



COOLCHANGE

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ARC licence scheme: upskilling the industry

Highly skilled workforce

The ARC licence scheme has contributed to an increase in the skill level of the refrigeration and air conditioning industry. The scheme is qualifications-based, ensuring that licence holders are skilled and professional.

Not only must licence holders provide relevant, nationally recognised qualifications, they must also demonstrate how they meet the licensing requirements under the Ozone Protection and Synthetic Greenhouse Gas Management Regulations 1995 and adhere to an Industry Code of Practice.

The skills of the refrigeration and air conditioning (ARC) industry were highlighted in a recent report by Expert Group (2015) for the Department of the Environment, which stated 'By placing an industry-based administrator at the national level, the (ARC) licensing scheme has established a highly skilled workforce

and a coordination point for communicating the regulations with the backing of legislative power in relation to gas emissions.'

This up-skilling of industry will also put the RAC sector in a better position to handle the challenges of technological change.

Environmental champions – now and into the future

ARC-licensed technicians are helping Australia 'lead the way' in reducing ozone and synthetic greenhouse gas emissions.

According to a media release (7 Oct 2015) by Minister for the Environment, the Hon Greg Hunt MP, the Government's current review into ozone and synthetic greenhouse gases, "has identified options to deliver emissions reduction equivalent to more than 80 million tonnes of carbon dioxide by 2030."

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no longer work
with f-gas due to
non-compliance
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ARC licence scheme: upskilling the industry (continued)

“Australia has a long history of success in reducing ozone and synthetic greenhouse gas emissions in partnership with businesses that supply and use these gases. Australia continues to show international leadership and encourage all countries to agree to a global HFC phase-down under the Montreal Protocol.”

The ARCTick licence scheme is one such partnership and has ‘managed’ HFC handling and trade for over 10 years – controlling the use of HFCs and limiting emissions.

The Expert Group report (2015) goes one step further, identifying the “real changes” the ARC licence scheme is making to the environment. “Since 2003, the work of ARC-licensed businesses and technicians has contributed to 24.37 Megatonnes of CO₂-e direct emissions reductions. The ARC licence scheme will continue to provide significant direct and indirect emissions savings over the next two decades, with further direct emissions reductions estimated at 58.02 Mt CO₂ projected to 2030.”

**Expert Group, Assessment of environmental impacts from the Ozone Protection and Synthetic Greenhouse Gas Management Act 1989, April 2015.*

Penalties increase for breaches of the Ozone Act and Regulations

Penalties have increased for breaches of the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989* (the Act) and the *Ozone Protection and Synthetic Greenhouse Gas Management Regulations 1995* (the Regulations).

The Commonwealth penalty unit, set out in the *Crimes Act 1914 (Cth)*, increased from \$170 to \$180 per penalty unit, effective from 31 July 2015. The increase applies to offences committed on or after 31 July 2015.

Not holding the relevant permit – A person who imports, exports or manufactures fluorocarbon refrigerant (either in bulk or pre-charged into equipment) without the appropriate licence (or exemption) is committing an offence under section 13 of the Act and may be fined up to \$90,000.

Under Regulation 111, it is an offence to handle refrigeration and air conditioning (RAC) equipment containing fluorocarbon refrigerant without a refrigerant handling licence (RHL) and a penalty of up to \$1,800 may apply.

Under Regulation 112, it is an offence to acquire, possess or dispose of bulk fluorocarbon refrigerant without a Refrigerant Trading Authorisation (RTA). A penalty of up to \$1,800 may apply.

Unlawful discharge of fluorocarbon refrigerant – It is an offence under section 45B(1) of the Act to act in a way that results in the unlawful discharge of ozone depleting substances (ODS) / synthetic greenhouse gases (SGG), including fluorocarbon refrigerant. A penalty of up to \$54,000 for an individual or up to \$270,000 for a corporation may apply.

Breaching permit conditions – If an RHL holder breaches a condition of that licence, it is an offence under Regulation 136 and a penalty up to \$1,800 may apply. If an RTA permit holder breaches a condition of that permit it is an offence under Regulation 142 and a penalty up to \$1,800 may apply.

Effects of breaches on gaining future permits – Under Regulation 122 an individual or corporation who is convicted of an offence under the Act or Regulations, or who has had a permit or licence cancelled, may be considered unfit to hold a RAC industry permit or licence. As a result their permit or licence may be refused on reapplication or, in accordance with Regulation 123, their permit or licence may be cancelled.

Update on the Review of the Ozone and Synthetic Greenhouse Gas management programme

On 6 October 2015 the Minister for the Environment, the Hon Greg Hunt MP released an options paper on the review of the Ozone Protection and Synthetic Greenhouse Gas legislation.

