



Australian Government
**Department of Industry, Science,
Energy and Resources**

Design and Place State Environmental Planning Policy (SEPP) Review
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To whom it may concern

This submission, from the Nationwide House Energy Rating Scheme (NatHERS) Administrator, is in response to the New South Wales Design and Place State Environmental Planning Policy (SEPP) Review, and specifically the proposed new Design and Place SEPP and potential BASIX changes.

NatHERS has been operating as a national rating scheme for residential buildings for over 20 years, and for the majority of this time it has been used to demonstrate compliance with the National Construction Code. The Commonwealth acts as NatHERS Administrator on behalf of state and territory governments. The following insights from Administrator experience may support the Review's considerations.

Trading-off against thermal performance:

- The most cost effective time to lock in ongoing thermal energy efficiency performance is at the time a building is being constructed. Making thermal changes after construction is much harder, especially good fundamental design like orientation. Upgrading appliances and solar generation can be relatively easily done at any stage.
- The NatHERS portal indicates the majority of buildings across Australia are being built to minimum energy performance requirements and evidence shows the number of roof top solar installations is increasing. It is therefore important that regulation focus on requirements that overcome market failures and deliver benefits for consumers.

Pitfalls of verification using reference buildings or non-government tools:

- These processes can lack transparency and comparability, particularly where the modelling tools are complex and the calculation processes are not readily apparent in the outputs. Without robust rules, quality assurance and/or auditing processes for the tools, including the data entered, it can be difficult to identify and/or control 'gaming'. This makes it a riskier proposition for certifiers to have confidence in the outputs and gives less reassurance to government that their intended outcomes are being achieved.

Please contact David Rochford at [REDACTED] if you would like more information about any of the above.

Yours sincerely

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