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24 August 2012

Submission – Review of the NABERS ruling Proportioning of Energy used by Cogeneration or Trigeneration Systems

IBM is pleased to provide this submission in response to the consultation paper *Review of the NABERS ruling: Proportioning of Energy used by Cogeneration or Trigeneration Systems*

IBM is in support of a ruling that recognises all emissions and especially promotes a commitment to carbon reduction and energy efficiencies. We believe NABERS was designed to encourage and reward environmental performance and therefore it is important to reflect the true environmental benefit of cogeneration and trigeneration systems which are increasingly being considered for district-level applications beyond individual buildings.

IBM is an active participant in the *Climate Smart Precinct Initiative* led by the Climate Group. We are working with them and a group of leading businesses and governments to test policies, technological concepts and new business models that will lead to the development of precinct-wide approach to urban growth and redesign.

Increasingly, through our global Smarter Cities engagements with multiple clients, we are being challenged to develop solutions that are instrumented, interlinked, and intelligent on a holistic scale. Naturally, cogeneration and trigeneration are important to some of these discussions and are likely to feature in new projects here in Australia provided that the regulatory requirements are not overtly intrusive.

It is important to understand that precinct cogeneration and trigeneration – involving the collaboration of multiple local building owners - offers an exciting new financial and environmental outcome when contrasted with single building cogeneration/trigeneration. The market is evolving towards this space and this innovation should be supported through flexible planning policy. Precinct cogeneration/trigeneration has the potential to offer commercial buildings more cost effective, technically straight forward and scalable access to the emissions reductions compared to in-building installations.

IBM is in support of the Climate Group's submission to this review which believes the regulatory environment (including NABERS) should account for and encourage decentralised energy generation and distribution systems designed to operate at the precinct level, rather than those

located strictly within the boundaries of a single property or at a more state based level. Moreover, we also agree with them that this is an important general concept that applies to small scale renewable energy, where energy may be supplied both behind the meter, and to adjoining properties that have a shared stake in the infrastructure.

While our submission supports their response, we do not seek to outline those recommendations in detail herein. In general, IBM believes that any policies and regulations which may restrict innovation and prove to be a road block to the growth of an emerging and important new energy generation industry in Australia requires further technical review. The concerns outlined by the co/tri-generation sector and those set to take advantage of this current trend towards embracing the dynamics of a clean energy future driven by innovative technologies should be well considered.

IBM appreciates the opportunity to make this submission in response to the consultation paper. We would be happy to elaborate on the comments in this submission or to provide further information, if necessary. In this regard you may contact either Josh Millen, Smarter Cities Business Development Specialist at jmillen@au1.ibm.com or Michael Chanell, Environmental Manager at mchanell@au1.ibm.com.

About IBM

IBM creates business value for clients and solves business problems through integrated solutions that leverage information technology and deep knowledge of business processes. IBM solutions typically create value by reducing a client's operational costs or by enabling new capabilities that generate revenue. These solutions draw from an industry leading portfolio of consulting, delivery and implementation services, enterprise software, systems and financing.

IBM's longstanding commitment both, locally and globally, to environmental leadership arises from two key aspects of its business: the intersection of the company's operations and products with the environment, and the enabling aspects of IBM's innovation, technology and expertise. IBM's operations can affect the environment in a number of ways. For example, our data centre operations are generally energy-intensive, and some of our manufacturing processes use a considerable amount of energy, water or both. We continually look for ways to reduce consumption of these and other resources.

We design our products to be energy-efficient, using environmentally preferable materials that are capable of being reused, recycled or disposed of safely at the end of their useful lives. And as we incorporate more purchased parts and components into our products, our requirements for suppliers' overall environmental responsibility and the environmental attributes of the goods those suppliers provide to IBM are important as well.

IBM also applies its expertise, research and technology to develop solutions that can help our company and our clients be more efficient and protective of the environment. We offer the resulting innovation to help the world discover leading-edge solutions to some of the world's most challenging scientific and environmental problems.

Yours Sincerely,



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