

NABERS Agreement to Rate

Project Glenfield Industrial Estate Precinct 1	Project No. 1045965	Date 10/07/2025
Purpose of note NABERS Agreement to Rate Advice	Document No. CAN-SY-001	Revision A

1.0 NABERS Agreement to Rate

1.1 Introduction

The NABERS Agreement to Rate is a contract signed by developers or building owners to commit to obtaining a NABERS rating once their building becomes operational. This agreement is typically signed at the Development Application (DA) Stage and can be applied to various NABERS rating types, including energy, water, indoor environment, waste, and embodied emissions.

- **Purpose:** It helps local councils and state authorities develop policies that promote the measurement of building operations and allows developers to meet policy obligations and improve building performance.
- **Application Process:** After signing, the developer or owner must keep NABERS updated with any changes in building ownership or project details. Within 24 months of obtaining the Certificate of Occupancy, they need to collect 12 months of operational data and arrange for an Accredited Assessor to carry out a NABERS Performance Rating.
- **Benefits:** Provides a cost-effective alternative to the Commitment Agreement, can be used for multiple rating types, and may result in increased building value and reduced environmental impact.

1.2 NSW Sustainable Buildings State Environmental Planning Policy (SEPP) 2022

The new State Environmental Planning Policy (Sustainable Buildings) 2022, or the Sustainable Buildings SEPP for short, was passed in August 2022.

This policy was developed to help the NSW Government meet its net zero target by 2050, as well as the 70% emissions target by 2035, compared to 2005 levels, outlined in the NSW Net Zero Plan: Stage 1.

All non-residential developments (unless exempt) must report on emissions. The policy also introduces new requirements for prescribed large commercial buildings, including:

- Offices with a net lettable area of at least 1,000 square metres
- Hotels and motels with at least 100 rooms
- Serviced apartments with at least 100 apartments.

The Sustainable Buildings SEPP previously allowed projects to demonstrate compliance through any Section J pathway of the National Construction Code. However, a performance gap (the difference between the modelled and actual energy performance) was observed in operation, which can mean buildings consume up to 250% more energy than predicted during design.

The proposed requirement to close this performance is to commit to a NABERS rating. The operational performance standards for large commercial buildings will be checked by consent authorities at multiple stages. This includes: a NABERS agreement at the DA stage; energy efficiency reports when the construction certificate is issued; and NABERS Energy and Water performance ratings within 24 months of an occupation certificate being issued. Prescribed offices must meet a 5.5 star NABERS Energy rating in operation, while prescribed hotels, motels and serviced apartments must achieve a 4 star NABERS Energy rating. Large commercial developments

must also achieve 3 star NABERS Water ratings. These standards also apply to refurbishments with a capital investment value of more than \$10 million.

1.3 Approved Pathways

If a project activates the requirement to commit to a NABERS rating, then the below options are available and are recognised by the NSW Department of Planning and Environment as acceptable pathways for demonstrating compliance with the SEPP 2022.

- **Commitment Agreement:** This requires design documentation and energy/water modelling to demonstrate that the targets have been achieved during design and operation.
- **Agreement to Rate:** This does not require energy/water modelling, the applicant is required demonstrate compliance in operation only and provides a commitment at the design stage.

1.3.1 Advantage and Limitations

The advantages and limitations have been summarised below of both pathways:

	Commitment Agreement	Agreement to Rate
Advantages	Performance Assurance: Provides a higher likelihood of achieving the desired NABERS rating as it involves detailed design reviews and independent verification.	Cost effective, provides a simpler more cost effective alternative to the Commitment to Rate with no requirement for design modelling, which allows the requirements to be met early in the design process when detailed design information is not available for modelling. Can be used for multiple rating types (energy, water, indoor environment, waste, embodied emissions) and can be applied to new or refurbished buildings. Offers a faster process with fewer requirements during the design stage.
Limitations	Involves higher upfront costs and time for design modelling, estimation, and review. Requires a more complex process with independent verification before construction.	May not provide the same level of assurance in achieving the desired NABERS rating as it lacks detailed design reviews and independent verification. However, this can be mitigated with appropriate professional advice.

