

**2018**

**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**REPORT IN RESPONSE TO THE ACT LEGISLATIVE ASSEMBLY  
RESOLUTION OF 1 AUGUST 2018**

**ENERGY EFFICIENCY RATING SCHEME – PROPOSED REVIEW**

**Mr Gordon Ramsay MLA  
Minister for Building Quality Improvement**

## **Background**

On 20 September 2017, the Legislative Assembly passed a motion for the ACT Government to provide a report on the progress of the review of the ACT's Energy Efficiency Rating Scheme to the Assembly by the last sitting day in 2018.

## **The review**

The ACT has the longest-running mandatory residential energy efficiency disclosure scheme in the world. Requirements to advertise energy efficiency ratings and provide energy efficiency information about a property to potential purchasers and renters (sometimes known as disclosure or mandatory disclosure) came into effect in 1999. The ACT's energy efficiency disclosure laws were some of the first in the world and remain the only such laws in Australia for residential properties.

While changes have been made to improve the system over time, including introducing new licensing and regulatory requirements for assessors in 2011, this is the first major review since disclosure requirements commenced.

## **Scope**

The review, which is an item under the parliamentary agreement with the ACT Greens, is a full review of the disclosure scheme covering the policy, legislative, administrative and technical components of the scheme. The scheme is being reviewed against its original objectives and the ACT's current policy settings for buildings and building performance, health, energy, housing affordability, climate change and other relevant policies.

The review includes developing and assessing options for potentially expanding the scheme to all rental properties in the Territory, as well as the type and form of information of most relevance to owner-occupiers, investors, and tenants<sup>1</sup> and how this could be accommodated under the scheme.

As the software used currently for producing energy efficiency assessments will not be technically viable into the future, replacement software packages and associated administrative, training and transitional requirements are being considered under the review.

The review does not include reviewing building standards in the National Construction Code and the use of energy assessment software for assessing compliance of new buildings. However, it will consider the interactions between assessments for disclosure and those for new building work.

The review will result in a report of the review of the ACT energy rating disclosure scheme and its effectiveness. The report will include recommendations for a long-term policy and transition plan for the scheme, including application to the residential tenancies, and associated regulatory impact analysis for Government consideration.

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<sup>1</sup> The regulatory impact statement developed for Action 3 of the Climate Change Action Plan

<sup>2</sup> identified that the current energy efficiency rating provides limited useful information for tenants and expansion of the scheme to all rental properties in its current form was not recommended.

## **Status**

The Environment, Planning and Sustainable Development Directorate is currently consolidating, analysing and reviewing a range of information from independent analyses of the ACT scheme, schemes operating in other jurisdictions and surveys of owners, buyers and occupants, and refining options for the scheme. These options form the basis of the public consultation paper in preparation.

## **Next steps**

There will be public consultation early in 2019. The community will be able to have their say on the scheme, their experiences and views on energy efficiency information when either buying, selling or renting, the future direction of the scheme.