

31 January 2017

Department of the Environment and Energy  
PO Box 787  
CANBERRA ACT 2601

Via email: [energyrating@environment.gov.au](mailto:energyrating@environment.gov.au)

## Re: "Air Conditioners and Chillers – Updated Policy Proposals" Consultation Paper

### To Whom It May Concern:

Australian Gas Networks Limited (AGN) is one of Australia's largest natural gas distribution companies. AGN owns approximately 23,000 kilometres of natural gas distribution networks and 1,100 kilometres of transmission pipelines, serving over 1.2 million customers in New South Wales, South Australia, Victoria, Queensland and the Northern Territory.

AGN welcomes the opportunity to make a submission to the Department of the Environment and Energy (the Department) regarding the "*Air conditioners and chillers: updated policy positions*" consultation paper (the Paper).

In the Paper, the Department explains that changes to the energy efficiency regulations for air conditioners and chillers are required because of the following:

- the method used for rating the energy efficiency of air conditioners has not kept pace with technology and market changes;
- customers are currently not able to compare the efficiency of portable air conditioners with other air conditioner types; and
- costly regulatory overlap between Minimum Energy Performance Standards (MEPS), the Greenhouse and Energy Minimum Standards (GEMS) Act and the National Construction Code (NCC).

To address these concerns, the Department is proposing a range of policy proposals outlined in the Paper, some of which relate to changes to the Energy Rating Label (the Label).

Overall, AGN is supportive of the proposed changes to the Label, but still considers that the provision of emissions generated by the appliance should be included on the Label design. That is, the Label should not focus purely on the energy efficiency of the appliance, a statistic which does not facilitate assessment of emissions and cost efficiency across different fuel sources.

Importantly, this is consistent with one of the three key objectives of the E3 Program:

*"To reduce appliance and equipment related greenhouse gas emissions through a process which complements other actions by jurisdictions."<sup>1</sup>*

To further support the need for inclusion of emissions information, we continue to receive feedback from our customers indicating that they would like to have access to more information relating to the emissions generated by different appliances. They consider this information is valuable to them in terms of informing their appliance purchasing decisions.

That said, we also acknowledge the complexity of providing this information in an easy to understand format on the Label, particularly given this information is likely to vary based on the geographic location of the appliance and also over time. Consequently we support the Department's development of an online calculator tool that enables customers to access appliance emission-related information.

We encourage the Department to broaden the scope of this online calculator tool to also include information relating to the running costs of appliances. That way, the Energy Rating Australia website can become a clear 'source of truth' to customers when they are making appliance purchasing decisions.

As a way of encouraging customers to use this online tool, we would suggest the Label design incorporates a reference to the tool, prompting customers to visit the online calculator if they would like more information relating to the emissions and running costs of appliances.

For example, we would encourage the Department to amend the Label design to include a comment such as the following:

*When choosing an appliance, energy efficiency should be considered alongside the running costs and emissions generated by using the appliance. To calculate the running costs and emissions generated by this appliance, please refer to our website: [www.energyrating.gov.au](http://www.energyrating.gov.au)*

Please contact either Ashley Muldrew (08 8418 1115) or myself (08 8418 1129) if you would like to discuss the matters raised in this submission, further.

Yours sincerely,



**Craig de Laine**  
**General Manager – Strategy and Regulation**

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<sup>1</sup> Energy Rating Australia, "Program Objectives", <http://www.energyrating.gov.au/about>, January 2017.