PUBLIC DISCLOSURE STATEMENT

REAL UTILITIES

PRODUCT
FY 2020-2021 (PROJECTED)

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY: Real Utilities Pty Limited
Subsidiary of Frasers Property Australia

REPORTING PERIOD: 1 July 2020 – 30 June 2021 (Projected)

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.

Signature  Date 30/10/2020

Name of Signatory Paolo Bevilacqua

Position of Signatory Chief Executive Officer

Australian Government
Department of Industry, Science, Energy and Resources

1. CARBON NEUTRAL INFORMATION

Description of certification

Frasers Property Australia are implementing embedded networks in some developments with all electricity and gas provided to be certified carbon neutral under the Climate Active Standard. The developments will typically be strata-owned residential, retail or mixed use however may also include business parks and industrial estates.

"We are committed to providing a carbon neutral energy product to our customers at no extra effort or cost to them."

The first new development in 2020, a water bottling warehouse in NSW, houses 1 tenant benefitting from a 1.5MW solar PV system.

The second development, Ed. Square town center, comprises 309 apartments and 108 retail tenancies across 40,000 square meters is opening in stages across 2020 and 2021. The Ed town center benefits from a 1.2MW solar PV system.

As further developments offering the Real Utilities electricity product come online, estimated emissions will be calculated using the same methodology, and emissions offset prior to their generation, with a "true up" of estimated emissions versus actual emissions for all developments to occur at year end.

The product is electricity and gas, which will be offered by Real Utilities, a wholly owned subsidiary of Frasers Property, in selected new Frasers Property residential and retail developments. These developments may be located in New South Wales, Victoria, Queensland or Western Australia. It includes the Scope 1, 2 and 3 emissions from electricity and gas provided to premises both for consumer end use and powering of air-conditioning. Other utility products such as water and refrigerants are excluded from the carbon neutral certification.

The functional unit is a Megawatt Hour (MWh) of electricity usage, with emissions expressed in terms of tonnes of CO2-e per MWh.

The methods used for collating data, performing calculations and presenting the carbon account are in accordance with the following standards:

- Climate Active Standard for products and services
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008

The calculation methodologies and emission factors used in the inventory are derived from the National Greenhouse Accounts (NGA) Factors in accordance with "Method 1" from the National Greenhouse and Energy Reporting (Measurement) Determination 2008.

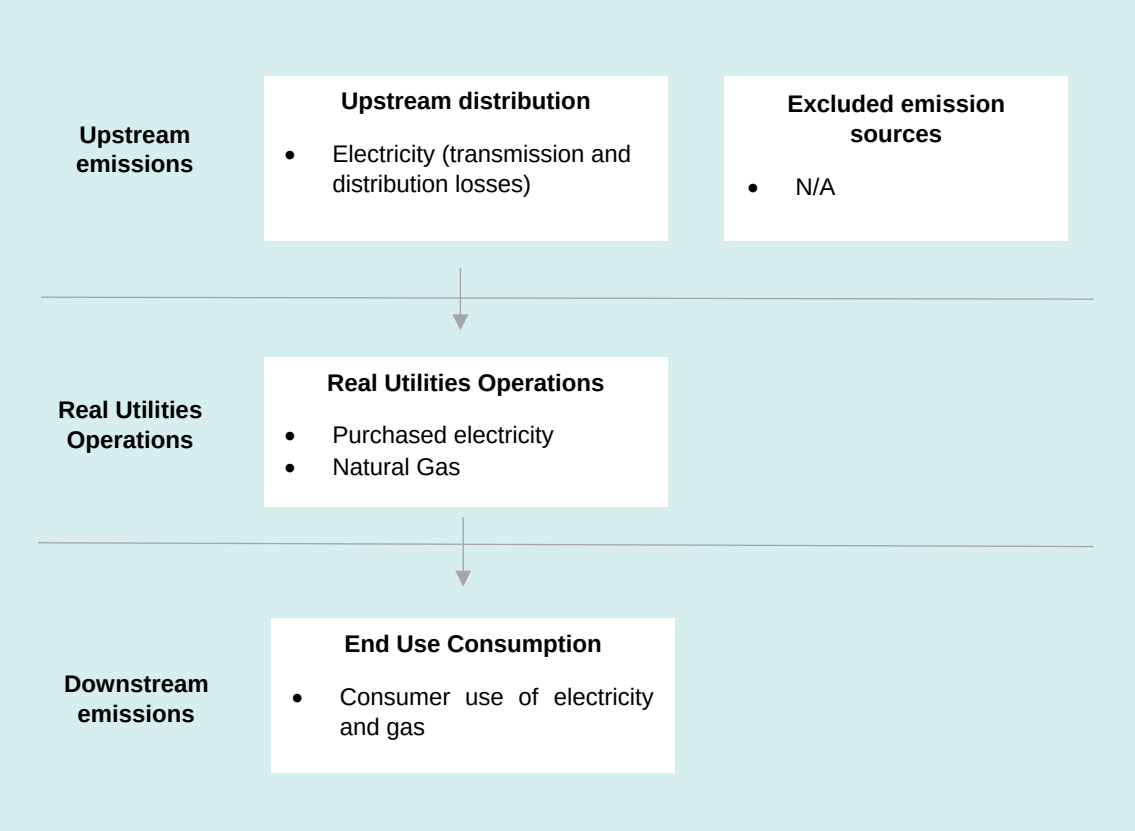
The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF6) and Nitrogen Trifluoride (NF3).

