



PUBLIC DISCLOSURE STATEMENT

TELSTRA ENERGY

PRODUCT CERTIFICATION


FY2022-23

Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Telstra Energy (Retail) Pty Ltd
REPORTING PERIOD	1 July 2022 – 30 June 2023 Arrears report
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>Name of signatory: Justine Rowe Position of signatory: Chief Sustainability Officer Date: 12 December 2023</p>



Australian Government
**Department of Industry, Science,
Energy and Resources**

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Version August 2023.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	1,061 ¹ tCO ₂ -e
THE OFFSETS BOUGHT	99% CER, 1% ACCU
RENEWABLE ELECTRICITY	21.62% ²
TECHNICAL ASSESSMENT	23/04/2021 Wibishana Rockwood Deloitte Australia Next technical assessment due: 2024-25 reporting year

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¹ The total emissions associated with this product are 4,713 tCO₂-e. The 1,061 tCO₂-e represents the attributable emissions that have not already been offset under Telstra's organisation certification.

² This renewable energy percentage refers to electricity consumed by Telstra Energy and does not necessarily reflect the energy mix of Telstra Energy's sold product.

2. CARBON NEUTRAL INFORMATION

Description of certification

This Public Disclosure Statement (PDS) supports Telstra Energy (Retail) Pty Ltd's (Telstra Energy)³ carbon neutral claim under Climate Active's Carbon Neutral Standard for Products & Services for its two product offerings:

- Retail electricity; and
- Retail gas

For retail electricity this involves offsetting all relevant and attributable greenhouse gas (GHG) emissions associated with the electricity sourced from the National Electricity Market (NEM) and delivered to the point of consumption (or customer meter). For retail gas this involves offsetting all relevant and attributable GHG emissions associated with the gas procured from Australia's eastern gas market and delivered to the point of combustion.

The GHG emissions associated with operating the Telstra Energy business have also been assessed and are offset under [Telstra Group Limited's \(Telstra\) carbon neutral certification](#) as they are a fundamental component of selling retail products to customers. Under the Climate Active standard, GHG emissions shared between Telstra Energy and Telstra can be nullified as carbon neutral under the *Parent-Child relationship* (as per page 52 of the Climate Active Technical Manual⁴).

Telstra Energy ABN 23 645 100 447 initially submitted its first year certification in April 2021 for retail electricity and gas. This was based on a combination of forecasted of megawatt hours (MWh) of electricity and gigajoules (GJ) of gas consumed by customers expected in FY22, and apportionments of Telstra's organisational GHG emissions (please refer to [Telstra's Organisational Certification](#)) relevant to Telstra Energy. However, retail electricity was only offered to a handful of customers as an initial pilot program during the FY22 period, additionally no retail gas was sold during the FY22 period. Hence, the FY22 report was a **true-up** of initial projections based on the actual customer data gathered and FY22 GHG emissions from Telstra Corporation Limited. The FY23 report is a full account of Telstra Energy's emissions footprint for the FY23 period, with Telstra Energy providing retail electricity on a trial basis to a limited number of customers. Similar to FY22 there was no retailing of gas. The scaling of those retail energy products has since been paused.

³ Telstra Energy (Retail) Pty Ltd is a subsidiary of Telstra Group Limited (ABN 56 650 620 303)

⁴ Please refer to the [Climate Active Technical Guidance Manual](#) for further information about the Parent-Child Relationship.

Product description

Telstra Energy's retail electricity and gas business connects energy generators to end-use customers, providing customers with a mix of fossil fuels and renewable energy. To reduce reliance on fossil-fuels and increase in renewable energy provided to customers, Telstra Energy is actively investing in renewable energy projects that connect into the electricity grid.

Telstra Energy's carbon neutral retail electricity and gas products are a full coverage product whereby GHG emissions of both offerings are offset entirely with no other non-carbon neutral options. A cradle-to-grave lifecycle approach has been applied to the assessment and offset of GHG emissions for both products .

Functional Units

Retail Electricity	<i>The functional unit relevant to the electricity product is megawatt hours (MWh). Total consumption of the electricity product by customers is measured as MWh per financial year.</i>
Retail Gas	<i>The functional unit for the carbon neutral gas product is gigajoules (GJ). Total consumption of the gas product by customers is measured via gas meters as GJ per financial year.</i>

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 '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 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

Non-attributable emissions have been assessed as not attributable to a product or service. They can be **optionally included** in the emissions boundary and therefore have been offset, or they can be listed as outside of the emissions boundary (and are therefore not part of the carbon neutral claim). Further detail is available at Appendix D.

