



Australian Government

Nation Building

**ECONOMIC
STIMULUS
PLAN**

Energy Efficient Homes Package

**FACT SHEET FOR
HOUSEHOLDERS
FROM 1 JULY 2009**

Did you know by taking part in the Australian Government's Energy Efficient Homes Package you could improve the comfort of your home, save money on your energy bills and help the environment?

More than three million households are set to benefit from Australia's largest ever home energy efficiency push. The Australian Government's \$4 billion Energy Efficient Homes Package will assist with the installation of ceiling insulation in up to 2.9 million Australian homes and help up to 420,000 households install a solar hot water system. It's part of the Government's Nation Building – Economic Stimulus Plan.

What is on offer?

There are three offers under the Energy Efficient Homes Package:

1. Up to \$1,600 for owner-occupiers to install ceiling insulation in their existing privately-owned principal place of residence, through the Homeowner Insulation Program.
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2. A \$1,600 rebate for owner-occupiers, landlords or tenants to replace their existing electric storage hot water system with an eligible solar or heat pump hot water system, through the Solar Hot Water Rebate.
 3. Up to \$1,000 for landlords or tenants to install ceiling insulation in private rental and other properties (including holiday homes), through the Low Emission Assistance Plan for Renters.

How will this help Australian householders?

As much as 35 per cent of the heat lost from a house goes through an uninsulated ceiling. Installing ceiling insulation alone has the potential to cut your home heating and cooling bills by up to \$200 a year. Cost savings depend on the construction of your home, its location and your overall energy consumption patterns.

Water heating accounts for about 30 per cent of total household energy use. So, switching to solar hot water could help you save up to \$700 a year on energy bills. Cost savings depend on the system chosen, the amount of hot water used, the local climate and arrangements with your energy supplier.



Insulation for homeowners and renters

If you are a homeowner-occupier and meet the criteria in the program guidelines, the Homeowner Insulation Program will provide assistance of up to \$1,600 to have ceiling insulation installed, providing your home has little or no ceiling insulation.

If you are a landlord or tenant and meet the criteria in the program guidelines, the Low Emission Assistance Plan for Renters will provide assistance of up to \$1,000 per rental or other property to help people install ceiling insulation, provided your home has little or no ceiling insulation.

The average house should cost between \$1,200 and \$1,600 for the 'supply and fit' of insulation, so for most people there will be minimal or no additional costs. However, the cost may be more if, for example, the size or shape of your roof makes the job more complex.

"I can't believe I didn't have to pay a cent for ceiling insulation." – Anna

Anna owns the three-bedroom home she lives in at Fremantle, Western Australia. This location is classified as Zone 5. Living in this zone means the insulation must have an R-Value¹ of 3.5. Anna's house is 200m². Her installer advises her that the best insulation for her home is fibreglass or polyester batts. The cost to supply and fit this insulation is \$1,520. Anna is eligible for up to \$1,600 under the Homeowner Insulation Program. Anna will not have to pay anything for the insulation as the Australian Government will pay the full cost to the installer on her behalf.

¹ R-Value – thermal efficiency of insulation is measured by its R-Value. The higher the R-Value, the more resistant the insulation is to heat flowing into and out of the dwelling.

“It feels so good to be helping the environment and saving money on my energy bills.” – Peter

Peter rents a two-bedroom, top-floor unit in Lismore, New South Wales. This location is classified as Zone 2. Living in this zone means the insulation must have an R-Value¹ of 3.0. Peter’s home is 105m². His installer advises him the best insulation for the rental property would be a composite batt made of fibreglass or polyester with a bonded layer of reflective foil. The cost to supply and fit this insulation is \$950. Peter speaks with his landlord, who provides written permission for the installation work and authorises Peter to sign the work order form on the landlord’s behalf. Peter is eligible for assistance of up to \$1,000 under the Low Emission Assistance Plan for Renters.

