

CONSULTANTS \$100,000 to foreign company

Local firm says dept paid for advice it could've had for free

Ray Athwal

THE federal government paid a New Zealand company more than \$100,000 for climate advice it was offered for free, a local energy firm says.

Exemplary Energy, based in Fadden, alleged the Department of Climate Change, Energy, the Environment and Water (DC-CEEW) bypassed local expertise to update the Nationwide House Energy Rating Scheme (NatHERS) software, resulting in unnecessary taxpayer expense and delays in updating climate files.

Exemplary Energy executive director Trevor Lee said his company had already completed the complex work of updating solar radiation and weather files required for the software update.

Mr Lee said he offered the data to the department as a gift to expedite the process.

"We had already done it ... we couldn't charge honourably for work that we had already done," Mr Lee said.

"We told [the department] that we'd already done it. So we will just give you the files and you can update the NatHERS software without any delay and without any substantial cost."

Mr Lee said the department declined the offer and awarded the contract to the National Institute of Water and Atmospheric Research (NIWA), a New Zealand Crown

The financial loser in this case is the tax-paying public.

Exemplary Energy's Trevor Lee

Research Institute.

The department confirmed it engaged NIWA in February 2025 to update the climate data essential for NatHERS.

The department defended its decision and said that price was not the only factor in determining value for taxpayers. The procurement was conducted via a "limited tender" under condition 10.3(e) of the Commonwealth Procurement Rules.

The rule allowed departments to approach a single supplier for "additional deliveries" of goods or services intended as extensions of existing systems, where a change of supplier would cause incompatibility or technical difficulties. This decision was largely driven by the need for data consistency, as NIWA had successfully delivered the previous three updates using a specific methodology that the department wished to maintain to ensure high standards were met.

Trevor Lee described the decision as a "waste" of public money.

Following complaints from a competitor



Minister for Climate Change and Energy Chris Bowen. Picture by Keegan Carroll.

regarding the process, the department said it conducted a review of the procurement and stood by its decision, insisting the "value for money" assessment was appropriate.

It noted that such assessments looked beyond the bottom-line cost to consider broader factors including the quality of service, the supplier's past performance and relevant experience, and the overall fitness for purpose of the proposal.

The dispute centres on the technical method of disaggregating daily solar data - estimates of what falls on a horizontal surface - into hourly values required for accurate building energy simulations. Mr Lee said

his firm used ground measurement stations from the Bureau of Meteorology and CSIRO to infer data from satellite observations. "The financial loser in this case is the tax-paying public," he said. "This is a waste of that money and a massive delay in updating for the changed climate."

In correspondence seen by *The Canberra Times*, the department's Deputy Secretary, Luise McCulloch, acknowledged Mr Lee's dissatisfaction and advised him to contact the Procurement Coordinator at the Department of Finance or the Commonwealth Ombudsman if he wished to pursue the matter further.