National Carbon Offset Standard

Carbon Neutral Program

Public Disclosure Summary

An Australian Government Initiative

COMPANY NAME: AIR BP (a related body corporate of BP Australia Pty Ltd)

REPORTING PERIOD: 2015-2016

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.

Signature 	Date : 22 January 2018
Name of Signatory : Justin Walker	
Position of Signatory : Air BP Technical Services Director	

Carbon neutral certification category	Service
Date of most recent external verification/audit	8 December 2017
Auditor	EY
Auditor assurance statement link	

Australian Government
Department of the Environment and Energy

Template Version: 4 January 2017 v5.2

1. Carbon neutral information

- 1A. Introduction

Air BP has sought certification in Australia against the Australian Government's National Carbon Offset Standard(NCOS) for Air BP's Australian activities under the Australian Government's Carbon Neutral Program. Air BP have interest in being certified for Carbon Neutrality based on market research and requests from it's customers in Australia and as support to Air BP's global and local environmental initiative and in support of customers that consider achieving similar certification themselves.

The international Air BP business (Air BP Limited®) has achieved carbon neutrality for their Into-Plane services globally under PAS2060 for the periods of 2014 – 2016 with a commitment to remain Carbon Neutral 2017 - 2019. The achievement and commitment to carbon neutrality cover all Air BP Into-Plane services at Airport Fuel Facilities across the global network.

BP Australia is the legal entity which operates for Air BP in Australia. BP Australia Pty Ltd and Air BP Limited® are all fully owned subsidiaries of BP plc, both are noted on the ABN register.

This Public Disclosure Summary (PDS) includes Australian activities associated with Air BP's certification under the Carbon Neutrality program, and after a gap assessment establishes the equivalence or variance(as noted in the PDS) between National Carbon Offset Standard (NCOS) and PAS2060 requirements. This NCOS PDS should be read in conjunction with Air BP's publically available Qualifying Explanatory Statement under PAS2060 (Appendix B). This PDS and QES are available on www.bp.com/en/global/bp-air/about-us/environmental-solutions

The information and data below and in the Annual Carbon Account Report filed with the Department of the Environment and Energy under NCOS pertains to the emissions from its Australian operations only.

Air BP is an aviation fuel distribution business that delivers high-quality into-plane services on airfield sites delivering jet fuel and aviation gasoline into aircraft wings to meet the needs of our commercial airlines and general aviation customers. The achievement and commitment for carbon neutrality covers all Air BP Into-Plane services at Airport Fuel Facilities across the network.

Greenhouse Gas emission related to airfield operations denotes the boundary of the subject for the declaration of Carbon Neutrality. The boundary is defined from onsite airport storage facilities to point of sale at wing tip of an aircraft applicable to Air BP operated airport sites where there is direct control of emissions, which is termed as "into plane" services. The GHG emissions reported here follows the operational control where Air BP can implement its own operating policies at the operation.

GHG emissions associated with Air BP's on airport into plane services within the defined boundary from the periods of 1st July 2015 to 30th June 2016 have been quantified in accordance to GHG Protocol and NCOS for Products & Services. The methodology chosen is believed to represent the total carbon footprint inventory of Air BP within the defined boundary.

The first application period has been audited by an independent third party certifier, EY, who endorses as being fully compliant with its requirement of NCOS for the substantiation of Air BP's emission when applied correctly. The list of GHG emmissions to be included is reported in section 3.

See also QES Section :
2.1 General Information

- 1B. Emission sources within certification boundary

All Scope 1 & 2 greenhouse gas within Air BP's operation boundaries as defined in above and emissions from Scope 3 are summarised in Section 3. Where GHG have been estimated, these have been determined based on a conservative approach that precludes underestimation.

GHG emissions associated with Air BP's defined boundary for the period of 1st July 2015 to 30th June 2016 have been quantified according to GHG Protocol, Corporate Accounting and Reporting Standards, which is in line with BP Group GHG Reporting. BP Group's approach to reporting GHG emissions broadly follows the IPIECA/API/IOGP Petroleum Industry Guidelines for Reporting GHG Emissions (the IPIECA guidelines).