The options paper was released to seek feedback from industry and the public on options to reform the legislation to gain further emissions reductions and to reduce the regulatory burden on business.

A report and findings of the review will be provided to the Government in April 2016. This report will be based on the analysis in the options paper and feedback received as part of this consultation. It is expected changes approved by Government will be implemented throughout late 2016-2017. The Department of the Environment will continue to provide information on the progress of the review and update stakeholders on any changes which may affect them.

The options paper provides four preliminary options packages, ranging from minimum reform to meet the objectives of the review to high level reform to achieve maximum emission reduction, efficiency and effectiveness gains. Emission reduction measures being explored include a HFC phase-down, HFC equipment bans and implementing maintenance and leak testing requirements. Efficiency and effectiveness measures include increasing thresholds for imports to remove licensing requirements from small quantity importers and streamlining of import/export and end-use licences.

For example by allowing for ‘tick and flick’ renewals, including a threshold for when levies become payable, extending validity periods and allowing for flexible reporting and levy payment.

The analysis in the options paper is supported by a technical analysis report, environmental impact analysis and cost benefit analysis.

For more information on the review of the programme, including viewing the published submissions and options paper and attachments, visit the Department’s website at: www.environment.gov.au/protection/ozone/legislation.

The Department held public information sessions in Sydney, Melbourne and Brisbane from 20-22 October to provide interested parties an opportunity to discuss the review. There was not sufficient interest to hold information sessions in other cities.

For any questions regarding the Review, please email ozone@environment.gov.au.



Australian Refrigeration Equipment Manufacturers Association (AREMA)

Established in 1967, AREMA (the Air Conditioning & Refrigeration Equipment Manufacturers Association of Australia) represents the interests of air-conditioning and refrigeration equipment manufacturers active in the Australian market.

The association works with government and industry on policy formulation and regulation to achieve the best outcomes for its members and the wider community.

AREMA aims to:

- Help reduce the environmental footprint of air conditioning and refrigeration in Australia.
- Encourage members to design and manufacture energy efficient equipment.
- Encourage members to deliver real energy savings to consumers.
- Reduce ozone depleting substances (ODS) and greenhouse gases in a safe and controlled manner.
- Work closely with government to ensure the safe implementation of standards that will benefit end-users and product designers.
- Work with other local and global associations to ensure world's best practice is adopted.
- Provide a unified voice for representation to government and industry on key issues.
- Represent the air conditioning and refrigeration industry on key standards committees and, where possible, assist members to interpret these standards.

AREMA provides a forum where members can explore and discuss common issues and develop a unified industry view.

This has proved vital when making representations to government on issues such as the carbon tax, the introduction of new refrigerants, changes to the Ozone Act and other legislative changes.

The association's knowledge of market dynamics and technical expertise is highly regarded by State and Federal governments, who seek its assistance with developments impacting the industry. Government has demonstrated a clear preference to work with industry associations (rather than individual companies) on key issues of policy and regulation.

AREMA's primary focus is working with government to help ensure Australia adopts world's best practice standards and regulations that maximise benefits to the both the industry and the end-user. AREMA offers its members the opportunity to be directly involved in negotiations with government on policy formulation and industry standards regulation.

Members can also join Standards Australia sub-committees (as an AREMA representative) and help develop the standards that regulate the industry.



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Customers will be looking for you this summer

Once again, the ARC will be implementing an online marketing campaign over summer targeted at people looking to buy and service their air conditioners and refrigerators.

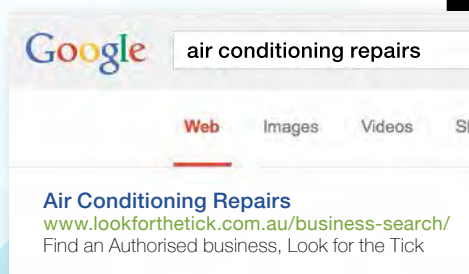
We use various national online-media outlets to spread the ARCTick message, and also on-line platforms such as Google and Facebook.

Last summer our campaign attracted over 110,000 visitors to the www.lookforthetick.com.au website – the most ever for a summer period.

Our main goal is to connect potential customers to your businesses through the RTA business directory. Along the way we educate consumers on the benefits of using licensed technicians and the damaging effects of fluorocarbon refrigerants on the environment.

Keep an eye out for ARC advertising this summer!

Right: Google AdWords online campaign and one of the ARC's digital banner advertisements.



Concerns about training quality? Contact ASQA

The ARC licence scheme is qualifications-based with qualifications through the Australian Qualifications Framework.

