

# Response to Trajectory for Low Energy Existing Homes September 2019 Draft report

16 October 2019



## Introduction

We welcome the opportunity to submit to the National Energy Productivity Plan (NEPP) secretariat on the Trajectory for Low Energy Existing Homes September 2019 draft Report.

The signatories to this submission support a vision to eliminate poverty and inequality and create a fair, inclusive and sustainable Australia where all individuals and communities can participate in and benefit from social and economic life.

Improving the energy efficiency of existing homes is critical to achieving our vision. It will help the more than 3 million people experiencing poverty to reduce their energy bills, improve their health and wellbeing, reduce risk of homelessness and improve social equity. It will also contribute to a more sustainable future through reducing energy demand and greenhouse gas emissions contributing to the climate crisis.

To this end we welcome COAG Energy Ministers Council's interest in reviewing the opportunities to improve energy efficiency for existing homes and the work of the National Energy Productivity Plan (NEPP) secretariat in consulting and devising proposals outlined in this report.

We are supportive of many of the elements proposed in this Report and urge COAG Energy Ministers to act on it and our additional recommendations. The modelling in the most recent report finds that:

- If all policies were implemented in 2022 in all jurisdictions, they could deliver a net present value (NPV) of \$5 billion, reduce greenhouse gas emissions by 52.7 MtCO<sub>2-e</sub> and save 429.3 PJ of energy by 2050.

- However, if all policies were implemented three years later in in 2025 they could only deliver a net present value of \$3.4 billion and reduce greenhouse gas emissions by 40.3 MtCO<sub>2-e</sub> and 329.7 PJ of energy saved by 2050.

These figures are likely to be an underestimation of the potential value, as noted in the report the methodology used was conservative in its estimations. For example it only assumes a percentage of cost effective upgrades are undertaken and only includes houses and not apartments.

Further, we note that the modelling was unable to include co-benefits such as:

- Improvements to health and wellbeing
- Reduction in deaths due to extreme cold and heatwaves
- Job creation
- Improved resilience of the energy system
- Greater social equity
- Reduced risk of homelessness

We therefore believe the value and benefits of the proposed policies are significantly greater, than what was able to be modelled in the report.

The modelling also suggests that if the polices were implemented in line with the timetable recommended in this report, and with greater ambition regarding phasing i.e. straight to mandatory instead of voluntary disclosure, we can expect significantly greater NPV, emissions reduction and energy saving benefits.

We note that, in an environment of economic uncertainty, accelerating implementation of energy efficiency measures for existing homes will also support much needed economic stimulus.

We therefore believe that the early implementation of a systematic and comprehensive plan to improve the energy efficiency of existing homes will deliver substantial benefits to people, the environment and the economy and should be seen as a high government priority for immediate action.

## Summary of key points and key recommendations

### Key recommendations for the report

- We recommend the process to improve energy efficiency for existing homes is no longer referred to as “trajectory”. This is causing confusion with the related but broader need to set a trajectory to increase energy efficiency levels over time in line with the long-term goal of achieving zero energy (and carbon ready) homes.
- Include in the work plan a process to set long-term and interim targets to achieve zero energy (and carbon ready) for existing homes, ideally in line with the date that will be set for zero energy new homes.
- Solutions for people on low-incomes should be embedded in the mainstream policy options and dealt with through this process rather than be deferred to the Finkel review work program. Prioritising the implementation of mandatory minimum energy efficiency standards for rental homes including public housing and community housing, will be of significant benefit to people on low-incomes. A process to develop a financial support scheme to assist low-income owner-

occupiers assess and improve the energy efficiency of their homes should be included in the report's proposed work plan. We have made specific recommendations below.

- There is a need to differentiate between private, public, Aboriginal<sup>1</sup> and community housing rental homes as they present different issues, barriers and policy settings. Investing in improving the energy efficiency of public, Aboriginal and community housing should be prioritised by COAG and can be progressed in parallel to the other proposed processes.
- There must be recognition that owners of investment properties are making an active choice to provide a housing service and have responsibilities to provide a safe, affordable and decent home to their tenants.
- The inclusion of a section which highlights international examples would demonstrate that we are behind other comparable countries, what can be achieved in a short time frame, that we would be building on others' efforts, and would provide an important context for the debate.
- The report to recommend that in going forward the process should engage all stakeholders in the design process to co-create solutions and reduce risks of unintended consequences. Consideration should also be given to engaging research partners to help increase the effectiveness through applying research learnings, reduce poor execution and better evaluation.

### **Key recommendations for COAG**

- In 2019 COAG Energy Council *commit* to improving the energy efficiency of existing homes to achieve zero energy (and carbon) ready new homes, noting that some limitations may exist for some existing homes and exemptions may need to apply.
- In 2019 COAG Energy Council *commit to a process* to develop a long-term and interim targets for improving energy efficiency for existing buildings overtime in line with the goal of achieving zero energy (and carbon) ready new homes, noting that some limitations may exist for some existing homes and therefore exemptions may need to apply.
- COAG energy Council commit to introducing mandatory disclosure at point of sale, leading to mandatory efficiency standards for all homes over time.
- COAG Energy Council commits to prioritising support for low-income owner occupiers to improve energy efficiency of their homes and agrees to:
  - Establish an ongoing scheme to support low-income owner occupiers to undertake energy efficiency audits and upgrade the energy efficiency of their homes.
  - Undertake a review which would make recommendations by October 2020 on how the scheme would work including level and type of finance and who would administer the scheme.
- In 2019 COAG Energy Council members support the proposed work plan laid out in the report, including development of an energy efficiency rating tool. In addition commit to the following:
  - COAG Energy Council commits to setting mandatory minimum energy efficiency standards for private rental, public, Aboriginal and community housing.

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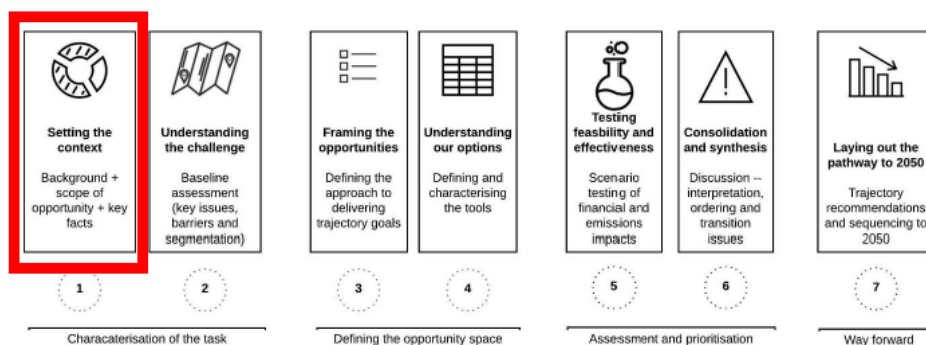
<sup>1</sup> Where we refer to Aboriginal housing we are inclusive of Aboriginal and Torres Strait Islander housing and include State owned and Managed Indigenous Housing (SOMIH), Indigenous Community Housing Organisations (ICHO) and housing provided under the National Partnership Agreement of Remote Indigenous Housing (NPARIH) and the NPARH which followed it.

