

## Australia

# The Nationwide House Energy Rating Scheme

### OBJECTIVE

The purpose of the Nationwide House Energy Rating Scheme (NatHERS) is to provide building energy performance ratings and information to improve the design, construction and energy performance of Australian new homes to reduce energy waste and demand. By promoting energy-efficient housing designs, NatHERS supports the efforts of all Australian governments to reduce the energy and greenhouse gas impacts of residential buildings, while also contributing to ensuring the reliability of the electricity grid.

### COUNTRY

Australia  
1993 ongoing

### SECTOR AND APPROACH

Buildings; Regulation,  
Information and  
Incentive

### SOURCE

[Nationwide House  
Energy Rating Scheme  
\(NatHERS\)](#)

### DESCRIPTION

Australia's NCC sets minimum energy efficiency standards for homes, including new and renovated properties. NatHERS supports this by providing a standardised system to assess energy performance in new homes. Users can choose from various [accredited](#) software packages based on the NatHERS system to model energy consumption and obtain performance ratings, which demonstrate compliance with national requirements. Assessments are conducted by accredited professionals and recorded on [certificates](#), with data stored in the Commonwealth Scientific and Industrial Research Organisation ([CSIRO](#)) [Australian Housing Data portal](#). From October 2023, the NCC raised the minimum thermal performance from 6 to 7 stars, alongside the introduction of the [NatHERS Whole of Home rating](#), which reflects a home's total energy use.

### UNIQUE ASPECTS OF THE PROGRAMME

NatHERS is an evidence-based and data-driven system for assessing the energy performance of new homes in Australia. It uses a star rating system out of 10 to assess the thermal performance of the shell of the home and a whole of home rating out of 100 to provide a more holistic rating reflecting the appliances in the home. The scheme is integrated into Australia's NCC which sets the mandatory energy efficiency requirements. NatHERS ratings underpin official home energy rating performance assessments and facilitate consumer awareness and market differentiation, allowing homeowners to make informed decisions.

## RESULTS

More than 90% of new home builds in Australia are assessed using NatHERS. The [National Construction Code](#) (NCC) minimum energy efficiency requirements save homeowners on average USD [264](#) ([World Bank](#) exchange rates and prices) per year.

## LESSONS LEARNED

While NatHERS and the NCC work together to improve the energy efficiency of new home constructions and renovations, they do not address the energy efficiency of existing homes. In response to the significant opportunity to upgrade the performance of Australia's residential housing stock, the Australian Energy Ministers developed and released the [Home Energy Ratings Disclosure Framework \(Version 2\)](#), which proposes a national approach to assessing the energy performance of existing residential buildings and providing energy performance certificates. Efforts are underway to [expand NatHERS](#) to generate energy performance assessments for existing homes.

## ALIGNMENT WITH REGULATORY AND POLICY FRAMEWORKS

Besides supporting the NCC, NatHERS also complements [Australia's Trajectory for Low Energy Buildings](#). NatHERS ratings can help unlock incentives because banks can use them to verify green loans. The Australian Government has made [Design for Place](#) house designs freely available, to encourage homebuilders and industry to design energy efficient homes capable of achieving ratings of 7 stars or more.

## IMPLEMENTATION AND ENFORCEMENT

The Australian Government Department of Climate Change, Energy, the Environment and Water oversees NatHERS. [Governance and Administrative Arrangements](#) are in place for the scheme, and a [Compliance and Enforcement Framework](#) identifies the risks, principles, rules and responsibilities for managing compliance and enforcement. Trained and accredited energy assessors conduct home energy ratings using certified software.