Diagram 3.1.1 | Telstra Energy retail electricity boundary

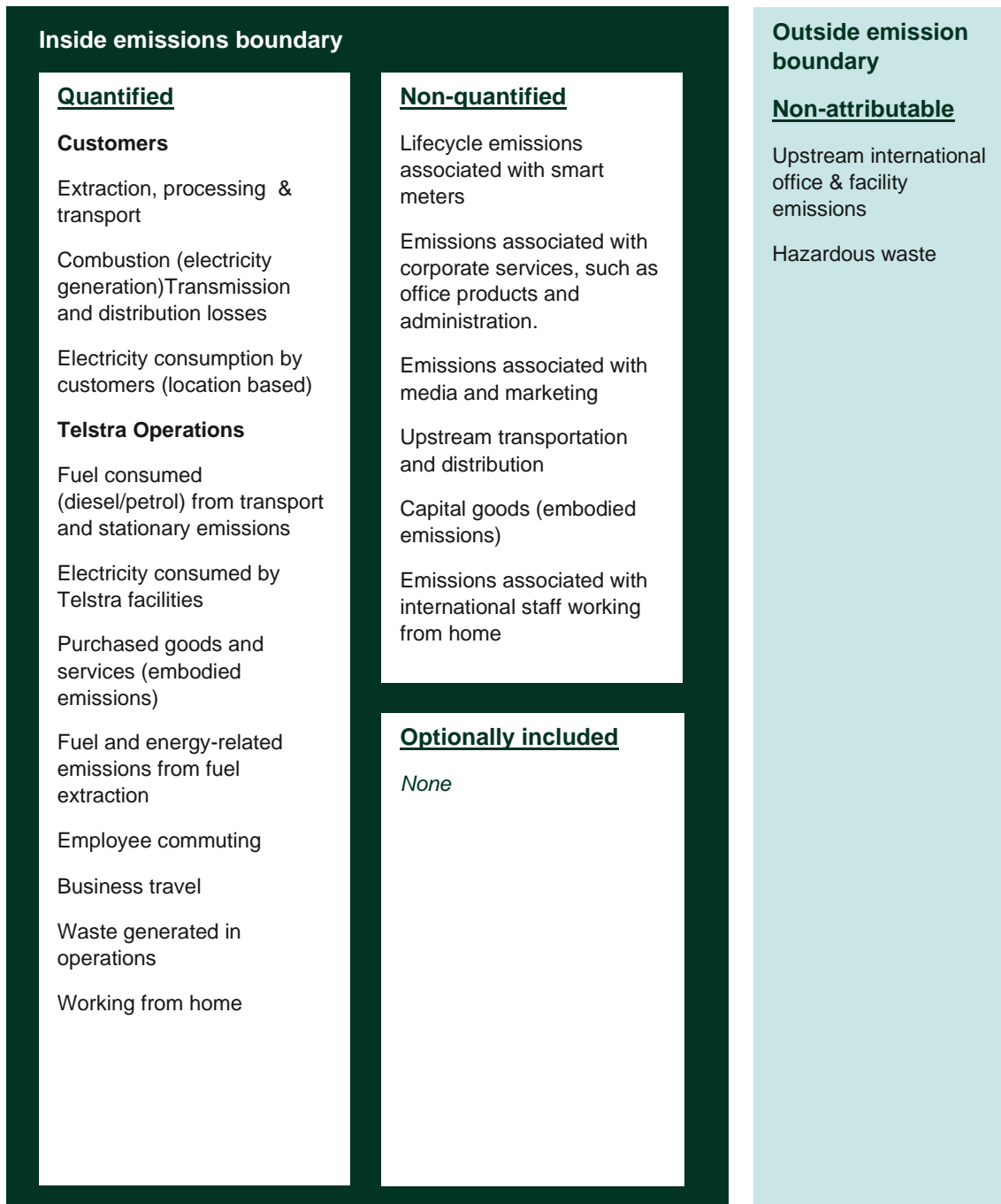
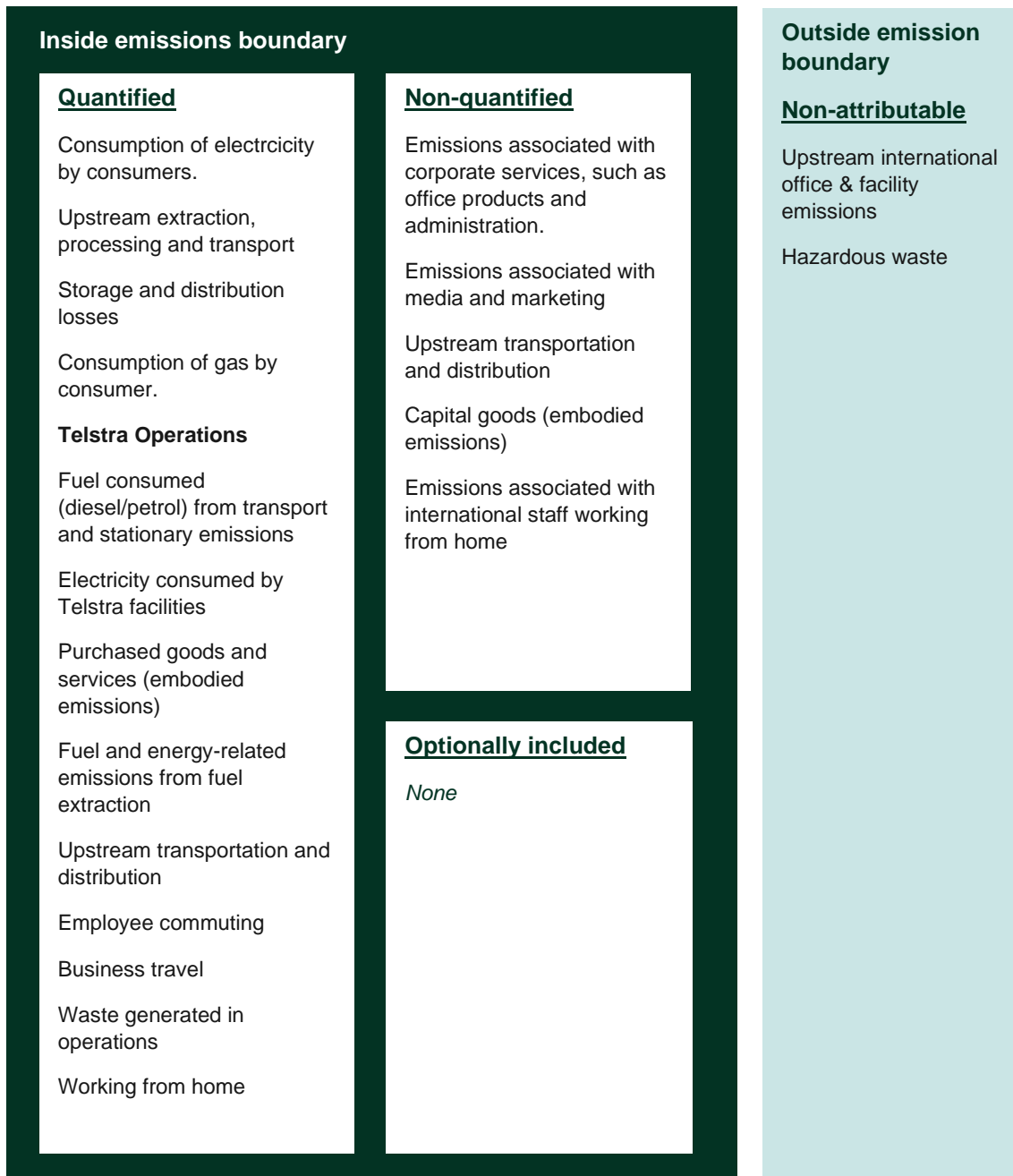


