

# Explanatory note – project-based activities – measurement and verification – part 2: compliance requirements

24 September 2018



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The Department of Environment, Land, Water and Planning develops policy for the [Victorian Energy Upgrades](#) program. The program provides incentives for Victorian households and organisations to make energy efficiency improvements that save money on their energy bills and reduce Victoria's greenhouse gas emissions

The Essential Services Commission administers the program as the 'Victorian Energy Efficiency Target scheme' under the *Victorian Energy Efficiency Target Act 2007*.

For more information, visit [veet.vic.gov.au](http://veet.vic.gov.au).

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# 1. Introduction

## 1.1. About the VEET scheme

Under the [Victorian Energy Efficiency Target Act 2007](#) (the Act), the Essential Services Commission (the commission) is responsible for monitoring compliance with the Act, the [Victorian Energy Efficiency Target Regulations 2008](#) (the Principal Regulations), the [Victorian Energy Efficiency Target \(Project-Based Activities\) Regulations 2017](#) (the PBA Regulations), [Measurement and verification in the Victorian Energy Efficiency Target \(VEET\) scheme – methods and variables](#) (M&V in VEET).

Accredited persons (APs) must adhere to the requirements as outlined in the Act, the Principal Regulations and the PBA Regulations (the regulations made under the Act), the [Victorian Energy Efficiency Target Guidelines](#) (the Guidelines), M&V in VEET, and any explanatory notes issued by the commission.

## 1.2. About project-based activities

Project-based activities (PBA) allow APs to create Victorian energy efficiency certificates (VEECs) for energy efficiency projects in business and non-residential premises, and Class 2 or Class 3 residential buildings under part A3 of the Building Code of Australia (BCA).

Measurement and verification (M&V) is the first method introduced under PBA.

## 1.3. Purpose of this document

This document is designed to guide APs and other interested stakeholders through the compliance requirements for M&V projects by outlining the evidence that APs are required to collect and maintain for each project. It also contains compliance checklists for each stage of the project.

Those needing further guidance on key concepts and issues, stages, processes and resources for PBA M&Vs are directed to the [Explanatory note - project-based activities – measurement and verification - part 1: activity guidance](#), available on the VEET website.

## 1.4. How this document is structured

This document outlines the evidence that APs are required to collect for each M&V project. APs should familiarise themselves with the documents that must be collected and provided to the commission upon request to verify that M&V projects have been carried out in accordance with scheme and compliance requirements. Monitoring compliance in consultation with the following checklists will help ensure that each AP meets the requirements of the VEET scheme.

All APs will need a firm grasp of these key concepts and issues, as they are referred to in the compliance checklists.

Section 2 of this document outlines the compliance checklists for the steps in the M&V project process.

It is important that APs familiarise themselves with the evidence that is required to be collected for each step. Similarly, it is essential that all APs pay close attention to the document collection requirements for each section outlined in the compliance checklists (i.e. mandatory or optional documents).

## 2. Compliance checklists

### 2.1. Compliance checklist – scoping approval

#### 2.1.1. Applicant details

AP must provide their details.

Documentation	Description
Completed questions in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.	Q1-7 <sup>1</sup> : The AP must fill in their details such as account name, name of AP, address of AP, who the primary contact is and their contact details.
A site map may be provided where address does not give a clear indication of the site	Q8: Give the full address of the project. Where the project does not have an address, or the site address is a very large area, give further description/information on the specific location of the project site. A lot number or equivalent or GIS coordinates can be used where no other location identifying reference is available.
Completed question in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.	Q9: Give an explanation of what the normal site activities are – that is: what normally happens at the site where consumption of grid electricity or gas is being reduced.

#### 2.1.2. Legal right

AP must supply details on their right to apply for and carry out this project.

Documentation	Description
Retailer document such as an energy bill. This must be a document which contains the retailer's letterhead and contact details, the site address (including any relevant NMI and/or MIRN) and the name of the energy consumer. This document is normally a copy of the energy bill (but at the scoping plan stage, this does not need to include energy consumption details, so this information can be blocked out).	Q10: The AP must provide evidence showing who the energy consumer at the site is. This should specifically relate to the grid electricity or gas being abated through the project.

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<sup>1</sup> The question numbers indicated in this explanatory note reflect those of the individual scoping and project plan application forms. When using the combined scoping and project plan application form, question numbers may differ from those indicated. Please consult the relevant application form along with this explanatory note.

