

The Hon Tom Koutsantonis MP
Minister for Energy and Mining
By email: minister.koutsantonis@sa.gov.au

17 October 2022

Dear Minister,

Higher energy standards in the 2022 National Construction Code

We write as representatives of organisations across the consumer, property, social services, and energy sectors.

We welcome the decision taken at the August 2022 Building Ministers Meeting (BMM) to improve energy standards for new homes in the National Construction Code (NCC).

We urge your government to adopt the new energy provisions in NCC 2022 according to the timeframe set out in the BMM communique, ensuring consistency and clarity for industry to prepare for the changes.

Improving energy performance through the introduction of 7-Star minimum NatHERS ratings and an annual energy use budget will deliver significant benefits. Higher energy standards result in lower household energy bills, reduced emissions, healthier and more comfortable homes, better resilience to extreme weather, and reduced energy infrastructure costs. Lifting minimum standards will improve equity and ensure the benefits of better energy performance will be enjoyed by all people living in new homes.

We view the timely and coordinated implementation of these important changes across jurisdictions as a critical next step: it will reduce transition costs to industry and ensure that households do not miss out on the benefits of higher-performing homes.

We welcome the announcement in the BMM Communiqué that new energy provisions in the NCC 2022 are available for use from 1 October 2022; will formally commence on 1 May 2023; and will offer a transition period through to 1 October 2023. We believe that this is an appropriate timeframe providing industry with the opportunity to adequately prepare for the approved changes. We are writing to all jurisdictions reiterating our support for a coordinated approach for implementation in line with these dates.

We look forward to working with you throughout the implementation process of the 2022 NCC, as well as with your government on the broader policy agenda to improve the performance of new and existing homes detailed in the *Trajectory for Low Energy Buildings*.

To ensure that there is a continued effective dialogue with stakeholders on NCC development and implementation, we recommend the formalisation of industry and consumer engagement through a mechanism such as the BMM Industry Forum. We also welcome the opportunity to review the Trajectory to ensure it continues to serve as a valuable policy tool supporting Australia's updated emissions reduction targets.

Should you require further information or wish to meet with our organisations to discuss the implementation of the 2022 NCC, please contact Rob McLeod at rob.mcleod@renew.org.au or 0402318842.

Thank you for your decision to lift the energy standards of new homes. This is an important action towards ensuring that South Australian homes are affordable, healthy, comfortable, and sustainable.

Yours sincerely,



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South Australian Council of Social Service



Amanda McKenzie
CEO
Climate Council of Australia



Ken Morrison
Chief Executive
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