



Australian Government
**Department of Climate Change
and Energy Efficiency**

Renewable Energy Bonus Scheme —Solar Hot Water Rebate

Guidelines

Under the Renewable Energy Bonus Scheme—Solar Hot Water Rebate, the Australian Government is offering rebates of \$1,000 to install a solar hot water system or \$600 to install a heat pump hot water system.

This booklet provides guidelines for the Renewable Energy Bonus Scheme—Solar Hot Water Rebate from 11 May 2011.

When program funds are fully allocated notification will be provided on the program website:
www.climatechange.gov.au/solarhotwater

Please ensure you complete and submit your application based on the latest version of the guidelines and application available at www.climatechange.gov.au/solarhotwater

IMPORTANT: An application must be received by the Department within four months (122 days) of an eligible system being installed.

The new hot water system must replace an electric storage hot water system in an existing privately-owned home. Installing a low emissions hot water system can save a family hundreds of dollars in energy costs each year.

Eligible systems must generate 20 small-scale technology certificates (STCs), formerly renewable energy certificates (RECs) or more at the time of purchase at the installation address.

The rebate is in addition to STCs which are assigned to most solar and heat pump hot water systems sold in Australia. STCs can provide a discount of around \$1,000 on the upfront cost of the average solar or heat pump hot water system.

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Part 1: Overview of the Renewable Energy Bonus Scheme—Solar Hot Water Rebate

Why is the Australian Government giving a rebate?

Water heating is the largest single source of greenhouse gas emissions from the average Australian home, with electric storage hot water systems accounting for around 23 per cent of household emissions (excluding the family car). This rebate is specifically targeted at the removal of existing electric storage hot water systems.

The rebate encourages households to reduce their emissions by installing a solar or heat pump hot water system and is in addition to the Australian Government's other incentive of small-scale technology certificates (STCs), formerly known as renewable energy certificates (RECs). A number of STCs - generally 20 or more - are assigned to most domestic solar and heat pump hot water systems sold in Australia. These certificates are usually provided as a point of sale discount of around \$1,000 by retailers.

What do you need to do?

1. Read the guidelines in this booklet and carefully assess your eligibility for a rebate. Please ensure you complete and submit your application on the latest version of the guidelines and application available at www.climatechange.gov.au/solarhotwater.
2. Replace your existing electric storage hot water system with an eligible low emissions hot water system (solar hot water or heat pump).
3. On the final day of installation ask your installer to complete Sections 3 and 4 of the application form.
4. Complete and sign the application form (you will be filling out the remaining areas on the form).
5. Submit the completed application form by post so that it is received by the Department within four months (122 days) of an eligible system being installed, ensuring that you:
 - attach a copy of the receipt for the purchase of the new system
 - have the form countersigned by the installer on or after the date of installation
 - nominate a BSB number and **personal** bank account number for the electronic payment of the rebate.

Incomplete application forms will be returned to the applicant without processing.

****IMPORTANT:** An application must be received by the Department within four months (122 days) of an eligible system being installed.

What are small-scale technology certificates (STCs)?

As of 1 January 2011, the enhanced Renewable Energy Target (RET) was split into two parts, the large-scale renewable energy target (LRET) and the small-scale renewable energy scheme (SRES). Under the SRES, new solar and heat pump hot water heaters may be eligible to create small-scale technology certificates (STCs), formerly known as renewable energy certificates (RECs). Householders can create and trade these certificates on their own, but it is more common for Registered Agents to create and trade STCs on behalf of householders. The STCs benefit for consumers usually comes as a point of sale discount. Most retailers will advise potential buyers how many STCs are provided by each solar or heat pump hot water system model and how much each of those STCs are worth. The retailers then provide a discount to the buyer, meaning the cost of the hot water system to the householder is reduced.

The Renewable Energy Bonus Scheme—Solar Hot Water Rebate may apply to systems that earn 20 STCs or more at the time of purchase at the installation address. Hot water system retailers can also advise on the number of STCs assigned to a system.

