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the **SOCIALDECK**

Focus group 4 summary report: Complex buildings - Belconnen

Pathway to Electrification Integrated Energy Plan

19 September



This artwork was designed and produced by Gubbi Gubbi and Githabul artist, Shauna Hill for The Social Deck.

Acknowledgement of Country

This report was compiled on the unceded lands of First Nations peoples. The Social Deck acknowledges the traditional custodians who have lived on and cared for Country for thousands of generations, and recognises their continuing connection to land, waters and community. We pay our respects to them and their cultures, and to Elders past and present.

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Event overview

Date:	August 2023
Time:	2:00pm – 3:30pm AEST
Location:	Online (Teams)
Type of event:	Focus group
Purpose of event:	This focus group provided information, in a focussed setting, about the Integrated Energy Plan (IEP). Focus group participants were asked for feedback on particular areas of the IEP Position Paper that will impact complex buildings, specifically those I in Belconnen. The focus group format allowed facilitated discussion and interaction between participants, with data captured through verbal discussion and using the chat function in Teams. A discussion guide was used to ask focus group participants about: • their current awareness and general concerns about the IEP • the IEP principles, stages and key focus areas • the IEP key focus areas, with a particular focus on the challenges and opportunities associated with electrifying complex buildings • other ideas, thoughts and concerns about the IEP.
Social Deck presenter:	Jess Baxter, Engagement and Change lead
Participant/s:	6 focus group participants were recruited through BAHA and were all Belconnen residents.

Current awareness and general concerns about the IEP

Current use of gas in homes

At the beginning of the session, focus group participants were asked how they currently use gas in their buildings.

- **Hot water and pool:** Some participants reported using gas for both hot water and complex pool heating.
- **All gas hot water and gas in commercial spaces:** One participant mentioned that their apartment building uses gas for hot water. The businesses on the ground level also use gas for cooking and other purposes.
- **All electric except for hot water:** One participant mentioned having an all-electric setup in their building, except for hot water, which was still gas-powered.

Views on the ACT moving to 100% renewable energy by 2045

Overall, focus group participants were very supportive of the ACT Government's plans to move to 100% renewable energy by 2045, particularly for the environmental benefits. Participants raised concerns about costs implications and equity issues, as well as structural and administrative issues associated with complex buildings.

Benefits

Participants reported a number of key benefits associated with the transition.

- **Environmental benefits:** Participants unanimously agreed on the environmental benefits of transitioning to 100% renewable energy.
- **Return on investment:** One participant noted that their building that had installed solar panels two years ago was now seeing a significant return on investment, with reduced electricity bills for common areas.
- **Efficiency measures:** Another participant highlighted the importance of building efficiency measures, such as double glazing and waste management, in keeping power bills down, even without the ability to install solar panels.
- **Electric vehicle charging:** Some participants expressed interest in electric vehicle (EV) charging as part of the renewable energy transition in complex buildings, but noted the challenges associated with this for some buildings.

'I don't know anyone who is not on board with this transition for environmental reasons, but we shouldn't have to shoulder the whole cost.'

Concerns / electrification challenges for complex buildings

- **Inadequate financial incentives and long-term financial return on investment:** There were concerns that the financial incentives might not be enough, and it could take a long time to see a return on investment for renewable energy projects.

'We're just getting solar panels installed on the roof of our two towers. I think it's about \$120,000 of our money that's gone into it. People in free-standing houses in the suburbs get about \$15,000 in interest-free loans etc., and we get zip. It'll take us a long time to pay back that investment, which makes it difficult to motivate people coming and going through the units.'

- **Building structure and feasibility:** Participants reported that some buildings, may not be conducive to installing solar panels and EV charging infrastructure due to structural issues.
- **Electrical network capacity:** Participants expressed concerns about the electrical network's capacity to handle the increased demand of electrification.
- **Body corporate agreement process for transitioning away from gas can be difficult although some buildings reported successes:** Participants were asked about the body corporate agreement process and how easy or difficult it was.
 - One participant reported that while the process was expensive, it was well-received among motivated owners. The building's body corporate committee managed and ran the initiatives, regularly reporting to owners, resulting in a positive outcome with no opposition.
 - Another participant reported a similar experience, with a proposal to install solar panels taken to the Annual General Meeting (AGM) and voted in.
 - One participant reported a more negative experience, with the Executive Committee locking in solar providers at fixed costs, but their building experienced increasing costs due to design issues not being suitable for solar. This was difficult to manage in the EC/body corporate context.

