PUBLIC DISCLOSURE STATEMENT

REAL UTILITIES (FRASERS PROPERTY AUSTRALIA)

PRODUCT CERTIFICATION

FY2021 (15 MONTHS)

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY: Real Utilities (Frasers Property Australia)

REPORTING PERIOD: 1 July 2020 – 30 September 2021 (15 months)

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	DocuSigned by: Paolo Bevilacqua EDC857F6D76041E...	Date	05-Jul-2022
Name of Signatory	Paolo Bevilacqua		
Position of Signatory	General Manager, Real Utilities		

Australian Government
Department of Industry, Science, Energy and Resources

Version number February 2021

1. CARBON NEUTRAL INFORMATION

Description of certification

Real Utilities are implementing embedded networks in various Frasers Property Australia and Frasers Property Industrial developments. All electricity and gas provided by Real Utilities will 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."

Notable developments completed in 2020 included a water bottling warehouse in NSW with a 1.5MW solar PV system, and Ed Square town center which comprises 309 apartments and 108 retail tenancies across 40,000 square meters 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 (ABN: 97 150 290 814), a wholly owned subsidiary of Frasers Property Australia (ABN: 89 600 448 726), in selected new Frasers Property Australia residential and retail developments and Frasers Property Industrial developments. These developments are located in New South Wales, Victoria, and Queensland. 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 CO_2-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.

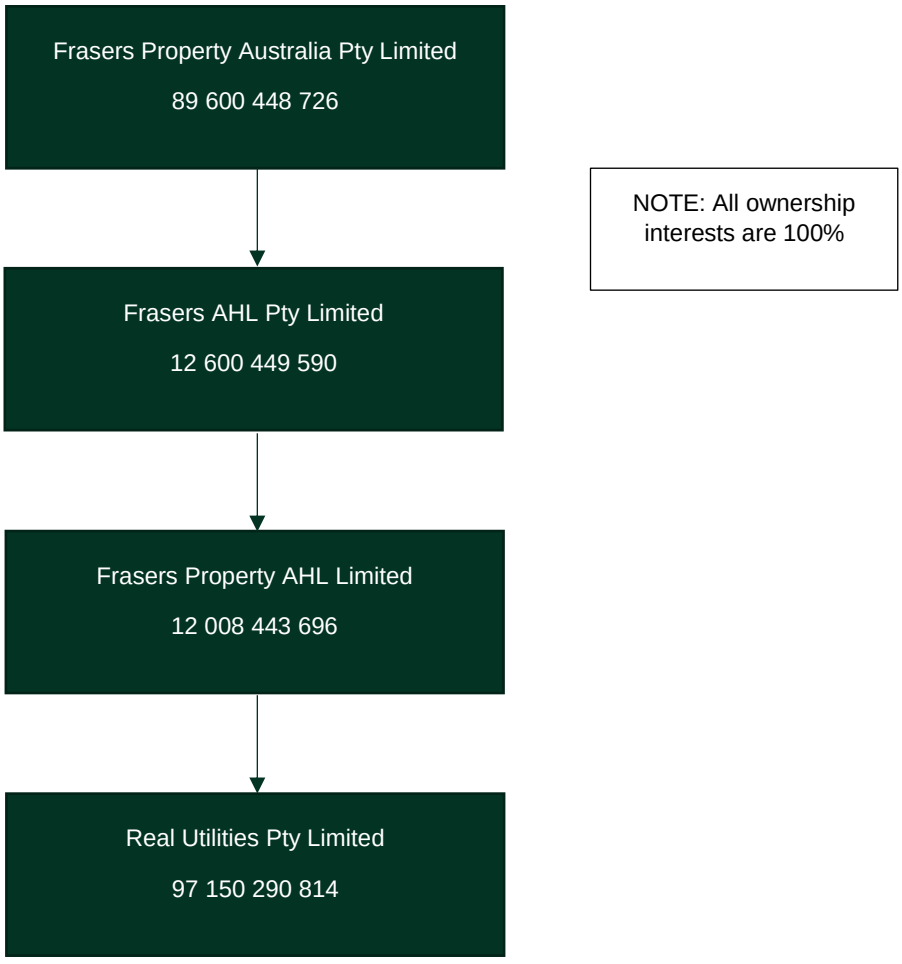
The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF6) and Nitrogen Trifluoride (NF3).

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.

