

Metropolitan Melbourne Solar Hot Water Rebate Guidelines Updated 14 June 2008

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.

What are the benefits of solar hot water?

Hot water accounts for 20% of a household's greenhouse gas emissions in Victoria. By installing a solar water heater you will reduce these emissions and also save up to 75% of your water heating costs.

What is the Metropolitan Melbourne Solar Hot Water rebate program?

This program provides rebates for installations in Metropolitan Melbourne that:

1. Replace a natural gas or LPG water heater with a gas-boosted solar system;
2. Add solar to an existing natural gas or LPG water heater by installing a solar system as a preheater; and
3. Add solar to an existing electric water heater by installing a retrofit kit.
4. 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.

Sustainability Victoria reserves the right to change the rebate amounts and any other aspect of the Guidelines. Rebate amounts may change in response to availability of new incentives, adjustments to existing incentives or other market conditions.

How do I get the rebate?

The rebate takes the form of a point-of-sale discount and is only available through participating suppliers. 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 range from \$900 to \$1,500 depending on the size of a system

(amount of water produced) and performance (its solar contribution). The better performing systems attract a higher rebate.

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

Who is eligible for a rebate?

Solar Hot Water Rebates in Metropolitan Melbourne 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 and that tenant is responsible for the energy bills.

Rebates are also available for Community facilities - non-profit organisations, churches, local government buildings designed for community use and sporting club amenities (excludes pools/spas).

To determine whether your suburb 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.

The installation must be in an existing home or building (refer to 'Summary of rebates table').

What is the Regional Victoria Solar Hot Water rebate program?

Solar hot water rebates are also available for households in regional and rural Victoria - see the Regional Victoria Solar Hot Water Rebate Guidelines.

Which solar systems can be installed?

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

- > A greater than 60% solar fraction in Southern Victoria as assessed to Australian Standard 4234
- > A warranty on major components of no less than five years including damage from freezing.

- > Must be 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).
- > The solar water heater, preheater or retrofit kit must be approved by Sustainability Victoria
- > Must be oriented between North East and North West on your roof and not be overshadowed by trees or buildings. (Check this prior to purchase)
- > Must be installed by a licensed plumber and a compliance certificate issued.

Is a rebate available for replacing an electric water heater?

There is a Commonwealth Government \$1,000 rebate available for households replacing electric water heating. Conditions apply see www.environment.gov.au/rebates.

Can I get the Victorian Government Rebate and 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/>.

Use the 'Summary of rebates' table on page 3 to check availability of rebates and RECs.

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 solar 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.

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.

Will systems that are custom designed for larger loads attract a rebate?

Existing buildings that require large amounts of hot water (such as a multi-dwelling building or a community building) can be eligible for a rebate where a standard commercial system is unsuitable. A rebate will only be paid where there is no REC eligibility. For larger custom designed systems the rebate is calculated based on the area of collectors and the performance of the collector as tested to AS2535.1. Where the installation is to occur for a single residence a maximum rebate of \$1,500 is available. Details of large custom designed systems will need to be provided to Sustainability Victoria to confirm rebate eligibility prior to installation.

Steps to access the Metropolitan Melbourne Solar Hot Water Rebate:

STEP 1

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

STEP 2

Contact a participating supplier (or ask your plumber to contact the 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
- > provide an application form and an installation report for your rebate, and
- > deduct the rebate amount off the cost of the system.

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'.

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 three months of the installation.

STEP 5

The supplier will finalise the application on our online

Summary of Rebates

Installation situation	Metropolitan Melbourne Rebate \$900 - \$1,500 depending on system	Commonwealth Government \$1,000 Rebate*	RECs eligible**
<i>For private homes and community buildings</i>			
Replacing a natural gas or LPG water heater with a gas-boosted solar system	Yes	No	Yes
Adding a solar water heater to an existing natural gas or LPG water heater, as a <i>preheater</i>	Yes	No	No
Adding solar panels to an existing off-peak electric water heater either with a pump or by thermosiphon as a <i>retrofit kit</i>	Yes	No	No
Replacing a wood or briquette water heater with a gas-boosted or electric solar system	Yes	No	Yes
Replacing an electric water heater with gas-boosted or electric solar system	No	Yes*	Yes
New homes and buildings installing a gas-boosted or electric solar system	No	No	Yes
Existing buildings requiring a custom designed system for a large hot water load	Yes	No	No
<i>For commercial buildings</i>			
New or existing buildings installing a solar water heater	No	No	Yes

* Conditions apply including. Refer to www.greenhouse.gov.au/rebates or telephone 1800 808 571.

** Indicates whether situation is eligible for a financial incentive through Commonwealth Government's Renewable Energy Certificates (RECs) scheme. For example, if the REC price is \$40 and your installation attracts 30 RECs you could save \$1200. Your manufacturer can advise on RECs eligibility and current value or visit www.orer.gov.au/swh

APPLICANT 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 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 \$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 complete 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.

RIGHTS RESERVED BY SUSTAINABILITY VICTORIA

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

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 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, any solar hot water heater 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 heater 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: Corporate Services, Sustainability Victoria, Level 28, Urban Workshop, 50 Lonsdale Street, Melbourne Victoria 3000.

Sustainability Victoria privacy policy is available from www.sustainability.vic.gov.au