



SWH Owners Guide

RET PROCESS FOR OWNERS OF SOLAR WATER HEATER (SWH) AND AIR-SOURCED HEAT PUMP WATER HEATERS

In this fact sheet:

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Options for gaining financial benefits from your RECs

The Renewable Energy Target (RET) scheme does not provide a rebate. The purchase of a solar water heater (SWH) or air-sourced heat pump water heater may entitle you to renewable energy certificates (RECs) if your system is eligible. These certificates are then sold and transferred to liable parties on a market based online system called the REC Registry.

- For more information about RET visit – [RET explained](#)
- For more information about other Federal Government solar water heater and heat pump rebates contact the Energy Efficiency, Solar and Water Initiative on 1800 808 571. Your State Government may also offer rebates and incentives and can be contacted directly.



You must be the owner of the system at the time it is installed to be entitled to assign or create RECs. In some circumstances where the SWHs are installed in new buildings, this can be the builder or property developer.

There are two options for reimbursement of your RECs under the RET scheme:

OPTION 1 - AGENT ASSISTED

Find an agent and assign your RECs to the agent in exchange for a financial benefit which could be in the form of a delayed cash payment or upfront discount on your SWH. A majority of owners take this option.

OPTION 2 – INDIVIDUAL TRADING

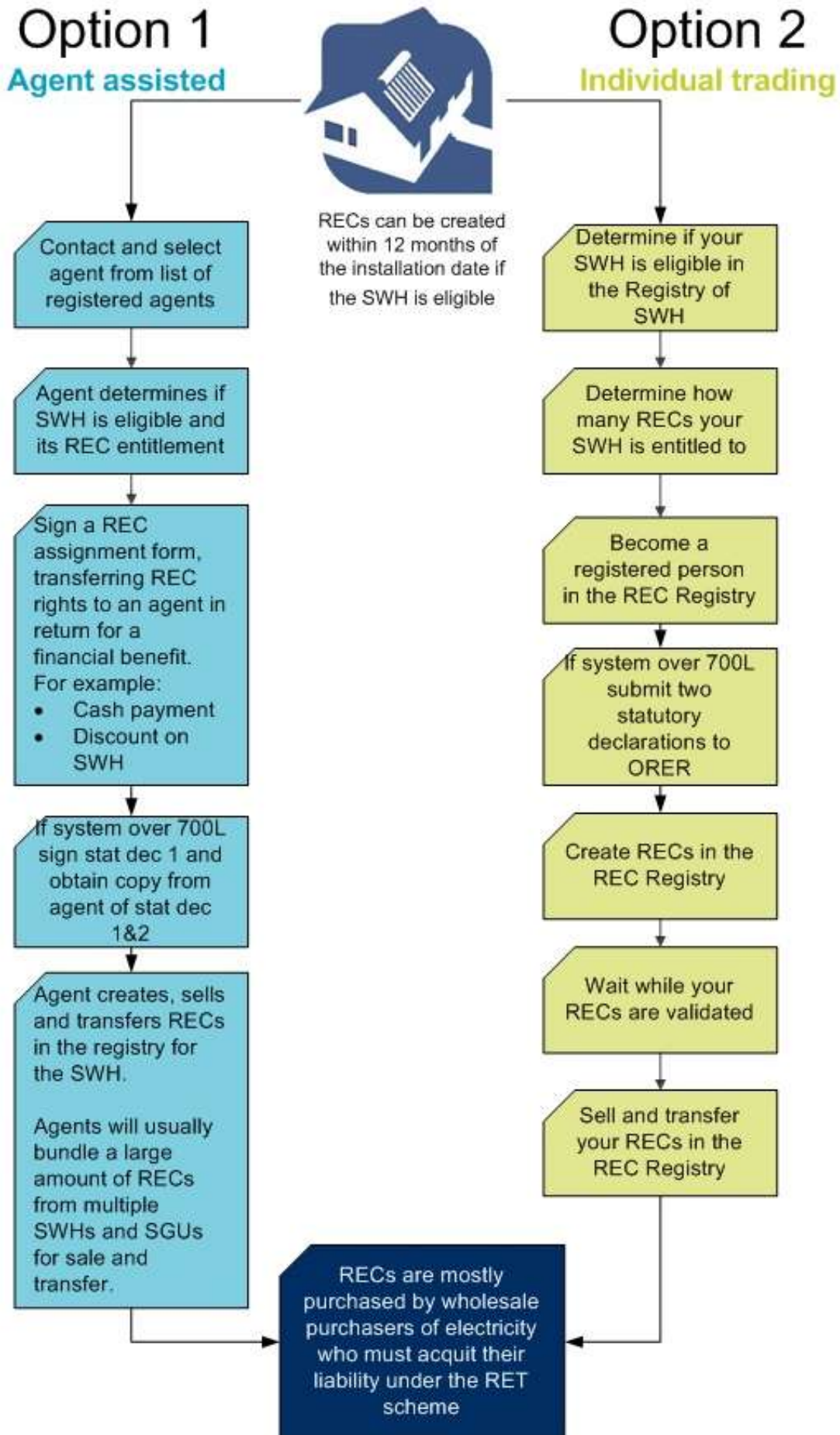
Create the RECs yourself. Sell and transfer them in the REC Registry.

