

National Carbon Offset Standard Carbon Neutral Program Public Disclosure Summary



An Australian Government Initiative

City Of Yarra
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ABN: 98 394 086 520



Australian Government

Department of Industry, Innovation, Climate Change,
Science, Research and Tertiary Education

1. Organisation and Product Information

Table 1: Organisation and Product Information

Organisation Name	<u>Yarra City Council</u>	
Name of the subject(s) of certification	Yarra City Council	
Type of certification (tick all applicable)	<input checked="" type="checkbox"/> Organisation <input type="checkbox"/> Product/service <input type="checkbox"/> Part of organisation <input type="checkbox"/> Event	
Reporting year period	From 1/07/2013	To 30/06/2014
Emissions in this reporting year	13,948t CO ₂ -e	
Base year period	From 1/07/2011	To 30/06/2012
Emissions in the base year	14,462 t CO ₂ -e	

2. Description of Organisation Activities

The City of Yarra- an inner metropolitan municipality of Melbourne Victoria, was originally formed in June 1994 and is home to a diverse community of about 85,000 people. Yarra's 19.5 square kilometres include the suburbs of Abbotsford, Burnley, Clifton Hill, Collingwood, Cremorne, Fitzroy, North Carlton, North Fitzroy, Princes Hill and Richmond. Parts of Alphington and Fairfield - south of Heidelberg Road - are also included in Yarra.

As an organisation, Yarra Council has a total capital and operating budget of \$192 million (for 14/15), which is used to deliver a wide range of community services and maintain essential community infrastructure.

Council provides both universal services that are used by most community members (such as waste and recycling collection or footpath maintenance), and specialised services which respond to specific needs (such as meals on wheels and child care).

Some key statistics that relate to Council's service delivery in 2013-14 include:

- 46,231 hours of care for aged residents and/or residents with a disability
- 32,514 delivered meals through the Delivered Meals Service
- 13,709 square metres of footpath resurfaced
- 4,200 collection of reported litter and dumped waste
- 1,250 eatries inspected
- 810 Street Trees planted
- 30,152 new items acquired by Yarra Libraries
- 155,844 phone calls fielded by Access Yarra

3. Organisational & Geographic Boundary/Scope & System Boundary

In 2012, Council established its emissions boundary for the entire organisation, and was based on national and international standards to ensure alignment with the National Carbon Offset Standard (NCOS) Program. This included not only the *National Greenhouse and Energy Reporting Act 2007* (NGER Act), but also the GHG Protocol's Corporate Accounting and Reporting Standard 2004- that covers the accounting and reporting of the six greenhouse gases covered by the Kyoto Protocol.

Since this period, Council has reviewed this and decided to update its Organisational boundary to reflect expectations around completeness and consistency (e.g. Corporate Value Chain (Scope 3) Accounting and Reporting Standard) within the broader international community, and to incorporate emissions such as from Councils water use and our Rental Car and Buses (included under *Business Travel of Employees*), in line with neighbouring NCOS carbon neutral Councils.

Council included emission sources in its organisational boundary, based on two key determining factors:

- That the emissions would not have otherwise occurred if the City of Yarra as an organisation did not exist (ie operational control); and
- That Council had confidence that the emissions were able to be measured completely and accurately

In summary, Council's emissions boundary has been established to include the following:

Scope 1 emissions

- Natural Gas;
- Transport Fuel (including Unleaded Petrol, Liquefied Petroleum Gas (LPG) and Diesel use);
- Fugitive emissions; and
- Oils and Lubricants

Scope 2 emissions

- Grid electricity

Scope 3 emissions

- Business travel of employees (including Air Flights, Public Transport and Taxis, Rental Cars and Buses - this last one being added for the first time in 2013/14);

- Waste created from business operations;
- Paper;
- Upstream Electricity Use- Street lighting;
- Contractor Fuel Use (expanded to include additional contractors and isolate stationary fuel use in 2013/14) and;
- Water (Corporate Use) -(added for the first time in 2013/14)