- COAG Energy Council agrees to undertake further work to develop a national system to set minimum mandatory energy efficiency standards for private rental properties and consider financial incentives.
- COAG Energy Council commits to prioritise improving the energy efficiency of all public, Aboriginal and community housing, including apartments.
- COAG Energy Council agrees to jointly fund a program in first six months of 2020 to survey and collate information on public, Aboriginal and community housing conditions and existing improvement plans.
- COAG Energy Council and Housing Ministers use this information to update the multilateral and bilateral national housing and homelessness agreements (NHHA) with specific targets to improve energy efficiency in public, Aboriginal and community housing through upgrades or replacement.
- COAG Energy Council commits to work with Housing Ministers and the Community housing sector to develop a strategy and work plan to implement the targets to improve the energy efficiency of community housing, including appropriate time frames, financial incentives, and tenancy law reform.
- COAG Energy Council commits to work with Housing Ministers and Treasurers on an agreement to provide new funding to invest in improving the energy efficiency of all existing public and community housing and agree that future housing agreements will include additional funding to ensure new stock meets energy efficiency standards and to continue to improve the energy efficiency of public and community housing in line with national goal/trajectory.

The following outlines areas in the report that we think could be strengthened to support COAG’s decision making and makes additional recommendations to maximise the potential opportunities, especially for people on low-incomes.

## Detailed analysis and recommendations

### 1. Setting the Context



**1.1 Recommend differentiating between housing types** - The section on the existing housing sector should differentiate between different housing types. For example, research suggests that

building energy efficiency is worse in private rental and social housing than in the general housing sector.<sup>2</sup>

**1.2 Recommend including a comparison to international housing stock** - The analysis of existing housing sector should include a comparison of Australian housing stock to international housing stock. Research suggests that Australian homes have poorer efficiency than other developed countries. For example, according to research by Horne and Hales (2008) “Australian homes built to 2006 energy efficiency requirements generally achieve significantly lower thermal energy performance when compared to the international sample of modelled comparison dwellings”.<sup>3</sup>

**1.3 Recommend including a comparison of the international regulatory environment** - In setting the context, a comparison of Australian and international regulatory environments to demonstrate how international regulatory environments are improving the energy efficiency of existing homes.<sup>4</sup>

**1.4 Recommend outlining the multiple opportunities** - While the box at the beginning of chapter 1 suggests there will be a section on opportunities, no section exists.

The executive summary highlights that if all policies were implemented in 2022 and in all jurisdictions, they could deliver a net present value of \$5 billion and reduce greenhouse gas emissions by 52.7 MtCO<sub>2</sub>-e by 2050. Other opportunities and benefits should also be considered including: <sup>5,6</sup>

- Lower energy bills
- Improved physical and mental health and wellbeing of householders
- Job creation (both direct resulting from work flowing from efficiency investment, and indirect resulting from energy bill savings being spent elsewhere in the economy)
- Improved resilience of the energy system
- Improved resilience of homes and reduced deaths due to extreme cold and heat
- Poverty alleviation and improved social equity
- Reduced risk of homelessness
- Increase to disposable income

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<sup>2</sup> Relevant research includes:

- Better Renting (2019) [Baby it's Cold Inside: Energy Efficiency Rating in the ACT](#)
- QCOSS (2016) [Choice and Control? The experiences of renters in the energy market.](#)
- QCOSS (2018) [Shifting Power: Improving choice and control through energy efficiency minimum standards for rental housing in Queensland.](#)
- UNSW, City Futures research program, Shelter NSW Brief 61 (2017), [Equitable Density: The place for lower-income and disadvantage households in a dense city.](#)
- Shelter NSW (2019) [Poor quality housing and low income household's research: more evidence of system-wide failures in housing.](#) Brief no. 63.

<sup>3</sup> Relevant research includes:

- Horne, R, & C Hayles (2008) [Towards global benchmarking for sustainable homes: an international comparison of the energy performance of housing.](#) Journal of Housing and the Built Environment, 23, 2008, 119–130.
- ACEEE (2018) [The 2018 International Energy Efficiency Scorecard](#)

<sup>4</sup> Relevant research includes:

- EEC (2019) [The World's First Fuel: How energy efficiency is reshaping global energy systems,](#) June 2019.
- ASBEC (2018) [Built to Perform: An Industry Led Pathway to a Zero Carbon ready Building Code](#)

<sup>5</sup> <https://renew.org.au/wp-content/uploads/2019/07/Community-Joint-Statement-for-Healthy-Affordable-Homes.pdf>

<sup>6</sup> IEA (2014). Capturing the Multiple Benefits of Energy Efficiency, International Energy Agency. <https://webstore.iea.org/capturing-the-multiple-benefits-of-energy-efficiency>

Recognition of these diverse benefits increases the value of acting on improving energy efficiency of existing homes to households, the economy and the public in general.

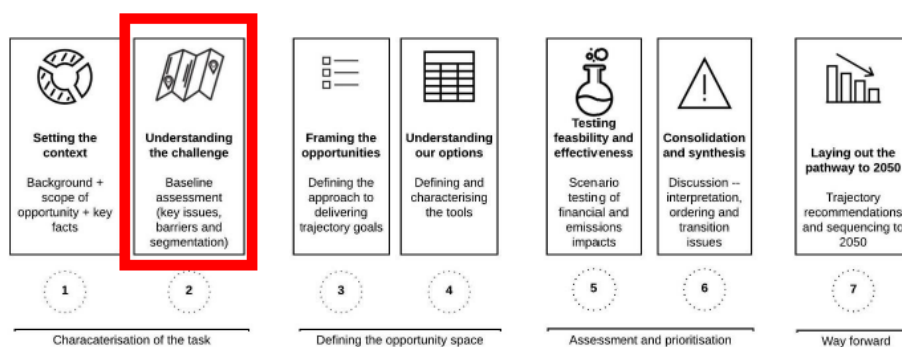
**1.5 Recommend outlining why investing in energy efficiency for existing home should be seen as a priority for Government** - If we are to convince Governments and key stakeholders to support measures to improve energy efficiency for existing homes, we believe the report needs to inject a greater sense of urgency upfront for acting on improving energy efficiency for existing homes. This can be achieved by aligning measures to broader policy challenges and noting the strong public support<sup>7</sup> for greater investment.

For example, there are 3 million people who live below the poverty line, and who are more likely to live in inefficient homes. Poor housing efficiency significantly contributes to unaffordable energy bills, poor physical health (and in some cases, hospitalisation or death), and poor mental health exacerbated by bill stress and social isolation. Improving the energy efficiency of existing homes will significantly reduce energy bills and improve physical and mental health of many people living on low incomes. We would argue there is a moral obligation on Governments to act to ensure the health and wellbeing of people and prevent avoidable loss of life.

Further, we have an urgent task to reduce carbon emissions consistent with limiting global warming to less than 1.5 degrees above pre-industrial levels. The climate crisis continues to hit people on low-incomes and those experiencing disadvantage first and hardest. We need to rapidly reduce our emissions to limit the impacts. Energy efficiency can play a key role in reducing emissions and improving the resilience of homes to extreme weather events such as heatwaves.

We feel this scene setting and sense of urgency are currently missing from the report and should be prioritised from the outset of the report.

## 2. Understanding the Challenges



### 2.1 Recommend the following changes to section “Issues associated with energy efficiency in existing homes”:

- Under the “health impacts” section include issues relating to mental health and well-being, including relating to financial stress and social isolation. See for example Low Carbon Living report *Mainstreaming Low Carbon Retrofits in Social Housing*.<sup>8</sup>

<sup>7</sup> ACOSS, Property Council and EEC (2018) Energy Bills and Energy Efficiency: Survey of Community Views by YouGov Galaxy. <https://www.acoss.org.au/wp-content/uploads/2018/04/EEC-Survey-online-FINAL-.pdf>

<sup>8</sup> Daly D, Halldorsson J, Kempton L, Cooper P, 2018, Targeted review of evidence of direct and co-benefits of energy efficiency upgrades in low income dwellings in Australia. CRC for Low Carbon Living

- Under the “affordability” section include reference to the number of people who are struggling to afford energy bills. For example, reference 3 million people who currently live below the poverty line.<sup>9</sup> Also worth noting that energy hardship is also affecting a growing number of households beyond the most disadvantaged. Recent analysis of AGL’s energy hardship program customers (representing around a quarter of all NEM customers) found that a large and growing cohort of customers experiencing financial difficulties were families on low to middle incomes with higher than average energy use.<sup>10</sup> It could also be noted that the split incentive is likely a greater barrier to energy efficiency measures than rental stress.
- Include homelessness as an issue associated with poor energy efficiency. See for example *All Australians Deserve a Healthy, Safe, Affordable home*.<sup>11</sup>
- Include issues associated with renters’ rights, where the lack of rights means people who rent are disempowered and have no choice and control. See for example *Choice and Control? The experiences of renters in the energy market*<sup>12</sup>, which highlights the considerable barriers for renters seeking to reduce energy costs and usage.