Methodology selected for quantification of GHG emissions is systematically applied across a global network and that uncertainties are reduced as far as practicable. The GHG protocol meets the certification requirements of the NCOS for Products & Services.

Quantified Sources : Scope 1 and 2 Emissions

Figure 1(in Section 1C)Boundaries associated with Air BP Operated Site with GHG Emissions illustrates various types of Into-plane services offered by Air BP Operated sites. There are three main types of into-plane services:

1) **Hydrant operation** – Aviation fuel is delivered into an aircraft via an underground hydrant with the use of refuelling vehicles known as Hydrant Dispensers.

2) **Refueller Operation** - Aviation fuel is delivered into aircrafts via Refuelling vehicles known as Refuellers. Refuellers operate on airfield carrying bulk fuel on airfields servicing aircrafts.

3) **Kerbside Operation** – Aviation fuel is dispensed via customer self-serve kerbside dispenser units.

In order to quantify Air BP's carbon footprint, an emission model has been developed which models the carbon footprint for the 3 types of operations.

Carbon footprint for each operation type is determined by sampling energy consumptions at selected sample sites– i.e. diesel and electricity consumption. Samples are selected through systematic sampling from each operational type sample pool. These samples are considered to be a representative carbon emission for sites of that operation type. Subsequently a carbon intensity factor is calculated for each operation type.

To ensure representative samples are taken for each type of operation, the required sample size is calculated and sample sites are selected based on their annual fuel sales. The confidence interval of fuel sales was determined giving an upper and lower fuel sales range where sample sites are selected from. Sites selected that falls within this range will act as good estimate of the total sample pool.

The Carbon Intensity Factor(CIF) or functional unit, is measured in CO2e emitted per Litre of Aviation Fuel sold (kg/L). The carbon footprint for each operation type is then determined by scaling the sales volume with the carbon intensity factor.

Quantified Sources : Scope 3 Emissions- Road Transportation

Air BP in Australia does not manage and outsources all logistics activities delivering fuel into airport storage facilities.

Quantified Sources : Scope 3 Emissions- Business Air Travel

Air BP has elected to include the emission from business Air Travel. It is Air BP policy that all travel should be arranged through BP's travel management. Emissions reported in this declaration are direct output from BP's Travel Agent who tracks and calculate emission data for the application period.

Non-quantified and excluded sources

Please refer to Appendix A found at the back of this document for an outline of the included, non-quantified and excluded GHG emissions.

See also QES Sections :
3.3 Data Source
3.4 Assumptions and Estimations
Annex A
Annex B
3.6 Uncertainties

