

Finkel drops ball on national energy savings scheme

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About this update

This dated news record has been reorganised for clear reading and connected to current guidance.

Publication date: June 15, 2017.

Status note: Present-tense statements, market figures, deadlines and program details in the archived record belong to its publication date. Check current official sources before making a decision.

What this article reported

Energy customers can rightly be disappointed that Dr Finkel failed to make a recommendation to immediately roll out a National Energy Savings Scheme (NESS) in his 9 June report.

Please click the link below to view full article:

> [Finkel drops ball on national energy savings scheme](#)

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The energy crisis solution must provide complementary emphasis on driving down consumption, not just on providing more generation.

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Energy Savings Scheme (ESS)

How to use this information now

For current use, confirm the applicable scheme rules, regulator notices, market date and reporting period. Keep historical prices or forecasts separate from present quotes and verified outcomes.

Separate source-reported facts from forecasts, targets and commentary. For a current project, retain the official source, version, effective date, assumptions and decision record in the evidence file.

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What is the National Energy Savings Scheme (NESS) that Dr Finkel's report addressed?

The National Energy Savings Scheme is a proposed market-based program designed to create energy savings certificates from eligible energy-saving activities across Australia. Similar schemes already operate in New South Wales (NSW Energy Savings Scheme) and Victoria (Victorian Energy Upgrades), creating tradeable certificates for verified energy reductions. A national scheme would extend this framework across all Australian jurisdictions, allowing businesses and building owners to access standardised pathways for funding energy efficiency improvements and creating revenue from verified savings.

Why did the article criticize Dr Finkel's report regarding the NESS?

The article states that energy customers had reason to be disappointed because Dr Finkel's 9 June report failed to recommend immediate rollout of a National Energy Savings Scheme. This was significant because a national scheme could have provided consistent, standardised access to energy-efficiency funding and certificate creation across all Australian states, rather than requiring businesses to navigate different state-based schemes with varying rules, eligibility criteria and administrative processes.

How do existing state-based energy savings schemes relate to the proposed NESS?

The NSW Energy Savings Scheme and Victorian Energy Upgrades are the existing state-based models that a National Energy Savings Scheme would build upon. Both create energy-efficiency certificates from eligible activities, but each has separate rules, methods, eligibility requirements and administrative processes. A national scheme would theoretically harmonise these frameworks, reducing complexity for multi-state operators and creating a single set of requirements for project eligibility, measurement, verification and certificate creation across Australia.

What types of energy-saving activities could be eligible under a national scheme framework?

Based on existing state schemes, eligible activities typically include equipment upgrades such as boiler replacements, refrigeration system improvements, compressed-air optimisation, heating and cooling system changes, and battery storage installations. Activities may use either prescribed calculation methods or project-based measurement and verification approaches. Eligibility depends on meeting specific method requirements, implementation dates, baseline conditions and equipment specifications. Each activity class has defined boundaries, evidence requirements and scheme-recognised savings quantities that must be established before certificates can be created.

What evidence and measurement requirements apply to energy-saving projects seeking certificates?

Certificate projects require careful planning of measurement and verification pathways before installation occurs. The baseline must be established using representative operating data, and the measurement period must cover comparable conditions with and without the improvement. An installer invoice alone does not establish certificate entitlement; projects need documented baseline procedures, implementation records, commissioning evidence, and verified energy calculations. Customer nomination and professional review steps are also required, depending on the scheme and method chosen. This evidence gathering must be coordinated early to preserve funding and certificate options.

How would a national scheme affect businesses currently operating across multiple Australian states?

Multi-state operators currently face the complexity of complying with separate NSW and Victorian scheme rules, different eligible activities, distinct eligibility criteria and separate administrative

processes for each location. A national scheme could reduce this administrative burden by providing uniform requirements, standardised method definitions and streamlined certificate creation across all states. This would make investment decisions more straightforward and allow consistent measurement and verification approaches across a portfolio. However, until such a scheme exists, businesses must assess each state's requirements independently.

What practical steps should organisations take when assessing energy-efficiency projects amid uncertainty about national policy?

Organisations should assess projects on their operational merits first, identifying genuine energy-reduction opportunities and investment cases independent of any incentive assumption. Prepare measurement and verification plans early to preserve evidence and funding options, especially if projects will create certificates under current state schemes. Document the project chronology precisely, distinguishing study approval, commitments, installation and commissioning dates. Use separate scenarios for conditional funding support so management understands the decision with and without unconfirmed contributions. We can help establish appropriate scope for energy audits, measurement planning and funding assessment under existing schemes.

What role does Northmore Gordon play in helping organisations navigate current energy-savings schemes?

Our knowledge library covers both NSW Energy Savings Scheme and Victorian Energy Upgrades in detail, including method-specific requirements, measurement and verification pathways, timing considerations and investment case development. We offer energy audits to identify opportunities, measurement and verification services to establish credible savings, and funding assessment to evaluate available pathways under current schemes. For multi-site operations, we can coordinate evidence collection, scheme eligibility screening and staged implementation planning. Enquiries should specify the organisation, site location, current project stage and the business decision requiring support.