Information about eligible systems and STCs is available on the Office of the Renewable Energy Regulator website:

- LRET/SRES the basics—www.orer.gov.au/publications/lret-sres-basics.html
- Solar hot water heaters—www.orer.gov.au/swh
- Register of Solar Water Heaters—www.orer.gov.au/swh/register.html

Part 2: Guidelines for the Renewable Energy Bonus Scheme—Solar Hot Water Rebate

The Renewable Energy Bonus Scheme—Solar Hot Water Rebate provides eligible applicants with a rebate of \$1,000 for installation of an eligible solar hot water system, or \$600 for installation of an eligible heat pump hot water system. The eligible system must have replaced an electric storage hot water system at an existing principal place of residence.

This booklet provides guidelines for the Renewable Energy Bonus Scheme—Solar Hot Water Rebate from 11 May 2011. When program funds are fully allocated notification will be provided on the program website: www.climatechange.gov.au/solarhotwater.

Please ensure you complete and submit your application on the latest version of the guidelines and application available at www.climatechange.gov.au/solarhotwater. The Australian Government reserves the right to change the rebate amount or any other aspect of the guidelines at any time.

Eligibility requirements

The information contained in the guidelines (on pages 4 - 6 of this booklet) in its entirety forms the eligibility criteria for the rebate. In order to qualify for a rebate, applicants must fully comply with all the eligibility requirements in these guidelines.

Final decisions regarding rebate eligibility will be made by the Chief Executive or the appropriate Departmental delegate in the Department of Climate Change and Energy Efficiency.

Applicant requirements

To be eligible to obtain a rebate the applicant must:

- not have previously received assistance from the Home Insulation Program, or the Homeowner Insulation Program, at this address, except where insulation has been removed under the Australian Government's Foil Insulation Safety Program; and
- be an Australian citizen or permanent resident aged 18 years or over; and
- submit an application, attaching a copy of proof of system purchase, so that it is received by the Department within four months** (122 days) of system installation; and
- be the owner or tenant of the dwelling where the system was installed at the time the system was installed (Please note: a tenant must not install a system without approval from the owner of the dwelling); and
- be the purchaser of the system or have written permission from the purchaser to apply for the rebate; and
- correctly complete and submit an application form and agree to the terms and conditions listed on the application form.

Only one rebate will be granted per eligible system. In the case of multiple applications for a single system, the rebate will be paid to the first eligible applicant.

****IMPORTANT:** An application must be received by the Department within four months (122 days) of an eligible system being installed.

System requirements

To be eligible to obtain a rebate, the hot water system must:

- be installed in Australia at a principal place of residence; and
- be installed by a suitably qualified person or persons (a licensed electrician and/or plumber); and
- be a new and complete hot water system that replaces an existing electric storage hot water system previously operational at the dwelling, as certified by the licensed installer(s) (exception: if your home was destroyed in the February 2009 Victorian bushfires, you may be eligible for the rebate for your newly rebuilt home on the same site, provided the home also includes a 2000 litre rainwater tank (compliant with Victorian 5-star building standards) which is connected to the dwelling for toilet flushing); and
- be a hot water system that is eligible for at least 20 small-scale technology certificates (formerly renewable energy certificates) under the small-scale renewable energy scheme at the time and place of installation, as certified by the licensed installer(s); and
- be installed to the relevant building standards and government requirements, as certified by the licensed installer(s); and
- be fully functional, as certified by the licensed installer(s).

Applicants will not be eligible where:

- the applicant is not the owner or tenant of the dwelling where the system was installed at the time the system was installed; or
- the dwelling where the system is installed is not a principal place of residence (for example where the dwelling is a holiday home or a semi-permanent building); or
- the dwelling where the system is installed is state or territory public housing or is owned by a state or territory government; or
- the applicant is not an individual (for example where the applicant is a business or other organisation); or
- the system replaces or is additional to an existing solar or heat pump hot water system; or
- the system replaces a hot water system which was not originally designed as an electric storage hot water system; or
- the system will be used for non-domestic purposes or primarily for heating a swimming pool, spa or similar.

Rebate application process

To claim a rebate the applicant must fully complete, sign and submit an application form with the requested supporting documentation. An application form is available at the back of this booklet, by calling 1800 808 571 or from www.climatechange.gov.au/solarhotwater.

Incomplete applications will be returned to applicants without processing.

The applicant should allow eight weeks from a complete application being received by the Department for the application to be processed.

