

31 October 2025

Department of Climate Change, Energy, the Environment and Water

Submitted online



Regulation Impact Statement for Consultation: Energy Efficiency Policy Options for Heat Pump Water Heaters

The Australian Financial Markets Association (AFMA) is responding to Department of Climate Change, Energy, the Environment and Water's (DCCEEW) Regulation Impact Statement for Consultation: Energy Efficiency Policy Options for Heat Pump Water Heaters.

AFMA is the leading industry association representing Australia's financial markets - including the capital, credit, derivatives, foreign exchange, and other specialist markets such as gas, carbon, electricity and environmental products. We have more than 130 members, from Australian and international banks, leading brokers, securities companies, and state government treasury corporations to fund managers, energy firms, and industry service providers. AFMA members include many of the major participants in Australia's environmental product markets, including the Small-scale Technology Certificate (STC), Victorian Energy Upgrades (VEU) Scheme and NSW's Energy Savings Scheme (ESS).

Key Points

- **Ensure communication and collaboration with state-based schemes to minimise any market impact.**
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AFMA's submission focuses on the potential impact of these changes on commonwealth and state-based environmental products markets.

We support the intent to introduce a minimum energy performance standard (MEPS) with a measurement approach as an opportunity to harmonise standards across state-based and commonwealth environmental product schemes. We agree this has the potential to lower the regulatory burden and potentially costs over the long term.

AFMA urges DCCEEW to work with state government and scheme regulators to minimise any disruption to the STC, VEU and ESS markets caused by the introduction of MEPS.

AFMA would welcome the opportunity to discuss this submission further and would be pleased to provide further information or clarity as required. Please contact Monica Young via myoung@afma.com.au or 02 9776 7917.

Yours sincerely,

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