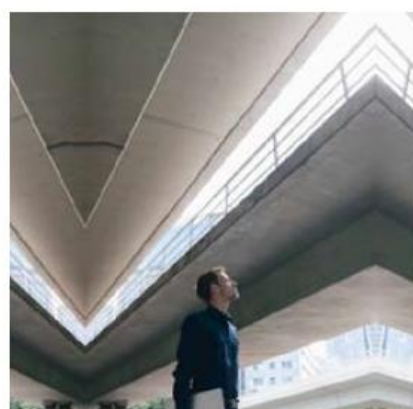


Consultation Paper

Rated Hours, Computer Counts & Site Visits

April 2022



1 Introduction

1.1 Why is NABERS releasing this consultation paper?

NABERS recently engaged consultants to undertake a review of the requirements for undertaking Site Visits, calculating Rated Hours and conducting Computer Counts. The scope of work specifically targeted Energy & Water ratings for Offices (Whole Building and Tenancies) and Hotels. Through stakeholder engagement and modelling, the consultants have provided NABERS with a number of recommended changes that can be made to the Rules, most of which NABERS is looking to accept.

NABERS is now seeking broader stakeholder input into these recommendations for review before they are implemented into the Rules.

1.2 How do I provide feedback?

All submissions are to be sent to the NABERS team, who will be collecting responses to this consultation paper. You can submit your response by either:

- Completing the **online submission form**, found here: [Feedback submission form](#)
- **Emailing your written responses** to us at nabers@environment.nsw.gov.au

1.3 When is the feedback deadline?

NABERS is inviting stakeholders to provide feedback by close of business **Friday, 13 May 2022**.

1.4 Will my submission and my details be made public?

NABERS will not make submissions or any author's details public.

1.5 Will NABERS include all the suggestions contained in my submission in future releases?

NABERS will prioritise submissions that focus on the key issues currently being examined. If your feedback falls outside of the scope of the core enquiry, your suggestions will be added to the NABERS Feedback and Issue Register for review in the future.

2 Rated Hours

2.1 Amending calculating rating hours order of priority and the Default Hours methodology

2.1.1 Context

The consultant was asked to look at the order of priority that is currently set for calculating rating hours, in order to determine if amending the priority would allow assessors to be more efficient in conducting ratings.

The current priority order is:

1. Tenancy Occupancy Survey
2. OTA Core Hours and AHAC
3. Average Core Hours
4. Default hours

Tenant Occupancy Surveys (TOS), the first priority, is a significantly time and energy intensive method, especially for a large site or when there is unnecessary pushback from respondents. Furthermore, the TOS are arguably subjective in nature and susceptible to human error or gaming.

Default hours is the lowest ranking method in the current order of priority. It also contributes to the potential error calculation of the rating. This makes it a rarely used method that often causes more complication than convenience.

Avoidance of default hours is a problem because it causes questions to be raised about the eligibility of some office ratings. Assessors face difficulty obtaining sufficient evidence for the other methods. Where default hours is used, the fact that it contributes to potential error has led some Assessors to “revise down” the default hours input to an artificially low figure in order to meet the 5% potential error cap of the rating.

2.1.2 Proposal

NABERS is proposing the following changes:

1. *Relax requirements to allow Assessors to freely choose the hours methodology from the list without the need to strictly follow the order of priority.*

The current order of priority list requires Assessors to exhaust each successive option before moving to the next methodology. In some instances, this may not be a practical or efficient process to follow. NABERS will consider instead allowing Assessors to pick the methodology that is best suited for their rating.

2. Remove the Default Hours' contribution to the potential error calculation of the rating.

NABERS will also consider removing the Default Hours' contribution to the potential error calculation of the rating. This will effectively allow sites to be comprised entirely of Default Hours in a "worst case" scenario where information on core hours is unavailable.

NABERS may also consider revising the default hours figure down from 45 hours per week.

In the consultant's review, it was observed that rated hours for less than 4% of Whole Building and Tenancy ratings certified between 2015-20 were calculated at less than 40 rated hours per week. Less than 1% of certified ratings had rated hours at 35 or less per week.

For Whole Building and Tenancy ratings with rated hours calculated at less than 45 per week, applying default hours of 40 per week would see a star rating increase in 3% of affected ratings and a decrease in 18% of affected ratings.

