Newsletter for the Refrigeration and Air Conditioning Industry

January 2015



Australian Government **Department of the Environment** 

# COOLCHANGE

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### **Hydrocarbons?** Auditing installation work?

On the 14th October 2014, representatives from eleven refrigeration and air conditioning associations met with members of the ARC and the Federal Government for the annual ARC Members' Forum in Brisbane.

The ARC Members' Forum gives industry associations the opportunity to speak, on behalf of their members, about issues directly and indirectly related to the ARC licence scheme. When all of industry's interests are represented in the same room – the ideas and opinions fly. And, this can often be the moment when actions that will shape the RAC landscape in 5 years' time are formed.

Some of the main issues discussed at the forum were:

- Hydrocarbon refrigerants
- Auditing installation work
- ARC to encourage best practice in the • training for refrigeration and air conditioning operations
- Consider programs for SGG/ODS regulatory compliance for 'grey vehicle' imports in light of potential changes under the motor vehicles Act which deregulates imports
- Consider how the 'lag' between new technologies and associated training to provide for their implementation and maintenance can be addressed

The key issues raised are refined for further discussion and consideration by the ARC Board of Directors, bearing in mind the role and responsibilities of the ARC.

The ARC is truly grateful for the time and effort shown by the attendees at the 2014 Forum.



ARC advertising, driving customers to your business this summer - read more inside

**Australian Refrigeration Council** www.arctick.org ARC Hotline: 1300 88 44 83



### The ARC licence scheme at work – environmental licensing in action

Australia has in place a world leading environmental licensing scheme designed to shrink the hole in the ozone layer and combat global warming.

The ozone layer that shields life from cancer causing solar rays is showing its first sign of recovery after years of dangerous depletion, according to a 2014 United Nations Report -Scientific Assessment of Ozone Depletion 2014.

Experts say that this improvement is directly related to international environmental initiatives such as the Montreal Protocol – which was the catalyst for the Australian Government initiating the ARC licence scheme in 2005.

Without the landmark Montreal Protocol, two million extra cases of skin cancer would have occurred each year by 2030 and levels of ozone-damaging compounds could have increased tenfold by 2050, the report said.

Australia's environmental licensing scheme controls the import, trade, handling and destruction of fluorocarbon refrigerant, a key cause of ozone depletion.

The three key pillars of the scheme are:



### Import, export and manufacture of ODS and SGG refrigerant (including pre-charged equipment)

- Australian Government
- 1,588 equipment and import licence (as at September 2014)

#### Refrigeration and air conditioning industry licence

- Australian Refrigeration Council (ARC) on behalf of the Australian Government
- Refrigerant handling licences and refrigerant trading authorisations
- 75,000 Authorised businesses and licensed/qualified technicians Australia-wide
- 131 authorisation holders 'out of business' due to non-compliance in 2013/14

#### **Refrigerant recovery/destruction**

- Refrigerant Reclaim Australia
- Rebate and credit scheme in place
- Prevented the emission of 5,000 tonnes of CFC, HCFC, and HFC
- Saved 10 million tonnes of stratospheric ozone from being destroyed
- Stopped 10 million tonnes of carbon dioxide equivalent (CO<sub>2</sub>) entering the atmosphere

### Ozone Act Review

On 23 May 2014, the Hon Greg Hunt MP, Minister for the Environment, announced a review of the Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 and related Acts (the Ozone legislation).

The objectives of the review are to:

- identify opportunities to improve and streamline the operation of the Ozone legislation, including reducing regulatory compliance costs for business and the community.
- identify opportunities to reduce emissions of ozone depleting substances and synthetic greenhouse gases in line with international efforts.

During the first stage of the review, the Department of the Environment (the Department) invited submissions on the review of the Ozone legislation. The public consultation period ended on 18 July 2014 and 29 submissions were received.

This consultation period highlighted stakeholder concerns with compliance and enforcement, increased product stewardships and support for re-use of gas, managing new types of refrigerant gases and phase down of hydrofluorocarbons. Stakeholder submissions included suggestions on how to streamline end use controls for refrigeration and air conditioning, fire protection and methyl bromide.

The submissions will help guide the review of the Ozone legislation and the Interim Report of the review. The Interim Report will be available for public consultation. The Department will continue to consult with stakeholders in the lead-up to the final report that will be provided to the Australian Government in mid-2015.

For more information on the review of the Ozone legislation, including viewing the published submissions, visit the Department's website at: http://www. environment.gov.au/protection/ozone/ legislation/ozone-acts-review.

### Learning more about our industry – for the future

The last 18 months has seen an injection of reports and analysis of the refrigeration and air conditioning industry, which is helping inform decisions on the sector's future direction.

Government regulatory impact statements from the National Occupational Licensing Authority (NOLA) and various reports, such as the Department of the Environment-sponsored 'Cold Hard Facts II', have served to demystify the RAC industry and provide fact-based information to base decisions for actions that could affect the environment that RAC technicians operate in.