- 1C. Diagram of the certification boundary

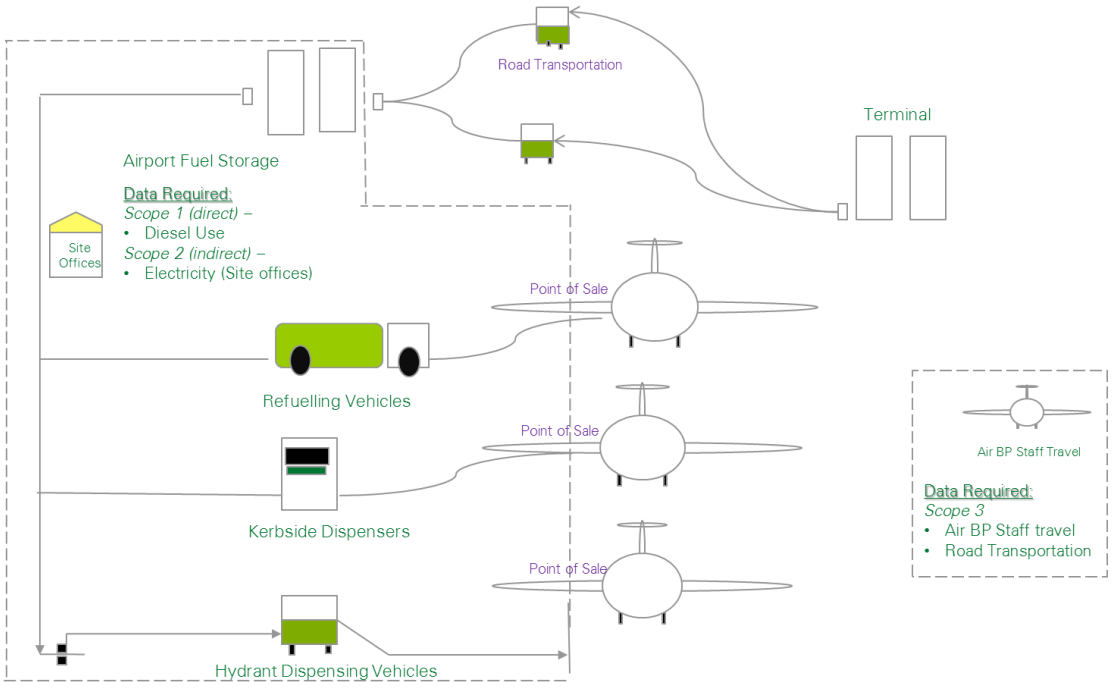

Figure 1 Boundaries associated with Air BP Operated Site with GHG Emissions

Note : Some sites will not have certain activities captured if they are outside the organisation's operational control boundary (i.e. Brisbane Airport Hydrant is not operated by Air BP and therefore the electricity consumed from storage to Hydrant is not captured, Sydney Airport Depot is not operated by Air BP so the electricity consumed for fueller loading from storage is not captured). Air BP's operating boundary may change from time to time as a result of changes in operated activity and new sites, the commitment from Air BP is to introduce NCOS Carbon Neutral to those sites and activities as these changes occur.

Emissions reduction measures

- 2A. Emissions over time

Not applicable for the initial application

- 2B. Emissions reduction strategy

See QES Section 4.1 Air BP's strategy to achieving carbon reduction

- 2C. Emissions reduction actions

See QES Section 4.2 Key projects in Air BP's work plan

2. Emissions summary

The emissions summary for Air BP's operations in Australia within boundary as defined in Figure 1 and emissions from Scope 3 are detailed below.

GHG Emissions Description		*Total (tCO_2-e)*		
CO_2-e		*Australian emissions*	*Global emissions*	*% of Australian emissions to global footprint*
Scope 1	*Direct GHG emission from Diesel consumption of refueling vehicles used service aircrafts*	*1,036*	*3,904*	*26.5%*
Scope 2	*GHG Emissions arising from Electricity consumption emissions arising from consumption of electricity on premises*	*1,146*	*3,415*	*33.6%*
Scope 3	*Other indirect emissions; Combustion of jet fuel arising from Air Travel business air travel of employee*	*243*	*1,859*	*13.1%*
	Diesel consumption for Road transport from delivering fuel to airport by Air BP direct 3rd party contractors	*0*	*7,425*	*0.0%*
Total GHG footprint for Australian operations (tCO_2-e)		*2,425*		
Total GHG footprint for global operations (tCO_2-e)		*16,603*		
Percentage of GHG footprint for Australia to Global footprint		*14.6%*		

Table 1 Emission Summary for Air BP's Global and Australian Operations

3. Carbon offsets

- 4A. Offsets summary

Carbon credits for the period of 2015 - 2016 were purchased as a global offset program on behalf of Air BP Limited ®. A total of 19 418 tCO_2e was purchased of which 2,425 tCO_2e was retired for Air BP's Australian operations. Details of retirement can be found Carbon Offset Credit in the PAS2060 QES Annex C.

