

The Energy Savings Scheme

Policies for Energy Provider Delivery of Energy Efficiency (PEPDEE) Workshop

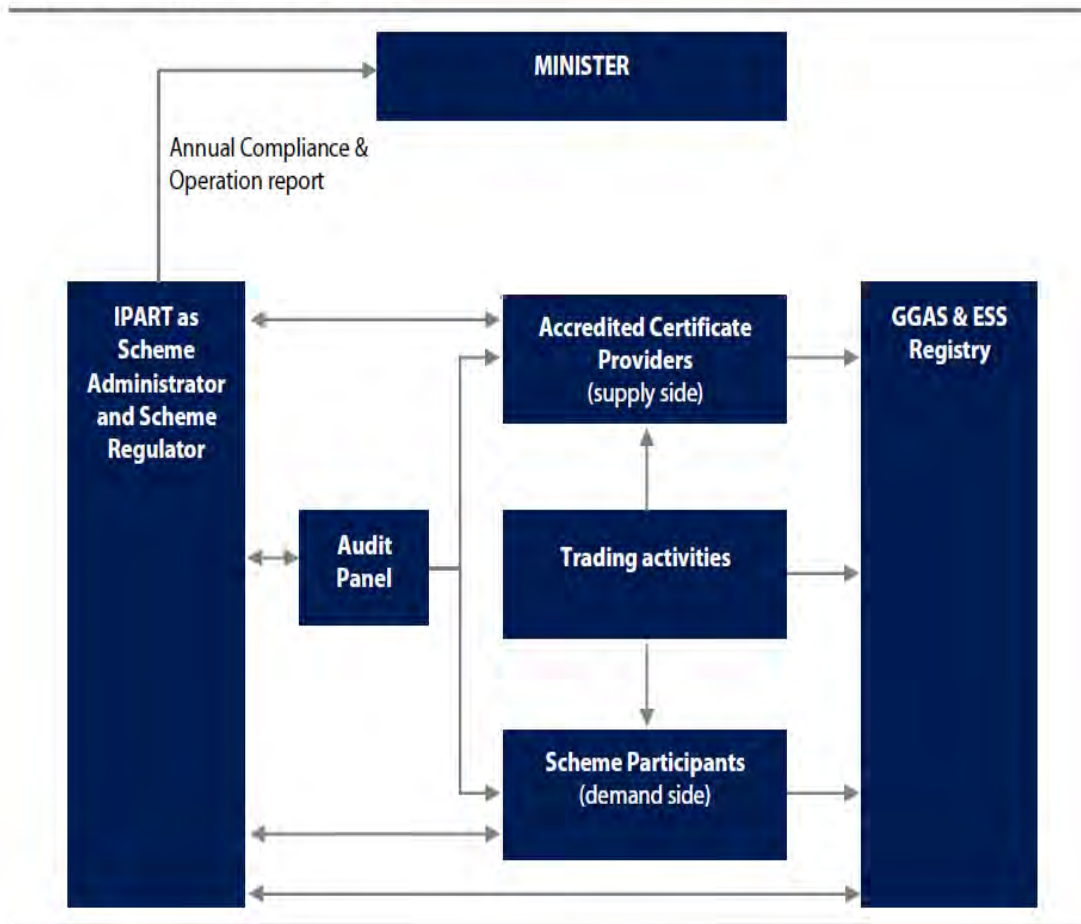
Margaret Sniffin

