



PUBLIC DISCLOSURE STATEMENT

SIMPLY ENERGY

ELECTRICITY PRODUCT CERTIFICATION

FY2020-21 TRUE UP

Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Simply Energy (IPower Pty Ltd (ACN 111 267 228) and IPower 2 Pty Ltd (ABN 24 070 374 293), trading as Simply Energy ABN 67 269 241 237)
REPORTING PERIOD	True up: 1 July 2020 – 30 June 2021 for product sold 1 January 2021 – 30 June 2021
DECLARATION	<p><i>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.</i></p> <p><i>James Barton</i></p> <p>James Barton General Manager Regulation Simply Energy 30 March 2022</p>



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	100,286 tCO ₂ -e
THE OFFSETS BOUGHT	26.9% VCUs, 73.1% CERs
RENEWABLE ELECTRICITY	0%
TECHNICAL ASSESSMENT	<p>Date: 17 November 2021 Name: Joshua Martin Organisation: ENGIE Impact Australia Pty Ltd Next technical assessment due: 1 July 2022</p>
THIRD PARTY VALIDATION	<p>Type 3 Date: 17 November 2021 Name: Terence Jeyaretnam Organisation: Ernst & Young</p>

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2. CARBON NEUTRAL INFORMATION

Description of certification

Simply Energy is an energy retailer serving residential and business customers in Victoria, South Australia, New South Wales, Western Australia, and Queensland.

In January 2021, Simply Energy launched a certified carbon neutral electricity product, for all new residential and small business customers, and on an opt-in basis for business customers.

The product differs from Simply Energy's previous electricity products as the associated greenhouse gas emissions from the product is being offset by the purchase of carbon credits.

“Simply Energy is committed to safeguarding the welfare of the environment. Climate Active certification is a testament to that commitment.”

Organisation description

Simply Energy is an energy retailer, providing electricity and gas to households and businesses across Australia. We have been making energy simple and affordable for Australian households and businesses since 2005. We pride ourselves on providing smart electricity and gas solutions that help customers manage their energy usage.

Simply Energy is proudly backed by ENGIE – one of the largest independent power producers in the world and a global leader in the transition to a carbon-neutral world. ENGIE makes significant investments in renewable energy generation and energy efficiency worldwide and is committed to changing the face of energy in Australia, developing, and providing responsible, sustainable energy solutions.

This certification relates to Simply Energy (IPower Pty Ltd (ACN 111 267 228) and IPower 2 Pty Ltd (ABN 24 070 374 293), trading as Simply Energy (ABN 67 269 241 237).

Product description

The total consumption of customers supplied with energy covered by the electricity product has been determined, and the associated emissions calculated to be ~100,286 t CO₂-e in year 1. This number is expected to increase significantly in future years, as more small customers are acquired, and large businesses opt-in to the option of being supplied this product.

The functional unit for our electricity product is 1 megawatt hour (MWh) of electricity sold per year.

This first retrospective submission for the reporting period 1 July 2020 to 30 June 2021 covers carbon neutral electricity sold to Simply Energy customers from product launch on 1 January 2021 through to 30 June 2021. The life cycle assessment approach used is cradle to grave, considering all elements of the supply chain, as per the illustrated emission boundary diagram below.

3. EMISSIONS BOUNDARY

PRODUCT 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 'attributable processes' that become the product, make the product and carry the product through its life cycle. These have been quantified in the carbon inventory.

Non-quantified emissions have been assessed as attributable and are 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

Non-attributable emissions have been assessed as services, material, and energy flows, which are not directly connected to the product or service during its life cycle. They do not become, make or directly carry the product or service through its life cycle. Non-attributable emissions may be within the emission boundary and contribute to the footprint liability, or they may be considered outside of the emission boundary. Further detail is available at Appendix D.