RECs defined

A renewable energy certificate (REC) is a commodity in the REC market. RECs are created by eligible parties and sold to liable parties via the REC Registry to meet their liability under the RET.



SWH process – Options for gaining financial benefits from your RECs





Installation advice

Systems must be installed before they can create RECs.

Models listed in the Register of Solar Water Heaters have received Australian and New Zealand Standard certification 2712-2002. This standard specifies the requirements for the quality of the manufactured product including durability and safety.

For installations of all SWH systems it is advised that owners request a copy of the installer's certification, issued by a suitable authority. There may also be further State Government requirements for installations. i.e. Certificate of Compliance and/or installation report.

If your system has not been installed and you have already assigned your RECs to an agent by signing a REC Assignment Form contact the ORER compliance team by emailing compliance@orer.gov.au

GAINING FINANCIAL BENEFITS FROM YOUR RECs: OPTION 1

Agent Assisted

A majority of owners of SWHs find it convenient to assign their rights to create RECs to a registered agent at the time the SWH is installed in exchange for a financial benefit. RECs are assigned when the owner completes a REC Assignment Form. A registered agent will:

- Determine whether your SWH is eligible for RECs under the RET
- Determine for you how many RECs you are entitled to under the RET
- Offer a financial benefit to you. This may be in the form of a cash payment or discount on your SWH.

Agents list different prices and payment processes for RECs. After buying the RECs from you the agent will register your RECs and usually bundle them with other SGU and SWH RECs for sale and transfer in the REC Registry.

If you would like to determine the approximate number of RECs that your system could receive under the RET the REC Registry contains a Solar Water Heater REC Calculator.

Visit – [Solar Water Heater REC Calculator](#)



The ORER recommends contacting a range of agents before entering into any contractual agreement.

Visit – [List of registered agents](#)





Before assigning your right to create RECs to the agent through a REC Assignment Form:

- Make sure the system is installed. RECs cannot be assigned prior to installation.
- Make sure you are satisfied with the financial benefit and the date of payment the agent is offering for your RECs.
- Check that details are recorded in writing through a REC Assignment Form that should be provided by your agent.

If you experience a delay in receiving payment for your RECs please contact the agent you have agreed to sell them to.

If you are installing a system with a capacity greater than 700 litres **on or after 9 September 2009** you are required to sign a statutory declaration stating that you intend for the system to remain installed in its original configuration and location for the life of the system. The agent should also provide you with a second statutory declaration stating:

- the model of the solar water heater
- the volumetric storage capacity of the heater
- the premises at which the heater is to be installed and used
- the purposes for which the heater, and the hot water produced by the heater, are to be used
- that the volumetric storage capacity of the heater is appropriate for the premises at which the heater is to be installed and the purposes for which the heater, and the hot water produced by the heater, are to be used
- the expertise or experience of the person signing the declaration in relation to a heater of the kind covered by the declaration. (in most cases this will be the installer/supplier).

Both statutory declarations must be witnessed by a person who is licensed or registered by law to witness a statutory declaration.

To view example statutory declaration templates visit – [SWH statutory declaration examples](#)

You must keep copies of the statutory declarations as they may be requested at anytime by ORER for the purposes of auditing.



ORER does not set the price of RECs nor does it get involved in disputes between buyers and sellers. Payment for RECs or the rights to create RECs is a contractual matter between the buyer and seller.





GAINING FINANCIAL BENEFITS FROM YOUR RECs – OPTION 2

Individual Trading



As this process is relatively complex a majority of owners assign their RECs to an agent. For information on how to engage an agent see – **Option 1: Agent Assisted**

Step 1: Determine if your new SWH is eligible

- a. **Find your model** on the Register of solar water heaters

Visit - [Register of solar water heaters](#)

- b. **Check if your model has been installed within the eligibility period** for the particular model on the Register of solar water heaters. RECs may only be created within 12 months of the installation date.
- c. If your SWH installation meets the above eligibility requirements you are entitled to create RECs. This is regardless of whether the SWH:
 - is installed in a new building or an existing building
 - replaces, or is additional to, any type of existing water heater.

Step 2: Determine how many RECs your SWH model is entitled to

The number of RECs an eligible installation is entitled to create depends on the following:

- the brand and model of SWH
- its installation date
- the postcode zone in which it is located

If you would like to determine the approximate number of RECs that your system could receive under the RET the REC Registry contains a Solar Water Heater REC Calculator.

Visit – [Solar Water Heater REC Calculator](#)

Alternatively, the steps to take to determine your RECs once you have this information are:

- a. **Determine your postcode zone** by viewing the postcode zones for SWHs document

Visit – [Postcode zones for solar water heaters](#)

- b. **Download the appropriate Register of solar water heaters spreadsheet**

Visit – [Register of solar water heaters](#)

- c. **Locate** the entry/entries for your SWH model.
- d. **Check that the installation date is in an eligible installation period.** RECs can only be created within 12 months of the installation date.
- e. **Match the postcode zone** to your model. The number of RECs you are entitled to will be listed in the column underneath your postcode zone.