Documentation	Description
Completed <a href="#">Registration of interest form – project-based activities</a> (where the AP is not also the energy consumer)	Q11: Indicate whether or not the AP is also the energy consumer (e.g. if you are doing a project at your own site). In most cases this question will require a <a href="#">Registration of interest form – project-based activities</a> which has been signed by the AP and the energy consumer.
Document detailing relationship between energy consumer, owner, leaseholder, site operator/manager or any other entity involved.	Q12: Give a description of the ownership structure at the site. This information should clearly indicate where the energy consumer sits in relation to any other entity involved in the site.
Completed questions in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.	Q13: (Optional question). If the AP or the energy consumer is using an agent (e.g. a consultant) who will be providing us with information, please use this question to tell us about this.  Q14: (Optional question). Following on from the previous question, please indicate when the commission should contact the agent instead of the AP, and/or when we can expect the agent to contact us.  Q15: (Optional question). Following on from the previous questions, please provide a description on the agent's experience with similar projects

### 2.1.3. Project details

AP must provide details of the proposed project.

Documentation	Description
Completed question in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.	Q16: A unique name which identifies the project: <ul style="list-style-type: none"> <li>Name must be suitable and not misleading about the project's ownership, scope or purpose.</li> </ul> Use the format [organisation name] [location] [purpose] [start date] e.g. Finance company Ballarat HVAC Upgrade Jan 2019.
	Q17: Indicate whether or not the project is being undertaken at a site which is classed as business or non-residential.
	Q18: If the site is classed as residential, confirm whether or not the project relates to any services exclusively supplied to a sole-occupancy dwelling.
	Q19: Confirm that the project abatement does not derive from the construction of a new building.
Make declaration in the <a href="#">Application for</a>	Q20: Indicate whether or not the site's address appears on

Documentation	Description
<p><a href="#">scoping plan approval – project-based activities – measurement and verification</a> form if the site is listed on the <a href="#">Register of SAP</a>.</p>	<p>the Register of SAP maintained by the commission. Note that if the site is a SAP, then an authorised person at the site must ‘opt-in’ before the application can be considered, so this should be done well in advance of submitting the Application for scoping plan approval – project-based activities – measurement and verification (see Explanatory note - large energy users’ scheduled activity premises for further information on ‘opt-in’ requirements).</p>
<p>Completed questions in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.</p>	<p>Q21: Enter the date that project works are due to commence (at scoping plan stage, this can be an indicative date).</p> <p>Q22-28: Describe the activities that will be undertaken as part of the project as well as details about any equipment to be installed, modified or removed as part of the project, the services that will be affected, other activities that might affect energy consumption at the site and how the project will result in genuine abatement.</p> <p>Q29: (Optional question). If there are any planning or development approvals from government and regulatory bodies, list them here.</p> <p>Q30: If lighting equipment will be installed as part of the project, this equipment must be listed on the <a href="#">Register of products</a> on the VEET website at the time of installation. If the lighting products you plan on using are not relevant to the requirements of Schedule 21 or 34 installation environments and are highly specialised for the specific project purpose, you may contact the commission to discuss details. The product(s) <i>may</i> be able to be added to the register under a specialised category. If this is the case, it is best to contact us early to confirm whether or not the product is eligible for use using this method.</p>
<p>Give explanation, and/or attach site layout diagram</p>	<p>Q31: Provide a site layout diagram which clearly shows the project locations and boundaries for all project activities within the site. Please note these can be simple hand drawn explanations of the project; detailed engineering drawings are not required at the scoping plan stage.</p>
<p>Completed question in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.</p>	<p>Q32: Give an explanation of any work which has already been carried out. This includes project planning and design, scoping, meter installation, asset installation, asset modification and/or project construction work. Use this field to give as much detail as possible. We may request further information on this or arrange to visit the site if this information is unclear.</p>



## 2.1.4. Energy

AP must provide details on the sources of energy supply at the site.

