

Victorian Government Solar Hot Water Rebate Program Information for Households

Effective 1 July 2011

The 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.

SUMMARY FOR HOUSEHOLDS

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- How do I get the rebate?
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Which installations attract a Victorian Government rebate under this program?

This program provides rebates for installations in households that:

1. Replace a natural gas or LPG water heater with a gas-boosted solar system; (Note: Existing LPG boosted solar water heaters can only be replaced with gas boosted systems).
2. Replacing an electric water heater with gas-boosted or electric-boosted solar system (if natural gas is not available in the street) where you have installed ceiling insulation under the Australian Government's discontinued Homeowner Insulation Program.
3. Replace an existing solar, solid fuel or oil fired water heater with a solar system. Must be natural gas boosted if available in the street.
4. Add solar to an existing natural gas or LPG water heater by installing a solar system as a preheater;

5. Add solar to an existing electric water heater by installing a retrofit kit;

The rebate is offered until 30 June 2012, subject to the availability of funds.

Special arrangements are in place for houses rebuilt following the February 2009 Victorian bushfires. Refer to www.resourcesmart.vic.gov.au/rebates

How do I get the rebate?

The Victorian Government 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 completed application that includes 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 and performance of the system, relative installation costs, your location and other available incentives. Rebates for installations in regional Victoria range from \$400 to \$1600. In metropolitan Melbourne the rebates range from \$300 to \$1500.

Details of rebate amounts and a list of eligible solar water heaters is available at www.resourcesmart.vic.gov.au/rebates

An additional installation rebate of \$200 is available for replacing an electric water heater where there is gas available in the street and this is the first connection to the property. This rebate is only available where you have been assessed as eligible for a Victorian Government Solar Hot Water Rebate.

Who is eligible for a rebate?

Solar Hot Water Rebates are only available to individuals for a dwelling which is permanently occupied by an owner occupier or a tenant as their principal place of residence. Landlords can access the rebate where there is a permanent tenant who is responsible for the energy bills and the bills are in the tenant's name. Only one rebate per dwelling is allowed.

If you have an interest in another residential property the installation address will only be considered a principal place of residence for the owner if it has been nominated as the principal place of residence by notice to the Victorian State Revenue Office under the Land Tax Act 2005.

Holiday homes, weekenders and holiday rental premises are not eligible properties for the purposes of the rebate.

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

Metropolitan or Regional

To determine whether your suburb or town qualifies for the Metropolitan Melbourne rebate program or the Regional Victoria rebate program enter your address online at

www.resourcesmart.vic.gov.au/rebates or contact a participating supplier to confirm eligibility for the rebate.

Which solar systems can be installed?

Only accredited solar water heater systems installed by a licensed plumber that fulfil all of the following criteria can be installed:

- > Are approved by Sustainability Victoria and listed on its website.
- > Provide a greater than 60% solar fraction in Southern Victoria
- > 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).

While a product does not require frost protection to attain accreditation, Sustainability Victoria strongly advises that all Accredited Products contain frost protection. All systems installed under the Victorian government rebate program must include a five year warranty on major components.

Is the age of the existing water heater relevant?

The Victorian Government Rebate is only available for replacing a water heater previously operational at the installation address for more than one year. If the system being replaced is a solar system then it must have been operational at the installation address for more than five years.

Which direction should the solar collectors face?

The collectors must face as close as possible to due north but may be installed facing within 60 degrees west or east of true North (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.

What other incentives are available?

- > Victorian Government Energy Efficiency Certificates (VEEC's)
- > Australian Government's Small – scale Technology Certificates (STCs) (formerly known as Renewable Energy Certificates (RECs))
- > Australian Government's solar hot water rebate (for households replacing electric water heating)

Refer to the table below and talk to your supplier about accessing these incentives.

Summary of Incentives*

Installation situation	Victorian Government Rebate	Australian Government Rebate	Small-scale Technology Certificates (STCs)	Victorian Energy Efficiency Certificates (VEECs)
How is the incentive provided?	At the point of sale by a participating supplier	Householders to apply within four (4) months of installation	Many suppliers provide at the point of sale	Many suppliers provide at the point of sale
<i>For private homes (owner-occupied or permanently tenanted)</i>				
Replacing a natural gas or LPG water heater with gas-boosted solar system	Yes	No	Yes	Yes
Replacing an electric water heater with a gas-boosted or electric solar system (if natural gas is not available in the street) where ceiling insulation has been installed under the Australian Government's discontinued Homeowner Insulation Program (as this would make you ineligible for the Australian Government solar hot water rebate)	Yes	No	Yes	Yes
Replacing an electric water heater with gas-boosted or electric solar system where ceiling insulation has not been installed under the Australian Government's discontinued Homeowner Insulation Program	No	Yes*	Yes	Yes
Replacing an existing solar, wood, briquette or oil fuelled water heater with gas-boosted or electric solar system. Must be natural gas boosted if available in the street. Existing LPG boosted solar water heaters can only be replaced with gas boosted systems.	Yes	No	Yes	No
Adding a solar water heater to an existing natural gas or LPG water heater, as a preheater	Yes	No	No	Yes
Adding solar panels to an existing off-peak electric water heater either with a pump or by thermosiphon as a retrofit kit	Yes	No	No	Yes
New homes and buildings installing a gas-boosted or electric solar system	No	No	Yes	No
<i>For commercial / other buildings</i>				
New or existing buildings installing a solar water heater	No	No	Yes	No

