

Submission To:

Victorian Energy Efficiency Target Scheme – Regulatory Impact Statement

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Introduction

The Moreland Energy Foundation Ltd (MEFL) welcomes the opportunity to respond to the Victorian Energy Efficiency Target (VEET) Regulatory Impact Statement (RIS). MEFL commends the Victorian Government's leadership in advancing energy efficiency through the introduction of VEET and other measures including the Black Balloons campaign, the Energy and Water Taskforce and the 5 Star Standard for residential buildings.

MEFL is an innovative not-for-profit organisation established by the City of Moreland to reduce greenhouse emissions. MEFL works within and beyond the Moreland community to implement a range of energy efficiency and greenhouse gas (GHG) abatement programs, including behaviour change programs, research and demonstration projects and advice and information services. MEFL also delivers a suite of training and capacity building services for local government, the building and consultancy industries, sustainability practitioners and tradespersons, and has delivered various tailored training programs for clients including the EPA Victoria, ICLEI, Toyota and others.

MEFL has been operating since 2001 and over this time we have developed a strong base of knowledge and expertise relating to energy efficiency and GHG abatement. We have developed a comprehensive understanding of the barriers that householders face in adopting energy efficiency through implementing community engagement programs such as:

- Home Energy Star, which provided free household energy assessments followed by data monitoring and led to the delivery of a series of community workshops on home energy saving
- Renovator's Service, a free one hour consultation on plans for Moreland residents planning renovations
- New Mothers Group program, which engages with around 300 new mothers annually to educate about home energy efficiency and mitigating the energy use impacts associated with bringing home a new baby
- Lowering Emissions, Growing Communities, which worked with Arabic speaking women's groups to educate about home sustainability
- Community EmPOWERment Project, a partnership with the Institute for Sustainable Futures that conducted action research into demand management barriers for small consumers and disadvantaged communities
- Phoenix Fridge Project, a partnership with the Brotherhood of St Laurence that achieves social, environmental and economic outcomes through a refrigerator reconditioning program

Based on our expertise in this field MEFL has been engaged to deliver a range of consultancy projects for all levels of government. MEFL is currently developing a number of large-scale demonstration, engagement and enterprise projects as part of the Moreland Solar City project, a partnership with the City of Moreland, Victorian Government and Commonwealth Government under the Solar Cities programme.

This submission outlines MEFL's response to the national energy efficiency context including emissions trading, barriers to energy efficiency and the need for complementary measures, followed by a response to the objectives and implementation options for the VEET scheme. The submission concludes by outlining our preferred model for VEET, using case studies to demonstrate how it would function.

MEFL would welcome any further opportunities to contribute to the VEET process.

Summary of Key Points

- Energy efficiency has a range of benefits including, but not limited to:
 - Cost effective GHG abatement
 - Enhanced productivity
 - Climate proofing for vulnerable communities
 - Supply infrastructure benefits
- MEFL welcomes the impending Carbon Pollution Reduction Scheme (CPRS), and recognises that the scheme will be unlikely to deliver significant energy efficiency outcomes due to a range of barriers that will need to be addressed via complementary measures
- VEET is one such complementary measure and will address many, but not all, of the barriers to energy efficiency. Both the Victorian and Commonwealth governments have committed to a range of complementary measures to tackle these outstanding barriers and MEFL commends these measures, advocating for their continued support and expansion
- MEFL would support the development of a National Energy Efficiency Target to build on the leadership shown by Victoria, South Australia and New South Wales, and outlines the principles that we consider fundamental to an effective scheme
- MEFL welcomes the VEET scheme and its nature and objectives. MEFL disagrees that reducing the cost of abatement is the only benefit of energy efficiency after the ETS is fully operational – the other benefits of energy efficiency are listed above and outlined below. MEFL has recommended that the CPRS cap be able to be reduced in response to certified abatement occurring outside the CPRS.
- MEFL considers the objective to encourage investment, employment and technology development in energy efficiency industries to be a vital component of the scheme and has outlined a number of ways in which this objective can be supported
- MEFL’s preferred model for implementation is based on a combination of the options contained within the RIS and includes the following components:
 - Prescribed list of eligible activities for which the energy savings are deemed using a combination of centrally determinable and household specific data, and checked for accuracy via ongoing monitoring
 - Capacity to add activities to the list **during** scheme periods based on applications from businesses and scheme participants
 - Provision for energy retailer innovation using an optional ‘innovation target’, based on the UK CERT model
 - Establishment of a R&D fund, leveraging the innovation target to enable small businesses and other organisations to innovate as well as retailers and large established businesses.

