Department of Climate Change,

Energy, the Environment and Water

(DCCEEW)

Energy Savings Scheme

Rule and Regulation Change 2025

Submission template

Call for submissions

Before starting your submission, please [read the consultation paper](https://www.energy.nsw.gov.au/sites/default/files/2025-02/DCCEEW_Energy_Savings_Scheme_Consultation_Feb_2025.pdf).

The consultation period starts on Tuesday 4 March 2025. The NSW Government invites submissions from all interested parties on changes set out in this consultation paper. The closing date for written submissions is 5 pm AEDTon Friday 4 April 2025.

You are welcome to use this template for your submission, or to make a submission using your own letterhead.

Please send your submission to:

Terry Niemeier, Director, Program and Market Development, Energy Security Safeguard

NSW Department of Climate Change, Energy, the Environment and Water

[sustainability@environment.nsw.gov.au](mailto:sustainability@environment.nsw.gov.au)

Publication of submissions

The NSW Government is committed to an open and transparent process. All consultation responses and submissions will be made publicly available. Written submissions should be provided as PDF or Word document files that can be published on our [website](http://www.energy.nsw.gov.au/).

Please be aware that even if you state that you do not wish certain information to be published, there may be legal circumstances that require the NSW Government to release that information (for example, under the [*Government Information (Public Access) Act 2009*](https://legislation.nsw.gov.au/view/html/inforce/current/act-2009-052)).

Respondent’s details

1. Please share your details with us below. If you wish for your written submission to remain confidential, please clearly state this in your submission, and only your organisation’s name will be published. Personal details from submissions made by individuals will be removed.

|  |  |
| --- | --- |
| Organisation |  |
| Full name |  |
| Job title |  |
| Email address |  |
| Phone number |  |
| Would you like your submission to remain confidential? |  |

# Introduction

No action required.

# Proposals for ESS Rule Change

## Commercial Lighting Energy Savings Formula

Refer to ESS Rule: clause 9.4

### Proposal 1:

Discontinue the Commercial Lighting Energy Savings Formula (CLESF) calculation method 6 months after the amended Rule is gazetted.

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| Question 1: What are your views on the proposal of discontinuing the CLESF? |

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| Question 2: What are your views on the transition period of 6 months after the amended Rule is gazetted? |

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| Question 3: What are your views on keeping other lighting upgrade activities (public lighting, HEER) and methods (PIAM&V method and MBM) unchanged? Do you have any comments on the market maturity of LEDs in the residential and public sectors? |

## Gas boiler installation/replacement activities

Refer to ESS rule: Activity Definitions D11, D12, D21, F8, F9 and clauses 7A and 8

### Proposal 2:

Discontinue gas boiler installation/replacement activities.

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| Question 4: What are your views on removing deemed gas-based activities D11, D12, D21, F8 and F9 and gas boiler installations/replacements under PIAM&V and MBM? |

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| Question 5: What are your views on the implementation timeframe of this proposal (which is at the time the Rule comes in effect in mid-2025)? |

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| Question 6: Do you support removing the eligibility for ESS incentives under performance efficiency improvements of gas boilers in the future? |

## Heat pump hot water system activities: warranty period requirements

Refer to ESS rule: Activity Definitions D17, D19, F16 and F17.

### Proposal 3:

Require ACPs to provide customers with a minimum 5-year whole-of-system product warranty for all heat pump hot water systems eligible for ESS incentives.

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| Question 7: What are your views on requiring ACPs to provide customers with a minimum 5-year whole-of-system product warranty for all eligible systems? |

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| Question 8: What are your views on including the requirement for ACPs to also provide a minimum 5-year installation warranty? |

## Refrigerated display cabinet: Activity Definition F1.2

Refer to ESS rule: Activity Definition F1.2.

### Proposal 4:

Suspend eligibility for ESS incentives of Integral Refrigerated Display Cabinets under F1.2 – Replace an existing refrigerated display cabinet.

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| Question 9: What are your views on discontinuing the eligibility of integral refrigerated display cabinets for ESS incentives, under F1.2? |

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| Question 10: Are there any other proposals for how the NSW Government can address the issues highlighted above, through the ESS Rule? |

## Sale of New Appliances

Refer to ESS rule: clause 9.3 and Activity Definitions in Schedule B

### Proposal 5:

Discontinue the Sale of New Appliances (SONA) calculation method 3 months after the amended Rule is gazetted.

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| Question 11: What are your views on discontinuing SONA? |

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| Question 12: What are your views on the transition period of 3 months after the amended Rule is gazetted? |

## NABERS method

Refer to ESS rule: clause 8.8.1, table A20 and table A21 in Schedule A.

### Proposal 6:

Enable NABERS baseline method for schools and retail stores.

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| Question 13: Do you support the proposed NABERS baseline method for the school and retail store sectors? |

# Further issues on ESS Rule and Regulation

## Heat pump hot water system activities: market state

Refer to ESS rule: Activity Definitions D17, D19, F16 and F17.

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| Question 14: What are your views on addressing the issues related to modelling, installation and consumer protection? What are the other key issues with heat pump hot water systems? |

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| Question 15: Apart from warranty requirements, are there any other measures to address concerns of early equipment failures or to strengthen consumer protection for hot water systems such as the availability of spare parts or after sales customer service? |

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| Question 16: What ESS Rule changes would you recommend to address the issues highlighted above (and the additional issues you identified in Question 14)? |

## Air-conditioning activities: market state

Refer to ESS rule: Activity Definitions D16, F2, F3 and F4.

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| Question 17: What are the other opportunities and issues with air-conditioning activities that have not been identified in this consultation paper? |

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| Question 18: How could the ESS best address the opportunities and risks highlighted in this consultation paper (and the additional ones you identified in Question 17)? |

## Telemarketing and door-knocking campaigns

New provisions in the Act or the ESS Regulation.

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| Question 19: What are your views on banning telemarketing and door-knocking campaigns in NSW? |

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| Question 20: What are the short-term and long-term impacts of banning telemarketing and door-knocking campaigns? |

# Proposal for ESS Regulation Update

## Updating certificate conversion factors

Refer to Clause 37A of the [*Electricity Supply (General) Regulation 2014*](https://legislation.nsw.gov.au/view/whole/html/inforce/current/sl-2014-0523#sec.37A).

### Proposal 7:

Update the certificate conversion factors (other than electricity) in clause 37A of the Electricity Supply (General) Regulation 2014, as shown in Table 4.

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| Question 21: What are your views of the certificate conversion factors being proposed? |
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| Question 22: Are there any other data sources to forecast the non-renewable primary energy factors for NSW grid electricity? |
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| Question 23: Do you agree with using the 10-year average of the forecasted non-renewable primary energy factors for grid electricity to update the certificate conversion factors of other fuel types? |