

22 August 2022

National GreenPower Accreditation Program
NSW Office of Energy and Climate Change
Locked Bag 5022
Parramatta, NSW 2124

Submitted via email: greenpower.admin@planning.nsw.gov.au

Dear GreenPower Review Team

RE: GBCA submission to ongoing GreenPower Program Review

Green Building Council of Australia (GBCA) welcomes the opportunity to make a submission to the GreenPower Program Review. GreenPower plays a critical role in driving demand for, and investment in, renewable energy and we commend the NSW Office of Energy and Climate Change on their custodianship of the program.

GBCA's purpose is to lead the sustainable transformation of the built environment. We do this primarily through our core functions:

- We rate the sustainability of buildings, fitouts and communities through Australia's largest national, voluntary, holistic rating system – Green Star.
- We educate industry, government practitioners and decision-makers, and promote green building programs, technologies, design practices and operations.
- We advocate policies and programs that support our vision and purpose.
- We collaborate with our members and other stakeholders to achieve our mission and strategic objectives.

Green Star is Australia's most widely used sustainability rating system for the design, construction and performance of buildings, fitouts and communities. Green Star aims to transform the built environment by:

- reducing the impact of climate change
- enhancing our health and quality of life
- restoring and protecting our planet's biodiversity and ecosystems
- driving resilient outcomes for buildings, fitouts, and communities
- contributing to market transformation and a sustainable economy.

GBCA's key priorities in relation to the GreenPower Program Review are:

- GreenPower should evolve to provide a simple, clear mechanism to identify 100% renewable energy being provided to the purchasers. The accounting for 100% renewable power should be based on the market-based accounting method.

- GreenPower should focus on streamlining and reducing administrative burden for program users. There are currently high administration costs imposed on participants which add a barrier to participation. Future changes to the program should seek to minimise costs and ensure maximum participation.
- GBCA does not support the expansion of GreenPower to include all forms of renewable energy. While green hydrogen will likely have applications in the industrial sector to support industrial processes with intense heat requirements, it will be employed mainly by sophisticated organisations that may not require the use of GreenPower to demonstrate their sustainability credentials. The built environment's operational energy needs can be met through electrification with technology that is already available at much less cost than creating new hydrogen-ready infrastructure. We also do not support expanding GreenPower to recognise non-renewable, carbon neutral sources. Furthermore, GreenPower should advocate to Climate Active for the phase out of carbon neutral certified electricity.
- GBCA supports a 36-month vintage requirement for GreenPower certificates as a time-frame that aligns with Climate Active.
- The principle of additionality is irrelevant in a situation where the electricity grid is quickly moving to a state of renewable saturation regardless of GreenPower's intervention.

Please find more detailed responses to the consultation questions enclosed below. GBCA notes that we are aligned in principle with the position taken in Property Council of Australia's submission and we are in agreement with most of the responses to the questions that Property Council of Australia makes in its own submission to this consultation. Included in this submission are responses to the questions where GBCA's view differs slightly from the position presented by Property Council of Australia, or where we have an additional perspective to offer. For all other questions, we refer the GreenPower Review Team to the Property Council of Australia's submission.

Please do not hesitate to contact Katy Dean, Policy Adviser, via email at katy.dean@gbca.org.au, if there is any further information that we can provide, or to arrange further discussion.

Yours sincerely



Jorge Chapa
Head of Market Transformation
Green Building Council of Australia

GBCA response to consultation questions

1.	Please refer to Property Council of Australia submission
2.	Please refer to Property Council of Australia submission
3.	Please refer to Property Council of Australia submission
4. Does Option A sufficiently address the demand from stakeholders to recognise the RET for 100% renewable electricity claims? If not, why?	<p>No. The proposed solution is likely to create an additional complexity in what should be a simple statement.</p> <p>Instead of creating a distinct product, GreenPower should do what it notes in item 4.3.1 and shift its calculation method to a market-based mechanism. In other words, the current 100% GreenPower label should mean 100% renewable procurement (RET + remainder to 100%), not ~120% (100% + RET).</p>
5. What are the advantages of Option B? Would fixing the recognised RET percentage be a good solution to deal with the annual changes to the RPP?	<p>No. This option is looking for feedback on two very distinct questions:</p> <p>1) GreenPower’s paper does not provide enough information to understand the benefits of ‘fixing’ a percentage allocated to the RET. It notes that this is to avoid annual changes to products, but is unclear as to why this is an issue.</p> <p>2) This option also discusses ensuring that GreenPower increases its current percentage to 50% to have real impact. With the need to drive down electricity emissions as quickly as possible, GreenPower should only offer one product: 100% GreenPower.</p> <p>This allows GreenPower to provide a simple product for all consumers that is easy to understand, simplifying marketing, communications, and rules. It will also drive significant change. Sophisticated actors that want partial renewable energy already have other options.</p>
6. The above proposal is a solution that can be quickly implemented. Should GreenPower consider a different approach in its long-term program design?	GreenPower should consider a back-to-basics approach. The messaging and brand of GreenPower has been confused by multiple products and unclear messaging. A simple 100% GreenPower product that represents 100% (inclusive of the RET) would go a long way to solve this issue. All other products should be phased out.
7. Which minimum percentage do you think is the most appropriate if Option B noted in 4.3.2 is chosen, and why?	100%. Considering that the current projections for the electricity grid shows that 50% will likely be exceeded well within the next few years, and prior to 2030, and that some states already exceed that number, it does not make sense to have anything less than 100%.
8.	Please refer to Property Council of Australia submission
9. Is there anything else that you think should be part of GreenPower’s mission statement?	<p>The current mission statement could be simplified:</p> <p>“To drive consumers towards procuring environmentally sound 100% renewable electricity”</p>

