



Independent Pricing and Regulatory Tribunal
New South Wales

Home Energy Efficiency Retrofits

Method Guide

© Independent Pricing and Regulatory Tribunal (2020)

With the exception of any:

- (a) coat of arms, logo, trade mark or other branding;
- (b) third party intellectual property; and
- (c) personal information such as photos of people,

this publication is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs 3.0 Australia Licence.



The licence terms are available at the Creative Commons website:
<https://creativecommons.org/licenses/by-nc-nd/3.0/au/legalcode>

IPART requires that it be attributed as creator of the licensed material in the following manner: © Independent Pricing and Regulatory Tribunal (2020).

The use of any material from this publication in a way not permitted by the above licence or otherwise allowed under the *Copyright Act 1968* (Cth) may be an infringement of copyright. Where you wish to use the material in a way that is not permitted, you must lodge a request for further authorisation with IPART.

Disclaimer

IPART does not guarantee or warrant, and accepts no legal liability whatsoever arising from or connected to, the accuracy, reliability, currency or completeness of any material contained in this publication.

Information in this publication is provided as general information only and is not intended as a substitute for advice from a qualified professional. IPART recommends that users exercise care and use their own skill and judgment in using information from this publication and that users carefully evaluate the accuracy, currency, completeness and relevance of such information. Users should take steps to independently verify the information in this publication and, where appropriate, seek professional advice.

Nothing in this publication should be taken to indicate IPART's or the NSW Government's commitment to a particular course of action.

The Independent Pricing and Regulatory Tribunal (IPART)

IPART provides independent regulatory decisions and advice to protect and promote the ongoing interests of the consumers, taxpayers and citizens of NSW. IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from IPART's website: <https://www.ipart.nsw.gov.au/Home>.

Document Control

Version number	Change description	Date published
V1.0	Initial release – following gazettal of ESS Rule Amendment No.2.	November 2014
V2.0	Application Form: Part B – Method Details and Nomination Form removed from the Method Guide to be separate documents.	January 2015
V3.0	Updated to reflect amendments to the ESS Rule.	April 2016
V3.1	Updated to reflect Low Income Energy Program.	November 2016
V3.2	Amended to include information about the published list of approved lighting equipment.	January 2017
V3.3	Updated to reflect amendments to the ESS Rule.	May 2017
V3.4	Correction of an error in section 3.7.4.	June 2017
V3.5	Updated to reflect amendments to the Application Guide and Application Form: Part B (V4.1) and amendments to the ESS Rule.	April 2018
V3.6	Updated to reflect amendments to the ESS Rule.	July 2018
V4.0	Alternative evidence requirement for activity E1 and other administrative changes	March 2019
V4.1	Updated to reflect amendments to the ESS Rule	March 2020

Contents

1	About this document	1
1.1	Legislative requirements	1
1.1	Related documents	2
2	Method overview	2
3	Requirements that must be met	2
3.1	Energy saver	2
3.2	Purchaser	3
3.3	Minimum co-payment	3
3.4	Implementation, implementation date and site	4
3.5	Site assessment	5
3.6	Reporting	5
3.7	Eligible activities	5
3.8	Minimum requirements of conduct	9
3.9	Use of templates	10
3.10	Identifying, monitoring and managing risk	10
3.11	Internal audit procedures	11
3.12	Insurance	12
4	Calculating energy savings	12
4.1	Electricity savings	12
4.2	Gas savings	13
4.3	Calculation tools	13
5	Calculating and creating ESCs	13
5.1	Applying to register ESCs	13
6	Minimum required records	14
	Appendices	37
A	Templates – Site Assessor Declaration and Post-Implementation Declaration	38
B	Developing internal audit procedures	43
C	Example risk register	45

1 About this document

The NSW Energy Savings Scheme (**ESS**) seeks to reduce energy consumption in NSW by creating financial incentives for organisations to invest in energy saving projects.¹

The other objects of the ESS are to:

- ▼ assist households and businesses to reduce energy consumption and energy costs
- ▼ make the reduction of greenhouse gas emissions achievable at a lower cost, and
- ▼ reduce the cost of, and need for, additional energy generation, transmission and distribution infrastructure.²

Electricity retailers and other mandatory participants (**Scheme Participants**) are obliged to meet energy saving targets. Energy savings can be achieved by installing, improving or replacing energy saving equipment. Persons that become Accredited Certificate Providers (**ACPs**) can create energy savings certificates (**ESCs**) from these activities and then sell those ESCs to Scheme Participants. The Independent Pricing and Regulatory Tribunal of NSW (**IPART**) is both the Scheme Administrator and Scheme Regulator of the ESS.³

This document provides guidance about how the Home Energy Efficiency Retrofits (**HEER**) method of the ESS operates, some of the key requirements that must be met when using the method, and how to calculate energy savings for a Recognised Energy Saving Activity (**RESA**) and create ESCs. This document should be used by:

- ▼ applicants seeking accreditation as a certificate provider, to assist them in completing their application,⁴ and
- ▼ those persons who are already ACPs, to assist them in accurately calculating energy savings using this method.

1.1 Legislative requirements

This document is not legal advice. The legal requirements for ACPs participating in the ESS are set out in:

- ▼ Part 9 of the *Electricity Supply Act 1995* (NSW) (**Act**)
- ▼ Part 6 of the *Electricity Supply (General) Regulation 2014* (NSW) (**Regulation**), and
- ▼ the *Energy Savings Scheme Rule of 2009* (**ESS Rule**).

ACPs are also required to meet any additional accreditation conditions as set out in their Accreditation Notice.

¹ *Electricity Supply Act 1995* (NSW), section 98(1).

² *Electricity Supply Act 1995* (NSW), section 98(2).

³ *Electricity Supply Act 1995* (NSW), sections 153(2) and 151(2).

⁴ A full explanation of the application process is provided in the Application Guide www.ess.nsw.gov.au/How_to_apply_for_accreditation/The_application_process. Please ensure you read this document and the Application Guide in full before applying for accreditation.

1.2 Related documents

As noted throughout this guide, the following documents and tools provide further information and assistance with this method:⁵

- ▼ *HEER Fact Sheet*, and
- ▼ *Lighting Equipment Requirements - Home Energy Efficiency Retrofits method*

Please contact the Scheme Administrator if you have further questions.

2 Method overview

The HEER method can be used to calculate energy savings and create ESCs from a range of energy efficient activities in residential buildings and small business sites. The method allows ACPs to make more cost effective offers of energy saving activities to residential and small business consumers. These activities allow those consumers to benefit from reduced energy costs.

3 Requirements that must be met

We have provided information below about the requirements of the method. This is not an exhaustive list of requirements, and ACPs should ensure that they are familiar with their obligations under the Act, Regulation, ESS Rule and any additional accreditation conditions set out in their Accreditation Notice.

3.1 Energy saver

An ACP can only calculate energy savings and create ESCs from an implementation if the ACP is the energy saver under the ESS Rule. The ACP must be the energy saver as at the implementation date. An energy saver can be either:

- ▼ **the original energy saver** – which, under the HEER method, is the purchaser (discussed in the next section), or
- ▼ **the nominated energy saver** – which is someone the original energy saver has nominated as the energy saver by completing a Nomination Form.⁶

An ACP that is the original energy saver must be accredited as an ACP **prior to** the implementation date in order to create ESCs from an implementation.

An ACP that is a nominated energy saver must:

⁵ Refer to:
www.ess.nsw.gov.au/Home/About-ESS/Energy-savings-calculation-methods/Home-Energy-Efficiency-Retrofits

⁶ Available at: www.ess.nsw.gov.au/Accredited_Certificate_Providers/Templates.

