

Proven Way To Make An Extra \$3,000 On Every Water Heater Installation

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According to Northmore Gordon, plumbers can earn up to an extra \$3,000 per water heater installation by capturing energy efficiency certificates that accompany the job. For plumbers completing multiple installations weekly, this creates significant additional revenue - potentially an extra \$12,000 in hand every week. However, the actual certificate value depends on the applicable scheme, the specific equipment installed, evidence quality, and current market pricing for certificates. We emphasise that certificate price and quantity should be modelled separately in investment cases, as they are independent variables subject to market conditions.

Publication context: This article reflects its publication date. Market prices, program rules, reporting duties and deadlines may have changed. Confirm current official guidance before making a decision.

Climate targets and carbon emissions goals and decarbonisation plans and greenhouse gas monitoring... Sometimes all the rhetoric can be overwhelming and distract us from the actual work that needs to be done to make these goals a reality.

That's why we need plumbers and other skilled trades to turn plan into action.

Even though plumbers are doing the important work of actually installing new and more efficient equipment, many of them are leaving thousands of dollars on the table when they complete jobs without capturing the accompanying certificates that they deserve.

If you're not used to regulatory language, it can seem complicated and burdensome. But when you realise just how simple the process is - some of it being paperwork that plumbers are already required to do - you will be able to earn up to an extra \$3,000 per water heater installation.

For many plumbers, this could mean an extra \$12,000 in hand every week.

What are the energy efficiency certificates?

Certificates represent a reduction in carbon emissions from qualifying energy efficiency upgrades. As state and federal governments ramp up their decarbonisation efforts, electricity retailers are required to show proof of progress by submitting an annual quota of certificates.

Replacing and upgrading water heaters is a qualifying energy efficiency job... and it's one that many plumbers do routinely.

At the state level, both Victoria and New South Wales offer certificates for replacing water heaters. The Victorian Energy Upgrades (VEU) program aims to collect 6.5 million certificates in 2021. That number is set to rise to 7.3 million by 2025.

Similarly, the Energy Savings Scheme (ESS) in New South Wales penalises electric retailers who do not meet their target certificate quotas. On top of the VEU and ESS, the federal government also offers

certificates. Plumbers can take advantage of both the federal and the appropriate state certificate when providing their service.

One way or another, certificates will be acquired. Since plumbers installing water heaters have already done the intense labour, they might as well be rewarded by allowing their work to count towards Australia's carbon reduction plan.

How to collect the water heater certificates

Regulations and political dialogue can be tedious and seem complicated. Sometimes it is.

In the case of water heater certificates, however, the process is so easy and financially rewarding that plumbers will be looking for ways to add more water heater upgrades to their weekly project lineup.

Receiving a certificate can be as simple as:

Taking 5 specified photos during the course of the water heater installation job &

Sufficiently filling out paperwork for provided plumbing and/or electrical services

While the photos may be a new element to plumbers' work, they are taken on-site and require little time. The paperwork is already a job requirement, so by simply understanding the appropriate details needed for regulatory purposes, plumbers will be able to take advantage of the lucrative certificates.

With the new water heater installed, the photos taken, and the paperwork filled out, the material is submitted to a regulator for approval. Once approved, appropriate certificates will be given.

How to monetise the certificates

Due to the large number of certificates needed by electricity retailers, participants will only be able to effectively monetise certificates in the wholesale market.

This can be challenging for small business plumbers who are doing one to three water heater jobs a week.

Fortunately, there is a simple solution that streamlines the regulatory process and assures you get paid for your individual certificates.

How Northmore Gordon makes the certificate process easy

At Northmore Gordon, we have the capacity to aggregate large enough quantities of certificates to participate in the wholesale market.

That means we want to make it as easy as possible for plumbers to get certificates and be fairly compensated for their critical work.

To streamline the certificate process, Northmore Gordon:

provides training on what photos to take and what information needs to be included on paperwork

shares an app outlining a step-by-step certification process so that plumbers don't have to worry about missing something

manages all of the third-party regulatory relationships once plumbers' photos and paperwork is completed

Dealing with regulation is what Northmore Gordon does, so we want to remove the headache and uncertainty plumbers feel towards certificates and replace it with a steady cashflow.

A cashflow that you deserve for helping the state meet its carbon emissions goals.

When it's all said and done, plumbers have already put the work in. Northmore Gordon is here to make sure that the work is properly recognised and that plumbers receive the payment they deserve.

If you provide water heater upgrades or other energy efficiency services, give us a call today on 1300 878 500 so that we can get you set up to make an extra \$3,000 per installation.

Scheme and certificate context

Before using a certificate or grant figure, confirm the current scheme method, eligible activity, effective date, evidence requirements, price date and registration or application process.

Related guidance

Certificate services

Government schemes

Contact us

Read the original article for the source publication and its full context.

How much extra revenue can plumbers earn per water heater installation by claiming energy efficiency certificates?

