



KYLEA TINK MP

Independent Federal Member for North Sydney



Commercial Buildings Policy Section
Department of Climate Change,
Energy, The Environment and Water
GPO Box 3090
Canberra ACT 2601

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Dear Department,

Thank you for the opportunity to contribute to consultation. I welcome the government's intention to expand the Commercial Building Disclosure (CBD) program and introduce minimum energy performance standards (MEPS).

In my urban electorate of North Sydney, we have abundant office space, industrial precincts (including data centres), shopping centres and separate retail, hospitals, schools, swimming pools, civic buildings, places of worship and more. Much of the electorate's building energy consumption is from commercial and public building classes.

As such, to achieve our Paris Agreement emissions reduction targets we must prioritise and accelerate built environment decarbonisation and efficiency.

1. What are your views on expanding the CBD Program to different types of commercial buildings in line with the suggested road map?

I am very supportive of mandatory disclosure across both commercial and residential buildings. While the timetable provided in the document is reasonable, accelerating the timeline would be advantageous, particularly for property types that are known to be large energy consumers such as data centres, cold stores, supermarkets, swimming pools and hospitals.

The rationale for the four groups is slightly unclear, as some of the categories in Group 3 and potentially Group 4 already have existing National Australian Built Environment Rating System (NABERS) rating tools. Given this, I suggest the roadmap be condensed into offices; other classes for which there are existing NABERS rating tools; and other categories.



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Additionally, I recommend that the roadmap be aligned with the emissions reduction trajectory necessary to meet Australia's obligations to hold global temperature increase to 1.5 degrees. With the Climate Change Authority recently recommending a 2035 target of 75% of 2005 emissions and net zero by 2040, there is no time to waste. The CBD expansion would need to be matched with a significant commitment to workforce development, including NABERS assessors, engineers, building services equipment manufacturers and installers, etc. This workforce development presents a significant economic upside to retrofitting existing buildings.

2. Where should disclosure information (e.g. energy ratings) be displayed? Some examples include on advertising (including online advertising), on your business website, in the foyer.

I support the display of disclosure information on advertising and for property types, that seldom change hands (such as civic buildings), display in the lobbies and on web sites is appropriate.

3. What should trigger disclosure? Some examples include on sale or lease, or a periodic trigger such as yearly or once every two years.

When mandatory disclosure is introduced for a property class, there should be a minimum period for each building to be rated, noting that the first rating may be onerous given the need to obtain information that may not be readily available, particularly for small to medium sized businesses. Thereafter, the key triggers to require a new rating would be in conjunction with capital works that change the building's energy performance; and ensuring a rating is current prior to sale/lease transactions. As such, a rating every two years is appropriate.

4. Who would be most interested in your energy use?

As the Federal Member for North Sydney I am very interested in tracking the aggregate performance of buildings in the electorate and recognising those that have made significant improvements.

Through my Powering to Net Zero working group and website, I have made it simpler and more affordable for people and businesses in North Sydney to take the steps to electrification, by providing easy access to a range of credits, rebates, information and other assistance offered by the Federal and NSW State Governments and local councils.

In this context, information regarding the energy performance of buildings is extremely useful.



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For example, it would be useful to develop an interactive dashboard that allows users to explore ratings by area (e.g. suburb or LGA) and property class; assess the rate of improvement over time; and “zoom in” on particular buildings of interest.

With mandatory ratings it will be possible to obtain much more accurate data about energy use and emissions, and I recommend the department plan to make that data freely available to researchers and other stakeholders.

5. What are the barriers to you getting and disclosing your building’s energy rating? What might be needed to help you overcome those barriers?

Building owners are understandably concerned about compliance costs, both to obtain mandatory ratings and to undertake building upgrades to comply with minimum ratings. It is critical that federal and state governments work with industry to ensure that there is an adequate pool of building assessors and that owners are not over-burdened with reporting compliance costs. Particular consideration should be given to small and family businesses, which are the backbone of our economy and may struggle to meet additional compliance requirements without targeted support.

Building upgrades associated with minimum ratings will carry significant costs, hitting the lowest performing buildings hardest – buildings where owners may often have limited capital to afford upgrades. It will be essential for federal, state and local governments to work with private sector finance providers to deliver innovative and affordable options such as Environmental Upgrade Agreements linked to rate payments, or finance linked to energy bill savings.

6. Should other information also be disclosed in addition to the NABERS energy rating? Possibilities include Scope 1 emissions from on-site activities (for example gas use, diesel use and refrigerants) or the NABERS Renewable Energy Indicator which displays the proportion of the building’s energy that comes from on-site renewable energy generated and off-site renewable energy procured.

The inclusion of the Renewable Energy Indicator (REI) is essential. Additionally, I recommend the minimum energy performance standard be ratcheted to a point that it includes an REI of near 100% (representing a fully electrified building backed by renewable electricity, noting that the timing of the scheme’s roll out should align with the electricity grid achieving near 100% renewable generation).

I would also encourage additional disclosure of refrigerants (commencing with high refrigerant property classes including cool stores, supermarkets, data centres, etc.).



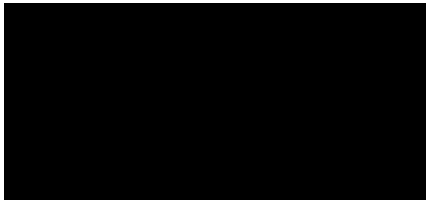
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7. What are your views on the use of minimum energy performance standards to improve the energy efficiency of commercial buildings?

I am very supportive of the introduction of minimum energy performance standards including a legislated ratchet mechanism as I believe it would play an important role in helping us meet our Paris Agreement commitments in the built environment sector, given that much of our existing building stock will be with us for many decades to come.



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