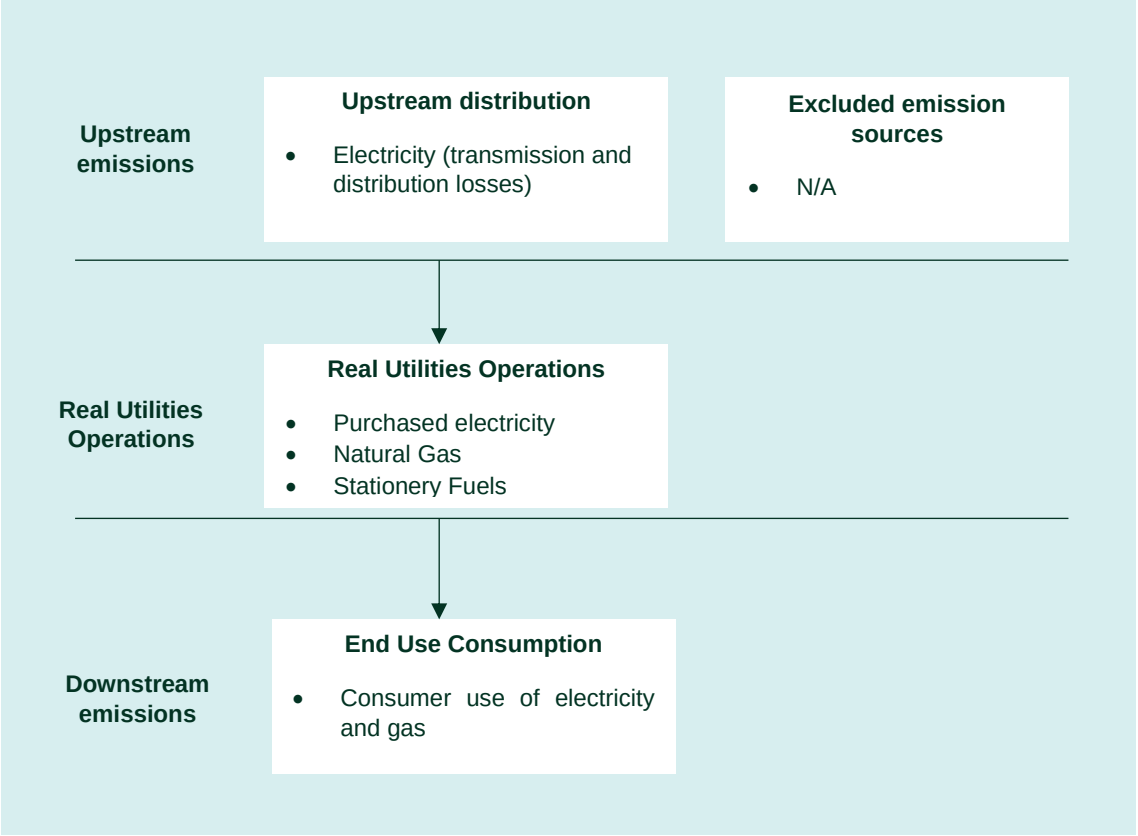
Figure 1 presents the company structure diagram to clearly define the link between Frasers Property Australia and Real Utilities.

Figure 1. Company structure diagram



Product/service process diagram

The following diagram is cradle to grave. Real Utilities operations (employees, offices) are captured under Frasers Property Australia Organisation certification (Climate Active Submission).



2. EMISSION BOUNDARY

Diagram of the certification boundary

Quantified

Natural Gas

Electricity

Stationery Fuel (biodiesel)

Non-quantified

N/A

Excluded

N/A

Non-attributable

Fuel –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

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

Non attributable sources (outside certification boundary)

- **Water:** Real Utilities does not sell water as a product and their operational water for the office is captured under FPA's certification.
- **Fuel – Transport:** Real Utilities' employee transport data is captured under Frasers Property Australia's certification.
- **Building Refrigerants**: Real Utilities' sells the electricity used to cool chilled water, but the building landlord owns and operates the chiller.

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

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.fraserspropertyaustralia.com.au/Sustainability.

Emissions over time

Table 1

Emissions since base year				
	Base year: 2017-18	Year 1: 2018-19	Year 2: 2019-20	**Current year** Year 3: 2020-21
Emissions per functional unit	0.96 tCO2-e/MWh	0.74 tCO2-e/MWh	0.92 tCO2-e/MWh	0.75 tCO2-e/MWh
Total tCO2e	613.4	1,983.6	6,615.7	22,486.2

Emissions reduction actions

Frasers Property Australia (Real Utilities) has extended its product to new buildings, explaining the increase in total greenhouse gas emissions. However, the emissions per functional unit has decreased with the investment in more on-site renewable electricity generation and the retirement of large-scale generation certificates.