Being a qualifications-based licence scheme avoids the problems often associated with other licence schemes which have subjective approval processes in place or have 'grandfathered' applicants – resulting in ongoing scheme credibility issues. From time to time there are reports from industry questioning the quality of short '2-day courses'. The ARC itself has followed up on a number of such reports. Sub-standard training has no place in the refrigeration and air conditioning industry. To this end, should you be aware of such situations please contact:

**Australian Skills
Quality Authority (ASQA)**
595 Collins Street
Melbourne VIC 3000
1300 701 801
www.asqa.gov.au



Australian Government
Australian Skills Quality Authority

ASQA is the Government Department responsible for training quality and would welcome your report. ASQA have worked with ARC already in various instances of alleged sub-standard training.



Since Jan 2015, a total of 59 Refrigerant Trading Authorisation (RTA) re-applications were refused due to on-going non-compliance.

As a result, these companies are no longer legally 'in business' when it comes to the purchase and handling of fluorocarbon refrigerant.

Figures accurate as of 31st October 2015.

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 2.3% from 1 January 2016.

The table shown on the right lists the 2015 application fees and application fees from 1 January 2016.

For further information about the changes to permit fees, visit the Department of the Environment's website at www.environment.gov.au

RAC Industry Permit	2015 Fees	2016 Fees
Refrigerant handling licence (2 years)	\$137	\$140
Restricted refrigerant handling licence (1 year)	\$69	\$71
Trainee refrigerant handling licence (1 year)	\$28	\$29
Refrigerant Trading Authorisation (1 year)	\$221	\$226
Refrigerant Trading Authorisation (2 years)	\$442	\$452
Restricted refrigerant trading authorisation (2 years)	\$137	\$140
Halon Special Permit	\$263	\$269

Need supplies for a job?

Use the new ARC Wholesaler Directory.



Simply plug in the suburb you are in, and the directory will provide you with contact details for all the nearest wholesalers. Now that's handy!

Check it out at www.arctick.org/business-authorisation/refrigerant-wholesalers/

In the coming months ARC will be developing an App for this directory so you will only ever be two clicks away from your closest wholesaler.

Aussie R&D creating opportunities

Representatives from the Australian Refrigeration Council (ARC) recently visited Queensland's SuperCool Group and their unique SuperTest facility at Ormeau.

SuperCool Group managing director Mark Mitchell designed and purpose-built the HVACR and air conditioning test centre, SuperTest facility, mainly as a research and development (r&d) centre for his Unicla compressor range and for detailed performance testing with the different refrigerants entering the market, including R1234yf. Mark Mitchell was among the industry leaders behind the Australian licensing regime going back to the days of the National Refrigeration and Air Conditioning Council.

SuperTest has also attracted the attention of national refrigerated transport and food companies, and as a result of the detailed temperature monitoring studies on trailers and food types, Mark Mitchell is considered one of the country's most knowledgeable students of the physical properties of heat, energy and thermal efficiencies.

SuperTest is a 2,000 square metre facility that contains the largest environmental test booth of its kind in Australia, capable of holding the biggest registered road trailer or bus, as well as three smaller test rooms capable of replicating refrigerated conditions inside a refrigerated truck or trailer.

"It's great to see Australian research and development creating opportunities for the industry" said ARC CEO Glenn Evans.

Take it from us, it's pretty impressive!
Check it out at www.supercool.com.au/supertest.html



Left to right: Rod Cumming (ARC), Mark Mitchell (SuperCool Group), Glenn Evans (ARC)

Progress made on an agreement to phase down HFCs

Significant progress was made on a global agreement to phase down the use of HFCs under the Montreal Protocol on Substances that Deplete the Ozone Layer during the Meeting of Parties to the Montreal Protocol held in Dubai from 1-5 November 2015.

It was agreed that negotiations would continue in 2016 with the aim of concluding a global agreement in 2016.

Proposals to amend the Montreal Protocol to include controls on HFCs have been considered each year since 2009, however there had been no agreement to commence negotiations. A breakthrough was made in the negotiations in Dubai where all countries agreed to commence negotiations, progress was made on negotiations and it was agreed to work towards concluding an agreement in 2016.

The Montreal Protocol is seen by most countries and industries as an appropriate mechanism to manage HFCs. It has a track record in phasing out over 98% of ozone depleting substances. The proposed HFC phase down would use a similar approach to that used for the phase out of HCFCs with imports gradually reduced over a 20 year period. However a small quantity, potentially 15%, would remain for on-going use. This provides long term certainty for industry to transition to alternative technologies and without the need to prematurely retire equipment.

This approach is consistent with the Australian Government's announcement of Australia's 2030 emission reduction target, which stated that Australia 'will show international leadership and encourage all countries to agree to a global HFC phase-down under the Montreal Protocol on Substances that Deplete the Ozone Layer. Australia will look to fast track work to reduce domestic HFC emissions by 85 per cent by 2036, in-line with the most ambitious phase-down proposals under the Montreal Protocol.'