General Manager

12 December 2011

Administrative Structure of the Scheme

Figure A.1 Structure of the ESS

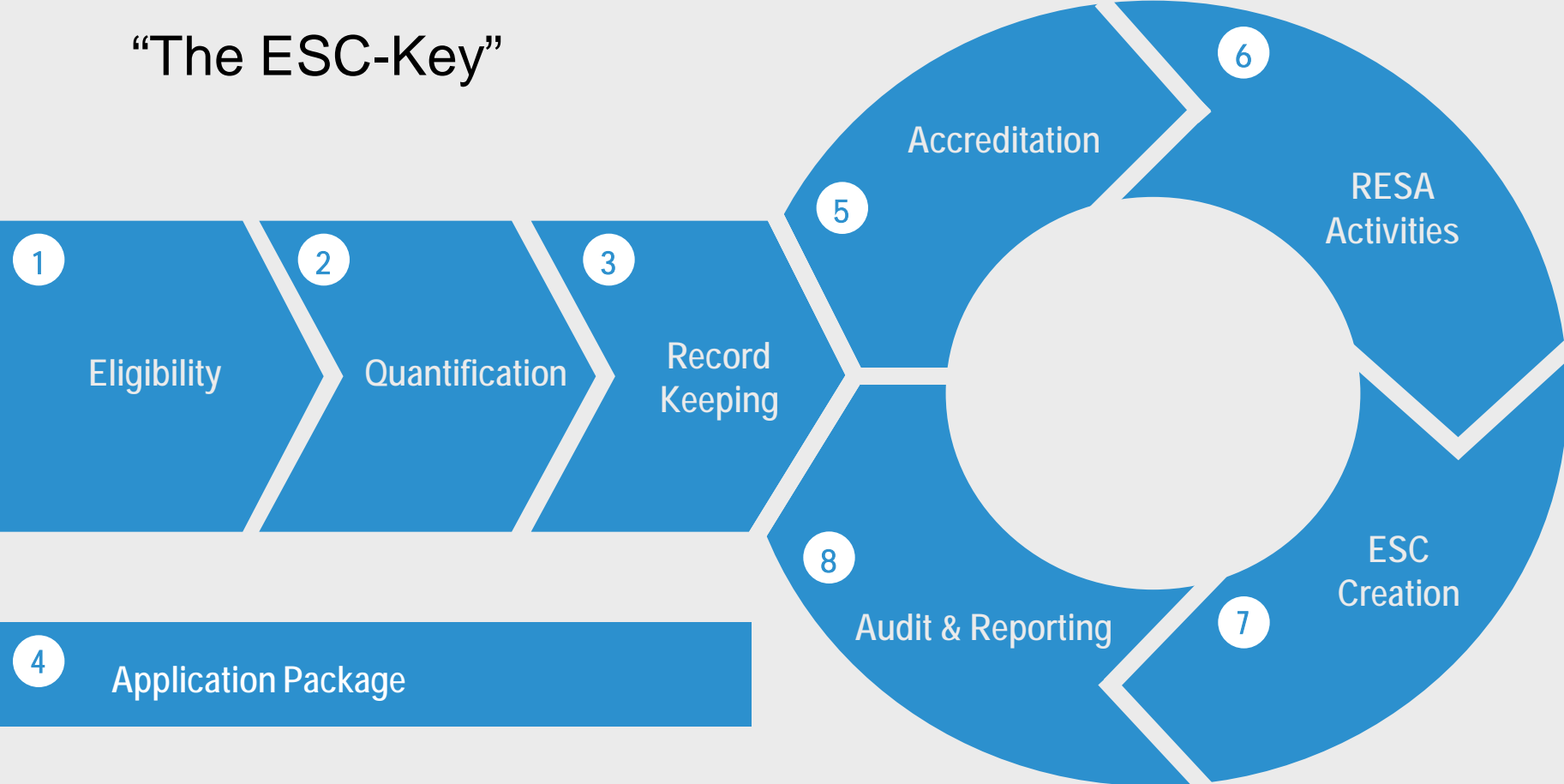


Legislation:

