

Regional Victoria Solar Hot Water Rebate Guidelines

Updated 4 February 2009

The Regional Victoria Solar Hot Water Rebate program, administered by Sustainability Victoria, is part of the Victorian Government's commitment to reducing greenhouse gas emissions and increasing the sustainability of Victoria's energy supply and use.

What is the Regional Solar Hot Water Rebate program?

This program provides rebates for installations within Regional Victoria in households that:

1. Replace a natural gas or LPG water heater with a gas-boosted solar system;
2. Replace an electric water heater (or wood fuelled) with gas-boosted solar system in a gas reticulated area;
3. Replace an electric water heater (or wood fuelled) with an electric or LPG solar system in a non gas reticulated area;
4. Add solar to an existing natural gas or LPG water heater by installing a solar system as a preheater;
5. Add panels to an existing off-peak electric water heater either with a pump or by thermosiphon as a retrofit kit; or
6. Replace an existing solar water heater with a solar system (must be gas-solar where gas is available).

The rebate is offered until 31 December 2010, subject to the availability of funds.

Changes to the Rebate Program

Sustainability Victoria may change the Rebate Program from time to time. Such changes can include changes to rebate values in response to availability of new incentives, adjustments to existing incentives or other market conditions. Sustainability Victoria will notify manufacturers and suppliers of the changes to the Rebate Program by email and on the Online Database. Changes to the Rebate Program are effective from the date of notice unless otherwise specified. Sustainability Victoria will also update its websites notifying of the changes.

Sustainability Victoria may also cease the Rebate Program and will provide notice of cessation to manufacturers and suppliers in the manner described above. Once a manufacturer or supplier has been advised of the date of cessation it will have thirty (30) days to return a Complete Application after which time the rebate will expire.

How do I get the rebate?

The rebate takes the form of a Point-of-Sale discount on the supply and installation cost and is only available through participating suppliers. The participating supplier is required to arrange installation and to provide Sustainability Victoria with a copy of the customer invoice itemising the system cost, installation cost and the Victorian Government rebate amount. The list of participating suppliers is available at www.resourcesmart.vic.gov.au/rebates or by calling the hotline on 1300 366 195.

How much is the rebate?

Rebates for complete solar hot water systems will vary depending on the size of a system (amount of water produced) and performance (its solar contribution) and its relative cost of installation. The better performing systems will attract a higher rebate. Notification of Rebate amounts will be on the Online Database. A rebate amount is only guaranteed where a supplier or manufacturer has an Authorisation Number issued to it. Sustainability Victoria will reserve the Rebate Payment funds for each installation for a period of thirty (30) days after authorisation, by which time the installation must have occurred and the details of the installation entered into Sustainability Victoria's online database. Sustainability Victoria may upon request and in its discretion grant an extension of the funds reservation period for up to additional thirty (30) days. Suppliers and manufacturers must then return

all accurately completed Rebate Application Forms within thirty (30) days of installation.

From 1 January 2009 Victorian energy consumers will be encouraged to reduce consumption under a new Victorian scheme. The Victorian Energy Efficiency Target scheme (VEET), which will start on 1 January 2009, will provide financial incentives to promote household-level energy savings and efficiency. Victorian Energy Efficiency Certificates (VEECs) are created from household energy efficiency activities. Sustainability Victoria requires Rebate Applicants to assign their VEECS to Sustainability Victoria or its nominees as a condition of receiving the rebate from 1 January 2009 for a transition period of three (3) months or such longer period as Sustainability Victoria requires to determine how VEECs will be dealt with within the context of the rebate program.

A list of accredited systems and the rebate they attract is available at www.resourcesmart.vic.gov.au/rebates.

Who is eligible for the rebate?

Solar Hot Water Rebates in Regional Victoria are available for a dwelling which is permanently occupied by an owner occupier or a tenant. Landlords can access the rebate where there is a permanent tenant; that tenant is responsible for the energy bills, and the bills are in the tenant's name. Only one rebate per dwelling is allowed.

Rebates are not available to commercial and non-commercial entities; only individuals may apply.

To determine whether your suburb/town qualifies for the Regional Victoria program or the Metropolitan Rebate program enter your address online at www.resourcesmart.vic.gov.au/rebates or contact a participating supplier to confirm eligibility for the rebate.

The installation must be in an existing home or tenancy.

What is the Metropolitan Melbourne Solar Hot Water Rebate?

