Ruling: Revised method for ‘Calculating average NABERS rating for publication’

Issued: 8 November 2011

1.1 RULING COVERAGE

This ruling applies to all NABERS accredited **buildings** within a portfolio.

It is relevant to ratings performed according to the;

- NABERS Energy and Water for offices Rules for collecting and using data (Version 2, July 2010)
- NABERS Energy and Water for shopping centres Validation Protocol for Accredited Ratings (Version 1.2, October 2010)
- NABERS Energy and Water for hotels Validation Protocol for Accredited Ratings (Version 2.0, May 2009).

2.1 RULING SUMMARY

This ruling replaces the 2008 publication ‘Calculating average NABERS rating for publication’ to consider buildings with more than one owner.

Buildings which are co-owned must only include the proportion of the building’s rated area that is owned by the portfolio.

3.1 RULING

Calculating average NABERS ratings for publication

Average ratings may be calculated and published for a number of premises or an entire portfolio on the basis of individual accredited NABERS ratings, using the following rules.

1. Average ratings must be associated with either a particular calendar year, or a particular financial year. Any publication of the average rating must be linked to the year and the type of rating, e.g. “2010 average NABERS Energy for Office Rating = 3.5”. The year does not need to be specified next to the rating if the context clearly identifies it; e.g. within a table headed “2010 performance”, or within a section of an annual report clearly identified as applying to the year being reported, etc.

2. Average ratings must only include accredited NABERS ratings that are current on the last day of the chosen year – 31 December for calendar years, and 30 June for financial years. If premises have multiple ratings current at

that time, the most recent rating must be used in the calculation of the average rating.

3. The average rating is to be area-weighted.

   Overall rating = (Rating_A x Rated Area_A + Rating_B x Rated Area_B + …) / (Rated Area_A + Rated Area_B+ …)

   The average rating must take into consideration co-owned buildings by only including the proportion of the buildings rated area that is owned by the portfolio.

   Rated Area = (Rated Area x % ownership)

4. Average ratings are to be **rounded down** to an accuracy of one decimal place. For example, an average rating calculated as 3.764 would be published as 3.7.

5. Average ratings for a portfolio may only be published if at least 95% of properties in the portfolio (by net lettable area) have accredited, current ratings for the period being reported.

6. Where an average is published for a group of premises less than 95% of a portfolio (by net lettable area) or a non-portfolio grouping of premises, the premises included in the average must be detailed either in the same location as the published average, or on an easily accessible list with a link published with the average.

7. Where a history of average ratings is reported, all ratings must be either calendar year averages or financial year averages.

Example 1

A property owner has the following portfolio of office buildings rated with NABERS Water:

Premises	**Rated Area (m^2)**	**NABERS Water Rating**
Building A	12,500	2
Building B	20,000	4
Building C	5,000	1.5
Building D	15,000	0
Building E	25,000	3.5
Building F		Not rated

The net lettable area of Building F is 3000m². The average rating is calculated on 1 June 2007, and all ratings are accredited and will be current at 30 June 2008.

The owner then calculates the Rating x Rated Area for each premise, along with Total Rated Area and Total Rating x Rated Area.

Premises Rated	Rated Area (m^2)	NABERS Water Rating	Rating x Rated Area
Building A	12,500	2	25,000
Building B	20,000	4	80,000
Building C	5,000	1.5	7,500
Building D	15,000	0	0
Building E	25,000	3.5	87,500
Total	**77,500**		**200,000**

The average is 200,000/77,500 = 2.5806, which must be **rounded down** for publication to 2.5.

The total portfolio in this case has a total area of 80,500m2 including Building F. Therefore 96% of the portfolio has an accredited rating and the average may be published against the portfolio.

Calculation:

Total portfolio area: 77,500 + 3,000 = 80,500m²
Percentage of portfolio rated: (77,500/80,500)*100 = 96%

Final publication in a table within an annual report for the 2007/08 financial year:

Our performance for financial year 2007/08

Average NABERS Water rating: 2.5 Stars

Example 2

The same building portfolio owner has now sold Building F and purchased a 10% share in Building G which is NABERS Water 5 stars and has a rated area of 10,000m².

The calculation below is used to determine the rated area to be allocated to the average portfolio calculation:

Rated area = 10,000m² x 10%
= 1,000m²

The building owner may only take credit for 1,000m² of the 5 star building.

Premises Rated	**Rated Area (m²)**	**NABERS Water Rating**	**Rating x Rated Area (m²)**
Building A	12,500	2	25,000
Building B	20,000	4	80,000
Building C	5,000	1.5	7,500
Building D	15,000	0	0
Building E	25,000	3.5	87,500
Building G *(10% ownership)*	1,000 *(weighted area)*	5	5,000
Total	**78,500**		**205,000**

The average for the portfolio is 205,000/78,500 = 2.6115, which must be **rounded down** to 2.6 for publication.

The total portfolio has a current accredited rating and the average may be published against the portfolio.

Any questions about this Ruling should be forwarded to the National Administrator: email: nabers@environment.nsw.gov.au.