“It was easy to organise my insulation and now my home is so much cooler during the evenings when I am trying to sleep.” – Hanna

Hanna lives in the four-bedroom home she owns in Cairns, Queensland. This location is classified as Zone 1. Living in this zone means the insulation must have an R-Value¹ of 3.0. Hanna’s home is 210m². Her installer advises her that the best insulation for her home is reflective foil laminate. The cost to supply and fit this insulation is \$1,750. Hanna is eligible for assistance of up to \$1,600 under the Homeowner Insulation Program. The Australian Government will pay \$1,600 to the installer on Hanna’s behalf and she will have to pay the additional \$150 cost for the installation to the installer.

These examples are to be used as a guide only and assume that the householder is eligible under the Homeowner Insulation Program or the landlord or tenant is eligible under the Low Emission Assistance Plan for Renters. You will need to speak with your insulation provider, who will advise you about the right insulation type for your zone and costs for your individual situation.



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Bradford Insulation

Can I access the insulation programs?

| An applicant must: | ✓ |
|--|---|
| Be an owner-occupier, landlord or tenant | |
| Have no existing ceiling insulation or insulation with an R-Value ¹ of 0.5 or below (your installer will be able to advise on this) | |
| Meet the relevant program eligibility requirements prescribed in the program guidelines | |

Please note: You can’t access the \$1,600 insulation offer under the Homeowner Insulation Program and the \$1,600 Solar Hot Water Rebate for the same home.

Check the guidelines for full eligibility by calling 1800 808 571 or visiting www.environment.gov.au/energyefficiency

How do I arrange ceiling insulation?

Taking advantage of the assistance is straightforward and simple. From 1 July 2009 all you need to do is read the program guidelines and assess your eligibility, and select an installer from the Installer Provider Register at www.environment.gov.au/energyefficiency or by calling **1800 808 571** for contacts in your area. You are encouraged to approach a number of installers on the register to explore different insulation and installation options. You can’t claim the rebate if you install the insulation yourself.

Installers will provide you with a quote and once you have decided on an installer you will need to enter into an agreement with the installer to install your insulation.

If the cost of installation is \$1,600 or under (or \$1,000 or under in the case of rental properties or holiday homes), and you are eligible under the programs you will not have to pay anything. The installer will receive the assistance from the Australian Government on your behalf.

If the cost of the installation is over \$1,600 (or \$1,000 in the case of rental properties or holiday homes), you need to pay the installer the difference or the total cost of the installation if you are not eligible under the programs.

Tenants must obtain the permission of their landlord before installing insulation.

What if I have already installed insulation?

If you had ceiling insulation installed before 3 February 2009 you are not eligible for the Australian Government’s insulation offers. If you had it installed between 3 February 2009 and 30 June 2009 you may be eligible for the rebate under the early installation phase. Details are available in the Early Installation Guidelines on www.environment.gov.au/energyefficiency.

¹ R-Value – thermal efficiency of insulation is measured by its R-Value. The higher the R-Value, the more resistant the insulation is to heat flowing into and out of the dwelling.

Solar Hot Water Rebate

The \$1,600 rebate is available for people who replace an existing electric storage hot water system with an eligible solar or heat pump hot water system between 3 February 2009 and 30 June 2012.

This rebate is available to owner-occupiers, landlords and tenants. Tenants must obtain the permission of their landlord before installing the hot water system.

Changing to a low emission hot water system could save a family up to \$700 on energy bills each year. The amount saved will depend on factors such as your choice of hot water system, the amount of hot water you use, your local climate and the arrangement you have with your energy supplier – so it is worth doing your research to choose the option that best meets your needs.

Flat Panel Solar Hot Water System

“We are excited to have our new solar hot water system installed – it is going to save us money and of course, it’s kinder to the environment.”
– Mary

Mary and her family own a four-bedroom home in South Australia. Mary’s existing electric storage hot water system breaks down and she decides to replace it with a solar hot water system. She contacts her local plumber and decides to purchase a 350 litre flat panel solar hot water system. This costs Mary \$4,500. Her system generates 20 Renewable Energy Certificates (RECs) which she elects to sign over to her supplier, receiving a point of sale discount of \$900². She then applies for the Australian Government Solar Hot Water Rebate of \$1,600.

| | |
|----------------|--|
| \$4,500 | Total cost of system |
| – \$ 900 | 20 RECs at approximately \$45 each ² |
| \$3,600 | Point of sale cost to Mary |
| – \$1,600 | Solar Hot Water Rebate |
| \$2,000 | Total cost to Mary after receiving her RECs discount and reimbursement of the Solar Hot Water Rebate |

Mary may also be eligible to apply for additional state and local government energy efficiency initiatives, reducing the cost even further.



