

Chapter 1

Referral to the committee

1.1 On 18 March 2010 the Senate Selection of Bills Committee referred the provisions of the Building Energy Efficiency Disclosure Bill 2010 (the Bill) to the Senate Environment, Communications and the Arts Legislation Committee (the committee) for inquiry and report by 11 May 2010.¹

1.2 On 24 March 2010, in accordance with usual practice, the committee advertised the inquiry in *The Australian*, calling for submissions by 6 April 2010. The committee also directly contacted a range of organisations inviting them to submit to the inquiry. The committee received five submissions, listed at Appendix 1.

1.3 The committee held a public hearing in Canberra on 12 April 2010. The participants are listed at Appendix 2.

1.4 The committee thanks those organisations and individuals that made contributions to the committee's inquiry.

Purpose of the Bill

1.5 The Bill proposes to require owners of large commercial office buildings to supply energy efficiency information about their buildings to potential lessees or purchasers. The driver behind the Bill is to provide commercial office market participants with credible energy efficiency information in order to:

...help these parties to make better informed decisions and take full account of the economic costs and environmental impacts associated with operating the buildings they are intending to purchase or lease.²

1.6 The policy was originally proposed in December 2004 under stage one of the National Framework for Energy Efficiency—a joint initiative of the Commonwealth, State and Territory governments under the Ministerial Council on Energy (MCE).³ Specifically, the MCE agreed that there should be:

...a nationally consistent legislated regime for mandatory disclosure of energy performance of...commercial buildings...⁴

1 Senate Selection of Bills Committee, *Report No.6 of 2010*, 18 March 2010.

2 The Hon Greg Combet MP, Minister Assisting the Minister for Climate Change, Second Reading Speech, *House of Representatives Hansard*, 18 March 2010, p. 2928.

3 Regulation Impact Statement, p. iii.

4 Ministerial Council on Energy, *Statement on National Framework for Energy Efficiency: Overview Plan of State One Measures 2005-2007*, December 2004, at: www.ret.gov.au/Documents/mce/documents/FINALFINAL0Dec04MCEStatementonNFEEOverview20050926160618.pdf (accessed 27 April 2010).

1.7 In July 2009, as part of the *National Partnership Agreement on Energy Efficiency*, the Council of Australian Governments (COAG) agreed to the implementation of national mandatory disclosure requirements for commercial buildings.⁵ COAG decided that phase one of the agreement should apply to commercial office buildings over 2000 square metres in area and also cover commercial office buildings owned or leased by the Commonwealth, state and territory governments.⁶

1.8 In its submission the Energy Efficiency Council (EEC) highlighted the fact that the mandatory disclosure of commercial building energy efficiency also has support across the political spectrum:

There is a strong justification for the Bill, and the Australian Labor Party, the Liberal Party and the Australian Greens have all committed to support the introduction of this type of scheme.⁷

1.9 Most of the witnesses that appeared before the committee commented on the significant economic and environmental benefits of improving the energy efficiency of commercial buildings. These benefits are discussed in detail below.

1.10 Ms Clare Walsh, Acting First Assistant Secretary, Renewables and Energy Efficiency Division, Department of Climate Change and Energy Efficiency, explained that government involvement is needed to encourage energy efficiency improvements in commercial office space because:

...it is well recognised that there are market failures that prevent a carbon price flowing through to real action in some instances. In the building sector, the market failure is information asymmetry. There is a failure in the provision of information and in the split incentives between those who make decisions about energy efficiency of a building or its appliances and those who may or may not benefit as a result of those decisions. This measure complements the [Carbon Pollution Reduction Scheme] as it better ensures that price signals flow through clearly and directly to the market.⁸

5 COAG, *National Partnership Agreement on Energy Efficiency*, www.coag.gov.au/coag_meeting_outcomes/2009-07-02/docs/NP_energy_efficiency.pdf (accessed 30 April 2010).

6 COAG, *National Partnership Agreement on Energy Efficiency*, Attachment A, National Strategy on Energy Efficiency (Measures Table), p. 25, www.coag.gov.au/coag_meeting_outcomes/2009-07-02/docs/Energy_efficiency_measures_table.pdf (accessed 30 April 2010).

7 Energy Efficiency Council, *Submission 5*, p. 1.

8 Ms Clare Walsh, Acting First Assistant Secretary, Renewables and Energy Efficiency Division, Department of Climate Change and Energy Efficiency, *Committee Hansard*, 12 April 2010, p. 22.

