



Lord Mayor Clover Moore
City of Sydney
GPO Box 1591
SYDNEY, NSW, 2001

Via email: sydneyyoursay@cityofsydney.nsw.gov.au

17 August 2016

Re: Draft Environmental Action 2016–2021: Strategy and Action Plan

Dear Lord Mayor,

Thank you for the opportunity to comment on the City of Sydney's *Draft Environmental Action 2016–2021: Strategy and Action Plan* ('SAP'). The Energy Efficiency Council ('EEC') is the peak body for energy efficiency in Australia. The EEC brings together our nation's top experts in energy efficiency to support the development of ambitious, stable and cost effective policy and programs. This submission sets out the EEC's views on the content and recommendations of the draft SAP.

We note that the City of Sydney has maintained its commitment to a 70 per cent reduction in greenhouse gas ('GHG') emissions across the local government area by 2030, and adopted new targets of 50 per cent of electricity demand met by renewable sources by 2030, and net zero emissions by 2050.

Energy efficiency is the single largest opportunity for achieving the City's ambitious 2030 emission reduction target, and this is recognised in both the SAP and the City's *Energy Efficiency Master Plan 2015* ('EEMP'). The EEMP set a pathway for genuine action and we encourage the City of Sydney to ensure the vision and actions of the EEMP are maintained under the SAP.

Given the contribution of existing buildings to the City's GHG emissions, the EEC supports the strong focus on and actions targeting both new and existing buildings. As detailed in EEC's recently released *'Australian Energy Efficiency Policy Handbook'*, we support the call for higher BASIX targets for residential buildings and increasing minimum standards and compliance in the National Construction Code.

The EEC also supports the City of Sydney's work to encourage building owners to go beyond NSW's minimum building standards through NABERS commitment agreements. The EEC's Policy Handbook recommends that locations such as Sydney could be recognised as one of a number of specified 'innovation zones' that push the envelope of building standards.

While improving outcomes in new buildings is critical to avoid lock-in of poor asset performance, existing buildings represent the largest opportunity for energy and GHG savings to 2030 and require a different set of interventions. There are significant differences between the office, retail and accommodation sectors, and also significant differences within each sector. The EEC strongly supports the City's development of sector sustainability plans for priority sectors, and encourages cooperation with State and Federal Governments to trial sector specific approaches that can ultimately affect change nation-wide. In particular, comprehensive building tune-up and retrofit



programs for non-residential buildings in priority sectors will be crucial, and the EEC is especially well placed to assist with their design and execution.

The EEC also recommends the introduction of minimum lease standards by 2020, potentially requiring a minimum NABERS Energy rating (e.g. 3 stars) for any building that is leased out. To support moving to minimum lease standards, we recommend the City explore introducing transitional incentives, such as differential environmental levies that reward better performing buildings.

The EEC recognises the City's role as an influencer and collaborator in realising the vision of the SAP. Success will require all levels of government, businesses, residents and other stakeholders to work in partnership with the City of Sydney.

However, as the owner and driving force of the draft SAP, it will be critical that the actions for which the City of Sydney has full control are appropriately financed and that staff appropriately resourced and empowered to drive implementation. The draft SAP includes only select details of committed funds from the City of Sydney for implementation. The EEC looks forward to further announcements from the City of Sydney on funding that is commensurate to the ambition of this important program.

Again I offer our congratulations on demonstrating such strong environmental leadership. The EEC welcomes the opportunity for continued engagement over the coming months and years as the City of Sydney moves to implement the actions of the SAP. If you have any questions, please contact Shauna Coffey, Head of Projects at shauna.coffey@eec.org.au or 0410-227-031.

Yours sincerely

A handwritten signature in black ink that reads "Luke Menzel". The signature is written in a cursive, slightly slanted style.

Luke Menzel
Chief Executive Officer