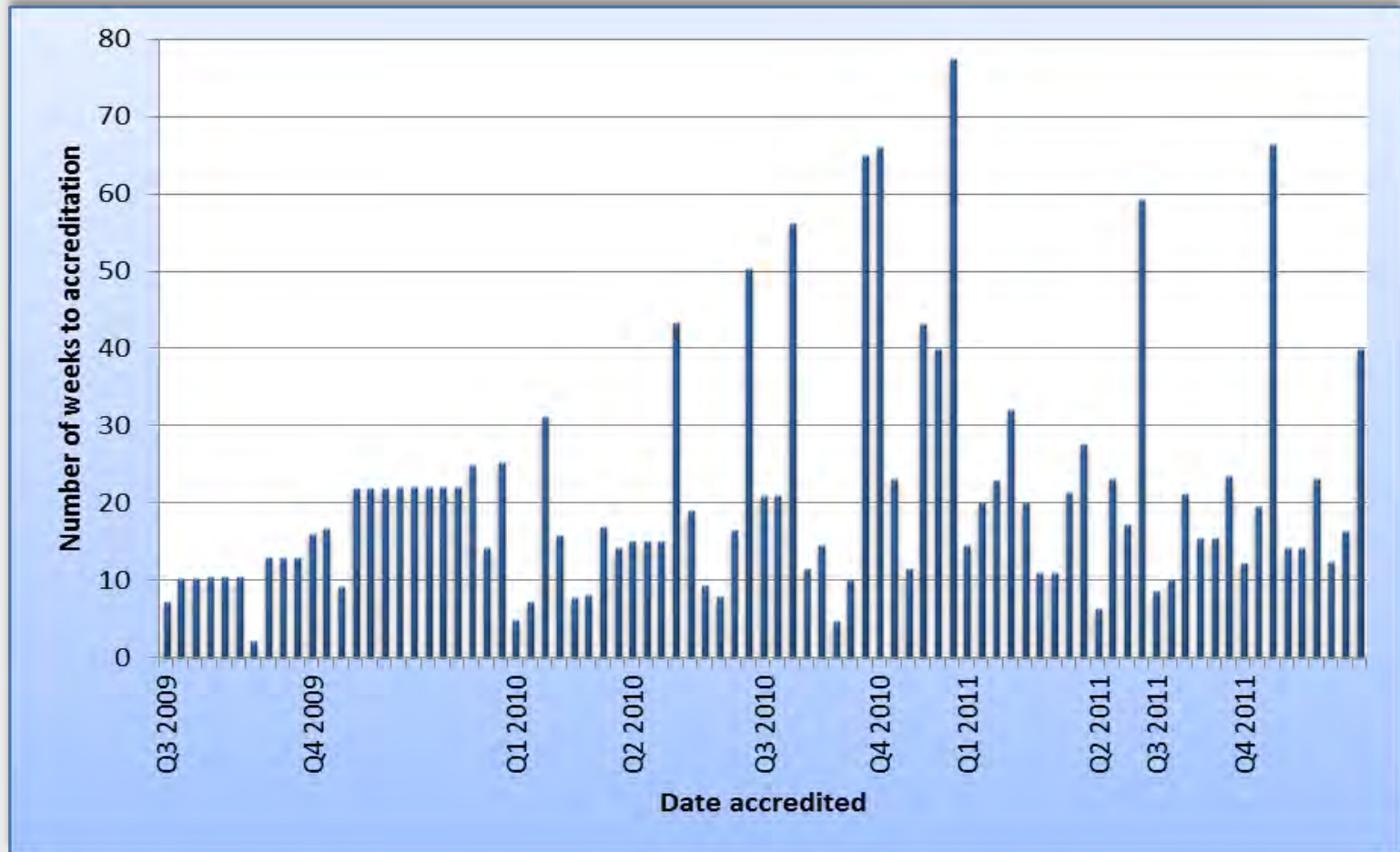
- ▼ Electricity Supply Act 1995 (the Act)
- ▼ Electricity Supply Regulation 2001 (the Regulation)
- ▼ Energy Savings Scheme Rule (ESS Rule)

Eight steps for ESS Accredited Certificate Providers (ACPs)