National Context

CPRS

MEFL supports the introduction of a national emissions trading scheme (ETS) and welcomes the impending Carbon Pollution Reduction Scheme.

MEFL recognises that an ETS will have the capacity to achieve greenhouse gas (GHG) abatement primarily at the supply level and that its capacity to drive energy efficiency, technological innovation and strategic infrastructure development will be limited by a range of barriers, as identified by the Stern Report¹, the Garnaut Review and the VEET RIS. Therefore complementary measures are required, as both the Victorian and Commonwealth governments have identified.

The Victorian Energy Efficiency Target scheme (VEET) has the potential to address some of the market failures relating to energy efficiency in the residential sector, and as such this submission will focus on residential energy efficiency.

Energy Efficiency

Energy efficiency has a range of benefits, including:

- Cost effective GHG abatement
- Enhanced productivity
- Climate proofing for vulnerable communities
- Supply infrastructure benefits.

The role of energy efficiency in achieving cost effective GHG abatement is well documented, most notably in the Australian context by the McKinsey 'Australian Cost Curve for Greenhouse Gas Abatement' Report² released earlier this year. The McKinsey Report assessed the various options for reducing Australia's greenhouse gas emissions and found that "a large share of opportunities represents net savings to the economy... by 2020, almost 80 Mt, or 25 percent of the total reductions potential, can be realised with positive returns [most of which arise from] energy-efficiency measures related to improvements in buildings and appliances".

Further, the McKinsey Report warns that "each year we delay producing energy-efficient buildings and motor vehicles the greater the volume of negative-cost opportunities we lose", and recommends the introduction of an "aggressive energy-efficiency program" and strong policy support and private-sector innovation to address "fundamental market barriers" to energy efficiency.

As well as providing least-cost abatement opportunities, energy efficiency measures result in productivity benefits for the whole of economy and for individuals; economy-wide benefits arise from sectors and industries achieving more with less, while individual benefits relate to comfort and improved living standards achieved at lower financial cost to the individual.

Further, enhancing energy efficiency assists vulnerable households and communities to adapt to climate change by mitigating fuel poverty and assisting low income households to adjust to rising energy costs associated with an ETS. A recent report by KPMG, the Brotherhood of St Laurence and Ecos Corporation states that energy efficiency measures "are the most sustained way of assisting households to meet

¹ *Stern Review on the Economics of Climate Change*, October 2006. Produced for the British Government.

² McKinsey and Company (2008) *An Australian Cost Curve for Greenhouse Gas Reduction*

rising costs of energy because they help households to reduce *consumption* of energy, which is the 'root cause' of the need for assistance"³.

Energy efficiency also has a range of supply infrastructure benefits, including reducing costs through avoided network augmentation and enhancing security of supply⁴, and improving the ability of renewable energy sources to provide a significant share of energy supply.

Barriers to Energy Efficiency

There is a range of barriers that prevent the full realisation of the benefits of energy efficiency outlined above. This includes the market failures identified within the VEET RIS, such as:

- Bounded rationality in the form of high discount rates and price inelasticity of demand
- Information failures, including the time lag between energy consumption and receipt and payment of energy bills, aggregated energy pricing and transaction/search costs
- Misplaced/split incentives, compounded by the price differential between energy efficient and "standard" products, low vacancy rates in the rental market, short average tenancies relative to payback periods and the bundled nature of decision making; and
- Lack of access to electronic information regarding energy efficient products.

As outlined in the RIS, it is expected that VEET will be able to address most of the above market failures, at least in part; however, it should be noted that the market failures listed above assume that individuals will act on energy efficiency given the right price signal. MEFL's experience has found that other barriers exist which are unlikely to be overcome by price signals alone, including:

- Language and cultural barriers – a person with poor English skills is unlikely to access services or information delivered in English, and some energy use decisions relate to specific cultural factors; for example, MEFL has learned that householders from some ethnic backgrounds consider it socially important to have more than one refrigerator stocked with food to feed unexpected guests
- Trends and social norms – while halogen downlight fittings, for example, are significantly more expensive to purchase and install than standard fittings, they have become extremely popular in the new housing and renovations market purely for aesthetic reasons
- Lack of understanding regarding the employment of energy efficiency measures – common examples that MEFL encounters include householders switching on air conditioning without first employing passive cooling measures (such as drawing external blinds) even when they are readily available, due to being simply unaware that such options exist and are effective; and householders failing to switch appliances off at the switch through a mistaken perception that standby power usage is nonexistent or insignificant.