Table 1-1 Advantages and Limitations

1.4 Glenfield Industrial Estate Precinct 1

The project consists of the following:

- Site preparation works, including demolition, clearing of existing vegetation, ground improvement, bulk earthworks and construction of retaining walls;
- Site infrastructure works, including stormwater management and site servicing infrastructure;
- Construction and operation of two (2) warehouse and distribution centres comprising:
 - Warehouse 1 located on the eastern portion of the site indicatively comprising a total GFA of 40,000m², including 39,000m² of warehouse GFA and 1,000m² of ancillary office GFA; and

– Warehouse 2 located on the western portion of the site indicatively comprising a total GFA of 40,700m², including 39,700m² of warehouse GFA and 1,000m² of ancillary office GFA (plus 300m² of café GFA).

- Vehicle driveways to future Private Access Roads and connection to Cambridge Avenue;
- Hardstand areas to facilitate loading/unloading and vehicle manoeuvring;
- On-lot parking including an indicative total of 383 car parking spaces;
- Landscaping;
- Pylon and façade signage, including signage zones; and
- Hours of operation of 24 hours, 7 days a week.

Due to the size of the office spaces within the proposed development, they will be subject to the NABERS requirement of achieving a 5.5 Star Energy rating and a 3 Star Water rating.

1.5 Scope of NABERS Agreement to Rate

NABERS Agreement to Rate can be applied to different building scopes, such as a Whole building, Base Building or Tenancy.

For Glenfield Industrial Estate Precinct 1, we recommend committing to the Whole Building Agreement to Rate, excluding the warehouse areas, due to the nature of office spaces within warehouse development, which typically have insufficient base building areas and submetering to allow for a sensible rating. The whole building rating for offices typically provides greater flexibility for these types of spaces.

1.6 The Agreement to Rate application Process

The following process applies to an Agreement to Rate.

The Agreement to Rate application process

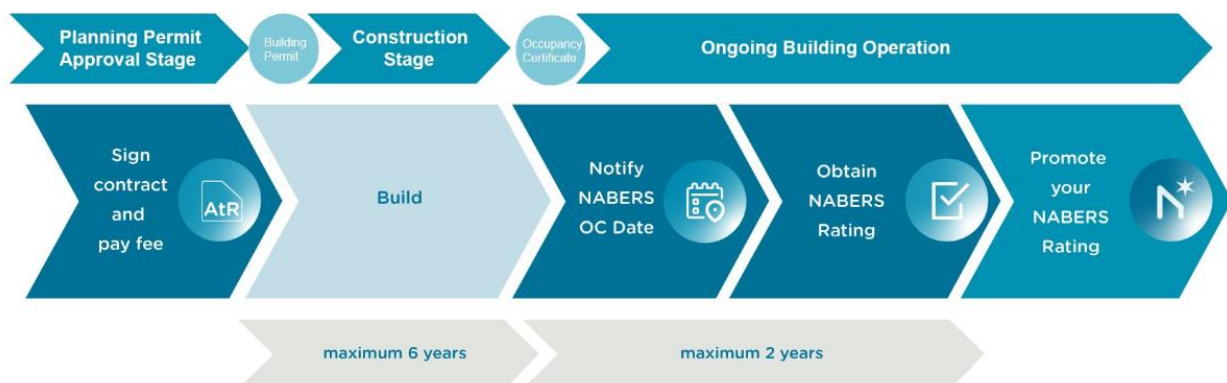


Figure 1-1 Agreement to Rate Process

1.6.1 Application

To apply for an Agreement to Rate, an online application form must be completed. You can include multiple rating types within one Agreement to Rate for the same building (i.e. Energy, Water and Embodied Emissions can all be part of the same agreement).

The following steps must be followed to submit your application:

1. Download the Agreement to Rate contract
2. Complete and sign the application form
3. You will receive an email containing you with the invoice and application details
4. Make payment online using one of three available methods:

- Credit card
 - PAY ID (clearing time of 24 hours)
 - BPAY (clearing time of 48 hours)
5. Once payment is received, your application will be processed by NABERS. You will receive your counter-signed agreement within five business days

1.6.2 Post occupancy certificate

Within 24 months of obtaining the Certificate of Occupancy, 12 months of operational data and appointment for an Accredited Assessor to carry out a NABERS Performance Rating is required. This is data which demonstrates the building is operating as per its energy and water targets. The 24 months allows for building tuning during the first 6-12 months and then 12 months of compliant data collection. A NABERS accredited assessor is then required to conduct a performance review. If compliant, NABERS certification is then granted.

