

14 August 2019

Ms Jodie Pipkorn  
National Energy Productivity Plan Secretariat  
Commonwealth Department of Energy and Environment

Via email [NEPPSecretariat@environment.gov.au](mailto:NEPPSecretariat@environment.gov.au)

Dear Ms Pipkorn,

### **Trajectory for Low Energy Existing Homes: Discussion paper**

The Public Interest Advocacy Centre (PIAC) is an independent, non-profit legal centre based in New South Wales. Established in 1982, PIAC tackles systemic issues that have a significant impact upon people who are marginalised and facing disadvantage. We ensure basic rights are enjoyed across the community through litigation, public policy development, communication and training. The Energy and Water Consumers' Advocacy Program represents the interests of low-income and other residential consumers, developing policy and advocating in energy and water markets.

PIAC welcomes the opportunity to comment on the Trajectory for Low Energy Existing Homes discussion paper (the paper).

PIAC strongly supports the submissions to this process by RENEW and the Australian Council of Social Service (ACOSS). PIAC has worked closely with these and other organisations to develop a shared understanding of the crucial role that improved energy efficiency in residential buildings plays in supporting household health and well-being, improving energy affordability, and meeting the urgent climate challenge. In supporting the submissions from RENEW and ACOSS, PIAC highlights the following:

#### **An ambitious trajectory target for existing residential buildings must be the first priority**

While the paper outlines the role of this process as part of the wider trajectory process within the National Energy Productivity Plan (NEPP), it does not clearly state the need to set a trajectory target for existing residential buildings, and does not clearly link such a target to the trajectory for new residential buildings.

PIAC strongly supports this process setting a concrete trajectory target for existing residential buildings to be zero energy (and carbon) ready. This trajectory target must:

- Be an overarching priority at COAG level, with consistent priority implementation measures associated with the trajectory also agreed and committed to at a National level.

- Involve a target end date for zero energy (and carbon) existing buildings that is achievable, but ambitious, reflecting the significant benefits to be gained in improvements to residential energy efficiency, and the urgency of the climate crisis. For instance, a target may set 2050 as the date for all existing residential buildings to be zero energy (and carbon) ready. This could be measured according to an agreed rating and monitoring system, consistent with that applied to new buildings, to be developed in the first stage of the trajectory implementation process.
- Set equally ambitious interim targets that have increasingly stringent standards and expedite general improvements to the energy efficiency of existing residential buildings. This can be done by prioritising implementation measures that deliver the most significant gains (targeting buildings by type) and that are most likely to positively impact vulnerable or disadvantaged households such as private renters and social housing tenants.

**Policy priorities implemented as a result of the trajectory process must be systemic and scaleable, nationally consistent, and resistant to Governmental budget changes.**

Addressing the inefficiency of existing residential buildings on the scale required of the trajectory process necessitates consistency at a national level on an ongoing basis.

Accordingly, the process should identify and prioritise measures that:

- Are able to be consistently agreed and applied across all jurisdictions.
- Are resilient to differences and changes in jurisdictional and Commonwealth government funding priorities. This means that the policies should target standards, market and system changes that can not only be increased over the course of the trajectory, but are not directly reliant upon Government funding, and endure independently of any direct program funding.
- Enable and facilitate policies which leverage complementary investment and expand the accrued benefits of the trajectory target objectives. For example, minimum standards and mandatory ratings schemes can be enabled by tax incentives and other incentives that encourage investment to achieve health, energy system, or environmental benefits.

In this context, PIAC supports ACOSS and RENEW in strongly recommending that the Paper reframe the identified policies to prioritise:

- Development of a consistent, rigorous energy ratings system that can be applied to existing buildings.
- Mandatory disclosure of efficiency ratings for owner-occupied homes as a an interim stage towards mandatory minimum standards for homes at the point of sale.
- Mandatory minimum efficiency standards for rental homes with disclosure of efficiency standards at point of lease.
- Energy efficiency improvements to public and community housing that represent best practice in advance of the ultimate trajectory target.

### **Continued engagement**

PIAC welcomes the opportunity to continue to be involved in the trajectory process, and would be happy to meet with the Secretariat and other stakeholders to discuss these and other related issues in more depth.

Yours sincerely,

### **Douglas McCloskey**

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