



# 193 North Quay achieves 5-Star lift in NABERS Rating


In 2007, Kyko Group purchased 193 North Quay, a 10-story office building located in Brisbane's legal precinct. The building was originally constructed in the 1970s, long before environmental concerns were a significant consideration in commercial real estate.


In 2013 193 North Quay unofficially received a NABERS rating of 'zero'. This triggered Kyko Group into action, with Director Bill Jenkins engaging CIM. The aim was to minimise operational inefficiencies at the site and improve sustainability metrics, namely NABERS.

Since engaging CIM, 193 North Quay has progressively increased its NABERS rating. Today, it boasts an 'Excellent' 5-Star energy rating, exceeding its target rating of 4-Stars.



## IMPROVEMENTS AT A GLANCE

 **5 star**  
Lift in NABERS rating

 **32.3%**  
drop in base building energy costs

 **17%**  
improvement in thermal comfort

 **4.8**  
CWh of energy saved

## Improving a zero-star rating with analytics

Prior to 2010, Kyko Group relied on their appointed Facility Managers to track their energy consumption at 193 North Quay. Their focus was purely on reducing energy expenses, but hadn't yet zoomed out to view the bigger picture. Fast-forward to 2013, when 193 North Quay unofficially received a NABERS rating of 'zero'. This triggered Kyko Group into action, with Director Bill Jenkins engaging CIM.

"By the time we started engaging with CIM in 2014, our NABERS rating at 193 North Quay sat at zero. We brought on CIM as we wanted to improve our sustainability within the NABERS framework and reduce our energy consumption costs." CIM hit the ground running, proposing a series of transformational recommendations at the site, central to which was deploying the PEAK Platform. Initially, given the age of the building, some refurbishments were identified requiring capital expenditure, including upgrades to its Building Management System (BMS) and installation of Variable Speed Drive (VSD's).

## The road to PEAK energy efficiency

Bill and the other directors at Kyko Group saw the value in CIM's PEAK Platform right away. However, the contractors and Facility Managers took a little more convincing. "With that change, there was some resistance from the contractors and an initial lack of understanding by the Facility Managers," explained Bill. "But we persisted with the implementation. We had to get past that first period of change for the teams to really see the advantages."

The benefit became undeniable when Bill and his team saw consistent reductions in the building's energy consumption—and the associated energy costs. Since engaging CIM, 193 North Quay has progressively increased its NABERS rating. It jumped from 0 to 2 stars within the first three years of engagement, before continuing to climb. Today, it boasts an 'Excellent' 5-Star energy rating, exceeding its target rating of 4-Stars.

“The increased rating has made us very attractive in terms of our sustainability credentials, which we have found are increasingly valued by tenants year on year.”

Bill Jenkins,  
Director Kyko Group

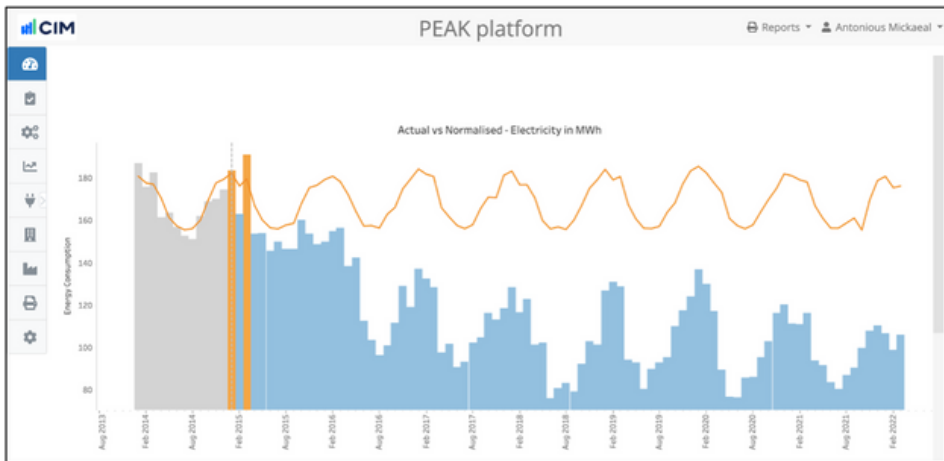


Figure 1: Electricity consumption at 193 Quay, compared with original estimated consumption

Kyko Group also achieved ROI in just 18 months. This is despite incurring separate costs over this period to upgrade the BMS and older equipment. Importantly, however, the energy savings achieved by the PEAK Platform made this capital expenditure possible. Further, average thermal comfort ratings are up, energy consumption is down, and tenant satisfaction has jumped. With no significant CAPEX investment, Kyko Group and CIM have achieved outstanding results for 193 North Quay through continuous maintenance and optimisation.

## Higher NABERS rating delivers higher value

We asked Bill to describe the benefits of a higher NABERS rating from the perspective of Kyko Group. The benefits, as Bill sees them, can be separated between the short and long-term.

In the short-term, the most valuable benefits come in the form of increased tenant renewals and the attracting of new tenants when vacancies open up. Put simply, “a stronger NABERS rating gives us an edge over competition,” Bill says. “The 5-Star rating has made us very attractive in terms of our sustainability credentials, which we have found are increasingly valued by tenants year on year.”

Over the long-term, we are benefited by the growth in value of Kyko Group’s asset portfolio. A higher NABERS rating builds value in two key ways:

- It indicates more efficient consumption of resources, which means lower outgoing costs and higher profitability, and
- They are viewed more favourably by potential investors.

Bill also credits CIM with shifting the topic of building analytics to one that is user-friendly and digestible. Building owners aren’t necessarily engineers, and while they generally understand the core requirements of NABERS and efficient energy consumption, it can be easy to get lost in the detail of it all. “I want to give credit to CIM,” Bill told us. “They’ve come up with a platform that is easy for building owners to understand in a field that can be highly technical.”