- ▼ be **accredited** as an ACP **prior** to the implementation date and before the nomination is made,⁷
- ▼ have a documented procedure for obtaining the nomination from the original energy saver, and
- ▼ be **nominated** by the original energy saver **on or before** the implementation date. The nomination is taken to occur on the date that the nomination form is signed by the **original energy saver**.

3.2 Purchaser

In general, the purchaser is the person who purchases or leases the goods or services that enable the relevant energy savings to be made. However, the following persons cannot be a purchaser and therefore cannot be an original energy saver under the HEER method:⁸

- ▼ an ACP that is not the owner, occupier or operator of the relevant site,⁹ and
- ▼ a person who purchases or leases the goods or services for the purpose of reselling the end-user equipment, unless the resale will be an inclusion in a contract for the sale of land, or a strata scheme lot.¹⁰

3.3 Minimum co-payment

The ESS Rule requires the purchaser to pay a net amount of at least \$30 (excluding GST)¹¹ towards the cost of implementing products, the site assessment and other associated works carried out at the site¹² (**minimum co-payment**), subject to certain exceptions.¹³ The minimum co-payment must be evidenced by a tax invoice and sales ledger, and other evidence as required by the Scheme Administrator. The minimum co-payment must not be reimbursed, credited by a third party, or made by in-kind payment. The minimum co-payment must be paid before the ACP can register ESCs. Proof that the payment was made before the ESC registration date will be checked at audit.

The ESS Rule specifies that the minimum co-payment requirement does not apply to implementations that are delivered through an approved low-income energy program or an exempt energy program.

3.3.1 Low-income energy program

The Community Housing Provider (**CHP**) component of the NSW Government's Home Energy Action (**HEA**) Program has been approved by the Minister as a low-income energy program. Implementations delivered through the CHP component of the HEA Program do

⁷ The ESS website provides information on applying to become an ACP at: www.ess.nsw.gov.au/How_to_apply_for_accreditation.

⁸ *ESS Rule*, cl 10.1 (definition of 'Purchaser').

⁹ ACPs that are the nominated energy saver will typically fall under this category.

¹⁰ Wholesalers will typically fall under this category.

¹¹ \$33 with GST included.

¹² *ESS Rule*, cl 9.8.1(f).

¹³ This requirement does not apply where energy efficient activities are funded by a NSW government low-income energy program or exempt energy program that has been approved by the Minister for the Environment and notified to the Scheme Administrator for the purposes of the ESS Rule.

not have to meet the minimum co-payment requirement, and therefore the purchaser does not have to pay a net amount of at least \$30 (excluding GST).

The records that must be kept for each implementation under the HEA program are specified in section 6. Applications for accreditation must also include the details of whether the applicant intends to implement activities through the CHP component of the HEA program. Evidence will be checked at audit for each implementation to verify this.

3.3.2 Exempt energy program

The ESS Rule defines an exempt energy program as a NSW Government energy initiative which has been notified to the Scheme Administrator, and which has been approved by the Minister for the Environment, as an exempt energy program for the purposes of the ESS Rule. To date, the Minister for the Environment has not approved any programs of this nature.

3.4 Implementation, implementation date and site

The ESS Rule defines implementations, implementation dates and sites (explained below). These concepts are used to determine the number of ESCs, and from when they can be created.

3.4.1 Implementation

An implementation is the delivery of a RESA¹⁴ at a site.¹⁵ Activities eligible to be RESAs where the HEER method is used are set out in Schedules D and E to the ESS Rule (see section 3.7 of this guide).

3.4.2 Implementation date

For RESAs under the HEER method, the implementation date is the date that the end-user equipment is installed.¹⁶

3.4.3 Site

The site must be a residential building or small business site with a NSW address.¹⁷ For these purposes:

A residential building means a building or part of a building classified as a Building Code of Australia (BCA) Class 1, 2 or 4 building, and may include any non-habitable building (BCA class 10a or 10b) on the same site.

A small business site means a site:

- a) *that is entirely occupied by one business; and*

¹⁴ A RESA must meet all of the criteria set out in clause 5.3, 5.3A, 5.3B and does not include those activities set out in clause 5.4 of the ESS Rule.

¹⁵ *ESS Rule*, cl 10.1 (definition of 'Implementation').

¹⁶ *ESS Rule*, cl 9.8.2.

¹⁷ *ESS Rule*, cl 10.1 (definition of 'Site').

- b) *where the business, as a consumer of electricity at the Site:*
- i) *is a Small Customer (and, for the avoidance of doubt, has not aggregated its load at the Site with consumption at other Sites for the purposes of being treated as a Large Customer under its electricity purchase arrangements); or*
 - ii) *is a customer of an Exempt Seller, and has an annual electricity consumption below the Upper Consumption Threshold for electricity.*

Small customer, large customer, exempt seller and upper consumption threshold have the same meaning as in the *National Energy Retail Law* (NSW).

In general terms, a small business site is a site at which a business consumes electricity at a rate of less than 100MWh per year.

3.5 Site assessment

The method requires a site assessment to be conducted to identify eligible energy savings at the site.¹⁸ The site assessment must take place on or before the implementation date.

Where a site assessment requires particular technical expertise, or may pose a specific safety risk, the person conducting the site assessment should have relevant training, qualifications or certifications to ensure the site assessment can be completed safely and accurately (please refer to section 3.8 below for further information about engaging with customers during the site assessment).

To demonstrate that a site assessment has been conducted, ACPs must provide a site assessor declaration. ACPs may use the template provided in Appendix A of this guide, or develop their own declaration form based on the template.

3.6 Reporting

The activities that make up the implementation must be identified, recorded and reported in a form and manner specified by the Scheme Administrator. Requirements as to the form and manner of the reports will be determined on a case by case basis for each accreditation and included in an ACP's Accreditation Notice. In determining the reporting requirements, the Scheme Administrator may consider such factors as it considers relevant, including:

- ▼ the frequency and volume of implementations, and
- ▼ any risks associated with the activity or delivery of the activity.

For information about record keeping requirements, see section 6 of this document.

3.7 Eligible activities

Eligible activities are defined in the activity definitions in Schedules D and E to the ESS Rule. To be eligible, each activity undertaken at the site must comply with the requirements specified in the activity definition. These requirements include:

¹⁸ Eligible energy savings are those that can be calculated using equation 16 of the ESS Rule.

- ▼ eligibility requirements
- ▼ equipment requirements, and
- ▼ implementation requirements.

Applications for accreditation must specify which of the activities in Schedules D and E to the ESS Rule will be undertaken as part of the RESA. Applicants will need to provide information with the application describing how they will comply with the requirements for each of the activities. The eligible activities are listed in Table 3.1 below.

Table 3.1 Eligible activities

Activity Definitions ^a	Name of Activity
D1	Replace an external single-glazed window or door with a thermally efficient window or door
D2	Modify an external window or glazed door by installing secondary glazing
D3	Replace an existing air conditioner with a high efficiency air conditioner
D4	Install a high efficiency air conditioner
D5	Replace an existing pool pump with a high efficiency pool pump
D10	Replace an existing electric water heater with a high efficiency gas fired water heater
D11	Replace an existing gas fired water heater with a high efficiency gas fired water heater
D12	Install a high efficiency gas space heater or replace an existing gas space heater with a high efficiency gas space heater
D13	Install a natural roof space ventilator
D14	Install a fan-forced roof space ventilator, PV powered fan-forced roof space ventilator or an occupied space ventilator
D15	Replace an exhaust fan with a self sealing exhaust fan
E1	Replace halogen downlight with LED luminaire and/or lamp
E2	Replace a linear halogen floodlight with a high efficiency lamp
E3	Replace parabolic aluminised reflector (PAR) lamp with efficient luminaire and/or lamp
E4	Replace a T8 or T12 luminaire ¹⁹ with a T5 luminaire ²⁰
E5	Replace a T8 or T12 luminaire ¹⁹ with a LED luminaire
E6	Replace an existing showerhead with an ultra low flow showerhead
E7	Modify an external door with draught-proofing
E8	Modify an external window with draught-proofing
E9	Modify a fireplace chimney by sealing with a damper
E10	Install an external blind to a window or door
E11	Replace an Edison screw or bayonet lamp with an LED lamp for general lighting purposes
E12	Modify an exhaust fan with a sealing product
E13	Replace a T5 luminaire with a LED luminaire

^a Activities D6 – D9 refer to activities that do not commence unless notified by the Minister by notice published in the NSW Government Gazette.