## 2.2 Recommend including the following changes to section on “Barriers to uptake”:

- **Split incentives** - The section on split incentives needs to acknowledge the difference between private, public and community housing rental and the unique barriers and policy settings in each.

Further, the split incentive affects decision-making beyond who has responsibility for paying for upgrades and who receives the benefits. It also describes the power imbalance between tenants and landlords in terms of tenants’ power to make decisions and demand upgrades to allow them to control their energy use through upgrades. For example, tenants may be reluctant to ask for upgrades for fear of “rocking the boat”. QCOSS’s Choice and Control report (mentioned above) found landlords often rejected requests for energy efficiency improvements even if it was of no cost to themselves. Tenants need to be able to make appropriate modifications without the landlord’s permission.

- **Ownership structure** - The section on ownership structure also needs to acknowledge the difference in ownership structure between private, public and community housing rental and the unique challenges this presents. For example:
  - Public housing (and a significant portion of community housing) is owned by State and Territory Governments and is subject to government policy and budget. It’s worth noting that investment in social housing for people on the lowest incomes, has shrunk from 5.6% to 4.7% of all housing over the past decade and a half.<sup>13</sup>
  - Community housing faces a number of barriers to improving energy efficiency in existing properties, including: regulation, lack of finance or financing models, lease

[http://www.lowcarbonlivingcrc.com.au/sites/all/files/publications\\_file\\_attachments/20180515\\_rev\\_dir\\_co-benefits\\_low-income\\_dwellings.pdf](http://www.lowcarbonlivingcrc.com.au/sites/all/files/publications_file_attachments/20180515_rev_dir_co-benefits_low-income_dwellings.pdf)

<sup>9</sup> ACOSS (2018) Poverty in Australia 2018, [https://www.acoss.org.au/wp-content/uploads/2018/10/ACOSS\\_Poverty-in-Australia-Report\\_Web-Final.pdf](https://www.acoss.org.au/wp-content/uploads/2018/10/ACOSS_Poverty-in-Australia-Report_Web-Final.pdf)

<sup>10</sup> Simshauser, P and Nelson, T. The Energy Market Death Spiral - Rethinking Customer Hardship, AGL Applied Economic and Policy Research, Working Paper No. 31

<sup>11</sup> <https://renew.org.au/wp-content/uploads/2019/07/Community-Joint-Statement-for-Healthy-Affordable-Homes.pdf>

<sup>12</sup> <https://www.qcoss.org.au/publication/choice-and-control-the-experiences-of-renters-in-the-energy-market-primary-tabs-viewactive-tabeditrevisions/>

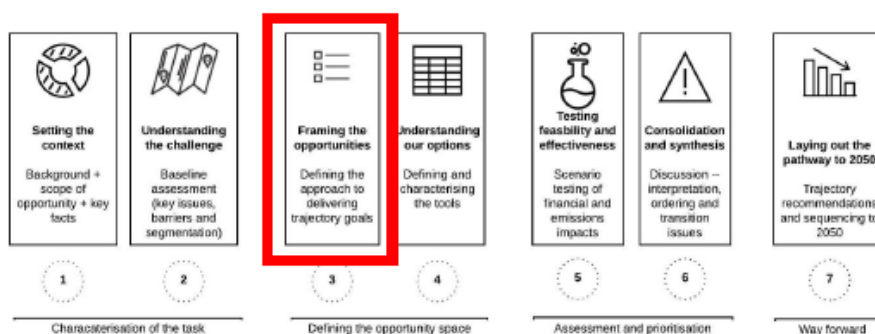
<sup>13</sup> Data from the Australian Institute of Health and Welfare, the Productivity Commission’s Report on Government Services (ROGS) and the Australian Bureau of Statistics. Cited in ACOSS policy priorities for the next Australian Government: Housing and homelessness, March 2019 <https://www.acoss.org.au/wp-content/uploads/2019/03/ACOSS-Pre-election-priorities-housing-homelessness.pdf>

periods and the fact that the majority of their housing is managed on behalf of the state.<sup>14,15</sup>

Further, there is no published information on the condition of public and community housing, which makes it difficult to know the extent of improvements required and estimated costs to retrofit.

- **Aboriginal and Torres Strait Islander peoples** – include a section which acknowledges the unique barriers facing Aboriginal and Torres Strait Islander people and their housing. See for example the [National Aboriginal and Torres Strait Island Housing Authority submission on the Closing the Gap refresh, \(2018\)](#).
- **Regional and remote communities** – include a section which acknowledges the unique barriers facing regional and remote housing, including the higher cost of implementing energy efficiency improvements and lack of access to qualified tradespeople and services, and noting the cessation of the Remote Housing NPA. Bulk installation programs often avoid rural areas as the economies of scale needed by private sector providers to achieve economic viability can be difficult to achieve.

### 3. Framing the opportunities



#### 3.1 Recommend including an additional criterion to determine policy options under section on Scope:

In addition to the following three areas identified in the report,<sup>16</sup> we suggest the following fourth focus be included to help identify policy options:

- Identifying options that deliver nationally consistent, broadly applicable, long-term, scalable, and flexible, systemic policy solutions.

<sup>14</sup> Community Housing Association (CHIA) Victoria have recently completed some research to explore financing options and business models to allow community housing organisations Across Australia to share the cost of their investment in clean energy solutions with tenants. The research provided insights into issues and barriers for community housing providers across different jurisdictions. Contact CHIA Vic for more information.

<sup>15</sup> QShelter have developed a guide for Queensland community housing providers that may assist in exploring opportunities and financing options [http://www.qshelter.asn.au/elements/2018/04/Energy-Management-for-CHPs\\_final-version.pdf](http://www.qshelter.asn.au/elements/2018/04/Energy-Management-for-CHPs_final-version.pdf)

<sup>16</sup> - Identifying those options/interventions with demonstrated effectiveness in driving improvements in existing housing stock.  
 - Determining the policy and program options that are capable of, or require, or would benefit from, national  
 - Implementation – i.e. through a national instrument or a harmonised approach supported by all jurisdictions.  
 Identifying other ‘best practice’ interventions that are recommended for individual jurisdictions to pursue through their own processes and legislative/regulatory frameworks.



### 3.2 Recommend amending the key principles for selection options (policy design):

While we support the inclusion of a new principle since the last report “*have the potential to deliver co-benefits, such as job creation and health benefits for home occupants*”, we remain opposed to the inclusion of principle 3 “*do not add undue additional administrative burden to existing initiatives*”. We reiterate that the current initiatives are not achieving the broad systemic long-term change that is needed to improve the energy efficiency of existing homes to meet the stated objectives. If the current State and Territory initiatives were meeting the objectives, we would not need this review. We need to take a wider view that looks beyond the current initiatives, rather than allowing the review to be limited by them.

