

Water Efficiency Labelling and Standards (WELS) Scheme

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Australian Government
Department of the Environment, Water, Heritage and the Arts

This Presentation

- What is 'WELS'?
- What can WELS achieve?
- How do we stack up?
 - Results to date, effectiveness
- Improving WELS
 - Registration, compliance
 - Communication, stakeholder engagement
- WELS, pipes, plumbing and perceptions

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What is the WELS Scheme?

- National regulatory system – from mid 2005
- Australian Government administers the scheme
 - in partnership with states & territories
- Mandatory labelling of products to indicate water use efficiency
 - Clothes washing machines; dishwashers; tapware; showers; toilets; urinals; flow controllers
 - Toilets - minimum water efficiency standard

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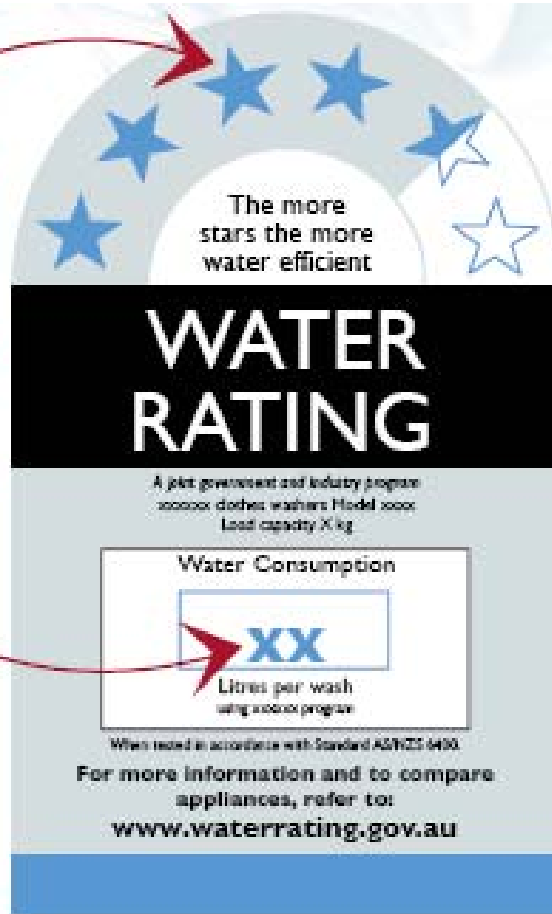


WELS Label

The stars show water efficiency – aim for 4 or 5 stars

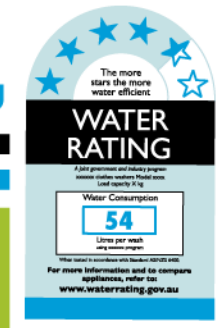
Look for the:

- average water consumption per use figure (dishwashers, washing machines, toilets, urinals)
- average water flow per minute figure (taps, showers)



The more stars the more water saved...

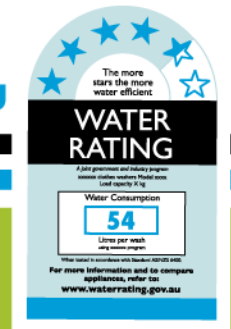
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What should WELS achieve?

- 2003-2004 EPHC feasibility studies
- By 2021 WELS could reduce water use each year by 5% or 610 mgl
- Save \$600M in water and energy costs
- Est. around 2500 products

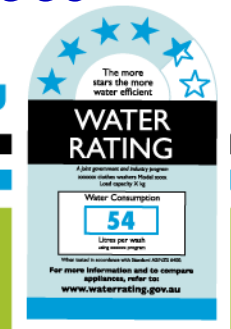
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How do we stack up?

- **Legislative tools in place:**
 - *Water Efficiency Labelling and Standards Act 2005*
 - Regulations, Determinations & Declaration
 - Mirror legislation in states and territories
 - Regulate only water use efficiency
- **Intergovernmental Agreement – WELSAC**
- **WELS Standard: AS/NZS 6400:**
 - WS-032 Technical expertise, other AS committees

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How do we stack up?

- Currently 10,500 product models registered
- UTS ISF Draft Cost Effectiveness study
 - analysis estimated the cost-effectiveness of WELS over a 15 year period from 2005–06 to 2020–21
 - 800 gigalitres of water saved, mostly from clothes washing machines, showers and toilets
 - water savings for consumers between \$400 million and \$1 billion.
 - energy savings from reduced hot water heating to save consumers between \$380 million and \$1 billion
 - greenhouse gas emissions savings of 6 million tonnes

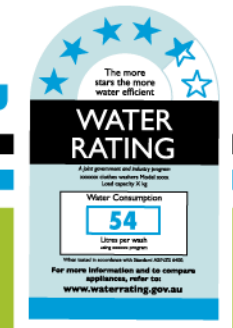
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How do we stack up?

