

Residential Buildings in Ireland: Approach to selecting the top 15% energy efficient buildings (derived from the Central Statistics Office methodology publications¹)

This document is sourced completely from the latest Central Statistics Office (CSO) publication: 'Domestic Building Energy Ratings', released on 10 July 2019¹, unless otherwise stated.

This memo serves as an executive summary of the publication in the context of identifying a suitable threshold to select the top 15% of energy efficient residential buildings in Ireland and should be read alongside the full publication itself.

This document also includes conclusions, which are made to provide clarity, explanation and context for its purpose. The conclusions are not part of the publication.

Definitions/clarifications:

BER (Building Energy Rating) - An Energy Performance Certificate for a building in Ireland

Domestic building BER – residential building BER

Non-domestic building BER – commercial building BER

Domestic vs. non-domestic BER – The SEAI (Sustainable Energy Authority of Ireland) uses two different methodologies to compute BER ratings depending on the type of building. A more detailed explainer on the difference can be found in the commissioned report on non-domestic BERs by technical building consultant KSN (published on AIB's green bond webpage).

National Representativeness – There were 835,483 unique domestic BERs (one per dwelling) completed in the period 2009 to the end of June 2019. This compares with around 1.66 million occupied private households enumerated in the 2011 Census of Population. The 2011 Census of Population included questions on county of location of the dwelling, the period when the dwelling was built, and the type of dwelling. These questions can be used to weight the BER data to national level. Table 15 presents an initial weighting of BERs up to national level of non-vacant households using the 2011 Census of Population. The weights were calculated by dividing the number of non-vacant households in the Census by the number of unique BER households. In cases where a household had more than one BER carried out in the period 2009-2019 only the most recent BER was used. Around 7% of Census households were excluded because there were no BER households in the particular stratum e.g. detached houses in Dublin 1 that were constructed in the period 1919-1945. A stratum was classified as a unique combination of County (52 categories - Dublin postal districts were distinguished), period of construction (nine categories) and dwelling type (four categories). The BER contains more disaggregated dwelling types, e.g. mid-terrace house, but these had to be aggregated to correspond to the Census classification.

Year of construction – when the dwelling was originally built

¹ https://www.cso.ie/en/releasesandpublications/er/dber/domesticbuildingenergyratingsquarter22019/ https://pdf.cso.ie/www/pdf/20190710083729 Domestic Building Energy Ratings Quarter 2 2019 full.pdf



Part 1 – BER eligibility criteria

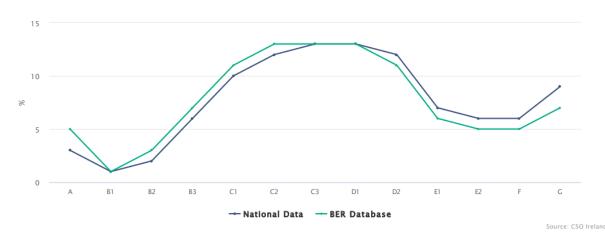
Tables & Figures:

Table 15 BER Ratings Weighted to National Level (2009-2019)

													% of row	
	Energy Rating													
Dwelling Type	Α	B1	B2	В3	C 1	C2	СЗ	D1	D2	E1	E2	F	G	Total
Apartment	4	2	6	9	11	11	10	11	11	7	5	5	8	164,512
Detached house	2	1	2	7	10	12	12	12	11	6	5	6	11	675,604
Semi-detached house	3	1	1	5	10	14	15	15	12	7	6	6	5	434,389
Terraced house	2	1	1	6	11	12	12	12	12	8	7	7	9	262,562
Total	3	1	2	6	10	12	13	13	12	7	6	6	9	1,537,067

Figure 3 Dwellings with BERs compared with All Dwellings (2009-2019)

Figure 3: Dwellings with BERs compared with All Dwellings (2009–2019) - data from Table 15¹



¹Dwellings with BERs have been weighted using Census of Population 2011 data to estimate a BER profile for All Dwellings at National level (see Background Notes).

Table 15 examines the representativeness of dwellings that have a BER rating. The data were weighted up to national level using Census of Population 2011 figures. The national level data shows that 6% of dwellings in Ireland would have received a rating of "F" compared with 5% of dwellings that have had a BER assessment (see also Figure 3). Similarly, 9% of dwellings would have received a rating of "G" compared with 7% of dwellings in the actual BER data. In contrast, 3% of dwellings would have received an "A" rating at the national level, whereas 5% of dwellings that have had a BER assessment were given an "A" rating.

Conclusion 1: Approach to select top 15% energy efficient residential buildings in Ireland by BER rating

The publication provides two relevant data samples in tabular format, namely table 2 and table 15. Table 2 (next page) provides the distribution of all outstanding BERs. Given that outstanding BERs only have a coverage ratio of c. 50% relative to the total building stock (835,483/1.66 million), this may not be representative of the entire residential building stock in Ireland. Table 15 extrapolates the BER database to estimate the expected distribution for the whole building stock. The difference



when comparing these two distributions is shown in Figure 3, which shows that the BER database is more skewed to newer and hence more energy efficient buildings.