Applying for the rebate requires the applicant to submit a copy of proof of system purchase.

Applying for the rebate requires the applicant to agree that he/she will provide evidence to support claims made on the application form if requested.

Applying for the rebate requires the applicant to agree to allow an authorised inspector access to the system for audit purposes if requested.

Applying for the rebate requires a licensed installer to certify the following on the application form:

- system installation date; and
- the type and tank serial number of the system installed; and
- that the system replaced an existing electric storage hot water system; and
- that the system is eligible for at least 20 small-scale technology certificates; and
- that the system was installed to the relevant building standards and government requirements.

Definitions

The following definitions are applied for the purpose of this rebate:

Licensed installer(s) – an electrician or plumber licensed by the relevant State or Territory licensing body to carry out electrical or plumbing work. That license must be sufficient to enable the carrying out of the plumbing and/or electrical work required to remove an electric storage hot water system and install a solar hot water system or heat pump hot water system.

Principal place of residence – a privately owned dwelling that is the primary residence of the owner or a tenant.

System – a new domestic solar or heat pump hot water system that is a complete model as listed in the Register of Solar Water Heaters administered by the Office of the Renewable Energy Regulator (available from www.orer.gov.au/swh/register.html). Eligible systems must have a unique tank serial number defined by the manufacturer.

Important notices

Applicants should not assume that they will receive a rebate on submitting an application. The Australian Government will decide whether an applicant satisfies the eligibility requirements as set out in these guidelines and reserves the right to request further information to make this decision. Final decisions regarding rebate eligibility will be made by the Chief Executive or the appropriate Departmental delegate in the Department of Climate Change and Energy Efficiency.

The Australian Government may require the applicant to present further evidence to support his/her application for the rebate. Requests from the Australian Government for evidence may be made after the payment of the rebate.

The Australian Government accepts no liability for any injury, loss, damage or cost incurred as a result of, or arising from, the installation of a system which has been the subject of a rebate application, or the application process.

Personal information collected will only be used for the purpose of assessing applications, auditing compliance and safety, resolving complaints, enforcement of laws and regulations applicable to Program participants (including State/Territory and Local Government laws and regulations) and for related purposes. This process may include the exchange of information with other government departments or agencies, including State/Territory and Local Government agencies for administration, compliance, safety, complaint resolution and law enforcement purposes relevant to the Program, and/or reporting publicly on the performance of the rebate. Published reports will be based on aggregate data and personal information will not be identifiable in such reports. Information may also be disclosed to Commonwealth contractors for the purposes of verifying details of applications or assisting the Commonwealth in the delivery of the Renewable Energy Bonus Scheme.

The Australian Government takes no responsibility for any private arrangement between tenants and landlords with regard to the rebate. The tenant or landlord has no entitlement against the Australian Government other than payment of the rebate to either the tenant or the landlord, provided they are the first eligible applicant.

The Australian Government reserves the right to change the rebate amount or any other aspect of the guidelines at any time. Please ensure you complete and submit your application on the latest version of the guidelines and application available at www.climatechange.gov.au/solarhotwater.

Providing false or misleading information is an offence under the *Criminal Code Act 1995*.

The Commonwealth may recover from the applicant, as a debt due and payable, any amount that it pays to the applicant under the Scheme if:

- false or misleading information has been provided in the application; or
- the Department otherwise determines that the applicant is not entitled to the assistance in accordance with the Scheme Guidelines.

Further information

Further information can be obtained from www.climatechange.gov.au/solarhotwater or by calling **1800 808 571**.

Part 3: How to Apply

How do I apply?

To claim a rebate, you need to submit a fully completed application form. You will be filling out most areas of the form, but on the day of installation your installer will need to complete Section 3 and sign Section 4. This should take no longer than a few minutes.

An application form is available at the back of this booklet or can be downloaded from www.climatechange.gov.au/solarhotwater. Before applying, please check this website for the latest version.

Applicants must apply by mail to:

Renewable Energy Bonus Scheme - Solar Hot Water Rebate
Department of Climate Change and Energy Efficiency
GPO Box 854
Canberra ACT 2601

- **IMPORTANT:** An application must be received by the Department within four months (122 days) of an eligible system being installed.
- The applicant should allow eight weeks from the application being received by the Department for the application to be processed.
- Incomplete application forms will be returned to the applicant without processing.

