# Know your obligations under the Victorian Energy Upgrades program



For retailers selling induction cooktops under the program

The Victorian Government has introduced a new pilot activity under the Victorian Energy Upgrades (VEU) program that provides a discount for the purchase of a new induction cooktop. The VEU program aims to reduce greenhouse gases by making energy efficiency improvements more affordable for Victorian consumers.

## How retailers can participate

Retailers can participate by selling eligible induction cooktops or freestanding combined induction cooking product under the VEU program, to eligible consumers. Participation is voluntary and can be achieved in one of two ways:

- Retailers can become accredited under the VEU program and directly create certificates under the program for eligible sales of induction cooktops
- 2. Retailers can partner with an accredited provider who will create certificates under the program for eligible sales of induction cooktops

Consumers will need to assign their rights to create certificates to an accredited provider in order for them to create certificates by completing a Victorian energy efficiency certificate (VEEC) assignment form. The accredited provider should provide an identifiable benefit which retailers can then pass on to the consumer purchasing the product.

#### **Certificate incentive amount**

Each induction cooking product sold is eligible to create two certificates. One certificate represents one tonne of carbon dioxide equivalent (CO<sub>2</sub>-e) to be reduced by the activity.

The price of a certificate varies based on the certificate market's supply and demand. When partnering with an accredited provider, retailers should do their own research of the VEEC market to determine the amount of benefit you will accept from an accredited provider for the certificates.

# **Eligibility requirements**

To be eligible for incentives under the VEU program, the product sold must be:



- a product which has been approved for installation under the VEU program as listed on the <u>VEU website</u>. Products sold must be covered by a product manufacturer warranty against defects for at least 2 years from date of sale
- purchased by a consumer for installation in a residential premises:
  - with a gas or liquified petroleum gas (LPG) connection
  - where the construction of the premises was not completed within the last 2 years.

Only one product per residential premises is eligible for incentives under the program.

## Retailer obligations under the VEU program

Businesses participating in the VEU program must meet the highest standards when engaging with consumers. The enforceable VEU code of conduct requires retailers to:

- act in a professional and ethical manner
- protect consumers' interests and promote confidence in the program
- meet high standards of conduct in your dealings with consumers
- provide sufficient information to enable the person to properly understand and make informed decisions in relation to the VEU program and the proposed activity
- comply with all relevant laws, including Australian Consumer Law (Victoria).

In addition, retailers selling eligible products to consumers must meet the following key obligations to claim an incentive from an accredited provider under the VEU program:

#### Key retailer obligations

- Ensure the product being purchased by the consumer is an eligible product.
- Ensure the consumer has paid a minimum of \$200 (including GST) for the product.<sup>1</sup>
- Provide the consumer with:
  - a copy of the VEU Induction Cooktop Consumer Factsheet
  - accurate information about the performance and suitability of the product
  - a copy of the product warranty.
- ✓ Collect a copy of a gas bill or LPG invoice from the consumer (issued within last 3 months)².
- Seek confirmation from the consumer that where the product will be installed is not a new home (i.e. was not built in the last 2 years).

<sup>&</sup>lt;sup>2</sup> If the premises has a gas connection that is centrally billed (e.g. apartment), a geo-tagged photograph of the existing gas cooktop may be supplied instead of a gas invoice.



<sup>&</sup>lt;sup>1</sup> Minimum amount cannot be reimbursed, in part or in full, to consumers in any form, including money, goods or services

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- Collect consumer contact details (name, phone number and address) and obtain consumer consent to these details and a copy of their gas bill or LPG invoice being disclosed to the:
- accredited provider for the purposes of creating certificates under the VEU program
- Essential Services Commission and advise they may be contacted by the commission for audit and verification purposes.
- **/**
- Issue an invoice which includes:
- brand and model of product sold
- · date of the purchase
- name and address of the energy consumer<sup>3</sup>
- price of the product (before **certificate** incentive is applied)
- certificate incentive amount<sup>4</sup>
- amount paid by the energy consumer for the product (after **certificate** incentive is applied)
- name, address, and ABN of your business.
- Complete all relevant sections of the certificate assignment form<sup>5</sup>, ensuring that all items in the retailer declaration have been met.
- Collect, use and manage personal information in accordance with the <u>Australian Privacy Principles (APPs)</u><sup>6</sup>

For further information on meeting your obligations under the VEU code of conduct, please review the code of conduct guideline and various supporting resources (including fact sheets and consumer resources) which are published on the <u>commission website</u>.

# What happens if you do not meet your obligations

The Essential Services Commission can take significant enforcement action against accredited persons and anyone conducting activity on their behalf who breach the code of conduct, which may include penalty notices or civil penalty litigation. This includes any person involved in the sale of products under the program.

This fact sheet provides general guidance only. It does not constitute legal or other professional advice. While every reasonable effort has been made to provide current and accurate information, please consider obtaining professional advice if you have a specific concern.

<sup>&</sup>lt;sup>6</sup> Compliance with these principles are mandatory if your business is covered by the Privacy Act (e.g. if your business has an annual turnover of more than \$3 million).



<sup>&</sup>lt;sup>3</sup> If the name and address of the consumer is not listed on the tax invoice, it may be recorded on another proof of purchase document (e.g. a sales order, delivery docket).

<sup>&</sup>lt;sup>4</sup> Where the certificate incentive is not provided to the consumer by the seller of the product at the point-of-sale, the incentive provided to the consumer must be documented in a separate transaction record.

<sup>&</sup>lt;sup>5</sup> This form should be provided to you by the accredited provider for completion and signing.