



Additional guidance on low flow showerhead projects under Greenhouse Friendly™*

Projects that replace existing showerheads with low flow showerheads (LFS) by give-away, low cost, installation or other approaches are potentially a large source of eligible abatement under the Australian Greenhouse Office's Greenhouse Friendly initiative. These projects deliver abatement through the reduction of emissions resulting from the lower volume of hot water used by LFSs, and therefore the reduced energy needed to heat water.

The Australian Greenhouse Office has developed the following guidance to help applicants with their applications and abatement claims. Applications and any subsequent abatement claims must be based on this guidance. The guidance also aims to help maintain the integrity of Greenhouse Friendly by only approving genuinely additional and verifiable emission reductions, and establishes a process that provides certainty and equity for applicants.

It is important to note that the *Greenhouse Friendly Guidelines* (August 2006) and this additional guidance involve a different approval and verification process to the NSW Greenhouse Gas Abatement Scheme, with which applicants may be familiar. For example, under Greenhouse Friendly all abatement claims for an LFS project must include an Installation Discount Factor (IDF) based on an independently conducted survey of the actual recipients of LFSs for which the abatement claim is made.

Readers should be aware that this guidance only provides general advice for LFS project applicants. Applications and subsequent abatement claims still need to address the *Greenhouse Friendly Guidelines* and will be subject to the initiative's independent verification and approval processes.

Project eligibility

- An applicant may seek approval for a LFS project that comprises one project or a number of sub-projects. A project should be broken down into sub-projects where there are significant differences in the activities being undertaken. For example, sub-projects need to be identified if there is a different type of approach (e.g. give-away or installation), time period or location (e.g. different state).
- Legal arrangements allow for new sub-projects to be added to an approved LFS project. This is subject to the submission of a new Eligibility Statement for the sub-project, independent verification that the eligibility of the sub-project is consistent with the approved project, and approval of the new sub-project(s).
- All projects will be assessed under the *Greenhouse Friendly Guidelines* for their eligibility regarding the additionality of the abatement being generated.

* Greenhouse Friendly is a trademarked initiative of the Australian Government

Furthermore, if an LFS project or sub-project is approved there is a limited period for which the abatement generated will be considered additional. This is reflected in the following conditions of approval:

- LFS projects and sub-projects will only be approved for LFS distributions undertaken up until 30 June 2009.
- The abatement recognised as generated by an LFS will be limited to a fixed term of three years.
- If there is clear evidence of market saturation which is not reflected in IDFs, or if regulation in regard to LFSs is in place before 30 June 2009, the Australian Greenhouse Office will investigate the need to reassess this guidance and the approval of LFS projects.
- The three years of abatement generated by an LFS will be recognised at the time of the abatement claim associated with its distribution.
- Only one abatement claim can be made in relation to each LFS distributed.
- Applicants should make themselves aware of the Water Efficiency Labelling and Standards (WELS) Scheme, Further information on the WELS Scheme is available at www.waterrating.gov.au. Projects and sub-projects should also comply with any other relevant regulatory requirements covering the type of LFS to be used.

Calculation of Abatement

- The application documentation (Eligibility Statement, Emission/Abatement Study and Project Monitoring Plan) must outline a methodology for calculating abatement. This can be a generic methodology covering prospective LFS sub-projects provided there are complete references to processes or parameters which will be given specific values for each sub-project. For example, sub-projects may reference the use of different emission factors in different states, or exclude certain types of possible LFS recipient (e.g. residents in new homes already subject to water and/or energy efficiency regulations).
- The methodology for calculating abatement must take into account, but not be limited to, inclusion of the following variables which will affect the level of actual abatement achieved:
 - An IDF that is determined through an independently conducted and statistically valid survey of LFS recipients involved in the project or sub-project for which the abatement is being claimed. This analysis is to be undertaken prior to each abatement claim. The timing at which the survey is undertaken after the distribution of LFSs is at the discretion of the abatement provider. *Note that this survey may also provide an opportunity to validate any details provided by LFS recipients at the point of distribution.*
 - Type of hot water system.

- Change in energy required to heat hot water for showers using the LFS, reflecting parameters such as:
 - number of showers
 - duration of showers
 - flow rates
 - shower water temperature
 - inlet and outlet hot water system temperatures
- Any regulatory obligations in relation to LFSs.
- The current *AGO Factors and Methods Workbook* (www.greenhouse.gov.au/workbook) should be used as the default for determining relevant emission factors when calculating the LFS's energy savings.

Linking LFS and CFL projects

Applicants may be considering energy efficiency projects that link the distribution of LFSs and compact fluorescent lights (CFLs). These energy efficiency projects will need to address all of the requirements of both the CFL additional guidance and this additional guidance for LFSs.

Combined CFL and LFS energy efficiency projects can be submitted as a single application for approval under Greenhouse Friendly. Where an applicant already has a CFL project approved under Greenhouse Friendly they will be required to make a new application for the LFS project. Adding an LFS project as a sub-project to an already approved CFL project will not be possible given the differences in the methodologies for calculating the abatement achieved.

Please note that this additional guidance should be read in conjunction with the complete *Greenhouse Friendly Guidelines*, which are available on the Australian Greenhouse Office website at

www.greenhouse.gov.au/greenhousefriendly

Further enquires should be directed to the Greenhouse Friendly team at greenhousefriendly@greenhouse.gov.au