The Stern Review⁵ also identified this issue, stating that "price signals alone may be too muted to have a significant impact" on barriers to energy efficiency.

Complementary Measures

³A *National Energy Efficiency Program to Assist Low Income Households*, KPMG, Brotherhood of St Laurence and Ecos Corporation. 2008, pp21. http://www.bsl.org.au/pdfs/KPMG_national_energy_efficiency_program_low-income_households.pdf

⁴J.P. Rutherford, E.W. Scharpf and C.G. Carrington (2007) 'Linking energy efficiency with security of supply', *Energy Policy*, Vol 35, Issue 5.

⁵ *Stern Review on the Economics of Climate Change – Executive Summary* ppxx. (2006)

Given the unlikelihood that the impending ETS and VEET schemes will be able to overcome the full range of barriers outlined above, complementary measures will continue to be important mechanisms to achieve energy efficiency outcomes. Both the Victorian and Commonwealth governments continue to implement complementary policy responses and programs, including:

Commonwealth Government:

- Green Loans
- Stage 1 & 2 commitments under the National Framework for Energy Efficiency
- Insulation and solar hot water rebates
- Phase-out of inefficient lighting
- Solar Cities projects

Victorian Government:

- Rebates
- Energy & Water Task Force
- 5 Star Standard for residential buildings
- 'Black Balloons' energy saving campaign
- Smart Energy Zones

Further, at its October 2008 meeting the Council of Australian Governments committed to develop a National Strategy for Energy Efficiency to accelerate energy efficiency efforts across all governments and to help households and businesses prepare for the introduction of the CPRS, with roles and responsibilities to be determined by December 2008 and implementation to be finalised by June 2009.

MEFL recognises that the Victorian Government has committed to a broad range of policies that will help to create a more complete approach to demand management. MEFL encourages the Victorian Government to continue to rollout these policies, and to pursue opportunities to extend them where necessary.

National Energy Efficiency Target

MEFL supports the development of a national energy efficiency target to build on the work of the states as part of a vision for a thriving, active energy efficiency service sector. MEFL considers that the following principles should be part of any energy efficiency target scheme:

- Clarity and stability for scheme participants, based on ambitious short term targets and a clear long-term trajectory. The Mandatory Renewable Energy Target provides a good example of how this can drive investment and innovation – the setting of a target for 2020 has led to increased interest and investment from wind energy companies in Australia as they can be confident that the regulatory environment will support their investments into the future
- Flexibility to enable development of new industries by enabling businesses to contribute new products and services to the list of eligible activities
- Incentives to over-deliver rather than simply comply with minimum requirements
- Ability to leverage other policies
- Low transaction costs for certificate creators
- Potential for retailers to innovate
- Market-based schemes should avoid trying to address fuel poverty – this is a more appropriate role for dedicated programs to fulfill, such as an expanded Energy & Water

Taskforce and hardship programs. Trying to deal with fuel poverty issues within a market-based mechanism that has an objective of reducing GHG emissions may undermine that objective via the rebound effect, whereas dedicated fuel poverty programs should have the ability to recognise improved living standards and climate proofing for vulnerable households.

The VEET Scheme

Objectives

5.1 Reduce GHG emissions

MEFL agrees that reducing GHG emissions should be a fundamental objective of the scheme, but disagrees that reducing the cost of abatement is the only justification for energy efficiency once the ETS is operational. As outlined above, the other benefits of energy efficiency include increased productivity at both a whole of economy and individual level, climate proofing capacity for low income and vulnerable households and supply infrastructure benefits including avoided network augmentation and enhanced security of supply.

The RIS states that “once an ETS is fully operational, additional measures (including the VEET scheme) will not actually yield additional abatement”. MEFL’s submission to the Carbon Pollution Reduction Scheme Green Paper argues that the number of permits available in a given year under the ETS should be reduced in response to voluntary, certified abatement that occurs outside the legal boundaries of the scheme, rather than such activity simply reducing the cost of abatement. MEFL believes that the Australian community has consistently shown a strong desire to take meaningful action on climate change that contributes to emissions reductions, as distinct from a desire to make it cheaper for big emitters to meet the obligations of an ETS.

