

Please complete the below table and return your responses to NEPPSecretariat@environment.gov.au by **Monday 12 August 2019**.

Trajectory for existing Commercial Buildings stakeholder response form	
General questions:	
Do you have any suggestions for other policies which should be modelled?	<ul style="list-style-type: none"> - Governments must invest to upgrade the properties that they own using frameworks like the Victorian Greener Government Buildings (GGB) Program and NSW Government Resource Efficiency Program (GREP). The vast majority of energy used by governments is from owned, not leased buildings, such as hospitals, schools, defence and justice facilities. While minimum lease standards for government occupied buildings are important they will generally only impact office space, which is a small fraction of government occupied space. - Governments must introduce minimum standards for leased commercial buildings. The UK has introduced minimum standards for both commercial and residential properties via the <i>Energy Efficiency (Private Rented Property) (England and Wales) Regulations</i> in 2015. Minimum standards should be based on NABERS ratings. This is discussed in the Energy Efficiency Council's new report <i>'The World's First Fuel'</i>
Do you have any comments generally that you wish to make?	
Policy 1: Strengthen & enforce existing minimum standards.	<i>Progressive introduction of energy performance requirements for existing buildings, such as annual metering calibration, to lead into HVAC system tuning/recommissioning.</i>
Barriers or challenges to be addressed:	<i>20% to 30% HVAC oversizing is common (according to the CRC for Construction Innovation); Best practice maintenance carried out with a focus on energy efficiency can deliver utility cost savings of 10-40% when compared with poor maintenance (AIRAH).</i>
What are the key considerations that need to be taken into account if this policy was to be implemented?	
Do you have any experiences which could provide a case study or other sources of information which could be helpful for understanding the impact of and modelling this policy?	

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Do you have any other comments on this policy suggestion?	The EEC broadly supports this proposal.
a) Progressive introduction of energy performance requirements in the Code for existing buildings.	
Please provide any comments you have on this aspect of the policy.	The EEC broadly supports this proposal.
b) 3 yearly review of policy settings for existing non-residential.	
A 3 year cycle has been chosen to align with NCC reviews. Is this frequent enough or too frequent? Why?	The EEC broadly supports this proposal.
c) Providing greater clarity (and less discretion) about the circumstances in which Section J is triggered for existing non-residential buildings.	
Please provide any comments you have on this aspect of the policy.	The EEC broadly supports this proposal.
d) Harmonising the NCC triggers with other jurisdictions.	
Please provide any comments you have on this aspect of the policy.	The EEC broadly supports this proposal.
e) Providing focused advice, training and assistance for industry to comply with harmonised NCC requirements.	
Do you have any experience or sources of information which indicates the success or failure of different forms of training on awareness of standards and codes for your sector?	The EEC broadly supports this proposal.
f) Making greater and focused efforts to enforce harmonised NCC provisions, including undertaking audits and enforcement action where breaches are discovered.	
Are there relatively clear but un-intrusive methods which could be used to uncover NCC compliance issues within your sector?	
Is it likely that audits would uncover NCC compliance issues within your sector?	
Policy 2: Mandatory energy performance standards.	<p><i>Mandatory annual disclosure of energy performance of all non-residential buildings by way of either:</i></p> <p><i>1. Lodging minimum set of energy performance & last refurb. information (e.g. by way of online portal/questionnaire)</i></p> <p><i>2. OR a NABERS rating</i></p> <p><i>Could be incentivised into action with mandatory annual disclosure, including:</i></p> <ul style="list-style-type: none"> <i>* physical labels in foyers, as per the Energy Performance in Buildings Directive in Europe</i> <i>* plus disclosure in annual reports</i>

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Barriers or challenges to be addressed:	<i>Fewer commercial buildings (e.g. mid-tier offices, public hospitals, schools and universities, hotels, etc.):</i> <i>a) are likely to have greater energy efficiency opportunities, because the market based incentives for energy efficiency are weaker;</i> <i>b) can lack triggers for refurbishment such as sale or lease, requiring artificial triggers to incentivise action maintenance contracts;</i> <i>c) can have incomplete or asymmetric information, such as landlords or tenants not having a good understanding of the benefits of energy efficiency</i> <i>c) tend not to be professionally managed (e.g. by large property institutions) but rather operated under simple maintenance contracts;</i> <i>d) can have incomplete or asymmetric information, such as landlords or tenants not having a good understanding of the benefits of energy efficiency</i>
What are the key considerations that need to be taken into account if this policy was to be implemented?	Mandatory disclosure must ABSOLUTELY be based on NABERS ratings for those buildings where NABERS tools exist. NABERS is an extremely simple tool – all it does is verify energy use and key benchmarking parameters so that ratings are robust and comparable. NABERS ratings offer the MINIMUM detail that is required for disclosure.
Do you have any experiences which could provide a case study or other sources of information which could be helpful for understanding the impact of and modelling this policy?	
Do you have any other comments on this policy suggestion?	The EEC broadly supports this proposal but strongly recommends the use of NABERS rating tools for the sectors that they are available for.
a) Mandatory disclosure of information for all government buildings.	
Please provide any comments you have on this aspect of the policy.	The EEC broadly supports this proposal but strongly recommends the use of NABERS rating tools for the sectors that they are available for.
b) Mandatory annual disclosure of energy performance of all non-residential buildings.	
Data privacy was considered to be a potential issue when the CBD program was first begun, but it has not been a real issue since the program began. Do you foresee any issues that might apply for different building types/classes and industry sectors that don't apply to office buildings?	
Please provide any comments you have on this aspect of the policy.	The EEC broadly supports this proposal but strongly recommends the use of NABERS rating tools for the sectors that they are available for.

