Method specific scope items – Installation of High Efficiency Appliances for Businesses (IHEAB) (Clause 9.9 of the ESS Rule)

Requirement	Audit Procedure	Audit Tier
Calculation of energy savings	• Review the evidence provided supports the parameters used in the energy savings calculations. • Check that the correct deemed activity energy savings formulas and factors have been used, as set out in Schedule F of the *Energy Savings Scheme Rule of 2009* (ESS Rule). • Where certificates are registered on or after 14 April 2023, check that Regional Network Factor for Electricity Savings is applied in Equation 1 and not in Equation 17.	1
For each implementation the original energy saver must have: • been the purchaser • paid at least the net amount prescribed in the ESS Rule towards the cost of the implementation (which was not reimbursed or credited by anyone, including the ACP or another party)	• Review tax invoices and payment records held by the ACP and its contractors/representatives. • Confirm that the original energy saver was the purchaser and paid at least the prescribed net amount towards the cost of the implementation.	1
Site requirements	Check the site is not a residential building in NSW:[1] • a 'residential building' means: – a building classified by the Building Code of Australia (BCA) as a Class 1, 2 or 4 building, and – may include any non-habitable buildings (BCA Class 10a or 10b) on the same site.	1
Equipment requirements	• Check that End-User Equipment (**EUE**) requirements have been met by reference to: – the relevant Activity Definition requirements listed in Schedule F of the ESS Rule – manufacturer specifications. • Check, where relevant, when two or more heat pumps are joined by manifold to form a single system, that system has been deemed as a single item of EUE.	2
Implementation requirements	• Check the implementation requirements have been met by reference to: – the Activity Definition requirements listed in Schedule F of the ESS Rule. • Check that the implementation is done by an appropriately qualified person as required under the relevant legislation.	1

[1] For implementations under the IHEAB method, the site cannot be a residential building unless expressly permitted by the eligibility requirements for the relevant Activity Definition.

Requirement	Audit Procedure	Audit Tier
	• Check a Nomination Form was signed by the customer and ACP on or before the implementation date. • Check a site assessment report has been conducted on or before the implementation date and signed by the original energy saver or the installer.[2] • Check an installer declaration was completed and signed by the installer on the implementation date.	2
The implementation must have been performed by the relevant licensed person	• Check the person's licence and that the person is included in the ACP's register of installers. • Check compliance with minimum training requirements – as stipulated in the *Minimum requirements of conduct*.	2
Eligibility requirements for each implementation	• Check that the ACP has only implemented activities for which it is accredited in relation to Activity Definitions from Schedule F of the ESS Rule. • Confirm that: – the ACP was accredited for the activity on or before the implementation date – the ACP was nominated as the energy saver on or before the implementation date – the correct implementation date has been recorded by the ACP – the ACP has met any special conditions in the Accreditation Notice • Check that any Implementation Data Sheets or ESS Registry uploads are correct.	1
Reporting requirements	• For implementations after September 2025, check that the ACP has complied with requirements to report information specified in clause 6.8 to the Scheme Administrator.	1
Implementation address	• Check that evidence clearly identifies the address for the implementation and the Certificate of Compliance for Electrical Work (CCEW) or Gas Certificate of Compliance (GCC). Check the details of: – the date the appliance was installed – the address where the installation took place – that the site is not a residential building (unless permitted for that Activity Definition). • Check that the tax invoice clearly shows the address where the implementation took place.	1

[2] Where a site assessment requires 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.

Specific scope items for activities from Schedule F

Requirement	Audit Procedure	Audit Tier
Equipment requirements	• Check that End-User Equipment requirements have been met by reference to: – the relevant Activity Definition requirements of the ESS Rule – manufacturer specifications – acceptance by the Scheme Administrator and published on the Accepted Products List – geo-tagged photographs (note: requirements for geo-tagged photos vary between activities). • Check that the relevant equipment was accepted by the Scheme Administrator on or before the date the relevant application to register ESCs was made.	2
Recycling requirements	• Check for relevant implementations: – that the recycling requirements have been met[3] – compare the records authorising the removal of old or obsolete End-User Equipment with details in the signed Nomination Forms or other supporting evidence like a disposal or recycling receipt.	2

[3] ACPs are responsible for ensuring that any refrigerants that are removed or replaced during a refrigeration equipment upgrade must be disposed of in a manner that is compliant with the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989* (ESS Rule, cl 5.3A(b)).

