

# PUBLIC DISCLOSURE STATEMENT

ENERGY ACTION (AUSTRALIA) PTY LTD

ORGANISATION CERTIFICATION FY2020–21

Australian Government

# Climate Active Public Disclosure Statement





An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Energy Action Pty Ltd
REPORTING PERIOD	1 July 2020 – 30 June 2021 Arrears report
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.
	Bruce Macfarlane Interim Chief Executive Officer 30 <sup>th</sup> November 2021



Australian Government

Department of Industry, Science, Energy and Resources

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Version September 2021. To be used for FY20/21 reporting onwards.



# 1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	120 tCO <sub>2</sub> -e
OFFSETS BOUGHT	100% GS VER (Verified Emission Reduction)
RENEWABLE ELECTRICITY	101.7%
TECHNICAL ASSESSMENT	15 <sup>th</sup> October 2021 Adina Cirtog Pangolin Associates Next technical assessment due: FY2024

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# 2. CARBON NEUTRAL INFORMATION

### **Description of certification**

This report certifies the business operations of Energy Action in Australia and outsourced services in the Philippines.

### **Organisation description**

Energy Action (Australia) identifies the money businesses could be saving and the emissions they could be preventing. We are the trusted, independent energy partner for over 4,500 clients across 10,000 sites. We started in Sydney and we're now a national team with locations across the country. We combine 20+ years of experience with our smart technology and data-led insights to provide clear and low-cost paths to Net Zero for clients looking to build sustainable businesses in a changing world.

Energy Action (ABN 23 103 365 199) describes its organisational boundary in accordance with the Operational Control test, including its Head office and all office tenancies across Australia from where Energy Action manages its operations. In FY21, we operated tenancies in Parramatta (NSW), Glen Waverly (Vic), Belconnen (ACT) and Fortitude Valley (QLD). Our operations are responsible for the production of scope 1, scope 2 and 3 emissions.

In Fy21, we have included in our emissions boundary a small business process outsourcing operation in the Philippines.

"The status quo is no longer acceptable. Our mission is to make energy easier, cleaner, and cost less".



# **3.EMISSIONS BOUNDARY**

### Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

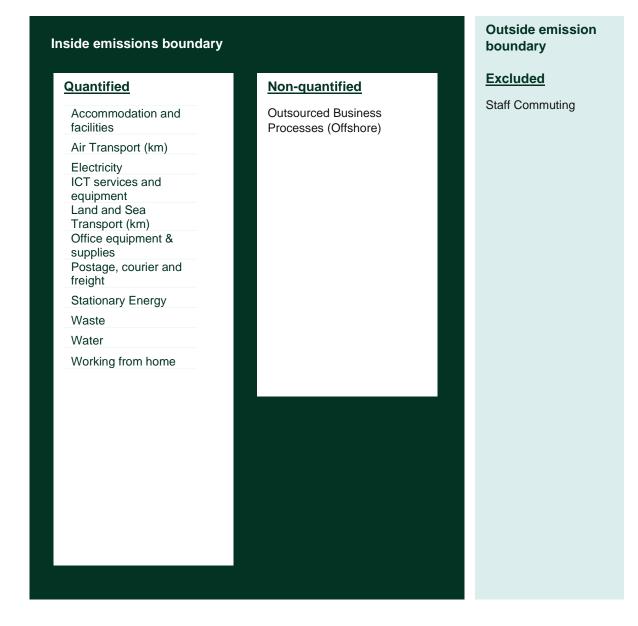
**Quantified emissions** have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

**Non-quantified emissions** have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

### Outside the emissions boundary

**Excluded emissions** are those that have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.





### Data management plan for non-quantified sources

We will include offshored and outsourced Business Processing within our definition of our emissions boundary from FY22 onwards. Our Data Management Plan includes steps we will take to enable us to quantify these emissions.

We have quantified our ICT services and storage in FY21. We have undertaken in our Data management plan to improve the methods we use to quantify this emission source in FY22 and onwards.



# **4.EMISSIONS REDUCTIONS**

#### **Emissions reduction strategy**

In accordance with section 2.4 of the Climate Active Carbon Neutral Standard for Organisations/Precincts, Energy Action seeks to achieve emissions reductions wherever possible. To deliver on this goal, Energy Action has developed and maintains its own emissions reduction strategy.

Our emissions reductions strategy consists of a target and 5 pathways:

**Target**: our emissions reduction target is to reduce our scope 2 emissions to 0 in FY21, and to reduce our Scope 1 emissions to 0 by FY22, and to progressively reduce the per capita scope 3 emissions intensity of our business operations by 30% against our FY21 baseline by 2025. We will offset any emissions we can not reduce by FY21.