1.11 The EEC corroborated Ms Walsh's comments regarding market distortions and failures which 'impede energy efficiency' making government intervention necessary.⁹ According to the EEC these market distortions and failures include:

- the fact that the incentives facing landlords, tenants and building managers with respect to energy efficiency 'are frequently not aligned, resulting in sub-optimal outcomes';
- the lack of information available to homeowners, companies and specialists which can 'entirely impede otherwise cost-effective energy efficiency';
- existing national electricity market rules and regulations which favour supply-side options (expansion of energy generation and infrastructure) over demand-side options (energy efficiency and distributed generation), and fail to reward energy efficiency;
- the cost of research and development minimising the financial benefits for early movers; and
- the failure to internalise the cost of carbon in the cost of energy.¹⁰

1.12 With respect to market failures, the Regulation Impact Statement (RIS) on the policy underpinning the Bill states that:

Existing measures do not currently address these problems. The Carbon Pollution Reduction Scheme will assist in reflecting environmental costs of energy use, but will not necessarily address information failures and split incentives in the market.¹¹

1.13 The RIS explored three options for addressing these market failures:

- (a) mandatory disclosure of energy efficiency at the point of sale and lease;
- (b) the development of an voluntary industry code of practice; or
- (c) mandating minimum energy efficiency standards.¹²

1.14 The RIS ultimately recommended the first approach, concluding that it is the most cost effective option for addressing market failures.¹³

Australia's commercial office property market

1.15 While '[n]obody knows exactly how much [office] space there is in Australia'¹⁴ the Property Council of Australia has estimated that there are

9 Energy Efficiency Council. *Submission 5*, p. 4.

10 Energy Efficiency Council, *Submission 5*, pp 4–5.

11 Regulation Impact Statement, p. iii.

12 Regulation Impact Statement, p. iv.

13 Regulation Impact Statement, p. iv.

14 Mr Peter Verwer, Chief Executive Officer, Property Council of Australia, *Committee Hansard*, 12 April 2010, p. 6.

over 21 million square metres of commercial office property¹⁵ in major Australian business centres, in 3980 buildings.¹⁶ Of this, around 19 million square metres are accounted for by 2170 buildings with net lettable areas greater than 2000 square metres.¹⁷

1.16 In other words, the scheme will achieve over 90 per cent coverage of commercial office space by area, but only apply to approximately 55 per cent of the total number of office buildings of greater than 2000 square metres.

1.17 The EEC estimates that commercial buildings (which includes commercial offices in addition to other commercial property such as retail and warehousing space) account for around 10 per cent of Australia's total greenhouse gas emissions.¹⁸ The Department of Climate Change and Energy Efficiency (the department) informed the committee that:

Research undertaken in 1999 found that offices were responsible for the largest proportion of greenhouse gas emissions from Australia's commercial building sector, accounting for approximately 27 per cent of emissions.¹⁹

1.18 This suggests that commercial office buildings contribute approximately 2.7 per cent of Australia's greenhouse gas emissions.

1.19 The RIS indicates that the commercial building energy use has 'experienced sustained growth in energy use in the 15 years to 2006', growing by 87 per cent during that period.²⁰ According to the National Australian Built Environment Rating System (NABERS) website, greenhouse gas emissions from Australia's commercial building sector are growing by 3–4 per cent per annum.²¹

Current energy efficiency information and performance

1.20 The RIS explains that there is scope for a greater number of office buildings to be rated for their energy efficiency performance:

15 'Office property' is as defined by the NABERS Energy Protocol—a place in which business, clerical or professional activities are conducted. The spaces quoted also include spaces that support those working in an office such as meeting rooms, kitchens, storage and specialty areas such as child minding.

16 Property Council of Australia, *Office Market Report*, 2008, cited in Regulation Impact Statement, p. 2.

17 Property Council of Australia, *Office Market Report*, 2008, cited in Regulation Impact Statement, p. 2.

18 Energy Efficiency Council, *Submission 5*, p. 3.

19 Department of Climate Change and Energy Efficiency, answer to question on notice, question 8, 12 April 2010 (received 23 April 2010).

