

The Hot Water Systems Project

Setting the Scene:

Working towards a future of reduced energy costs and greenhouse gas emissions.

BACKGROUND

Efficient hot water systems are a priority for the Equipment Energy Efficiency (E3) program with water heaters using an estimated 23-28% of total household energy, depending on system type and location.

The project looks to develop and implement Minimum Energy Performance Standards (MEPS) and Labelling on hot water heating systems for Australia and New Zealand.

STAKEHOLDERS



Government



Industry



Residential Households

WHERE WE ARE NOW

1. Emergency purchases make up 55-65% of purchases.

When a water heater fails, owners aim to return hot water services to the house, quickly. Decisions are typically made by the plumber or retailer, with little consideration of whole-of-life-cycle running costs.

2. The new home market makes up 25-30% of purchases.

Builders tend to adopt water heating options with the lowest capital cost, without considering the whole-of-life-cycle running costs.

3. Considered purchases make up 10-15% of all hot water system purchases.

There is very little information for buyers to compare the energy performance of water heating systems.

OUR PRINCIPLES

- We will be moving all hot water systems to a new method of testing that is technology neutral, to enable direct comparisons between technologies, and to make it possible to develop technology neutral MEPS.
- We will work collaboratively with industry and consumer stakeholders to implement energy efficiency measures (Minimum Energy Performance Standards (MEPS) and energy labelling) across all hot water technologies.
- We will only introduce new measures where the benefits of doing so are evident.
- E3 measures introduced under this work program will not be designed to remove any technologies from the market. States and territories may choose to develop additional or complimentary measures for hot water such as subsidies, or building code measures.
- We will register all products and provide relevant information through a website, online tool and energy rating label that allows consumers to compare water heating options.
- We will look for opportunities to align requirements in both countries (New Zealand & Australia), and base them on international standards, where it makes most sense to.

WHERE WE WANT TO BE



Informed purchase decisions



Reduced household energy bills



Reduced greenhouse gas emissions



Establishing energy performance standards for hot water systems.



The Hot Water Systems Project 5 Year Roadmap:

OUR APPROACH



Improve Information

Information about hot water system energy use and greenhouse gas emissions will enable people to choose products that use less energy, are better for the environment and provide lifetime running cost savings.



Extend Coverage

Hot water systems without current standards will be included so that we have a MEPS level for all types of hot water systems.



Review Standards

Review all products and determine the right level of MEPS, bringing consistency between Australia and New Zealand products.



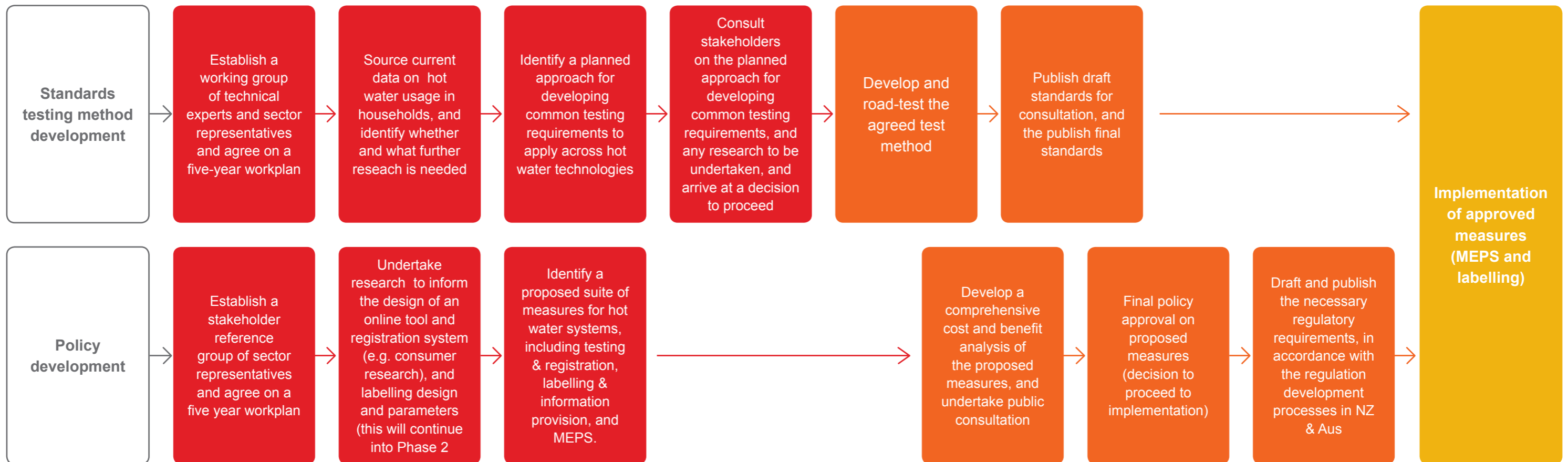
PHASE 1 (2018/19)



PHASE 2 (2019/21)



PHASE 3 (2021-onwards)



Establishing energy performance standards for hot water systems.