



Victorian Energy Upgrades
Department of Environment, Land, Water and Planning
energy.upgrades@delwp.vic.gov.au

Dear consultation team,

AIRAH appreciates the opportunity to provide input on the proposed expansion to include the installation of heat pump water heaters (HPWH) as a potential activity in the Victorian Energy Upgrades program.

AIRAH has operated since 1920 and is the leading specialist membership association for professionals in the heating, ventilation, air conditioning and refrigeration (HVAC&R) industry. Among our 10,000 members, we count many experts in heat pumps. In fact, AIRAH has a special technical group (STG) dedicated to this and other renewable heating and cooling technologies. For this consultation, we have disseminated the issues paper to this group and to our members in general, some of whom will be making separate detailed submissions to your team.

As an organisation, AIRAH strongly supports the broad proposal (**Question 1**). We believe there is a market for a deemed activity that incentivises the installation of HPWHs in commercial and industrial sectors. Although Australia has not taken up this technology as quickly as some other parts of the world – for example, Europe, where growth has been extraordinary – there is an increasing desire to move away from gas and decarbonise our built environment. Heat pumps have a vital role to play here.

On the topic of product eligibility requirements (**Question 3**), AIRAH supports compliance with the Australian standards noted in the issues paper. We do not, however, support the proposal to require demand-response functionality. We believe this may limit equipment in a way that does not promote the best energy-efficiency outcomes.

In terms of the business that would provide this activity (**Question 9**), we would note that industry training is required to support a HPHW activity. Plumbers are more likely to have had experience with the technology than refrigeration and air conditioning professionals, so the HVAC&R industry must upskill itself if the technology's promise is to be fulfilled.

Although AIRAH supports the HFC phase-down and transition away from high-GWP refrigerants in general (**Question 14 and 15**), heat pumps are generally sealed systems that do not experience the same leak rates – and therefore fugitive emissions – as other HVAC&R equipment. For this reason, we believe the requirements around low-GWP refrigerants should only be applied to non-sealed systems.

Once again, AIRAH strongly supports the expansion of the VEU program to cover heat pump water heaters. Our special technical group is available to meet with DELWP and relevant committee members to discuss the activity further.

AIRAH also offers its support to promote any new regulations and incentives established through the VEU program.



Regards,

A handwritten signature in black ink that reads "Anthony Gleeson".

Tony Gleeson, M.AIRAH
Chief Executive
AIRAH