ANNEX A

Customer Project Specification

Introduction

The UK has shown leadership and ambition in tackling climate change and working with other countries to encourage them to do the same. In June 2019 the UK Government became the first major economy to legislate for net zero greenhouse gas emissions by 2050. This new target requires the UK to bring all greenhouse gas emissions to net zero by 2050, compared to the previous target of at least an 80% reduction from 1990 levels. Achieving net zero will bring an end to the UK's contribution to global warming.

The UK also has ambitious interim emission reduction targets, the Carbon Budgets, which require a 57% reduction in emissions from across the UK economy by 2032. Whilst the UK has already come a long way and made significant progress, more still needs to be done. Therefore, in November the Prime Minster set out a bold vision in his ten point plan for how the UK can show world-leading ambition in tackling the climate crisis ahead of the COP26 summit.

Overview of the Government performance-based energy rating scheme

There are approximately 1.7 million non-domestic buildings in England and Wales which produce a significant amount of emissions. The largest 5% of non-domestic buildings - those above 1,000m^2 – account for approximately 50% of the total carbon emitted, on an annual basis, and we estimate that they use 60% of the total energy used in non-domestic buildings. Therefore, non-domestic buildings and, in particular, large buildings above 1,000m^2, have a crucial role to play in decarbonising the economy and helping the UK to meet its ambitious net zero and carbon emission targets.

To help these large commercial and industrial buildings improve the way they measure their energy performance, the Government is considering introducing a new performance-based framework for assessing energy use and carbon emissions in commercial and industrial buildings above 1,000 m^2 in England and Wales.

In designing the rating scheme, the Government has looked at existing rating schemes, in particular, the National Australian Built Environment Rating Scheme (NABERS). This Australian scheme assesses the energy performance of commercial offices, providing a rating of 1-6 stars based on metered energy use, as opposed to modelled energy consumption. The scheme has delivered average energy reductions of 27% which are world leading results. There are also voluntary UK schemes such as the Real Estate Environmental Benchmark, where the results have been comparable.

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