Evacuated Tube Solar Hot Water System

“We were surprised how little we had to outlay to shift to a more environmentally friendly way of living.” – Karen

Bill and Karen and their two children own a three-bedroom home in the ACT. They decide they would like to replace their existing electric storage hot water system with a solar hot water system. After discussing options with local suppliers they decide to purchase a 250 litre 30-tube evacuated tube electric boosted system. This costs them \$4,785. Their system generates 30 RECs which they choose to sign over to their supplier, receiving a point of sale discount of \$1,350². They then apply for the Australian Government Solar Hot Water Rebate of \$1,600.

| | |
|----------------|--|
| \$4,785 | Total cost of system |
| – \$1,350 | 30 RECs at approximately \$45 each ² |
| \$3,435 | Point of sale cost to the family |
| – \$1,600 | Solar Hot Water Rebate |
| \$1,835 | Total cost to the family after receiving their RECs discount and reimbursement of the Solar Hot Water Rebate |

The family can also contact the ACT Government to find out whether they are eligible for any further energy efficiency initiatives.

These examples are to be used as a guide only and assume that the householder is eligible under the Solar Hot Water Rebate. You will need to speak with your solar hot water provider, who will advise you about the right system for your needs and costs for your individual situation.

Can I access the program?

| An applicant must: | ✓ |
|---|---|
| Be an owner-occupier, landlord or tenant of a principal place of residence | |
| Be an Australian citizen or permanent resident aged 18 years or over | |
| Be replacing an existing electric storage hot water system with an eligible solar or heat pump system | |
| Install a system eligible for at least 20 Renewable Energy Certificates | |
| Not have accessed the \$1,600 insulation offer under the Homeowner Insulation Program for the same home | |
| Meet the relevant program eligibility requirements prescribed in the program guidelines | |

Check the guidelines for full eligibility by calling 1800 808 571 or visiting www.environment.gov.au/energyefficiency

² Indicative REC value only. The value of RECs vary according to market forces. More information about RECs is available on the Office of the Renewable Energy Regulator website at www.orer.gov.au/recs



How do I arrange a solar hot water rebate?

Applying for the rebate is straightforward and simple.

If you have an electric storage hot water system, you will need to get a new solar or heat pump hot water system. You can get a quote from a plumber, an electrician or a specialist solar hot water shop if there is one in your area. Once a plumber and/or electrician has installed your new hot water system they need to complete the licensed installer's declaration on the application form. Then, you need to pay the bill and claim the rebate. To claim a rebate, you will need to submit the application – forms are available at www.environment.gov.au/energyefficiency or by calling **1800 808 571**. You have **up to six months** after an eligible system is installed to submit an application form.



What if I have already installed a solar hot water system?

If you installed a solar hot water system before 3 February 2009 you are not eligible for the \$1,600 rebate. However, you may be able to access the previous rebate of \$1,000, which was means-tested. For more information visit www.environment.gov.au/energyefficiency.

Important note

The \$1,600 Solar Hot Water Rebate is available as an alternative to the \$1,600 offer through the Homeowner Insulation Program. People cannot access both \$1,600 rebates for the same home.

Landlords and tenants can access both the \$1,600 Solar Hot Water Rebate and the \$1,000 insulation offer for each rental property.

The Government will be monitoring compliance with all program requirements. Any non-compliance will be treated seriously and may result in recovery of money and/or prosecution.

Further information

For more information and copies of the guidelines free call 1800 808 571 or visit www.environment.gov.au/energyefficiency.