Inside emissions boundary

Quantified

Emissions from the extraction, production, transport, and combustion of fuels to generate electricity

Transmission & distribution losses for electricity

Emissions from electricity used at offices

Purchased paper at offices

Fuel- and energy-related activities (not included in scope 1 or 2)

Business travel for office staff

Upstream leased assets (base-building) - natural gas use

Upstream leased assets (base-building) - electricity use

Emissions from consumption of electricity at customer (gross meter)

Non-quantified

Waste generated in operations

Staff commute to and from offices

Non-attributed

Work-from-home (WFH)

Professional services

Optionally included

None

Outside emission boundary

Capital goods

Investments

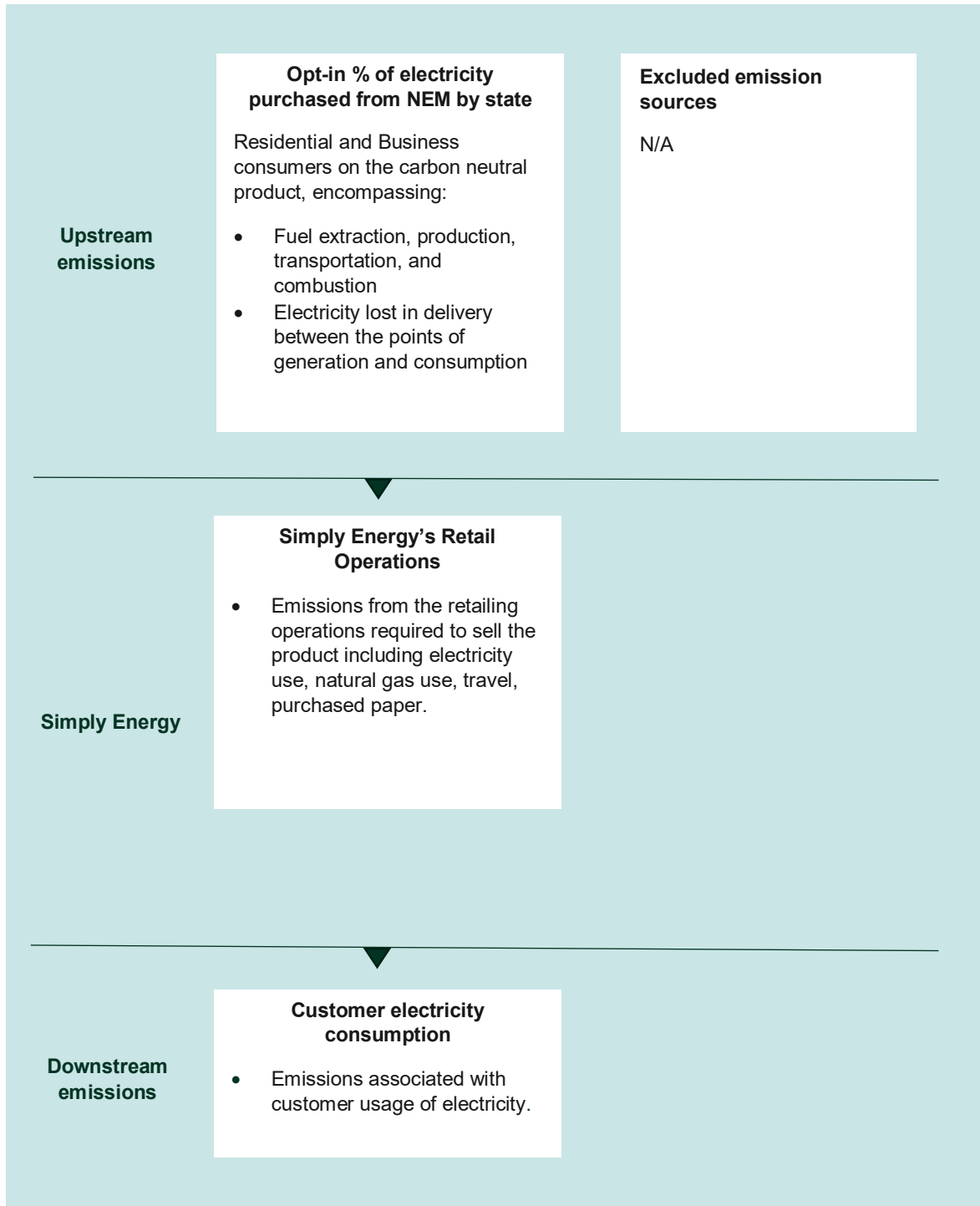
Franchises

Upstream Transportation & Distribution

Downstream Transportation & Distribution

Downstream Leased Assets

Product process diagram



Data management plan for non-quantified sources

None of the non-quantified sources were estimated to be material emissions sources, and therefore a data management plan is not applicable for these sources. However, ENGIE wants to set the pace for the decarbonisation of the energy industry and announced in 2021 its ambition to become Net Zero by 2045¹⁾ covering all emissions across the value chain. With this, both ENGIE and Simply Energy takes our approach to data management seriously. We have a regulatory obligation to keep various types of records for a minimum of 2 years and extending out to 10 years. Records are kept in compliance with the Privacy act and [our privacy policy](#).

¹ <https://www.engieimpact.com/insights/decarbonization-energy-sector>

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Simply Energy is proudly backed by ENGIE – one of the largest power producers in the world and a global leader in accelerating the transition to a carbon-neutral economy.

ENGIE is a significant investor in renewable energy generation and energy efficiency and is committed to changing the face of energy in Australia, developing, and providing responsible, sustainable energy solutions.

Simply Energy, along with ENGIE, has set in place several measures to reduce emissions. These measures include a range of policy initiatives and targets to reduce the carbon intensity of the Group's energy production, investing in renewable energy generation, and providing advice and support to customers to install renewable energy technology and improve the energy efficiency of their properties.