Organisation description

Real Utilities is a licensed energy retailer, wholly owned by Frasers Property Australia, one of Australia's largest diversified property companies. Real Utilities value proposition is to provide cheaper, greener, simpler energy to residents and businesses within Frasers Property's developments.

Product process diagram

The following diagram is cradle to grave



2. EMISSION BOUNDARY

Diagram of the certification boundary

Quantified

Natural Gas

Electricity

Non-quantified

N/A

Excluded

N/A

Non-attributable

Fuel – Stationary & Transport

Building Refrigerants

Water

Attributable non-quantified sources

N/A

Data management plan

Not required, as there are no attributable non-quantified sources.

Excluded sources (within certification boundary)

N/A

Non attributable sources (outside certification boundary)

- Real Utilities does not sell water as a product and their operational water for the office is captured under FPA's certification.
- No stationary fuel used (no diesel generators or other stationary fuel used by Real Utilities)
- Real Utilities' employee transport data is captured under Frasers Property Australia's certification
- Real Utilities' sells the electricity used to cool chilled water, but the building landlord owns and operates the chiller

"Our carbon neutral status is an important part of our strategy as a pathway to zero carbon."

3. EMISSIONS SUMMARY

Emissions reduction strategy

Real Utilities is focused on promoting sustainability and is aligned with its parent entity Frasers Property Australia in this regard. The main value propositions of Real Utilities are cheaper, greener, simpler. These are further documented at www.realutilities.com.au.

In addition to the Climate Active certification, Real Utilities is committed to initiatives that will reduce emissions in the properties it operates in.

Real Utilities has the target to supply 100% renewable energy from 2023, on a net basis.

In the design phase, Real Utilities will work with the Frasers Property Australia development team to identify initiatives to improve energy efficiency and incorporate renewable energy. These include:

- Reviewing the selection of building services plant such as hot water plant and air conditioning
- Undertaking analysis of solar PV on all projects with the aim of maximizing solar PV as an on-site energy source for future projects
- Undertaking analysis of battery energy storage systems on all relevant projects to ensure resilience of energy supply
- Other energy and carbon innovations such as geothermal, and sewer heat recovery which are currently being investigated on some projects.

Once the properties are operational, Real Utilities will continue to explore initiatives to reduce carbon and improve customer benefits in line with the value propositions – cheaper, greener, simpler. Particular focus will continue to be on energy efficiency and renewable energy.

Real Utilities will also contribute to Frasers Property Australia's sustainability commitments as documented in their sustainability strategy, A Different Way. For more information on Frasers Property's approach to sustainability, please refer www.fraserspropertyproperty.com.au/Sustainability.