- Growing focus on consumer information and stakeholder engagement
- Range of stakeholder information materials
 - Fact sheets (registration, labelling, tips for retailers, plumbers, architects, local government)
- waterrating.gov.au website and product search database
- 1800 line and InkWELS
- Examining potential expansion of the scheme

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WELS CONSUMER RESEARCH

- Online survey of 1100 household consumers
- Telephone survey of 280 non-household consumers
- Awareness of water efficiency labelling increasing
- 59% household consumers; 66% non-household
- Whitegoods 79%; toilets 40%; showers 33%; taps 11%
- Water (& energy efficiency) 3rd most important factor in decisions (after reliability & cost)
- **93%** saw WELS label as influential in decisions

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Improving Effectiveness of WELS

- **New Registration Database**
 - more drop down menus, mandatory fields
 - stakeholder trial in late November
- **Reviewed WELS Act & AS/NZS 6400, to:**
 - clarify requirements
 - correct inconsistencies and omissions
 - improve effectiveness of Scheme
- **Increasing engagement with stakeholders**
 - initial discussions with NPRF, TAFE

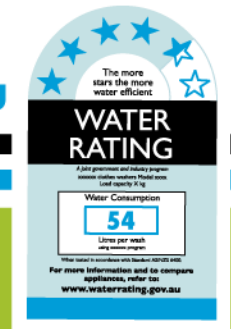
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Compliance & Enforcement

- Mandatory elements - July 2006 - Dec 2007
 - focus to date on education, advice
- Moving toward stronger enforcement action
 - July 2007 to July 2008 - 97 active cases
 - most relate to advertising
- Capacity to issue infringement notices
 - penalties: \$1,320 individuals; \$6,600 company per offence

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Compliance & Enforcement, cont

- Retail inspections
 - 16 inspectors qualified and appointed
 - over 2008-09 - scheduled 50 'educative' visits, 10 'inspections'
- Potential to use plumbing inspectors???
- Check Testing of Products
 - consultancy to design a program
 - short term - developing agreement with the Energy Efficiency team re access to check testing program results for whitegoods
 - checktesting to commence before end 2008

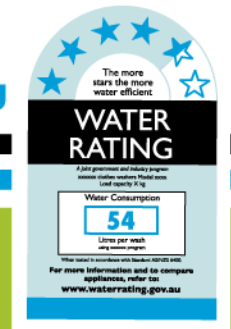
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DRAFT PLUMBERS SURVEY

- Quantum research - survey of 300 plumbers
- Residential, commercial and industrial sectors
- 98% of all plumbers aware of WELS label
- 75% considered WELS 'helpful'
- Over 50% saw the labels as 'influential'
 - 21% 'very influential'
 - more pronounced in SA and Qld

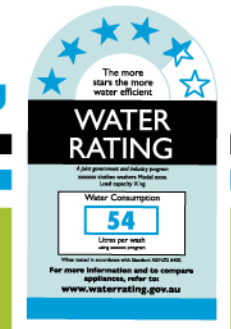
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DRAFT PLUMBERS SURVEY (cont)

- **Commercial plumbers less likely to refer to labels**
 - **54% do not refer to labels at all**
- **10% do NOT consider water efficiency at all**
- **60% of plumbers recommend full cistern replacement**
- **80-100% work inspected for 24% of plumbers**
- **31% plumbers <10% work inspected**

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DRAFT PLUMBERS SURVEY (cont)

- WELS requires minimum 4.5 litre min flow
 - for showers due to ignition issues for HWS?
 - no such minimum for taps
 - Showers < 4.5L/M must be registered but can't be labelled
- WELS regulation or appropriate warning or industry responsibility for installation in appropriate circumstances?
- Plumbers survey - 51% recommended min flow
 - more common in WA and SA

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House of Reps Inquiry into Regulating Plumbing Quality - *"Managing the Flow"*

- 5 recommendations: high level of integrated (potentially centralised) regulation and administration of plumbing products
- Rec 2: WaterMark prerequisite for WELS:
 - recognition that there is a problem for WELS
 - looking at legal options and implications
 - whole of government response completed, to be tabled
- Rec 4: NPRF- role in improving audit and enforcement profile for ensuring plumbing product quality
 - need for WELS and NPRF to keep in touch regarding actions
 - discussions with NPRF commenced, ongoing dialogue

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House of Reps Inquiry into Regulating Plumbing Quality - *"Managing the Flow"*

Plumbers Survey results

- Absence of WaterMark is a problem for 40% (observe 2-3 mths)
- 26% major problem (across new and existing plumbing work, and residential and commercial)
- Customer supplied 30%; HardWare 17%; Plmb Rtlrs 14%
- Taps 38%; Toilets 14%

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TAP TESTING

- **Taps: most commonly registered product type**
 - over 5000 models registered
- **No check testing conducted to date**
 - no data regarding the extent to which claimed flow rates are accurate
- **Small scale testing underway - 38 taps, different types, models, brand, suppliers**
 - basis for more robust check testing program
 - assist modelling water efficiency of the tap stock over time for our investigations into possible min standards
 - evidentiary basis for justifying decisions made regarding mixed type taps and ‘families’

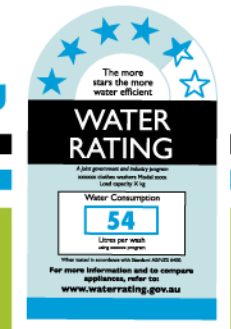
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WELS STAKEHOLDER FORUM

- 1 December 2008 at the Bayview Boulevard Sydney
- Opportunity for WELS stakeholders to express their views and receive updates on the WELS Scheme
- Invited 150 stakeholders: retailers, plumbing regulators, manufacturers; suppliers, water authorities; government

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Summary

- WELS is well established
- Exceeding expectations
- Substantive processes underway to:
 - open processes to monitor effectiveness, review, improve
 - build credibility
 - engage with stakeholders
 - understand implications/interactions plumbing sector
 - examine potential expansion

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