Project Application Form Guidance – Refrigeration and Ventilation Fans Method

Purpose of this Guidance

This guidance details how to fill out the "ERF Project Application" in the client portal to submit an application for a project under the Carbon Credits (Carbon Farming Initiative- Refrigeration and Ventilation Fans) Methodology Determination 2015 (the Method). The structure and headings in this document mirror those in the "Project details" and "Eligibility details" sections of the client portal and this should assist you in completing these sections of the application.

The Clean Energy Regulator assesses your project to ensure that it is an eligible offsets project under the *Carbon Credits (Carbon Farming Initiative) Act 2011* (the Act), the Carbon Credits (Carbon Farming Initiative) Rule 2015 (the Rule) and the Method. The Act, the Rule and the Method set out requirements for the information that must be included in an application for declaration of an eligible offsets project.

Providing detailed information about your project will assist in assessing your application. If you want to provide additional information you can upload documents in the client portal.

Project Details

Is the project proposed to be carried out, or being carried out, entirely within Australia?

Under the requirements of the Act, all projects must be carried out in Australia including its external territories.

Method category (selection)

To apply under the Refrigeration and Ventilation Fans method, you should select the 'Energy Efficiency' option in the drop-down menu.

Method (selection)

Select 'Refrigeration and Ventilation Fans'.

Does the project meet the newness requirement?

For a project to be declared an eligible project, the project must meet the *newness requirement*. You should ensure you have reviewed the newness requirements of section 27 (4A) to (4E) of the Act prior to selecting

the appropriate response. For further guidance on the newness requirement please review the information on the Eligibility, additionality and newness[1] page on the Clean Energy Regulator website.

Are the project activities funded under any of the government programs, or do they include any activities listed in section 21 of the Carbon Credits (Carbon Farming Initiative) Rule 2015 (rule)?

The Rule excludes certain activities funded by other government programs from being the subject of an eligible offsets project. The list of other government programs in section 21 of the Rule includes the Renewable Energy Target, the NSW Energy Savings Scheme, the Victorian Energy Efficiency Target and several other state and territory based energy efficiency schemes. Ensure that you review the requirements prior to selecting the appropriate response.

Is the project, or any part of it, required to be carried out by or under a law of the Commonwealth, a State or a Territory (regulatory additionality requirement)?

For a project to be declared an eligible project, the project activities must not be required by law. This includes requirements of local development approvals and planning regulations, which are a requirement of state and territory law.

In addition to the regulatory additionality requirement, subsection 17(2) of the Method states that if a small motor fan upgrades activity is part of a construction or upgrade where development approval is required for the works, then it is not eligible under the Method, with the exception of circumstances where a development approval is required only because of the small motor fan upgrade (and not for other works).

What start date do you wish to nominate for your project?

The start date of a project refers to the date the project crediting period will begin. It does not refer to the date the activities take place. For some projects, you may choose a date a few months after the activities have taken place when the project is fully operational and is generating abatement.

The start date for a Refrigeration and Ventilation Fans project may be on or up to 18 months after the date the project is declared eligible by the Clean Energy Regulator. When selecting this date be aware that legislatively the Clean Energy Regulator has 90 days to assess projects. You cannot select a start date earlier than the date the project is declared.

If you do not nominate a start date, the start date for your crediting period will be the day the project is declared eligible.

What is the forward abatement estimate for the project?

The forward abatement estimate (FAE) is an estimate of the amount of carbon abatement, in tonnes of carbon dioxide equivalent (t CO_2-e), which corresponds to the number of Australian Carbon Credit Units (ACCUs) likely to be issued in relation to the project.

[1] http://www.cleanenergyregulator.gov.au/ERF/Want-to-participate-in-the-Emissions-Reduction-Fund/Planning-a-project/Eligibility-additionality-and-newness

The purpose of the FAE is to allow the Clean Energy Regulator to assign an audit schedule for your project. It is an estimate only and can be rounded to the nearest 50 000 t CO_2-e over the crediting period for your project. More information can be found on the FAE[2] section of the Clean Energy Regulator's website.

Total Crediting Period (years) of the project?

The crediting period for this method is 7 years. This field will be pre-populated and fixed.

Average Annual FAE (forward abatement estimate)?

The average annual FAE is the FAE / 7 (the crediting period). This field will be pre-populated based on the forward abatement estimate provided.