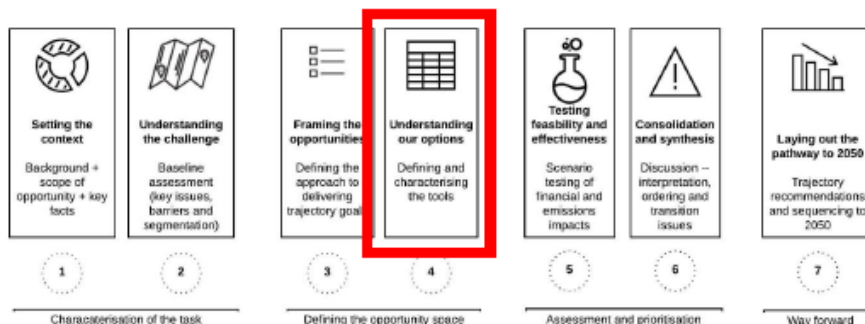
We again suggest the following principles be used instead to guide the evaluation of policy options. In particular we believe these principles will be important when jurisdictions undertake regulatory impact assessments (RIS) of the proposed policies:

- Provide affordable, healthy, safe and decent homes
- Provide broad, long-term, scalable, systemic policy solutions
- Deliver co-benefits
- Prioritise solutions that benefit people on low-incomes or those experiencing other forms of disadvantage
- Enable upgrades to housing to be zero energy (and carbon-ready) through thermal shell improvements, appliance upgrades and renewable energy generation (onsite) where able and necessary.
- Provide financial incentives that are targeted to achieve an objective (such as accelerating the price reduction of products or supporting people on low-income as a priority)
- Ensure measures are practical and cost effective, and consider all objectives in determining cost effectiveness.
- Provide flexibility to enable the implementation, design and pace of the trajectory to vary depending on factors such as housing tenure and type, geography, and priorities in accordance with the principles above.

### 3.3 Recommend including a public focused social marketing campaign as ‘in scope’ and ensure information is independent:

- Implement a social marketing campaign before measures are implemented - We believe it will be important for an energy efficiency social marketing campaign to be undertaken in parallel to the development of an energy efficiency rating scheme and design of policy measures. A social marketing campaign commences with education to create awareness of the benefits of energy efficiency and build support for policy change. It then evolves to identifying the goods and services available to be used to support the change and finally assisting people with the abilities and skills needed. An effective social marketing campaign could accelerate policy implementation and avoid the need for an interim voluntary phase in some instances. There have been many successful social marketing campaigns that have led to significant behavioural change and support for public policy such as QUIT, keep Australia Beautiful, conserving water, to name a few.
- Independent information to promote measures - we welcome the inclusion of ‘information and tools’ for industry and householders in the scope of this report. It’s important to emphasise that the information provided from objective, credible, independent and makes clear obligations and recourse, so all parties (renters, lessors, property agents and third-party exempt sellers) clearly understand the features of the regime, their rights and obligations and what to do if there is a dispute.

## 4. Understanding our options



We welcome the breakdown of policy options into:

- Enabling policies
- Core implementing policies
- Supporting policies

The following table provides feedback and recommendations on the key policies discussed in the paper, and recommends additional policies be included.

Summary of NEPP proposal	Feedback and recommendations
<b>Enabling</b>	
<p><b>Practical guidance for consumers:</b> Establishing practical guidance for households and industry about the ‘why’ and ‘how’ of upgrading the energy performance of existing homes, will ensure those involved at the different stages of the process are able to make more informed decisions. Further work should be undertaken to establish these resources.</p> <p>Page 22</p>	<ul style="list-style-type: none"> <li>• We support the development of materials that: <ul style="list-style-type: none"> <li>- Clearly makes the case for why improving energy efficiency in the home will deliver significant benefits.</li> <li>- Provides advice on how to improve the energy efficiency, including selecting products and engagement of trades.</li> </ul> </li> <li>• The report suggests “<i>The COAG Energy Council could develop practical materials that provide climate relevant information on the most <u>cost effective</u> changes that that could be applied to most existing homes</i>” We note that the information should also include a focus on the scale of impact of the measure as well as short-term and long-term cost effectiveness. For example, it may be cost effective upfront to change light bulbs but the greatest long-term impact would be to install a more energy efficient hot water system, which would result in greater ongoing annual savings on bills and greater emissions reductions. <b>Recommendation:</b> <ul style="list-style-type: none"> <li>- Information and education on ‘cost effective changes’ must include information on the impact of the measure and short-term and long-term cost effectiveness. Such information should be provided in major community languages using best practice and culturally appropriate methods.</li> </ul> </li> <li>• Consideration should be given to how and when the information is disseminated, so for example at point of sale,</li> </ul>

	<p>at point of renting, in major community languages, using a variety of communications approaches etc.</p> <ul style="list-style-type: none"> <li>• Consideration should be given to establishing an energy efficiency platform that provides (a) details of certified energy efficiency experts for both audits and qualified trades to deliver upgrades and (b) energy efficient products</li> </ul>
<p><b>Include - social marketing campaign</b></p>	<ul style="list-style-type: none"> <li>• In addition to providing practical guidance for consumers, we <b>recommend</b>: <ul style="list-style-type: none"> <li>- The inclusion of a social marketing campaign as an enabling policy. Social marketing campaign can create awareness of the benefits of energy efficiency and build support for policy change. An effective public education campaign could accelerate policy implementation and avoid the need for an interim voluntary phase in some instances. There have been many successful social marketing campaigns that have led to significant behavioural change and support for public policy such as QUIT, keep Australia Beautiful, conserving water, to name a few. Any social marketing campaign should take in to account the communications challenges of culturally and linguistically diverse (CALD) communities.</li> </ul> </li> </ul>
<p><b>Supply chain development:</b> Strengthening industry training to improve the knowledge and skills of building professionals and trades on why and how to improve the energy performance of existing homes, will ensure consumers can access energy saving products. Further work should be undertaken to work with industry and strengthen industry training and skills.</p> <p>Page 23</p>	<ul style="list-style-type: none"> <li>• We support the development of climate zone training material to inform trades on the importance of energy efficiency and how it can be applied to most houses.</li> <li>• As noted above the material should focus on scale of impact energy efficiency measures as well as short-term and long-term cost effectiveness. <b>Recommendation</b>: <ul style="list-style-type: none"> <li>- Information and education on ‘cost effective changes’ must include information on the impact of the measure and short-term and long-term cost effectiveness. This information should be provided using a range of communications techniques and include information provided in major community languages.</li> </ul> </li> <li>• Consideration should also be given to requiring a training component for trades on energy efficiency. Government should work with industry to undertake and invest in workforce planning and skills training to ensure adequate capacity to deliver high quality services across the efficiency sector, and create jobs. Additional effort and resources are needed to address the limitation of qualified trades in regional and remote areas, identified in section 2.2 of this submission.</li> </ul>