- 1. Measure: we measure on a monthly basis the emissions associated with our energy and water consumption across our tenancies;
- 2. Reduce:
  - a. We will electrify everything (to reduce scope 1 emissions to 0) by the end of FY22;
  - Our procurement policies prioritise carbon neutral products and services ahead of noncarbon neutral products and services. We have a particular focus on ICT, stationary and waste reduction;
  - c. Our travel and client meeting policy will leverage the reset opportunity that COVID-19 lockdowns have presented to do more online meetings, both internally and externally;
  - d. Between FY22 and FY25, we will engage with our ICT service providers to understand and minimise our emissions associated with activities on their premise;
  - e. Between FY22 and FY25 we will engage with our offshore business operations agent to quantify and then reduce the impact of their operations. In FY21, we have added an uplfit factor of 10T to estimate the expected impact of our offshore operations on our Climate Active statement. To mitigate this impact we have offset a corresponding 10T of office emissions via the purchase of carbon offsets.
- Renewable: onsite renewables are not feasible in the office tower tenancies we occupy. We are examining opportunities to participate in "community owned" solar installations and initiatives that benefit our operations
- Procurement: in Fy21 we purchased Greenpower for our head office and Canberra tenancies. For the shortfall where we could not purchase Greenpower, we purchased LGC's to directly reduce the scope 2 emissions associated with our operations to 0;
- 5. Offset: for emissions we could not offset through the year, we purchased offsets to support our claim to be Carbon Neutral for our onshore business operations in FY21.



### **Emissions reduction actions**

Energy Action took action to reduce its emissions in respect of the following activities in FY21:

Emission Category	Emission source	Total Emissions (kg CO2e)	Previous year kg CO2e	% change from previous year activity data	contribution to inventory	Reason for change
Accommodation and facilities	Domestic hotel 4 Stars	5,400.7	18,245.6	-70%	5%	travel policy
Carbon neutral products and services	Australian Paper: paper (Reflex 100% Recycled Carbon Neutral 80gsm A4 Paper)	-	744.5	-69%	0%	green procurement
Electricity	Total net electricity emissions (Market based)	-	203,234.0	-100%	0%	increased renewable energy
Land and Sea Transport (km)	Petrol: Medium Car	3,444.1	4,646.5	-26%	3%	travel policy
Land and Sea Transport (km)	Ride Share - national average	194.8	678.5	-71%	0%	travel policy
Land and Sea Transport (km)	Taxi - National Average	507.0	2,456.1	-79%	0%	travel policy
Office equipment & supplies	Publications	184.5	163.3	13%	0%	energy efficiency measures
Office equipment & supplies	Paper (kg)	73.3	744.5	-90%	0%	energy efficiency measures



.

### **5.EMISSIONS SUMMARY**

### **Emissions over time**

Emissions since base year				
		Total tCO <sub>2</sub> -e		
Base year:	2019–20	562		
Year 1:	2020–21	119.479		

### Significant changes in emissions

Our business operations were significantly disrupted through the course of FY21 by COVID-19 lockdowns which prevented us from working together in our offices, particularly in Victoria and NSW. We also closed down some offices that contributed emissions to our FY20 baseline. These factors, along with our purchase of Greenpower and LGC's, reduced absolute scope 2 emissions from 52% of our FY20 emissions to 0 in FY21

We also saw decreases in year on year scope 3 emissions due to a 77% reduction in interstate travel, and further reduced absolute emissions as we reduced headcount through the course of the year.

However, the low occupancy rate in our head office through FY21 saw our NABERS rate slip from 5.5 stars in FY20 to 5 stars in FY21.

Countering these significant reductions, state wide COVID-19 lockdowns increased the proportion of days our staff worked from home, increasing WFH scope 3 emissions for NSW and Vic by 42% and 169% respectively, year on year. Our WFH emissions contributed to 10% of overall emissions in FY21. In FY21 we outsourced a greater proportion of our ICT services, which contributed 19% of our overall emissions in this year.

We have purchased carbon offsets to neutralize the impact of these scope 3 emissions.

Please see over the page a summary of the significant changes in our emissions from FY20 to FY21.