20 Regulation Impact Statement, p. 2.

21 NABERS website at: www.nabers.com.au/page.aspx?cid=533&site=2 (accessed 3 May 2010).

...in Australia, while the proportion of rated stock is growing each year, a majority of buildings are currently not rated for energy efficiency. Those that are rated, are predominantly large and higher grade quality buildings (that is, Premium, A or B grade buildings)...²²

1.21 The RIS states that approximately 13 per cent of properties between 2000 square meters and 5000 square metres, and 30 per cent of properties over 5000 square metres have had a NABERS assessment.²³

1.22 However, even based on this limited information biased towards high end buildings, the RIS concluded that there is significant room for improvement in the energy efficiency of commercial office buildings in Australia:

Assessment of a sample of reported NABERS Energy star ratings conducted between 2004 and 2008 found an average rating from 2.8 stars (without adjustments for green power) for a first assessment, and 3 stars for a second assessment [out of a possible 5 stars]. These figures were derived from averaging data from buildings which have been voluntarily rated under NABERS Energy. Industry best practice is currently defined as a rating of 3 stars under NABERS Energy. This was determined in 1999 when the scheme was established. However, a more recent survey of ratings indicates that a performance of 4 to 4.5 NABERS stars is a more accurate indication of 'best practice', with several buildings achieving this performance level. It is reasonable to estimate that industry (on average) is lagging at least one to one and a half stars behind current best practice – this equates to a 20 to 30 per cent lag in energy efficiency between the average building and industry best practice.²⁴

Benefits of improved energy efficiency

1.23 As noted above, submitters and witnesses agreed that there are numerous benefits to improving the energy of commercial and other buildings. The committee heard that improving the energy efficiency of commercial buildings not only delivers environmental benefits, but can also result in significant financial savings for building owners and tenants.

Environmental benefits

1.24 Numerous witnesses expressed the view that improving energy efficiency is 'one of the fastest, most efficient and cost-effective ways of abating greenhouse gas emissions'.²⁵

22 Regulation Impact Statement, p. 3.

23 Regulation Impact Statement, p. 3.

24 Regulation Impact Statement, p. 3.

25 Mr Robin Mellon, Green Star Executive Director, Green Building Council of Australia, *Committee Hansard*, 12 April 2010, p. 2.

1.25 Mr Robert Murray-Leach, CEO of the EEC described the huge potential for energy efficiency to contribute to greenhouse gas reductions:

Energy efficiency is the single biggest source of greenhouse gas abatement to 2020. That is often overlooked by a range of sources because, I suppose, it is not really the world's sexiest form of abatement; it does not involve cutting ribbons on major projects. But what it does deliver is major cost-effective greenhouse gas emission reductions.²⁶

1.26 Mr Murray-Leach continued:

[The Australia Bureau of Agriculture and Resource Economics] and the International Energy Agency believe that energy efficiency is the biggest opportunity to cut emissions in the energy sector to 2020, with the International Energy Agency estimating that 65 per cent of global cuts in emissions to 2020 will come from energy efficiency.²⁷

1.27 Mr Ché Wall, Managing Director, WSP Lincolne Scott, co-founder of the Green Building Council of Australia, argued that:

Australia should be at the forefront of global action to mitigate greenhouse gas emissions from the built environment through smart legislation as we already are through new green building design. Australia should have robust disclosure legislation which establishes a set of credible and meaningful year-on-year energy performance data by building type and open centre.²⁸

Financial benefits

1.28 In addition to being a cost-effective means of reducing Australia's emissions, the committee also received evidence that improving the energy efficiency of commercial buildings can have financial benefits for building owners and tenants.

1.29 In terms of the size of possible savings, Mr Murray-Leach of the EEC told the committee that:

We know that building owners can easily find savings of 20 to 40 per cent through energy efficiency investments and, in some cases, we have examples of buildings saving between 50 and 60 per cent through energy efficiency retrofit...The estimate from the Centre for International Economics is that energy efficiency in the building space would save the economy \$38 billion per year by 2050. That is a combination of both direct

26 Mr Robert Murray-Leach, Chief Executive Officer, Energy Efficiency Council, *Committee Hansard*, 12 April 2010, p. 33.

27 Mr Robert Murray-Leach, Chief Executive Officer, Energy Efficiency Council, *Committee Hansard*, 12 April 2010, p. 33.