What is the estimate of the peak period of the project or abatement

This information will be considered when determining the timing of the project's scheduled audits.

Does the project require any regulatory approvals?

You must declare any regulatory approvals that will be (or were) required to undertake the project activities. For example, commissioning a significant plant extension is likely to require state government development and operational approvals.

Have all relevant regulatory approvals been obtained for the project? (Appears only if you have responded 'yes' to the previous question)

You do not need to have obtained all regulatory approvals when you apply, however, to be eligible for ACCUs, your project must have received all the required regulatory approvals by the end of the first reporting period.

If you have received regulatory approvals for the project, you should include them in your application. If regulatory approvals have not been received or copy of approval has not been provided to the Clean Energy Regulator, may result in a delay in issuance of ACCUs.

[2] http://www.cleanenergyregulator.gov.au/ERF/Want-to-participate-in-the-Emissions-Reduction-Fund/Step-1-Apply/Forward-abatement-estimates

Eligibility details

Where is the physical location of the project or how will the project boundary be defined?

The Rule requires that information identifying the location of the project must be provided. You must provide the location details for at least one fan installation, modification or upgrade. Different information is required for identified buildings or sites than for aggregated projects where not all the buildings or sites in the project have been identified.

Minimum of one identified site requirement

To meet the requirements of the assessment process you will be required to demonstrate that you have the legal right to carry out the project for (at least) one building/address/location. Therefore you must provide at least one address/location in your response to this question.

If you are aware that there may be more Emissions Reduction Fund projects that are taking place at that site, or activities supported by other government programs, you should either specify the exact location of your project, or alert the Clean Energy Regulator of these activities so that they can be separated from the project (see section 15A of the Act) – No double counting test and (see section 21 of the Rule – co-location of projects).

If there are multiple locations involved in the project, provide the addresses in a structured format, either in the address reporting template[3] provided on the Clean Energy Regulator website[4] or consistent with AS4590 or the Australia Post address presentation standards[5], available at Australia Post website[6].

Buildings or Sites not yet identified

If you are making an application and have not yet identified all of the buildings or sites to be included in the project, then you must include the following information to answer this question:

- All the states or territories where the project is intended to be carried out.
- The type of building(s) or refrigeration system(s) where the project is intended to be carried out. The type of building or refrigeration system should be as listed in the schedule or in Part 4 calculations used for determining the capacity factors in the method.
- A brief description of how you will be recruiting buildings or sites to be part of the project. Examples of recruitment techniques may include: 'selecting buildings from a portfolio of buildings owned by participant' or 'working with clients of an existing building ventilation or refrigeration systems company'.

If you are utilising a recruitment technique that differs from the examples listed above, please provide more information about the technique you will use to allow the assessor to understand how you will recruit buildings or sites into the project.

[3] http://www.cleanenergyregulator.gov.au/DocumentAssets/Pages/Address-reporting-template.aspx
[4] http://www.cleanenergyregulator.gov.au/
[5] http://auspost.com.au/media/documents/australia-post-addressing-standards-1999.pdf
[6] http://auspost.com.au/

Describe the project and activities

You must provide the project activity details required by section 11 of the Method. Different information is required for identified fans than for aggregated projects where not all fans in the project have been identified. In your response you should provide a detailed description of what the project will entail, and how the project meets the eligibility requirements of Parts 2 and 3 of the Method.

Where you know the fan to be installed, modified or replaced, a description of the activities must be provided, including:

- The nature of the activity, whether it be installation, modification or upgrade, or a combination of these.
- For a refrigeration fan, the type of refrigeration system the fan will be installed in (from section 11 of the Method and as defined in section 5) and whether the fan is a condenser fan, evaporator fan or a fan installed in a cooling tower that provides heat rejection for a refrigeration system (from section 27 of the Method).
- For a ventilation fan, the type of building the fan will service (from schedule 2 of the Method) and whether the fan is a heating/cooling ventilation, if so, the NCC climate zone for the building's location (from schedule 2 of the Method and as defined in section 5).
- The type of activity, high efficiency fan installation or small motor fan upgrade, the fan will undertake and its associated characteristics (from part 2 of the Method).
- The motor input power and as appropriate the brand, manufacturer and model number of the fan.