Table 2: Organisational and Geographic Boundary

Boundary consolidation approach:	Operational control
Description of the boundary of the subject of certification (also describe exclusions from the boundary):	<p data-bbox="555 779 1353 909">Council had previously used the Financial Control approach when setting its organisational boundary. Upon review it has been determined that Operational Control is indeed a better approach for Council to follow.</p> <p data-bbox="555 943 1353 1133">This has been determined on the following basis. The Greenhouse Gas Protocol Financial Control refers to an <i>organisation having the ability to direct the financial and operating policies with a view to gaining economic benefits from its activities and also retaining the majority risks and rewards of ownership of the operations assets.</i></p> <p data-bbox="555 1167 1353 1391">Very few of the assets that Council hold are used for economic benefit, they are without exception used primarily to provide the local community with a social, or other community benefit, and hence it is arguable that the Financial Control approach is more applicable to commercial entities, rather than a local government such as Yarra City Council.</p> <p data-bbox="555 1424 1353 1581">Furthermore it has been determined, as is often the case, that in a practical sense the shift to using the Operational Control approach will currently have no impact on which emissions sit within Councils control, and so there is no impact on our emissions inventory from this change.</p> <p data-bbox="555 1615 852 1648">Operational Control</p> <p data-bbox="555 1653 1331 1809"><i>Council has analysed its building stock and applied the operational control test (as defined under NGER) and has confirmed that sites that are owned and operated by Council are all under Council's operational control, as determined by the ability to set:</i></p> <ul data-bbox="555 1814 943 1908" style="list-style-type: none"> -Operating policies -Health and safety policies & -Environmental policies

Sites Council leased to others

Council has a number of buildings where the entire building is leased out to a third party. Using the same operational control test and based on details contained in the lease agreements Council does not have operational control of these sites. None of these are of a significant size (i.e. some councils lease out their leisure centres but the City of Yarra does not) and so does not include the emissions within its boundary. It should be noted that in some isolated cases, despite not having operational control Council continues to pay some of the electricity or gas bills for some of these sites operated by local community groups.

Leased spaces within Council operated buildings

Council also has some sites (e.g. Fitzroy Town Hall) where a significant portion of the building is leased out. In these circumstances Council is responsible for the utility bills in their entirety and they are considered to within Council operational and financial control and as such all emissions at these sites are included in Council's inventory.

Sites Council lease from others

Council leases a number of sites on long term leases (10 years plus) from third parties. Of these only six have electricity or gas connected. The other leased sites are Parks and Open Space sites. Those with electricity or gas connected are:

- The Collingwood Library*
- North Fitzroy Library*
- Ryan Reserve Tennis Court and Pavilion &*
- Stanton Street Hall*
- 433 Smith st (short-term lease – under 3 years)*
- Connie Benn Centre*

It has been determined that these sites are within Council's operational control and are included in Council's inventory.

Exclusions

There are some exclusions from Council's emissions inventory. Some of these fall within Council's organisational boundary but have been excluded from quantification in line with Section 4.2.3 of the National Carbon Offset Standard (NCOS), due to one (or more) of the following:

- the emissions are likely to be negligible (relative to other scope 3 emissions)
- determining the emissions will be very costly relative to their likely significance or
- there is insufficient data