¹⁹ The existing lighting equipment must not be a luminaire modified with T5 adaptor kit.

²⁰ Products defined as a T5 adaptor kit are not eligible. A T5 adaptor kit is any equipment that enables a T8 or T12 Luminaire to accommodate or provide physical support to a T5 Lamp or Luminaire.

3.7.1 Ineligible activities

In addition to the specific eligibility requirements set out in the activity definitions in Schedules D and E to the ESS Rule, the ESS Rule sets out general threshold requirements for an activity to be a RESA for the purposes of undertaking the activity under the ESS.

The ESS is designed to promote energy savings activities with no negative effect on production or service levels.²¹ As such, a range of specific activities are not eligible for the creation of ESCs, including:

- ▼ the installation of T5 adaptor kits or retrofit luminaire LED linear lamps (see Table A9.4 of Schedule A to the ESS Rule)
- ▼ an activity undertaken in order to comply with a mandatory legal requirement imposed through a statutory or regulatory instrument of any jurisdiction, including compliance with BASIX and BCA requirements, and
- ▼ an activity that results in a reduction in energy consumption by reducing production or service levels (including safety levels).²²

Applications for accreditation should describe how any activities that are not RESAs under the ESS Rule will be excluded from energy savings and ESC calculations.

3.7.2 Eligibility requirements

The eligibility requirements relate to the existing conditions at the site. Please refer to the eligibility requirements specified in each activity definition in Schedules D and E to the ESS Rule.

ACPs must collect records to verify that the eligibility requirement(s) have been met for each activity they implement. The records required for each activity are specified in section 6 of this guide.

Applications for accreditation will need to describe how the organisation will ensure that ESCs are only created from implementations that comply with the eligibility requirements.

As outlined above, we require a site assessor declaration for each site to ensure that the eligibility requirements for that activity are met (see Schedules D and E to the ESS Rule). ACPs may use the declaration template provided in Appendix A of this guide, or develop their own declaration form based on the template.

3.7.3 Equipment requirements

The equipment requirements are specific to the type of product being installed. Refer to the equipment requirements specified in each activity definition in Schedules D and E to the ESS Rule. The following points are provided as general examples of equipment requirements:

- ▼ the type of product that can be installed
- ▼ minimum Australian Standards with which the product must comply

²¹ ESS Rule, cl 2.1.

²² Refer to ESS Rule, cl 5.4 for more details on ineligible activities.

- ▼ minimum performance or lifetime standards that the product must meet, and
- ▼ minimum warranty requirements.

Lighting equipment installed under activity definitions E1, E2, E3, E5, E11 and E13 must be accepted by IPART as meeting the relevant equipment requirements. Information about the equipment requirements, and how to apply to have lighting products accepted as meeting those requirements, is set out in the *Lighting Requirements: HEER Method* document available on the ESS website.²³

IPART maintains a list of accepted lighting products for these activity definitions.²⁴

ACPs must collect records to verify that the equipment requirement(s) have been met for each activity they implement. The records required for each activity are specified in section 6 of this guide. This will be checked during audits.

Applications for accreditation will need to describe how the organisation will be able to address the equipment requirements for each activity for which they wish to be accredited.

Recycling and disposal requirements

ACPs are responsible for ensuring that lighting end-user equipment removed or replaced during a lighting upgrade is disposed of appropriately.

The ACP must not refurbish, re-use or resell end-user equipment. Furthermore, if the implementation:

- ▼ is in a metropolitan levy area (ie, an area with a postcode listed in Table A25 of Schedule A to the ESS Rule), and
- ▼ has an implementation date on or after 15 May 2016,

then any lighting end-user equipment containing mercury must be recycled in accordance with the recycling requirements of a product stewardship scheme such as 'Fluorocycle'²⁵ or its equivalent.²⁶

Similarly, if the activity involves disposal of any refrigerants, such as the removal and replacement of an air conditioner, refrigerants must be disposed of in a manner that is compliant with the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989*.

3.7.4 Implementation requirements

The method can only be used to calculate energy savings from implementing eligible activities listed in Table 3.1, and cannot be used to calculate energy savings from merely selling products.

²³ www.ess.nsw.gov.au/Projects_and_equipment/Lighting_Technologies/HEER_Lighting_Requirements.

²⁴ The public list of approved lighting products is available at www.ess.nsw.gov.au/Projects_and_equipment/Lighting_Technologies/HEER_Lighting_Requirements.

²⁵ Further information about Fluorocycle can be found here: www.fluorocycle.org.au

²⁶ *ESS Rule*, cl 5.3A(b).

Additional implementation requirements are specific to each activity definition in Schedules D and E to the ESS Rule. The following points are provided as general examples of implementation requirements:

- ▼ specific Australian Standards with which the installation must comply
- ▼ minimum training that installers must undertake prior to installing products, and
- ▼ any licences or certifications that the installer is required to hold in order to undertake an installation.

ACPs must:

- ▼ collect records to verify that the implementation requirements have been met for the activity (see section 6 of this guide), and
- ▼ provide a post-implementation declaration, declaring that they have met the implementation requirements and the equipment requirements for the activity (see Schedules D and E to the ESS Rule).

Applications for accreditation must describe how the organisation will be able to address the implementation requirements for each activity for which they wish to be accredited.

ACPs must also comply with all relevant state or Commonwealth legislative requirements.

3.7.5 Efficiency requirement for installing new end-user equipment

The installation of new end-user equipment only constitutes a RESA if the Scheme Administrator is satisfied that the efficiency of energy consumption of the new end-user equipment is greater than the average energy efficiency of end-user equipment that provides the same type, function, output or service.²⁷

Where an activity involves the installation of new end-user equipment, the new end-user equipment must have a higher efficiency than any baseline/defined parameters specified for that activity (see Schedules D and E to the ESS Rule).

3.8 Minimum requirements of conduct

The Scheme Administrator has determined minimum requirements of conduct for ACPs and their representatives (ie. ACP employees, contractors and third parties). These requirements are outlined in the *ESS Notice 01/2013 (V3.0) Minimum requirements of conduct*²⁸ (**Minimum Requirements**). Compliance with the Minimum Requirements is a standard condition of accreditation for all ACPs.

The Minimum Requirements include:

- ▼ Establishing and maintaining contractual relationships
- ▼ Providing training

²⁷ Clause 5.3B of the ESS Rule specifies methods that may be used for estimating the energy efficiency of End-User Equipment.

²⁸ Refer: www.ess.nsw.gov.au/Home/Document-Search/Notices/Notice-012013-Minimum-requirements-of-conduct/Notice-012013-Requirements-for-all-methods-Minimum-requirements-of-conduct-V3.0

- ▼ Establishing and maintaining a register of representatives, and
- ▼ Engaging and managing customers.

The Minimum Requirements require that ACPs are accountable for the conduct of their employees, contractors or third parties participating in a Recognised Energy Savings Activity (RESA) on behalf of an ACP (we call these persons ‘representatives’). This includes all aspects of an activity for which ACPs create ESCs, from initial engagement with customers²⁹ through to the final quality assurance of documents. We hold ACPs responsible for all actions, omissions and information provided by representatives acting on their behalf, regardless of any contract or agreement between the representative and other parties.