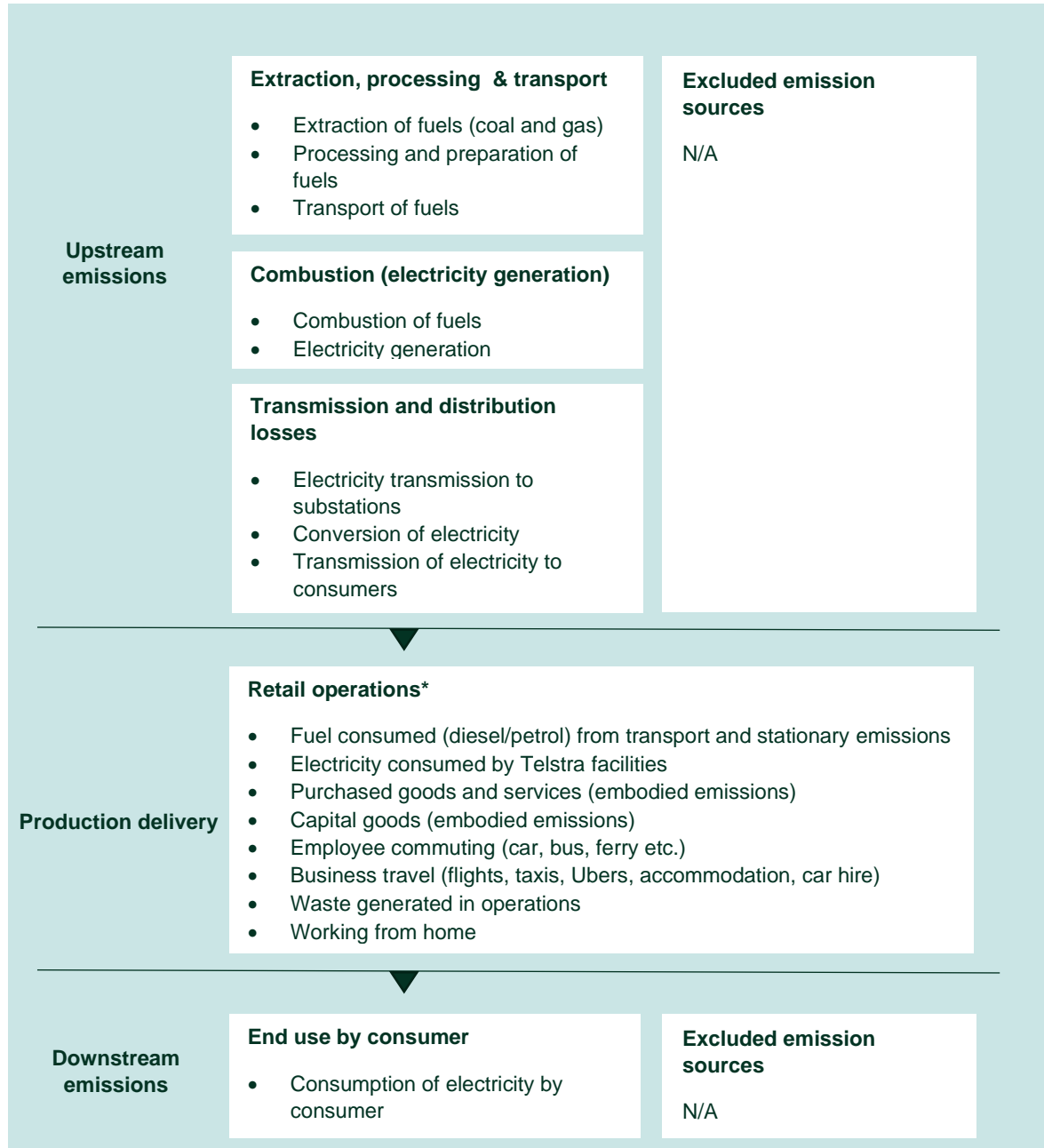
Diagram 3.1.2 | Telstra Energy retail gas boundary



