Author name: A. Martinez

sincerely,

Date of submission: Monday, 21 July 2025

Your submission for this review:

Submission to IPART Energy Market Monitoring in NSW (202425) From: FREEWATTS PTY LTD Contact: Phone: Date: 22/07/2025 1. Introduction to FREEWATTS Email: FREEWATTS PTY LTD is an Accredited Certificate Provider (ACP) under both the NSW Energy Savings Scheme (ESS) and Peak Demand Reduction Scheme (PDRS). We specialize in residential and small business upgrades for energy-efficient technologies, with a strong focus on air conditioning, LED lighting, and pool pump installations and replacements. We welcome this opportunity to contribute to IPARTs 202425 retail energy monitoring consultation. 2. Submission Focus We wish to highlight critical concerns and opportunities around the following activities: - D5 under the NSW ESS (Home Energy Efficiency Retrofits): High-efficiency pool pump upgrades - SYS2 under the PDRS: Efficient pool pump installations that contribute to peak demand reduction These activities are formally recognised under their respective rules and represent a significant opportunity to deliver both energy and peak demand savings across the residential sector. 3. Market Barriers and Missed Opportunities in D5 and SYS2 Activities While both D5 (under the NSW ESS) and SYS2 (under the PDRS) are wellstructured activities with clear environmental benefits, their current design and incentive levels have not led to significant market adoption. Yet these activities present enormous untapped potential to deliver meaningful energy savings and peak demand reduction in NSW homes. Seasonal Limitation in Implementation Volume Pool pump installations and replacements in NSW are primarily undertaken during the summer months, when customer demand is highest. This results in a highly seasonal installation pattern, with very few jobs occurring during the rest of the year reducing consistency and volume for scheme participants. Limited Commercial Viability for Installers and Suppliers Due to the current low number of certificates generated per installation, many suppliers and installers are unable to reduce prices enough to compete with major retailers such as Pool and Spa Warehouse. Without stronger incentives, it is commercially unviable for most businesses to actively participate in these activities through the ESS and PDRS frameworks. Administrative Burden The process of submitting compliant evidence places a significant administrative burden on businesses especially smaller contractors. This adds friction to already lowmargin activities, discouraging participation despite the environmental and system benefits. 4. Call to Action: Unlocking the Potential of Pool Pump Upgrades We urge IPART, through its reporting and recommendations, to highlight the underutilisation and untapped potential of pool pump activities (D5 and SYS2), and to: - Encourage the NSW Department of Climate Change, Energy, the Environment and Water (DPIE) to review and increase the deemed savings values and calculation parameters associated with these activities. - Support the recalibration of incentives to better reflect the actual cost and effort required to install or replace efficient pool pumps. - Recognise that higher incentives would enable suppliers and installers to offer more competitive pricing, leading to increased consumer uptake and broader market participation. With the right adjustments from DPIE, and visibility through IPARTs monitoring and analysis, D5 and SYS2 can become high-impact activities that benefit consumers, reduce electricity bills, and contribute meaningfully to peak demand reduction and decarbonisation goals. Yours

Website: freewatts.com.au



Submission to IPART – Energy Market Monitoring in NSW (2024–25)

From: FREEWATTS PTY LTD

Contact:

Email:

Phone:

Date: 22/07/2025

1. Introduction to FREEWATTS

FREEWATTS PTY LTD is an Accredited Certificate Provider (ACP) under both the NSW Energy Savings Scheme (ESS) and Peak Demand Reduction Scheme (PDRS). We specialize in residential and small business upgrades for energy-efficient technologies, with a strong focus on air conditioning, LED lighting, and pool pump installations and replacements.

We welcome this opportunity to contribute to IPART's 2024–25 retail energy monitoring consultation.

2. Submission Focus

We wish to highlight critical concerns and opportunities around the following activities:

- D5 under the NSW ESS (Home Energy Efficiency Retrofits): High-efficiency pool pump upgrades
- SYS2 under the PDRS: Efficient pool pump installations that contribute to peak demand reduction

These activities are formally recognised under their respective rules and represent a significant opportunity to deliver both energy and peak demand savings across the residential sector.

3. Market Barriers and Missed Opportunities in D5 and SYS2 Activities

While both D5 (under the NSW ESS) and SYS2 (under the PDRS) are well-structured activities with clear environmental benefits, their current design and incentive levels have not led to significant market adoption. Yet these activities present enormous untapped potential to deliver meaningful energy savings and peak demand reduction in NSW homes.

Seasonal Limitation in Implementation Volume

Pool pump installations and replacements in NSW are primarily undertaken during the summer months, when customer demand is highest. This results in a highly seasonal

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installation pattern, with very few jobs occurring during the rest of the year — reducing consistency and volume for scheme participants.

Limited Commercial Viability for Installers and Suppliers

Due to the current low number of certificates generated per installation, many suppliers and installers are unable to reduce prices enough to compete with major retailers such as Pool and Spa Warehouse. Without stronger incentives, it is commercially unviable for most businesses to actively participate in these activities through the ESS and PDRS frameworks.

Administrative Burden

The process of submitting compliant evidence places a significant administrative burden on businesses — especially smaller contractors. This adds friction to already low-margin activities, discouraging participation despite the environmental and system benefits.

4. Call to Action: Unlocking the Potential of Pool Pump Upgrades

We urge IPART, through its reporting and recommendations, to highlight the underutilisation and untapped potential of pool pump activities (D5 and SYS2), and to:

- Encourage the NSW Department of Climate Change, Energy, the Environment and Water (DPIE) to review and increase the deemed savings values and calculation parameters associated with these activities.
- Support the recalibration of incentives to better reflect the actual cost and effort required to install or replace efficient pool pumps.
- Recognise that higher incentives would enable suppliers and installers to offer more competitive pricing, leading to increased consumer uptake and broader market participation.

With the right adjustments from DPIE, and visibility through IPART's monitoring and analysis, D5 and SYS2 can become high-impact activities that benefit consumers, reduce electricity bills, and contribute meaningfully to peak demand reduction and decarbonisation goals.

Yours sincerely,

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