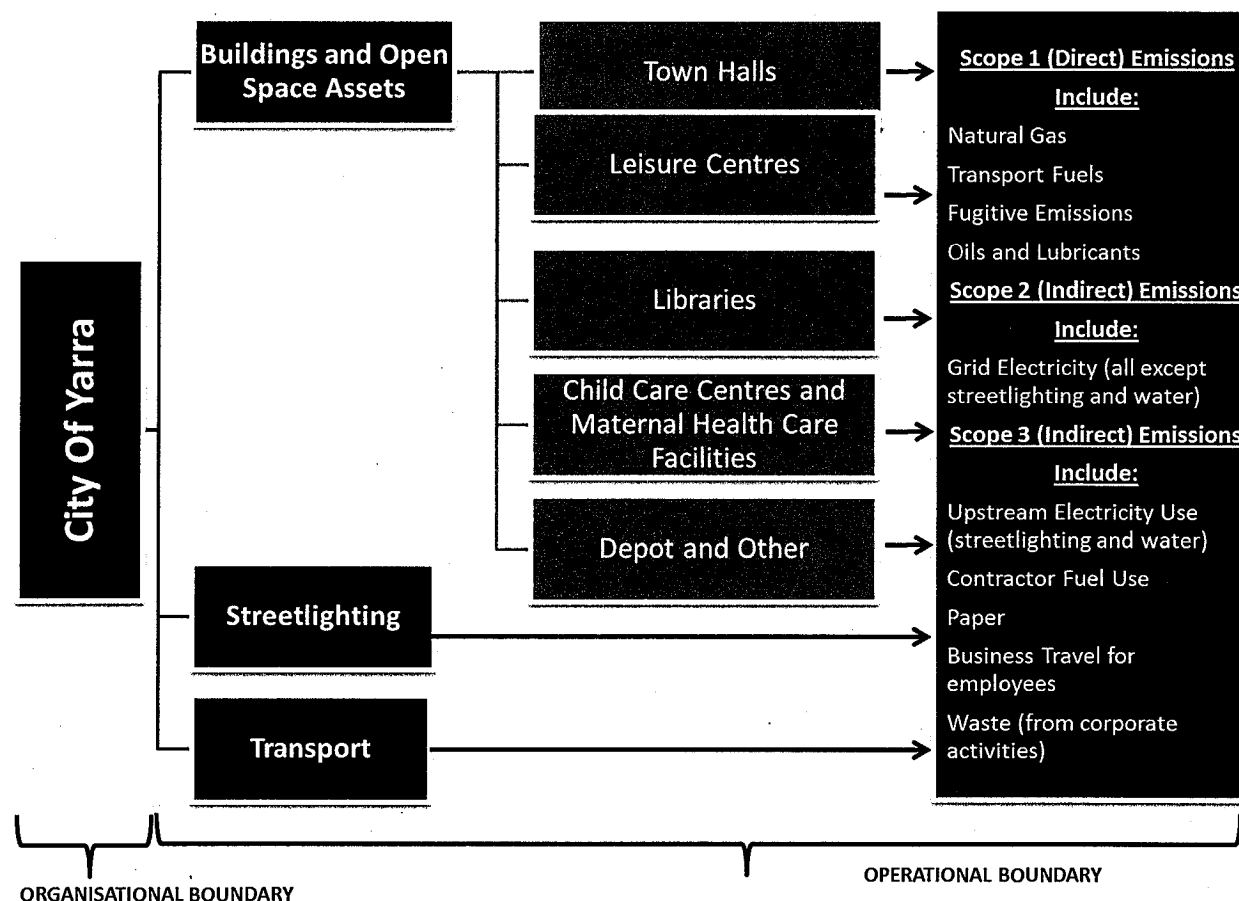
These exclusions are:

- Purchased goods (including Capital goods) and services
- Employee Commuting (except those commuting in a fleet vehicle)
- Goods Sold, including transportation, distribution, processing, their use and their end of life treatment
- Downstream leased assets - where that party has operational and financial control such as some community buildings and pavilions (e.g. The Alphington Bowls Club)
- Franchises – this category is not applicable to Council
- Investments

Other scope 3 emissions are outside Council's organisational boundary and as such not included in this inventory. These include:

- Municipal waste – all waste generated by the broader Yarra community, with the exception of the corporate waste Council produces.
- Community emissions (emissions emitted within the City of Yarra but outside of Council's operational control)

4. Diagram of the Boundary of the Subject of Certification



5. Purchase of GreenPower and Retirement of GreenPower Eligible Large-Scale Generation Certificates (LGCS)

Table 3: GreenPower

Type	Volume	Unit	t CO ₂ -e	Status
GreenPower	Not Applicable (N/A)	N/A	N/A	Choose an item.

