



Dear Commercial Buildings Policy Team,

The City of Darwin, Environment and Waste Team is pleased to provide this submission to the Commercial Building Disclosure (CBD) Expansion Consultation. This submission reflects City of Darwin's environment and climate change priorities along with considerations provided by City of Darwin's Property Team.

Since 2010, when the CBD Program commenced, it has proven effective in increasing the energy efficiency, and reducing greenhouse gas emissions from disclosure affected office buildings. Its impact in Darwin, however, is currently limited to the small number of commercial office buildings with floor space greater than 1,000 square metres.

A well-planned and considered expansion of the CBD Program to include more commercial building types, more ownership structures, and smaller floor space thresholds has the potential to benefit the Darwin community by:

- Reducing energy costs and greenhouse gas emissions
- Reducing loads on the electricity network, thereby improving grid reliability and stability, and reducing the need for network infrastructure upgrades, which could enable lower cost electrification of other parts of the economy

These outcomes strongly align with City of Darwin's <u>Climate Emergency Strategy 2030</u>; particularly the following actions:

- Support the Darwin community to achieve net-zero emissions by 2040
- Advocate for clear disclosure of climate risks for properties in Darwin
- Strengthen Energy Efficiency Standards: Advocate adoption of minimum building standards for the Territory and Darwin community
- Empower Consumer Decision-making: Empower consumers to make better informed decisions to avoid and minimise emissions
- Retrofit City of Darwin-owned and leased buildings with energy-efficient technologies
- Implement an energy efficiency policy for City of Darwin with ambitious minimum standards for Council owned and leased buildings
- Adopt energy rating consistent with existing standards and schemes such as National Construction Code (NCC) Section J, Green Star and NABERS energy rating system for Council owned and leased buildings.



Given Darwin's relatively small size and remoteness from other major population centres, we currently have low industry capacity and maturity in undertaking energy assessments and energy efficiency upgrades. This could be improved by the CBD Program expanding first to larger building types and sectors mature in energy efficiency, that would help increase demand and lower costs for these services over time. Also, government funding support would be required to subsidise energy assessments and efficiency upgrades as the program expands to smaller building types and less mature sectors.

The Community Energy Efficiency Upgrades Program is a good example available to local governments, where available funding could be increased to support more upgrades to commercial properties owned and managed by local government; noting that most City of Darwin commercial property is leased to community and not-for-profit organisations and full market value returns are rarely achieved. Similarly, for small and medium enterprises in Darwin, increased funding would need to be made available through Energy Efficiency Grants or similar.

If implemented with the above considerations, City of Darwin believes the CBD Program expansion would be highly beneficial to the Darwin community, and also support achievement of City of Darwin's Climate Emergency Strategy 2030 and target to achieve net-zero community emissions by 2040.