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Policy 3: Mandatory minimum standards for Govt. procured buildings	
Barriers or challenges to be addressed:	<p><i>Government used buildings (e.g. mid-tier offices, public hospitals, schools and universities, hotels):</i></p> <p><i>a) Lack market based incentives for energy efficiency;</i></p> <p><i>b) Lack triggers for refurbishment such as sale or lease, requiring artificial triggers to incentivise action rather operated under simple maintenance contracts;</i></p> <p><i>c) Can have incomplete or asymmetric information, such as lack of understanding of the benefits of energy</i></p> <p><i>d) For medium to smaller buildings tend not to be professionally managed (e.g. by large property institutions) but rather operated under simple maintenance contracts;</i></p> <p><i>d) Can have incomplete or asymmetric information, such as a lack of understanding of the benefits of energy efficiency</i></p>
What are the key considerations that need to be taken into account if this policy was to be implemented?	<p>As noted earlier, minimum standards for procurement are not enough and are not the most cost-effective way forward. Governments must invest to upgrade the properties that they own using frameworks like the Victorian Greener Government Buildings (GGB) Program and NSW Government Resource Efficiency Program (GREP). The vast majority of energy used by governments is from owned, not leased buildings, such as hospitals, schools, defence and justice facilities. While minimum lease standards for government occupied buildings are important they will generally only impact office space, which is a small fraction of government occupied space.</p>
Do you have any experiences which could provide a case study or other sources of information which could be helpful for understanding the impact of and modelling this policy?	Yes – contact EEC.
Do you have any other comments on this policy suggestion?	The EEC strongly supports the intent of this proposal, but on its own it is insufficient. It needs to be complemented by programs similar to the GGB Program and GREP.
Policy 4: Minimum requirements with financial support	<i>Performance based financial support</i>

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Barriers or challenges to be addressed:	<p><i>The 'free rider' problem can dilute applicants who have genuine financial barriers, leading to poor energy efficiency improvement despite grant funding such as for energy audits.</i></p> <p><i>Non-financial barriers including motivation, expertise, etc. can be a common cause for inertia which financing alone will not address.</i></p> <p><i>Linking funding to actual performance will help to sort through to those with genuine financial barriers, serious enough to follow through from feasibility to investment</i></p>
What are the key considerations that need to be taken into account if this policy was to be implemented?	<ul style="list-style-type: none"> - Energy Efficiency Schemes / Obligations are highly effective. While harmonisation of the current schemes into a national scheme is one option, retaining existing state schemes, introducing schemes into Queensland, Western Australia, Tasmania and the Northern Territory and harmonising key features would deliver similar benefits and may be simpler. - Energy Efficiency Schemes have proven highly effective at driving market transformation in specific products, such as commercial lighting. So far they have been less effective at driving whole-of-building upgrades, but this may evolve over time. - In terms of additional incentives, it would be sensible to focus on policies that incentivise meeting certain whole-building performance levels. One highly-motivating but revenue-neutral approach would be differential council rates, with higher rates applied to buildings that are rated at below 3 star NABERS, and lower rates applied to buildings rated at over 3 star NABERS.
Do you have any experiences which could provide a case study or other sources of information which could be helpful for understanding the impact of and modelling this policy?	
Do you have any other comments on this policy suggestion?	The EEC supports the intent of this proposal.
Linking financial assistance to requiring sharing/disclosure of detailed project information for the benefit of others considering similar investments	
Do you have any other comments on this policy suggestion?	
Policy 5: Minimum standards for building fabric and equipment	<p><i>Implementation of a MEPS-like (minimum energy performance standards) approach for technologies (e.g. space heating, glazing, framing and insulated ducting). And consider providing flexibility for site differences. E.g. different capacity chiller ratings currently require separate registrations. This could</i></p>

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	<i>potentially be more streamlined.</i>
Barriers or challenges to be addressed:	<i>Gaps in technology coverage of minimum standards Potentially unnecessary administration costs</i>
Implementation of MEPS to building related products where Benefit to Cost Ratio > 1	
What are the key considerations that need to be taken into account if this policy was to be implemented?	
Do you have any experiences which could provide a case study or other sources of information which could be helpful for understanding the impact of and modelling this policy?	
Do you have any other comments on this policy suggestion?	The EEC supports this proposal.