Table 2: LGCs Surrendered

Details of LGCs Voluntarily Surrendered

Quantity	Serial No.
None	Not Applicable

6. Purchase of NCOS Carbon Neutral Products

Table 3: Carbon Neutral Products

Product/service	Company	Quantity	Units	t CO ₂ -e (if known)
Paper	Australian Paper, via Express Forms	2,503	Kilograms of Paper	4
Total (if known)				4

7. Total Carbon Footprint

Table 6: Emission sources, scopes and quantities

Scope	Emission source	t CO ₂ -e
1	Transport (petrol)	536
1	Transport (Autogas – LPG)	91
1	Transport (Diesel)	163
1	Fugitive Emissions	45
1	Natural Gas	1,988
1&3	Oils and Lubricants	0

Scope	Emission source	t CO ₂ -e
2	Electricity	4,921
3	Electricity transmission and distribution losses	667
3	vehicle fleet (petrol extraction & distribution losses)	42
3	vehicle fleet (Autogas -LPG extraction & distribution losses)	8
3	vehicle fleet (Diesel extraction & distribution losses)	12
3	Natural Gas	151
3	Electricity –Street Lighting	3,421
3	Transport Fuels –Major Contractors – Petrol	92
3	Transport Fuels –Major Contractors – Autogas/LPG	17
3	Transport Fuels –Major Contractors – Diesel	1,545
3	Stationary Fuels – Major Contractor – Diesel	8
3	Stationary Fuels – Major Contractors – Petrol	0.5
3	Waste	24
3	Paper	49
3	Business Travel of Employees - Flights	9
3	Business Travel of Employees – Taxi's	8
3	Business Travel of Employees – Public Transport	2
3	Business Travel of Employees – Rental Cars and Buses	17
3	Water	131

Total carbon footprint in tonnes CO₂-e 13,948

8. Carbon Offset Purchases and Retirement for this Reporting Period

When Council first adopted the CNAP, its strategy to become carbon neutral was originally to purchase accredited GreenPower™ for electricity usage and accredited offsets for all other emissions. However, in September 2011 Council resolved to move to only purchase NCOS approved offsets for all emissions and utilise the resultant financial savings to maximise the investment in additional projects and actions which will reduce energy consumption and also to increase Council's percentage of its energy requirements coming from low carbon, local energy generation. This decision has better prioritised Council's expenditure to align with the energy hierarchy as detailed in the Introduction to this document.

Offset Purchase:

In May 2012, Council established an offset panel to ensure access to reputable, reliable and competitive offset providers for the short-medium term. One of the mandatory requirements imposed was that providers were either listed on the Carbon Offset Guide Australia – (a listing of quality carbon offset providers maintained by Low Carbon Australia and EPA Victoria), or have applied to be listed. As a result, Council now purchases its offsets via this panel.

In June 2012 Council procured offsets that covered 2011/12, 2012/13 and portion of 2013/14 emissions. Council had 'banked' 11,580 offsets after offsetting its 12/13 inventory. The balance of offsets required for 2013/14 and to cover the estimated inventory for 2014/15 has been purchased in October/November 2014.

Offset Retirement:

Council's policy position is to be Carbon Neutral under NCOS. In order to allow for any minor undetected discrepancies Council will 'round-up' their retirement of offsets to the nearest hundred.

Table 7: Offset Cancellations

Offset type	Registry	Serial number	Quantity (t CO ₂ -e)
VCU	Markit	2186-89417426-89429005-VCU-008-MER-CN-1-807-01012010-31122010-0	11,580
VCU	APX VCS	3585-159135884-159138209-VCU-010-APX-CN-1-969-01012012-27092012-0	2,326
VCU	APX VCS	3585-159130884-159130977-VCU-010-APX-CN-1-969-01012012-27092012-0	94
Total (Council choose to round-up their offsets to the nearest hundred) – Actual emissions 13,948 tCO ₂ -e			14,000 tCO ₂ -e

9. Emission Reduction Measures

Since Council's first Greenhouse Action Plan was released in 2004 it has been recognised that Yarra's response to the impacts of climate change need to include a commitment to greenhouse mitigation. The impacts of climate change are being felt now and likely to become more severe. It is considered that mitigation actions now will reduce the cost and effort required to adapt to climatic changes and improve future environmental, social, health, and economic outcomes.