Documentation	Description
Completed questions in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.	<p>Q33: List all of the energy sources at the site which will be affected by the project. Select from the list, and give details of any other energy sources affected using the text box.</p> <p>Q34: Provide details on the types of documents and other information that will be needed in order to establish pre-project energy use, and how that information will be obtained. This explanation should include what measurements will be taken, when, and over what measurement periods as well as what won't be measured (if applicable). Note that this is an opportunity to let the commission assess how you intend to gather this critical information.</p> <p>If you plan to start project works before having the project plan approved by the commission – it is extremely important to be as descriptive as possible in this statement (note that the 100 word limit is a notional limit and as many words as is needed can be used – alternatively, this area can be used to describe a separate file that has been attached to the application. This file can be even more descriptive and could include diagrams and suchlike).</p> <p>Q35: Confirm whether or not the project involves fuel switching to non-renewable fuels including fossil fuels, waste from fossil fuel sources, or wood from native forests (other than wood waste from a native forest which is a waste product from the construction of buildings or furniture, including timber off-cuts and timber from demolished buildings)? APs must provide details of each energy source relevant to the project, including:</p> <ul style="list-style-type: none"><li>• the type of renewable energy source,</li><li>• average energy content of the new fuel, and</li><li>• difference in emissions factors between the original and the new fuel (refer to the National Greenhouse Accounts Factors - August 2016).</li></ul> <p>If other new fuels are introduced, provide information on average energy content of the source and the emission factors.</p> <p>Q36: List the energy sources at the site which will be introduced by the project. Select from the list, and give details of any other energy sources affected.</p>

### 2.1.5. Greenhouse gas emissions

AP must provide details on the greenhouse gas emissions at the site.

Documentation	Description
Completed questions in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.	Q37: Identify which method(s) is to be used in the calculation of greenhouse gas reduction.  Q38: APs must explain participation in any other prescribed scheme (where relevant). To avoid double-counting abatement, any participation in other prescribed schemes must be fully explained, including a description of how it is intended to separate out any abatement relative to the differing schemes. This will require introducing additional metering specifically relating to this.

### 2.1.6. Application format

AP must provide details on any templates they have used instead of the [Application for scoping plan approval – project-based activities – measurement and verification](#) form.

Documentation	Description
Completed questions in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.	Q39: Selecting ‘Yes’ in answer to this question means that only questions, declarations and signatures from this point onwards need to be provided. You <b>must</b> have had your template approved by the commission prior to selecting ‘Yes’. Please contact the commission via <a href="mailto:veet@esc.vic.gov.au">veet@esc.vic.gov.au</a> to discuss your proposed template.
Attach completed approved template document including all related file attachments.	
Unique project name	Please include a unique project name, similar to that in Q16.

### 2.1.7. Insurance

APs must maintain appropriate levels of insurance.

Documentation	Description
Make declaration in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form	Q40: If the project is to be carried out at the AP’s own site, they must provide a signed insurance waiver document. Otherwise the AP must declare that their insurance level is appropriate for participation in this project.

### 2.1.8. Applicant’s undertakings in relation to scoping plan approval

APs must complete the undertakings detailed in this section of the [Application for scoping plan approval – project-based activities – measurement and verification](#) form.

Documentation	Description
Completed questions in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.	Q41-43: <b>All</b> undertakings <b>must</b> be completed regardless of the project activities.

### 2.1.9. Declaration

APs must agree with and certify that they have understood and will comply with the declarations listed in the [Application for scoping plan approval – project-based activities – measurement and verification](#) form.

Documentation	Description
Signed declarations in the <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form.	Q44: <b>All</b> declarations <b>must</b> be read, understood and complied with. A signature of the AP and appropriate witness must certify these statements.

## 2.2. Compliance checklist – project plan

The following compliance checklist outlines the evidentiary requirements APs must submit for the project plan stage.

### 2.2.1. Project details

APs must give details relating to the project site.

Documentation	Description
Completed <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	<p>Q1: The AP must fill in their account name.</p> <p>Q2: Give the project name that this application refers to. The text must be an exact match for the project name given in the corresponding Application for scoping plan approval – project-based activities – measurement and verification form for the same project.</p> <p>Q3: Indicate if there have been any changes since the corresponding Application for scoping plan approval – project-based activities – measurement and verification form for the same project was approved (where relevant). If changes have been made an application for variation may need to be made using the Application for variations – project-based activities form.</p>
Attach final site layout diagram	<p>Q4: Attach a clear site layout diagram showing the site boundaries and location of project activities. Any relevant metering points must be marked up on this document. This should be provided in greater detail than at the scoping plan stage, if applicable.</p>