10.	Please refer to Property Council of Australia submission
11.	Please refer to Property Council of Australia submission
12. Should GreenPower focus on maximum additionality, electricity carbon accounting, or should both types of products be supported?	<p>No. GreenPower should not focus on maximum additionality. Instead, we suggest the program focus more strongly on sectoral consumer uptake.</p> <p>GreenPower should focus on ensuring the customer is getting 100% renewable energy, as calculated via the market-based approach. The principle of additionality is irrelevant in a situation where the electricity grid is quickly moving to a state of renewable saturation regardless of GreenPower's intervention.</p>
13.	Please refer to Property Council of Australia submission
14.	Please refer to Property Council of Australia submission
15.	Please refer to Property Council of Australia submission
16.	Please refer to Property Council of Australia submission
17. Which organisations would be most suited to partner with GreenPower to drive awareness and uptake of GreenPower, and why?	<p>Sustainability Strategies - GreenPower sales can be driven by demand for net zero and/or 100% Renewable Energy organisational strategies. Every net zero plan should include strategies to eliminate emissions from electricity consumption (scope 2 emissions) and the practical methods are through onsite renewable generation where possible and then purchase of renewable energy through the grid.</p> <p>NABERS Energy and the new Renewable Energy Indicator are a case in point of a mechanism that will encourage more building owners/managers to fully convert to 100% renewable electricity. Further, the customers of these buildings can actively ask for buildings with a high NABERS Energy rating and a high renewable energy percentage.</p> <p>The Green Star rating tools now have specific requirements for buildings to be fully powered by renewables for distinct star ratings between now and 2030. New 6 Star rated buildings must do this now, 5 Star from 2023 onwards, and 4 Star from 2026 onwards. For existing buildings, the process is similar, but with a different timeline (6 Star from 2023 onwards, 5 Star from 2026, 4 Star from 2030).</p> <p>All levels of Government - Governments are well placed to use their significant market presence to drive the uptake of GreenPower. They could, for example, signal to the market that they will preferentially select buildings that achieve 5+ stars NABERS Energy and > 80% Renewable Energy Indicator.</p> <p>Similarly, programs such as Sustainability Advantage, CitySwitch have a role to play to continue to encourage organisations to adopt net zero targets that include purchase of renewable electricity through a robust certification scheme.</p>

	<p>Electricity Retailers - Electricity retailers have a significant role to play in marketing GreenPower (see question 26).</p> <p>Government Comparison Websites - Government electricity comparison websites, along with private sector comparison sites, are an ideal place to make GreenPower the default option with information on why it should be included in any contract.</p> <p>There will be a wide range of programs emerging to support electrification of homes and every one of these programs can remind consumers (or make it a condition of any incentive programs) that GreenPower is required.</p> <p>Electric Vehicle Industry - Anyone that buys an EV is paying a large premium to step into a cleaner operating car. Every EV customer should be a GreenPower customer.</p> <p>Utility Bills - Electricity bills are required to include an emissions profile, changes to this information to include information on how GreenPower avoids these emissions could be included on every bill along with information on how to make the change for those not already subscribing to GreenPower.</p> <p>Government Certifications - The Climate Active, carbon neutral, certification program continues to grow and demand for this certification can be spurred on by Governments and other large consumers preferencing Climate Active certified goods a services. Climate Active has already adopted market based electricity reporting that can be compatible with GreenPower purchases.</p> <p>As more organisations target the decarbonisation of their value chains, both upstream and downstream, having a mechanism for consumers to purchase renewable energy through the grid becomes even more important.</p> <p>Having a nationally consistent, government certified, renewable electricity product is an important competitive advantage.</p>
18.	Please refer to Property Council of Australia submission
19. Should retailers be blocked from joining GreenPower if they sell green products that are not linked to renewable energy generation?	<p>We assume this is a reference to retailers that sell a Carbon Neutral electricity project. Green Power should advocate for Climate Active to phase out their certification of carbon neutral electricity.</p> <p>Green Star already has phased out recognition of this electricity source in its renewable electricity guidance.</p>
20. What other changes to the program could provide the same level of clarity for consumers?	Provide clarity in the accounting of 100% and greater simplicity in the number of choices available.

21.	Please refer to Property Council of Australia submission
22.	Please refer to Property Council of Australia submission
23.	Please refer to Property Council of Australia submission
24.	Please refer to Property Council of Australia submission
25.	Please refer to Property Council of Australia submission
26. Do you see value in an official environmental rating for electricity retailers, and in GreenPower developing this rating?	<p>GreenPower could use its knowledge of the electricity network to provide transparency on how much of a retailer's electricity output is renewable. This approach would encourage users to engage 'renewable energy from responsible retailers'. A separate yearly report of rankings could also provide some value and stir some competition.</p> <p>However, this transparency should not be a separate label at this time, as it would confuse the simple messaging that GreenPower should be aiming for.</p>
27.	Please refer to Property Council of Australia submission
28.	Please refer to Property Council of Australia submission
29.	Please refer to Property Council of Australia submission
30.	Please refer to Property Council of Australia submission
31.	Please refer to Property Council of Australia submission