RECs can only be created once for a SWH and are calculated for the life of the system which is deemed to be 10 years.





Step 3: Become a registered person in the online REC Registry

Once you know the number of RECs you are entitled to you will need to become a registered person in the REC Registry, an internet based registry system that:

- maintains various registers (as set in the Act)
- facilitates the creation, registration, transfer and surrender of RECs.

A registered person can create, sell and transfer RECs in the REC Registry. To become a registered person in the REC Registry you will need to:

1. **Create an account** on the REC Registry. See the **Apply for an Account** link on bottom right of the REC Registry home page.
2. Visit – [REC Registry](#)
3. **Complete an Application for Registration** and send it to the ORER.
4. Visit - [Application for Registration](#)
5. The ORER will notify you via phone when your Application for Registration has been approved and explain the REC Registry process.
6. **Pay a \$20 registration fee** to complete the registration process.
 - a. Please **DO NOT** send any payment to the ORER with this application form - payment of the \$20 registration fee is made via your account in the REC Registry. The application fee is GST exempt.

Step 4: Submit two statutory declarations to ORER for systems greater than 700 litres

If you are installing a system with a capacity greater than 700 litres on or after 9 September 2009 you are required by the RET legislation to submit two statutory declarations to ORER prior to creating RECs. The statutory declarations must state the following:

- Statutory declaration 1 (to be completed by owner): That you as the owner intend for the system to remain installed in its original configuration and location for the life of the system.
- Statutory declaration 2 (to confirm appropriately sized system):
 - the model of the solar water heater
 - the volumetric storage capacity of the heater
 - the premises at which the heater is to be installed and used
 - the purposes for which the heater, and the hot water produced by the heater, are to be used
 - that the volumetric storage capacity of the heater is appropriate for the premises at which the heater is to be installed and the purposes for which the heater, and the hot water produced by the heater, are to be used
 - the expertise or experience of the person signing the declaration in relation to a heater of the kind covered by the declaration. (in most cases this will be the installer/supplier).

You can download statutory declaration templates at – [SWH statutory declaration examples](#)





Your statutory declarations must be witnessed by a person who is licensed or registered by law to witness a statutory declaration.

After the statutory declarations have been signed you must:

1. Scan the documents and submit via email to statdec@orer.gov.au. All emails must have the owner's surname and the street number and name in the subject line. **(ie. Douglas – 26 Smith St)**

OR

2. Submit a photocopy of the statutory declaration and your contact details to:
Small Units Team
Office of the Renewable Energy Regulator
GPO Box 621
Canberra ACT 2601

The preferred option to submit the statutory declarations is via email.

You must keep the original statutory declarations as they may be requested at anytime by ORER for the purposes of auditing.

Step 5: Create RECs through the REC Registry

Once your application has been approved you are ready to complete the registration process online and create RECs for your SWH installation. Visit – [REC Registry](#)

The main details required to create RECs include the following:

- exact brand and model of SWH
- tank serial number
- number of panels
- installation date
- installation address
- installer's details
- owner's details

The REC registry contains online help screens and a REC Registry Support Desk to assist in the use of the Registry.

Step 6: Wait while your RECs are validated

Once you have created your RECs, they will be validated by an ORER officer to ensure they have been created correctly. **This may take up to 4 weeks.** When your RECs have passed the ORER validation, they will become 'Registered'. Registered RECs are able to be sold and transferred in the REC Registry, and surrendered either voluntarily or meet a liability under the *Renewable Energy Electricity (Act) 2000*. If the RECs are not correctly created they are failed by ORER.

Visit – [REC Registry](#)





Step 7: Find a buyer for your RECs. Sell your RECs and transfer them in the REC Registry



You do not have to sell your registered RECs at all, but if you wish to create RECs for your SWH installation you must create them within 12 months of the date of installation of the system.

If you wish to sell your RECs, it is your responsibility to find a buyer and negotiate the price and other terms of sale. Potential buyers may include:

- electricity retailers who may need to purchase RECs to meet their REC liability
- registered agents for deemed units, who create and trade RECs from SWHs
- traders of RECs

Price and payment date should be key considerations when negotiating the sale of your RECs. You should ensure that:

- you are satisfied with the price and payment date you receive for your RECs
- details are recorded in **writing** before entering any contractual arrangement to sell your RECs.

Once you have found a buyer and negotiated the terms of sale, you will need to transfer the RECs to the buyer through the REC Registry and arrange payment outside the REC Registry. ORER does not set the price of RECs nor does it get involved in disputes between buyers and sellers. Payment for RECs or the rights to create RECs is a contractual matter between the buyer and seller.

ORER values your feedback. If you have any feedback on how to improve this fact sheet please email ORER orer@orer.gov.au

