

Project: Sandstone Precinct (23-39 Bridge Street, Sydney)

Project No: 301350567

To: Marcus Jennejohn

Date: 22/02/2022

From: Jason Lei / Lachlan Finn (Stantec)

RE: Sandstone Precinct

SSD-7484-MOD13 Response to City of Sydney Comments

The following correspondence was received from Andrew Rees Area Planning Manager for City of Sydney (CoS) on the 5th October 2021. This follows consultation with David Zabell earlier during 2021 seeking to determine an appropriate energy performance target for the Sandstones Precinct Development achievable within the constraints of the development and consistent with CoS energy performance targets.

Item #	City of Sydney Response	Project Team Queries/Response
1	<p>City staff have engaged cooperatively with the applicant's consultants (Stantec) over the past few months to better understand the purpose of the proposed modifications and attempt to create a reasonable and effective pathway to improve the energy efficiency of the development. Below I have copied correspondence from 18 August 2021, which reflects on the discussions up to that time between City staff and Stantec:</p>	<p>Noted.</p>
2	<p><i>I appreciate the uncertainty in understanding what energy intensity target can be set now that the development has progressed so far along.</i></p> <p><i>I reiterate that standard practice is to set a target (either NABERS or in future the energy intensity targets under the City's net zero policy) and design the scheme within the bounds of that target. The conditions of consent were originally designed in accordance with this standard practice by setting a minimum NABERS 4-star rating for the development. It was therefore unreasonable and impractical for the developer to have proceeded with the design and acquisition of plant and equipment without having confirmed that they would be able to achieve this target in modifying the development. By failing to set a target till after the design and acquisition of plant and equipment has occurred, DPIE and the City cannot be assured that the development has maximised energy efficiency. I know this must be frustrating and disappointing for you as well.</i></p> <p><i>During our meetings City staff raised our concerns with the development to date on this issue and urged the developer to establish a reasonable target that could</i></p>	<p>Item 2 quotes correspondence from David Zabell of 18th August 2021.</p> <p>Stantec confirms that we consulted on the following:</p> <ul style="list-style-type: none"> - NABERS Energy benchmarks being unsuitable to Hotel Quality 6 Star development featuring oversized hotel keys within a heritage building refurbishment. - City of Sydney Net-Zero Buildings absolute energy target of 245kWh/m²/yr would be more suitable - The development would likely exceed this target by a modest margin, at the time of consultation the margin was unknown - Energy from off-site renewable generation or renewable energy offsets could be purchased to meet any shortfall against the target. On-installation of renewable energy generation is inconsistent with heritage building fabrics.

	<p><i>be met (whether NABERS or an energy intensity limit). What we have been trying to understand and seek from you as the applicant's consultant is how to establish a reasonable target that does not comply with any applicable or relevant policy. You first did this by providing three options, of which the City recommended option 1. This option was then taken off the table, and the City was asked for advice as to what would be a reasonable target. We put this back on you to demonstrate as the applicant, drawing your attention to our net zero policy. We are now in a position where the applicant does not want to set a target as all relevant decisions regarding design and acquisition of plant and equipment have been made, and it is unclear what target can be achieved.</i></p> <p><i>I appreciate that you now wish to establish a target through an IDR process, which will be based on the design and acquisition of plant and equipment that have already been secured. My understanding from your correspondence is that there will be limited opportunity to drive further energy efficiency in the project.</i></p>	<p>Further energy efficiency opportunities within the Department of Lands building have been identified throughout the energy modelling process. These opportunities will be progressed through Detailed Design stages to ensure the development exceeds the target set under the IDR process.</p>
<p>3</p>	<p><i>The proverbial ship has therefore sailed and your suggestion is the only available option.</i></p> <p><i>Please draft a condition based on this for our review.</i></p>	<p>Item 3 is a continuation from David Zabell's email correspondence with the proponent and was not captured in the CoS response letter from Andrew Rees on 5th October 2021. Item 3 records an implicit agreement from CoS that the approach undertaken by the proponent is the only viable pathway to determining an achievable target.</p>
<p>4</p>	<p>The proposed modifications to conditions F12 and G4 confirm that the development to date has been designed without sufficient attention to maximising energy efficiency.</p>	<p>Maximising energy efficiency has been a core design brief requirement for the project, energy efficiency inclusions are listed in the NABERS Energy Assessment Report.</p>
<p>5</p>	<p>No information has been forthcoming demonstrating that the development seeks to exceed minimum energy efficiency requirements under Section J of the NCC.</p>	<p>On 1st October 2021, an updated 'JV3' model, Performance Based Design Brief and Section J compliance report was produced including assessment of the new facades to the Education Building under NCC 2019 Amdt 1 Section J. The results of this modelling demonstrate compliance with the NCC 2019 Amdt 1, even though the building was designed and procured under NCC 2016 Amdt 1. This demonstrates exceedance of minimum energy efficiency requirements, beyond the requirements of the applicable building code at the time of design.</p> <p>This modelling was submitted to the building certifier (McKenzie Group) for CC6 and had not been provided to CoS.</p>

6	Condition F12 as redrafted is an unambitious effort to retrofit an energy efficiency target based on the design decisions already made. It is possible that the target agreed upon through the IDR process could be little more than what is achievable under Section J of the NCC.	Condition F12 is to be updated to reference the energy target set through the IDR process. The reviewed target is 245kWh/m ² /yr. The Sandstones Precinct exceeds what is required under the NCC 2019 Amdt 1, even though it was designed and procured under NCC 2016 Amdt 1.
7	An unambitious target is unlikely to require substantive offsets as proposed under condition G4 as drafted.	Renewable energy offsets will be purchased for any energy consumption exceeding the target of 245kWh/m ² /yr.
8	The conditions as drafted will not result in substantive energy efficiency measures and, in the opinion of City staff, is not a worthwhile exercise.	Substantive energy efficiency measures have been provided for in the design response from initiation, and have delivered significant energy efficiency performance as evidenced by the energy consumption forecast of 245kWh/m ² /yr.
9	City staff see no value in being part of this process and ask that we not be consulted if the proposed amendments are adopted.	The proponent has reverted to DPIE for assessment in response to this comment from CoS.
10	Alternatively, City staff recommend that DPIE require the applicant to complete the attached Better Building Partnership Section J template to confirm that they have modelled in strict adherence to the NCC modelling rules. This template could then form part of the conditions of consent.	The Better Building Partnership (BBP) Section J template is a guidance document to ensure robust assessment of the NCC 2019 Amdt 1, it is not applicable to the NCC 2016 Amdt 1. Modelling to BBP requirements includes modelling the proposed building services systems, which were designed, approved and installed under NCC 2016 Amdt 1. Modelling to the BBP template has not been undertaken as NCC 2019 Amdt 1 applies to the 'new' facades (CC6) only, the details of which have been addressed in the Performance Based Design Brief of 1 st October 2021.