Site Visits

Requirement	Audit Procedure	Audit Tier
Site visit requirements	• Confirm with the purchaser: – where the implementation date is on or after 12 September 2025, how it heard about the offer, and whether door knocking was part of the process (to confirm the implementation did not result from Unsolicited Doorknocking) – that a copy of the Nomination Form was provided to the purchaser – that it signed the Nomination Form – for heat pump water heater implementations on or after 1 April 2024, that it received the IHEAB heat pump water heater fact sheet before signing the Nomination Form and the implementation began – the date work was performed and completed, to assist in confirming the implementation date(s) of the implementation(s) – that the minimum co-payment was made for the correct amount – the co-payment has not been reimbursed or credited by anyone, including the ACP or another party – that the implementation was not undertaken at a residential building (unless permitted for that Activity Definition) – the nature and extent of the implementation works, including confirmation that EUE is still in place and operational – that the purchaser was provided an installer declaration signed by the installer – that the purchaser is satisfied with the implementation and has not experienced reduced production, service, or safety levels with the EUE.	3

Specific issues to be checked for versions of the ESS Rule

Rule date	Issues
ESS Rule commencing 12 September 2025	• An activity that involves Unsolicited Doorknocking is not a RESA (clause 5.4) • ACPs must not create ESCs for implementations involving installation of Banned EUE (including replacing EUE with Banned EUE) (clause 6.10) • Lifetime for air conditioner activity (F4) increased to 12 years • Refrigerated Cabinet Product Classes 12–15 with an implementation date on or after 12 September 2025 may only be used to create ESCs for new (F1.1) and replacement (F1.2) refrigerated cabinet activities. • Refrigerated Cabinet Product Classes 1 – 11 are suspended activities until further notice and cannot be used to create ESCs (F1.1 and F1.2) • Refrigerated display cabinets with more than one display side are ineligible (F1.1 and F1.2) • Co-payment for refrigerated cabinets and heat pump water heaters increased from $200 to $1000 • Changes to calculations of incentives for heat pump water heaters, including the introduction of a confidence factor and 5000 ESC limit for F16 and F17 • Location requirements of AS/NZS 5149.3:2016 and manufacturer installation recommendations must be followed where the replacement EUE is a split system with refrigerant flows between the evaporator and tank (F16 and F17) • For each IHEAB Implementation that occurs in a calendar month after September 2025 ACPs must, before the end of the next calendar month, report the information specified in clause 6.8 to the Scheme Administrator (clause 6.13). • Where the Implementation Date is on or after 1 December 2025, and the replacement EUE has an Insulated Storage Volume of 700L or less: – the EUE provided by the manufacturer(s) of the heat pump unit and tank must have a warranty against defects covering a period of at least 5 years from the date of installation, purchase or supply as applicable, and – if the person giving the warranty against defects is not in Australia, the warranty must also include the name and contact details of who to contact in Australia in the end of a product failure (F16 and F17). • After 30 June 2026, no implementations of Activity Definitions F8 and F9 may be undertaken, and no certificates created from such implementations (clause 9.9.6)
ESS Rule effective where Implementation Date is on or after 19 June 2024	Changes to Clause 1 and F1.1: • the installation of new refrigerated cabinets is not an activity that is eligible for Energy Savings Certificate creation where the Implementation Date is on or after 19 June 2024. Changes to Clause 9.9.1: • minimum co-payment of $200 (ex GST) per item of equipment for Activity Definitions F16 and F17 • 2 or more heat pumps joined by manifold to form a single system is deemed to be a single item of End User Equipment for the purpose of the co-payment. Changes to F16 and F17: • climate zones are determined by reference to the AS/NZS 4234 heat pump climate zones. Changes to F1.2: • equipment with 4 or more display sides are no longer eligible • the existing equipment must be: – recorded in the GEMS Registry as being of the same Refrigerated Cabinet Product Class as of the replacement equipment as set out in Table F1.2.1 of the Rule, or – recorded in the GEMS Registry as being of an AS 1731 Product Class that is in the same row of the Refrigerated Cabinet Product Class of the replacement equipment as set out in Table F1.2.1 of the Rule, or – of an AS 1731 Product Class that is in the same row of the Refrigerated Cabinet Product Class of the replacement equipment as set out in Table F1.2.1 of the Rule, evidenced to the satisfaction of the Scheme Administrator. • all refrigerated cabinets of Class 7, 8 or 11 now have a lifetime of 8 years.