Taking this into account, Table 15 provides the best and most representative data to construct the top 15% BER rating threshold. The threshold thus lies between B3 and C1, where the cumulative total for B3 rated buildings and better equals 12%, and C1 and better equals 22%. Given that all B3 rated buildings and better are comfortably inside the 15% level, this is a valid eligibility criteria.

Part 2 – Building year eligibility criteria

Tables & Figures:

Figure 1 BER Ratings by Period

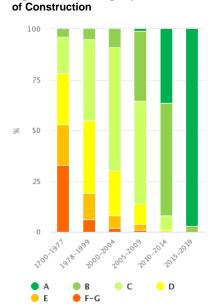


Table 2 BER Ratings by Period of Construction (2009-2019)

												% of	row	
Period of		Energy Rating												
Construction	Α	B1	B2	В3	C1	C2	C3	D1	D2	E1	E2	F	G	Total
1700-1899	0	0	1	2	2	3	4	7	10	9	10	14	38	21,697
1900-1929	0	0	1	2	2	3	4	7	10	9	10	14	37	46,641
1930-1949	0	0	1	3	4	5	7	9	12	10	10	13	25	40,717
1950-1966	0	0	1	3	5	6	8	11	14	11	11	13	17	63,442
1967-1977	0	0	1	3	6	9	11	15	17	11	9	9	8	82,005
1978-1982	0	0	1	4	8	13	15	18	18	10	6	4	3	53,761
1983-1993	0	0	1	4	9	13	16	19	18	8	5	4	3	89,661
1994-1999	0	0	1	5	11	15	19	20	14	6	4	3	1	97,086
2000-2004	0	0	2	8	17	22	21	14	8	4	2	2	1	151,528
2005-2009	1	3	10	21	24	18	9	6	4	2	1	1	0	142,533
2010-2014	36	29	17	10	4	2	1	1	1	0	0	0	0	10,892
2015-2019	97	2	1	0	0	0	0	0	0	0	-	0	0	35,520
Total	5	1	3	7	11	13	13	13	11	6	5	5	7	835.483

Conclusion 2: Approach to select top 15% energy efficient residential buildings in Ireland by building year

Part 1 proves that all BER ratings of B3 and better are within the top 15%. Figure 1 and Table 2 prove that almost all residential buildings built from 2015 will have an A label (97), and otherwise a B label (3%). Hence, a building year of ≥2015 can also be considered as a complementary criteria to selecting buildings within the top 15%.



DISCLAIMER

THIS DOCUMENT IS INTENDED TO PROVIDE NON-EXHAUSTIVE, GENERAL INFORMATION. THIS DOCUMENT MAY CONTAIN OR INCORPORATE BY REFERENCE PUBLIC INFORMATION NOT SEPARATELY REVIEWED, APPROVED OR ENDORSED BY AIB AND ACCORDINGLY, NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS GIVEN BY OR ON BEHALF OF AIB OR ANY OF THEIR RESPECTIVE MEMBERS, DIRECTORS, OFFICERS, AGENTS OR EMPLOYEES OR ANY OTHER PERSON AS TO, AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY AIB AND NO RELIANCE SHOULD BE PLACED ON, THE FAIRNESS, ACCURACY, REASONABLENESS OR COMPLETENESS OF SUCH INFORMATION.

THIS DOCUMENT MAY CONTAIN STATEMENTS ABOUT FUTURE EVENTS, PLANS, OBJECTIVES, GOALS, STRATEGIES AND EXPECTATIONS THAT ARE FORWARD LOOKING STATEMENTS. THESE FORWARD LOOKING STATEMENTS CAN BE IDENTIFIED BY THE FACT THAT THEY DO NOT RELATE ONLY TO HISTORICAL OR CURRENT FACTS. FORWARD LOOKING STATEMENTS SOMETIMES USE WORDS SUCH AS 'AIM', 'ANTICIPATE', 'TARGET', 'EXPECT', 'ESTIMATE', 'INTEND', 'PLAN', 'GOAL', 'BELIEVE', 'MAY', 'COULD', 'WILL', 'SEEK', 'CONTINUE', 'SHOULD', 'ASSUME', OR OTHER WORDS OF SIMILAR MEANING. NONE OF THE FUTURE PROJECTIONS, EXPECTATIONS, ESTIMATES OR PROSPECTS IN THIS DOCUMENT SHOULD BE TAKEN AS FORECASTS OR PROMISES NOR SHOULD THEY BE TAKEN AS IMPLYING ANY INDICATION, ASSURANCE OR GUARANTEE THAT THE ASSUMPTIONS ON WHICH SUCH FUTURE PROJECTIONS, EXPECTATIONS, ESTIMATES OR PROSPECTS HAVE BEEN PREPARED ARE CORRECT OR EXHAUSTIVE OR, IN THE CASE OF THE ASSUMPTIONS, FULLY STATED IN THIS DOCUMENT. AIB HAS AND UNDERTAKES NO OBLIGATION TO UPDATE, MODIFY OR AMEND THIS DOCUMENT, THE STATEMENTS CONTAINED HEREIN TO REFLECT ACTUAL CHANGES IN ASSUMPTIONS OR CHANGES IN FACTORS AFFECTING THESE STATEMENTS OR TO OTHERWISE NOTIFY ANY ADDRESSEE IF ANY INFORMATION, OPINION, PROJECTION, FORECAST OR ESTIMATE SET FORTH HEREIN CHANGES OR SUBSEQUENTLY BECOMES INACCURATE.