Solar hot water rebates are also available for households in metropolitan Melbourne for details please see the Metropolitan Melbourne Solar Hot Water Rebate Guidelines.

Can I get an additional rebate to connect gas to my property?

Yes. An additional rebate of \$200 is available where you live in a gas reticulated area and this is the first gas connection to the property. This rebate will assist you to switch from electric water heating to greenhouse friendly gas-boosted solar. This additional rebate amount will also be provided at the Regional Victoria Solar Hot Water Rebate Guidelines

Point-of-Sale by a participating solar hot water supplier.

Which solar systems can be installed?

Only accredited solar water heater systems that fulfil the following criteria:

- > Provide a greater than 60% solar fraction in Southern Victoria as assessed in *AS 4234-1994 Solar water heaters – Domestic and heat pump – Calculation of energy consumption* or *AS/NZS 4234:2008 Heated water systems – Calculation of energy consumption* except from 1 January 2010 where compliance with *AS/NZS 4234:2008* is mandatory
- > Include a warranty on major components of no less than five years including damage from freezing.
- > Are new and not second-hand (new preheaters can be attached to an existing tank)
- > Result in reduced greenhouse gas emissions (therefore the replacement of an existing natural gas or LPG water heater with an electric-boosted solar system would not attract a rebate).
- > Are approved by Sustainability Victoria and listed on its website.
- > Are oriented between North East and North West on your roof and not be overshadowed by trees or buildings. (Check this prior to purchase)
- > Are installed by a licensed plumber and a compliance certificate issued.

I am replacing an electric hot water system can I get both the full Regional Victoria Solar Hot Water Rebate and the Australian Government Solar Hot Water Rebate?

No. In cases where a rebate applicant is eligible for an Australian Government rebate the applicant can elect to receive the full rebate from Sustainability Victoria at the Point-of-Sale OR have their rebate reduced by \$1600 and make an application to the Australian Government. They will only receive the full Victorian Government rebate if they sign the declaration on the application form that they will not be applying for the Australian Government rebate. They must also declare that they agree to repay \$1,600 to Sustainability Victoria should they receive both rebates.

Sustainability Victoria will share information on rebate applications with the Australian Government.

Can I get both the Regional Victoria Solar Hot Water Rebate and the Commonwealth Government's Renewable Energy Certificates (RECs)?

Yes. For installation of complete solar hot water systems you will also be eligible for RECs. RECs can add a further financial incentive to significantly reduce the cost. For example, if your system attracts 30 RECS and the market value of RECs is \$40, this will reduce your costs by \$1,200. Your supplier can advise on eligibility and the value of RECs. For details on RECs see the website of the Office of the Renewable Energy Regulator at <http://www.orer.gov.au/>.

Is a rebate available for new homes?

No. The Victorian Government Rebate is only available for replacing a water heater previously operational at the dwelling for more than one year. Installations in new homes have incentives through the RECs scheme.

Can I add a Preheater to an existing gas water heater? Are there additional requirements?

Yes. A solar water heater that is generally designed for electric boosting can be connected to an existing natural gas or LPG water heater provided that an electric element is not fitted. A rebate only applies if the existing gas water heater is expected to last for three further years and it has been operating for more than one year. Details of the existing water heater will be required in the Installation Report.

NOTE: A heat pump cannot be installed as a preheater. As heat pumps use significant amounts of electricity to operate they are included as electric boosted solar water heaters and are not eligible for a rebate as a preheater.

Can I add a Retrofit Kit to an existing electric water heater? Are there additional requirements?

Yes. A rebate only applies if the existing electric water heater is expected to last for three further years and it has been operating for more than one year. Details of the existing water heater will be required in the Installation Report. Conventional tanks are not designed to be connected to solar collectors so retrofit kits are not as effective as a water heater designed specifically for solar. However, significant savings can still be made. Lower rebate values apply for retrofit kits. You should compare the cost of a retrofit kit with a complete system (that will attract a higher rebate).

Which direction should the solar collectors face?

The collectors must face as close as possible to due north but may be installed facing between 50 degrees east and 70 degrees west of north as measured by a magnetic compass. The solar collectors must not be overshadowed by trees or buildings between 9am and 3pm. (Check this prior to purchase)

At what inclination should the collectors be installed?

An inclination of 38 degrees from horizontal will achieve the best efficiency, however an inclination of 10 to 50 degrees is acceptable. The additional cost of a frame to tilt the collectors to 38 degrees is generally uneconomical if they are oriented close to North.

