

Heat Pump and Solar Hot Water Upgrades

Canonical: <https://northmoregordon.com/technologies/hot-water-systems/>

Details:

On this page: Choose a system that fits the hot-water demand · Understand how the technologies work · Check the load, site and operating conditions · Check the relevant incentive pathways · Compare the full cost and the evidence

Choose a system that fits the hot-water demand

A hot-water upgrade can reduce energy use and improve the economics of replacing an ageing system. Heat pumps and solar water heaters are options for households and businesses, with incentives available for installations that meet the relevant requirements.

Northmore Gordon works with customers and installation partners on certificate pathways and supporting evidence. Start with the water-heating duty and the existing system, then assess technology, installation requirements and available support together.

Understand how the technologies work

A heat-pump water heater uses a refrigeration cycle to move heat from the surrounding air into water. Because it moves heat rather than relying only on resistance heating, it can use less electricity for the same heating task under suitable conditions. Actual performance depends on the model, temperatures and operating pattern.

A solar hot-water system uses collectors to capture heat from the sun and transfer it to water stored in a tank. System configuration, local conditions and the required hot-water supply affect suitability.

Compare complete systems against the same duty. Include storage, controls, installation work, maintenance and any necessary backup. Insulating hot-water pipework and avoiding unnecessary heat losses can also reduce demand.

Check the load, site and operating conditions

Record the required water temperature, volume, peak demand and times of use. Review available space, electrical supply and how the proposed equipment will operate with existing systems. A nameplate capacity or a headline efficiency figure does not establish the result at your site.

For commercial or industrial applications, document production cycles, reliability requirements and the relationship between heating demand and any available waste heat. If refrigeration or process heat is being recovered, check whether its temperature and timing suit the hot-water demand.

Where an upgrade affects both heating and cooling, evaluate the combined effect. Controls and commissioning should be planned so the installation can deliver the intended duty throughout its operating range.

Check the relevant incentive pathways

Eligible solar water heaters and air-source heat pumps can create STCs under the federal Small-scale Renewable Energy Scheme. The exact model, location, installation date and scheme requirements affect entitlement. The Clean Energy Regulator notes that a model's registered name may differ from its marketed name.

Victorian installations may also have a relevant VEU pathway. Equipment, premises, replacement conditions and activity requirements must be checked rather than assuming every heat-pump installation qualifies.

For eligible Victorian households, Solar Victoria's guidance checked on 5 October 2026 lists hot-water rebates of up to \$1,000, or up to \$1,400 for eligible locally made products. The rebate is subject to household, property, product and retailer requirements. It is calculated after other applicable discounts, with the programme's percentage and cap rules. See Solar Victoria's current requirements before relying on an amount.

A household rebate should not be applied to a business installation without checking eligibility. Multiple incentives also need a compatibility and calculation check.

Compare the full cost and the evidence

Ask for a written comparison showing the installed cost, expected running costs, tariff and usage assumptions, maintenance, incentive assumptions and net customer price. A historical certificate price or example payback is not a quote for a new installation.

Before works begin, agree who checks the scheme pathway, collects the evidence, holds the certificate rights and submits the claim. Record the existing equipment and relevant dates while that evidence is still available.

For a commercial project, plan how the operating result will be assessed. Keep the predicted energy saving, measured performance and certificate outcome separate.

Support for installers and customers

The original service describes help with field evidence collection, compliance paperwork and certificate arrangements. Installers should discuss the proposed products, installation locations, project stages and customer arrangements before offering a rebate or price based on certificates.

Householders can ask their installer which schemes are included in the quote and who will manage the applications. Business customers should provide their operating profile and any reliability or process requirements as well as the existing equipment details.

Contact Northmore Gordon to discuss a proposed upgrade or installation partnership.

Related services and guidance

Check available scheme pathways

Understand relevant certificate types

Plan measurement and evidence

Assess site-wide energy opportunities

How does a heat-pump water heater use less electricity?

It transfers heat from the surrounding air into water using a refrigeration cycle. The electricity drives that transfer rather than supplying all the heat through resistance heating. Performance depends on the equipment and operating conditions.

What should be checked before choosing the system size?

Check the required temperature, water volume, peak demand, usage times, available space and electrical supply. For a business, include production cycles, reliability requirements and how the system will interact with existing heating or cooling equipment.

Does every heat-pump installation qualify for certificates?

No. The model, site, installation date, replacement conditions and applicable activity requirements must be checked. For STCs, confirm the eligible registered model rather than relying only on the product's marketing name.

How much is the Victorian household hot-water rebate?

Solar Victoria's guidance checked on 5 October 2026 lists up to \$1,000, or up to \$1,400 for eligible locally made products. Eligibility, authorised retailers, product requirements and the programme's calculation rules apply. Check the current programme page before relying on an amount.

Can I add every advertised rebate together?

Do not assume so. Check eligibility and compatibility across the programmes, and how each amount is calculated. Solar Victoria's household hot-water rebate is calculated after other applicable discounts; a business installation must be assessed under its own eligible pathways.

What should the installer explain in the quote?

The quote should show installed cost, incentive assumptions, net customer price and the basis of running-cost estimates. It should also identify who checks eligibility, collects evidence, holds certificate rights and manages applications.