3.9 Use of templates

A number of templates have been provided for the use of ACPs and their installers when engaging with customers, as outlined in Table 3.2. More information on the use of these templates is set out in section 6 of this document.

Table 3.2 Relationship between templates / forms and implementation stage

Project Stage	Template / form	Primary purpose	Location
Before implementation commences	▼ <i>HEER Fact Sheet</i> given to customer	▼ Inform customer	▼ www.ess.nsw.gov.au/How_the_scheme_works/Overview_of_the_scheme/For_householders
	▼ <i>Nomination form</i> signed by customer and ACP	▼ Nominate ACP as the energy saver, provide details of implementation, and declaration that ESS requirements have been met	▼ www.ess.nsw.gov.au/Accredited_Certificate_Providers/Templates
At the start of the implementation	▼ <i>Site Assessor Declaration</i> completed and signed by the site assessor	▼ Declaration that eligibility requirements have been met	▼ Appendix A of this document
At the end of the implementation	▼ <i>Post Implementation Declaration</i> signed by the installer and customer	▼ Declaration that equipment requirements and implementation requirements have been met	▼ Appendix A of this document

3.10 Identifying, monitoring and managing risk

Organisations applying for accreditation under the HEER method must have a documented risk management policy specific to their proposed activity. The risk management policy should include reference to any standards or industry accepted risk management principles

²⁹ For the purposes of the ESS, a **customer** refers to the *original* energy saver or potential *original* energy saver who may nominate the ACP as the *nominated* energy saver for the purposes of creating ESCs.

that have been adopted in the policy.³⁰ At a minimum, the policy must describe how the organisation:

- ▼ identifies and records key risks to the ESS³¹
- ▼ reviews and monitors these risks, and
- ▼ ensures appropriate controls are in place (ie, strategies to manage these risks and reduce the likelihood or consequence of the risk occurring).

Prior to applying for accreditation, applicants must conduct a risk assessment of their proposed activity or activities. Once the risk assessment is complete, they are required to:

- ▼ record the outcomes of the risk assessment in a risk register
- ▼ submit the completed risk register with their application, and
- ▼ maintain and update the risk register for the duration of the accreditation.

The risk assessment should consider the following key risk areas (as a minimum):

- ▼ safety – eg, incidents that could occur during, or as a result of, the implementation of an activity at a site resulting in injury to employees, representatives or customers
- ▼ fraud – eg, installers providing false documentation leading to the ACP improperly creating ESCs in contravention of the Act, or undertaking work in contravention of other relevant legislation
- ▼ property damage – eg, incidents that could occur during, or as a result of, an implementation of an activity at a site resulting in damage to property, and
- ▼ regulatory – eg, the ACP undertakes activities in contravention of relevant legislation.

An example risk register is attached in Appendix C. Organisations may use this example to develop their risk register, or they may develop their own. Organisations that wish to develop their own template should ensure that it is consistent with industry accepted risk assessment principles and practices or a relevant standard.³²

3.11 Internal audit procedures

Applications for accreditation under the HEER method will need to include an outline of the internal audit procedures that will be used by the ACP to monitor implementations being undertaken under their accreditation. This includes auditing the work and records provided by contractors and representatives. ACPs will need to have sufficient processes in place to:

- ▼ identify discrepancies between their records and the activities actually occurring at each site, including work and records provided by contractors and representatives, and
- ▼ confirm that controls identified in their risk assessment are effectively mitigating risks to the ESS.

³⁰ For example, *AS/NZS ISO 31000:2009: Risk Management – Principles and Guidelines*.

³¹ This includes any risks that may impact on the integrity and reputation of the ESS.

³² For example, *ISO/IEC FDIS 31010: Risk management – Risk assessment techniques*.

Internal audit procedures will not replace independent audits that may be required by the Scheme Administrator.³³ However, having robust internal audit procedures may assist ACPs to identify errors prior to creating ESCs and subsequently streamline independent audits. Robust internal audit procedures should also form an integral part of an ACP's process to review and monitor risks to the ESS associated with their project.

Appendix B provides further guidance to consider when developing internal audit procedures. If an application for accreditation is successful, the conditions of accreditation will include a requirement for the ACP to implement the approved internal audit procedures on an ongoing basis.

3.12 Insurance

ACPs (and any contractors³⁴ involved in the delivery of the RESA) must hold and maintain public liability insurance of at least \$5 million. Insurance cover of this amount must be maintained for the life of the RESA. Public liability insurance must, at a minimum, cover the replacement and/or rectification of customers' property damaged as a result of work performed by the ACP and/or the ACP's contractors.

Either the ACP or the ACP's contractors must also hold and maintain product liability insurance of at least \$5 million that covers all products used in the RESA. In the event that the ACP is unable to obtain product liability insurance, the ACP must ensure that their contractors hold product liability insurance of at least \$5 million.

ACPs must also:

- ▼ provide the Scheme Administrator with certificates of currency for their, and their contractors', public liability and product liability insurances, within seven days of each renewal, reissue or change of policy, and
- ▼ maintain a register of contractors that contains copies of their public liability insurance and, where required, their product liability insurance.

Compliance with these requirements will be checked at the time of audit.

4 Calculating energy savings

Under the ESS Rule, energy savings may comprise both electricity savings and gas savings.

4.1 Electricity savings

The electricity savings from an implementation of the HEER method can be calculated using:

- ▼ equation 16 of the ESS Rule

³³ Refer to the Compliance Guide for information about the Scheme Administrator's typical approach to setting initial and ongoing audit requirements. The Compliance Guide is available at: www.ess.nsw.gov.au/Audits_and_Compliance/Audit_and_compliance_guides.

³⁴ This includes any person or company you are working with that is involved directly in the implementation of any aspect of the RESA.

- ▼ the deemed activity electricity savings from the relevant activity definition in Schedules D and E to the ESS Rule, and
- ▼ the regional network factor from Table A24 of Schedule A to the ESS Rule.

4.2 Gas savings

The gas savings from an implementation of this method can be calculated using equation 16 of the ESS Rule, which uses the deemed activity gas savings from the relevant activity definition in Schedules D and E to the ESS Rule. Where there are no deemed activity gas savings for an activity, the gas savings will be zero.

4.3 Calculation tools

ACPs can develop their own calculation tool to assist in the calculation of energy savings. Spreadsheets and tools used in the calculation of energy savings must be developed in accordance with the most recent requirements of the HEER method under the ESS Rule and maintained to ensure they are up to date with such requirements. For example, ESS Rule factors, including deemed activity electricity and gas savings factors, are updated from time to time. Energy savings must be calculated in accordance with the relevant equations outlined in the ESS Rule.

5 Calculating and creating ESCs

Equation 1 of the ESS Rule is used to calculate the number of ESCs that may be created from the energy savings calculated in relation to an implementation.³⁵

Equation 1

$$\text{Number of Certificates} = \sum_{\text{Implementations}} (\text{Electricity Savings} \times \text{Electricity Certificate Conversion Factor} + \text{Gas Savings} \times \text{Gas Certificate Conversion Factor})$$

5.1 Applying to register ESCs

Certain information must be submitted to the Scheme Administrator by an ACP for the purpose of applying to register ESCs.³⁶ ACPs are to provide the required information by completing an *Implementation Data Sheet*³⁷ and submitting it through the ESS Portal.³⁸ The *Implementation Data Sheet* will include a calculation of the number of ESCs to be created in accordance with Equation 1 in the ESS Rule. This calculation involves:

³⁵ ESS Rule, cl 6.5.

³⁶ ESS Rule, cl 6.8.

³⁷ Available at: www.ess.nsw.gov.au/Home/About-ESS/ESS-Registry-and-ESS-Portal/Registering-ESCs.

³⁸ Information and access to the portal can be found here: www.ess.nsw.gov.au/ESS_Portal.

