lowenergy supplies & services

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Friday 9th December, 2011

Energy Savings Scheme Rule Change Consultation
Department of Trade and Investment
GPO Box 3889
Sydney, NSW, 2001

Dear Sir or Madam,

Energy Savings Scheme Rule Change Consultation

Thank you for the opportunity to comment on the proposed changes to the Energy Savings Scheme (ESS). Low Energy Supplies and Services (LESS) was established ten years ago with the aim of facilitating energy and water efficiency projects through programs such as GGAS, VEET and ESS. Consequently we have a long term vested interest in the success and effective design of the ESS.

LESS' General Comments

We believe the ESS has been well designed and implemented and is largely achieving its objectives. These proposed changes are a sensible move to update the program to reflect industry changes, and also to address some issues that have become apparent during the development of the program.

Specific Responses to Proposed Changes

Proposal 1: NABERS Rating Completion Date

a) Agreed – no comment.

Proposal 2: To include hotels and motels in the definition of 'commercial premises' under the Commercial Lighting Energy Savings Formula.

a) We strongly agree with this proposal because we have identified a number of projects in Class 3 buildings with the potential for significant energy savings.

b) Furthermore we believe this proposal should be widened to allow all building types under Class 3 of the Building Codes of Australia. This is because all buildings in Class 3 present good opportunities for lighting efficiency improvements. And organisations housed in building from this class often provide additional financial and social benefits to the community from improved operating efficiency. Examples of this are facilities for the aged and disabled, and detention centres which are largely operated with public funding and so improved efficiencies benefit the wider community.

c) We believe there should be a default number of annual operating hours for lighting projects in Class 3 buildings, rather than requiring approval from the scheme administrator for each specific project. It does not seem efficient or necessary for IPART to review and respond to increasing numbers of these types of requests. We propose it would be more practical and efficient to set conservative default operating hours in Table 10, perhaps based on building type and also average occupancy rates. For example if a hotel has an average occupancy across the year of 70%, then the

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annual operating hours of lights in the rooms would be 6hrs/night x 365nights/yr x 0.7 = 1533 hours per year.

Proposal 3: To include the requirement that lighting levels after upgrades in Commercial buildings must be 'fit for purpose'.

a) We agree and support the reference to AS1680 as evidence of being fit for purpose.

Proposal 4: To treat the use of T5 adaptors in the same way as lamp replacements and limit the allowable Nominal Lamp Lifetimes to 30,000 hours.

b) We agree in principle with the proposed change but we feel there may be adverse effects from the proposed changes to the wording of The Rule.

c) We believe the wording in Table 10 should include "unless agreed by Scheme Administrator" after "(nominal lamp lifetime should not exceed 30,000 hours)". This would allow for and encourage technological developments to increase lamp life. We further propose that The Rule should contain a clear definition and rules on acceptable evidence of nominal lamp lifetimes.

d) The Rule considers T5 adaptors to be an easily reversible measure because at any time the new T5 tube and adaptors can be removed and replaced with an old T8 tube, thus negating any energy savings. However we have learned that in many situations the existing T8 fitting is modified to render it unable to revert to a T8 tube. For example with some projects the installer must bypass the existing ballast. In these cases we believe the upgrade should be considered the same as if the lamp and control gear were replaced and thus attract 10 years' asset life.

Proposal 5: To remove tungsten incandescent lamps from the Commercial Lighting Energy Savings Formula.

a) We agree with this proposal in principal, however we believe that some types of incandescent lamps should remain as allowable upgrades in the CLESF. This is because the federal Minimum Energy Performance Standards has not phased-out all types of incandescent. There are some types, such as "decorative lamps over 25W" and also "pilot lamps under 25W" that are still being sold legally. We have identified some NSW commercial buildings using very large numbers of pilot lamps which represent potentially significant energy savings. We believe users of such lamps should be incentivised by the scheme to voluntarily upgrade to more efficient lamps rather than wait for mandatory legislation to phase-out the old lamps.

Proposal 6: Expand the definition of 'Site' to allow energy savings activities at locations where there are multiple or no direct electricity meters or logging devices, such as street lighting, traffic signals and network loss reduction equipment.

a) Agreed, no comment.

Proposal 7: To expand the definition of 'Energy Saver' to clearly allow network loss reduction activities.

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a) Agreed, no comment.

Proposal 8: To remove sales as an eligible lighting replacement activity where that activity requires an electrician.

a) We agree that a lighting upgrade requiring an electrician should not have the option of a Sales Discount Factor.

b) However we propose that the Default Savings Factor methodology should also allow lamp-only replacement of Halogen downlights. There are an increasing number of MR16 LED downlights now on the market that are designed to be a direct lamp-only retrofit for a 50W halogen downlight. These lamps are designed to work with a high proportion of the most common transformers, and come with warranties of up to 7 years. We believe that significant energy savings could be achieved by incentivising the sale of LED downlights designed for lamp-only replacement.

Additional Proposed Changes:

a) The proposed change to the new definition of Lighting Upgrade in The Rule (page 30) now disallows de-lamping. However we could find no reason or explanation for this in the Consultation Paper. We believe de-lamping projects are a valid and important part of commercial lighting upgrades and should be incentivised by this scheme. Any potential concerns about ensuring de-lamping is done safely and permanently could be addressed by requiring evidence of permanent disconnection of nominated lighting circuits, or bypassing of specific lights in a circuit.

LESS is happy to discuss these matters in greater detail.

Yours sincerely

Andrew Williamson
Manager Commercial and Industrial Energy Efficiency