



**Productivity Commission Draft Report on Energy Efficiency  
Supplementary Comment**

**June 2005**

The Australian Electrical and Electronic Manufacturers' Association (AEEMA) attended the Productivity Commission's public hearing on 3 June. The Association would now like to provide supplementary comment on the draft findings and recommendations issued by the Commission.

This submission is complementary to AEEMA's support for Recommendation 11.1 that aims to "reduce the scope for local governments to erode the uniformity of minimum energy efficiency standards for new houses". It deals with potential erosion of uniformity of MEPS for equipment where energy efficiency requirements for equipment used or installed in buildings may conflict with MEPS for the equipment type.

Where MEPS for buildings apply to electrical or gas equipment installed or used within buildings and where this equipment is also subject to MEPS that are specific to the equipment type, conformance to the type MEPS should be sufficient for compliance with building energy efficiency performance standards.

AEEMA contends that, where government has set national MEPS for any equipment type, all equipment that complies should be accepted as meeting minimum energy efficiency levels in all contexts, that is at all levels of government. Suppliers that invest engineering resources and capital to supply equipment that complies with national MEPS initiated by NAEEEC need certainty that compliant equipment will not be subject to bans on supply or use because it does not meet arbitrary energy efficiency targets set by other authorities.

Electrical product already in this category would include household refrigerators and freezers, certain types of air conditioning equipment, water heaters and lighting equipment.

Regulatory processes for national MEPS for each equipment type require that minimum requirements, introduction dates and timelines meet government policy objectives (particularly the need to achieve world's best practice energy efficiency while maintaining competition in the market), while also taking into account suppliers' capabilities and the needs and interests of other stakeholders. It would therefore be inconsistent with government policy objectives if national, state or local government mandatory standards or approvals requirements for buildings specify different standards for equipment than national MEPS for the equipment type.

When building energy efficiency standards or other regulations are written or revised, any requirements relating to equipment that is subject to existing national MEPS should be consistent with those already existing national standards. (Building specifications might reference MEPS for the equipment type, if that were considered necessary. However, if so, care should be taken that cross jurisdiction enforcement issues do not arise between equipment and building energy efficiency regulators.) Regulatory provisions should also ensure that, when national MEPS are introduced for a type of equipment that was not previously subject to MEPS, any existing energy efficiency requirements for that equipment in building standards or regulations should be aligned with the national MEPS when introduced.

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