



Energy Efficiency Opportunities

NEWSLETTER

ISSUE NUMBER 22, MARCH 2011

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SUCCESSFUL EEO WORKSHOPS - THANKS TO ALL WHO PARTICIPATED!

The annual EEO workshops ran throughout November 2010 and for the first time contained half-day sessions aimed at specific industry sectors, including manufacturing, transport, mining and commercial buildings and services. A record number of 19 industry presenters shared their experiences of EEO at the workshops and a total of 542 people attended the workshops, the highest number of participants so far.

Day one of the workshops was designed to give participants an overview of EEO and the Australian Government's broader policy framework. Notable highlights included presentations by the Secretary of the Department, Mr Drew Clarke, the Deputy Secretary, Mr Martin Hoffman, and Mr Brendan Morling, Head of Energy and Environment Division in Sydney, Melbourne and Perth respectively. Ms Bridget Brill, Assistant Secretary of Strategy and Partnerships Branch, Department of Climate Change and Energy Efficiency, provided an overview of the Prime Minister's Task Group on Energy Efficiency, its

findings and plans to progress its consideration. Day one also included sessions on building the business case for energy efficiency and EEO verification.

The second day offered half-day workshops targeted at the specific needs of the transport, manufacturing, mining and commercial building sectors. The information provided complemented the information presented on day one by working through focused industry case studies. The agenda examined successful assessment approaches at the sectoral level and the opportunities for saving energy identified.

Evaluation forms were provided at the workshops and over 88% of the respondents either 'agreed' or 'strongly agreed' that the workshops were valuable to them. A considerable amount of respondents were either new to the EEO program with either less than one years' experience (56%) or less than two years experience (74%). The panels and presentations by industry proved to be highly valued by participants at the workshops.

The EEO team appreciated the time and effort that industry presenters and participants put in. A lot of the value of the workshops was the opportunity to share real experiences and challenges in implementing EEO.

MORE INFORMATION

Workshop presentations listed by sector are available on the [EEO website](#).

A workshop overview report will be available on the [EEO website](#) soon and case studies identified from the workshops at a later date. For more information, please ring the EEO Hotline on 1300 799 186 or email energyefficiencyopportunities@ret.gov.au.



National Framework
for Energy Efficiency

PROPOSED CHANGES TO THE ENERGY EFFICIENCY OPPORTUNITIES REQUIREMENTS FOR THE SECOND ASSESSMENT CYCLE

The Department has proposed changes to the EEO requirements for the second assessment cycle. This follows recommendations from the EEO Mid-Cycle Review and the Prime Minister's Task Group on Energy Efficiency that program requirements be refined.

The purpose of the changes is to clarify the meaning of some requirements to program participants, ensure regulations clearly reflect the intent of the legislation and improve efficiency through reducing unnecessary program burden. This process will not change requirements of the *Energy Efficiency Opportunities Act 2006*, nor will it reduce the level of rigour required by the program.

To ensure that stakeholder views are considered, a discussion paper has been circulated and stakeholder submissions invited. To download the discussion paper, please visit the [EEO website](#). Please note that submissions closed on 25 February 2011.

Comments and suggestions are currently being consolidated and integrated into issue areas. Small focus group meetings will be held in March to further discuss issues. Following these meetings, a second paper will be released, confirming any final changes to requirements. An update of all guidance material will follow.

RET intends to put any revised requirements in place by 1 July 2011, to coincide with the start of the second assessment cycle for 2005/06 trigger year companies.

EXTENSION OF EEO TO COVER POWER GENERATORS

The EEO program will be extended to cover all electricity generators from July 2011, as part of the "Cleaner Future for Power Stations" election commitment. It is planned that the electricity generator sector commences participation in the EEO program in line with the program's second five year assessment cycle (2011-16).

Electricity generators consume approximately 28% of Australia's primary energy use. Power generators that trigger 0.5 PJ in the 2010/2011 financial year will be obliged to register with EEO by March 2012.

Representatives from the Department commenced consultations in October 2010, and formal stakeholder consultations "Cleaner Future for Power Stations" consultations were held in December 2011, including a discussion paper, face-to-face forums and written submissions. Further consultation and development of materials and advice will continue through 2011.

The Department is seeking an Expression of Interest from black, brown, gas, and coal fuelled generators to undertake trial assessments to develop materials for information. For further information please contact Evan Beaver, Senior Technical Advisor, by email on evan.beaver@ret.gov.au.