The Yarra Environment Strategies covering the periods 2008-12 and 2013-17 set the following relevant targets:

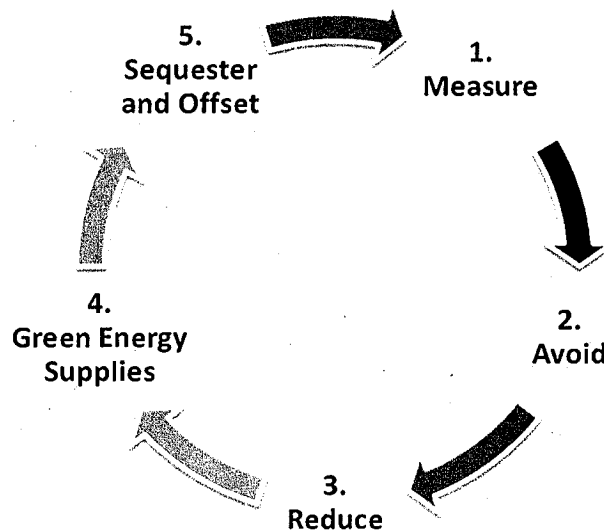
1. Carbon Neutral Council by 2012
3. Reduce emissions by 30% by 2012, 50% by 2015, 55% by 2017 and 60% by 2020
4. Generate 10% of energy needs from low carbon sources by 2012, 25% by 2015, 850 tCO₂-e by 2017 and 1,250 tCO₂-e by 2020
5. Carbon Neutral Municipality by 2020

The City of Yarra's emissions reduction strategy is based on implementing its Carbon Neutral Action Plan (CNAP) 2010 – 2015. The City of Yarra Carbon Neutral Action Plan (2010 – 2015) is Council's third action plan focusing on reducing Council's own greenhouse gas emissions, and stems from the key directions set out in the Yarra Environment Strategy- Yarra's key sustainability document. This has been supplemented by the Tracking to 2015 target plan, as a short-term options paper detailing how the 50% by 2015 emission reduction target could be achieved.

While the CNAP identifies becoming a carbon neutral organisation in 2012 (which was achieved) as a key target, Council has a holistic approach to carbon management via the following 'energy hierarchy'. The hierarchy enables Council to prioritise its immediate and long term actions and methods in reducing its carbon.

The hierarchy enables Council to prioritise its immediate and long term actions and methods in reducing its emissions.

The energy hierarchy



The energy hierarchy prioritises Council's actions which minimise overall greenhouse emissions:

1. **Measure** all emissions and evaluate the effectiveness of previous reduction measures
2. **Avoid** using energy at all opportunities and eliminate waste.
3. **Reduce** what energy needs to be used through efficient technology and behaviour change
4. **Green energy supplies** by switching to low or no emission sources
5. **Sequester and offset** all residual emissions that can't be eliminated through avoiding, reducing and changing energy supplies

Table 8: Emissions Reductions Measures

Emission source	Reduction Measure	Scope	Status	Reduction t CO ₂ -e
Electricity – Street Lighting	Energy Efficient Street Lights (this project was implemented in a past period but these savings reflect the balance of the 'full year savings' that were realised in 2013/14)	3	Implemented in a past reporting period	266
Electricity	Richmond Library – Energy Efficiency works	2 & 3	Implemented this reporting period	58
Electricity and Natural Gas	Fitzroy Swimming Pool Cogeneration - 55 kW reciprocating engine and upgrade to pool Blankets	1,2 & 3	Implemented this reporting period	329
Electricity	Energy Performance Contract, across up to 17 Council buildings (works commenced March 2014, expected completion date March 2015)	2 & 3	Planned for future reporting period	1,954
Natural gas	Energy Performance Contract, across up to 17 Council buildings (works commenced March 2014, expected completion date March 2015)	1 & 3	Planned for future reporting period	523
Electricity – Street Lighting	Removal of redundant Watchman lights	3	Planned for future reporting period	20
Total emission reductions implemented in this reporting period				387
Total expected emission reductions in future reporting periods				2,497

