

11 November 2004

Presiding Commissioner  
Productivity Commission  
Energy Efficiency inquiry,

**Attention: Mr Lawrence McDonald**

Dear Sir,

***Productivity Commission - Energy Efficiency inquiry  
Re: Overview of Considerations by Paul McGregor***

The matters I would like to consider at the meeting on Monday are as follows:

1. **CADDET / EETIC** (see attached file on CADDET\_promo-NSW\_march2002).  
CADDET, the Centre for the Analysis and Dissemination of Demonstrated Energy Technologies, (Energy Efficiency and Renewable Energy) is an international database of projects that incorporate world ranking energy efficiency and renewable energy technologies. GREENTIE is a database of experts and suppliers of energy technologies that reduce greenhouse gas emissions.

Together these three programs make up the International Energy Agency's (IEA) Implementing Agreement, Energy and Environment Technologies Information Centres (EETIC), which aim to broaden and improve the collection, analysis and dissemination of information on energy and related environmental technologies.

I have described CADDET/EETIC as a way to build a better wheel and not to reinvent the wheel (see attached file on the CADDET Wheel – cadwheel)

Australia's participation in the CADDET/EETIC program is, in my view, cost effective on a mutual basis, i.e. we can learn from others but equally others can learn from Australia with a cost benefit – we can sell our knowledge and technologies to overseas countries and the CADDET/EETIC program can do this - it is a great marketing opportunity. I would like to give some examples of how Australia benefited from participating in CADDET (see the attached file GCTF Sydney Meet 160702 – this is a PDF version of a PowerPoint presentation).

I have also included as an attachment another one of the presentation (in PDF format) I have presented on CADDET. These show the benefit of highlighting Australian entries plus also what we can use from overseas. This one combines two presentations to outline the groups to which it had been presented.

I have also included one of the last newsletters from the CADDET Energy Efficiency showing how Australian entries were highlighted possibly providing benefit for those companies (see EE Issue 1-02 March 2002.pdf)

2. **Benefits from using Energy Efficient Technologies**

The possibilities from promoting energy efficient technologies are there now but Australia's focus is on first cost only and not the long-term benefits that can be gained from using these technologies. Many of the technologies are Australian.

Also in this I would like to discuss the problems from projects where energy efficient technologies, as part of a good design, assist in enabling buildings to operate effectively for the benefit of the inhabitants, i.e. the productivity is improved but the costs for such upgrades are measured against the energy cost savings and not the overall benefits to the building.

An example of this is a building we upgraded wherein all the tenants had stopped paying rent to their government landlord, there were at least three service calls a week to check the building's air conditioning and most of the occupants were unhappy. The upgrade of the buildings' air conditioning resulted in the occupants (except 1) being happy (potential productivity increase), the 3 service calls per week were effectively eliminated, the tenants started paying rent again and the energy usage was reduced by around 30% per annum. The main measure of success was the energy reduction, which at our current energy costs would make the cost recovery normally a hard one to justify. More total cost benefit analysis should be taken to assessing projects.

Paul McGregor will be attending the meeting on Monday 15 November 2004. Paul is  
Director of McGregor & Associates  
Member and Accredited practitioner (AP) of The Australian Institute of Refrigeration Air-Conditioning and Heating (AIRAH)  
Fellow, Vice-chair of the Sydney Branch and National Councillor (Director) of the Australian Institute of Energy (AIE)  
Past NSW Chair and Member of the Australian National Team (ANT) of CADDET Australia

I trust the enclosed suits the needs of the Productivity commission Inquiry. Should you have any queries, on any of the foregoing please do not hesitate to contact me.

Yours faithfully,  
McGREGOR & ASSOCIATES

Paul McGregor  
Director

*Encl CADDET\_promo-NSW\_march2002.pdf  
GCTF Sydney Meet 160702.pdf  
Cadwheel.pdf  
CADDET IEAust elect branch 2001-v4.pdf  
EE Issue 1-02 March 2002.pdf*