Further, as identified by the Garnaut Review, the scientific consensus tells us that we must act much more aggressively to reduce our emissions in the short term than any of our current policies will achieve. In this context, if voluntary abatement activity or activity occurring outside the ETS can drive down Australia’s total emissions further and faster than would otherwise be the case then they should not be prevented from doing so.

MEFL has recommended that the fixed cap under the ETS should be annually reduced by the certified voluntary abatement undertaken in that financial year, ensuring that the major emitters still pay an appropriate price for their emissions whilst voluntary abatement occurring outside the scheme is able to play a role in reducing Australia’s total emissions. Failing this, if the cap is met in a given year at less cost than forecast then the CPRS should include provisions requiring the following year’s cap, or target, to be more ambitious in response.

5.2 Encourage the efficient use of electricity and gas

MEFL supports the purpose and description of this objective.

5.3 Encourage investment, employment and technology development in energy efficiency industries

MEFL agrees that this is an important objective and sees that VEET provides a unique opportunity to support the growth and development of the energy services sector. MEFL has a vision for a thriving energy services sector that provides quality advice on energy efficiency and implements a wide range of practical measures to improve household energy efficiency. In order for this vision to be realised, schemes such as VEET need to be able to drive innovation and create incentives for businesses to compete to deliver energy efficiency – these principles have been outlined under ‘National Energy Efficiency Target’ and also apply for VEET.

Leveraging other policies

An effective VEET scheme would complement and leverage other policies – for example, the Commonwealth Government’s Green Loans program (due to commence early 2009). This program will

involve 300,000 household sustainability assessments nationwide and the subsequent granting of up to 200,000 loans for products that improve household sustainability. The diagram below shows how Green Loans transactions will occur.



The Green Loans program is likely to stimulate strong growth in the energy services sector and generate end-use, household-specific data that may assist in the monitoring and implementation of the VEET scheme. An example of how this may occur is shown in the Preferred Model Case Study.

Options

MEFL has identified a number of issues and benefits relating to the options proposed – these are set out in the table below.

	<i>Issues</i>	<i>Benefits</i>
<i>Option 1</i>	<p>High transaction costs for certificate creator</p> <p>High transaction costs for scheme administrator</p> <p>Provides less certainty and consistency in the market as the relative merit of one product or service over another is not known prior to the project plan being reviewed</p> <p>Does not necessarily address information failure and transaction cost barriers Complexities involved in calculating potential abatement (e.g. GHG intensity of affected energy) may act as a deterrent for participation</p>	<p>Enables innovation and eligibility of new products and services</p>
<i>Option 2</i>	<p>High costs associated with energy saving calculation, unless deemed based on averaged data; if deemed based on averages, a range of accuracy and accounting issues arise</p> <p>Expected life of the energy saving – the RIS states that it is safe to infer that some products, such as insulation and air sealing products, will last the life of a building (40 years); in MEFL’s experience this is a very optimistic assumption. Insulation products settle over time and can be disturbed by rodents and possums or damaged by water leakage; many air sealing products need to be replaced regularly and sealed gaps and cracks reopen due to shifting foundations.</p>	<p>Sub-factors involved in calculating net energy savings may generate a range of useful data that can be used to tackle barriers not adequately addressed by the VEET scheme</p> <p>The impending Green Loans scheme may provide opportunities to gather household-specific data without impacting on transaction costs under the VEET scheme</p>
<i>Option 3</i>	<p>Risks excluding activities with high abatement potential</p> <p>May limit sector development and constrain innovation, undermining the third objective of the scheme. This is likely</p>	<p>Low transaction costs</p>

to occur if transactions can be undertaken directly between energy retailers and customers at lower cost than with the involvement of third parties (as has been the case with the UK's Energy Efficiency Commitment).	
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Preferred Model

In light of the issues outlined above and the objective of stimulating growth in the energy services sector, MEFL recommends a model that combines elements of options 1 and 2 with some additional features, as described below. This model emphasises the importance of achieving actual greenhouse benefits while maximising opportunities for growth and innovation in the energy efficiency services sector. The key components of this model include:

- Prescribed list of eligible activities for which the energy savings are deemed using a combination of centrally determinable and household specific data, and checked for accuracy via ongoing monitoring
- Capacity to add activities to the list during scheme periods based on applications from businesses and scheme participants
- Provision for energy retailer innovation using an optional ‘innovation target’, based on the UK CERT model
- Establishment of a R&D fund, leveraging the innovation target to enable small businesses and other organisations to innovate as well as retailers and large established businesses.