1.7 Design Initiatives

The following sustainability initiatives have been implemented in the design, which will assist in achieving the NABERS Energy and Water targets:

- Efficient building services, systems, and equipment will be specified and installed.
- Onsite Solar PV Generation- **PV capacity (kWp) to be confirmed**
- Fossil Fuel free energy supply to office spaces, with the exception of emergency backup generators
- Energy metering strategy of major energy uses
- Water metering strategy of major water uses
- Zoned lighting and HVAC and controls to avoid energy consumption associated with unnecessary lighting and space conditioning.
- Water-efficient sanitary fittings, fixtures and equipment.
- Rainwater capture and reuse for non-potable uses.

1.8 Details for Application

The following details are required for Cundall to lodge the application request. Please complete highlighted items, and review all inputs for accuracy

Item	Details
Project Name	Glenfield Industrial Estate Precinct 1
Project Address	2 Cambridge Avenue, GLENFIELD NSW 2167
Lot number or Parcel Identifier	Part Lot 11, Part Lot 12, Lot 13 and Part Lot 14 DP 1256895
Building Type	Office Warehouse (commitments do not apply)
Short description of project Type of project: • Predicted NLA/rated area • Number of floors • Number and type of buildings on site including mixed uses within the buildings (if more than one building type, then an Agreement to Rate is required for each building)	Precinct 1 – Warehouse 1 located on the eastern portion of the site indicatively comprising a total GFA of 40,000m², including 39,000m² of warehouse GFA and 1,000m² of ancillary office GFA; and – Warehouse 2 located on the western portion of the site indicatively comprising a total GFA of 40,700m², including 39,700m² of warehouse GFA and 1,000m² of ancillary office GFA (plus 300m² of café GFA).

Item	Details
Rating Scope	Whole Building
Rating Tool (Energy, Water, Embodied Carbon, Indoor Environment, Waste)	NABERS Energy NABERS Water
Name of applicant	TBC
Applicant position	TBC
Business name:	TBC
ABN/ACN	TBC
Email Address of applicant:	TBC
Phone number of applicant:	TBC
Consent Authority type and name	TBC
Project status at time of agreement	Development Application

Table 1-2 Applicant Details

Payment details:

Payment Details	
Trading Name	TBC
ABN/CAN	TBC
Billing postal address	TBC
Billing email address	TBC

Table 1-3 Payment details

The cost of application required per building, is the following

Per building : \$1950.00 including GST

Cundall can make payment on behalf of the applicant on request, .

Building	Cost
Warehouse 1A	\$1950.00
Warehouse 1B,	\$1950.00
Total cost	\$3900.00

Table 1-4 NABERS Agreement to Rate costs

* If Warehouse 1B and 1C are not occupied by the same tenant, two separate NABERS ratings for energy and water will be required.

1.9 Frequently Asked Questions

- Q: Do I have to apply for an Agreement to Rate for each building or can I capture all buildings in one application under the same development?
- A: One application is required per building regardless of whether buildings all part of the same development.

- Q: Why have we targeted a Whole Building rating instead of a base build rating?
- A: This depends on how the office space will be metered. Typically, warehouses and associated spaces do not have significant landlord base building areas, so the area to be assessed is predominantly the tenant-occupied floorplates. It is assumed that the metering will be sourced from one electrical distribution board, rather than having separate boards for 'base build' lighting and HVAC and tenant energy use.

- Q: Do I need to provide any other design documentation at this stage to NABERS?
- A: Other than what is listed on the form under details for application, no design documentation is required to be submitted alongside the application.

- Q: How quickly can I receive confirmation once I have submitted the application?
- A: Once payment is received, your application will be processed by NABERS. You will typically receive your counter-signed agreement within five business days