According to Northmore Gordon, plumbers can earn up to an extra \$3,000 per water heater installation by capturing energy efficiency certificates that accompany the job. For plumbers completing multiple installations weekly, this creates significant additional revenue - potentially an extra \$12,000 in hand every week. However, the actual certificate value depends on the applicable scheme, the specific equipment installed, evidence quality, and current market pricing for certificates. We emphasise that certificate price and quantity should be modelled separately in investment cases, as they are independent variables subject to market conditions.

What are energy efficiency certificates and why do they have value for water heater installations?

Energy efficiency certificates represent quantified reductions in carbon emissions from qualifying energy efficiency upgrades. State and federal governments require electricity retailers to meet annual certificate quotas as part of decarbonisation efforts. Replacing or upgrading water heaters qualifies as an eligible energy efficiency activity under multiple schemes. Because electricity retailers must acquire certificates to meet their compliance obligations, a market exists for these instruments. We note that certificate value comes from this regulatory demand, though actual prices fluctuate based on market conditions rather than being fixed per installation.

Which Australian government programs create certificate opportunities for water heater replacements?

Both Victoria and New South Wales offer energy efficiency certificates for water heater replacements. Victoria's Victorian Energy Upgrades (VEU) scheme supports eligible improvements through Victorian Energy Efficiency Certificates (VEECs) created by accredited providers. New South Wales' Energy Savings Scheme (ESS) creates Energy Savings Certificates (ESCs) for eligible energy-saving activities, with electricity retailers penalised for failing to meet target quotas. The federal government also offers certificates through the ACCU scheme for qualifying carbon abatement. Plumbers can claim certificates under the appropriate state scheme where the installation occurs. Eligibility depends on specific equipment, activity type and scheme conditions - a technically sound upgrade is not automatically eligible under every programme.

What documentation and evidence do plumbers need to collect during water heater installation to support certificate claims?

Plumbers need to take five specified photographs during installation and complete paperwork documenting the plumbing and electrical services provided. The photographs and documentation are then submitted to the relevant regulator for approval. Once approved, the appropriate certificates are issued. We emphasise that documentation requirements differ by scheme and activity type. For measurement-based pathways, additional baseline and post-installation data may be required. We provide training on what photographs to take, what information must be included, and shares an app outlining the step-by-step certification process to streamline compliance.

Why can't individual plumbers easily sell energy efficiency certificates directly to electricity retailers?

Electricity retailers require large quantities of certificates to meet their regulatory quotas, making the wholesale market inaccessible to individual plumbers completing only one to three water heater jobs per week. The volume of certificates generated by a single plumber is too small to participate effectively in wholesale trading. This structural barrier prevents small businesses from monetising certificates independently. We address this constraint by aggregating certificates from multiple plumbers to achieve volumes large enough for wholesale market participation, then managing all regulatory relationships and certificate trading on behalf of participating plumbers.

How does Northmore Gordon help plumbers navigate the certificate process and maximize their returns?

We streamline certificate monetisation by aggregating certificates from multiple plumbers to quantities sufficient for wholesale market participation. We provide training on required photography and documentation, supply a step-by-step app to guide the certification process, and manages all third-party regulatory relationships and certificate trading once plumbers submit their photographs and paperwork. This removes the administrative burden and market access barriers that prevent individual plumbers from capturing certificate value. Our measurement and verification services and certificate support capabilities ensure that evidence meets scheme requirements and documentation is compliant before submission.

What factors affect the actual certificate value plumbers receive from water heater installations?

Certificate value depends on multiple independent variables: scheme eligibility (whether the equipment and installation method qualify under VEU, ESS or another programme), certificate quantity (determined by the activity type and energy savings methodology), verification costs, and market price at the time of sale. We recommend comparing a base case without unconfirmed certificate proceeds against an incentive scenario, and modelling price and quantity as separate uncertainties rather than assuming historical case-study outcomes apply to new projects. The investment case should show certificate assumptions distinctly from energy savings and other project benefits to avoid overlapping estimates.

What professional requirements or accreditations do plumbers need to claim water heater installation certificates?

The specific professional scope and accreditation requirements depend on the applicable scheme and activity type. Under Victorian Energy Upgrades, accredited providers create certificates for eligible activities, and the professional scope of proposed providers must be verified. Under NSW Energy Savings Scheme, Accredited Certificate Providers create Energy Savings Certificates using approved methods. It is important to recognise that a brand-level service statement does not establish the scope of every person's authorisation. Service availability, contractual scope and the nominated delivery team should be confirmed for the specific engagement. We can provide certificate support and help installers meet accreditation requirements for their jurisdiction.

How does equipment selection and specification affect certificate eligibility for water heater replacements?

Equipment requirements define which equipment types and specifications are eligible under prescribed activities in energy efficiency schemes. A technically sensible water heater upgrade is not automatically eligible - eligibility depends on the specific equipment, premises conditions, and scheme rules. For example, under Victorian Energy Upgrades, heating projects can generate certificates only if they meet prescribed equipment specifications. We recommend preparing a screening file that documents existing and proposed equipment, enabling selection of the correct activity and technical boundary before relying on certificate value in a business case. The Victorian Government and NSW regulatory bodies publish current specifications that must be matched to the proposed project.