Functional units

Table 2

	Number of functional units
a) Number of functional units sold this period	29,917.62
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)	

Emissions summary (inventory)

Table 3

Emission source category	**Actual (tonnes CO_2-e)**	**Projected (tonnes CO_2-e)**
Electricity (market-based)	20,903.16	21,698.62
Natural Gas	1,582.76	516.47
Biodiesel	0.28	0.00
1. Total inventory emissions	22,486	22,216
a. Number of functional units represented by the inventory emissions	29,917.62	25,288.01
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 1a.	0.75	0.88
3. Carbon footprint (Emissions per functional unit (2) number of functional units (a or b from table 2))*	22,486	22,216

Uplift factors

N/A

Carbon neutral products

This assessment and Climate Active submission was prepared with the assistance of Pangolin Associates and these services are carbon neutral.

4. CARBON OFFSETS

Offsets strategy

Table 4

Offset purchasing strategy: Forward purchasing	
1. Total offsets previously forward purchased and banked for this report	22,216
2. Total emissions liability to offset for this report	22,487
3. Net offset balance for this reporting period	271
4. Total offsets to be forward purchased to offset the next reporting period (FY2022)	24,109
5. Total offsets required for this report	24,380

Co-benefits

The Jorethang Loop Hydroelectric Project has an installed capacity 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.

Offsets summary

Proof of cancellation of offset units

Table 5

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 (%)**
Jorethang Loop Hydroelectric Project	VCUs	CDM	22 January 2020	IN-5-233629394-2-2-0-1326 – IN-5-233707931-2-2-0-1326	CP2	78,538	12,817	43,144	22,487*	100%
								Total offsets retired this report and used in this report	22,487	
								Total offsets retired this report and banked for future reports	43,144	
Additional offsets cancelled for purposes other than 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)**	**Purpose of cancellation**			
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			N/A

Type of offset units	**Quantity (used for this reporting period claim)**	**Percentage of Total**
Verified Carbon Units (VCUs)	22,487	100%

* See table 6 for details

Frasers Property Australia purchased a total of 78,358 carbon offsets in January 2020. Table 6 summarises how those credits were used across Frasers Property Australia and Real Utilities submissions. Some of the credits were also used for Climate Active Carbon Neutral Building certifications.

Table 6 – Allocation of carbon offsets

Purpose	Quantity (tCO_2-e)
Quantity used for previous reporting periods	**12,907**
FPA Climate Active FY2020	6,530
Real Utilities Climate Active FY2020	581
Other Projects	1,541
FPA Climate Active FY2021	4,255
Quantity used for this reporting period claim	**22,487**
Real Utilities Climate Active FY2021	22,487
Quantity banked for future reporting periods	**24,109**
Real Utilities Climate Active FY2022 Projection	24,109
Unallocated	**19,035**
Total	**78,538**

5. USE OF TRADE MARK

Table 7

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 8

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
Fuel - Transport	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 9

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	N/A	N/A	N/A	N/A

APPENDIX 3

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 summary

Market-based approach	Activity data (kWh)	Emissions (kgCO2-e)	Renewable % of total
Behind the meter consumption of electricity generated	488,591	0	2%
Total non-grid electricity	**488,591**	**0**	**2%**
LGC purchased and retired (kWh) (including PPAs & Precinct LGCs)	4,380,000	0	15%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	5,569,444	0	19%
Residual electricity	19,479,587	20,903,165	0%
Total grid electricity	**29,429,031**	**20,903,165**	**33%**
Total electricity consumed (grid + non grid)	**29,917,622**	**20,903,165**	**35%**
Electricity renewables	10,438,035	0	
Residual electricity	19,479,587	20,903,165	
Exported on-site generated electricity	**0**	**0**	
Emission footprint ($kgCO_2$-e)		20,903,165	

Total renewables (grid and non-grid)	**34.89%**
Mandatory	**18.62%**
Voluntary	**14.64%**
Behind the meter	**1.63%**
Residual electricity emission footprint (tCO_2-e)	**20,903**

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

Location-based approach summary

Location-based approach	Activity data (kWh)	Emissions ($kgCO_2$-e)
ACT	0	0
NSW	21,203,722	19,083,350
SA	0	0
Vic	6,774,049	7,383,713
Qld	1,451,260	1,349,672
NT	0	0
WA	0	0
Tas	0	0
Grid electricity (scope 2 and 3)	**29,429,031**	**27,816,735**
ACT	0	0
NSW	206,110	0
SA	0	0
Vic	282,480	0
Qld	0	0
NT	0	0
WA	0	0
Tas	0	0
Non-grid electricity (behind the meter)	**488,591**	**0**
Total electricity consumed	**29,917,622**	**27,816,735**
Emission footprint (tCO_2-e)	**27,817**	

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