<p><b>Energy ratings:</b> Whole-of-home rating tools that outline the energy efficiency performance of a home, propose options for improving the home and provide an outline of the benefits from the improvements, such as return on investment and cost saving.</p> <p>Proposal – Undertake Further work to establish a national energy rating system for existing homes, based on the NatHERS framework to ensure ratings for existing homes align with new homes.</p> <p>Page 24</p>	<ul style="list-style-type: none"> <li>• We strongly support the development of a whole-of-home rating tool and the proposals outlined in the paper, taking into account the following <b>recommendations</b>: <ul style="list-style-type: none"> <li>- The tool should provide rating levels, so that Governments can set goals/to improve the rating of existing homes over time.</li> <li>- The rating scheme should be performance based, except where, as part of a staged approach, self-assessment of basic energy efficiency measures might be considered as a first step.<sup>17</sup></li> <li>- The rating scheme should aim to be low-cost, easy to use, and communicated as a star or bar rating, with links to more detail if the stakeholder is interested.</li> <li>- We support language around a fuel neutral approach, but this should be consistent with reducing emissions in line with the Paris goal, and should not highlight certain fuels for special mention. I.e. gas.<sup>18</sup></li> <li>- We don't support the concept of technology neutral, least cost approach, which has in the past invariably lead to prioritisation of a limited number of "least cost" technologies, which may not necessarily deliver optimal benefits to householder, particularly vulnerable people. For example, such an approach has the potential to prioritise measures like LED lighting, which may not drive investment in measures actually required to deliver the broad suite of energy efficiency objectives and benefits (affordable bills, improved health and well-being, reduced emissions, energy system resilience etc.).</li> <li>- Subsidies or rebates should be provided to people on low-incomes to access rating assessments.</li> </ul> </li> </ul>
<p><b>Key residential policy</b></p>	
<p><b>Energy efficiency disclosure:</b> Requiring the energy efficiency performance of a home to be disclosed, would increase the value of energy</p>	<ul style="list-style-type: none"> <li>• We recommend the report confine the topic of energy efficiency disclosure to owner-occupied homes. For rented homes, we only support disclosure if it is implemented concurrently with mandatory minimum standards.</li> </ul>

<sup>17</sup> See for example, [https://renew.org.au/wp-content/uploads/2019/08/Successfully-Implementing-Efficiency-Standards-for-Rental-Properties\\_July-2019.pdf](https://renew.org.au/wp-content/uploads/2019/08/Successfully-Implementing-Efficiency-Standards-for-Rental-Properties_July-2019.pdf)

<sup>18</sup> For example, traditionally gas has been viewed as cheaper and cleaner than electricity produced by burning coal, this is no longer the case. Research by Renew found that the ongoing transition of the electricity grid to 100% renewable energy means that substituting electricity for gas consumption offers significant emission reduction opportunities, which will increase over time as the emissions intensity of electricity supply decreases (<https://renew.org.au/research/7809/>) Fuels such as green hydrogen could play a significant role in our future economy and should be supported. Green hydrogen, including a role in improving the energy efficiency of homes in the future. However, Renew's most recent analysis (<https://renew.org.au/renew-magazine/efficient-homes/emissions-intensity-of-household-electricity-vs-gas/>) found that electric appliances such as hot water heat pumps and reverse cycle air-conditioning are more efficient than gas appliances. Renew's research found that when a home only has one gas appliance remaining, it is always better to replace it (when it is due for replacement) with an efficient electric one, in all circumstances and locations across the National Energy Market (NEM). Even in places where the running cost of gas is lower than for electric appliances, it is outweighed by the value of abolishing the fixed charge of the gas connection.

efficiency at the point-of-sale. Further work should be undertaken to establish a national framework for disclosure, which would outline national settings for disclosure schemes that could then be adopted and used to support the implementation of schemes by jurisdictions.

- We do not support further analysis being undertaken to determine the role or value of disclosure. Sufficient analysis exists already, including in this report, to support its implementation. Even taking into account the highly conservative approach to the modelling in the report, the reports modelling shows a savings to cost ratio greater than 2.6.
- We do not support further analysis on whether the scheme would be voluntary or mandatory. Again there is enough evidence including in this report, to support mandatory energy efficiency disclosure at point of sale. For example, according to this report, if mandatory disclosure were to begin from 2022 instead of voluntary disclosure period, the NPV increases by approximately \$0.7 billion
- Disclosure should be performance based consistent with the rating tool to be developed, except where, as part of a staged approach, self-assessment of basic energy efficiency measures might be considered as a first step.
- Further research and analysis could be undertaken on:
  - Developing a national system for disclosing home energy performance
  - Who undertakes the assessment,
  - At what level the assessment is undertaken,
  - When scheme should commence,
  - If and when homeowners should be required to meet a certain energy efficiency standard.
- We believe large-scale improvements across our entire existing housing stock and to social equity will only be achieved through the establishment of mandatory standards applying to all homes over time – rented and owner-occupied. For example if home are not eventually required to improve their energy efficiency, there is a risk lower rated homes are left to low income households. QCOSS gives some examples of this in its Shifting Power report (2018). It will be necessary to phase in reform for owner-occupiers, starting with a mandatory disclosure scheme applying at the point of sale, and evolving overtime into mandatory standards. Targeted financial support for low-income households will be needed.
- As noted above we agree that vulnerable households, including those in regional or remote communities, will require financial support, to finance the disclosure assessment and/or support them in making energy efficiency upgrades. Means testing could be used to establish the need for such assistance.

	<ul style="list-style-type: none"> <li>• We <b>recommend</b> the following:             <ul style="list-style-type: none"> <li>- COAG energy Council commit to introducing mandatory disclosure at point of sale, leading to mandatory efficiency standards for all homes over time.</li> <li>- COAG Energy Council agree to undertaken further work to: develop a national system for disclosing home energy performance including who undertakes the assessment and at what level the assessment is undertaken; the date the scheme should commence; a targets for when sellers are required to upgrade energy efficiency of home at point of sale; which houses may be exempt i.e. homes at end of life, houses constructed post 2022.</li> <li>- COAG Energy Council agrees to provide new funding to support low-income households undertake energy efficiency assessment.</li> </ul> </li> </ul>
<p><b>Minimum rental standards:</b>          Requiring rental properties to meet a minimum requirement before they are rented will ensure those most vulnerable in the community have access to healthy and affordable housing. Further work should be undertaken to establish a national minimum energy efficiency rental standards (national rental framework ), which would outline the minimum requirements that all rental properties must meet and could be adopted and used to support the implementation of schemes by jurisdictions.</p>	<ul style="list-style-type: none"> <li>• We support mandatory minimum energy efficiency standards for private rental properties from the outset, noting we envisage the rollout of the mandatory standard be staged, with the rating being improved over time in line with the goal to achieve zero energy (and carbon ready) homes. The report modelling shows that if minimum energy efficiency standards were to begin from 2022 there would be an NPV of \$3.5b, energy savings of 299.2 PJ, and emissions reductions of 36.8 mtCO2.</li> <li>• Fear of rent increases should not be used as a reasons to delay implementation of mandatory minimum energy efficiency standards. We believe mandatory standards are less likely to lead to rent increases because all properties are required to meet the standard, so supply and demand stays the same. Nonetheless, broader rental reforms should be considered alongside implementation of mandatory energy efficiency standards. For example, rent caps and the removal of ‘evictions without cause’ could be implemented to give tenants greater power and protect them against perverse outcomes.</li> <li>• The minimum rental standard should be consistent with the nationally developed rating scheme which we argue should be performance based, except where, as part of a staged approach, self-assessment of basic energy efficiency measures might be considered as a first step. Greater national consistency would reduce costs of the scheme in each jurisdiction.</li> <li>• We do not support an initial focus on a rental framework to be on low cost measures such as low-flow shower heads as suggested in the report. Such a focus will not lead to installation of measures actually required to deliver the broad suite of energy efficiency objectives and benefits</li> </ul>

