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Mr Stephen Procter
Strategic Delivery Manager, Sustainability Programs (Energy, Climate Change, Sustainability)
NSW Department of Planning, Industry and Environment
Email: sustainability@environment.nsw.gov.au

Dear Mr Procter,

Thank you for the opportunity to respond to the Energy Savings Scheme Consultation Paper, June 2021.

Seeley International is Australia's largest heating, ventilation and air-conditioning manufacturer (HVAC), with manufacturing facilities in NSW, South Australia and USA. Seeley employs approximately 100 people in NSW and 500 people globally. The company has a large domestic market of evaporative, indirect evaporative, reverse-cycle air-conditioning and ducted gas heating, as well as exporting to over 100 countries.

Seeley's experience in offering incentives to customers is that successful engagement and uptake relies on the process being as simple as possible.

Based on the NSW Department's research of the residential and commercial markets, the benefits of the activity shown appear to cancel each other out. Seeley believes that the residential market is the optimal target as individuals will make decisions on updating or installing product much quicker than in a commercial setting.

In relation to sizing of equipment, Seeley's view is that a heat load should be calculated for each installation. As per our initial comment regarding simplicity, the heat load calculation needs to be brief enough to not be burdensome on contractors, yet detailed enough to calculate an acceptably accurate result.

The mandatory inclusion of DRED is important as it allows the energy industry to have the option to manage the air conditioner load on the network during peak demand. If the network is re-engineered to accommodate the increasing peak load, those costs will need to be recouped from consumers.

With regard to product eligibility for the scheme, Seeley preferences the Simplified Baseline AEER/ACOP method. As you would be aware, higher efficiency products tend to be more expensive. This method achieves a higher efficiency requirement whilst also being accessible to a broader socio-economic group. The data is readily available for contractors as all brands we have checked list the AEER/ACOP on their brochures.

The consultation also enquired on the opportunity to create activities relating to water-to-air AC. There is a significant opportunity to further the objectives of the ESS by encouraging further market uptake of fixed evaporative (FEAC) and indirect evaporative (IEC) technology.

As you would be aware, peak energy efficiency for cooling is measured by the Coefficient of Performance (COP). Efficient FEAC units deliver a COP of 16 (1kW of energy in provides 16kW of cooling), whereas modern R/C systems typically operate at COP's of around 3.5 (1kW of energy in gives 3.5kW cooling).

In summary, evaporative coolers can be 4.5 times more energy efficient at peak load conditions and therefore can reduce peak "cooling" power demand on the grid by a factor of 4.5.

We appreciate that the Department would consider further market analysis and a more detailed understanding of the technology as the next logical steps towards formalising any associated activities. Given Seeley's strong track record in innovating and manufacturing this technology for domestic and global markets, we would be pleased to directly engage with the Department to provide further details on the technology and markets and reconcile those with the objectives of the ESS.

It would be appreciated if you could contact me in due course to supplement this written submission with a discussion. I can be contacted at CSchutz@seeleyinternational.com or on 0433 606 473.

As an Australian manufacturer which leads the world in hyper-efficient air-conditioning solutions, Seeley greatly values the opportunity to make a meaningful input to the NSW scheme. As well as supporting the intent of driving energy efficiency, the scheme also has the opportunity make a broader economic contribution through supporting Australian jobs and sovereign capability.

Yours sincerely



Cecilia Schutz
Manager Professional Relations & Global Advocacy