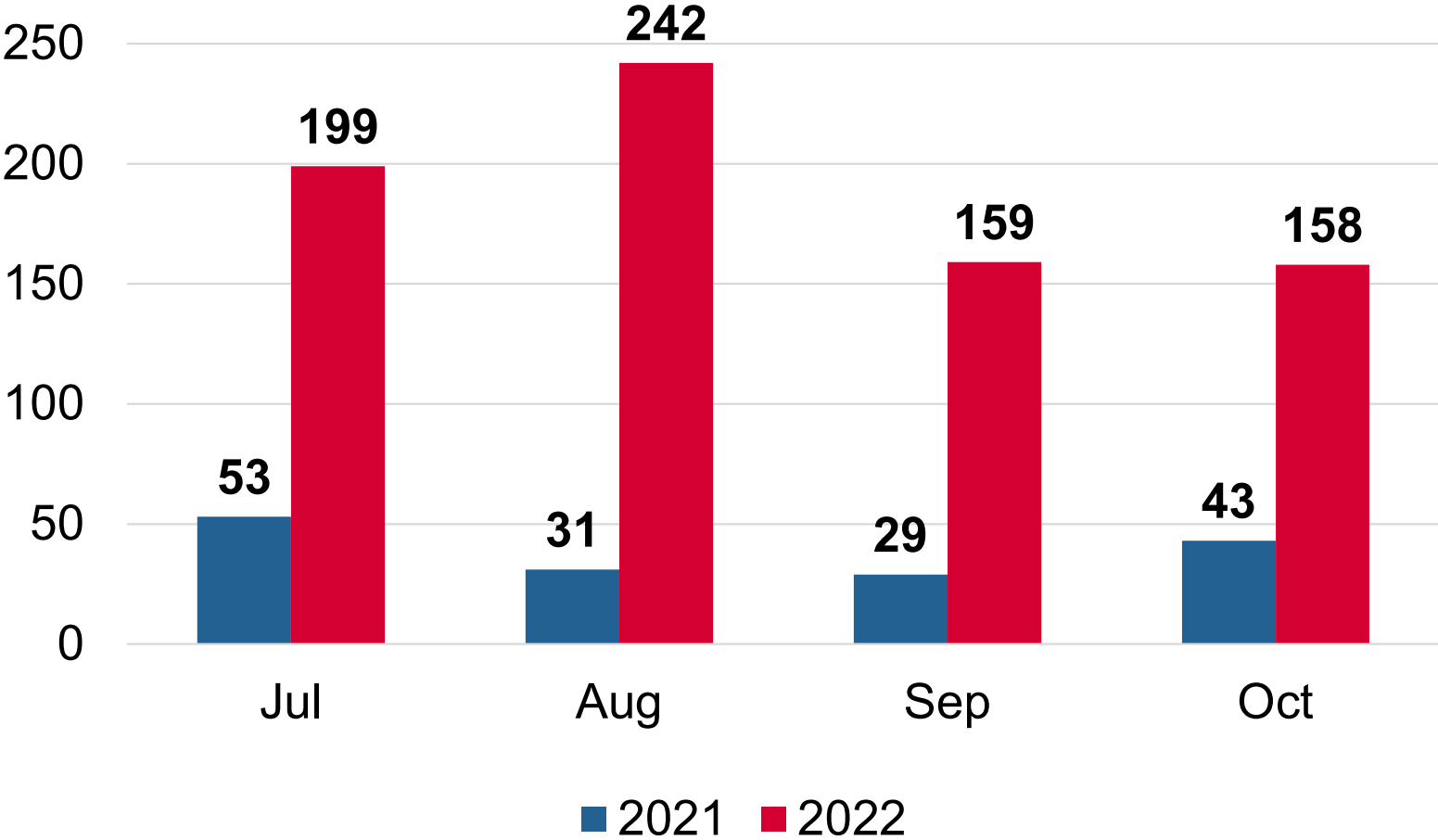
Revocation of accreditation

- accreditation revoked after the business failed to meet a mandatory order to address allegations of non-compliance with the program rules
- failed to comply with a mandatory order to surrender over 47,000 energy efficiency certificates worth approximately \$3 million

Refrigerated display cabinets activity investigation

- Assessments of certificates pending registration suspended on 24 June 2022
- Assessments of certificates pending registration recommenced 7 July 2022
- Most certificates pending registration have now been assessed
- Investigation is ongoing

VEU Complaints July to October 2021 vs 2022



Code of Conduct complaints July to October 2022

%	Alleged breach of the Code of Conduct
68%	Lead generation and marketing activities (Part 3)
51%	High pressure tactics (Clause 11)
27%	Calling a number on the Do Not Call Register or where a consumer has requested 'no contact' (Subclause 11(2)(d))

Code of Conduct: Accreditation form changes

From **Monday 5 December**, providers can download the updated accreditation forms from the commission's website.