Emission source name	Current year (tCO <sub>2</sub> -e and/ or activity data)	Previous year (tCO <sub>2</sub> -e and/ or activity data)	Detailed reason for change
Total net electricity emissions (Market based)	212MWhs of electricity consumed, 0T of CO2-e	305MWhs of electricity consumed, 203T CO2-e	Reductions in usage due to lockdowns, external hosting of IT, office closure. Reductions in emissions due to renewables purchases
Short economy class flights (>400km, ≤3,700km)	84,336 km travelled; 14.3T of CO2-e	367,277 km travelled; 62.3T of CO2-e	Reductions due to COVID-19 lockdowns and new travel policy
Computer & Technical Services	\$128,217 and 21.3T of CO2-e	Nil quantified	ICT services externally hosted during FY21 and hence included in emissions boundary
ICT Storage	\$128,057 and 18.9T of CO2-e	Nil quantified	ICT services externally hosted during FY21 and hence included in emissions boundary
WFH Calculator Result A -NSW	11,882T of CO2e-	8349T of CO2e-	Longer periods of WFH during FY21 relative to FY20
WFH Calculator Result A -VIC	11,581T of CO2e-	4301T of CO2e-	Longer periods of WFH during FY21 relative to FY20

### Use of Climate Active carbon neutral products and services

Emission Category	Emission source	Total Emissions (kg CO2e)	Previous year kg CO2e	% change from previous year activity data	contribution to inventory	Reason for change
Office equipment & supplies	Paper (kg) ( <u>Reflex 100%</u> <u>Recycled</u> <u>Carbon Neutral</u> <u>80gsm A4</u> <u>Paper</u> )	73.3	744.5	-90%	0%	energy efficiency measures



### **Organisation emissions summary**

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a market-based approach.

Emission category	Sum of Scope 1 (tCO₂-e)	Sum of Scope 2 (tCO <sub>2</sub> -e)	Sum of Scope 3 (tCO <sub>2</sub> -e)	Sum of total emissions (tCO <sub>2</sub> -e)
Accommodation and facilities	_	-	5.4007	5.4007
Air Transport (km)	-	-	14.8425	14.8425
Electricity	-	-	-	-
ICT services and equipment	-	-	40.1817	40.1817
Land and Sea Transport (km)	-	-	4.1459	4.1459
Office equipment & supplies	_	-	0.2578	0.2578
Postage, courier and freight	-	-	0.3839	0.3839
Stationary Energy	0.0370	-	0.0063	0.0433
Waste	-	-	9.5828	9.5828
Water	-	-	0.7649	0.7649
Working from home	-	-	28.6623	28.6623
Total	0.03699854	0	104.2289118	104.2659103

### **Uplift factors**

An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions, which can't be reasonably quantified or estimated. This conservative accounting approach helps ensure the integrity of the carbon neutral claim.

Reason for uplift factor	tCO <sub>2</sub> -e
Uplift to account for non-quantified sources where data is unavailable	5.213
Offshore operations: no data was available from our offshore operations.	10.000
Total footprint to offset (uplift factors + net emissions)	119.479



### 6.CARBON OFFSETS

#### **Offsets strategy**

Off	set purchasing strategy:	In arrears
1.	Total offsets previously forward purchased and banked for this report	0
2.	Total emissions liability to offset for this report	119.479
3.	Net offset balance for this reporting period	119.479
4.	Total offsets to be forward purchased to offset the next reporting period	0
5.	Total offsets required for this report	120

### **Co-benefits**

Gold Standard VER Certificates have been purchased in arrears and retired by Energy Action to achieve Carbon Neutrality in FY21 according the Climate Active Standard for Organisations for FY21. The certificates were created in 2021 to recognise the emissions reductions associated with the provision of energy efficient cook stoves in Uganda. The cook stoves replace traditional (non-drafted) wood fueled stoves. The collection of firewood is causing deforestation and land degradation, and the combustion of Firewood combustion is a significant source of greenhouse gas (GHG) emissions responsible for climate change. In addition to the environmental consequences, there are serious health implications related with the inefficient cooking methods through the exposure on the smoke and other emissions.

The project delivers the following positive contributions, which are closely aligned to Energy Action's mission and values:

- 1. Good health and well being (Sustainable Development Goal 3)
- 2. Affordable and Clean Energy (Sustainable Development Goal 7)
- 3. Climate Action (Sustainable Development Goal 13)



### Offsets summary

Proof of cancellation of offset units

Offsets cancelled for Climate Active Carbon Neutral Certification										
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Eligible quantity (tCO <sub>2</sub> -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
Energy Efficient Cook Stove implementation in Uganda	VERs	GSF	28 November 2021	<u>GS1-1-UG-</u> <u>GS6604-16-2019-</u> 21336-17189-17308	2019	120	0		120	100%
Total offsets retired this report and used in this report 120										
Total offsets retired this report and banked for future reports 0										

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Verified Emissions Reductions (VERs)	120	100%



### 7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

### Renewable Energy Certificate (REC) summary

The following RECs have been surrendered to reduce electricity emissions under the market-based reporting method.

