



# A clearer path to home energy upgrades

Many Australian homes are hot in summer, and cold in winter. Home energy upgrades can increase the comfort of occupants while reducing energy usage and running costs of a home. The journey to making upgrades can be complex and difficult to navigate.

BETA partnered with DCCEE<sup>\*</sup> to run 5 randomised controlled trials (N=13,797) to test which interventions empower homeowners to upgrade their home's energy efficiency. BETA research tested the potential impact of Home Energy Ratings (the score given to a home after an assessment, indicating how efficiently the home uses energy) and has been used to inform the [Home Energy Ratings Disclosure Framework – Version 2](#).



## Mandatory disclosure works

- Australians in this study were more likely to choose to inspect homes with high energy ratings when disclosure of ratings was mandatory.
- Australians said it is important to know the Home Energy Rating of a property at the point of sale (86%) and lease (75%).
- Sellers were more likely to choose upgrades that improved Home Energy Ratings when told it was mandatory to disclose the rating in a real estate listing.
- 9 out of 10 Australians said it is useful to know their Home Energy Rating before choosing home upgrades.



## Supporting consumer decision making

- A simple text-based prompt led 2.4% of Australians in this study to seek more information about home upgrades. This is a strong response for a prompt.
- Current homeowners said the most helpful resources would be information about rebates and government assistance; cost and savings calculators; and assistance choosing the right upgrades.
- An online home upgrade decision support tool did not increase respondents' intention to make home upgrades, but did increase their confidence in choosing and planning upgrades.



**We found introducing mandatory Home Energy Rating disclosure is likely to create a choice environment that empowers Australians to make more informed decisions when buying, renting or selling a home.**



**1 in 2 Australian homeowners intend to make a home upgrade in the next year. It is important to help them bridge the gap between their intention and actions.**