Product process diagram

Diagram 3.2.1 | Telstra Energy retail electricity | Product process diagram

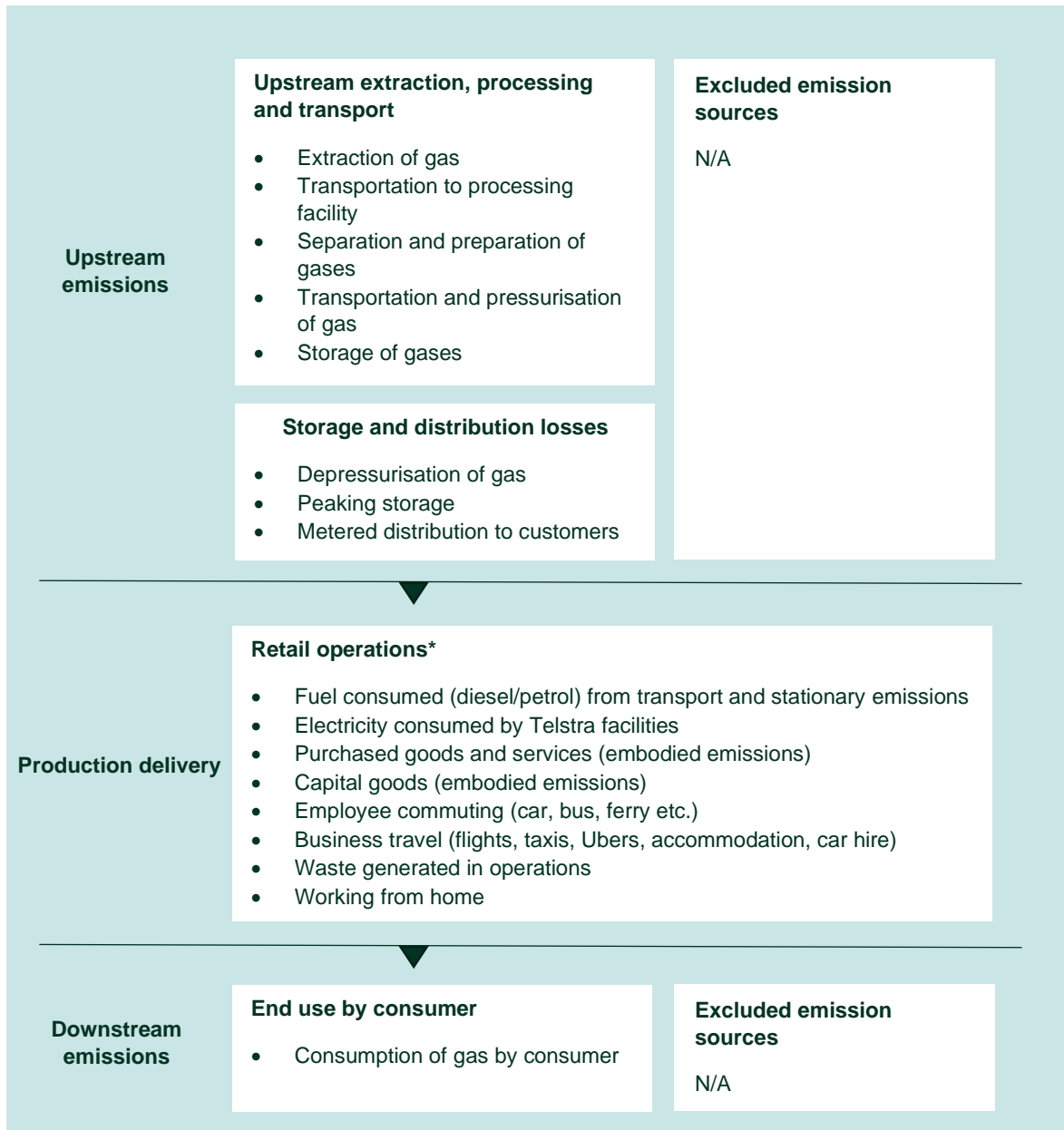
Cradle-to-grave



*Emissions shared with Telstra's Organisational certificate

Diagram 3.2.2 | Telstra Energy retail gas | Product process diagram

Cradle-to-grave



*Emissions shared with Telstra’s Organisational certificate

4. EMISSIONS REDUCTIONS

Emissions reduction strategy⁵

We are aware that providing retail energy services results in GHG emissions. We also recognise that reducing our GHG emissions not only brings tangible business benefits but also allows us to provide our customers with additional value from efficiency and innovations in our products and services.

Our Telstra Energy product trial has a strong focus on the usage of IoT and smart metering to provide customers with better visibility of their power consumption. We complement this with information about the amount of renewable energy currently being generated in the grid, to encourage customers to use energy at times of high renewable penetration⁶. Over time this will have the effect of reducing grid emissions intensity and reducing our customers' GHG emissions from energy consumption.

Our refreshed Telstra sustainability strategy is driven by taking bold climate action and working towards a circular economy which are underpinned by the following key targets:

1. Reduce our absolute emissions for Scope 1, 2 and 3 by at least 50% by 2030 from an FY19 baseline
2. Enable renewable energy generation equivalent to 100% of our consumption by 2025
3. Offset the emissions from our operations⁷
4. Reuse or recycle 650,000 mobile phones, modems, and other devices each year to 2025⁸
5. Increase our network waste recycling rate to 90 per cent by 2025⁹

Telstra Energy aims to contribute to Telstra's sustainability strategy by continuing to focus on:

- Decarbonising Telstra by becoming more energy efficient, reducing our consumption and investing in renewable energy
- Decarbonising the grid by investing in renewable energy and helping our customers access renewables for their energy needs
- Decarbonising our economy by improving the efficiency of our products and investing in technology that helps to address our most significant environmental challenges
- Adapting to climate impacts by using the best available science to understand these impacts so we can build resilience into our decision making, products and infrastructure.