- ▼ multiplying the electricity savings from the implementation or implementations by the electricity certificate conversion factor (1.06)³⁹
- ▼ multiplying the gas savings from the implementation or implementations by the gas certificate conversion factor (0.39),⁴⁰ and
- ▼ adding the two figures together.

The result is the total number of ESCs that ACPs can apply to register from the implementation or implementations. If the result is not a whole number, it is rounded **down** to the nearest whole number.

There are no restrictions on how many implementations can be bundled together in the same *Implementation Data Sheet*. However:

- ▼ ACPs must apply to register all ESCs included in an *Implementation Data Sheet* in a single application
- ▼ ACPs cannot split energy savings calculated from a single implementation across two or more *Implementation Data Sheets*, and
- ▼ each *Implementation Data Sheet* must only include the calculation of energy savings that are taken to have occurred in the same calendar year (commonly referred to as 'vintage').

When determining how many implementations to bundle in the same *Implementation Data Sheet*, ACPs should consider:

- ▼ the ESC creation limit specified in their Accreditation Notice, as they must be able to register all the ESCs in the bundle at the same time, and
- ▼ the cost of registering the ESCs.⁴¹

More information on applying to register the creation of ESCs can be found on the ESS website.⁴²

6 Minimum required records

ACPs are required to keep records in respect of a RESA, including records of:

- ▼ the location in which the RESA occurred
- ▼ the energy savings arising from that RESA
- ▼ the methodology, data and assumptions used to calculate those energy savings, and
- ▼ any other records specified in writing by the Scheme Administrator.⁴³

³⁹ Act, s 130(1)(a). This may be amended by regulation: Act, s 130(3).

⁴⁰ Act, s 130(1)(b). This may be amended by regulation: Act, s 130(3).

⁴¹ The ESC registration fee must be paid in a single payment for all ESCs registered in a single bundle. Payment for a single bundle cannot be split into two payments. Refer: www.ess.nsw.gov.au/Home/About-ESS/ESS-Registry-and-ESS-Portal/Registering-ESCs

⁴² Available at: www.ess.nsw.gov.au/Home/About-ESS/ESS-Registry-and-ESS-Portal/Registering-ESCs

⁴³ Regulation, cl 46(1) and (2).

ACPs must retain records for at least six years, in a form and manner approved by the Scheme Administrator.⁴⁴ Each ACP's Accreditation Notice may include a condition requiring that the ACP's record keeping arrangements are consistent with the *Record Keeping Guide*.⁴⁵

Table 6.1 to Table 6.19 below describe the minimum documents ACPs are required to keep as a record of the energy savings from the project. For each implementation, ACPs must collect:

- ▼ the records described in Table 6.1, and
- ▼ the records described in the Table relevant to the activity or activities being implemented.

⁴⁴ *Regulation*, cl 46(3)-(4).

⁴⁵ Available at: www.ess.nsw.gov.au/Accredited_Certificate_Providers/Record_keeping_arrangements.

Table 6.1 Minimum required records for all implementations

Requirement	Document	Description
Small business site	Electricity bill	<p>The document must clearly show:</p> <ul style="list-style-type: none"> ▼ the name of the business at which the work took place ▼ the Australian Business Number (ABN) or Australian Company Number (ACN) of this business, and ▼ annual electricity consumption/usage under 100MWh per year or equivalent figure that allows for annual consumption calculation (eg average daily usage) for the business site at which the work took place. <p><i>Note: If the annual electricity consumption is calculated and results in a consumption close to the 100MWh per year threshold you must contact IPART to confirm the validity of the calculation before calculating energy savings from this activity.</i></p>
	or for a customer of an exempt seller	<ul style="list-style-type: none"> ▼ extract from the public register of retail exemptions showing the exempt seller name, ⁴⁶ and ▼ information on electricity consumption / usage that shows consumption under the upper consumption threshold per year (currently 100MWh) for the business site at which the work took place.
	Business evidence	<p>If the electricity bill does not provide evidence of the site being occupied by a business, an additional piece of evidence must be provided for the site at which the work took place, such as:</p> <ul style="list-style-type: none"> ▼ ABN or ACN certificate confirming the business name ▼ ASIC extract confirming the business name, or ▼ receipts produced by the business showing the business name and ABN or ACN.
Implementation date	Certificate of Compliance – Electrical Work (CCEW) or Tax invoice	<p>The document must clearly show:</p> <ul style="list-style-type: none"> ▼ the date the work was conducted (ie, the equipment was installed), and ▼ the address where the work took place.
Implementation address	CCEW or Tax invoice	<p>The document must clearly show:</p> <ul style="list-style-type: none"> ▼ the date the work was conducted, and ▼ the address where the work took place.

⁴⁶ The public register is available at <https://www.aer.gov.au/retail-markets/retail-exemptions/public-register-of-retail-exemptions>.

Requirement	Document	Description
Minimum co-payment	Tax invoice and Sales ledger	<p>The tax invoice must clearly show:</p> <ul style="list-style-type: none"> ▼ the amount paid for the implementation ▼ the name of the purchaser ▼ the ABN of the purchaser (if applicable) ▼ the goods or services purchased, and ▼ the date of the purchase. <hr/> <p>The sales ledger must clearly show:</p> <ul style="list-style-type: none"> ▼ the amount paid for the implementation ▼ when the payment was made, and ▼ who made the payment.
	or Low-income energy program exemption	Document signed by an authorised representative of the Community Housing Provider (CHP) that clearly shows the address of the site and states that the implementation was done as part of the CHP component of the Home Energy Action Program.
Nomination	Nomination form	<p>The nomination form must:</p> <ul style="list-style-type: none"> ▼ be in the required form (ie, using the relevant template available from the ESS website), and ▼ be signed by the original energy saver on or before the implementation date.
Calculations	The spreadsheet or calculation tool used to calculate energy savings from each implementation.	The document must clearly show the calculation of energy savings, and the data inputs and factors applied as required for the relevant activity in Schedules D and E to the ESS Rule.

Table 6.2 Minimum required records - activities D1 (replacing windows & doors) and D2 (modifying glazing of windows & doors)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show how the existing equipment installed at the site meets the requirements.
Equipment requirements	Manufacturers specifications and	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product, and ▼ the warranty details of the product.
	Window Energy Rating Scheme (WERS) rating certificate or	The document must show the WERS rating of the product.
	Screenshot from the WERS database	
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the person who installs the product at the site, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.

Table 6.3 Minimum required records - activities D3 (replace an air conditioner) and D4 (install an air conditioner)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show: <ul style="list-style-type: none"> ▼ for activity D3, the existing equipment installed at the site. The photograph must show the star rating of the existing equipment. or <ul style="list-style-type: none"> ▼ for activity D4, that there is no existing equipment installed at the site.
Equipment requirements	Manufacturers specifications	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product ▼ the star rating of the product, and ▼ the warranty details of the product.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the qualified licence holder that performs or supervises the installation of the activity, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.

Table 6.4 Minimum required records - activity D5 (replace a pool pump)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show the existing pool pump at the site.
Equipment requirements	Manufacturers specifications and	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product ▼ the star rating of the product, and ▼ the warranty details of the product.
	Energy rating screenshot	The screenshot must show that the product is on the list of products participating in the Voluntary Energy Rating Labelling Program for swimming pool pumps.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the qualified licence holder that performs or supervises the installation of the activity, and ▼ must be co-signed by the purchaser. <p>Where there are two qualified licence holders involved in the installation, they must both co-sign the declaration.</p>
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.