## 2.2.2. Project timing

APs must give details of all planned timeframes for the project activities. This differs from any timeframe given in the scoping plan, where the scoping plan timeframes were indicative, the timeframes in the project plan should be the actual dates activities are planned. Any change to these dates will require a variation

Documentation	Description
Completed questions in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	<p>Q5: Confirm that all relevant project approvals have been obtained, or provide details of any outstanding approvals including the relevant regulatory body and expected time frame.</p> <p>Q6: Give the date the baseline period is planned to begin.</p> <p>Q7: Give the date the baseline period is planned to end.</p> <p>Q8: Give the date that project works are planned to begin (known as the activity start date). This is the date that activities start (e.g. old equipment is switched off in order to install a new upgrade).</p> <p>Q9: Give the date that project works are planned to end and any changes brought back into service (known as the activity end date<sup>2</sup>). This is the date, and optionally the time, that activities end (e.g. the date that upgraded equipment is switched back on after commissioning). Use the text box to supply further dates if work is planned to be carried out in stages.</p> <p>Q10: (Optional question). If the project is using a method involving forward creation, give the date that the operating period will start.</p> <p>Q11: (Optional question). If the project is using a method involving forward creation, give the date that the operating period will end.</p> <p>Q12: (Optional question). If the project works are carried out in stages, this is the date that the last activity is complete, if different to the activity end date.</p> <p>Q13: Indicate if the project will involve installing or removing lighting equipment. If lighting equipment will be installed as part of the project, this equipment <b>must</b> be listed on the <a href="#">Register of products</a> on the VEET website at the time of installation.</p> <p>The brand and model entered in this list <b>must</b> match the <b>exact</b> terms used on the <a href="#">Register of products</a> on the VEET website. Note that if there are multiple products, list all of these in the brand/model fields or, in the case where the form does not provide enough space, attach a separate list with these details.</p>

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<sup>2</sup> Referred to in the PBA Regulations as the implementation start date

### 2.2.3. Project finances

APs must give details relating to the project finances.

Documentation	Description
Completed questions in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	<p>Q14: Give the estimated cost of the project. This cost should be in Australian Dollars, and should relate to the entire project. If the project includes non-VEET elements, please indicate only the cost of the element which relates to the VEET project activities.</p> <p>Q15: Give an estimate of the greenhouse gas abatement likely to result from this project. For projects which include non-VEET elements, this estimate should relate to only the VEET related project activities.</p> <p>Q16: Provide details on how the greenhouse gas abatement estimate in the previous question was calculated. This can be a collection of calculations and explanations. Where more space is needed, please attach a separate worksheet and write the filename of this in the text box.</p>

### 2.2.4. Project team

APs must give details relating to the roles of the project team used in the planning and implementation of the project.

Documentation	Description
Completed questions in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	<p>Q17-20: Provide details of the project's upgrade manager including education qualifications, details project management qualification and years of experience and their responsibilities and functions in the project.</p> <p>Q21-24: Provide details of the project's risk manager including qualification and years of experience required, their responsibilities and functions and if this role is to be carried out in conjunction with another role on this project.</p> <p>Q25-28: Provide details of the project's monitoring and measurement manager including qualification and years of experience required, their responsibilities and functions and if this role is to be carried out in conjunction with another role on this project.</p> <p>Q29-31: If an agent was engaged to represent the site owner, energy consumer or AP, please indicate and provide details on their responsibilities and functions in this project and their experience in previous projects.</p> <p>Q32-34: Provide details of any other roles in project leadership team, their responsibilities and functions and if this role is to be carried out in conjunction with another role on this project.</p>

### 2.2.5. Expert advisors

APs must give details relating to any expert advisors used in the planning and implementation of the project.

Documentation	Description
Completed question in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	Q35: Indicate if an AM&VP was engaged to assist with putting together the M&V plan. If yes, then tell us who it was.  Q36: If the project team intends to engage an AM&VP <b>other</b> than for verification of the impact report, indicate your intention here.
Make declaration in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form	Q37-38: If an expert was used or is planned to be used, please indicate and provide details if they are carrying out any other roles in this project.  Q39: Following on from the previous question, list their responsibilities and functions in the project.
Completed questions in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	Q40: Following on from the previous questions, provide details of their professional indemnity insurance.

### 2.2.6. Project implementation

APs must provide a description of the implementation model and any changes to the implementation model that have been made between their accreditation application and the project plan application.