	<p>(affordable bills, improved health and well-being, reduced emissions, energy system resilience etc.). Installing a low-flow shower head in a zero-rated home in Canberra is NOT going to improve the thermal comfort of the home in winter or reduce bills.</p> <p>A staged approach proposed by the Victoria <i>One Million Homes Alliance</i> could be implemented along the following lines:</p> <ul style="list-style-type: none"> <li>- In phase 1 – all homes would comply with a features-based list of cost-effective high impact energy improvements. The features list would not require an energy audit.</li> <li>- In phase 2 – rental properties would have to meet a performance-based standard at point of lease, which would require an energy audit to identify improvements and verify rating. Rating would be communicated at point of advertisement.</li> <li>- Phase 3 – housing below a defined minimum rating can no longer be legally leased.</li> </ul> <ul style="list-style-type: none"> <li>• We believe that improving the energy efficiency of rental properties should be viewed as the responsibility of an investor as part of their wider responsibility to provide a safe, comfortable, affordable and decent home. In this context the setting of the minimum energy efficiency standards should simply be regarded as a new determination of what is an acceptable standard of housing, with the staging of the implementation of the trajectory and the enabling policies, intended to facilitate the implementation of this new standard (rather than being measures to mitigate the imposition of new burdens and costs upon landlords and investors). Incentives can be considered to support decent mandatory energy efficiency standards for rental properties, but they should be targeted and equitable. We are wary about incentives that reduce taxable income because they skew the benefits towards those on higher incomes. A flat rebate or subsidy for example would be a more equitable incentive.</li> <li>• The report lacks any differentiation between private and public rental and therefore lacks any analysis on policy solutions.</li> </ul> <p>For example, public housing is owned by State and Territory Governments and is subject to government policy and budget. It's worth noting that investment in social housing for people on the lowest incomes, has shrunk from 5.6% to 4.7% of all housing over the past decade and a half.<sup>19</sup> There is</p>
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<sup>19</sup> Data from the Australian Institute of Health and Welfare, the Productivity Commission's Report on Government Services (ROGS) and the Australian Bureau of Statistics. Cited in ACOSS policy priorities for the next Australian Government: Housing

	<p>also a great deal of public housing that is in very poor condition and assessments should be made about whether properties should be upgraded to improve their energy efficiency rating via proposed energy efficiency standards tool, or if properties should be replaced with new efficient buildings.</p> <p>There are unique challenges to improving energy efficiency faced by community housing providers including regulation regarding rental caps, lack of finance or financing models, lease times, lack of transparency on performance and condition of housing, and lack of coordination on social housing delivery and planning. A key issue is that the majority of stock managed by community housing and Aboriginal community housing providers, is managed on behalf of the owner, which is often the State Government and usually on relatively short lease arrangements. The report and COAG should give specific consideration to issues and barriers for community housing and Aboriginal Torres Strait Island people and their housing, and make specific recommendations to how minimum rental standards would apply to public, Aboriginal and community housing.</p> <ul style="list-style-type: none"><li>• We support mandatory minimum energy efficiency standards for public housing in line with the trajectory to achieve zero energy (carbon ready) homes. We believe government has a moral obligation to ensure public housing is safe, comfortable, affordable and decent. Development of policies and measures to increase energy efficiency for public housing will need to be tailored. One of the first steps would be to do a survey and collate information on conditions of community housing and existing improvement plans. Then use this information to update the multilateral and bilateral national housing and homelessness agreements (NAHA) with specific targets for improving energy efficiency. As most tenants of public housing are on low-income and at greatest risk to high energy bills and poor health outcomes, improving energy efficiency for public housing through upgrades or replacement, should be seen as a <b>priority</b>. Rolling out an energy efficiency program in public housing over the next few years would lead to economic stimulus, job creation, development of the supply chain, reduce financial and health impacts on some of the communities most vulnerable people.</li><li>• We support improving energy efficiency for community housing in line with the goal to achieve zero energy (carbon ready) homes. Further consideration is needed to identify the best way to achieve this and could include eventual</li></ul>
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	<p>mandatory minimum energy efficiency standards for community housing in conjunction with appropriate time frames, financial incentives, and regulatory reform. As with public housing, one of the first steps would be to do a survey and collate information on conditions of community housing and existing improvement plans. Then use this information to update the multilateral and bilateral national housing and homelessness agreements (NHHA) with specific targets for improving energy efficiency. As most tenants of community housing are on a low incomes and at greatest risk to high energy bills and poor health outcomes, improving energy efficiency for community housing should be seen as a <b>priority</b>. Rolling out energy efficiency upgrades in community housing over the next few years would lead to economic stimulus, job creation, development of the supply chain, reduce financial and health impacts on some of the community's most vulnerable people.</p> <ul style="list-style-type: none"> <li>• We <b>recommend</b> the following: <ul style="list-style-type: none"> <li>- COAG Energy Council commits to setting mandatory minimum energy efficiency standards for private rental properties, public and community housing</li> <li>- COAG Energy Council agrees to undertake further work to develop a national system to set mandatory minimum energy efficiency standards for private rental properties and consider financial incentives.</li> <li>- COAG Energy Council agrees to prioritise improving the energy efficiency of all public, Aboriginal and community housing, including apartments.</li> <li>- COAG Energy Council agrees to jointly fund a program in first six months of 2020 to survey and collate information public, Aboriginal and community housing conditions and existing improvement plans.</li> <li>- COAG Energy Council and Housing Ministers use this information to update the multilateral and bilateral national housing and homelessness agreements (NHHA) with specific targets to improve energy efficiency in public, Aboriginal and community housing through upgrades or replacement.</li> <li>- COAG Energy Council and Housing Ministers work with Community housing sector to develop a strategy and work plan to implement the energy efficiency targets, including appropriate time frames, financial incentives, and tenancy law reform.</li> <li>- COAG Energy Council work with Housing Ministers and Treasurers on an agreement to provide new funding to invest in improving the energy efficiency of all public, Aboriginal and community housing. And agree that future housing agreements will include additional funding to continue to improve the energy efficiency of public, Aboriginal and community housing in line with national goal/trajjectory.</li> </ul> </li> </ul>
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<p><b>Energy efficiency requirements for renovations:</b> Strengthening energy efficiency requirements for major renovations will ensure energy efficiency improvements are realised at least cost, as tradespeople are already on site and upgrades can be made while other renovations are being conducted. Further work should be undertaken to strengthen requirements for major renovations and establish information and tools that encourage energy efficiency upgrades for smaller renovations and when appliances are at their end-of-life.</p>	<ul style="list-style-type: none"> <li>• We support the proposal in the report to progress work on energy efficiency requirements for renovations.</li> </ul>
<p><b>Supporting</b></p>	
<p><b>Financial incentives:</b> Energy efficiency obligation schemes, financial incentives such as rebates, and tax incentives can help to overcome the upfront cost associated with energy efficiency upgrades of existing homes. This is particularly important to support regulatory measures such as minimum rental standards, which could present an unaffordable cost for many landlords and increase rents for tenants. Further work should be undertaken to investigate how these policies could best be coordinated to support the transition to low energy homes.</p>	<ul style="list-style-type: none"> <li>• We note that incentives will differ depending on the house and tenure category and policy instrument. Further work and consultation will be needed during the policy mechanism design phase to identify appropriate incentives.</li> <li>• Financial incentives should be targeted, based on need and support equitable outcomes. For example, incentives should aim to:             <ul style="list-style-type: none"> <li>- Support people on low-income as a priority (<i>see also recommendations on public housing, community housing and vulnerable households</i>)</li> <li>- Achieve an objective, such as accelerating a price reduction.</li> </ul> </li> <li>• <b>Energy Obligation Schemes</b> – we note that historically they have been most successful in driving investment in least-cost low-impact energy efficiency measures and have had low take-up amongst people on low-incomes. We therefore do not see Obligation schemes as a primary policy instrument to achieve the Trajectory’s objectives, but rather a complementary measure, unless improvements are made to better target low-income households and more impactful energy efficiency measures. We support further analysis of how energy obligation schemes can support the core policy mechanisms above.</li> </ul>