Table 6.5 Minimum required records - activity D10 (replace electric water heater with gas fired)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show the existing electric water heater at the site. Where possible, the photograph must show the capacity of the existing electric water heater.
Equipment requirements	Manufacturers specifications and	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product including capacity ▼ the star rating of the product, and ▼ the warranty details of the product.
	Excerpt from the Gas Technical Regulators Committee (GTRC) National Certification Database and	The excerpt must show that the product is listed as certified in the GTRC National Certification Database.
	Geo-tagged photograph(s) or connection diagram and	The document must show the connection point of the high efficiency gas fired water heater. This must clearly show if the water heater is connected to a gas distribution system or a cylinder.
	Customer billing information or signed statement by the customer	The document must show that the existing electric water heater is not on a controlled load tariff (commonly known as 'off peak').
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the qualified licence holder that performs or supervises the installation of the activity, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.

Table 6.6 Minimum required records - activity D11 (replace gas fired water heater with gas fired)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show the existing gas fired water heater at the site. Where possible, the photograph must show the capacity of the existing gas fired water heater.
Equipment requirements	Manufacturer's specifications and	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product including capacity ▼ the star rating of the product, and ▼ the warranty details of the product.
	Excerpt from the GTRC National Certification Database	The excerpt must show that the product is listed as certified in the GTRC National Certification Database.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the qualified licence holder that performs or supervises the installation of the activity, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.

Table 6.7 Minimum required records - activity D12 (install or replace gas space heater)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show: <ul style="list-style-type: none"> ▼ whether there is an existing gas space heater, and ▼ where there is an existing gas space heater, the capacity of the existing heater.
Equipment requirements	Manufacturer's specifications and	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product including capacity ▼ the star rating of the product, and ▼ the warranty details of the product.
	Excerpt from the directory of Australian Gas Association (AGA) certified products	The excerpt must show that the product is listed in the AGA directory.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the qualified licence holder that performs or supervises the installation of the activity, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.

Table 6.8 Minimum required records - activity D13 (install a natural roof space ventilator)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show that there is no existing equipment at the site and there is continuous roof or ceiling insulation in the roof space.
Equipment requirements	Manufacturer's specifications	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product including capacity ▼ the product's rated flow coefficient and rated effective aerodynamic area, and ▼ the warranty details of the product.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the qualified licence holder that performs or supervises the installation of the activity, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the same site shown in the photo above.

Table 6.9 Minimum required records - activity D14 (install a fan-forced roof space ventilator, PV powered fan-forced roof space ventilator or an occupied space ventilator)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show that there is no existing equipment at the site and there is continuous roof or ceiling insulation in the roof space.
Equipment requirements	Manufacturer's specifications	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product including capacity ▼ the product's rated flow coefficient and rated electrical power consumption, and ▼ the warranty details of the product.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the qualified licence holder that performs or supervises the installation of the activity, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the same site shown in the photo above.

Table 6.10 Minimum required records - activity D15 (replace an exhaust fan with a self sealing exhaust fan)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	▼ The photograph(s) must show the existing exhaust fan at the site, ducting between the fan to outlet at exterior of the building or where that is not possible, a photo of the exterior vent.
Equipment requirements	Manufacturer's specifications	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product ▼ the warranty details of the product, and ▼ instructions for the installation of the product.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the qualified licence holder that performs or supervises the installation of the activity, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site, show ducting between the fan to outlet at exterior of the building or where that is not possible, a photo of the exterior vent.

Table 6.11 Minimum required records - activity E1 (replace halogen downlight with LED)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show the existing lighting equipment at the site. Where possible, the photograph should show that the existing lighting is rated at either 35W or 50W.
Equipment requirements	Manufacturers specifications and	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product, and ▼ the list of dimmers and drivers with which the product has been tested, and found compatible (where the product category is LED Lamp only – ELV).
	Geo-tagged photograph(s) and	The photograph(s) must show the existing transformer and dimmer for each lamp that is to be replaced with a LED Lamp only – ELV. or The photograph(s) must show each different transformer/dimmer and lamp combination, and be supported by an electrician’s declaration that includes: <ul style="list-style-type: none"> ▼ a list of the brands and models for each different transformer/dimmer and lamp combination, the number of lamps for each combination and if the transformers are magnetic or electronic, ▼ confirmation that each LED Lamp only – ELV replacement is compatible with the transformer and/or dimmer it is installed with, according to the lamp supplier’s compatibility list(s), and ▼ confirmation that each lamp has been verified as operating correctly after it was installed. Where dimming is used, the lamp must not flicker when dimmed.
	Acceptance by the Scheme Administrator (where required) and	Refer to the <i>Lighting Equipment Requirements – Home Energy Efficiency Retrofits Method</i> published on the ESS website: www.ess.nsw.gov.au/Methods_for_calculating_energy_savings/Home_Energy_Efficiency_Retrofits .
	Electrician’s declaration of dimmer compatibility (where required)	Required if the lamp is to be installed in a dimmable circuit. Refer to the <i>Lighting Equipment Requirements – Home Energy Efficiency Retrofits Method</i> .

Requirement	Document	Description
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the licensed electrician that performs or supervises the installation, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s) and	The photograph(s) must show the new equipment installed at the site.
	Electrician's declaration of transformer compatibility (where required)	Required if the lamp is to be installed with an existing transformer. Refer to the <i>Lighting Equipment Requirements – Home Energy Efficiency Retrofits Method</i> .
Recycling requirement	Recycling receipt or certificate	The document must show that lighting has been disposed of in accordance with clause 5.3A(b) of the ESS Rule. Please refer to section 3.7.3 of this guide.

Table 6.12 Minimum required records - activities E2, E3, E4 and E5 (replace various lamps & luminaires)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show the existing lighting equipment at the site.
Equipment requirements	Manufacturers specifications and	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product, and ▼ the specifications of the product.
	Acceptance by the Scheme Administrator (where required) and	Refer to the <i>Lighting Equipment Requirements – Home Energy Efficiency Retrofits Method</i> published on the ESS website: www.ess.nsw.gov.au/Methods_for_calculating_energy_savings/Home_Energy_Efficiency_Retrofits .
	Electrician's declaration of dimmer compatibility (where required)	Required if the lamp is to be installed in a dimmable circuit. Refer to the <i>Lighting Equipment Requirements – Home Energy Efficiency Retrofits Method</i> .
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the licensed electrician that performs or supervises the installation, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.
Recycling requirement	Recycling receipt or certificate	The document must show that lighting has been disposed of in accordance with clause 5.3A(b) of the ESS Rule. Please refer to section 3.7.3 of this guide.

Table 6.13 Minimum required records - activity E6 (replace a showerhead)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show: <ul style="list-style-type: none"> ▼ the existing hot water system at the site, and ▼ the existing showerhead(s) at the site.
Equipment requirements	Manufacturers specifications and	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product, and ▼ the warranty details of the product.
	Screenshot from Water Efficiency Labelling and Standards (WELS) database	The document must show the WELS rating of the showerhead.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the licensed plumber that performs the installation, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.

Table 6.14 Minimum required records - activities E7 and E8 (draught-proofing)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show the existing door or window at the site.
Equipment requirements	Manufacturers specifications	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product ▼ the warranty details of the product, and ▼ instructions for the installation of the product.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the person who installed the product, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.

Table 6.15 Minimum required records - activity E9 (modify fireplace chimney)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show the existing fireplace at the site. Where possible, the photograph should show that the existing fireplace does not have an existing damper.
Equipment requirements	Manufacturers specifications	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product ▼ whether the product is designed to be used in an operable fireplace ▼ the warranty details of the product, and ▼ instructions for the installation of the product.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the person who installed the product, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site. Where the product is not designed to be used in an operable fireplace, the photograph(s) must show that: <ul style="list-style-type: none"> ▼ the fireplace and access to the combustion chamber is sealed, or ▼ if the firebox is not to be sealed, the fuel burning device has been tagged identifying that the fuel burning device has been sealed.