#### Licence holder statistics

The ARC can also contribute to this industry knowledge, by providing snapshots of licence-related statistics which help to paint a clearer picture of the reach and spread of technicians in the industry. Below is a representation of Refrigerant Handling Licence (RHL) holder statistics – including total number of licence holders, industry segment and average age, per state. Information in Table 1 relates to Authorisation holders.

In future, the ARC will look to contribute further to this industry knowledge in a considered and valuable way, for all the sector to benefit from.

#### **Table 1: Business Authorisation Statistics**

Refrigerant Trading Authorisations (RTA)			
Total	17,460		
Auto	8,556		
Stationary RAC	8,904		
Number of RTAs with Refrigerant Handling licensed employees			
Only 1 RHL holder	10,796		
2-5 RHL holders	5,466		
6-10	758		
11-15	214		
16 plus	226		



Figures accurate at time of writing

### Product stewardship – domestic stationary RAC

In 2013, the Waste Policy branch of the Department of the Environment began looking into the feasibility for a product stewardship scheme to manage domestic stationary refrigeration and air conditioning systems, to reduce their environmental and health footprint.

In February 2014, the department consulted with industry, forming a RAC Industry Working Group, which resulted in the drafting of a product stewardship options paper.

The Department commissioned two reports, one on pathways for RAC systems after leaving the household, and a cost benefit analysis assessing voluntary, co-regulatory and mandatory product stewardship options.

So far, the reports have provided some valuable information about refrigeration and air conditioning pathways and behaviour in the industry:

#### Stock equipment in Australia

Product	2014 (units)	2024 (projected units)	
Refrigerators	17,800,000	19,600,000	
Air Conditioners	12,100,000	16,200,000	

#### Stock of domestic air conditioners

- 53% split systems (not ducted)
- 19% evaporative coolers
- 14% window or wall units
- 14% ducted split systems and portable air conditioners

#### Domestic RAC as a waste product

- High rate of metal recycling
- · Most domestic RAC goes to a metal recycler for shredding

- Domestic RAC generates 33,000 tonnes shredder floc per year
- Plastics, oils and foam
  - All goes to landfill
  - Accounts for 4.7% of all shredder floc
  - Apparent illegal dumping in regional and remote areas

#### **Compliance with Ozone Legislation**

Refrigerator de-gassing

- · High recovery from retailers operating 'take back' schemes
- Less so by local government associations, scrap metal merchants and metal recyclers

Air conditioner de-gassing

- High recovery by technicians
- · Less so by scrap metal merchants and metal recyclers

As part of the ARC's annual communications strategy, we conduct direct-mail campaigns and advertising to target businesses and local councils working with end-of-life RAC equipment to ensure that refrigerant is not released into the atmosphere during the recycling or destruction process. We also dedicate resources to investigate non-licensed activity in these sectors.

For further information on the product stewardship report contact Waste Policy at wastepolicy@environment.gov.au

### Have you done your Air Con licence checklist?

#### Summer is when your ARCTick licence becomes one of the most important tools for you and your business.

Not only is it the law to hold an ARCTick licence for any work on refrigeration and air conditioning systems that contain fluorocarbon refrigerant (about 89% of the total refrigeration/air con market), holding a licence tells your customers that you are professional and qualified to do the job.

Follow the ARCTick licence checklist below to put your business in prime position this summer:

#### **ARCTick Licence checklist**

#### 1. Is your licence up for renewal soon?

Make sure to re-apply before expiry to ensure you don't have to apply 'as new' and provide your details and proof of qualifications again. Remember 'no Authorisation and no licence means no gas'. Check your Authorisation/licence status by visiting the ARC website www.arctick.org and going to the online services section – 'change of details'. Or contact the ARC on 1300 88 44 83.

### 2. Make sure your business is following the legal requirements of its Authorisation:

- Updated refrigerant records (quarterly bought, sold, recovered)
- Updated Air Con equipment list and maintenance records
- Ensure you have a current risk management plan for handling/ storage of refrigerant
- Ensure your refrigerant cylinder leak test and test date records are current
- Notify the ARC of any changes to staff who hold a Refrigerant Handling licence
- Make sure to display your Authorisation number on all air conditioning services advertising (including stationery, print ads etc.).

Visit the ARC website www.arctick.org and go to the Audit section to check up on your legal obligations as an Authorisation holder.

## **ARC Member Profile – RACCA**

Over the following editions, Cool Change will profile individual ARC member associations so readers can better understand the industry bodies that represent them. The profile below was kindly provided by ARC member association RACCA.

#### Refrigeration & Air Conditioning Contractors Association (RACCA)

RACCA is an organisation that represents the interests of refrigeration and air conditioning contractors across Australia – from employers and business people to technicians.

