

Media Release

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Green Building scheme a good start

The energy efficiency industry welcomed Julia Gillard's "*Tax Breaks for Green Buildings*" as a positive step for business and the environment.

"Labor have put some smart ideas in this policy, and if it's the first step in a wider program it could kick-start a transformation of our building sector." said Rob Murray-Leach, CEO of the Energy Efficiency Council.

"We need a suite of policies to green Australia's buildings, including a national energy efficiency goal, energy market reform, support for innovation, access to capital and a carbon price. But this is a very good start," said Rob Murray-Leach.

Greening offices, hotels and shopping centres would deliver a major win-win for business and the environment. Retrofitting Australia's existing commercial buildings could save the economy \$1.4 billion a year, cut building emissions by 30 per cent and create 27,000 jobs over the next decade.

"There are some smart ideas in this policy, particularly only giving incentives to companies that actually save energy. The government will need to work with experts and industry to get the details right. For example, the \$1 billion committed over the next decade will need to be available to building owners that want to move earlier," said Rob Murray-Leach.

Energy efficiency is Australia's biggest opportunity to cut greenhouse gas emissions, potentially delivering half the carbon cuts that Australia's needs to meet a strong emission reduction target.

What's more, energy efficiency actually helps to grow the economy while it cuts emissions – ClimateWorks Australia estimated that if we improved the energy efficiency of our economy, by 2020 Australian homes and businesses would save \$5 billion a year. Energy efficiency not only reduces the amount of energy people use, it can also lower the price of electricity by offsetting spending on expensive electricity infrastructure.

"Energy efficiency is a win-win for business, families and the environment. So far, it's been like cinderella, staying home and doing all the work while the renewable and clean coal sisters go to the ball. This needs to change – we need serious programs to drive energy efficiency, and this is a great start," said Rob Murray-Leach.

Australia needs a set of policies that work together to drive energy efficiency, including:

- A goal to reduce Australia's energy demand by 20 per cent below business-as-usual by 2020
- A national efficiency scheme for all sectors, particularly industry and commercial buildings
- Energy market reform, to reduce energy bills for consumers.
- At least \$75 million per annum to improve the efficiency of government operations.
- A carbon price.

The Energy Efficiency Council is the peak body for energy efficiency in industry and commercial buildings. For more information visit www.eec.org.au or contact Rob Murray-Leach on 0414 065 556 or ceo@eec.org.au

A Summary of the Council's Policy Recommendations

The Energy Efficiency Council is the peak body for companies that provide energy efficiency services and products to business and government. Together, Australia's top efficiency experts have developed a set of policies that would transform Australia into a competitive, low-carbon economy.

Three big policies to transform Australia

1. An energy efficiency target for Australia

We could meet all the growth in our energy needs over the next decade simply by using the energy we waste now. Australia should follow Europe, China and the US and set a serious energy efficiency target. The Council recommends that Australia cut energy demand by 20 per cent below business-as-usual by 2020.

2. Targeted investment in efficiency by electricity distributors

Electricity bills are going to increase by as much as 42 per cent over the next three years simply because we're investing too much in new and expanded electricity networks. If the network companies invest just 10 per cent of this planned spending in energy efficiency they could reduce the need for new infrastructure, reducing energy consumers' bills.

3. A National Efficiency Scheme (NES)

A National Efficiency Scheme (NES) would drive energy efficiency across all sectors of the economy. The scheme would also reduce red tape by replacing three existing state

Key sectors for action

Industry

The top 200 companies in Australia use almost twice as much energy as all households put together. Requiring these companies to improve their efficiency by just one per cent each year and giving them targeted financial support to help them meet and exceed this target would save over \$2 billion a year while slashing carbon emissions.

Cogeneration

A feed-in tariff and changes to the electricity market could create 3000 Megawatts of low-emission cogeneration – that's double the output of Victoria's aging Hazelwood power station and around 75 per cent less greenhouse emissions per Megawatt.

Commercial Buildings

Millions of Australians work in aging, inefficient and uncomfortable offices. Combining a new National Efficiency Scheme with a sophisticated loan scheme for commercial buildings would drive a new wave of productivity improvement in our workplaces.

Government Operations

If governments set up specific policies for investing in energy efficiency they could cut their emissions by 30 per cent and save \$450 million every year.