Table 6.16 Minimum required records - activity E10 (install an external blind to a window or door)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s) and	▼ The photograph(s) must show that the existing window or door is not shaded by any existing external shading device.
	Map or satellite image	The document must show the location and orientation of the site. The document may be a screen shot, but must be detailed enough to confirm that the existing window or door does not face south.
Equipment requirements	Manufacturers specifications	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product ▼ that the product has a warranty of at least 5 years, and ▼ instructions for the installation of the product.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the person that performs or supervises the installation of the activity, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.

Table 6.17 Minimum required records - activity E11 (replace Edison screw or bayonet lamp with LED)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show the existing lighting equipment at the site including the fixture.
Lighting equipment requirements	Manufacturers specifications and	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product, and ▼ the list of dimmers with which the product has been tested, and found compatible.
	Geo-tagged photograph(s) and	The photograph(s) must show: <ul style="list-style-type: none"> ▼ any existing dimmers connected to the same circuit as the new lighting equipment, and ▼ the light output of the existing equipment.⁴⁷
	Acceptance by the Scheme Administrator (where required) and	Refer to the <i>Lighting Equipment Requirements – Home Energy Efficiency Retrofits Method</i> published on the ESS website: http://www.ess.nsw.gov.au/Methods_for_calculating_energy_savings/Home_Energy_Efficiency_Retrofits .
	Electrician's declaration of dimmer compatibility (where required)	Required if the lamp is to be installed in a dimmable circuit. Refer to the <i>Lighting Equipment Requirements – Home Energy Efficiency Retrofits Method</i> .
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the licensed electrician that performs or supervises the installation, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.
Recycling requirement	Recycling receipt or certificate	The document must show that lighting has been disposed of in accordance with clause 5.3A(b) of the ESS Rule. Please refer to section 3.7.3 of this guide.

⁴⁷ The photograph must show the LCP value of the existing equipment, which is then used to determine the light output. Refer to section 4.5.2 of the *Lighting Equipment Requirements – Home Energy Efficiency Retrofits Method* for more details.

Table 6.18 Minimum required records - activity E12 (modify an exhaust fan with a sealing product)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show the existing exhaust fan at the site.
Equipment requirements	Manufacturer's specifications	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product ▼ the specifications of the product ▼ that the product has a warranty of at least 2 years, and ▼ instructions for the installation of the product.
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the qualified licence holder that performs or supervises the installation of the activity, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed and that it effectively restricts the airflow into or out of the site.

Table 6.19 Minimum required records - activity E13 (replace a T5 luminaire with a LED luminaire)

Requirement	Document	Description
Eligibility requirements	Site assessor declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide, and ▼ must be completed and signed by the person who identifies that the eligibility requirements are met.
	Geo-tagged photograph(s)	The photograph(s) must show the existing lighting equipment at the site.
Equipment requirements	Manufacturers specifications and	The document must show: <ul style="list-style-type: none"> ▼ the model name or number of the product, and ▼ the specifications of the product.
	Acceptance by the Scheme Administrator (where required) and	Refer to the <i>Lighting Equipment Requirements – Home Energy Efficiency Retrofits Method</i> published on the ESS website: www.ess.nsw.gov.au/Methods_for_calculating_energy_savings/Home_Energy_Efficiency_Retrofits .
	Electrician's declaration of dimmer compatibility (where required)	Required if the lamp is to be installed in a dimmable circuit. Refer to the <i>Lighting Equipment Requirements – Home Energy Efficiency Retrofits Method</i> .
Implementation requirements	Post implementation declaration and	The declaration: <ul style="list-style-type: none"> ▼ may be based on the template provided in Appendix A of this guide ▼ must be completed and signed by the licensed electrician that performs or supervises the installation, and ▼ must be co-signed by the purchaser.
	Geo-tagged photograph(s)	The photograph(s) must show the new equipment installed at the site.
Recycling requirement	Recycling receipt or certificate	The document must show that lighting has been disposed of in accordance with clause 5.3A(b) of the ESS Rule. Please refer to section 3.7.3 of this guide.



Appendices

A Templates – Site Assessor Declaration and Post-Implementation Declaration



Instructions for using these templates

To use these templates, you must:

- ▼ Copy the wording of this document into your own document.
- ▼ Delete the activities not relevant to the RESA.
- ▼ Format and amend as appropriate.

Template – Site Assessor Declaration

[ACP Company name and logo]

Site assessor and site details:

Name	[Site assessor to complete]
Business name	[Site assessor to complete]
ABN	[Site assessor to complete]
Phone number	[Site assessor to complete]
Site address	[Site assessor to complete]
Date of site assessment	[Site assessor to complete]

Activities to be implemented at the site:

Activity Definition and Name	Tick
D1 Replace an external single-glazed window or door with a thermally efficient window or door	<input type="checkbox"/>
D2 Modify an external window or glazed door by installing secondary glazing	<input type="checkbox"/>
D3 Replace an existing air conditioner with a high efficiency air conditioner	<input type="checkbox"/>
D4 Install a high efficiency air conditioner	<input type="checkbox"/>
D5 Replace an existing pool pump with a high efficiency pool pump	<input type="checkbox"/>
D10 Replace an existing electric water heater with a high efficiency gas fired water heater	<input type="checkbox"/>
D11 Replace an existing gas fired water heater with a high efficiency gas fired water heater	<input type="checkbox"/>
D12 Install a high efficiency gas space heater or replace an existing gas space heater with a high efficiency gas space heater	<input type="checkbox"/>
D13 Install a natural roof space ventilator	<input type="checkbox"/>
D14 Install a fan-forced roof space ventilator, PV powered fan-forced roof space ventilator or an occupied space ventilator	<input type="checkbox"/>
D15 Replace an exhaust fan with a self sealing exhaust fan	<input type="checkbox"/>
D12 Install a high efficiency gas space heater or replace an existing gas space heater with a high efficiency gas space heater	<input type="checkbox"/>
E1 Replace halogen downlight with an LED luminaire and/or lamp	<input type="checkbox"/>
E2 Replace a linear halogen floodlight with a high efficiency lamp	<input type="checkbox"/>
E3 Replace parabolic aluminised reflector (PAR) lamp with efficient luminaire and/or lamp	<input type="checkbox"/>
E4 Replace a T8 or T12 luminaire with a T5 luminaire	<input type="checkbox"/>
E5 Replace a T8 or T12 luminaire with an LED luminaire	<input type="checkbox"/>
E6 Replace an existing showerhead with an ultra-low flow showerhead	<input type="checkbox"/>
E7 Modify an external door with draught-proofing	<input type="checkbox"/>
E8 Modify an external window with draught-proofing	<input type="checkbox"/>
E9 Modify a fireplace chimney by sealing with a damper	<input type="checkbox"/>
E10 Install an external blind to a window or door	<input type="checkbox"/>
E11 Replace an Edison screw or bayonet lamp with an LED lamp for general lighting purposes	<input type="checkbox"/>
E12 Modify an exhaust fan with a sealing product	<input type="checkbox"/>
E13 Replace a T5 luminaire with a LED luminaire	<input type="checkbox"/>

Site assessor declaration:

I, [site assessor name], hereby declare that:

- I have undertaken the site assessment of the above site.
- I have documented and attached a list of all existing equipment at the site that is to be modified or replaced for the purposes of generating energy savings certificates.
- The activities being implemented meet the eligibility requirements specified in Schedules D and E to the ESS Rule and I have collected records to support this (as specified in the relevant table of the Home Energy Efficiency Retrofits Method Guide).
- The information I have provided is complete and accurate and I am aware that there are penalties for providing false or misleading information in this form.

Note: Section 158 of the *Electricity Supply Act 1995* imposes a maximum penalty of \$11,000 and/or six (6) months imprisonment for knowingly providing false or misleading information to the Scheme Administrator.