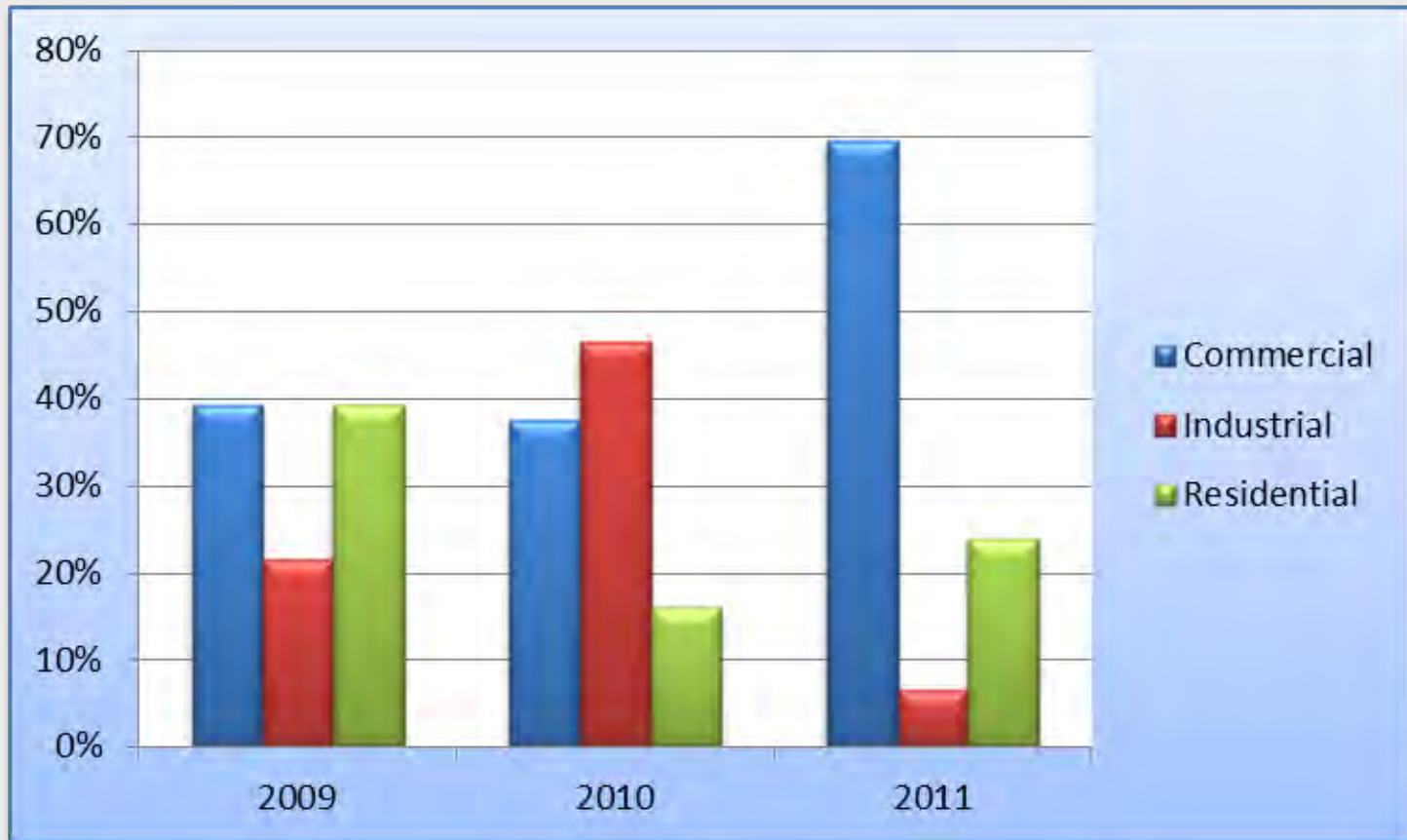
“The ESC-Key”



Accreditation time frame



Distribution of projects by sector, by year accredited



Calculation Methods

- ▼ Applicants must use one of the specified Calculation Methods:

Project Impact Assessment Method (PIAM)