What if my roof does not suit these facing directions or inclinations?

Supporting frames are available to permit mounting of collectors on roofs that do not provide ideal orientations. Alternatively, if an additional 25% collector area is installed the collectors can be faced anywhere between due west through a northerly arc to due east (100 degrees west of north and 80 degrees east of north as measured by a magnetic compass). No rebate will be payable for the additional collector(s) required and this configuration must comply with AS 2712-2007 Solar and heat pump water heaters design and construction. To be eligible for the rebate, collectors cannot be faced south of either due west or due east.

Steps to access the Regional Victoria Solar Hot Water Rebate:

STEP 1

Read these Guidelines carefully and determine whether you are eligible for a Regional Victoria Solar Hot Water Rebate. You can check your eligibility online at www.resourcesmart.vic.gov.au/rebates

STEP 2

Contact a participating supplier to obtain a quote for the supply and installation of your solar hot water system. The supplier will:

- > access an online database to authorise your rebate with Sustainability Victoria
- > arrange installation of your new system
- > provide the installer with an application form and an installation report for your rebate, and
- > deduct the rebate amount off the cost of the system and installation.

STEP 3

Once the system is installed the plumber will complete and sign the Installer's Certifications (Part A of the Application Form). You will need to complete and sign the Applicant's Certifications (Part B).

STEP 4

Pay the installer the full supply and installation cost plus GST, less the rebate amount. Ensure that the rebate amount has been deducted and is clearly

identified on your invoice as the 'Victorian Government rebate'.

STEP 5

The supplier will finalise the application on our online database and forward the completed and signed forms along with a copy of the customer invoice to Sustainability Victoria. The supplier will then be reimbursed by Sustainability Victoria on receipt of a valid application. The supplier must claim the rebate from Sustainability Victoria within thirty (30) days of the installation.

Applicants' responsibilities

The applicant is required to acknowledge that the solar water heater may be inspected by Sustainability Victoria (upon reasonable request) during the first five years of operation.

The applicant shall repay the rebate if any of the conditions in the Guidelines have been breached during the first five years of operation.

The applicant must ensure the installer has filled in the Installation Form correctly and completely.

GST

The rebate acts as a Point-of-Sale discount and this is applied after all GST considerations for the water heater have been taken into account.

If the cost of an installed system is \$3000 it will cost you \$3300 with GST. If the system attracts a rebate of \$2500, this is taken off at the end of the transaction and the cost to you will be \$800. (No GST is applied to the rebate and the total GST liability for the supplier will remain at \$300 in this example).

WARRANTY

The manufacturer must provide a warranty on the major components of the hot water system, including damage from freezing, for at least five years.

There is no warranty given or implied by the Victorian Government or Sustainability Victoria on any aspect of a solar hot water heater that received a rebate through the Regional Victoria Solar Hot Water Rebate program.

The Victorian Government and Sustainability Victoria accept no representation for the quality of any feature of solar hot water systems that are accredited for the program.

Right reserved by Sustainability Victoria

Sustainability Victoria may decide in its sole and absolute discretion whether a solar hot water installation is eligible for a rebate or not.

Sustainability Victoria reserves the right to inspect the installation at any time up to five years after the rebate has been paid.

Sustainability Victoria reserves the right to share rebate application information with other government departments and agencies.

Sustainability Victoria reserves the right, at its sole and absolute discretion and at any time, to change any or all of these Rebate Program Guidelines.

Indemnity

The applicant acknowledges that neither the Victorian Government nor Sustainability Victoria nor any of their authorised representatives accept any liability in respect of any claim or cause of action arising out of, or in relation to, the solar hot water system or its installation that is the subject of funding assistance. The applicant agrees that they will indemnify and keep indemnified the Victorian Government and Sustainability Victoria for any claim or liability arising out of, or in relation to, the solar hot water system or installation that is the subject of this application.

Privacy statement

Sustainability Victoria collects your personal information for the purpose of administering the Solar Hot Water Rebate program. We only disclose your personal information if it is necessary for the performance of our functions. If you wish to seek access to the personal information which Sustainability Victoria holds about you, please contact us by writing to: General Manager, Community and Customer Services, Sustainability Victoria, Level 28, Urban Workshop, 50 Lonsdale Street, Melbourne Victoria 3000. Sustainability Victoria's privacy policy is available from www.sustainability.vic.gov.au