These components are described in further detail below.

Prescribed list of eligible activities

Government estimates the abatement potential of the activities listed in Table 6.4 of the RIS based on the annual net energy saving, the expected life of the energy saving in years and the GHG intensity of the energy affected by the activity. In determining which sub-factors will be used to estimate annual net energy saving, a key consideration is the potential for data collection to contribute to the skills and knowledge base and the general growth of the energy efficiency services sector, as demonstrated by the case study (below). This consideration has a high priority compared with consideration of cost to the scheme administrator due to its potential to contribute to the third objective of the VEET scheme.

MEFL is currently conducting research and demonstration projects, including the Victorian Government funded ‘Take Action on Electric Hot Water and Air Conditioning’ project that may be able to contribute data to determine abatement potential of some eligible activities. Based on the results of this and other projects MEFL would be pleased to contribute to the finalisation of the eligible activities list.

Ability for businesses to add activities to the list during scheme periods

MEFL notes that the VEET RIS identifies the capacity for businesses to apply to add measures to the range of eligible activities during a scheme period, and strongly supports this provision. This will be critical in stimulating growth and innovation in energy efficiency industries.

MEFL’s preferred model would enable demonstration projects such as MEFL’s Moreland Solar City to feed back to the VEET market, as well as providing Government some flexibility in that activities that are initially deemed too difficult to quantify in terms of abatement could be progressively added to the list as data becomes available. The wall insulation example provided in the second case study demonstrates how this component may add benefit to the scheme.

Innovation target for energy retailers

The UK Government's Energy Efficiency Commitment Scheme has achieved significant energy savings in its first two phases of operation, but has found that the scheme has been significantly limited in its ability to encourage innovation⁶. The third phase of the scheme, renamed the Carbon Emissions Reduction Target (CERT), will provide greater flexibility for retailers to achieve their targets through innovative measures⁷. This approach has been well received by energy retailers in the UK⁸ MEFL recommends that the VEET scheme include similar provisions for innovation – one option would be to enable or require retailers to meet 5% of their obligation via innovative measures, with eligibility criteria defined by Government.

As is the case in the UK, an innovation target may include behaviour change programs as an eligible activity. In the case of VEET this approach may enable activities such as household energy audits, which could provide a mechanism for continued support of this measure after the Green Loans program has been wound up.

Factors likely to influence the effectiveness of an innovation target include:

- Ensuring that an appropriate body is chosen to oversee the administration. For example, if the negotiation and assessment of innovative measures were to be undertaken by the Essential Services Commission (ESC), there would be a need for the ESC to establish partnerships with research and demonstration bodies such as the CSIRO, Sustainability Victoria, VicUrban and universities.
- In order to encourage retailers and other bodies to enter this space it will be critical to recognise the higher level of risk involved in the deployment of innovative measures by allowing for a high failure rate.

Energy Efficiency Research & Development fund

Recognising that stakeholders may require financial and technical assistance to bring new products and services to the point of commercialisation, the innovation target could be used to establish a research and development (R&D) fund (EERD). The fund would provide financial and technical assistance for eligible parties to develop, trial and monitor products and services with the specific aim of bringing them to a point where they can be introduced to the list of eligible activities.

It may be appropriate to introduce measures such as the innovation target and EERD in future phases of the scheme rather than from the outset.

⁶ OfGem (2005) *Energy Efficiency Commitment 2005-2008 Innovative Action Decisions document*

⁷ DEFRA News Release: 'Cash boost for people in fuel poverty – Woolas', accessed online <http://www.defra.gov.uk/news/2007/071206c.htm>

⁸ *Joint ERA and UKBCSE submission to the Call for Evidence on the Supplier Obligation*, September 2007.

Preferred Model Case Studies

Case Study 1: Green Services Package combining Green Loans and VEET

Government identifies a list of eligible activities drawn from options laid out in Table 6.4 based on the ability to accurately estimate abatement potential using existing data.