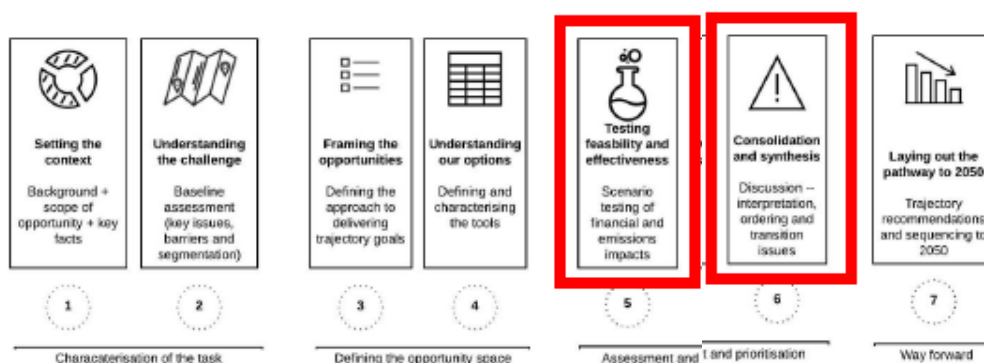
	<ul style="list-style-type: none"> <li>• <b>Tax and other financial incentives</b> - Incentives are likely to be needed to support landlords achieve energy efficiency ratings on the first instance and to help low-income homeowners upgrade. The incentives should be targeted and equitable. The report offers up some interesting solution such as tax credits which allows low income households without tax liabilities to benefit. We are wary about incentives that reduce taxable income because they skew the benefits towards those on higher incomes. A flat rebate or subsidy for example would be a more equitable incentive. We recommend further analysis and impacts of what incentives could be introduced to support the core policies above.</li> </ul>
<p><b>Apartments and apartment buildings:</b> Apartments and apartment building common areas face unique challenges, due to the need for collective decision-making or other physical constraints. This report has identified the challenges and potential opportunities, but further analysis should be undertaken to identify the policies that would see these benefits realised.</p>	<ul style="list-style-type: none"> <li>• We support further analysis on overcoming the unique challenges to improving energy efficiency of privately owned/rented apartments, with the goal of introducing minimum energy efficiency standards for apartments and common areas.</li> <li>• For apartments that are part of public and community housing we believe action can be taken now to improve energy efficiency of existing social housing apartments as many of the challenges facing privately owned apartments, especially round ownership do not exist for public and community housing.</li> <li>• As per recommendation above, we <b>recommend</b> COAG Energy Council agree to prioritise improving the energy efficiency of all social housing, including apartments.</li> </ul>
<p><b>Vulnerable households:</b> Vulnerable householders tend to live in homes that perform poorly in terms of energy efficiency and thermal comfort. Because of this, and high energy prices, these households face the challenge of having to spend a large proportion of their income to meet their basic needs, including heating, cooling and lighting of their homes. Work is being progressed to address this as part of Recommendation 6.6 of the Independent Review into the Future Security of the National Electricity Market – Blueprint</p>	<ul style="list-style-type: none"> <li>• While we welcome additional work being undertaken on issues and barriers for low-income and disadvantaged households, the solutions for people on low-incomes should: <ul style="list-style-type: none"> <li>○ Be embedded in the mainstream policy options; and</li> <li>○ The mainstream solutions that benefit people with low incomes, be prioritised. For example: <ul style="list-style-type: none"> <li>- Implementing descent mandatory minimum energy efficiency standards for rental properties will deliver significant benefits for people on low incomes, with roughly 39 per cent of people on low income renting their home.</li> <li>- Likewise prioritising a work program to improve the energy efficiency of the more than 812,900 tenants in 396,100 households living in public and community</li> </ul> </li> </ul> </li> </ul>

<p>for the Future (the Finkel Review).<sup>2</sup> The policies noted previously should also be developed with consideration of their impacts on vulnerable consumers, to ensure a fair distribution of costs and benefits is achieved.</p>	<p>housing<sup>20</sup> will also have a significant impact on people on low incomes, as the overwhelming majority of tenants are on low-incomes.</p> <ul style="list-style-type: none"> <li>• A gap remains in how to support low-income owner occupiers who are likely to be living in inefficient homes but without the financial means to upgrade.</li> <li>• There are a number of ways low-income owner occupiers could be supported to improve the energy efficiency of their homes, including through rebates and subsidies, delivered through for example state government or local councils in partnership with experienced organisations such as the Australian Energy Foundation. Running the scheme through local councils could reduce overall costs of the scheme were some costs could be recovered through rates. Working with organisations like the Australian Energy Foundation eliminates the need to wait until a rating tool is in place because they have the knowledge and experience to provide appropriate and cost effective upgrades, and access to compliant suppliers.</li> <li>• Rolling out energy efficiency upgrades for low-income owner occupiers over the next 2-3 years would lead to economic stimulus, job creation, development of the supply chain, emissions reductions, and reduced financial stress and health impacts on some of the community's most vulnerable people.</li> <li>• We <b>recommend</b>:             <ul style="list-style-type: none"> <li>- COAG Energy Council Commit to establish an ongoing scheme to support low-income owner occupiers undertake energy efficiency audits and upgrade the energy efficiency of their homes.</li> <li>- COAG Energy Council undertakes a review which would make recommendations by October 2020 on how the scheme would work including level and type of finance and who would administer the scheme.</li> </ul> </li> </ul>
<p><b>Greenhouse and Energy Minimum Standards (GEMS):</b> Improving the minimum performance and increased labelling of appliances, supports consumers in existing homes to be able to choose more efficient appliances</p>	<p>We support continual improvements in appliance energy efficiency being progressed through Greenhouse and Energy Minimum Standards (GEMS).</p>

<sup>20</sup> <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia-2018/contents/housing-in-australia>

when they upgrade. Continual improvements in appliance energy efficiency should be progressed through GEMS.	
<p><b>Data collection and analysis:</b></p> <p>To ensure policies are appropriately targeted and assessed, there is a need to continually improve the data upon which decisions are being made. Further work should be conducted to establish a national dataset on existing homes, which includes improving the definitions of the existing building subsets</p>	We support the reports recommendation regarding establishing a national dataset on existing homes.
<p><b>Complete the investigation into opportunities to harmonise and expand Energy Efficiency Obligation (EEO) schemes</b></p>	We support completing the investigation into opportunities to harmonise and expand Energy Efficiency Obligation (EEO) schemes

## 5. Testing feasibility and effectiveness and 6. Consolidation and Synthesis



The modelling finds that:

- If all policies were implemented in 2022 in all jurisdictions, they could deliver a net present value of \$5 billion, reduce greenhouse gas emissions by 52.7 MtCO<sub>2-e</sub> and save 429.3 PJ of energy by 2050.
- If all policies were implemented just three years later in in 2025 they could deliver a net present value of \$3.4 billion and reduce greenhouse gas emissions by 40.3 MtCO<sub>2-e</sub> and only 329.7 PJ of energy saved by 2050.

These figures are likely to be an underestimation of the true potential value. For example:

1. The modelling did not include the significant co-benefits of investing in energy efficiency for existing homes such as:
  - Improvements to health and well-being and resultant savings for health and emergency services
  - Reduction in deaths due to extreme cold and heatwaves
  - Job creation
  - Improved resilience of the energy system and energy network and generation savings
  - Greater social equity
  - Reduced risk of homelessness

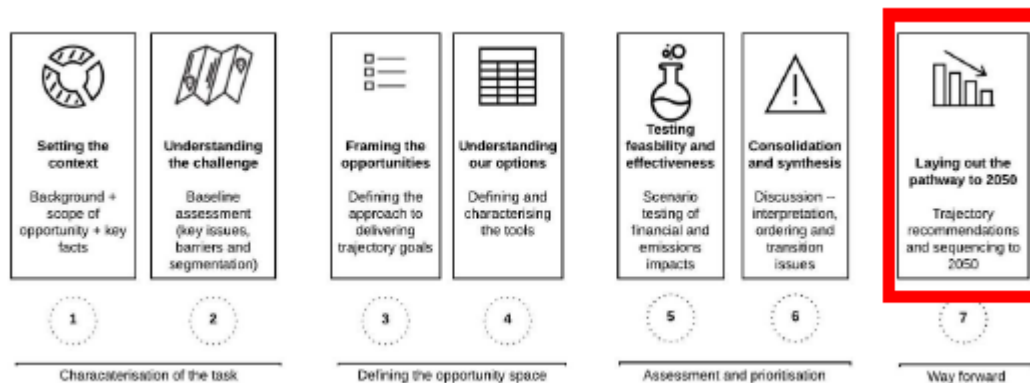
We therefore believe the value and benefits of the proposed policies are significantly greater, than what has been modelled in the report. And further analysis undertaken for COAG Energy Council should attempt to value and capture these co-benefits, even if conservative ranges are used.

