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30 August 2012

Yma ten Hoedt
Principal Program Manager
Built Environment Section
Office of Environment and Heritage
Department of Premier and Cabinet
59 – 61 Goulburn St
Sydney NSW 2000

Dear Ms ten Hoedt

CONSULTATION POSITION PAPER - REVIEW OF THE NABERS RULING

Places Victoria welcomes the opportunity to comment on the position paper prepared regarding the treatment of co/tri-generation in NABERS Energy ratings.

Places Victoria delivers urban renewal outcomes in metropolitan Melbourne and strategic locations in regional Victoria. The organisation facilitates large-scale urban renewal for residential and mixed-use purposes while implementing Victorian Government urban planning and development policies. Places Victoria's primary focus is on precinctual renewal and strategic infill sites.

Urban redevelopment provides a major opportunity to reduce the carbon pollution from our cities. As such, Places Victoria is pursuing precinct-wide co/tri-generation solutions as a cost effective means of achieving energy efficiency outcomes and reducing environmental impacts in a number of its urban development projects. There are a number of benefits that this type of district approach offers, including capital and operational cost savings, environmental savings, as well as potential network benefits.

The position paper indicates that co/tri-generation should be recognised at an individual building level due to its improved energy efficiency benefit, as well as the reduced carbon pollution impacts. Places Victoria believes that this principle should be extended to include precinct-wide solutions, where the economies of scale can further improve the efficiency and environmental outcomes.

In the event that the low emission benefits derived from connecting to a precinct-scale co/tri-generation system are not recognised, customers will not receive the marketing and commercial value of higher NABERS ratings. Customers may, therefore, be less willing to connect to precinct energy schemes, which could in turn jeopardise the current momentum of this proven technology and emerging investment model.

For individual buildings, a NABERS Accredited Assessor can account for the co/tri-generation system to prepare a rating certificate. Places Victoria believes that the same methodology could be used to apportion the low emission electricity and thermal energy to customers within a precinct until such time that there is a national accreditation process for low carbon power from co/tri-generation plants.

We would welcome the opportunity to provide further detail on the comments above, or to share relevant information from our experience in delivering precinct-wide energy solutions, such as the Dandenong Precinct Energy Project. Should you wish to discuss this further, please contact Nick Shashkoff (Director – Infrastructure, Places Victoria) on 03 8317 3844.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'S Sangster', with a horizontal line extending to the right.

SAM SANGSTER
Chief Executive Officer