Introduction

• What is NABERS?
• From an Australian Perspective
  • What have been some of the drivers for uptake?
  • What have been the benefits?

What is NABERS?

• It is a performance based rating system for existing buildings
• Managed by government and the NZGBC, developed with industry stakeholders
• It’s goals are to encourage:
  • innovation
  • market best practice
  • positive environmental outcomes

In context

NABERS is all about performance – it is not a design tool though it does work well with design tools such as Green Star – and it is used in Green Star Performance.

Why a performance rating?

How good is that supposedly good building?
• Transparency
• Reduces greenwash
• Feedback
You can’t properly manage what you don’t measure.
• Lower operating costs
• Lower environmental impact
NABERS Star Scale

NABERS Principles

Based on metered performance

NABERS Principles

Fair comparison

Normalisations

Size  Climate  Hours

Aligned to Responsibilities

Administration

Simple & easy  Collaborative  Independent
In New Zealand – 2 key protagonists
• The Practitioner
• The Accredited Assessor.

NABERS – The Australian Perspective

Australia has more NABERS
Offices
Shopping Centres
Hotels.
Data Centres
Apartment buildings
Public Hospitals
And soon.....
Schools
Aged Care & Retirement Living
Warehouses

And our NABERS are more varied
Energy
Base Building
Whole Building
Tenancy
Water
Indoor Environment
Base Building
Tenancy
Waste
Base Building
Tenancy

Australian Drivers of uptake
Government procurement policies

• In NSW all government offices of 1000m2 or greater must be rated.
• NSW Government departments must endeavour to occupy offices with a base building rating of 4.5 stars or better
• The other State Governments have generally followed suit
• And so has the Federal Government

Industry targets

• Some major companies have publicly stated that they will now only lease space in buildings with high star ratings.
• The PCA Office Matrix requires all ‘A’ grade and Premium Grade office space to have a high NABERS Energy ratings

Mandatory reporting

• Introduced 2011 - tightened July 1st 2017. Now all commercial office buildings in Australia over 1000m2 NLA need to declare a NABERS Energy Base Building Rating when put up for sale or lease*

*when leasing a total of 1000m2 or more in a single building
Second breakthrough: Commercial Building Disclosure

Australian Outcomes

Success in Australia?
• 20 years of successful operation
• Credible industry standard
• Continued growth in building ratings
• Energy, greenhouse gas and water savings

Some key industry achievements over the past 2 decades...

NABERSNZ in New Zealand
Average Certified Rating result in New Zealand: 3.06 Stars.

Average reduction in energy use after multiple ratings

Source: https://www.nabers.gov.au/
Financial impact (Australia)

<table>
<thead>
<tr>
<th>Star rating</th>
<th>Effect on value</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 to 6.5%</td>
<td>+2 to 3%</td>
<td>Varies from 4% (Sydney CBD) to 21% (Canberra)</td>
</tr>
<tr>
<td>&lt; 5</td>
<td>-10 to -15%</td>
<td>Varies from -10% (Sydney CBD) to -13% (Canberra)</td>
</tr>
</tbody>
</table>

Impact on rents

- Higher NABERS rated buildings experienced:
  - Lower vacancies
  - Reduced outgoings
  - Reduced inducements to attract tenants

Impact on building value

- Largest premium paid in Sydney
- Largest discount paid in Sydney

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Snapshot from IPD

First policy breakthrough: government procurement (2004 on)

Second breakthrough: Commercial Building Disclosure (2010)

The Benefits

In short NABERS has transformed the Australian Commercial Property market.

- It has driven energy efficiency...
- It has helped improve asset values
- It has helped attract greater foreign investment
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Financial benefits

Source: Investment Property Databank Limited Q3 IPD Australia Market Results Update

The Benefits

In short NABERS has transformed the Australian Commercial Property market.

• It has driven energy efficiency.
• It has helped improve asset values.
• It has helped attract greater foreign investment.
It has also highlighted an interesting dilemma

Co-assess

New Energy and Water Rating Tool
Aimed at encouraging greater reporting of tenancy energy use by reducing complexity and cost
Great tool for building owners looking to better engage with tenants.
Can also assist with Green Star Performance

Summary

• What is NABERS?
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The formula for a good office energy rating?
• Maximise your area
• Maximise your hours
• Minimise your consumption