28 Mr Ché Wall, Managing Director, WSP Lincolne Scott, *Committee Hansard*, 12 April 2010, p. 14.

savings from reduced energy use and displacing more expensive ways of cutting emissions.²⁹

1.30 Mr Murray-Leach also summarised that 'in the commercial building space, for every tonne of emissions that we cut in the building sector we save \$90.'³⁰

1.31 Furthermore, the EEC provided evidence that '[i]n addition to being the largest source of emission abatement, energy efficiency is widely acknowledged as the most cost-effective form of abatement'.³¹ This is demonstrated by the 'McKinsey curve', reproduced in the EEC's submission.³² The curve shows the relative cost-effectiveness of carbon abatement measures, measuring the cost of each measure against potential reductions in emissions. Various methods of retrofitting existing commercial buildings to improve energy efficiency are found to have a negative financial cost (in other words a positive financial benefit) of between approximately \$50 to \$140 per tonne of CO₂ equivalent emission saved.³³ Therefore improving energy efficiency is shown to be either a low or negative cost option for carbon abatement.

1.32 Chapter 4 of the RIS contains an 'impact analysis', or cost-benefit analysis, of the proposed scheme, which compares the scheme's various costs to building owners and tenants to the direct and indirect benefits that may be achieved. The impact analysis found that the scheme would cost \$18.7 million over 10 years,³⁴ and provide the following benefits:

...direct benefits of the scheme are to those tenants and/or prospective buyers who are able to use the disclosed ratings to choose a premise with a higher energy efficiency rating — the benefits achieved are through savings for these parties of occupying higher rated premises.

...indirect benefits of the scheme can be achieved through voluntary energy efficiency improvements, and associated greenhouse gas abatement, that may occur with a better informed marketplace.³⁵

1.33 The impact analysis used a 'break-even analysis' and identified that the minimum amount of benefit required of the scheme to at least cover its total costs would be achieved if 3.9 per cent of transactions per year were influenced by mandatory disclosure.³⁶

29 Mr Robert Murray-Leach, *Committee Hansard*, 12 April 2010, p. 34.

30 Mr Robert Murray-Leach, Chief Executive Officer, Energy Efficiency Council, *Committee Hansard*, 12 April 2010, p. 33.

31 Energy Efficiency Council, *Submission 5*, p. 2.

32 Energy Efficiency Council, *Submission 5*, p. 3.

33 Energy Efficiency Council, *Submission 5*, p. 3. For example retrofitting improved HVAC, lighting, elevators and appliances, and insulation.

34 Regulation Impact Statement, p. 33.

35 Regulation Impact Statement, p. v.

36 Regulation Impact Statement, p. 39.

Outline of the Bill

1.34 The Bill proposes to create a legal requirement for owners of commercial office buildings with net lettable areas of over 2000 square metres to obtain certain energy performance information about the building, and disclose that information to prospective purchasers and tenants.

1.35 The key provisions of the Bill set out:

- its scope and application;
- details of the 'building energy efficiency certificates', which are the manner in which information is to be given to prospective purchasers and lessees; and
- assessment standards and the accreditation and audit of assessors.

Scope and application

1.36 Subclause 10(1) provides that:

The Minister may, by legislative instrument, determine that a specified kind of building is disclosure affected.³⁷

1.37 'Disclosure affected building' is defined in clause 3 to be restricted to buildings that are 'used or capable of being used as an office'.³⁸

1.38 The Explanatory Memorandum states that it is expected that the Minister's legislative instrument will determine that 'buildings and areas of buildings will be disclosure affected if they exceed the minimum size threshold of 2000 square metres in net lettable area'.³⁹

1.39 The department also informed the committee that the scheme will apply to government buildings whenever government is transacting with a constitutional corporation, which is the majority of government transactions.⁴⁰

1.40 The Explanatory Memorandum also notes that the Minister's instrument will detail the type of buildings affected by the legislation. Officers from the department explained that the Minister needs the power to exclude certain offices that cannot be rated by the methodology set out in the scheme—such as strata titled offices.⁴¹

1.41 Mr Verwer, CEO of the Property Council of Australia pointed out that 'the Bill leaves a lot to subordinate legislation', and also expressed concern about the lack

37 Building Energy Efficiency Disclosure Bill 2010, subclause 10(1).

38 Building Energy Efficiency Disclosure Bill 2010, subclause 3(1).

39 Explanatory Memorandum, p. 76.

40 Department of Climate Change and Energy Efficiency, answer to question on notice, question 14, 12 April 2010 (received 23 April 2010).