Policy

As part of the ENGIE Group, Simply Energy is committed to safeguarding the welfare of the environment. Decarbonisation of our generation infrastructure is a major goal for ENGIE around the world. In Australia and the Asia Pacific region, ENGIE has closed or divested all coal-fired power generation facilities. We are proud to be setting the standard in Australia in lower carbon energy generation, renewables, energy efficiency and technology-based solutions.

Some of our other initiatives include:

- Adoption in 2014 of an ambitious objectives to reduce the carbon intensity of our electricity production by 20% by 2020.
- Promotion of the most efficient and virtuous technologies, such as energy efficiency, condensing boilers, heat pumps and renewable energy.
- Involvement in the construction of the international framework for the fight against climate change through joining and supporting initiatives such as the World Bank's Prototype Carbon Fund, Caring for Climate (United Nations Global Compact) or the Taskforce on Climate-related Financial Disclosures (TCFD).
- Support for initiatives to develop carbon pricing mechanisms (the Carbon Pricing Leadership Coalition, WEF Climate Leaders, Strengthening the ETS Price Signal, Quinet Commission in France, etc.) and adoption in 2015 of an internal carbon price that is facilitating the global phasing-out of coal activities.
- Improved reporting quality and transparency.
- Continued long-standing climate dialogue with NGOs and more recent dialogue with investors.

Renewable Energy

In 2020, ENGIE's capital expenditure on renewable energy was €1,637 million². ENGIE repeated the strong operational growth performance achieved in 2019 with the commissioning of 3 GW of renewable capacity in 2020. In the last two years, ENGIE's renewable capacity grew by 32%, mainly thanks to 6.0 GW of capacity commissioned and 2.1 GW acquired, reaching 31.1 GW at the end of 2020.

Supporting customers

Simply Energy has more than 740,000 electricity and gas customer accounts across Australia. We provide energy efficiency and renewable energy advice for our customers³. We also provide information about storing energy in a home battery system.