Documentation	Description
Completed question in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	Q41: Detail any changes to the intended implementation model, including descriptions of how all aspects of the project will be undertaken in the implementation model your organisation now intends to undertake.
Make declaration in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form	Indicate whether details of contractual arrangements for sub-contractors are available on request.

### 2.2.7. Project organisation chart

APs must provide a diagram showing the project leadership team, the project experts and how they interact with the project workforce.

Documentation	Description
Completed questions in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	Q42: Organisation chart should show the names of all project leadership team roles including expert advisors, the responsibilities, accountability and authority levels for each role, relevant skills, qualifications and experience required for each role and identify any personnel/roles based outside Victoria.  Q43-44: Confirm whether you are confident that the <b>entire</b> project team is capable of delivering this project. If you are not confident, list other specialist knowledge and skills which are required to deliver this project.

### 2.2.8. Measurement and verification (M&V) plan

APs must explain how their project will save energy, and how they will measure and verify this.

Documentation	Description
Make declaration(s) in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	Q45: The M&V plan must meet the requirements of the International Performance Measurement and Verification Protocol (IPMVP) 2014 <sup>3</sup> published by the Efficiency Valuation Organization and contain all the items listed in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.
Attach the M&V plan for the project.	

### 2.2.9. Application format

AP must provide details on any templates they have used instead of the [Application for project plan approval – project-based activities – measurement and verification](#) form.

Documentation	Description
Completed questions in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	Q46: Selecting ‘Yes’ in answer to this question means that only questions, declarations and signatures from this point onwards need to be provided. You <b>must</b> have had your template approved by the commission prior to selecting ‘Yes’. Please contact the commission via <a href="mailto:veet@esc.vic.gov.au">veet@esc.vic.gov.au</a> to discuss your proposed template.

<sup>3</sup> Efficiency Valuation Organisation, International Performance Measurement and Verification Protocol: Core Concepts, 2014

Documentation	Description
Attach completed approved template document including all related file attachments.	
Unique project name.	Please include a unique project name, similar to that in Q2.

### 2.2.10. Declaration

APs must agree with and certify that they have understood and will comply with the declarations listed in the [Application for project plan approval – project-based activities – measurement and verification](#) form.

Documentation	Description
Signed declarations in the <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form.	Q47: <b>All</b> declarations <b>must</b> be read, understood and complied with. A signature of the AP and appropriate witness must certify these statements.

## 2.3. Compliance checklist – variations to scoping or project plans

The following compliance checklist outlines the evidentiary requirements APs must submit for varying scoping plan or project plan.

### 2.3.1. Variations to previously approved scoping or project plans

APs must seek approval of the commission for variations to approved plans.

Documentation	Description
Completed questions in the <a href="#">Application for variations – project-based activities – measurement and verification</a> form.	APs must propose variations to the planned project and seek approval from the commission before the variation is implemented. The <a href="#">Explanatory note – project-based activities – measurement and verification – part 1: activity guidance</a> document details which variations can be considered and which cannot.
Attached evidentiary documentation.	Any evidentiary documentation supporting this application should be attached (e.g. revised production forecast)

## 2.4. Compliance checklist – impact report

The following compliance checklist outlines the evidentiary requirements APs must include with each application for impact report approval submitted.



### 2.4.1. Evidence of project impact details

APs must seek approval of the commission for impact report applications.

Documentation	Description
Completed questions in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	Q1: The AP must fill in their account name. Q2: Give the project name that this application refers to. The text must be an <b>exact</b> match for the project name given in the corresponding <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> form, <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> form and any approved <a href="#">Application for variations – project-based activities</a> form for the same project. Q3: Indicate which impact report this application relates to (pick from the list in the form).
Make declaration in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	Q4: Tick this box to confirm that no aspect of the project has changed since either the project plan or the latest variation was approved by the commission.
Completed questions in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	Q5: Identify if a variation to the project was sought using an <a href="#">Application for variations – project-based activities</a> form.

### 2.4.2. Lighting product decommissioning

APs must provide evidence that where lighting upgrades have occurred as part of the project, any lighting products removed has been decommissioned.