For example:

- The project will involve the new installation of high efficiency heating/cooling ventilation fans. These fans will be installed in an office building located in NCC climate zone 4. These fans will be axial flow fans installed in category A configuration. These fans are manufactured by FanTech with a motor input power of 200W.

Where you do not know the fans to be installed, modified or replaced that will be included in your project at the point of application, you can instead provide a description of the 'class'. This is a description of the types of fans you will be installing, modifying or upgrading as part of your project and the types of refrigeration systems or buildings where these will occur. These items must all be as listed in Part 3 and schedules at the end of the method.

For aggregated projects or projects which involve installing, modifying or upgrading many different types of fans this may involve a significant amount of information. To assist you in providing all of this information, the annex to this document provides an example template that you can use to describe the class of fan installation, modification or upgrade in your project. You can save the template as a separate document and upload it to your application in the client portal.

We recommend using the template to ensure you provide all of the required information on the class of fan installation, modification or upgrade.

Additionally, the method requires that fans and other components used in the project must be new. Fans and components removed as part of a small motor fan upgrades activity must not be refurbished, reused or resold. If your project will involve small motor fan upgrades activities, please describe how the removed equipment will be disposed of.

Describe the skill and expertise of any person intended to be used in carrying out the project consistently with the relevant method

Having people involved in your project who can comply with the rules and requirements of the method for calculations, monitoring, record keeping and reporting is critical to the success of your project, as you cannot claim ACCUs unless you comply with these requirements. In your response to this question the Clean Energy Regulator is looking for evidence that you have considered these requirements of the method and why the party undertaking these activities is qualified to do so.

The high efficiency fan installations activity in the method requires testing of fan parameters in accordance with ISO 5801 by either the fan manufacturer or the participant. If you decide to undertake fan testing, then a suitably skilled person may be required to carry out the tests, such as an experienced fan engineer.

Do you have the legal right to carry out the project?

You should read the information on legal right available on the Legal right[7] page on the Clean Energy Regulator website and consider seeking professional legal advice before signing this form to ensure you have the legal right to carry out the project as required by the Act. Your response to this question should demonstrate that you have read and considered the issues identified in this advice.

You must provide evidence of your legal right to carry out the project at all sites listed on your application at the time of applying for registration. It is important to note that approval of the project by the Clean Energy Regulator does not establish legal right. You are required to keep records of any agreements with stakeholders. Legal right for all sites, activities and equipment in the project, including those added after registration, will be checked during audits.

Facilities covered by the *National Greenhouse and Energy Reporting (NGER) Act 2007*

There are additional consent requirements for projects carried out at an NGER facility where the amount of reported scope 1 emissions of one or more greenhouse gases from the operation of the facility is likely to be more than 100,000 tonnes of carbon dioxide equivalent for one or more years in the crediting period for the project. In these cases, section 20 of the Rule requires that you must demonstrate that you have operational control of the facility or the consent to carry out the project from the person who has. If there is more than one participant then the requirement applies to all participants. Note that the person who has operational control of the facility may not necessarily be the one who can grant the legal right to carry out the project. Please also provide the location of the related NGER facility.

To assist the assessment of your application you must indicate whether your site is a relevant NGER facility, and provide supporting documentation to show that the person who has operational control of the facility has provided consent for the project to take place.

[7] http://www.cleanenergyregulator.gov.au/ERF/Want-to-participate-in-the-Emissions-Reduction-Fund/Planning-a-project/Legal-right

Annex: Template for application

To describe the 'class' of fan installation, modification or upgrade you must provide a description of the types of fans you will be installing, modifying or upgrading and the types of refrigeration systems or buildings that will (or may) be included in your project.

Completing the checkboxes in the following tables will allow you to fully describe the class or classes of fan installation, modification or upgrade to be included in your project. You can copy and save this template as a separate document and upload the completed template to your application in the client portal.

High Efficiency Fan Installations activity (based on Part 2, 3, 4 and schedules)

Check the relevant boxes in tables below if your project involves undertaking high efficiency fan installations activity.

The high efficiency fan installations activity is one of installing, including modifying or replacing existing fans to, high efficiency fans with an operating efficiency greater than or equal to the high efficiency grade prescribed in the method. The motor input power of the high efficiency fan must be greater than or equal to 0.125 kilowatts and less than or equal to 185 kilowatts. The fans must be of the following type.