Energy efficiency

Simply Energy provides a range of tools and advice to assist customers in managing their energy consumption and cost, encouraging the efficient use of energy, and minimising their carbon footprint. These tools are always evolving as we strive to better serve our customers' needs. Energy consumption and cost is tracked, and customers are informed if there is anomalous usage which deviates from historic patterns or set limits. This service is provided in a range of ways, taking customers through a journey to identify areas for improvement:

On bill	Consumption and emissions are tracked over the last 12 months to assist customers identify whether consumption patterns differ from previous years and compare usage levels with similar size households.
Via email and SMS	We provide regular emails to customers giving weekly updates on electricity use and mid-bill cycle updates on gas usage. These provide informative insights and related energy efficiency tips to ensure customers are monitoring their usage levels and help them change their usage behaviour if required. Solar alerts are provided to PV customer to help them get the best out of their solar investments. When it is identified that solar PV exports have stopped or unexpectedly reduced, customers are alerted. Information is also provided on solar export levels compared with others with similar systems. Where more detailed energy usage data is available, we provide it to customers on request.
Online	We maintain categorised hints and tips for managing energy consumption.
App	An app is provided for customers to interact efficiently with Simply Energy and to gain access to more detailed energy usage information.

² https://www.engie.com/sites/default/files/assets/documents/2020-02/ENGIE_2019%20Management%20report%20and%20annual%20consolidated%20financial%20statements_26.02.2020_BAT.pdf

Virtual power plant

Simply Energy offers a Simply extra VPP Offer (Virtual Power Plant) whereby we sell and install batteries through specified installers for South Australian customers^[4], and provide a range of storage management services. This trial is an example of the type of investments Simply Energy is making onto the form of future energy offerings. National rollout of this offering is being informed by the performance of the trial.

^[4] <https://www.simplyenergy.com.au/energy-solutions/battery-storage/vpp-extra/>.

5. EMISSIONS SUMMARY

Emissions over time

Since this is the first year of measurement and reporting for this product, no measurement of emissions overtime is available.

Use of Climate Active carbon neutral products and services

N/A.

Product emissions summary

Electricity emissions were calculated using a location-based approach.

Table 1

Emission category	Sum of total emissions (tCO ₂ -e)	Sum of total projected emissions (tCO ₂ -e)
Carbon neutral products and services	100,244	24,854
Electricity, South Australia	2,879	935
Electricity, Victoria	79,772	10,736
Electricity, NSW	14,376	10,102
Electricity, Tasmania	-	-
Electricity, Queensland	3,217	3,081
Electricity, Western Australia	-	-
Electricity, Northern Territory	-	-
Electricity	9.3	9
Office equipment & supplies	0.8	1
Stationary energy	0.01	<1
Total	100,254 t.CO₂-e	24,864 t.CO₂-e

True up information

1) Projected emissions for reporting period	24,864 t.CO ₂ -e
2) Actual emissions for reporting period	100,254 t.CO ₂ -e
3) Difference	75,390 t.CO ₂ -e

Difference between the projected and actual emissions was due to broader offering and selling of the product than originally anticipated.

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.

Table 2

Reason for uplift factor	tCO ₂ -e
Waste generation in retail operations and staff commute were all non-quantified and subject to an uplift factor.	32
<i>Total footprint to offset (uplift factors + net emissions)</i>	100,286 tCO₂-e

Functional units

Table 3

	Number of functional units
a) Emissions intensity per functional unit (including uplift requirements)	0.936
b) Number of functional units to be offset	107,194
c) Total emissions to be offset	100,286 tCO₂-e

6. CARBON OFFSETS

Offsets strategy

Offsets have been purchased based on a determination of all energy consumed by customers while taking supply on Simply Energy's carbon neutral electricity product. At the end of the certification reporting period, we analysed the billed consumption of all customers while they were on the carbon neutral product. Where information was not available (say due to meters not being read), we have estimated consumption over periods not covered by meter readings. Offsets have been retired to offset the resulting emissions associated with this consumption.