1.	Large-scale Generation certificates (LGCs)*	110
2.	Other RECs	

\* LGCs in this table only include those surrendered voluntarily (including through PPA arrangements), and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

Project supported by LGC purchase	Eligible units	Registry	Surrender date	Accreditation code (LGCs)	Certificate serial number	Generation year	Quantity (MWh)	Fuel source	Location
Wind Farm	LGC	REC Registry	26 <sup>th</sup> November 2021	WD00NS08	91469-91578	2021	110	Wind	NSW, Australia
Total LGCs surrendered this report and used in this report				110					



# APPENDIX A: ADDITIONAL INFORMATION

N/A.



### APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a market-based approach

#### Location-based method

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

#### Market-based method

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

Market Based Approach	Activity Data (kWh)	Emissions (kgCO2e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	0	0	0%
LGC Purchased and retired (kWh) (including PPAs &			
Precinct LGCs)	110,000	0	52%
GreenPower	47,823	0	23%
Jurisdictional renewables (LGCs retired)	17,920	0	8%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	4,183	0	2%
Large Scale Renewable Energy Target (applied to grid electricity only)	35,966	0	17%
Residual Electricity	-3,745	-4,019	-2%
Total grid electricity	212,147	-4,019	100%
Total Electricity Consumed (grid + non grid)	212,147	-4,019	102%
Electricity renewables	215,892	0	
Residual Electricity	-3,745	-4,019	
Exported on-site generated electricity	0	0	
Emission Footprint (kgCO2e)			0

#### Market-based approach summary



Total renewables (grid and non-grid)	101.77%
Mandatory	27.37%
Voluntary	74.39%
Behind the meter	0.00%
Residual electricity emission footprint (tCO <sub>2</sub> -e)	0

Figures may not sum due to rounding. Renewable percentage can be above 100%

#### Location-based approach summary **Location Based Approach** Activity Emissions Data (kWh) (kgCO2e) ACT 22,103 19,893 NSW 92,390 83,151 SA 0 0 Vic 78,189 85,226 Qld 19,465 18,102 NT 0 0 WA 0 0 Tas 0 0 Grid electricity (scope 2 and 3) 212,147 206,372 ACT 0 0 NSW 0 0 SA 0 0 Vic 0 0 Qld 0 0 NT 0 0 WA 0 0 Tas 0 0 Non-grid electricity (Behind the meter) 0 0 206,372 **Total Electricity Consumed** 212,147 Emission footprint (tCO<sub>2</sub>-e) 206

#### Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity data (kWh)	Emissions (kgCO <sub>2</sub> -e)			
N/A	0	0			
Climate Active carbon neutral electricity is not considered renewable electricity. The emissions have been offset by another Climate Active carbon neutral product					

certification.



### APPENDIX C: INSIDE EMISSIONS BOUNDARY

#### Non-quantified emission sources

The following sources emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. These emissions are accounted for through an uplift factor. They have been non-quantified due to <u>one</u> of the following reasons:

- 1. Immaterial <1% for individual items and no more than 5% collectively
- 2. <u>Cost effective</u> Quantification is not cost effective relative to the size of the emission but uplift applied.
- 3. <u>Data unavailable</u> Data is unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.
- 4. Maintenance Initial emissions non-quantified but repairs and replacements quantified.

2 uplifts have been applied to our emissions to account for non-quantified sources.

For our onshore operations, we have applied an uplift of 5% to our onshore emissions to account for unquantified and un-defined emission sources.

We have not been able to quantify the emissions associated with offshore business processing operations in FY21. We have acknowledged this year that they are within our emissions boundary. We have made an estimate of 10T of emissions associated with this activity. FY21 was a year of upheaval for this activity: we observe that this office was close for 2/3 of the year, due to both tropical storms and COVID-19 restrictions. During times of office closure, emissions related to our business activities was minimal. The estimate of 10T CO2-e equates to 9.5% of our pre-uplifted onshore emissions.

Relevant-non- quantified (1) Immateri emission sources		(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
Off shore (outsourced) Operations	No	No	Yes (uplift applied & data plan in place)	No
Other (not defined)	NO NO		Yes (uplift applied & data plan in place)	No



### APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

#### **Excluded emission sources**

The below emission sources have been assessed as not relevant to our organisation's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

- 1. <u>Size</u> The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions
- 2. <u>Influence</u> The responsible entity has the potential to influence the reduction of emissions from a particular source.
- 3. <u>**Risk**</u> The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
- 4. **<u>Stakeholders</u>** Key stakeholders deem the emissions from a particular source are relevant.
- <u>Outsourcing</u> 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.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Employee commuting	Yes	No	No	No	No	No





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