# Energy Saver Incentive Victorian Energy Efficiency Target (VEET) scheme

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Rod Woolley, Manager VEET Essential Services Commission





# **Talking points**



VEET scheme can:

• reduce the cost of a lighting upgrade

(but by how much?)

• Allow you to access other incentives

(but how and under what conditions?)



### How the scheme works



- Consumers engage a third party to replace inefficient products with energy efficient products
- The energy saved by the retrofit is converted to greenhouse gas savings
- The greenhouse gas savings are converted to certificates (VEECs)
- Certificates are sold and traded, creating a market that dictates

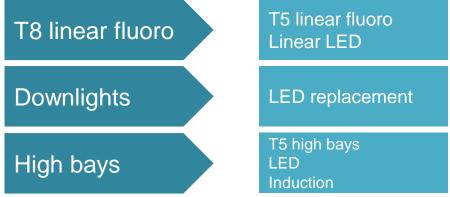
#### their value



# **Commercial lighting**

ENERGY SAVER INCENTIVE

- Commercial lighting upgrades are eligible to create certificates
- Variety of different upgrades are eligible, including:



• There are 36 other eligible energy efficient activities



# **Calculating the incentive**

ENERGY SAVER INCENTIVE

Size of the incentive? It depends on ...

- the nature of the upgrade (quantity of energy savings)
- value of the VEECs at the time
- the portion of that value that the installation company decides to pass through to the

#### consumer



## **Calculating the incentive**

#### ENERGY SAVER INCENTIVE

#### Some basic examples

| Existing lighting   | Qty | Upgraded lighting   | Qty | VEECs<br>(approx) | VEEC<br>value<br>(assumed) | Incentive                        |
|---|-----|---|-----|-------------------|----------------------------|----------------------------------|
| 36W T8 linear fluoro<br>luminaires<br>(magnetic ballasts) | 100 | 22W T5 linear fluoro<br>luminaires<br>(electronic ballasts) | 100 | 50                | \$15                       | \$750<br>(minus AP fee)          |
| 50W halogen<br>downlights<br>(electronic ballasts)        | 100 | 10W LED downlights<br>(with new LED drivers)                | 100 | 80                | \$15                       | <b>\$1,200</b><br>(minus AP fee) |
| 400W metal halide high<br>bays<br>(electronic ballasts)   | 100 | 200W LED high bays  | 100 | 650               | \$15                       | <b>\$9,750</b><br>(minus AP fee) |





## **Calculating the incentive**

#### ENERGY SAVER INCENTIVE

#### Some basic examples

| Existing lighting   | Qty | Upgraded lighting   | Qty | VEECs<br>(approx) | VEEC<br>value<br>(assumed) | Incentive                        |
|---|-----|---|-----|-------------------|----------------------------|----------------------------------|
| 36W T8 linear fluoro<br>luminaires<br>(magnetic ballasts) | 100 | 22W T5 linear fluoro<br>luminaires<br>(electronic ballasts) | 100 | 50                | \$25                       | <b>\$1,250</b><br>(minus AP fee) |
| 50W halogen<br>downlights<br>(electronic ballasts)        | 100 | 10W LED downlights<br>(with new LED drivers)                | 100 | 80                | \$25                       | <b>\$2,000</b><br>(minus AP fee) |
| 400W metal halide high<br>bays<br>(electronic ballasts)   | 100 | 200W LED high bays  | 100 | 650               | \$25                       | <b>\$16,250</b> (minus AP fee)   |





# **Accessing the incentive**



#### Finding an accredited company

- The ESC approves companies that can create certificates
- Listed on the Participants Register of the VEET website (search under Schedule 34 Lighting Upgrade)





### Important considerations

- ENERGY SAVER INCENTIVE
- Lighting industry experience of accredited companies varies
- Lighting product performance varies
- Different companies are approved to install different products
- Portion of VEEC value that accredited companies pass through varies
- Clients should apply usual due diligence processes



## Where to go for help



#### **Useful resources**

• Victorian Government SwitchOn website:

www.switchon.vic.gov.au → Energy Saver Incentive

- VEET website: www.veet.vic.gov.au
- New departmental website: <u>www.ecodev.vic.gov.au</u>
- and me: rod.woolley@esc.vic.gov.au







#### **VEET Support**

veet@esc.vic.gov.au

(03) 9032 1310

This presentation will appear on the Publications page of the VEET website