Signature [Site assessor to sign]

Name of signatory [Site assessor to complete]

Date [Site assessor to complete]

Template – Post Implementation Declaration

[ACP Company name and logo]

Installer and site details:

Name	[Installer to complete]
Business name	[Installer to complete]
ABN	[Installer to complete]
Phone number	[Installer to complete]
Site address	[Installer to complete]
Completion date of works	[Installer to complete]
Type of licence	[Installer to complete]
Licence number	[Installer to complete]
Certifications	[Installer to complete]

Activities implemented at the site:

Activity Definition and Name	Tick
D1 Replace an external single-glazed window or door with a thermally efficient window or door	<input type="checkbox"/>
D2 Modify an external window or glazed door by installing secondary glazing	<input type="checkbox"/>
D3 Replace an existing air conditioner with a high efficiency air conditioner	<input type="checkbox"/>
D4 Install a high efficiency air conditioner	<input type="checkbox"/>
D5 Replace an existing pool pump with a high efficiency pool pump	<input type="checkbox"/>
D10 Replace an existing electric water heater with a high efficiency gas fired water heater	<input type="checkbox"/>
D11 Replace an existing gas fired water heater with a high efficiency gas fired water heater	<input type="checkbox"/>
D12 Install a high efficiency gas space heater or replace an existing gas space heater with a high efficiency gas space heater	<input type="checkbox"/>
D13 Install a natural roof space ventilator	<input type="checkbox"/>
D14 Install a fan-forced roof space ventilator, pv powered fan-forced roof space ventilator or an occupied space ventilator	<input type="checkbox"/>
D15 Replace an exhaust fan with a self sealing exhaust fan	<input type="checkbox"/>
E1 Replace halogen downlight with an LED luminaire and/or lamp	<input type="checkbox"/>
E2 Replace a linear halogen floodlight with a high efficiency lamp	<input type="checkbox"/>
E3 Replace parabolic aluminised reflector (PAR) lamp with efficient luminaire and/or lamp	<input type="checkbox"/>
E4 Replace a T8 or T12 luminaire with a T5 luminaire	<input type="checkbox"/>
E5 Replace a T8 or T12 luminaire with an LED luminaire	<input type="checkbox"/>
E6 Replace an existing showerhead with an ultra-low flow showerhead	<input type="checkbox"/>
E7 Modify an external door with draught-proofing	<input type="checkbox"/>
E8 Modify an external window with draught-proofing	<input type="checkbox"/>
E9 Modify a fireplace chimney by sealing with a damper	<input type="checkbox"/>
E10 Install an external blind to a window or door	<input type="checkbox"/>
E11 Replace an Edison screw or bayonet lamp with an led lamp for general lighting purposes	<input type="checkbox"/>

Activity Definition and Name	Tick
E12 Modify an exhaust fan with a sealing product	<input type="checkbox"/>
E13 Replace a T5 luminaire with a LED luminaire	<input type="checkbox"/>

Installer declaration:

I, [Installer name], hereby declare that:

- I have undertaken or supervised the activities selected above at the site.
- I am aware of and have complied with the implementation requirements specified in Schedules D and E to the ESS Rule for each of the activities I have undertaken or supervised.
- The products installed for each activity which I have undertaken or supervised comply with the equipment requirements specified in Schedules D and E to the ESS Rule.
- I have documented and attached a list of all new equipment installed at the site for the purposes of generating energy savings certificates.
- The information I have provided is complete and accurate and I am aware that there are penalties for providing false or misleading information in this form.

Note: Section 158 of the *Electricity Supply Act 1995* imposes a maximum penalty of \$11,000 and/or six (6) months imprisonment for knowingly providing false or misleading information to the Scheme Administrator.

Signature [Installer to sign]

Name of signatory [Installer to complete]

Date [Installer to complete]

Purchaser declaration:

I, [Purchaser name], hereby declare that:

- The activities selected above have been undertaken at the site.
- I am satisfied with the result of the activities that have been undertaken at the site.
- I am satisfied with the light distribution of the upgraded lamps, that they are not flickering and that the dimmers are working (if the activity involved a lighting upgrade).
- I have paid [\$x] for the implementation and this amount was not, and will not be, reimbursed.

Note: Section 158 of the *Electricity Supply Act 1995* imposes a maximum penalty of \$11,000 and/or six (6) months imprisonment for knowingly providing false or misleading information to the Scheme Administrator.

Signature [Purchaser to sign]

Name of signatory [Purchaser to complete]

Date [Purchaser to complete]

B Developing internal audit procedures

This guidance is provided to assist persons applying for accreditation under the HEER method to develop internal audit procedures for the purpose of monitoring compliance with the ESS requirements.

The key points below are not an exhaustive list of information that should be considered when developing internal audit procedures applicable to the proposed activities. The appropriateness of the internal audit procedures will be considered as part of the application for accreditation process.

Training and experience

Staff responsible for conducting internal audits should:

- ▼ understand legislative requirements relevant to the activity
- ▼ be familiar with the business processes and the risks identified in the activity risk assessment, and
- ▼ have sufficient training to implement relevant audit tasks, including any technical skills or experience they may require.

Documenting audit outcomes

The outcomes of internal audits must be clearly documented, including:

- ▼ sites that were audited
- ▼ audit tasks that were undertaken at the site
- ▼ the outcome of the audit procedures at the site, and
- ▼ any follow up actions that were implemented.

Selecting audit sites

The internal audit policy should describe how sites will be selected for audit, including:

- ▼ whether sites will be selected on a risk basis and, if so, what factors will be considered
- ▼ whether a sample of sites will be selected and, if so, what sampling methodology will be used, and
- ▼ the reasons for choosing the specific risk based or sampling approach and how it is the most appropriate for the activities.

Information to be verified

The purpose of internal audits is to confirm that:

- ▼ implementations have been undertaken in accordance with the ESS Rule and any conditions of accreditation, and
- ▼ controls identified during the risk assessment have been effective at mitigating risks to the ESS.

Examples of key information to be verified during the audit may include:

- ▼ the name and address of the purchaser
- ▼ the address of the site
- ▼ the implementation date
- ▼ the number and type of products installed at the site
- ▼ whether the existing equipment was removed from the site
- ▼ whether the nomination was signed by the purchaser on or before the implementation date
- ▼ whether the equipment was installed by a licensed tradesperson in accordance with the manufacturer's specifications and relevant legislation
- ▼ whether employees and representatives have complied with relevant legislation and internal policies and procedures, and
- ▼ whether the customer is satisfied with the implementation.

There may be additional information relevant to the activity that may need to be verified during the audit.

Audit tasks

The audit tasks should describe the actual checks that will be carried out to confirm the details of the implementation. For example, audit tasks to verify the quantity and type of eligible equipment installed at the site may include cross-checking the equipment details in records with the equipment:

- ▼ installed at the site, and
- ▼ requirements of the ESS Rule.

C Example risk register

Risk No.	Risk Description	Likelihood (L)	Consequence (C)	Risk Score (LxC)	Risk Class	Control Measures

Instructions

- Risk No** Number each risk you add to the risk register.
- Risk Description** Provide a concise description of each risk.
- Likelihood** Assess the likelihood of the risk occurring, from 1 (not likely) to 5 (almost certain to occur).
- Consequence** Assess the significance of the the consequence of the risk occurring, from 1 (very minor consequence) to 5 (extreme consequence).
- Risk Score** Multiply the Likelihood and the Consequence.
- Risk Class** Assess as either Low, Moderate or High using the Risk Score and the Risk Table below.
- Control Measures** Provide a concise description of the controls you have in place to mitigate the likelihood of the risk occurring, or to reduce the consequence of the risk occurring.

Risk Table

IMPACT	5	Moderate	High	High	High	High
	4	Moderate	Moderate	High	High	High
	3	Moderate	Moderate	Moderate	High	High
	2	Low	Low	Moderate	Moderate	High
	1	Low	Low	Low	Moderate	Moderate
		1	2	3	4	5
		LIKELIHOOD				