The main changes to the forms are:

- Incorporation of the Code of Conduct requirements into the application forms

New providers and accredited persons will need to demonstrate and provide documents about their compliance with the code.

Looking ahead

In 2022-23 we will:

- commence implementation of the VEET Amendment Act 2022 reforms
- increase our resources to adapt to meet the expansion of the program
- keep you informed of upcoming changes and invite your feedback.



Australia's telemarketing laws and the Victorian Energy Upgrades Program

Jeremy Fenton
Executive Manager
Australian Communications and
Media Authority

Australia's telemarketing laws

Jeremy Fenton
Executive Manager
Consumer, Consent & Numbers Branch

8 December 2022

The ACMA is targeting the VEU program

- Breaking the rules will **cost and harm** business reputations
- **\$5 million in penalties** paid in the last 18 months
- Nearly all Australians are **frustrated** by unwanted calls

But why pick on the VEU?

Consumer complaints about telemarketing related to the VEU program have skyrocketed! VEU complaints have increased by 108% this year compared to 2021.

What is telemarketing?

- Any call that **sells, advertises or promotes** goods or services
- **Lead generation** is telemarketing
- The *Do Not Call Register Act 2006* and the *Telemarketing Industry Standards* set out the rules

More information:

...is available at the www.donotcall.gov.au and www.acma.gov.au websites!

Businesses can also seek independent legal advice!

What are the rules?

- Consumers can **register** their numbers on the Do Not Call Register
- You must have **consent** to call numbers on the Register
- You can **check numbers** on the Register before you call

Important facts:

Over 12M mobile & fixed-line numbers are registered!

It's an offence to call a registered number without consent!

Checking the register is the only way to be sure!

What are the rules?

- All telemarketing calls **must comply** with additional minimum standards
- You must:
 - **state** who is calling and why
 - **provide** contact information if asked
 - **end** a call if you are asked
 - have **caller ID** enabled
 - enable the return number to work for at **least 30 days**
 - **only call** during permitted times:
 - Between **9am-8pm weekdays**
 - **9am-5pm on Saturdays**

Who must comply?

- Anyone who **makes** telemarketing calls
- Anyone who **outsources** telemarketing calls
- **Lead generators** when acting on your behalf

Remember:

You cannot outsource your compliance obligations!

You are responsible for having consent!

You are responsible for calls made on your behalf!

Let's talk about consent

- You **must have consent** to call numbers on the Register
- Express (direct & informed) consent is the **best type** of consent
- Inferred (from an existing relationship) **may** also be used

Remember:

Consent can be withdrawn at any time!

You must keep or be able to obtain evidence of consent!

Consent cannot be inferred if a number is published!

Lead generators and purchased lists

- You are responsible for having **legal consent**
- **Carefully check** claims made by lead generators and list sellers
- You may be liable under ancillary provisions if you are in any way, **directly or indirectly**, a party to unlawful cold calling

Tips:

Make sure your contracts are robust and oversee them

Keep records of consent, not just marketing lists

Keep receipts from Do Not Call Register checking

The penalties are serious

- Infringement notices up to **\$222,000 per day**
- Court penalties can be even **higher**
- We can also accept **court-enforceable undertakings** and give **formal warnings**

More information:

The ACMA's Compliance and enforcement policy is available on our website – it sets out the factors the ACMA considers when taking action!

How to get it right!

- Understand your **legal obligations**
- Regularly **review and monitor** your processes
- Closely **monitor and oversee** your outsourced arrangements
- Be careful when buying marketing lists – **you are responsible**
- Keep **clear records** of consent

Thank you!

Questions welcomed...?

Find out more at: www.acma.gov.au and www.donotcall.gov.au

Or email: info@acma.gov.au

Remember:

Complying with the telemarketing laws is just good business practice!