Emissions over time

Table 1

Emissions since base year				
	Base year: 2017-18	Year 1: 2018-19	Current year: 2019-20	Projected year: 2020-21
Emissions per functional unit (tCO2e)	0.96 tCO2-e/MWh	0.74 tCO2-e/MWh	0.92 tCO2-e/MWh	0.88 tCO2-e/MWh
Total tCO2e	613.4	1,983.6	6,615.7	22,215.1

Emissions reduction actions

Not applicable.

Functional units

Table 2 Real Utilities' forecasted functional units for FY20/21

	Number of functional units
a) Number of functional units sold this period	*N/A*
b) Number of functional units to be forward offset demonstrating commitment to carbon neutrality (true-up to be conducted at the end of the reporting period)	*25,244.40*

Emissions summary (inventory)

Table 3 Real Utilities' emissions summary for FY19/20

Emission source category	**tonnes CO_2-e**
Electricity	6,464.88
Natural Gas	150.77
1. Total inventory emissions	6,616
2. Emissions per functional unit (based on the number of functional units represented by the inventory) Total tCO2-e divided by the number of functional units in table 1.	0.92
3. Carbon footprint	6,616

Table 4 Real Utilities' forecast emissions summary for FY20/21

Emission source category	tonnes CO_2-e
Electricity	21,698.62
Natural Gas	516.47
4. Total inventory emissions	22,216
5. Emissions per functional unit (based on the number of functional units represented by the inventory) Total tCO2-e divided by the number of functional units in table 1.	0.88
6. Carbon footprint	22,216

Uplift factors

N/A

Carbon neutral products

None

Electricity Summary

Electricity was calculated using a Location-based approach.

The Climate Active team are consulting on the use of a market vs location-based approach for electricity accounting with a view to finalising a policy decision for the carbon neutral certification by July 2020. Given a decision is still pending on the accounting way forward, a summary of emissions using both measures has been provided for full disclosure and to ensure year on year comparisons can be made.

Market-based approach electricity summary for Real Utilities FY19/20

Table 4

Electricity inventory items	kWh	Emissions (tonnes CO2e)
Electricity Renewables	1,222,881	0.00
Electricity Carbon Neutral Power	0	0.00
Electricity Remaining	5,351,747	5,785.77
Renewable electricity percentage	19%	
Net emissions (Market based approach)		***5,785.77***

Location-based electricity summary for Real Utilities FY19/20

Table 5

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2 +3)	Emissions (tonnes CO2e)
ACT/NSW	Electricity Renewables	-	-0.90	0.00
ACT/NSW	Electricity Carbon Neutral Power	-	-0.90	0.00
ACT/NSW	Netted off (exported on-site generation)	-	-0.81	0.00
ACT/NSW	Electricity Total	3,422,837	0.90	3,080.55
Vic	Electricity Renewables	-	-1.12	0.00
Vic	Electricity Carbon Neutral Power	-	-1.12	0.00
Vic	Netted off (exported on-site generation)	-	-1.02	0.00
Vic	Electricity Total	2,385,077	1.12	2,671.29
Qld	Electricity Renewables	-	-0.93	0.00
Qld	Electricity Carbon Neutral Power	-	-0.93	0.00
Qld	Netted off (exported on-site generation)	-	-0.81	0.00
Qld	Electricity Total	766,713	0.93	713.04
	Total net electricity emissions		*0.00*	***6,464.88***

Market-based approach forecasted electricity summary for Real Utilities FY20/21

Table 6

Electricity inventory items	kWh	Emissions (tonnes CO2e)
Electricity Renewables	4,262,468	0.00
Electricity Carbon Neutral Power	0	0.00
Electricity Remaining	18,654,028	20,166.87
Renewable electricity percentage	19%	
Net emissions (Market based approach)		***20,166.87***