2. The report notes that the methodology used was conservative in its estimations. For example it only assumes a percentage of cost-effective upgrades are undertaken and only includes Class 1 buildings (detached houses) and not apartments. Further, as the report does not make explicit the assumptions on which the modelling was based, it is difficult to assess the validity of the modelling results. For example, what is determined as 'cost-effective' is not defined in terms of a specific payback period or NPV of a specific value.
3. The selection of the discount rate materially alters the estimated value of future benefits. The standard discount rate of 7% (real) used in Commonwealth and State analyses is broadly equivalent to a market interest rate of 9-10%. Yet current, recent and near-term interest rates are around 4%. As such, using the standard 7% discount rate significantly understates the value of future benefits. Whilst we recognise this government process is required to produce analysis using the 7% rate, we would recommend additional scenarios be modelled using a more realistic discount rates of 2-3% (real), so as to provide a more accurate measure of the potential future benefits

Despite the conservatism of the approach taken, the modelling results still demonstrate the value of key policies such as disclosure and the significant additional benefits yielded by moving directly to a mandatory scheme in 2022 (an additional \$0.7 billion NPV).

However, larger benefits could be achieved if a disclosure scheme lead to mandatory efficiency standards for all homes over time. The modelling assume roughly 1.5 million homes are upgraded, saving 13 MT emissions per year if mandatory disclosure is implemented, but if we consider that Australia's total housing stock of more than 9.5 million dwellings with annual emissions of 529 MT per year. It is clear that disclosures alone will not be sufficient enough to drive the scale of changes needed to reduce emissions in line with the Paris Agreement, achieve greater social equity and reap the other co-benefits, which is why we strongly recommend a disclosure scheme be designed to lead to mandatory efficiency standards for all homes over time.

## **6. Laying out the pathway to 2050**



We support the proposed intermediate action plan proposed in the report outlined in the table on page 60 and 61 of the report and replicated in the table below, with a number of recommended additions in red text.

2019	<p><b>COAG Energy Council:</b></p> <ul style="list-style-type: none"> <li>• Commits to improving the energy efficiency of existing homes [to achieve zero energy (and carbon) ready homes, noting that some limitations may exist for some existing homes and exemptions may apply.]</li> <li>• COAG Energy Council commits to prioritising support for low-income owner occupiers to improve energy efficiency of their homes and agrees to:             <ul style="list-style-type: none"> <li>○ Establish an ongoing scheme to support low-income owner occupiers to undertake energy efficiency audits and upgrade the energy efficiency of their homes.</li> <li>○ Undertake a review which would make recommendations by October 2020 on how the scheme would work including level and type of finance and who would administer the scheme.</li> </ul> </li> <li>• COAG energy Council commits to set minimum energy efficiency standards for private rental properties, public and community housing</li> <li>• COAG Energy Council agrees to undertaken further work to develop a national system to set minimum energy efficiency standards for private rental properties and consider financial incentives.</li> <li>• COAG Energy Council agrees to prioritise improving the energy efficiency of all public and community housing, including apartments.</li> <li>• COAG Energy Council agrees to jointly fund a program in first six months of 2020 to survey and collate information public, Aboriginal and community housing conditions and existing improvement plans.</li> <li>• COAG Energy Council and Housing Ministers use this information to update the multilateral and bilateral national housing and homelessness agreements (NHHA) with specific targets to improve energy efficiency in public, Aboriginal and community housing through upgrades or replacement.</li> <li>• COAG Energy Council and Housing Ministers commit to work with Community housing sector to develop a strategy and work plan to implement the energy efficiency targets for community housing, including appropriate time frames, financial incentives, and tenancy law reform.</li> <li>• COAG Energy Council commits to work with Housing Ministers and Treasurers on an agreement to provide new funding to invest in improving the energy efficiency of all</li> </ul>
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	<p>public and community housing. And agree that future housing agreements will include additional funding to continue to improve the energy efficiency of public and community housing in line with national goal/trajectory.</p>
2020	<p>By end-2020, review the <b>Energy Efficiency for Existing Homes Program [Trajectory]</b> and update based on:</p> <ul style="list-style-type: none"> <li>• <b>Develop a social marketing campaign to build support for energy efficiency</b></li> <li>• Complete investigations of opportunities for tax options that support energy efficiency upgrades.</li> <li>• Establish other targeted initiatives or variations of the key residential building policies, which improve the energy efficiency of apartment buildings.</li> <li>• Establish a national dataset collection and analysis process that supports the development and delivery of policies.</li> <li>• <b>Develop a platforms to assist people access registered/accredited suppliers</b></li> </ul>
2021	<p>By mid-2021:</p> <ul style="list-style-type: none"> <li>• deliver information resources about cost-effective impactful energy efficiency improvements for existing homes and tools that support improvements being made, <b>including a national energy efficiency rating tool.</b></li> </ul> <p>By end-2021:</p> <ul style="list-style-type: none"> <li>• Complete the investigation into opportunities to harmonise and expand EEO schemes.</li> <li>• Establish a national dataset on existing homes, which includes improving the definitions of the existing building subsets and a process for continual updates.</li> <li>• <b>Identify, agree and communicate a trajectory to improve energy efficiency for existing homes in line with achieve zero energy (and carbon) ready homes, noting that some limitations may existing for some existing homes and exemptions may apply.</b></li> </ul>
2022	<p>By mid-2022 establish:</p> <ul style="list-style-type: none"> <li>• A national framework for energy efficiency disclosure, which outlines the settings for disclosure schemes and can be adopted and implemented by jurisdictions, subject to each jurisdiction undertaking its own RIS.</li> <li>• A national framework for minimum energy efficiency requirements for rental properties, which outlines the settings for minimum rental standard schemes and can be adopted and implemented by jurisdictions, subject to each jurisdiction undertaking its own RIS.</li> <li>• Increased and harmonised energy efficiency requirements for renovations of homes through the NCC.</li> </ul> <p>By end-2022:</p> <ul style="list-style-type: none"> <li>• identify other targeted financial initiatives that may be required to support the implementation of disclosure and minimum rental standard schemes</li> </ul>
2025	<p>By end-2025:</p> <ul style="list-style-type: none"> <li>• Review the <b>Energy Efficiency for Existing Homes Program [Trajectory]</b> and identify other targeted initiatives or variations of the Key Residential Building Policies that may be required for specific sub-groups of households, due to the anticipated impacts of transitioning towards zero energy (and zero carbon) ready homes.</li> <li>• Identify any additional opportunities for appliance energy efficiency that are needed to support the implementation of Key Residential Building Policies.</li> </ul>



## Contact

If you have any further questions please contact

Kellie Caught

Senior Adviser – Climate and Energy

ACOSS

Email: [kellie@acoss.org.au](mailto:kellie@acoss.org.au) or Mobile: 0406 383 277