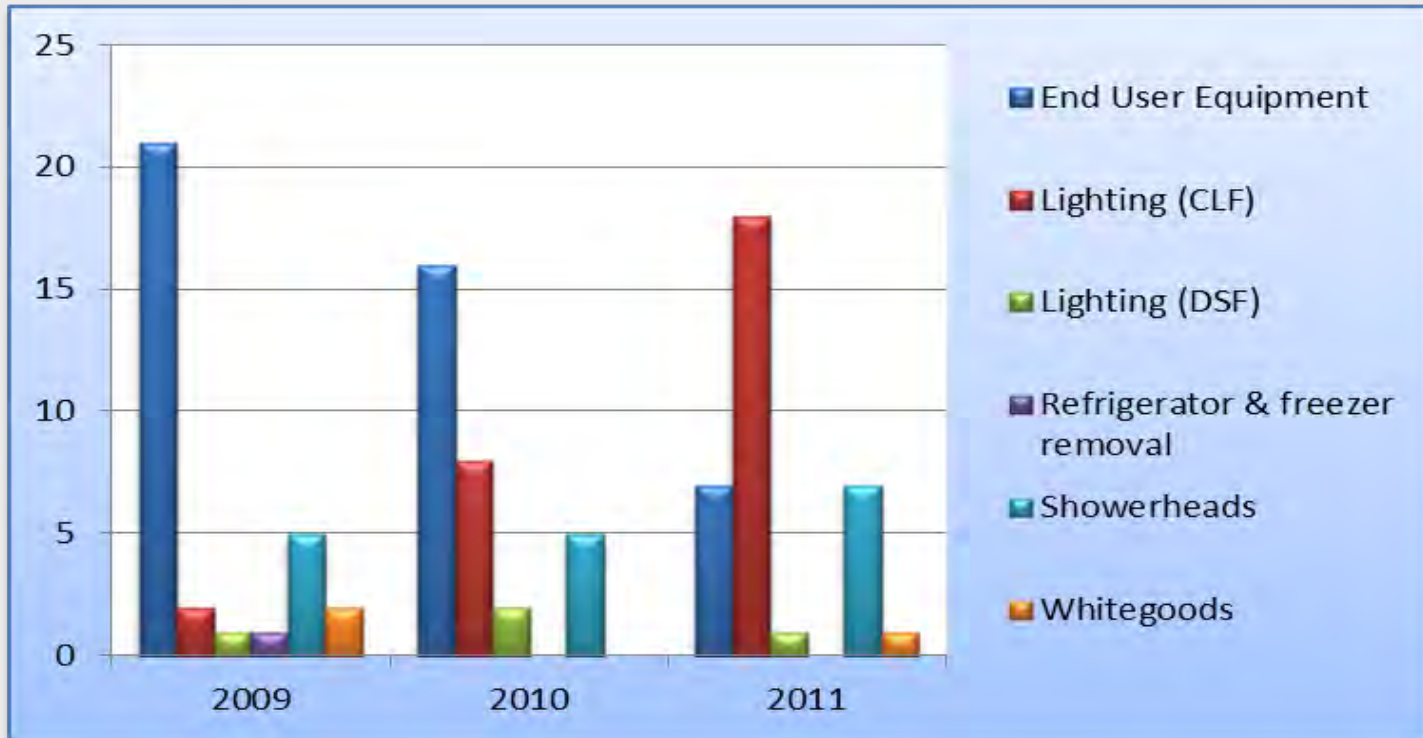
Metered Baseline Method(s) (MBM)

Deemed Energy Savings Method(s) (DESM)

**Commercial
Lighting
Formula**

**Default
Savings
Factors**

Accreditations in ESS



97 accreditations; 153 projects in total*

*As of 12 December 2011

Independent audits used for validation and verification

- ▼ Audits conducted by auditors on ESS Audit Panel
- ▼ Audits check ESC creation & record keeping
- ▼ Audit Regimes based on CPMS Risk matrix

		Consequence – quantum of invalidly created ESCs		
		Minor	Moderate	Severe
Likelihood of invalid ESC creation occurring	High	Medium Risk	High Risk	Extreme Risk
	Medium	Low Risk	Medium Risk	High Risk
	Low	Low Risk	Medium Risk	Medium Risk

ESC – Creation & Forfeits

Vintage	Total created	Total forfeited*	Forfeit rate
2009	278,179	22	0.008%
2010	848,956	44,732	5.269%
2011	481,082	3,385	0.704%
Total	1,608,217	48,139	2.993%

*Note: total forfeits include incorrectly registered ESC creation

Lessons learned

- ▼ Balance between upfront assessment & ongoing compliance audits
- ▼ Encouraging applications from long-term / sustainable businesses
- ▼ Tailoring audit regime to project risk e.g. phone surveys for 3rd party business models
- ▼ Importance of clear Scheme documentation – website redevelopment
- ▼ Improving efficiency of application assessment process e.g. pre-application workshops
- ▼ Being responsive to changes in market (ie growth in commercial lighting)



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Independent Pricing and Regulatory Tribunal

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