

ENERGY SAVINGS SCHEME: COMMERCIAL LIGHTING FACT SHEET

30/03/2020



WHAT

What is the Energy Savings Scheme (ESS)?

The ESS is a NSW government scheme designed to reduce energy use by creating financial incentives for organisations to invest in upgrades to save energy.

Commercial lighting activities can be delivered under the ESS by Accredited Certificate Providers (**ACPs**) to help NSW businesses, councils and distributors save energy through upgrades of building lighting, upgrades of lighting for roads and public spaces, and upgrades of lighting for traffic signals.

What are the ACP's obligations?

The ACP must make sure that the lighting upgrade meets the scheme requirements. This includes ensuring the new lighting system is fit for purpose, maintains service levels and complies with lighting industry standards.



HOW

How do I get involved?

Your participation is voluntary. If you would like to participate you will need to work with an ACP to arrange a lighting upgrade. The ACP or its representatives may ask you to enter into a contract. We encourage you to consider any contract with an ACP or its representatives like any other business contract.

If you choose to participate, you should:

- ▼ Discuss any particular lighting requirements you have with your ACP and the lighting upgrade solution provider (which may or may not be the ACP).
- ▼ Discuss the equipment they propose to install and confirm it will meet your needs. The upgraded lighting system will be in place for many years, so it's important that you're satisfied with the outcome.
- ▼ Understand any commitments you are asked to make regarding the upgrade.
- ▼ Complete the necessary paperwork. At a minimum, you will be asked to sign a *Nomination Form* to nominate the ACP as the energy saver for the upgrade to enable them to create Energy Savings Certificates (**ESCs**) from the energy savings that will be made. You will also be asked to sign a *Post Implementation Declaration* confirming that you are satisfied with the upgrade.
- ▼ Co-operate with auditors, whose role is to verify that the ACP complies with ESS requirements.

How much will it cost?

The ESS requires that you contribute a net amount of at least \$5 (excluding GST) for each MWh (megawatt hour) of energy saved towards the cost of the goods and services that make up the lighting upgrade (**minimum co-payment**). The minimum co-payment amount cannot be made by in-kind payment or be reimbursed to you at any time before or after the upgrade takes place, either by the ACP or a third party. The ACP or its representatives may charge additional costs depending on the type and size of the upgrade. The ACP will advise you of any additional charges.

FREQUENTLY ASKED QUESTIONS

Where can I get more information?

In the first instance, you should contact the ACP. They will be able to provide more information on the products and services they offer.

The ESS website contains general information about the ESS and some answers to frequently asked questions: www.ess.nsw.gov.au. General inquiries about the ESS can also be emailed to ESS@ipart.nsw.gov.au.

What is a maintenance schedule?

Like most systems in a commercial building, lighting systems require regular maintenance. The ACP must ensure you receive a *Recommended Maintenance Schedule*, which must include an indication as to when to clean the lights and when lamps should be replaced. You should follow the recommended maintenance schedule and discuss alternatives with your ACP if you consider the maintenance schedule unreasonable.

Does the ESS give rebates?

No, the ESS is a regulatory certificate trading scheme which does not give direct rebates. However, under the ESS, ACPs may create ESCs for the energy savings that arise from the upgrades they deliver. ACPs can then sell those ESCs and use some of the revenue they get from that sale to offer either rebates or discounted products to their customers. The benefit for trading ESCs is determined completely by the market and may vary from one ACP to another. You should talk directly with the ACP or their representative to establish what, if any, financial benefit you may receive. However, a reimbursement is not permitted if it results in the net amount you have paid falling below the required \$5 per MWh minimum co-payment.

Why do I have to nominate an ACP?

The original saver of the energy must nominate an ACP to be the energy saver for the purposes of implementing the upgrade and creating ESCs. A nomination cannot be made more than once for the same upgrade and it should be made before the job is complete.

Who will install my lighting equipment?

The ACP must ensure all equipment is installed by a person authorised to carry out electrical wiring work (for example, a licensed electrician or a tradesperson authorised to do the work under supervision). This is to ensure that the equipment is installed correctly and safely.

Why can't I keep my old equipment?

Removed or replaced equipment cannot be reused, resold or refurbished. This is to ensure that the old energy inefficient equipment is not used somewhere else after it is removed or replaced. In certain metropolitan areas any removed lighting equipment that contains mercury (such as fluorescent tubes and Compact Fluorescent Lights (**CFLs**)) must be recycled with a recycler accredited in the safe and proper handling of mercury.

Does the equipment have to be approved?

The ESS specifies minimum requirements for the use of certain lighting equipment. Products subject to these requirements must be accepted by IPART as meeting these requirements before ESCs can be created from their installation.

More information, including a list of accepted equipment can be found on our website: www.ess.nsw.gov.au/Home/About-ESS/Lighting-equipment-requirements/Commercial-lighting-requirements.

Why is the lighting upgrade being audited?

IPART requires audits of all ACPs to ensure they comply with ESS requirements. Audits relate to the compliance of the ACP, not you, but IPART values and requires your cooperation. Audit activities which may occur include the following:

- ▼ Inspection of lighting upgrades by the auditor to verify that:
 - the equipment installed as part of upgrade has been accepted for use in the ESS, and
 - the equipment installed is the same as what was claimed by the ACP.
- ▼ Speaking to some purchasers (like you) to find out what was paid for the lighting upgrade and whether you received any rebates, payments or other financial benefits from the ACP or third parties.

The latter is to check that the ACP ensured that the purchaser contributed the required minimum co-payment.

The ACP will advise you if your lighting upgrade has been selected for a site inspection or if the auditor will contact you regarding the minimum co-payment. Please note, it is not appropriate for anyone, including an ACP or lighting installer, to tell you, the purchaser, what to tell the auditor.

How do I make a complaint?

As a purchaser, you should take all due care to ensure that the products being installed in your premises are appropriate to your needs. You should approach working with an ACP as you would approach working with any other business contract. If you are not happy with the quality of work, or require more information, speak to your ACP. If you are unhappy with their response, or have unresolved complaints about service quality, customer service or product and service safety, contact NSW Fair Trading.

What are my rights as a purchaser?

NSW Fair Trading advises businesses on fair and ethical practice. They investigate unfair practices and ensure that the products sold in NSW are safe and meet their regulations and safety standards. More information about your rights and how you can make a complaint is available on their website: www.fairtrading.nsw.gov.au

How do I report non-compliance?

If you consider that an ACP or its representative has not complied with the requirements of the ESS, please contact the ESS compliance team by email: ESS_Compliance@ipart.nsw.gov.au.

ACP contact details:

CTY Envirotech Pty Ltd, 1A Heritage Court, Dural, NSW 2158, ph:02 9651 5798, mob:0401729512