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To: <veet@esc.vic.gov.au>  
Date: 12/12/2016 02:30 PM  
Subject: Insulation

Re Insulation

Thank you for giving me the opportunity to contribute.

I have quickly read through the proposed criteria and fully understand your thinking and what you are attempting to achieve or should I say avoid.

The issue to me then becomes something of financial viability.

I would support your intent and understand the objective which is a reduction in energy consumption clearly admirable.

It is also admirable that incentives are created to encourage Victorians to have more energy efficient households in particular those of our community who may be financially struggling.

Getting back to my comment re financial viability the following can occur.

- The endorsement of selected product can create an environment whereby that endorsement creates a premium price for that product.
  1. The reduction in competition clearly puts upward pressure on pricing
  2. There are examples of this in the lighting sector where approved product is being priced so high that the use of that product and the admin involved negates the value of the VEECs. Hence the outcome can be to select the non approved product ( Which is perfectly good) and avoid both the admin and the VEECs.
- Does the cost of administration required negate the benefit or value of the created certificates
  1. I am not aware of the number of certificates that will be created nor what the value will be at the time of install so cannot comment.
  2. The cost to administer and fund what you are suggesting I would conservatively cost out at or about \$400.00 ex GST. Does this amount counter any financial value of proceeding ?
  3. The cost of the admin is a flat rate Hence a bigger home the cost per sq mtr is less. Does this discriminate against those people in our community with less disposable income and smaller houses. ( Please don't shoot me down in regards to making rash generalisations about peoples incomes and house sizes. I acknowledge that)

#### **Discussion re the use of an LEI.**

I understand the rationale in suggesting the use of an LEI BUT ?

- The skills to be an LEI are broad and disparate to suit many situations. Is it an overkill to require an LEI ? This is a very defined area.
- Could an alternate approach be that an AP can engage a Registered Electrical Contractor (REC). Who has completed a short course in the specifics of home insulation be able to meet the criteria ?

- I agree that just being an REC does not mean that you have the competencies required to assess the potential dangers of home insulation.

In finishing can I reiterate that I fully support the intent but we have to make the intent achievable without prejudicing the safety of the owner of installer

Thank you for this opportunity to contribute

Regards John

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