

## Metropolitan Melbourne Solar Hot Water Rebate Guidelines Updated 4 February 2009

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 is the Metropolitan Melbourne Solar Hot Water rebate program?

This program provides rebates for installations within Metropolitan Melbourne in households 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.

### 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](http://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 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.

A list of accredited systems and the rebate they attract is available at

[www.resourcesmart.vic.gov.au/rebates](http://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, 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 qualifies for the Metropolitan Melbourne rebate program or the Regional Victoria rebate program enter your address online at [www.resourcesmart.vic.gov.au/rebates](http://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 (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:

- > 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 assessment using 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.

### Is a rebate available for replacing an electric water heater in metropolitan Melbourne?

There is a Commonwealth Government \$1,600 rebate available for households replacing electric water heating. Conditions apply see [www.environment.gov.au/rebates](http://www.environment.gov.au/rebates).

### Can I get the Victorian Government Rebate plus the Commonwealth Government's Renewable Energy Certificates (RECs) and the Victorian Government's Victorian Energy Efficiency Certificates (VEECs)?

Yes. For installation of complete solar hot water systems under the Metropolitan Melbourne Solar Hot Water Rebate program you will also be eligible for RECs and VEECs. 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. The same principle applies with VEECs.

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

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

### 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.

**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

**Summary of Rebates – Metropolitan Melbourne**

Installation situation		Commonwealth Government \$1,600 Rebate*		Victorian Energy Efficiency Certificates (VEEC) eligible
<b>For private homes</b>				
<b>Replacing a natural gas or LPG water heater with a gas-boosted solar system</b>	Yes	No	Yes	Yes
<b>Adding a solar water heater to an existing natural gas or LPG water heater, as a preheater</b>	Yes	No	No	Yes

<b>Adding solar panels</b> to an existing off-peak electric water heater either with a pump or by thermosiphon as a <b>retrofit kit</b>	Yes	No	No	Yes
<b>Replacing an electric water heater</b> with gas-boosted or electric solar system	No	Yes*	Yes	Yes
<b>New homes and buildings</b> installing a gas-boosted or electric solar system	No	No	Yes	No
<b>For commercial buildings</b>				
<b>New or existing buildings</b> installing a solar water heater	No	No	Yes	No

\* Conditions apply including. Refer to [www.greenhouse.gov.au/rebates](http://www.greenhouse.gov.au/rebates) or telephone 1800 808 571.

## 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](http://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.

### REBATE APPLICANT RESPONSIBILITIES

The rebate 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 rebate 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 \$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.

#### **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: 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](http://www.sustainability.vic.gov.au)