For more information please contact our national information line on **1800 808 571**.

Supporting documentation

Applicants must submit a copy of their proof of system purchase (a copy of the printed receipt) with their application. The proof of system purchase must clearly indicate whether the new system is a solar or heat pump hot water system. Whilst no other supporting documentation is required at the time of application, the Australian Government may require the applicant or installer to present evidence to support the application. Requests from the Australian Government for evidence may be made after the payment of the rebate.

Part 4: Frequently Asked Questions

What is the Renewable Energy Bonus Scheme—Solar Hot Water Rebate?

The Renewable Energy Bonus Scheme - Solar Hot Water Rebate offers rebates of \$1,000 for installing a solar hot water system or \$600 for installing a heat pump hot water system.

The system must be installed in an existing home and must replace an electric storage hot water system.

Electric storage hot water systems are the most greenhouse intensive of household hot water systems and generate the largest amount of greenhouse gas emissions.

The rebate encourages switching to alternative hot water technologies by addressing the up-front cost barriers to climate friendly systems, which also deliver low operating costs for the household.

The rebate is to help households replace existing electric storage hot water systems. Rebates are not available for replacing solar or gas hot water systems.

If I received assistance for insulation under the Home Insulation Program or the Homeowner Insulation Program can I receive a Renewable Energy Bonus Scheme—Solar Hot Water Rebate?

If you have previously received assistance for insulation under the Home Insulation Program or the Homeowner Insulation Program then you are only eligible to apply for the Renewable Energy Bonus Scheme—Solar Hot Water Rebate at the same address if that insulation has been removed under the Australian Government's Foil Insulation Safety Program.

If you accessed assistance to install ceiling insulation under the Australian Government's Low Emission Assistance Plan for Renters you may still be eligible for the Renewable Energy Bonus Scheme—Solar Hot Water Rebate.

When can I apply for a rebate?

The Renewable Energy Bonus Scheme—Solar Hot Water Rebate commenced on 20 February 2010. An application must be received by the Department within four months (122 days) of an eligible system being installed.

You can only apply for the rebate once your new solar or heat pump hot water system has been installed.

When program funds are fully allocated notification will be provided on the program website:
www.climatechange.gov.au/solarhotwater

Who can apply for the rebate?

Applicants for the Renewable Energy Bonus Scheme—Solar Hot Water Rebate must be the owner or tenant of the dwelling where the system was installed. The application process is simple and straightforward and is completed at the time the new hot water system is being installed. Suppliers and installers of solar or heat pump hot water systems cannot apply for the rebate on behalf of their customers.

Government agencies or occupants of public housing are not eligible for this rebate.

Are rebates available for new homes or those which are rebuilt?

In order to maximise environmental outcomes, solar or heat pump hot water systems installed on new houses are not eligible for the rebate. In comparison to existing housing stock, new homes are generally more energy efficient. Some state and territory governments also regulate the energy efficiency of hot water systems installed in new homes. Furthermore, it is more expensive to install energy efficient hot water systems onto existing homes than onto new homes.

Houses that are rebuilt are classed as new houses and therefore are not eligible for the rebate.

An exception to this provision applies if you have built a new home, or rebuilt an uninhabitable home, on the same site as your home which was destroyed in the February 2009 Victorian bushfires, provided your newly rebuilt home also includes a 2000 litre water tank (compliant with Victorian 5-star building standards) connected to the dwelling for toilet flushing.

The Australian Government also provides an incentive to all households to install climate friendly hot water systems in the form of small-scale technology certificates (STCs), formerly renewable energy certificates (RECs). STCs are assigned by the Office of the Renewable Energy Regulator as part of the Small-scale Renewable Energy Scheme and reflect the deemed value of equivalent renewable energy generation over a ten year period. Solar and heat

pump hot water systems are assigned a number of STCs and these are commonly bought back by the retailer through a discount of around \$1,000 off the upfront cost of the system.

Can I apply for the rebate if I am renting?

Yes. The system for which a rebate is being claimed must be installed at a principal place of residence. An applicant can be the owner or the tenant of the dwelling.