See QES Sections :
5.2 Offset Program for the Second Application Period
Annex C

Table 2. Offsets Summary

Offset type and registry	Year retired	Quantity	Serial numbers
Verified Carbon Standard	2016	604	4176-176778948-176779551-VCU-006-APX-ZM-14-1202-01012014-30092014-0
Verified Carbon Standard	2016	11,331	4674-192981588-192992918-VCU-006-APX-ZM-14-1202-01012015-31122015-0
Verified Carbon Standard	2016	2,971	4680-193072019-193074989-VCU-006-APX-ZM-14-1202-01012015-31122015-0
Gold Standard	2016	5,594	GS1-1-CN-GS1228-9-2013-4680-503 to 6096
Offset units retired for Air BP in Australia			2,425
Total offset units retired			20,500
Net emissions after offsetting			0
Total offsets banked for use future years: (if any) [Serial number – refer to above]			1,082

** The total amount of offsets retired by AirBP relates to emissions arising from global services, which has been offset in accordance with PAS 2060.*

- 4B. Offsets purchasing and retirement strategy

Air BP Limited ® has a partnership with BP Target Neutral (BPTN) who manages the procurement and retirement of offsetting on behalf of Air BP Limited®. The standard, methodology and type of credits employed for achieving carbon offset are managed by BP Target Neutral and the principles shall meet requirements of NCOS and PAS2060. All credits shall be from sources which guarantee that:

- The offset purchased represent genuine, additional GHG emissions reductions; and
- Project involved in delivering offset meet the criteria of additionality, permanence, leakage and double counting

BPTN has a rigorous assessment process: Experts visit each project site to seek evidence from project owners and local stakeholders of project claims and to assess technical risks. All projects are also reviewed and approved by the BPTN Independent Advisory and Assurance Panel. Details are set out in the PAS2060 QES under Carbon Offset Program. For more information on BP Target Neutral visit www.bptargetneutral.com.

See QES Sections :
5.2 Offset Program for the Second Application Period

- 4C. Offset projects (Co-benefits)

Carbon Credits purchased for offsetting Air BP's contributes towards the following Offset Projects:

- **Lower Zambezi REDD+ Project**

The project anticipates prevention of emissions of 9.6million tCO2e over a period of 30 years. The project area is located in Zambia's Lusaka Province at the Rufunsa Conservancy, which covers 38, 781 hectares and constitutes one of the last intact areas of forest in Lusaka Province.

Deforestation is driven by charcoal production and the expansion of farmlands by residents and long-term immigrants. It is estimated that 53% of Lusaka's annual charcoal supply originates from the project's location. The project zone is home to approximately 8,300 people, living in 28 villages, spread within four community zones.

The project expects to reduce deforestation by implementing community-based projects that aim to reduce local dependency on deforestation, improve local livelihoods and resiliency, as well as implementing land management systems such as infrastructure, security, fire management and biodiversity monitoring.

- **National Bachu Biomass Power Generation Project**

The National Bachu Biomass Power Generation Project utilizes biomass/agricultural residue (mainly cotton stalks) to generate renewable electricity in, Bachu County, Xinjiang Uygur Autonomous Region in China. The project reduces an estimated 47,000 tons CO2 per year by replacing electricity which would otherwise be generated by fossil fuel fired power plants operating in the Northwest China Power Grid.

The project involves the installation of a 12MW biomass power plant which will utilize 130,000 tonnes of biomass residues to generate 59 000 MWh per year to the Northwest China Power Grid. In absence of the project, the biomass residues would be burned in the fields or abandoned.

4. Use of trade mark

Table 4. Trade mark register	
Where used	Logo type
Not used to date	Not used to date