⁵ Please refer to [Telstra's Sustainability Report 2023](#) for further information on Telstra's Emissions Reduction Strategy.

⁶ Please refer to Telstra's [Clean Energy Tracker](#) for more information on this product.

⁷ For the FY23 reporting period, this target was described as 'Carbon neutral in our operations from 2020', but has since been updated.

⁸ For the FY23 reporting period, this target was 500,000 units, inclusive of mobile phones, modems, and other devices. The 650,000 unit adjustment commenced from the 1st of September 2023 and will be the target for the FY24 reporting period.

⁹ For the FY23 reporting period, this target was 85 per cent. The adjustment to 90 per cent commenced from the 1st of September 2023 and will be the target for the FY24 reporting period.

Emissions reduction actions

Telstra Energy is focused on decarbonising the grid through greater investment in renewable energy, thereby reducing reliance on non-renewable energy from fossil fuels. To date, we have supported investment in approximately \$1.1 billion worth of renewable energy by entering into long term Power Purchase Agreements. These commitments support the construction of renewable energy projects across Queensland, Victoria and New South Wales. When these projects are fully operational, our share of their renewable energy output will be equivalent to more than 80 per cent of our consumption.

Projects	Description
Emerald Solar Park & Murra Warra Wind Farm	In FY23, our renewable energy projects generated the equivalent of 30 per cent of our consumption, via Power Purchase Agreements for the Emerald Solar Park (70MW capacity located in Queensland) and Murra Warra Wind Farm (226MW capacity in Victoria across all partners).
Crookwell 3 Wind Farm	Construction began in September 2022 of the Crookwell 3 Wind Farm (58MW capacity), which will start sending wind powered renewable energy into the grid in calendar year 2024.
Power Purchase Agreement (PPA) Procurement for MacIntyre Wind Farm	In October 2022, we announced our four power purchase agreement for the Macintyre Wind Farm in southeast Queensland. The agreement secures Telstra a proportion of the Macintyre Wind Farm which is expected to be operational by early 2024. This wind farm will produce a total of 923MW of which Telstra will utilise 111MW.

5. EMISSIONS SUMMARY

Emissions over time

Table 5.1.1 – Electricity product

Emissions since base year		Total tCO ₂ -e	Emissions intensity of the functional unit
Base year:	2021–22	159,495	0.91 tCO ₂ -e / MWh
True-Up:	2021–22	221 ¹⁰	2.40 tCO ₂ -e / MWh
Year 2:	2022–23	1,061 ¹¹	0.95 tCO ₂ -e / MWh

Table 5.1.2 – Gas product¹²

Emissions since base year		Total tCO ₂ -e	Emissions intensity of the functional unit
Base year:	2021–22	27,786	0.06 tCO ₂ -e / GJ
True-Up:	2021–22	0	0 tCO ₂ -e / GJ
Year 2:	2022-23	0	0 tCO ₂ -e / GJ

Significant changes in emissions

Emission source name	Current year (tCO ₂ -e and/ or activity data)	Previous year (tCO ₂ -e and/ or activity data)	Detailed reason for change
Electricity sold to customers (Scope 2, market method)	767	67	This increase in GHG emissions was driven by an increase of retail electricity customers Telstra Energy acquired throughout the FY23 period.
Organisation Electricity (Scope 2, market method)	2,905	2,483	The increase in Scope 2 GHG emissions was driven by an increase in the Parent-Child apportionment factor used to allocate emissions relevant to the Telstra certification. This change in apportionment was driven by an increase in Telstra Energy FTE when compared to Telstra.

Use of Climate Active carbon neutral products and services

No existing carbon neutral products are used in the direct delivery of Telstra Energy's retail electricity and gas products.

¹⁰ The total emissions associated with the electricity product in FY22 was 3,232 tCO₂-e. The 221 tCO₂-e represents the attributable emissions that were not already offset under Telstra's Parent-Child relationship.

¹¹ The total emissions associated with this product are 4,713 tCO₂-e. The 1,061 tCO₂-e represents the attributable emissions that have not already been offset under Telstra's Parent-Child relationship.

¹² During the FY22 and FY23 period the gas product was not officially offered on the market to consumers. Hence, there were no emissions associated with the delivery of this product.