A tenant must not install a system without approval from the owner of the dwelling. The sharing of any costs is a matter for the landlord and the tenant to negotiate.

Regardless of whether you are an owner or a tenant, all other eligibility requirements must be met.

Can I still apply for other State or Territory rebates?

Yes. An application for the Australian Government's Renewable Energy Bonus Scheme—Solar Hot Water Rebate will not be affected by any rebates that other governments may offer, except as outlined below. For details on other rebates, you will need to follow up with your relevant state or territory authority.

For newly rebuilt homes which are eligible for the rebate due to the February 2009 Victorian bushfire provision, your rebate will be capped to ensure that it, together with all other discounts (eg through small-scale technology certificates) and other rebates, does not result in a benefit greater than the cost of the system.

Can I get the rebate for a system I install on my investment property?

Yes. The system for which a rebate is being claimed must be installed at a principal place of residence. This can be an investment property which must be the tenant's principal place of residence. It cannot be a holiday home. An owner may apply for a rebate on more than one property. A separate application must be submitted for each property.

The sharing of any costs is a matter for the landlord and the tenant to negotiate.

Regardless of whether you are an owner or a tenant, all other eligibility requirements must be met.

Are rebates available for holiday homes?

No. Rebates are not available for holiday homes. To ensure the largest environmental benefit will be achieved, the rebate has been designed to replace electric storage hot water systems in principal places of residence.

Is the rebate means tested?

No.

How will the payment be made?

Payment is made by electronic funds transfer into the personal bank account of successful applicants. Applicants must be the owner or tenant of the dwelling where the solar or heat pump hot water system was installed. The applicant provides a BSB and personal bank account number and the funds are directly deposited. Bank details will only be used to make the payment. Storage and disposal of bank account and other personal details will be managed in accordance with the *Privacy Act 1988*.

What is my BSB and bank account number?

A BSB number is a unique six-digit code that identifies the bank/financial institution and branch where your bank account is held. It can generally be found on your bank statement.

Your bank account number can also be found on your bank statement. Bank account numbers are always nine digits or less. They are not the 16 digit number that appears on your credit/debit card.

Your bank account number does not contain letters. If you believe your bank account number contains letters you will need to confirm your account details with your bank.

It is important that you enter the correct BSB and account numbers, otherwise payment cannot be processed.

If you are still unsure, your bank or financial institution will be able to provide you with your bank account and BSB number.

When will my payment be credited to my account?

For successful applicants, payment will be credited directly to their personal Australian bank account within eight weeks of the Department receiving a completed and eligible application form.

What is a solar retrofit and why isn't it eligible for a rebate?

Solar water heater retrofit kits are used to add solar panels to existing electric storage tanks. 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.

The rebate is for solar and heat pump hot water systems that replace an existing electric storage hot water system. In order to be eligible for the rebate the solar or heat pump system must be a new and complete hot water system that is eligible for at least 20 small-scale technology certificates (STCs).

STCs are assigned by the Office of the Renewable Energy Regulator as part of the small-scale renewable energy scheme (SRES) and reflect the deemed value of equivalent renewable energy generation over a ten year period.

The SRES scheme does not allow individual parts of hot water systems to be tested separately because the efficiency of the total system can vary greatly with the effects of different ancillary parts and their installed arrangement (as a result solar water heaters currently eligible for STCs are complete new systems). For this reason, a 'retrofit' system that is based around a previously installed component is not eligible for STCs and therefore not eligible for the Renewable Energy Bonus Scheme—Solar Hot Water Rebate.

Why does a licensed installer need to sign my application form?

As part of the application process we require proof that you are replacing an existing electric storage hot water system and have installed a hot water system that is eligible for 20 STCs or more. The installer can certify this and can also provide the tank serial number which is not always easy for the applicant to obtain. The installer also needs to certify whether a solar or heat pump hot water system has been installed.

Part 5: Further Information

Further information can be obtained from:

Phone: **1800 808 571**

Website: www.climatechange.gov.au/solarhotwater

Renewable Energy Bonus Scheme—Solar Hot Water Rebate
Department of Climate Change and Energy Efficiency
GPO Box 854
CANBERRA ACT 2601

An application form can be downloaded from the [Department of Climate Change and Energy Efficiency's website](#).