Documentation	Description
Make declaration in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form. Attach evidence of decommissioning of lighting products and/or control gear (e.g. before and after geo-tagged photographs). Attach recycling declaration.	Q6: Tick these boxes to confirm that any lighting equipment removed has been decommissioned properly and that any newly installed lighting products are listed on the <a href="#">Register of products</a> . All lighting products and control gear which were removed or bypassed as part of the project must have been appropriately decommissioned. This can be a geo-tagged photograph of decommissioned equipment showing brand and model label, along with a recycling receipt.

### 2.4.3. Energy sources

APs must identify the energy sources affected by the project.

Documentation	Description
Completed question in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	Q7: List all of the sources of energy which were affected by the project (tick all relevant boxes). Where an energy source is not listed, please use the text box to identify this energy source.  Relevant energy sources are the different types of energy that are consumed or generated within the project measurement boundary.

### 2.4.4. Greenhouse gas emissions

APs must respond to the questions about greenhouse gas emissions relating to the project.

Documentation	Description
Completed questions in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	Q8: Answer ‘Yes’ or ‘No’ to each of the questions. Where the project involved any instance of correcting for over-servicing, give details of why this was necessary in the text box.  The purpose of PBA is not to reduce service or production levels unless there is clear evidence of over-servicing. If this is the case, the commission requires a detailed statement giving justification for this reduction. Any justification must also have evidence verifying the statement. For example, for lighting projects, this evidence could be a detailed lux-level report prepared by a lighting expert (e.g. a Member or a Fellow of the Illuminating Engineering Society of Australia – MIES or FIES) justifying the change to the over-serviced area in question. Use the text box to indicate the filename of any related documents which have been attached.

### 2.4.5. Final project cost

APs must give the final project cost.

Documentation	Description
Completed question in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	Q9: Enter the final project cost. This cost should relate to the activities relating to the achievement of abatement under the VEET scheme only. Additional project activities unrelated to this scheme do not need to be included.

### 2.4.6. Dates

APs must give the dates activities actually happened.

Documentation	Description
Completed question in the	Q10: Enter the baseline period start date This is the first day of the

Documentation	Description
<p><a href="#"><u>Application for impact report approval – project-based activities – measurement and verification</u></a> form.</p>	<p>period over which the ratings report for the baseline period (before the project work has been carried out) covers.</p> <p>Q11: Enter the reporting period end date. This is the last day of the period over which the ratings report for the baseline period (before the project work has been carried out) covers.</p>
<p>Final invoice or equipment delivery dates of equipment.</p>	<p>Q12: The date that project works begins is important as the commission cannot approve plans where work had already started. Evidence clearly showing this start date must be provided.</p>
<p>Invoices for installation work (dated) OR Commissioning engineer's report (in some cases) OR Other acceptable document(s) which provide(s) evidence of the activity start date</p>	<p>The commission requires documentation showing the date that equipment was delivered, the date of the earliest final invoice (i.e. the final invoice for the first piece of equipment), or the date that installation/modifications took place as detailed in an installers invoice. A commissioning engineers report may also have this date if it was commissioned on the same day of installation (generally for small projects – so if using a commissioning engineers report the commission would need to see additional evidence that this was a one-day installation).</p> <p>The commission must be satisfied that this documentation verifies the commencement of project works. If the commission cannot verify the start date, alternative documentation must be provided.</p>
<p>Invoices for installation work (dated) OR Commissioning engineer's report (in some cases)</p>	<p>Q13: The date that the activity ends is also important as this sets the dates for all subsequent reporting periods. This is the date project works were completed and brought back into service. For multi-phase projects, this is the date that the piece of equipment for the first activity was brought back into service after any upgrade/modification. In either case, the application for impact report approval should include some evidence such as a commissioning engineer's report or an invoice from an installer showing this date.</p>
<p>Invoices for installation work (dated) OR Commissioning engineer's report (in some cases)</p>	<p>Q14: (Optional question). This refers to the date that the latest activity (in a multi-phase project that uses annual creation) was brought back into service. This differs from the 'activity end date' above, as that refers to the first activity's commissioning date in a multi-phase project. For projects that are not multi-phase project (including all projects which use forward creation), the activity end date and the latest phase completion date will be the same.</p> <p>This evidence should be supplied for each phase of the multi-phase project completed to date.</p>
	<p>Q15: (Optional question). If the project used a method involving forward creation, give the date that the operating period started.</p>
	<p>Q16: (Optional question). If the project used a method involving forward creation, give the date that the operating period ended.</p>

### 2.4.7. Project completion

APs must attach final engineering drawings showing the as-built project.

