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

The Climate Group 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” (published 27 July 2012).

The Climate Group is an independent global non-profit organization. We operate in seven countries including the US, China, India, the EU and Australia. Our mission is to accelerate the growth of a global low carbon economy; a clean industrial revolution that will unleash a new wave of economic growth and job creation.

Since 2004, we’ve been working with governments, business leaders and the world’s most influential individuals to drive the policies, technologies and investment we need to massively scale-up clean energy, clean technologies and energy efficiency – and make them commercially viable.

The Climate Group appreciates the recognition shown in this review for district-level energy systems as a means to provide cost-effective low-emission heating, cooling and electricity services. This is consistent with our role in convening the Climate Smart Precinct Initiative, which aims to build low carbon, climate resilient precincts where it is easier to make sustainable choices. This is achieved through a coalition of leading businesses and governments working with flagship urban precincts to test the policies, technologies and new business models that will lead to a precinct-wide approach to urban growth and redesign.

In order to support this approach, we believe the regulatory environment (including NABERS) should account for energy systems designed to operate at the precinct level, rather than those located strictly within the boundaries of a single property. While the consultation paper deals with co/trigeneration, we believe 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.

Accordingly, we would like to comment on two specific aspects of the consultation paper.

**Issue 4: How should low/zero emissions energy externally supplied to a building be treated in a NABERS Energy rating?**

While the consultation paper supports the development of an accreditation standard for co/trigeneration electricity emissions values supplied from external equipment, we feel that the provision for allocating standard grid emission values in the interim is overly conservative. Together with the provision for considering

imported thermal co/trigeneration energy on a case-by-case basis, we are concerned that these measures will create uncertainty, and risk the viability of existing and planned projects.

We therefore feel it is important to enact transitional arrangements that protect existing investments and encourage innovation, and develop an appropriate accreditation process as quickly as possible to eliminate any ongoing uncertainty.

**Issue 5: How should NABERS communicate the use of low/zero emissions electricity in a rating to assist industry in understanding both the environmental performance and energy efficiency of a building?**

The consultation paper proposes treating external co/trigeneration electricity on a similar basis to GreenPower, which is recognized by NABERS, but may not be used in advertising or on the Building Energy Efficiency Register. We agree with the need to disclose underlying building energy efficiency (e.g. thermal performance); however electricity provided via precinct level systems has several distinguishing characteristics which we feel warrant inclusion in reportable energy efficiency ratings. (1) It is linked to permanent infrastructure within a precinct, not an ad-hoc service. (2) It is local, and designed to suit the demand profile of buildings within the precinct. (3) The electricity user often has a direct interest (e.g. co-ownership) in the generation infrastructure.

In general, we wish to advocate for an increased scope of NABERS beyond the confines of a single building rating tool. Consideration of energy systems across a precinct can offer benefits, in terms of both cost-effectiveness and emissions savings, that exceeds what is achievable within the envelope of a single building.

The Climate Group appreciates the opportunity to make this submission in response to the consultation paper. I would be happy to elaborate on the comments in this submission or to provide further information, if necessary. I can be contacted by email at [cbayliss@theclimategroup.org](mailto:cbayliss@theclimategroup.org) or by phone on +61 3 9668 5797.

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