

Green Lease Schedule (GLS)

What is the GLS?

The *Green Lease Schedule* (GLS) is a new type of leasing arrangement developed by the Department of the Environment and Water Resources and the Australian Government Solicitor (AGS) for Government Agencies. It contains mutual obligations for tenants and owners of office buildings to achieve efficiency targets. The GLS improves energy efficiency by setting a minimum ongoing operational building energy performance standard. The standard used is known as the *Australian Building Greenhouse Rating* (ABGR) (Fact Sheet 3).

Why do I need a GLS?

The GLS addresses the issue that buildings can operate well below their design energy efficiency standard without regular assessment. Having a GLS in place will reduce both the building's energy use and its operational costs.

Landlords are now offering a range of alternative 'green leases' that could offer differing levels of performance for Commonwealth tenants. By adopting the GLS, the Commonwealth avoids the need for legal advice on individual 'green leases'.

When is the GLS required?

- > Every time a new office building lease is signed, subject to the exceptions below, a GLS should be included to form part of the lease as outlined in the Energy Efficiency in Government Operations (EEGO) policy strategy.
- > Exceptions to the GLS are for buildings with tenancy areas of less than 2000m² and leases for under 2 years (including any lease options).
- > An ABGR rating below 4.5 stars standard will be considered in specific circumstances such as heritage listed buildings, particular security requirements etc. Contact the Department of the Environment and Water Resources if you wish to discuss or obtain an exception.

Green Lease Schedule (GLS) (cont.)

What is required?

- > GLS requirements will vary according to the size and nature of the lease. More comprehensive requirements are stipulated for larger Government tenancies. The website at the bottom of the Fact Sheet has details on which is the appropriate GLS for the individual circumstances.
- > The GLS has five standard clauses to ensure uniformity, consistency and to minimise the need for legal advice on individual lease agreements:
 - o 4.5 stars *ABGR Energy Performance* (Fact Sheet 3)
 - o *Separate Metering* (Fact Sheet 12)
 - o a *Building Management Committee* (Fact Sheet 5)
 - o an *Energy Management Plan* (Fact Sheet 4)
 - o *Disputes and Remedies Clauses* (Fact Sheet 6)
- > Tenancies less than 2000m² or leased for under 2 years require efficient lighting and separate metering only.

How do I obtain a GLS for my building?

- > The GLS is negotiated to form a standard schedule as part of the lease.

What are the costs?

- > The GLS includes measures to ensure whole-of-life value for money in leasing that considers up-front and ongoing costs.
- > To assist departments and agencies and reduce legal and administrative costs, a suite of GLS templates and an accompanying handbook have been developed by the Department of the Environment and Water Resources.
- > Several GLS have already been agreed by the building owner at no cost premium to the Commonwealth.

Who do I contact for more information?

EEGO Policy Helpline: (02) 6274 1350 EEGO Policy: www.greenhouse.gov.au/government