10. Other Information

Council adopted its Carbon Neutral Action Plan (CNAP) in 2010, with the goal of reducing Council's total greenhouse footprint. In line with the targets of the Yarra Environment Strategy (YES) also detailed in Section 2, the CNAP details a total of 157 actions (including sub actions), required to meet Council targets.

Council plans to utilise a number of different media in order to communicate the progress of the CNAP to staff and the community. This includes distributing information through the Yarra website, Council publications, at community events and through social media. Communication of the CNAP actions and achievements will encourage greater understanding and engagement by the community in sustainable living.

Council has made substantial progress against a number of its mid-term targets. A number of substantial energy reductions have already been made and by June 2014 Council has cut its emissions by about 29.6% (from a base year of 2000/01). This is a major achievement despite falling slightly short of Council's target of a 30% reduction in emissions by 2012.

As well as having a strong focus on reducing the environmental footprint of the City of Yarra as an organisation, Council also has a strong focus on community sustainability. In April 2011, Council launched the Yarra Energy Foundation (YEF), a non-profit organisation solely dedicated to making the City of Yarra, as a municipality, carbon neutral by 2020. The foundation leads projects that work with residents, businesses and the wider community to achieve its aims.

Yarra Council prides itself on being a strong leader in community and organisational sustainability. This can be demonstrated through the ambitious goals and targets set out in the YES and CNAP as well as the large number of projects that have already been implemented throughout Council. This shows strong commitment to the City of Yarra's vision of 'A vibrant, liveable and sustainable inner city that the community can be proud of'.

Since certification of Council's carbon neutral status Council has publicly announced this achievement via a media release, updated Council's website content and organised an official certification ceremony with the Northern Alliance for Greenhouse Action (where former Low Carbon Australia CEO presented Council with its certification plaque).

Other Information (continued)

Council has achieved a number of awards for its work in reducing its environmental impact, over a number of years.

In July 2013 Council was recognised as the winner of the Pam Keating Award for the overall Environmental Sustainability category for becoming the first Victorian Local Government to be certified Carbon Neutral. This award was presented by Keep Australia Beautiful Victoria.

Council is also a finalist in the Local Government category in the Banksia Sustainability Awards, the winner to be announced in November 2014. This was based on Yarra's achievement in becoming Australia's first *One Planet* Council, of which Council's carbon management (including its NCOS Carbon Neutral certification) were a key element.

By the time Council sees the full year benefit (April 2016) from the current Energy Performance Contract, as detailed in Table 8 above, Council should have reduced its emissions, from the base year, by approximately 44% - not allowing for any new building stock. There has been some time-lag with the roll-out of this contract but given the guarantee that underpins the contract, Council is confident the contracted emissions reductions will be delivered.

Officers also developed a blueprint Council to scope out how Council could achieve its 50% emissions reduction target titled 'Carbon Management Plan – Tracking to 2015'. While achieving the targeted reduction by June 2015 will be challenging, this document spells out the options Council had regarding reducing its emissions, although these options change over time, as technologies both become available and become more cost effective over time.

11. Declaration

To the best of my knowledge and having implemented the quality controls and standards required under the NCOS Carbon Neutral Program and made all appropriate inquiries, the information provided in this Public Disclosure Summary is true and correct.

Jane Waldock



Name of Signatory

Signature

Manager Sustainability and Strategic Transport

Position / Title of Signatory

12/11/2014

Date

