

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment portfolio

Question No: 212
Hearing: Additional Estimates
Outcome: Agency
Programme: Clean Energy Finance Corporation (CEFC)
Topic: St George Community Housing project
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Question Date: 08 February 2016
Question Type: Spoken

Senator Ludlam asked:

Senator LUDLAM: That sounds brilliant. I know your remit is principally around getting investment done, leveraging investment around reducing greenhouse gas emissions, but this happens to have the additional benefit of making energy bills for people in inefficient housing a lot cheaper. Are there any ways of estimating how much cheaper you have made people's bills in that housing?

Mr Yates: Actually, I think we looked at it—and don't quote me on this—and I think the difference between six star and seven star is like a 25 per cent reduction in the energy cost. As you go through the stars, there is actually a set multiple. If you like, I will come back and let you know what the difference is on average between a NatHERS six star and a NatHERS eight star. I will take that on notice and come back to you.

Answer:

The Clean Energy Finance Corporation (CEFC)'s \$60 million, 10-year finance is enabling St George Community Housing (SGCH) to develop high performing energy efficient homes at a significantly better energy rating than would otherwise have been possible and well above the minimum building standards for New South Wales (NSW).

The Nationwide House Energy Rating Scheme (NatHERS), administered by the Department of Industry and Science, provides a reliable way to estimate and rank the potential thermal performance of residential buildings. This rating scheme is a method of demonstrating compliance with minimum energy efficiency standards for new residential buildings outlined under the National Construction Code. The scheme can be used to determine the efficiency of a design of an existing or yet-to-be-built home and give it a star rating of between 0 and 10, allowing for different sized houses and climates to ensure consistency across the nation.

The SGCH project is based in NSW, and within the specific geography that the construction is occurring, the thermal load reduction from upgrading from 6 to 7 Star is 24%. However, within NSW, minimum 6 star building is not regulated, so in fact the improvement would likely be higher.

On average across the country should the CEFC be able to get all builders to build to a better energy efficiency standard this could result in a 48% reduction in heating and cooling energy costs if all buildings were built to 8 star NatHERS.