Eligible fan types	Check box
Axial-flow fan	☐
Cross-flow fan	☐
Mixed-flow fan	☐
Centrifugal backward-curved fan	☐
Centrifugal radial bladed fan	☐
Centrifugal forward-curved fan	☐

For high efficiency fans installed in a refrigeration system, the table below sets out the eligible refrigeration systems and the nature of the fan operating in the system.

Refrigeration system and nature of fan operation	Check box
Refrigerated display cabinet	☐
Freezer cabinet	☐
Walk-in cool room	☐
Cold storage warehouse	☐
Condenser fans	☐
Evaporator fan	☐
Cooling tower fan for heat rejection for a refrigeration system	☐

For high efficiency fans installed for building ventilation, the table below sets out the eligible building types,

their use and the nature of ventilation services provided. For fans providing heating/cooling ventilation services, the NCC climate zone in which the building is located is also required in undertaking the project.

Building types and nature of ventilation service	Check box
BCA Class 2 (common areas only)	☐
BCA Class 3	☐
BCA Class 5	☐
BCA Class 6 (shops or shopping centres)	☐
BCA Class 6 (restaurants or cafes)	☐
BCA Class 7a (car parks)	☐
BCA Class 7b (warehouses), for ANZSIC Division A businesses	☐
BCA Class 7b (warehouses), for businesses other than ANZSIC Division A business	☐
BCA Class 8 (factories), for ANZSIC Division A or C businesses	☐
BCA Class 8 (factories), for businesses other than ANZSIC Division A or C business	☐
BCA Class 9a (clinics)	☐
BCA Class 9a (hospitals)	☐
BCA Class 9b (theatres)	☐
BCA Class 9b (schools)	☐
BCA Class 9c (aged care)	☐
Heating service fan	☐
Cooling service fan	☐
Heating and cooling service fan	☐

For ventilation fans, the table below sets out the eligible installation categories and fan types that could be used.

Installation categories	Check box
Installation category A	☐
Installation category B	☐
Installation category C	☐
Installation category D	☐

Small Motor Fan Upgrades activity (based on Part 2, 3, 4 and schedules)

Check the relevant boxes in tables below if your project involves small motor fan upgrades activity.

The small motor fan upgrades activity is one of modifying or replacing an existing fan driven by a shaded pole or permanent split capacitor motor with an electronically commutated motor. The motor input power of the original fan motor must be less than or equal to 0.175 kilowatts and the replacement electronically commutated motor must not be materially greater.

For a small motor fan upgrade in a refrigeration system, the table below sets out the eligible refrigeration systems and the nature of the fan operating in the system.

Refrigeration system and nature of fan operation	Check box
Refrigerated display cabinet	☐
Freezer cabinet	☐
Walk-in cool room	☐
Cold storage warehouse	☐
Condenser fans	☐
Evaporator fan	☐
Cooling tower fan for heat rejection for a refrigeration system	☐

For small motor fan upgrades in building ventilation systems, the table below sets out the eligible building types, their use and the nature of ventilation services provided. For fans providing heating/cooling ventilation services, the NCC climate zone in which the building is located is also required in undertaking the project.

Building types and nature of ventilation service	Check box
BCA Class 2 (common areas only)	☐
BCA Class 3	☐
BCA Class 5	☐
BCA Class 6 (shops or shopping centres)	☐
BCA Class 6 (restaurants or cafes)	☐
BCA Class 7a (car parks)	☐
BCA Class 7b (warehouses), for ANZSIC Division A businesses	☐
BCA Class 7b (warehouses), for businesses other than ANZSIC Division A business	☐
BCA Class 8 (factories), for ANZSIC Division A or C businesses	☐
BCA Class 8 (factories), for businesses other than ANZSIC Division A or C business	☐
BCA Class 9a (clinics)	☐

BCA Class 9a (hospitals)	☐
BCA Class 9b (theatres)	☐
BCA Class 9b (schools)	☐
BCA Class 9c (aged care)	☐
Heating service fan	☐
Cooling service fan	☐
Heating and cooling service fan	☐

A small motor fan upgrades activity will involve removing existing fan motors and other components. Will components removed as part of the small motor fan upgrades activity be disposed of and not refurbished, reused or resold (in line with the requirements of section 18 of the method)?

No	☐	ⓘ *Projects which do not dispose of equipment are not eligible*
Yes	☐	Provide details below. ▾

Disposal method	