

NEW REPORT IDENTIFIES 50 MEASURES TO HELP PROPERTY SECTOR MOVE TOWARDS NET ZERO CARBON BUILDINGS

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Australia's property sector is being urged to use readily available existing technologies to improve the long-term prospects for their properties, in a broader industry push towards net zero carbon buildings.

A new report from the Clean Energy Finance Corporation (CEFC) and consultants Norman Disney & Young (NDY) identifies 50 best practice initiatives that can be used across a wide variety of new and existing properties. The initiatives reflect the insights of major investors across the property sector, many of whom are at the forefront of Australia's clean energy transition.

CEFC property sector lead Chris Wade said the property sector was uniquely placed to be a major driver of energy efficiency, lower emissions and increased sustainability in Australia.

"Property accounts for almost a quarter of Australia's carbon emissions, confirming there is a pressing need for action in this area. Through this report, we are highlighting a wide range of clean energy technologies that currently aren't prescribed by the National Construction Code, but which are proven, readily available and can be deployed immediately," Mr Wade said.

"Importantly, these clean energy solutions offer property owners the potential to unlock billions of dollars in ongoing energy savings, and deliver positive investment returns. Two thirds of the initiatives have a payback period of less than 10 years, demonstrating the very strong commercial benefits of clean energy."

The report, [Energy in Buildings: 50 Best Practice Initiatives](#), details clean energy opportunities across a wide range of buildings, from offices, retail and hotels to industrial (e.g. warehouse, manufacturing and logistics), healthcare (e.g. hospitals and laboratories), common living (e.g. aged care and student accommodation) and education.

The practical guide indicates the climate zones where specific initiatives are likely to deliver the most positive benefits, and indicates potential upfront costs and typical payback periods.

Tony Arnel, Global Director of Sustainability at NDY said: "Greater availability of useful, practical information on efficiency measures will accelerate the market transformation needed to deliver high performance, low carbon buildings.

"It's also important to recognise that buildings designed now, for completion in two or three years, will enter a market where they will be competing with an increasing volume of higher performance building stock.

"This handbook will help guide investment decision making, drive the uptake of lower carbon and renewable energy solutions, and deliver real savings for asset owners and end users. NDY is proud to partner with the CEFC on this important resource. We hope these 50 best practice initiatives will encourage building owners to be more ambitious about the energy performance of their buildings, helping to reduce energy costs and position their assets for a low carbon future."

The peak body for sustainability in the built environment, the Australian Sustainable Built Environment Council (ASBEC) is supporting a push towards zero carbon buildings by 2050. It has reported that cost effective energy efficiency and fuel switching in buildings can more than halve their projected 2050 carbon emissions, with the use of distributed solar PV able to eliminate the remaining emissions. ASBEC points to initiatives such as the European Directive on Energy Performance of Buildings and the United Kingdom's requirement that all new non-domestic buildings be zero carbon by 2019, as examples of a global shift towards zero carbon buildings.

Mr Wade added: "The CEFC/NDY report provides clear evidence that clean energy isn't just about new buildings. In fact, most of the 50 measures can be applied to existing buildings, giving us confidence about the strong

potential for the property sector to take practical steps to lift energy efficiency while reducing energy costs and emissions.

“These measures will help the market adapt to rapid and continuous changes to technology and industry practice, which are seeing new technologies increasingly transition to standard practice, with lower costs.”

The report includes a number of familiar technologies, such as solar PV, LED lighting and improved heating, ventilation and air conditioning systems. Other best practice initiatives measures include:

1. Light colour and reflective external materials, which typically cost less than 0.1 per cent of the building’s cost to implement and pay back in less than five years
2. Data analytics for building management systems in existing buildings, which typically cost less than 0.3 per cent of the building’s cost and have an investment payback period of less than five years
3. Electronically commutated fans, using microprocessor-controlled brushless motors, which also typically cost less than 0.3 per cent of the building’s cost to implement and pay back in less than five years.

The CEFC has recently stepped up its investments in property, as part of its Sustainable Cities investment program. It’s substantial investment pipeline includes some 20 potential projects, seeking an estimated \$1.5 billion in CEFC finance, towards projects valued at more than \$5.5 billion.

CEFC investment commitments in the property sector include:

- A landmark \$170 million commitment to enable [St George Community Housing](#) to build 500 new energy efficient homes in Sydney.
- \$110 million equity in the [Investa Commercial Property Fund](#), the first Australian property company to commit to a Science Based Target of net zero emissions by 2040, supported by a work plan of carbon reduction programs.
- \$100 million equity in the [AMP Capital Wholesale Office Fund](#), targeting a portfolio of net zero carbon emission buildings by 2030.
- A \$68 million commitment as sole debt financier to [Quintessential Equity's](#) \$120 million 1 Malop St development in Geelong, which is targeting a 5.5 star NABERs rating.

ABOUT THE CEFC

The Clean Energy Finance Corporation invests, applying commercial rigour, to increase the flow of finance into the clean energy sector. Our mission is to accelerate Australia’s transformation towards a more competitive economy in a carbon constrained world, by acting as a catalyst to increase investment in emissions reduction. We do this through an investment strategy focused on cleaner power solutions, including large and small-scale solar, wind and bioenergy; and a better built environment, with investments to drive more energy efficient property, vehicles, infrastructure, and industry. The CEFC also invests with co-financiers to develop new sources of capital for the clean energy sector, including climate bonds, equity funds, aggregation facilities and other financial solutions. The CEFC operates under the Clean Energy Finance Corporation Act 2012. For more information, visit cefc.com.au

ABOUT NORMAN DISNEY & YOUNG

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