In summary, participants generally supported the ACT's move towards 100% renewable energy, emphasising the environmental benefits and potential financial savings. However, concerns included the financial aspects, structural challenges, and electrical network capacity. The experiences with body corporate agreement processes varied among participants, with some finding success through committee management and regular reporting, while others faced challenges related to building design and costs

IEP stages

Views on whether the 3 IEP stages are the best way to move the ACT away from fossil fuel gas

A majority of the participants expressed **strong support for a staged approach to transition** away from fossil fuel gas use. They believed that a staged approach was essential because, at present, there is no feasible pathway for transition, particularly for complex buildings like apartments and townhouses.

'I think we have to do a staged approach because we don't actually KNOW how to transfer our buildings. There is no feasible way of replacing our gas. No one has been able to tell us how to do it.'

A few key considerations were discussed.

- **A holistic transition is important** Participants emphasised the importance of looking at the transition in a holistic way. They emphasised that this approach would allow for a comprehensive assessment of the challenges and opportunities associated with complex buildings, enabling better planning and execution.
- **ACT Government leadership is crucial:** Participants also stressed the need for the ACT Government to take a leadership role in determining the best way to transition away from fossil fuel gas. They looked to the government for guidance and support in navigating the challenges of this transition.
- **Tailored supports are needed for complex buildings:** The discussion around this question included a focus on the support required for residents in complex buildings during the transition. Participants recognised that individuals living in complex buildings face unique challenges, and they emphasised the importance of addressing these challenges effectively.

IEP key focus areas

Barriers for people who live in apartments and townhouses to transition away from fossil fuel gas

Focus group participants reported several barriers for people who live in apartments and townhouses to transition away from fossil fuel gas.

- **Costs associated with the transition:** Participants noted that the cost of transitioning away from fossil fuel gas was a significant barrier. They expressed concerns about the potential cost and the financial burden on complex building residents.

- **Structural complexities:** The structural complexities of apartment and townhouse buildings posed a challenge. Some buildings may not be designed or equipped for the installation of renewable energy systems or the necessary electrical infrastructure.
- **Time associated with the transition:** Participants recognised that the transition process will take time, and this poses a barrier for many residents in complex buildings who want quicker solutions.
- **Administrative barriers and negotiating agreement between multiple stakeholders:** Participants highlighted the diversity within apartment and townhouse communities. These communities often consist of a mix of owner-occupiers, investors, renters, and individuals from various income brackets. This diversity can result in administrative barriers, such as differing priorities and investment interests.
- **Less control over individual choice:** Living in a multi-unit building often means residents have less control over individual choices regarding energy sources. Decisions related to the building's energy systems are typically made collectively, which may limit individual preferences.
- **Electric network capabilities:** Participants raised concerns about the electrical network's capacity to support the transition. They mentioned the need for updated electrical plans and noted that the current systems may not be able to accommodate the increased demand, especially for electric vehicle (EV) charging.

These barriers reflect the complex nature of transitioning complex buildings to renewable energy sources and highlight the need for comprehensive solutions and support from various stakeholders, including government bodies and building management.

Impacts of a slower transition for people who live in apartments and townhouses

Participants reported 2 key impacts of a slower transition for people who live in complex buildings.

- **Inability to make individual choices:** One significant impact highlighted by participants was that in multi-unit buildings, the entire building would need to transition together. This means that individual residents have limited control over their energy choices. For example, when it comes to electric vehicles (EVs), installing the necessary infrastructure for charging in a slower transition scenario would be challenging or almost impossible.

'You can't change half the building and not the other half, the whole building has to change which makes it hard.'

- **Increased costs of staying on a declining gas network:** Participants expressed concerns that remaining on a declining gas network could lead to increased costs for residents. As the transition towards renewable energy and electric solutions progresses, continuing to use gas in a slower transition could become more expensive and inefficient, potentially burdening residents with higher utility bills.

Participants emphasised the importance of expeditious and coordinated efforts to facilitate the transition to renewable energy in these types of buildings.

Ways to support people living in apartments and townhouses to prepare their buildings to be electrified

Participants suggested a number of regulatory, financial and education measure that could support people living in complex buildings to prepare their buildings to be electrified.

Regulatory support

- **Rate structure reform:** Explore rate structure reform to free up financial resources for the transition. Reforming the way rates are structured can provide more funding for electrification efforts.
- **Gas charge reform:** Advocate for gas charge reform, especially for high-rise buildings. The current gas rate structure, including high daily access fees, can impose significant costs on residents.

'The way rates are calculated for high rise apartments. This is an old issue, but fundamentally we are paying a lot more rates for less return than someone who lives in a house. And I think that needs to be part of the discussion. That's one of the areas that there could be some reform that could make it a little bit fairer and of course, frees up some money.'

Financial support

- **Subsidies from ACT Government:** Participants emphasised the need for subsidies from the ACT Government to help offset the costs associated with electrification. They believed that financial support would make the transition more accessible and affordable for residents.

‘Are the ACT Government going to perhaps provide subsidies for complex buildings? What is the ACT Government prepared to put up to ensure this happens and that people aren’t out of pocket?’

