



# Green rating backflip

## Baillieu may scrap 6-star energy rules

By ROYCE MILLAR and ADAM MORTON

MANDATORY energy ratings for new homes and renovations in Victoria could soon be scrapped under a contentious proposal before the Baillieu government. Documents obtained by *The Age* reveal the government wants to abandon 6-star thermal efficiency requirements for houses as part of its broader agenda for cutting government red tape.

The plan comes despite the Coalition having promised before the 2010 election to support the energy rating system, and having signed up to a national 6-star code last year.

The 6-star standard, which now applies in all states and territories, requires energy efficiency measures for the structure of all new homes and major renovations including the roof, floors, walls and windows. It also sets standards for lighting and, in Victoria, requires the installation of either a solar hot water system or rainwater tank for toilet flushing.

But last month state Treasurer Kim Wells wrote to Planning Minister Matthew Guy asking him to detail a plan for removal of the 6-star standard in Victoria as part of a bid to cut government red tape by 25 per cent by July 2014.

Mr Wells wrote that, as an alternative to the current system, build houses with higher star ratings may cost more in building resources than it delivers in energy savings. The report pre-dates the Coalition policy of support for the 6-star standard.

The additional cost of moving from a 5-star to 6-star mandatory standard is estimated at about \$5000 for an average home. Supporters of mandatory energy standards argue that the cost is paid back quickly as a result of increased energy efficiency.

The proposal draws heavily on a Master Builders Association report from July 2010, which argued that "forcing" people to build houses with higher star ratings may cost more in building resources than it delivers in energy savings. The report pre-dates the Coalition policy of support for the 6-star standard.

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But the Gillard government rested the government's commitment to cutting red tape. In its 2010 election policy, the Coalition promised support for the 6-star standard for residential and commercial buildings as well as higher energy efficiency standards for "all new homes".

Both Labor and the Coalition also committed to boosting energy efficiency of all Victorian homes to an average of five stars by 2020. This would require Labor to estimate the cost for government and households.

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would be \$7.6 billion, but benefits from reduced energy and water bills would be worth \$11.52 billion. Environment and welfare groups say the Coalition has done nothing to begin meeting the goal for existing homes.

If implemented, the proposal to abandon compulsory energy ratings would be the latest in a series of reversals on climate change-related commitments by the Baillieu government.

Before the 2010 poll it backed the legislated target of a 20 per cent reduction in greenhouse gas emissions by 2020 and criticised Labor for not doing enough to promote solar power. In power, the Coalition has dumped the greenhouse target and has cut the solar feed-in tariff by more than half.

In opposition the Coalition also supported a carbon price as the best way to cut emissions, but in government it has campaigned aggressively against the Gillard government scheme.

Alternative Technology Association chief Ian Porter said it was "ludicrous" to think consumers could make their own energy efficiency assessments. "This sort of approach seems to reflect an ideological opposition to any sort of environmental regulation at all," he said.

Opposition Leader Daniel Andrews described the move as a "one-star decision from a no-star government . . . This will be bad news for jobs and even worse news for household energy bills."

In the attachment to Mr Wells' letter, Treasury notes that the public may view the ditching of the 6-star rating as "a dilution of Victoria's building standards". It says "appropriate communications" could make it clear that safety and construction standards would not be affected.

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