Location-based forecasted electricity summary for Real Utilities FY20/21

Table 7

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2 +3)	Emissions (tonnes CO2e)
ACT/NSW	Electricity Renewables	-	-0.90	0.00
ACT/NSW	Electricity Carbon Neutral Power	-	-0.90	0.00
ACT/NSW	Netted off (exported on-site generation)	-	-0.81	0.00
ACT/NSW	Electricity Total	16,915,547	0.90	15,223.99
Vic	Electricity Renewables	-	-1.12	0.00
Vic	Electricity Carbon Neutral Power	-	-1.12	0.00
Vic	Netted off (exported on-site generation)	-	-1.02	0.00
Vic	Electricity Total	4,703,902	1.12	5,268.37
Qld	Electricity Renewables	-	-0.93	0.00
Qld	Electricity Carbon Neutral Power	-	-0.93	0.00
Qld	Netted off (exported on-site generation)	-	-0.81	0.00
Qld	Electricity Total	1,297,047	0.93	1,206.25
	Total net electricity emissions		*0.00*	***21,698.62***

4. CARBON OFFSETS

Offset purchasing strategy: forward purchasing

Table 8 True-up for FY19/20 and forecast for FY20/21

Forward purchasing summary	
1. Total offsets previously forward purchased for the reporting period FY19/20	6,035
2. Total offsets required for reporting period FY19/20	6,616
3. Net offset balance for the reporting period FY19/20	584
4. Total offsets to be forward purchased for the reporting period FY20/21	22,216

Offsets summary

Table 9

1. Total offsets required for this report (FY19/20 true-up + FY20/21 forecast)	22,800
2. Offsets retired in previous reports and used in this report	1,081
3. Net offsets required for this report	21,719

Project description	Eligible offset units type	Registry unit retired in	Date retired	Serial number (including hyperlink to registry transaction record)	Vintage	Quantity (tonnes CO2-e)	Quantity used for previous report	Quantity banked for future years	Quantity used this report
Jorethang Loop Hydroelectric Project	CERs	CDM	22 January 2020	IN-5-233629394-2-2-0-1326 IN-5-233707931-2-2-0-1326	2013	71,037	0	49,318	21,719
				Total offsets retired this report and used in this report			*22,800*		
				Total offsets retired this report and banked for future reports			*49,318*		

Co-benefits

The Jorethang Loop Hydroelectric Project has an installed capcity of 96 MW and generates approximately 44.03 GWh per year. The project also includes a small reservoir of approximately 14.489 ha. The project contributes strongly to the sustainable development of the region and surrounding areas in the following ways:

- The project results in a reduction in air borne pollutants, such as oxides of nitrogen, oxides of sulphur, carbon monoxide and particulates, through a reduction in the combustion of fossil fuels.
- The project has generated local employment, on a temporary basis during the construction phase, with more permanent on-going employment during the operational phase.
- A greenbelt of approximately 24.74 ha will be created around the reservoir, to mitigate soil erosion and prevent landslips.
- The project will carry out maintenance and upgrades of existing roads, which will improve access to the area whilst limiting environmental disturbance.
- Local villages partially depend on firewood for their daily energy needs, which can lead to adverse ecological impacts, such as forest degradation, soil erosion and reduction in fertility. Increased availability and reliability of power supply from this project to the villages will reduce the need for firewood.

5. USE OF TRADE MARK

Table 10

Description where trademark used	Logo type
Real Utilities' energy bills (to customers)	Certified product
Internal staff presentations	Certified product
External presentations (to customers)	Certified product

6. ADDITIONAL INFORMATION

N/A

APPENDIX 1

Non-attributable emissions for products and services

To be deemed attributable an emission must meet two of the five relevance criteria. Non-attributable emissions are detailed below against each of the five criteria.

Table 11

Relevance test					
Non-attributable emission	*The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions*	*The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.*	*Key stakeholders deem the emissions from a particular source are relevant.*	*The responsible entity has the potential to influence the reduction of emissions from a particular source.*	*The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.*
Water	No	No	No	No	No
Stationary Fuels	No	No	No	No	No
Transport Fuels	No	No	No	No	No
Building Refrigerants	No	No	No	No	No

APPENDIX 2

Non-quantified emissions for products/services

Please advise which of the reasons applies to each of your non-quantified emissions. You may add rows if required.

Table 12

Non-quantification test				
Relevant-non-quantified emission sources	*Immaterial <1% for individual items and no more than 5% collectively*	*Quantification is not cost effective relative to the size of the emission but uplift applied.*	*Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.*	*Initial emissions non-quantified but repairs and replacements quantified*
N/A				