Product emissions summary¹³

Table 3.3 – Electricity product

Emission source category	tonnes CO ₂ -e	Overlap with Telstra (%)	Offset for FY23 (tCO ₂ -e)
Consumption of electricity by consumers	767	0%	767
Transport and stationary fuel (natural gas, diesel, petrol, LPG, ethanol)	107	100%	0
Electricity purchased from the Australian electricity grid, including transmission losses (market-based approach)	2,905	100%	0
Purchased goods and services (embodied emissions)	192	0%	192
Fuel and energy related activities	512	80%	102
Waste generated in operations	11	100%	0
Business travel	18	100%	0
Employee commuting	149	100%	0
Working from home	52	100%	0
Emissions intensity per functional unit		0.95 tCO ₂ -e / MWh	
Number of functional units to be offset		Commercial in confidence	
Total emissions to be offset		1,061	

¹³The total emissions associated with this product are 4,713 tCO₂-e (as indicated in the 'tonnes CO₂-e' column, while the right-hand side column ('Offset for FY23 (tCO₂-e)') refers to the attributable emissions that have not already been offset under Telstra's organisation certification.

Table 3.4 – Gas product¹⁴

Emission source category	tonnes CO₂-e	Overlap with Telstra (%)	Offset for FY23 (tCO₂-e)
Gas consumed by consumers	0	0%	0
Product end of use by customers	0	0%	0
Transport and stationary fuel (natural gas, diesel, petrol, LPG, ethanol)	0	100%	0
Electricity purchased from the Australian electricity grid, including transmission losses (market-based approach)	0	100%	0
Purchased goods and services (embodied emissions)	0	0%	0
Capital goods (embodied emissions)	0	0%	0
Fuel and energy related activities	0	100%	0
Upstream Transportation and Distribution	0	0%	0
Waste generated in operations	0	100%	0
Business travel	0	100%	0
Employee commuting	0	100%	0
Emissions intensity per functional unit		0	
Number of functional units to be offset		0	
Total emissions to be offset		0 tCO ₂ e	

¹⁴During the FY23 period, the retail gas product was not officially offered on the market to consumers. Hence, there were no emissions associated with the delivery of this product.

6. CARBON OFFSETS

Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emission to offset is 1,061 t CO₂-e. The total number of eligible offsets used in this report is 1,061. Of the total eligible offsets used, 0 were previously banked and 1,061 were newly purchased and retired. 0 are remaining and have been banked for future use.

Co-benefits

Offset Project	Co-benefits Description
Central Arnhem Land Fire Abatement (CALFA) Project	This project involves strategic and planned burning of savanna areas in the high rainfall zone during the early dry season to reduce the risk of late dry season wild fires. For more project information refer here .
Tadas Wind Energy Project, India (4&5)	ReNew Wind Energy (Karnataka) Private Limited has set up wind power project of 50.4 MW at Tadas in Haveri & Darwada district of Karnataka, India. The project consists of installation of 63 wind turbines (WTGs) of 800 kW each. The project activity is a renewable source of energy and replaces electricity from the power plants of the connected electricity grid which is emission intensive and therefore effects net GHG emission reductions.

Eligible offsets retirement summary

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	Stapled quantity	Eligible quantity (tCO ₂ -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Percentage of total (%)
Nallakonda wind farm in Andhra Pradesh	CER	ANREU	26/06/2020	254579990-254889280	2015-18		309,291	122,231	0 ¹⁵	1,052	99%
Central Arnhem Land Fire Abatement (CALFA) Project	ACCU	ANREU	24/08/2022	8,343,672,325-8,343,687,324	2022		15,000	0	0 ¹⁶	9	1%
Total offsets retired this report and used in this report										1,061	
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
Australian Carbon Credit Unit (ACCU)	9	1%
Certified Emissions Reduction (CER)	1,052	99%

¹⁵ A further 186,008 offsets have been used for the Telstra T+ program (172) and the Telstra Mobile (84,404), Telstra Group (92,890) and Belong (8,542) Climate Active certifications

¹⁶ A further 14,991 offsets have been used for the Telstra T+ program (123) and the Telstra Mobile (832), Telstra Group (13,642), Belong (344) and St Vincent de Paul Victoria (50) Climate Active certifications.

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) Summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

N/A

APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

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.

For this certification, electricity emissions have been set by using the market-based method.