41 Mr Mark Davis, Director, Commercial Building Performance Team, Department of Climate Change and Energy Efficiency, *Committee Hansard*, 12 April 2010, p. 23.

of definition of 'office building' in the Bill.⁴² Mr Verwer argued that 'there is a definition of "office" under the building code and that is the one that should be used'.⁴³

1.42 The Explanatory Memorandum explains that:

...there are several definitions for office buildings used by government and industry. One of the most common is the definition in the Building Code of Australia, which is used to identify the design and construction standards applying to that particular building type. However, none of the existing definitions are universally applied and directly correlate to the requirements of the scheme.⁴⁴

1.43 Accordingly:

...further details are required within a legislative instrument to ensure that the scheme is applied to specific building types for which a building energy efficiency rating can be assessed.⁴⁵

1.44 The Explanatory Memorandum states that it is necessary to leave much of the detail of the scheme to subordinate instruments because:

Use of a legislative instrument provides some flexibility where there is a need to make changes to this definition to account for technical issues.⁴⁶

1.45 On this issue, Ms Clare Walsh, Acting First Assistant Secretary, Renewables and Energy Efficiency Division, Department of Climate Change and Energy Efficiency, informed the committee that:

It provides administrative simplicity for the legislation, but any changes would not be taken arbitrarily by the secretary or the department. It would be undertaken as part of an ongoing consultation process. So there would not be just an arbitrary change without consultation.⁴⁷

Building Energy Efficiency Certificates

1.46 Part 2 of the Bill establishes the requirement for, and contents of Building Energy Efficiency Certificates (BEECs).

1.47 Clause 11 provides that it is an offence to sell or lease a 'disclosure affected building' without a BEEC. Clause 12 provides that a prospective purchaser, lessee or sublessee has the right to request a BEEC from the building owner. Under Clause 15,

42 Mr Peter Verwer, *Committee Hansard*, 12 April 2010, p. 9.

43 Mr Peter Verwer, *Committee Hansard*, 12 April 2010, p. 9.

44 Explanatory Memorandum, p. 76.

45 Explanatory Memorandum, p. 76.

46 Explanatory Memorandum, p. 76.

47 Ms Clare Walsh, *Committee Hansard*, 12 April 2010, p. 28.

advertisements for the sale or lease of a building must include the building's energy efficiency rating (which is one component of the BEEC).

1.48 Subclause 13(1) proposes that BEECs will contain three parts, respectively detailing:

- the energy efficiency rating for the building;
- an assessment of the energy efficiency of the lighting for the building that might reasonably be expected to remain if the building is sold, let or sublet; and
- guidance on how energy efficiency might be improved.⁴⁸

1.49 Clause 21 provides that the secretary of the department has the power to determine the specific methods and standards that will apply to each part of an assessment.

Energy efficiency rating

1.50 The base energy efficiency rating of the building is proposed to indicate the 'core components' of the building.⁴⁹ This includes factors within a landlord's control, such as heating and cooling, lifts and insulation.⁵⁰

1.51 The Explanatory Memorandum states:

The assessment methods and standards will apply the protocols of the National Australian Built Environment Rating System for energy efficiency, also known as NABERS Energy.⁵¹

1.52 The NABERS Energy rating system, which is one part of the NABERS rating system, encompasses the former industry standard Australian Building Greenhouse Rating (ABGR) scheme for energy and greenhouse efficiency. The NABERS tool was developed by the (then) Commonwealth Department of Environment and Heritage. However it is administered and managed by the New South Wales Department of Environment, Climate Change and Water.⁵²

1.53 The operation and development of the NABERS rating system is overseen by the NABERS National Steering Committee which is comprised of representatives from Commonwealth, state and territory governments, with the Australian Sustainable

48 Building Energy Efficiency Disclosure Bill 2010, subclause 13(1).

49 Mr Gene McGlynn, Assistant Secretary, Building and Government Energy Efficiency Branch, Department of Climate Change and Energy Efficiency, *Committee Hansard*, 12 April 2010, p. 28.

50 NABERS, 'About NABERS for Offices', www.nabers.com.au/page.aspx?code=ABOUTUS&site=2 (accessed 29 April 2010).

51 Explanatory Memorandum, p. 78.

52 NABERS, 'Frequently Asked Questions', www.nabers.com.au/faqs.aspx?site=1 (accessed 29 April 2010).

Built Environment Council as an observer. The NABERS system is available across Australia, with accredited assessors in every state and territory.⁵³

1.54 The NABERS website describes the benefits of the NABERS rating system:

[NABERS] is specifically tailored for existing buildings, and...measures relevant impacts during the operational phase of buildings. This approach has a number of benefits, including:

- NABERS provides a rating of the things that a building owner/operator can reasonably assume responsibility for, rather than items that were decided possibly by another party many years ago and cannot be easily changed; and
- As NABERS is based on actual measured performance rather than on prescriptive design parameters, it is complementary to expert design tools and design-based ratings systems.⁵⁴

1.55 One of the key issues raised during the committee's inquiry was whether the NABERS rating system is the most appropriate tool for the scheme. This issue is discussed in chapter 2.