Documentation	Description
Attach professional engineering drawings of the final installed project.	<p>Q17: Where relevant, a copy of the final (as-built) engineering drawings must be attached to the impact report application.</p> <p>This is not relevant for behavior change type projects and some process change type projects. Any project that has had equipment installation or modification should have professional engineering drawings done, showing the actual in situ project (note that for some projects, there will be no difference between plan and final drawings, in which case the plan drawings are acceptable).</p>

### 2.4.8. M&V plan compliance

APs must explain how they have complied with the measurement and verification plan which was included in the project plan.

Documentation	Description
<p>Make declaration(s) in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.</p> <p>Attach a document demonstrating compliance with the M&amp;V plan for the project.</p>	<p>Q18: APs must provide a document which explains how they have followed the M&amp;V plan which was approved as part of the project plan. The description must include all of the items listed in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form under this question.</p>

### 2.4.9. Project impact report

APs must have at least one approved impact report in order to create VEECs.

For a comprehensive list of everything the project impact report needs to cover, please refer to [Project-based activities – measurement and verification – project impact report checklist for accredited persons](#)

Documentation	Description
Attach a copy of the impact report for the project.	<p>The impact report describes the processes undertaken in the project and justifies the amount of abatement generated through following industry standard measurement and verification protocols. This is the main output from the M&amp;V process and contains all relevant information relating to the calculation of the abatement generated by the project.</p> <p>Subsequent annual or top-up impact reports (i.e. impact reports</p>

Documentation	Description
	that are not year one reports) can have less detail as some detail (such as baseline) will have already been included in the earlier impact report.

#### 2.4.10. Baseline information

The baseline describes pre-project conditions.

Documentation	Description
Make declaration(s) in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	<p>Q19: Tick these boxes to ensure that the baseline section of the impact report includes all of the information, documentation, descriptions, modeling and data, which explains and justifies how the baseline model was calculated. This includes:</p> <ul style="list-style-type: none"> <li>• drawings and diagrams</li> <li>• raw data files</li> <li>• explanation</li> <li>• lists</li> <li>• descriptions</li> <li>• modelling, and</li> <li>• other evidence as required.</li> </ul>

#### 2.4.11. M&V method

APs must provide details on the IPMVP method and VEEC creation method used for this project.

Documentation	Description
Completed questions in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	<p>Q20: Select which method of VEEC creation this project will be using.</p> <p>Q21: Following on from the question above, explain why this method was chosen.</p> <p>Q22: Indicate the IPMVP method that was chosen for this project.</p> <p>Q23: Following on from the question above, explain why this method was chosen.</p>

#### 2.4.12. Operating/reporting period information

The operating/reporting period describes the post-project conditions.

Documentation	Description
Make declaration(s) in the <a href="#">Application for impact report</a>	Q24: Tick these boxes to ensure that this section of the impact report explains and justifies explains and justifies how the operating

Documentation	Description
<a href="#">approval – project-based activities – measurement and verification</a> form.	<p>period model and/or reporting period measured energy consumption was calculated. This includes:</p> <ul style="list-style-type: none"> <li>• drawings and diagrams</li> <li>• raw data files</li> <li>• explanation</li> <li>• lists</li> <li>• descriptions</li> <li>• modelling, and</li> <li>• other evidence as required.</li> </ul>

#### 2.4.13. Abatement calculations

APs must provide details for the abatement calculations and explain how the final abatement figure was arrived at.

Documentation	Description
Make declaration(s) in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	<p>Q25: Tick these boxes to ensure that this section of the impact report includes all of the information, documentation, descriptions, modelling and data, which explains and justifies the abatement calculations. This includes:</p> <ul style="list-style-type: none"> <li>• description</li> <li>• worked calculations</li> <li>• factors used, and</li> <li>• assumptions used.</li> </ul> <p>Refer to <a href="#">Measurement and verification in the VEET scheme – methods and variables</a> as required.</p>

#### 2.4.14. Decay factor (if applicable)

Where forward creation has been used, the decay factor must be used to describe the expected drop off in abatement over time.