EEO MID-CYCLE REVIEW

The EEO Mid-Cycle Review was undertaken from mid 2010 to late 2010 and evaluated the effectiveness of the program to date. The review examined in particular, the impact of EEO's legislated assessment and reporting requirements and the program's communication and capacity building activities on the processes that companies use to manage and improve energy efficiency. The Mid-Cycle Review measured the changes in energy management, subsequent improvement in identified opportunities, knowledge of decision makers and uptake of cost effective energy efficiency opportunities.

In summary the review has found that:

- Effective energy savings identification and implementation is occurring.
- This is supported by evidence of organisational change associated with the systems and behaviour of participating corporations, including; greater rigour, structure and focus to their processes and systems, in particular information data and analysis and opportunity identification and evaluation.
- Reporting to the board had proved helpful in implementing opportunities. Public reporting had a mixed response with positive comments such as assisting to track opportunities, however many corporations considered there was too much duplication and reporting the same data in different ways to meet the requirements of both State and Commonwealth schemes.
- Barriers to identification of energy efficiency opportunities have been reduced, however some barriers still remain particularly with respect to implementation.

For more information on the Mid-Cycle Review please visit the [EEO website](#).

VERIFICATION UPDATE - FIRST DESKTOP VERIFICATIONS UNDERTAKEN

As part of the EEO verification process and outlined in the 'EEO Verification Handbook', the Department undertakes desktop verification of approximately 100 registered corporations annually. The process is underpinned by a company submitted '[Verification Checklist and Information Request](#)' Smartform and appropriate support documentation which 'tell the story' of a corporation's implementation of EEO. Desktop verification provides a means to:

- Assess the risk of non-compliance with EEO legislation in order to identify corporations for full verification;
- Assist the department identify common areas of compliance difficulties and subsequently develop and deliver capacity building activities and materials to assist compliance;

Desktop verification also helps to provide data relating to program compliance and provides reassurance to companies that they are meeting compliance requirements and potentially identify gaps that they may need to address.

The first desktop verifications were completed between October and December 2010. 80 corporations covering a range of sectors and energy use levels participated in the process. By now, all corporations will have received notification (either verbally or in writing) of the outcome of their submission and the likelihood of a full verification being undertaken between now and the end of June 2011. Several corporations identified as having a high risk of non-compliance (15 in total) will be prioritised for a full verification. Of the remaining corporations having been identified as having a medium risk (33) or low risk (32), at least one will be randomly selected for a full verification. Over the coming months, the Department will also look to undertake a full analysis of results to identify common areas of non-compliance based on each of the 19 Key Requirements of the Assessment Framework.

Thank you to all participating corporations for assisting with these first desktop verifications. Given the time of year in which it was undertaken and being wedged between NGERS and EEO reporting, the commitment of everyone to complete the process within the allocated timeframes was appreciated. It is not expected that desktop verification will be undertaken at this time in the future and will be scheduled annually between March and May.

For those corporations that participated in this first desktop verification process, this process may not occur again until either 2012 or 2013. For those corporations that did not participate the first time around, you can expect to be contacted by EEO staff in March/April 2011 when the second round of desktop verifications are scheduled to be undertaken. For further information, please contact the EEO Hotline on 1300 799 186.

GREEN BUILDING FUND PROGRAM

The *Green Building Fund* aims to reduce the energy consumed in the operation of existing commercial office buildings, hotels and shopping centres.

Round 7 of the Green Building Fund program is open to applications, with a closing date of Tuesday 29 March 2011. Applications must be submitted by 5pm local time in the State or Territory in which the application is lodged.

Grants of between \$50,000 and \$500,000 are available, for up to half of the cost of retro-fitting and/or retro-commissioning a commercial office building, hotel or shopping centre to become more energy efficient and so reduce greenhouse gas emissions.

Contact: Should you have an enquiry about the Green Building Fund please contact the AusIndustry hotline on 13 28 46 or email hotline@ausindustry.gov.au.

For detailed information about the eligibility, merit criteria and the updated process for applications, please visit the [AusIndustry web site](#).

EEO TECHNICAL GUIDANCE AND ADVICE – ENERGY MASS BALANCES

In November 2010 the Department released **Energy-Mass Balance (EMB) guidance documents** for the [mining](#), [commercial buildings](#) and [transport](#) sectors. Largely developed in-house by our own team of engineers, these documents are designed to assist your company to understand what is required to satisfy EEO requirements, while identifying and investigating potential energy savings.

Guidance on EMBs for resource processing activities is expected to be completed within this financial year. Our staff are also able to provide guidance on energy-mass balances for your specific circumstances, or to address other technical enquiries about EEO assessments.

Technical enquiries regarding EMBs, representative assessments, EEO assessments, accuracy, technical compliance and investigation of opportunities can be directed to EEOtechnical@ret.gov.au or through your CLO.