5. Have you done more?

Not applicable

Appendix A - Scope 1, 2 and 3 emissions inclusion and exclusion

Emission Source	Description	Justification of Exclusion
Purchased Goods and Services (Upstream)	Extraction and production of purchased materials and fuels	Excluded: Emissions from the production of Aviation Fuels are not under direct operational control or within Air BP's boundary as Air BP do not own or operate any refineries that is responsible for the production of Aviation Fuel.
Transport and Distribution (Upstream)	Transportation of purchased materials or goods	Excluded 3rd Party Road contractor activities for all logistics in delivering fuel into airport storage facilities are not managed by Air BP in Australia, not under direct operational control or within Air BP's boundary therefore kilometers travelled and related activities are excluded.
	Employee business travel	Included Business Air travel included as Scope 3 emission
	Employee road travel	Non-quantified: Air BP has employees globally and data is difficult to obtain therefore difficult to assess and subject to change. Road travel is immaterial compared to business air travel emmissions.
	Employees commuting to and from work	Non-quantified: Air BP has employees globally with multiple work arrangements (i.e. part time, Homebase, shared office facilities). It is technically difficult to accurately assess and is subject to change
	Transportation of sold products	Included: Supply into aircraft is via refuelling vehicles is included as Scope 1 & 2 Emissions
	Transportation of waste	Non-quantified: Waste generated from sites is not considered to be material to measure and report therefore transportation of waste is not considered to be material.
Waste from Operation	Waste Disposal	Non-quantified: Air BP operates under waste management principles of hierarchy - reduce, re-use and recycle. Waste generated from sites is not considered to be material to measure and report. All Air BP operated sites contains Product Recovery System at airport depot storage and aviation fuels meet strict international product cleanliness requirements therefore minimal wastes are produced and emissions from waste

		disposal is not material.
Energy related activities	Extraction, production and transportation of fuels consumed in the generation of aviation fuel.	Excluded: Energy consumption from the production of Aviation Fuels is excluded from the Air BP's boundary. Aviation products are sourced from various sources globally, it is not cost effective to quantify generation and loses of electricity
	Generation of electricity is consumed in Transportation &Distribution system	Not Quantified: Scope 3 emissions for Transportation and Distribution (T&D) losses were assessed globally as immaterial[1] and therefore excluded from the global carbon inventory.
	Purchase of electricity that is sold to an end user	Excluded: Energy consumption of from purchased electricity is not applicable to Air BP's into plane operations.
	Employee energy consumption for office based employees	Included : Electricity for office buildings used by regional sales and operations office staff based at Airport offices is included. Excluded: Air BP has employees with flexible working arrangements (i.e. part time, Homebase, shared office facilities). It is not technically feasible, practical to quantify and is subject to change. The BP Australia office is outside Air BP's boundary and influence, not material.
Upstream / Downstream Leased assets, and outsourced activities	Operations of assets leased by or owned by Air BP	Included: Energy consumption of operations where into-plane activities is outsourced at Air BP operated sites has been accounted for as Scope 1 or 2 emissions.
Investment	Operations of Investments (including equity and debt investments and project finance)	Not Quantified: Emissions associated with manufacturing vehicle for replacement activities are excluded as carbon footprint for manufacturing process are not publically available and believed to vary significantly between Original Equipment Manufacturer (OEM). Without the availability of a clear standard or expertise in manufacturing or verifiable data, it is not viable to measure and offset in the boundary Vehicles also have a lifecycle of greater than 20 years Excluded: Emissions for sites where Air BP is in joint ventures are excluded as due to competition

[1] The highest T&D losses in Air BP's global country portfolio is in Australia with average T&D Losses for Australia (4.78%[1]).

		law reasons, data cannot be accessed by Air BP.
Use of Sold products and services (Downstream)	End use of aviation fuels	Excluded: Emissions as a result of aircraft engines resulting from fuel combustions are not accounted for as this is defined as outside the operating boundaries of Air BP. Since end user has control over how they utilise the product, it is not financially viable to measure and report and offset in the boundary. Air BP has an influencing strategy and customer offer to work with IATA and its customers to achieve their publicly stated Carbon Reduction goals.
End of Life Treatment	Waste disposal and treatment of products sold by Air BP at the end of their life	Not Quantified: Waste generated from product is not considered to be material to measure and report. All Air BP operated sites contains Product Recovery System at airport depot storage and aviation fuels meet strict international product cleanliness requirements which ensure minimal wastes are produced.

Appendix B - PAS 2060 Qualifying Explanatory Statement(QES)


PAS 2060 Qualifying Explanatory Statemer


Assurance Letter