Documentation	Description
<p>Make declaration(s) in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.</p> <p>(Optional) Evidence should be provided along with the justification where relevant.</p>	<p>Q26: Tick these boxes to ensure that this section of the impact report includes all of the information, documentation, descriptions, modelling and data, which explains and justifies any decay factor used.</p>

#### 2.4.15. AM&VP's report

APs must submit an AM&VP report for every impact report submitted to the commission. The AM&VP's report is an independent third party assessment of your impact report. The AP should contract a suitably qualified AM&VP from the [Register of approved M&V professionals](#) to undertake a verification report for each impact report required of the project. The verification report can be either basic or detailed.

A **basic verification report** assesses the M&V process, ensuring that it is compliant with IPMVP principles and that the M&V plan that was included in the project plan, was adhered to. The commission will carry out the remainder of the assessment.

A **detailed verification report** assesses everything in a basic report PLUS it also assesses the modelling, calculations of abatement back to references and raw data, checking that all of the numbers are correct and verifiable. The commission will only need to carry out a very basic assessment following this type of verification report. Refer to the [Explanatory note – approved measurement and verification professionals](#) for further information on AM&VP's report.

Documentation	Description
Completed questions in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	Q27: Give the name of the AM&VP who has verified this impact report. Q28: Tell us whether the verification report is a ' <i>basic verification report</i> ' or a ' <i>detailed verification report</i> '.
Attach AM&VP's report.	Q29: Select whether the AM&VP has recommended any improvements to your impact report. If yes, provide details of the recommendations you have already addressed or will be addressing in future. Q30: Advise whether or not the AM&VP has declared to you that they have provided an independent opinion.

#### 2.4.16. VEEC assignment form

Authorised representative of the energy consumer must assign rights to create certificates to the AP.

Documentation	Description
Completed <a href="#">VEEC assignment form – project-based activities</a> (PBA VEEC assignment form).	Q31: The PBA VEEC assignment form must be completed and signed by the energy consumer and AP. This only needs to happen for the first impact report.

#### 2.4.17. Application format

AP must provide details on any templates they have used instead of the [Application for impact report approval – project-based activities – measurement and verification](#) form.

Documentation	Description
Completed questions in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.  Attach completed approved template document including all related file attachments.	Q32: Selecting 'Yes' in answer to this question means that only questions, declarations and signatures from this point onwards need to be provided. You <b>must</b> have had your template approved by the commission prior to selecting 'Yes'. Please contact the commission via <a href="mailto:veet@esc.vic.gov.au">veet@esc.vic.gov.au</a> to discuss your proposed template.

#### 2.4.18. Declaration

APs must agree with and certify that they have understood and will comply with the declarations listed in the [Application for impact report approval – project-based activities – measurement and verification](#) form.

Documentation	Description
Signed declarations in the <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> form.	Q33: <b>All</b> declarations <b>must</b> be read, understood and complied with. A signature of the AP and appropriate witness must certify these statements.



### 3. Legal context for this document

The commission has prepared this explanatory note document as a general summary of relevant parts of the:

- [Victorian Energy Efficiency Target Act 2007](#)
- [Victorian Energy Efficiency Target Regulations 2008](#)
- [Victorian Energy Efficiency Target \(Project-Based Activities\) Regulations 2017](#)
- [Measurement and verification in the Victorian Energy Efficiency Target \(VEET\) scheme – methods and variables](#)
- [Victorian Energy Efficiency Target Guidelines](#).

This document should not be relied upon as substitute for legal advice and should be read in conjunction with the above source documents. In the event of inconsistency between this explanatory note document and the above source documents, the content in the source documents takes precedence.

## Document version control

Version	Amendments made	Date published
V1.0	First release following the introduction of the Victorian Energy Efficiency Target (Project-Based Activities) Regulations 2017 on 19 June 2017.	1 August 2017
V2.0	Updated to new Victorian Energy Upgrades template and updated requirements including application for impact report approval and VEEC assignment	14 December 2017
V2.1	Updated table layout	16 February 2018
V2.2	Removed sections on insurance, risk management plan and any other information that is already covered in <i>Explanatory note – project-based activities – measurement and verification – part 1 activity guidance</i> . Re-templated tables to correspond to question numbers in <a href="#">Application for scoping plan approval – project-based activities – measurement and verification</a> , <a href="#">Application for project plan approval – project-based activities – measurement and verification</a> , and <a href="#">Application for impact report approval – project-based activities – measurement and verification</a> forms.	24 September 2018