



## //GUIDE NOTE 1 SAVINGS ORDERS – LEGAL REQUIREMENT TO PREPARE WATER AND ENERGY SAVINGS ACTION PLANS

### Background

The NSW water and energy savings initiatives were introduced by the NSW Government in May 2005. They are administered by the Department of Energy, Utilities and Sustainability (DEUS) and include a requirement for certain businesses, government agencies and local councils to prepare Water and Energy Savings Action Plans.

### What are Savings Orders?

The Water and Energy Savings Orders contain the list of names of 'designated users' required to prepare a savings action plan. The organisation responsible for the water or energy use at a particular site and named on the savings order is required to prepare the savings action plan for that site. The Water and Energy Savings Orders were gazetted on October 28, 2005, by the Minister for Utilities, the Hon Carl Scully, MP.

The businesses listed on the savings orders were identified by the quantity of water or energy they use at a site, based on data provided by electricity distributors and Sydney Water. They apply to high energy users across NSW and high water users in Sydney Water's area of operations (Sydney, Blue Mountains and Illawarra). Designated users have sites that use:

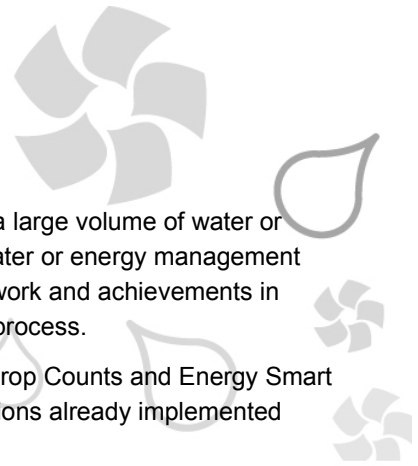
- at least **50 megalitres (ML)** of potable water per year, or
- at least **10 gigawatt-hours (GWh)** of electricity per year

Local Councils within Sydney Water's area of operations are also 'designated users' and are listed on the Water Savings Order. Councils with populations of more than 50,000 are included in the Energy Savings Order. Council plans cover their 10 highest use sites. Certain high use government agencies are also required to prepare savings action plans and a list is available on the DEUS website.

Savings action plans involve determining current water/energy use, undertaking management and technical reviews, assessing water/energy savings measures for cost-effectiveness and identifying actions to achieve savings. They must be prepared in accordance with *Guidelines for Water and Energy Savings Action Plans*, gazetted with the savings orders.

### What if designated users are already water and energy efficient?

Many of the high users gazetted in the savings orders are already making significant savings in their water and energy use. Some have actively participated in other programs and have been leading the way in managing energy and water efficiently.



A listing on the savings orders means the organisation has used a large volume of water or energy at a particular site. It does not reflect the organisation's water or energy management practices. Proactive companies will be able to demonstrate their work and achievements in reducing water and energy use through the savings action plans process.

They can incorporate work from other programs, such as Every Drop Counts and Energy Smart Business, into their savings action plans and they can include actions already implemented which may limit opportunities for further savings.

### **Water and Energy Savings Funds**

As well as the requirement to prepare savings action plans, the legislation also introduced two funds to provide incentives for investment in water and energy saving measures. The Energy Savings Fund provides \$40 million a year over five years and the Water Savings Fund provides \$30 million a year over four years.

The funds also aim to achieve large-scale savings in water and energy. They will be made available in two to three funding rounds each year. Projects identified by designated users in their Savings Action Plans may be eligible for financial support through the savings funds, if they meet the selection criteria.

### **More information**

For more information on the water and energy savings initiatives visit the Department of Energy, Utilities and Sustainability website at [www.deus.nsw.gov.au/waterandenergysavings](http://www.deus.nsw.gov.au/waterandenergysavings) or call Amanda Kane, Senior Community Relations Officer, DEUS, on (02) 8281 7320.

### **Related publications available on the DEUS website**

*Guidelines for Water Savings Action Plans*

*Guidelines for Energy Savings Action Plans*

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