Similarly, applying default hours of 35 per week would see a star rating increase in 1% of affected ratings and a decrease in 49% of affected ratings.

2.1.3 Focus question(s)

1) Do you support this proposal? If not, why?

3 Computer Counts

3.1 Adjusting the Default Computer Count figure

3.1.1 Context

The NABERS Energy and Water for Offices tool includes a computer count input for Whole Building and Tenancies, which has a bearing on the energy star rating performance.

The existing NABERS Energy and Water for Offices Rules (v4.1) allow for the use of a Default Computer Count input of 1 per 25 m², which does not add to the rating's potential error.

The computer count methodology was formulated over ten years ago and since then technology and occupancy requirements have changed. This has brought into question the currency of the current Default Computer Count and whether 1 per 25 m² is "too conservative."

In a consultant's recent review of the computer count methodologies, it was observed that a figure between 1 per 15 m² and 1 per 20 m² is more commensurate with current average rates per functional space. However, it was also noted that adjusting the default value to a higher density may provide an unfair advantage to some.

Using 2019's consumption data alone, up to 21% of Whole Building and Tenancy ratings had a computer count rate of 1 per 25 m² or sparser. It is anticipated that of this portion, 37% of ratings would experience an increase in star rating if the Default Computer Count were adjusted to 1 per 20 m².

3.1.2 Proposal

NABERS is proposing the following changes:

1. *Adjust the Default Computer Count to a density of 1 per 20 m².*

The proposed change will make the Default Computer Count less punitive and therefore a more viable, time-efficient option for Assessors.

2. *Add conditions on the Default Computer Count, such as prohibiting its use for certain functional spaces typically associated with high or low occupant densities (e.g. call centres, training rooms, meeting rooms, etc.).*

NABERS would still prefer Assessors discriminate functional spaces where high or low occupant densities are expected.

3.1.3 Focus question(s)

- 2) If NABERS adjusts the default computer count to 1 per 20 m², would you support this proposal? If not, why?

3.2 Use of office desk layout plans and/or tenant staff numbers

3.2.1 Context

When conducting a computer count for whole building and tenancies, Assessors are required to retain a marked-up desk layout for functional spaces in the event of a Level 2 audit.

Further to this, the COVID-19 Ruling provided an avenue for Assessors to propose an alternative computer count methodology when certain criteria are met. Some of the alternative methods proposed allowed the Assessor to rely on the office desk layout plans (combined with evidence of full-time equivalent staff numbers) for a computer count where low physical occupancies would not permit.

Further to the consultant's work mentioned elsewhere in this paper, other methods for conducting a computer count were reviewed. The use of office desk layout plans had the advantage of being reasonably accessible to Assessors, based on objective evidence, easy to tie to specific functional spaces and already had some degree of precedence as an alternative methodology under the COVID-19 Ruling.

3.2.2 Proposal

NABERS is proposing the following changes:

1. *Add a new computer count methodology which will rely primarily on the office desk layout plans for the computer Count.*

This method may then be supplemented by evidence of full-time equivalent staff numbers or be subject to "spot checks" by the Assessor to confirm the accuracy of the plans.

Such a method would propose a count of one computer per work desk.

3.2.3 Focus question(s)

3) Do you support the proposal? If not, why?

4 Site Visits

4.1 Conducting virtual site visits

4.1.1 Context

For the duration of the COVID-19 pandemic, NABERS provided Assessors with a variety of alternative methodologies to conduct a site visit, consisting of the following options:

- a) Method 1 – Use of data from a prior site visit.
- b) Method 2 – Use of a non-Assessor familiar with the site to conduct the site visit.
- c) Method 3 – Use of conservative inputs.

This allowed Assessors to continue with NABERS assessments and ensuring business continuity for many Assessors two years on from the beginning of the pandemic and government-mandated restrictions.

NABERS is now considering winding back several provisions of the COVID-19 Rulings but also recognises there may be value in retaining some of the methodologies, such as the virtual site visit (albeit amended from its original COVID-19 intended purpose).

Conducting a virtual site visit would be a departure from the current requirements of a mandatory site visit for every rating but may save Assessors and their clients both time and energy. This is especially true for sites that are located in remote areas or have experienced little-to-no change over the years.

A virtual site visit may also provide a framework for Assessors to continue rating sites during periods of natural disaster, where travel may be restricted.