Table 5


Offset purchasing strategy: Forward purchasing

1. Total offsets previously forward purchased and banked for this report	26,967 tCO ₂ -e
2. Total emissions liability to offset for this report	100,286 tCO ₂ -e
3. Net offset balance for this reporting period	73,319 tCO ₂ -e
4. Total offsets to be forward purchased to offset the next reporting period	125,514 tCO ₂ -e
5. Total offsets required for this report	198,833 tCO ₂ -e

Co-benefits

A wide range of carbon offsets are available on the market, however, they vary in source and quality. Simply Energy ensured, through a rigorous selection process, carbon offsets comply with the Climate Active standards. An example of co-benefits is the purchase of certificates and stapled Biodiverse Reforestation Carbon Offsets associated with the Yarra Yarra Biodiversity Corridor.

Table 4

Project: Yarra Yarra Biodiversity Corridor (Western Australia)	
<p>Description: The purpose of this project is to protect and expand small patches of remaining woodland and shrubland with newly planted vegetation. The corridor sits on WA's wheatbelt north of Perth, where agriculture has devastated more than 90% of native habitat.</p> <p>The project involves 20 to 40 species to maximise biodiversity, with plans to extend the corridor to 10,000 square kilometres.</p>	
<p>Co-benefits</p> <ul style="list-style-type: none">▪ Protect native flora that previously has been subjected to agricultural clearing▪ Help preserve habitat for fauna such as Malleefowl, Carnaby's Black-Cockatoo, and Western Spiny-tailed Skinks	
FY2021 offsets retired: 865	

Offsets summary

Proof of cancellation of offset units

Table 6

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 ₂ -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
Gansu Zhangye Heihe Longhui Small Scale Hydropower Project	VCUs	The Verra Registry, https://verraregistry.org	November 11th 2020	8970-56951949-56978915-VCS-VCU-324-VER-CN-1-666-01012013-31122013-0	01/01/2013-31/12/2013	26,967	n/a	n/a	26,967	11.9%
Inner Mongolia Wind Farm, #VCS849 (stapled to Yarra Yarra Biodiversity Reforestation Carbon Offsets in Western Australia).	VCUs	The Verra Registry, https://verraregistry.org	July 29, 2021	9651-115151323-115152187-VCS-VCU-259-VER-CN-1-849-01012018-20072018-0	01/01/2018 to 20/07/2018	865	n/a	865	n/a	0.4%

Bundled Wind Power Project by M/s. D. J. Malpani	CERs	ANREU	August 3, 2021	249.241.628 - 249.271.765 (IN-3742) Voluntary cancellation letter in Appendix E	2014 to 2016	30,138	n/a	30,138	n/a	13.3%
Biomass project in India	CERs	ANREU	August 3, 2021	224.430.308 - 224.519.999 (IN-370) Voluntary cancellation letter in Appendix E	2013	89,692	n/a	16,373	73,319	39.7%
Wind Power Project by Sargam Retails Pvt. Ltd	CERs	ANREU	August 3, 2021	249.237.865 - 249.241.002 (IN-3724) Voluntary cancellation letter in Appendix E	2014 to 2016	3,138	n/a	3,138	n/a	1.4%
50.4 MW wind power project by EN Renewable Energy Pvt. Ltd	CERs	CDM	October 22, 2021	IN-5-267282062-2-2-0-4364 UNFCCC Voluntary Cancellation Certificate	2016 to 2019	75,000	n/a	75,000	n/a	33.2%
Total offsets retired this report and used in this report									100,286	
Total offsets retired this report and banked for future reports								125,514		

Table 7

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Certified Emissions Reductions (CERs)	73,319	73.1%
Verified Carbon Units (VCUs)	26,967	26.9%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) Summary

The following RECs have been voluntarily surrendered but reductions in electricity emissions have not been claimed as emissions have been calculated using the location-based reporting method.

Table 8

1. Large-scale Generation certificates (LGCs)*	352
2. Other RECs	0

* 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.