THIS DOCUMENT IS NOT INTENDED TO BE AND SHOULD NOT BE CONSTRUED AS PROVIDING LEGAL OR FINANCIAL ADVICE. IT DOES NOT CONSTITUTE AN OFFER OR INVITATION TO SELL OR ANY SOLICITATION OF ANY OFFER TO SUBSCRIBE FOR OR PURCHASE OR A RECOMMENDATION REGARDING ANY SECURITIES. NOTHING CONTAINED HEREIN SHALL FORM THE BASIS OF ANY CONTRACT OR COMMITMENT WHATSOEVER AND IT HAS NOT BEEN APPROVED BY ANY SECURITY REGULATORY AUTHORITY.

THE DISTRIBUTION OF THIS DOCUMENT AND OF THE INFORMATION IT CONTAINS MAY BE SUBJECT TO LEGAL RESTRICTIONS IN SOME COUNTRIES. PERSONS WHO MIGHT COME INTO POSSESSION OF IT MUST INQUIRE AS TO THE EXISTENCE OF SUCH RESTRICTIONS AND COMPLY WITH THEM.

THE INFORMATION IN THIS DOCUMENT HAS NOT BEEN INDEPENDENTLY VERIFIED.

THE ADDRESSEE IS SOLELY LIABLE FOR ANY USE OF THE INFORMATION CONTAINED HEREIN AND AIB AND ANY OF THEIR RESPECTIVE MEMBERS, DIRECTORS, OFFICERS OR EMPLOYEES OR ANY OTHER PERSON SHALL NOT BE HELD RESPONSIBLE FOR ANY DAMAGES OR LOSS, DIRECT, INDIRECT OR OTHERWISE, ARISING FROM ANY USE OF THIS DOCUMENT OR ITS CONTENTS OR OTHERWITH ARISING IN CONNECTION WITH THIS DOCUMENT BY THE ADDRESSEE.

PROSPECTIVE INVESTORS ARE REQUIRED TO MAKE THEIR OWN INDEPENDENT INVESTMENT DECISIONS.

IN ADDITION, IT SHOULD BE NOTED THAT ALL OF THE EXPECTED BENEFITS OF THE PROJECTS AS DESCRIBED IN THIS DOCUMENT MAY NOT BE ACHIEVED. FACTORS INCLUDING (BUT NOT LIMITED TO) MARKET, POLITICAL AND ECONOMIC CONDITIONS, CHANGES IN GOVERNMENT POLICY (WHETHER WITH A CONTINUITY OF THE GOVERNMENT OR ON A CHANGE IN THE COMPOSITION OF THE



GOVERNMENT), CHANGES IN LAWS, RULES OR REGULATIONS, THE LACK OF AVAILABLE SUITABLE PROJECTS BEING INITIATED, FAILURE TO COMPLETE OR IMPLEMENT PROJECTS AND OTHER CHALLENGES, COULD LIMIT THE ABILITY TO ACHIEVE SOME OR ALL OF THE EXPECTED BENEFITS OF THESE INITIATIVES, INCLUDING THE FUNDING AND COMPLETION OF ELIGIBLE GREEN PROJECTS. IN ADDITION, EACH ENVIRONMENTALLY FOCUSED POTENTIAL PURCHASER OF AIB GREEN BONDS SHOULD BE AWARE THAT ELIGIBLE GREEN PROJECTS MAY NOT DELIVER THE ENVIRONMENTAL OR SUSTAINABILITY BENEFITS ANTICIPATED, AND MAY RESULT IN ADVERSE IMPACTS. ON THIS BASIS, ALL AND ANY LIABILITY, WHETHER ARISING IN TORT, CONTRACT OR OTHERWISE WHICH ANY PURCHASER OF AIB GREEN BONDS OR ANY OTHER PERSON MIGHT OTHERWISE HAVE IN RESPECT OF THIS DOCUMENT OR ANY AIB GREEN BONDS AS A RESULT OF ANY FAILURE TO ADHERE TO OR COMPLY WITH THIS DOCUMENT IS HEREBY DISCLAIMED TO THE FULLEST EXTENT PERMITTED BY LAW.