Market Based Approach Summary

Market Based Approach	Activity Data (kWh)	Emissions (kgCO ₂ e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	37,764	0	1%
Total non-grid electricity	37,764	0	1%
LGC Purchased and retired (kWh) (including PPAs & Precinct LGCs)	0	0	0%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	93,407	0	2%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	23,689	0	1%
Large Scale Renewable Energy Target (applied to grid electricity only)	795,362	0	18%
Residual Electricity	3,444,195	3,289,207	0%
Total grid electricity	4,356,654	3,289,207	21%
Total Electricity Consumed (grid + non grid)	439,4417	3,289,207	22%
Electricity renewables	950,222	0	
Residual Electricity	3,444,195	3,289,207	
Exported on-site generated electricity	0	0	

Emissions (kgCO₂e)

Total renewables (grid and non-grid)	22%
Mandatory	19%
Voluntary	2%
Behind the meter	1%
Residual Electricity Emission Footprint (TCO₂e)	2904.75

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

Voluntary includes LGCs retired by the ACT (MWh)

Location Based Approach Summary

Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kgCO ₂ e)	Scope 3 Emissions (kgCO ₂ e)
ACT	126,005	91,984	7,560
NSW	1,491,196	1,088,573	89,472
SA	292,273	73,068	23,382
Vic	1,085,923	923,035	76,015
Qld	791,112	577,511	118,667
NT	61,491	33,205	4,304
WA	416,814	212,575	16,673
Tas	91,841	15,613	918
Grid electricity (scope 2 and 3)	4,356,64	3,015,563	336,991
ACT	4	0	0
NSW	3,189	0	0
SA	3,210	0	0
Vic	2,734	0	0
Qld	9,648	0	0
NT	5,859	0	0
WA	12,626	0	0
Tas	494	0	0
Non-grid electricity (Behind the meter)	37,764	0	0
Total Electricity Consumed	4,394,417		

Emission Footprint (tCO₂e)	3,353
Scope 2 Emissions (tCO ₂ e)	3,016
Scope 3 Emissions (tCO ₂ e)	337

Climate Active Carbon Neutral Electricity summary

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO ₂ e)
N/A	0	0

Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their Product certification.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources emissions have been assessed as attributable, 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 one of the following reasons:

1. **Immaterial** <1% for individual items and no more than 5% collectively
2. **Cost effective** Quantification is not cost effective relative to the size of the emission but uplift applied.
3. **Data unavailable** 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.

Relevant non-quantified emission sources	Justification reason
Lifecycle emissions associated with smart meters	Immaterial
Emissions associated with corporate services, such as office products and administration	Immaterial
Emissions associated with media and marketing	Immaterial
Upstream transportation and distribution	Immaterial
Capital goods (embodied emissions)	Immaterial
Emissions associated with international staff working from home	Immaterial

Excluded emission sources

Attributable emissions sources can be excluded from the carbon inventory, but still considered as part of the emissions boundary if they meet **all three of the below criteria**. An uplift factor may not necessarily be applied.

1. A data gap exists because primary or secondary data cannot be collected (**no actual data**).
2. Extrapolated and proxy data cannot be determined to fill the data gap (**no projected data**).
3. An estimation determines the emissions from the process to be **immaterial**).

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

APPENDIX D: OUTSIDE EMISSION BOUNDARY

Non-attributable emissions have been assessed as not attributable to a product or service (do not carry, make or become the product) and are therefore not part of the carbon neutral claim. To be deemed attributable, an emission must meet two of the five relevance criteria. Emissions which only meet one condition of the relevance test can be assessed as non-attributable and therefore are outside the carbon neutral claim. Non-attributable emissions are detailed below.

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

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

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Upstream international office & facility emissions	N	N	N	N	N	<p>Size: No – Telstra Energy’s products and services are only provided to domestic customers. As such an apportionment of Telstra’s international upstream assets would not be material.</p> <p>Influence: No- As a business unit of Telstra, with no international customer base, Telstra Energy has a limited ability to influence decisions surrounding the international leasing of assets.</p> <p>Risk: No - As Telstra Energy’s products and services are only provided to domestic customers, the GHG risk associated with upstream leased assets would be immaterial. Further, Telstra’s international leased assets are reported under the Telstra Organisation Public Disclosure Statement.</p> <p>Stakeholders: No - As Telstra Energy’s products and services are only provided to domestic customers, it is deemed that emissions associated with international leased assets would not be of concern to stakeholders.</p> <p>Outsourcing No - While these emissions are generated from international operations, it is typically measured and managed by Telstra</p>
Hazardous Waste	N	N	N	N	N	<p>Size: No – Telstra Energy does not create or store any hazardous waste as defined by The Australian Government Department of Industry.</p> <p>Influence: As above.</p> <p>Risk: As above.</p> <p>Stakeholders: As above.</p> <p>Outsourcing: As above.</p>



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