Happy customers make for a happy regulator!

Q&A





VEET Amendment Act 2022

Lashae Roulston

Director, Energy Demand and
Efficiency Policy

Department of Environment,
Land, Water and Planning

VEU Forum 8 December 2022



Environment,
Land, Water
and Planning

Agenda

1. Update from the recent Victorian election
2. Roles of DELWP and the ESC
3. VEET Act review and Code of Conduct consultation process and feedback
4. From Bill to Act
5. Snapshot - VEET Amendment Bill 2022
6. VEET Amendment Act - Implementation

- On Saturday 26 November the Victorian state election was held.
- The Labor government has returned.
- On Monday 5 December it was announced that Lily D'Ambrosio will be returning as the Minister for Energy (the Minister responsible for the VEU program).
- On Monday 5 December it was also announced that following machinery of government changes, Department of Environment, Land, Water and Planning (DELWP) will change to the Department of Energy, Environment and Climate Action (DEECA) starting 1 January 2023.

Roles of DELWP:

- Introducing and revising activities
- Policy development
- Consulting with stakeholders
- Drafting regulations and specifications
- Analysing and responding to operation of market

Roles of ESC:

- Implementing new and revised activities
- Creating and managing technical systems (e.g. VEEC registry)
- Accreditation of program participants
- Regulation and enforcement
- Auditing

There was strong stakeholder support for increased compliance powers during the 2021 consultation process

More than 80 organisations and individuals engaged in the VEET Act and Code of Conduct public consultation over 28 October to 25 November 2021



Stakeholders agreed that:

- **Consumer protections** should be strengthened
- APs should be subject to **accreditation requirements**
- **Third-party register** would support compliance amongst third parties
- Current **audit program** needed to be enhanced to ensure compliance across the program
- Some ESC decisions should be able to be **appealed to VCAT**



Stakeholders were divided on:

- **Public reward/** acknowledgement of strong compliance
- Public interest **warning notices**

*"[We] consider that there is room to improve the enforcement powers or mechanisms available to the ESC and **agrees with the potential options** for improving the enforcement regime listed in the Consultation Paper."*

- Energy Retailer

*"Supports the proposed approaches for enforcement powers and mechanisms and believes that it **will address the existing gaps in the program.**"*

- AP

*"In order to improve compliance and customer experience across the board it is critical that AP's have the **systems and intent to measure and confirm** that good work is being undertaken."*

- Consultant



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Snapshot - VEET Amendment Act 2022



The purpose of the revisions to the Victorian Energy Efficiency Target Act 2007 (VEET Act) are to improve the VEU program's **compliance and enforcement** and introduce **minimum accreditation requirements**, while reaching the new targets by 2025 and enhancing consumer protections through the **Code of Conduct**.



Minimum accreditation requirements



Penalties for third-parties to ensure consumer protection



More audits



Market transparency



Expand powers & enforcement tools



Expand breaches & offences



ESC decisions to be reviewed



Program extension

VEET Amendment Act will come into effect next year, in tranches

The Minister for Energy will bring these new powers into force over the course of 2023

Tranche 1

New offence for breaching code of conduct for scheme participants
ESC has additional powers to suspend and penalises non-compliance
VCAT able to review ESC decisions
ESC has new powers for accreditation and audits and to issue timelines for existing APs to comply with these

Tranche 2

ESC able to share information about scheme participants more easily
Compliance approach streamlined with the other legislation the ESC administers

Tranche 3

New requirements for registry accounts and trading VEECs

Further detail on some practical changes

Accreditation

New requirements for all APs to be "fit-and-proper persons" and "competent and capable" of undertaking role

All new AP applicants have increased requirements for accreditation

Within 12 months of start date, ESC must notify all existing APs of when their existing accreditation expires

APs will need to submit an accreditation renewal every 12 months

Audits

ESC will have expanded powers to require APs to undertake independent audits

Within 12 months of start date, ESC will publish an audit plan

All APs must have an assurance audit every 2 years

VEECs

People seeking to hold or transfer VEECs must be 'fit-and-proper persons'

Within 12 months of start date, persons holding VEECs will need to meet these new requirements

Q&A



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[VEU newsletter for households](http://www.energy.vic.gov.au/for-households/victorian-energy-upgrades-for-households)

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Feedback survey

Thanks for your attendance