* Note: Conditions apply for each incentive. For the Australian Government Rebate refer to www.climatechange.gov.au
For VEECs refer to www.esc.vic.gov.au and for STCs www.orer.gov.au

In what circumstances could I access a Victorian Government rebate for replacing an electric water heater?

A Victorian Solar Hot Water Rebate is only available for replacing an electric water heater where ceiling insulation has been installed in the home under the Australian Government's discontinued Homeowner Insulation Program as you would be ineligible for the Australian Government solar hot water rebate.

Is the Victorian Government Rebate available for new homes?

No. Installations in new homes have incentives through the STCs scheme.

The installation must be in an existing home or tenancy.

Are units in a retirement home/village eligible for the Victorian Government rebate?

If you are the owner occupier and the dwelling has a separate meter with the energy bill in your name you will be eligible. Commercial and non-commercial entities are not eligible to apply for a rebate.

Can I get a Victorian Government Rebate and the Australian Government Rebate?

No. The Victorian rebate is primarily available for replacing a gas water heater and the Australian Government rebate is for replacing an electric water heater.

Can I get the Victorian Government Rebate plus the Australian Government's Small-scale Technology Certificates (STCs) and the Victorian Government's Victorian Energy Efficiency Certificates (VEECs)?

Yes. For installation of complete solar hot water systems you will also be eligible for STCs and VEECs. STCs can add a further financial incentive to significantly reduce the cost. For example, if your system attracts 30 STCs and the market value of STCs is \$40, this will reduce your costs by \$1,200. The same principle applies with VEECs.

Your supplier can advise on eligibility and the value of STCs and VEECs. For details on STCs see the website of the Office of the Renewable Energy Regulator at www.orer.gov.au and for VEECs see the website of the Victorian Essential Services Commission at www.esc.vic.gov.au

Use the 'Summary of Incentives' table above to check availability of rebates, STCs and VEECs.

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

Yes, provided the preheater has been accredited by Sustainability Victoria and will be supplied and

installed by a participating supplier. 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.

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 Solar Retrofit Kit to an existing electric water heater? Are there additional requirements?

Yes, provided the Retrofit Kit has been accredited by Sustainability Victoria and will be supplied and installed by a participating supplier. 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. 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.

STEPS TO ACCESS THE SOLAR HOT WATER REBATE:

Step 1

Read this *Information for Households* document carefully and determine whether you are eligible for a Victorian Solar Hot Water Rebate.

Step 2

Contact a **participating supplier** to confirm your eligibility and obtain a quotation for the supply and installation of your solar hot water system. If you accept the quotation, the supplier will:

- > authorise your rebate with Sustainability Victoria (valid for 30 days)
- > arrange installation of your new system, and
- > deduct the rebate amount from the cost of the system and installation.

Step 3

After 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).

Note: Where ceiling insulation has been installed in the home under the Australian Government's discontinued Homeowner Insulation Program and you are claiming the Victorian Government Solar Hot

Water rebate for replacing an electric water heater, documentary evidence of accessing the Insulation program showing the work order number must accompany the application.

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 your application and will then be reimbursed the rebate amount by Sustainability Victoria.

REBATE APPLICANT RESPONSIBILITIES

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

You agree to repay the rebate if any of the conditions of the program have been breached during the first five years of operation.

You must ensure the installer has completed the Application 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 \$1500, this is taken off at the end of the transaction and the cost to you will be \$1800. 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 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.

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 and update its websites with the changes.

Sustainability Victoria may also cease the Rebate Program and will provide notice of cessation in the manner described above.

RIGHTS RESERVED BY SUSTAINABILITY VICTORIA

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

Sustainability Victoria reserves the right to inspect the installation at any time within the first five years of operation.

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 the Solar Hot Water Rebate Program.

ACKNOWLEDGMENT

You acknowledge 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, any solar hot water heater that is the subject of funding assistance.

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. Further details are provided on the Rebate Application Form. If you wish to seek access to the personal information which Sustainability Victoria holds about you, please contact us by writing to: privacy@sustainability.vic.gov.au. Sustainability Victoria's Privacy Statement is available from www.sustainability.vic.gov.au