RACCA is committed to supporting the professionalism of the contracting industry and assisting members in the development and maintenance of the highest possible standards in the air conditioning and refrigeration industry. RACCA's services are tailored to the unique needs of RAC contractors. We save members' time and money by providing timely information and advice and practical tools to make operating your business easier, safer and more cost-effective. As a not-for-profit organisation that is dedicated solely to the refrigeration and air conditioning industries, RACCA is your best source for information, representation, professional knowledge and commercial services.

As a national organisation RACCA is a driving force in the refrigeration and air conditioning industries and a major factor in the continued success and security of refrigeration/ air conditioning contractors. Through its Committee of Management and staff, RACCA works on behalf of contractors in dealing with all levels of government and industry, and ensures members are fully informed on important issues and future developments.

#### **RACCA** vision

RACCA's vision is to be the association of choice for contractors and to bring professionalism to the refrigeration and air conditioning industry.

#### **RACCA** goal

To lift the standard of both technical and business practices within the refrigeration and air conditioning industry.

#### **RACCA Membership**

Membership of RACCA is fully tax deductible and provides you with access to a wide range of commercial and non-commercial member services, and a team of people dedicated to supporting you and your business. Membership of RACCA will ensure you have the necessary tools to save money, stay ahead of changes, take advantage of opportunities and meet your business goals.

#### **RACCA contact details**

National Office RACCA Australia

Postal Address: 817 Princes Highway, Tempe NSW 2044

Phone: (02) 8577 5777 Web: www.racca.asn.au



Refrigerant Reclaim Australia Limited (RRA) is the not-for-profit industry funded organisation that takes back and destroys ozone depleting and synthetic greenhouse gas refrigerants. Since the inception of the programme in 1993 the Australian refrigeration and air conditioning industry, through RRA, has recovered, returned and destroyed more than 4,900 tonnes of used and unwanted refrigerant. In doing so the industry has prevented the emission of more than 10 million tonnes CO2e, and prevented the destruction of more than 10 million tonnes of stratospheric ozone. The industry-wide product stewardship programme is available to all contractors. To recover refrigerant acquire a recovery cylinder from your refrigerant gas supplier, fill it with used, contaminated and unwanted refrigerant from systems you service, repair, or decommission, and return it to your refrigerant supplier. RRA will collect the recovered refrigerant and, after testing and processing, have it destroyed so it cannot damage the ozone layer or contribute to global warming. **We will even pay you a rebate to bring it back.** 

For more information contact us call **02 6230 5244** visit **www.refrigerantreclaim.com.au** 



### Annual indexation to application fees for Refrigeration and Air Conditioning (RAC) Licences

Under the *Ozone Protection and Synthetic Greenhouse Gas Management Regulations (1995)*, Regulation 346 provides for the annual indexation of permit application fees. The annual indexation formula uses the Wage Price Index (WPI) figures, published by the Australian Bureau of Statistics. Due to the WPI figures released this year, RAC licence application fees will increase by 2.5% from **1 January 2015**.

The table shown on the right lists the 2014 application fees and application fees from 1 January 2015:

For further information about the changes to permit fees, visit the Department of the Environment's website at http://www.environment.gov.au or contact the Australian Refrigeration Council via email at enquire@arctick.org.

RAC industry permit	2014 fees	Fees from 1 January 2015
Refrigerant handling licence (2 years)	\$134	\$137
Restricted refrigerant handling licence (1 year)	\$67	\$69
Trainee refrigerant handling licence (1 year)	\$27	\$28
Refrigerant Trading Authorisation (1 year)	\$216	\$221
Refrigerant Trading Authorisation (2 years)	\$431	\$442
Restricted refrigerant trading authorisation (2 years)	\$134	\$137

### ARC advertising – working for your business over summer

Over summer, chances are your customers will come across ARC advertising – in some form or another – before they contact you.

Our summer advertising campaign is targeted directly at customers looking to buy/install air conditioners or refrigerators, as well as customers looking for someone to service/repair their existing systems – in their home and car.

Last summer alone, our communications attracted almost 100,000 people to www.lookforthetick.com.au

Our goal is to make sure customers know to look for licensed technicians for all their refrigeration and air conditioning work.

This is where our cost effective marketing and communications really adds value to holding an ARCTick licence.

To build on previous campaigns, on the right are examples of what we will be doing this summer to help drive people to your business.

### Remember to promote your business with FREE ARCTick promo items:

- 'Licensed Air Conditioning Maintenance' Posters
- 'Benefits of using Licensed Technicians' handouts for customers (RAC and Auto)
- ARC Certificate and Authorised sticker (RTA only)
- Degassed stickers
- Air Con Information Guides for customers (RAC and Auto)
- ARCTick Service tags and Stickers (RAC and Auto)

Contact the ARC on 1300 88 44 83 / enquire@arctick.org – quoting your RTA or RHL number – to order your free promo items.

#### LICENSED TO CHILL





*Top: Example of one of the ARC's digital banner advertisments Bottom: Example of online Google AdWords campaign* 

Australian Refrigeration Council www.arctick.org ARC Hotline: 1300 88 44 83



This product is 100% Carbon Neutral