Householder's perspective

Household Y is approached by auditor X, who offers household Y a Green Services Package including a home sustainability assessment and free or discounted product installation. Household Y pays \$50 for the home sustainability assessment. Following the assessment auditor X supplies the householder with a report including recommendations for behaviour change actions and the following list of potential home improvements:

1. Sealing gaps and cracks
2. Replacing incandescent lighting with compact fluorescent lamps
3. Installing water efficient shower roses
4. Installing ceiling insulation (R3.5)
5. Insulating existing weatherboard external walls
6. Installing a solar hot water system
7. Installing a rainwater tank

Accredited auditor X installs items 1-3 for free, and item 4 at a significantly reduced cost, and householder Y agrees to assign the right to produce certificates based on these activities (VEECs) to accredited auditor X.

Item 5 is not eligible for VEECs and is not offered as a service by auditor X. Householder Y considers that the upfront, transaction and search costs are too high to make item 5 attractive and chooses not to pursue this option.

Householder Y applies for a Green Loan to cover the cost of installing items 6 and 7. Householder Y agrees to allow auditor X to engage Green Plumber Z to install items 6 and 7.

The price of item 6 is discounted via the VEECs it generates and a rebate from the Commonwealth Government, which enables householder Y to purchase a larger rainwater tank and cover the cost of connecting to toilets as well as the garden. On payment of the Green Loan the Commonwealth Government also refunds the \$50 fee that householder Y paid to auditor X for the home sustainability assessment.

Householder Y saves money on energy and water bills and undertakes various behaviour changes as recommended by report provided by auditor X.

Auditor's perspective

Auditor X identifies household Y as a potential target and gains agreement to conduct a sustainability assessment of their house for a subsidised fee of \$50. Accredited auditor X claims the remainder of the assessment fee from the Commonwealth Government under the Green Loans program.

Auditor X installs items 1-4, which are eligible for VEECs, and registers the certificates created. Auditor X does not offer wall insulation services at this stage as retrofitting wall insulation is not common practice

in Victoria and there are few market-ready products available. As this service is not an eligible activity under VEEC there has been insufficient incentive for businesses to develop a commercial product that can be deployed on a large scale.

Auditor X engages Green Plumber Z to install items 6 and 7, for which accredited auditor X receives a commission (negotiated between auditor X and Green Plumber Z based on the market price of VEECs).

Plumber's perspective

Green Plumber Z installs items 6 and 7 and householder Y assigns the right to generate VEECs to Green Plumber Z. Green Plumber Z then registers the VEECs created.

Case Study 2: Supporting Innovation through the EERD

The Energy Hub program, a partnership between MEFL and the Botherhood of St Laurence developed as part of the Coburg Solar Village project, provides free energy efficiency retrofits for low income households. Based on the Victorian Government's Energy and Water Taskforce model, this project will train long term unemployed and disadvantaged people in undertaking household energy audits and installing products including curtains, draught sealing and insulation.

The project has the potential to trial retrofitting insulation to walls, which is not commonly done in Victoria – MEFL is currently aware of just one Victorian company who provide this service. This trial approach would aim to develop a cost-effective, technically feasible methodology for installing insulation in a range of wall types, monitoring over time to determine the impact on thermal performance.

In order to conduct this trial, the Energy Hub team applies to the Energy Efficiency R&D (EERD) Fund for financial and technical assistance. The administering bodies for the EERD Fund assess the project against criteria including:

- Eligibility of applicants, based on predetermined criteria set by the Government
- Compatibility with the objectives of the VEET scheme
- Innovation value, as defined by suitably qualified research personnel or partners

The wall insulation retrofit trial is assessed as meeting the criteria and the project authorities enter into a contract with the administrators of the EERD Fund.

Over a period of 2 years the project develops a commercially viable model for installing retrofit wall insulation and has gathered data to indicate the energy efficiency and GHG abatement potential of this measure. The project authorities successfully apply to the Government to have this measure added to the eligible activities list.

The inclusion of the item “retrofit wall insulation R2.0 to existing external wall” on the list of eligible activities leads to this activity being incorporated into the Energy Hub service package and it is subsequently rolled out for a range of low income households, simultaneously providing an ongoing source of funding for the Hub. In addition Auditor X from Case Study 1 adds the item to the list of options offered as part of their Green Services Package.