NEW EEO PUBLICATIONS AVAILABLE

The EEO website www.energyefficiencyopportunities.gov.au provides a comprehensive overview of the program's intentions, legislation and guidelines, as well as online copies of all resource material.

In addition to the EMB guides described above, the following publications have recently been finalised and are available on the EEO website.

CONTINUING OPPORTUNITIES REPORT

The Continuing Opportunities report provides updated results from the second public reports provided by 186 2005/06 trigger year corporations still registered with the EEO program in December 2009. In addition, this document presents first round results from 13 corporations with the trigger year 2006/07 which also reported in December 2009.

FIRST OPPORTUNITIES INDUSTRY SECTOR REPORTS

These reports are based on data reported by large energy-using corporations to the government and the public in December 2008. They feature aggregate results for the program and for different industries, examples of significant energy efficiency opportunities, and qualitative analysis on the types of opportunities participants are finding and adopting.

- [First Opportunities Report: The Mining Industry](#)
- [First Opportunities Report: The Transport Industry](#)
- [First Opportunities Report: The Services Industry](#)
- [First Opportunities Report: The Manufacturing Industry](#)

TAX BREAKS FOR GREEN BUILDINGS

The Tax Breaks for Green Buildings program will provide tax incentives to encourage energy efficient retrofits of commercial buildings (in this case an existing office, hotel or shopping centre building within Australia). Businesses that invest in eligible assets or capital works to improve the energy efficiency of their buildings will be able to apply for a one-off bonus tax deduction of 50 per cent of the eligible assets or capital works.

To be eligible for the tax break, the retrofit will need to be assessed by an accredited NABERS assessor both before and after the project, to ensure an improvement in energy efficiency from 2 stars or lower to 4 stars or higher is achieved. The program is expected to provide a boost of up to \$1 billion over its life to incentivise business to undertake major energy efficiency retrofits. The program is scheduled to commence from 1 July 2011.

REVIEW OF THE ENERGY AUDIT STANDARD

A review of the Australian / New Zealand Energy Audit Standard (AS/NZS3598: 2000) is about to commence.

The review will consider changes to the current standard to help strengthen the capability and quality of energy auditing and assessment services, and capture 'better or best practice' developments in energy auditing and assessment over the past decade.

The review will obtain input from both energy service providers and energy users on their needs for the standard and how the revised standard can be drafted to ensure the best possible outcomes for all parties. Feedback will be incorporated into an implementation paper which will guide the update of the standard commencing in 2011-12.

Public consultation sessions will take place in the following cities:

Consultation Forum – Sydney	2 May 2011
Consultation Forum – Melbourne	3 May 2011
Consultation Forum – Auckland	5 May 2011
Consultation Forum – Brisbane	9 May 2011
Consultation Forum – Perth	10 May 2011

Locations and registration details will be provided at a later date.

Stakeholders will also be able to submit written responses to a discussion paper which will be released in April.

For any further information on the process, please contact Belinda Fraser on email belinda.fraser@ret.gov.au

STAFF MOVEMENTS IN EEO

Louise Vickery, formerly Manager of Energy Efficiency Opportunities, has been promoted to General Manager, Industrial Energy Efficiency Branch. Andrew Lewis, formerly Manager of Energy Efficiency Compliance and Reporting has filled the role left by Louise's promotion. A vacancy now exists for the position of Manager, Energy Efficiency Compliance and Reporting, which is currently being advertised.

CONTACT US

If you would like any further information about anything in this newsletter or just require advice on the program please feel free to contact the EEO team via phone or email:

EEO Hotline: 1300 799 186

Email: energyefficiencyopportunities@ret.gov.au

WOULD YOU LIKE TO PRESENT YOUR SUCCESS STORY AT THE MINERALS COUNCIL OF AUSTRALIA SD2011 CONFERENCE?

The call for abstracts is now open for the Minerals Council of Australia's annual sustainable development conference, SD2011. This year the organising committee are seeking case studies that demonstrate innovative thinking, leading practice and practical solutions to delivering sustainable development outcomes at mining and minerals processing operations, particularly in the stream of energy efficiency. Many EEO success stories were presented at the 2010 EEO workshops and the EEO team encourages the submission of these as case studies to SD2011.

The deadline for abstract submission is 28 March 2011. Further information on submission can be found in this factsheet: or by emailing events@minerals.org.au

NEW TO EEO?

If your company has recently registered with the program, you will receive a Participant's Kit with all the resource material included. If you are the new EEO coordinator within your organisation, and don't have a kit, please ask us to send you one. If you are unsure who your Client Liaison Officer is, please phone the EEO Hotline on 1300 799 186.