Table 9

Project supported by LGC purchase	Eligible units	Registry	Surrender date	Accreditation code (LGCs)	Certificate serial number	Generation year	Quantity (MWh)	Fuel source	Location
Canunda Wind Farm	LGC	REC Registry	29 Dec 2020	WD00SA03	115368-115719	2019	352	Wind	SA, Australia
<i>Total LGCs surrendered this report and used in this report</i>							352		

APPENDIX A: ADDITIONAL INFORMATION

N/A.

APPENDIX B: ELECTRICITY SUMMARY

N/A

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Product non-quantified sources

Waste generation in retail operations and staff commute were all non-quantified and subject to an uplift factor. This is due to the unavailability of data and the fact that retail operation emissions are typically well below the materiality threshold of 1% of total emissions for comparable Climate Active certified electricity and gas products. However, ENGIE wants to set the pace for the decarbonisation of the energy industry and announced in 2021 its ambition to become Net Zero by 2045 covering all emissions across the value chain. With this, both ENGIE and Simply Energy takes our approach to data management seriously and improvements will be made this year.

To arrive at this uplift figure, we reviewed the total carbon inventory from comparable energy retailers, as published in their PDS documents.⁴ This analysis examined the proportional contribution of retail operations to total electricity product emissions from those retailers.

Therefore, although relevant, these retail emissions can be non-quantified. However, in the interests of transparency, we have calculated emissions from all other sources within our retail operations where data was readily available and they were deemed attributable, even though they are estimated to fall below the materiality threshold. This includes tenancy electricity consumption, purchased paper, and base-building electricity and natural gas usage.

Table 13

Relevant-non-quantified emission sources	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
Waste generated in operations	Yes	Yes (uplift applied)	No	No
Staff commute to and from offices	Yes	Yes (uplift applied)	No	No

Product excluded emission sources

No sources were excluded.

⁴ We reviewed Energy Australia and AGL's PDS documents for comparable products.

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Product non-attributable sources

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 14

Relevance test					
Non-attributable emission	<i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i>	<i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i>	<i>Key stakeholders deem the emissions from a particular source are relevant.</i>	<i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i>	<i>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.</i>
Professional services	No	No	No	Yes	No
Capital goods	No	No	No	Yes	No
Upstream transport & distribution	No	No	No	No	No
Downstream transport & distribution	No	No	No	No	No
Downstream leased assets	No	No	No	No	No
Franchises	No	No	No	No	No
Investments	No	No	Yes	No	No
WFH	No	No	Yes	No	No

APPENDIX E: VOLUNTARY CANCELLATION CERTIFICATE



CLEAN
ENERGY
REGULATOR

03 August 2021

To whom it may concern,

Voluntary cancellation of units in ANREU

This letter is confirmation of the voluntary cancellation of units in the Australian National Registry of Emissions Units (ANREU) by ANREU account holder, Brokers Carbon Pty Ltd (account number AU-3019).

The details of the cancellation are as follows:

Date of transaction	03 August 2021
Transaction ID	AU19361
Type of units	CER
Total Number of units	122,968
Serial number range (Kyoto Project ID)	249,241,628 - 249,271,765 (IN-3742) – (30,138 CER) 224,430,308 - 224,519,999 (IN-370) – (89,692 CER) 249,237,865 - 249,241,002 (IN-3724) – (3,138 CER)
Transaction comment	Cancelled on behalf of Simply Energy to meet its carbon neutral claim under the Climate Active Standard (electricity product) from 01/01/21.

Details of all voluntary cancellations in the ANREU are published on the Clean Energy Regulator's website, <http://www.cleanenergyregulator.gov.au/OSR/ANREU/Data-and-information>.

If you require additional information about the above transactions, please email registry-contact@cleanenergyregulator.gov.au

Yours sincerely,

David O'Toole
ANREU Operations and International
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An Australian Government Initiative

