

**City of Sydney**

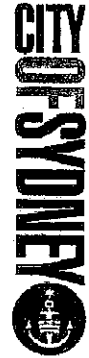
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12 December 2011

Our Ref: 2011/366369

Energy Savings Scheme Rule Change Consultation  
Department of Trade and Investment  
GPO Box 3889  
Sydney NSW 2001

To whom it may concern,

**Submission on the NSW Energy Savings Scheme Rule Change**

The City of Sydney covers a catchment of 26.15 square kilometres and takes in the commercial, financial and cultural hub of greater Sydney. The local government area comprises 180 000 residents and 385 000 jobs.

The City is committed to being an environmental leader, and following extensive community consultation the City established the Sustainable Sydney 2030 plan that sets 10 targets and 186 actions under 10 strategic directions which the City is implementing to create a more sustainable future.

Of particular note to this submission is SS2030 is Target 1: By 2030 the City will reduce greenhouse gas emissions by 70 per cent compared to 2006 levels.

The City promotes and implements energy efficiency initiatives, recognising that demand management is the most cost-effective priority in achieving greenhouse gas reductions.

The City supports the objectives of the Energy Savings Scheme which are:

- To assist households and businesses to reduce electricity consumption and electricity costs;
- To complement any national scheme for carbon pollution reduction by making the reduction of greenhouse gas emissions achievable at a lower cost; and
- To reduce the cost of, and the need for, additional energy generation, transmission and distribution infrastructure.

Within the City of Sydney 75% of households are apartments and apartment buildings make up over 30% of our building stock over 2,000 square metres. The City has the highest proportion of apartment households in NSW, but apartment living is increasing rapidly as a residential sector within the community and across NSW.

Recognising the need to support and drive increased sustainability in this significant and growing sector, the City recently launched its *Smart Green Apartments* program. This program is working with Owners Corporations, strata and building managers to significantly reduce energy and water consumption in apartment buildings, increase energy efficiency and create greener more sustainable buildings. The key focus is common areas of apartment buildings which are managed by Owners Corporations.

The City has a partnership with the NSW Government Office of Environment and Heritage (OEH) who recognising that Owners Corporations and the common property that they manage are commercial in nature, have provided access to their Energy Saver program to help identify energy efficiency opportunities within the apartment buildings targeted by the *Smart Green Apartments* program.

There are significant opportunities for energy efficiency upgrades in the common areas of residential apartment buildings. Owners Corporations make commercial decisions about property upgrades. The City believes that the Energy Savings Scheme should be extended to include the common areas of BCA Class 2 buildings (residential unit buildings).

The City notes and supports the proposal in the Consultation Paper that Hotels and Motels be included in the definition of 'commercial premises' under the Commercial Lighting Energy Savings formula and strongly advocates that common areas of BCA Class 2 buildings (residential unit buildings) are also included.

The *Smart Green Apartments* program is building on research conducted by Sydney Water which showcased the importance of installing AAA water efficient shower-heads in apartments. Over 90% of water used in apartment buildings is in apartments, mainly through showers. The water and energy saving benefits of installing water efficient showerheads are significant; particularly with apartment buildings typically having common water meters which reduce the incentive to restrict water use. The City recommends that water efficient shower-heads remain included in the scheme for Class 2 buildings.

In summary the City's submission is that:

1. The City supports the inclusion of hotels and motels in the definition of 'commercial premises' under the Commercial Lighting Energy Savings formula.
2. The City recommends the inclusion of common areas in apartment buildings in the definition of 'commercial premises' under the Commercial Lighting Energy Savings formula. This will ensure that Owners Corporations are equally incentivised to undertake energy efficient lighting upgrades.
3. The City recommends that water efficient showerheads remain included in the scheme for apartment buildings due to their water and energy saving benefits.

If you have any questions regarding this submission, please do not hesitate to contact Tom Belsham, Manager, Sustainability Programs on \_\_\_\_\_ or at \_\_\_\_\_

Yours sincerely



**Monica Barone**  
Chief Executive Officer