- **Provide subsidies for electrification services:** Participants suggested providing residents with access to companies that offer electrification services at a subsidised rate. This would make it more financially feasible for residents to transition their buildings.
- **Engage and collaborate with utility companies to share the cost burden:** Some participants suggested that utilities like ACTEW should fund research and investigation, rather than placing the burden on end-users. Collaborative efforts between utilities and residents were seen as essential.

‘ACTEW AGL has been selling gas forever. They have been making lots of profit so surely they should be contributing some ideas here, so it’s not up to the end user to come up with these sorts of technical solutions.’

Research, communication and education support

- **Conduct studies and research:** Participants stressed the importance of conducting high-quality research and studies to inform the most efficient and cost-effective ways to electrify complex buildings. This could include the conversion of hot water systems to electric. Research would provide valuable insights into tailored solutions for different building types.
- **Ensure the technology installed today is fit for the future:** Future-proofing the electrification process was highlighted as a crucial consideration. Participants wanted to ensure that the solutions implemented today would remain effective and relevant as technology and energy needs evolve.
- **Create a taskforce for the transition:** Establishing a dedicated taskforce to oversee and coordinate the electrification transition process was proposed. Such a taskforce could streamline efforts and ensure a cohesive approach.

‘A taskforce focusing solely on high rise complexes for the Belconnen area. Certainly the number of units in the BAHA warrants a taskforce to do the job properly.’

- **Provide tailored supports to meet the needs of different building challenges:** Participants noted that buildings have unique characteristics and requirements, and therefore, support should be tailored to each building's specific needs. They emphasised the importance of establishing clear criteria for eligibility and support.

- **Survey high-rise buildings to establish specific needs:** Participants suggested conducting surveys of high-rise buildings to assess their specific needs and readiness for electrification. This data would help in planning and prioritising the transition.
- **Engage experts to support the transition:** Engaging experts in the field was seen as essential to finding optimal solutions for electrification. Experts could provide guidance and insights into the most efficient and effective methods.
- **Use trials and pilots then scale the effective solutions:** Participants recommended using trials and pilot projects to test different technical solutions for electrification. This would allow for the identification of effective approaches that could then be applied more broadly.

‘Do some trials and actually convert some buildings and see how it goes. That needs to be happening during this first stage of the plan for the next 6 years. The executive communities in various buildings can look at those results and see which will work best for our particular building.’

Ways body corporates/strata managers and/or executive committees can help to get complex buildings ready to transition

- **Collaboration across different complex buildings:** Encourage collaboration across different apartment and high-rise buildings, such as through associations like the Belconnen Apartments and Highrise Association. Collaborative efforts could help progress the broader transition and share knowledge and resources.

‘We need to collaborate right across BAHA to progress this broader transition.’

- **Financial planning:** Allocate sufficient funds to sinking funds to finance the transition. Adequate financial planning is essential for covering the costs of infrastructure upgrades and electrification.
- **Cost allocation:** Ensure that the costs associated with the transition are allocated fairly and appropriately to each individual unit or resident. Transparency in cost distribution is key to gaining residents' support.
- **Government subsidies:** Seek commitment from the ACT Government to subsidise the transition. Financial support from the government can significantly ease the financial burden on residents.
- **Infrastructure investment:** Invest in necessary infrastructure for the future, such as electrical and renewable energy infrastructure. This includes considering options like leaving electric vehicle (EV) charging infrastructure out of complex buildings and focusing on broader community solutions.

- **Technical expertise:** Create a taskforce with technical experts who can provide guidance and solutions for the transition. Technical expertise is crucial for making informed decisions about building upgrades.
- **Comprehensive assistance:** Provide financial, technical, and logistical assistance to residents and building management. Comprehensive support can address various challenges encountered during the transition.
- **Information sharing:** Share information about innovative solutions and technologies being implemented in new all-electric builds, such as banks of heat pumps. This knowledge sharing can inform retrofitting efforts in existing buildings.
- **Government support:** Participants emphasised that the government must provide clear and tangible support for the transition. Participants stressed the importance of not imposing deadlines without accompanying assistance and a well-defined process for transitioning

Other thoughts, ideas or concerns

In their final comments and concerns, participants in the focus group discussion raised the following:

- **Concerns about network reliability during power outages:** Participants expressed concerns about relying solely on electric systems, particularly during power outages. While there is a strong desire to transition to renewable electricity, the reliability and resilience of electric systems, especially in emergencies, were noted as important considerations.
- **Economic considerations:** Participants highlighted that the primary challenges in transitioning to renewable energy were economic in nature. They emphasised the need to find cost-effective solutions that wouldn't burden residents with higher levies or costs. The transition should be financially viable for all residents, regardless of their economic circumstances.