

11 September 2019

Mr Craig Walker
Equipment Energy Efficiency (E3) Program
SYDNEY NSW 2000

smartappliances2019@sa.gov.au

Dear Craig

SMART' DEMAND RESPONSE CAPABILITIES FOR SELECTED APPLIANCES

The Australian Sustainable Built Environment Council (ASBEC) strongly supports the objective of the Equipment Energy Efficiency (E3) program to improve the energy efficiency of new appliances and equipment. We welcome the opportunity to provide a submission to the consultation on Smart Demand Response Capabilities for Selected Appliances.

As you will be aware, ASBEC is a body of peak organisations committed to a sustainable built environment in Australia. ASBEC's membership consists of industry and professional associations, non-government organisations and government observers who are involved in the planning, design, delivery and operation of our built environment. ASBEC has twenty-seven industry members, including the Energy Efficiency Council, Property Council of Australia, Green Building Council of Australia, Australian Institute of Refrigeration, Air Conditioning and Heating and Facilities Management Association of Australia.

Buildings contribute to over half of Australia's electricity consumption and almost a quarter of our country's emissions. The building sector presents a profound and cost-effective opportunity for energy productivity and emissions reductions. *Low Carbon, High Performance*, authored for ASBEC by ClimateWorks shows how Australia's built environment sector is uniquely placed to become a global market leader in energy and sustainability, with buildings presenting low cost opportunities to deliver almost \$20 billion in energy savings as well as significant emissions reduction and other benefits. The built environment could also help to meet over half of the current National Energy Productivity Plan target, and more than one quarter of the national emissions target.

Low Carbon, High Performance outlines a holistic suite of policies to address existing barriers and accelerate actions, including **setting strong mandatory minimum standards** for buildings, equipment and appliances, and the establishment of a forward trajectory for future standards. The report finds that improvements in the efficiency of appliances and equipment could deliver \$8 billion in energy savings nationally and 71 megatons in emissions reductions to 2030. A targeted suite of policies would be required to unlock this opportunity.

Mandatory minimum standards for appliances are a highly effective mechanism to overcome the low levels of motivation and understanding amongst consumers to choose energy efficient appliances and equipment, even where these deliver financial returns over the life of the product.

We support the proposal to mandate compliance with AS/NZS 4755 for the nominated priority appliances. This measure is complementary to price signals for dispatch of demand response. Labeling and voluntary compliance with AS/NZS 4755 are not viable alternative options to mandated compliance, due to low consumer understanding.

Efforts to expand demand response in Australia could deliver significantly lower energy bills for all households and the roll-out of demand response capable products will also lower the cost of introducing demand response programs for small consumers.

Yours Sincerely



Suzanne Toumbourou
Executive Director