4.1.2 Proposal

NABERS is proposing the following changes:

1. *Allow virtual site visits to be conducted for every second rating.*

The proposal is anticipated to include provisions such as:

- The lodging Assessor having previously conducted the site visit.
- Qualifying only the same Assessor who lodged the previous rating (i.e. not the Assessor's company).
- Qualifying only non-accredited Assessors who would reasonably be expected to have a good understanding of the building to act as "proxies" for the virtual site visit – such as a facilities manager, building manager or property manager.
- The previous rating not having expired by more than 2 years.
- Qualifying only the rating of the same scope (BB/WB/Tenancy) and same tool (energy/water) as the previous rating.

4.1.3 Focus question(s)

- 4) Do you think this change will support incumbent Assessors over new Assessors? Is this a problem?**

- 5) Foregoing the physical site visit is a departure from the current Rules. Do you support this proposal?**

5 COVID-19 Ruling

5.1 Phasing out *Managing Impacts of COVID-19 on NABERS Ratings*

5.1.1 Context

As we shift from a “COVID-zero” to a “living with COVID” strategy, it is anticipated that governments are less likely to impose lockdowns and border restrictions in the near future.

As the purpose of the *Managing Impact of COVID-19 on NABERS Ratings* document (“COVID Rulings”) was to provide Rulings that allowed NABERS ratings to continue while government-mandated lockdown and border restrictions were in effect, NABERS is now looking to phase-out the document over the coming months.

The “scaling back” of the COVID Rulings is in line with ongoing discussions and those previously held with stakeholders as far back as 2020 that the COVID Rulings are intended as a temporary measure only, to be available for Assessors until a “post-COVID norm” period was reached. NABERS believes it is therefore time to begin phasing out the COVID Rulings.

5.1.2 Proposal

NABERS is proposing to begin phasing out the document *Managing Impacts of COVID-19 on NABERS Ratings* through the following actions:

- a) Ruling #1: *Site visits for NABERS Energy, Water and Carbon Neutral ratings* – retain with significant modification, see section 5.1.3 below for further detail.
- b) Ruling #2: *Site visits for NABERS Waste ratings* – completely rescind the Ruling as it is rarely used.
- c) Ruling #3: *NABERS Energy and Water for Office Buildings ratings* – completely rescind the Ruling as usage is limited to periods where government mandated lockdowns and border restrictions were in effect.
- d) Ruling #4: *Spot measurements for NABERS Indoor Environment ratings* – retain without change as requirements within the Ruling are still needed for COVID-impacted sites.
- e) Ruling #5: *NABERS Energy and Water for Shopping Centre ratings* – completely rescind the Ruling as usage is limited to periods where government mandated lockdowns and border restrictions were in effect.
- f) Ruling #6: *NABERS Energy and Water for Apartment Building ratings* – completely rescind the Ruling as usage is limited to periods where government mandated lockdowns and border restrictions were in effect.

It is proposed that that a version 6.0 of *Managing Impacts of COVID-19 on NABERS Rating* with the above changes will be released by the end of May 2022 and will come into force by 1 September 2022, allowing for an approximate 3-month transition.

5.1.3 Changes to Ruling #1

NABERS recognises there may be situations where site visits are still not possible due to COVID-19 related issues. In lieu of completely rescinding Ruling #1, NABERS is proposing to heavily modify the Ruling in the following way:

- Re-introduce the requirement for pre-approval from NABERS before use of the Ruling. This will mean Assessors must contact NABERS before lodgement of the rating if they wish to use the Ruling.
- Update eligibility criteria to be clear that approval to use the Ruling is strictly limited to situations where access to the building has been limited as a direct result of government mandated restrictions on the building. This will include guidance on situations where NABERS will *not* approve usage of the Ruling and recommend other actions Assessors can take for those situations.
- Removal of Method 1 (Use of prior site visit). Assessors will no longer be able to purely rely on notes from a previous site visit for the rating.
- Merger of Method 2 (Use of non-Assessor information from a site visit) and Method 3 (Use of conservative inputs). Assessors will only be permitted to conduct a 'virtual site visit' using a non-Assessor under the instruction of the Assessor to complement conservative inputs.

5.1.4 Focus question(s)

- 6) **Do you support the proposed plan outlined in Sections 5.1.2 and 5.1.3 above?
If not, why?**

Contact us

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