Lighting

1.56 The second part of a BEEC relates to lighting. Officers from the department explained that after the base energy efficiency of the building, lighting is the 'next most important element' in terms of energy usage.⁵⁵ Mr Mark Davis, Director, Commercial Building Performance Team, Department of Climate Change and Energy Efficiency, stated:

In terms of total energy used by a building, you can basically split it fifty-fifty between the base building and the tenancy. We are capturing the base building through the star rating; that is the first component of the Building Energy Efficiency Certificate. As to the second component, the tenancy: of the total energy use, the lighting is the predominant factor.⁵⁶

1.57 At the time of the committee's public hearing, the precise tool for determining the energy efficiency of a building's lighting had not been resolved.⁵⁷ The committee understands that the government was, at that stage, in the process of consulting with industry on the proposed lighting tool. During the public hearing, Mr Peter Verwer,

53 NABERS, 'Frequently Asked Questions', www.nabers.com.au/faqs.aspx?site=1 (accessed 29 April 2010).

54 NABERS, 'Frequently Asked Questions', www.nabers.com.au/faqs.aspx?site=1 (accessed 29 April 2010).

55 Mr Gene McGlynn, Assistant Secretary, Building and Government Energy Efficiency Branch, Department of Climate Change and Energy Efficiency, *Committee Hansard*, 12 April 2010, p. 29.

56 Mr Mark Davis, *Committee Hansard*, 12 April 2010, p. 29.

57 Mr Peter Verwer, CEO, Property Council of Australia, *Committee Hansard*, 12 April 2010, p. 8.

CEO of the Property Council of Australia, expressed concerns about the government's proposed system for measuring lighting.⁵⁸ These concerns are discussed in chapter 2.

Guidance on improvements

1.58 The third aspect of a BEEC is proposed to be guidance on how the energy efficiency performance of a building might be improved. The Bill specifies that the kind of guidance included in a BEEC will be 'determined by the secretary by legislative instrument.'⁵⁹

1.59 The Explanatory Memorandum states:

It is expected that the guidance will be generic and designed to initiate investigation of specific improvements that may be carried out on a particular area of a building.⁶⁰

Assessments and assessors

1.60 Only accredited assessors may perform assessments of a building's energy efficiency under the scheme. Part 3 of the Bill sets out how assessors may apply to the department to become accredited for the purposes of the scheme, and those persons who are not eligible to become assessors.⁶¹ Clause 27 provides that the regulations may prescribe conditions of accreditation.

1.61 Assessors may be suspended for failing to carry out proper assessments,⁶² and it is an offence for a person to falsely hold themselves out to be an accredited assessor.⁶³

1.62 The Bill also provides for the auditing of assessors by an 'auditing authority', which is appointed by the secretary of the department. The auditing authority will be responsible for ensuring that:

- (a) accredited assessors properly apply the assessment methods and standards determined by the Secretary; and
- (b) assessments are not influenced by any conflict of interest.⁶⁴

1.63 Auditors are required to have relevant skills and experience, and to carry identity cards issued by the department.⁶⁵ Auditors have the power to enter premises

58 Mr Peter Verwer, CEO, Property Council of Australia, *Committee Hansard*, 12 April 2010, p. 8.

59 Building Energy Efficiency Disclosure Bill 2010, paragraph 13(1)(c).

60 Explanatory Memorandum, p. 78.

61 Building Energy Efficiency Disclosure Bill 2010, clauses 24 and 25.

62 Building Energy Efficiency Disclosure Bill 2010, Part 2, Division 2.

63 Building Energy Efficiency Disclosure Bill 2010, clause 32.

64 Building Energy Efficiency Disclosure Bill, clause 33.

65 Building Energy Efficiency Disclosure Bill, clauses 34 and 35.

with consent, or a warrant, observe activities carried out in the building, monitor accredited assessors and require assessors to produce documents.⁶⁶

1.64 Auditors also have certain obligations, such as informing building owners and seeking their consent. These are set out in Division 3 of Part 4 of the Bill.

66 Building Energy Efficiency Disclosure Bill, Part 4, Division 2.