EnergyAustralia

Public Disclosure Summary
Carbon Neutral Program

1 January 2019 – 31 December 2019

Climate Active

An Australian Government Initiative

EnergyAustralia

LIGHT THE WAY

Overview

Declaration

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

Mark Collette
Chief Customer Officer

April 2020

Organisation and product details

Name of certified entity	EnergyAustralia Pty Ltd
Name of certified product	Carbon neutral electricity product
Carbon neutral certification category	Product
Date of most recent external verification/audit	Reporting period 1 January 2018 – 31 December 2018
Auditor	PwC

1. Carbon neutral information

1A. Introduction

EnergyAustralia is one of Australia's largest energy companies, providing gas and electricity to approximately 2.6 million household and business customer accounts in New South Wales, Victoria, Queensland, South Australia and the Australian Capital Territory. EnergyAustralia owns and operates a portfolio of energy generation across Australia, including coal, gas and wind assets with control of around 5,000MW of generation in the National Electricity Market (NEM).

EnergyAustralia is offsetting carbon emissions from its retail electricity product offering. This involves offsetting greenhouse gas emissions associated with the electricity sourced from the National Electricity Market (NEM) and delivered to the point of consumption (or customer meter) for customers who opt-in.

The functional unit relevant to this product (or activity) is megawatt hours (MWh). Consumption of the product by customers is measured as MWh per year.

This inventory has been prepared based on the National Carbon Offset Standard.

The greenhouse gases considered within the inventory are carbon dioxide, nitrous oxide, methane and relevant refrigerants.

1B. Emission sources within certification boundary for the carbon neutral electricity product (Go Neutral Electricity Product)

Quantified sources

The emission sources included within the boundary are outlined below in the system boundary (1C).

Excluded sources

As a retailer of electricity products, EnergyAustralia purchases electricity from the national wholesale electricity market and sells it to customers in Victoria, New South Wales, the Australian Capital Territory, Queensland and South Australia. The greenhouse gas emissions being measured for the purposes of this document are those associated with EnergyAustralia's wholesale electricity purchases for sale to its customer base (the end-users in this case). Therefore EnergyAustralia's electricity generation activities (and associated greenhouse gas emissions) are not relevant to this document.

1C. Diagram of the certification boundary

Figure 1 represents a greenhouse gas emissions boundary consistent with the requisite life cycle assessment (LCA) approach for a final electricity product consumed by an end-user. The boundary for carbon neutral products and the boundary for all electricity products have been clearly delineated as follows:

a. the solid green line ——— represents the boundary for the carbon neutral product; and

b. the dashed green line – – – represents the boundary for all electricity products

The relevant stages of the final electricity product life cycle are:

Stage 1: Electricity generation sector – which includes scope 2 and 3 greenhouse gas emissions created from:

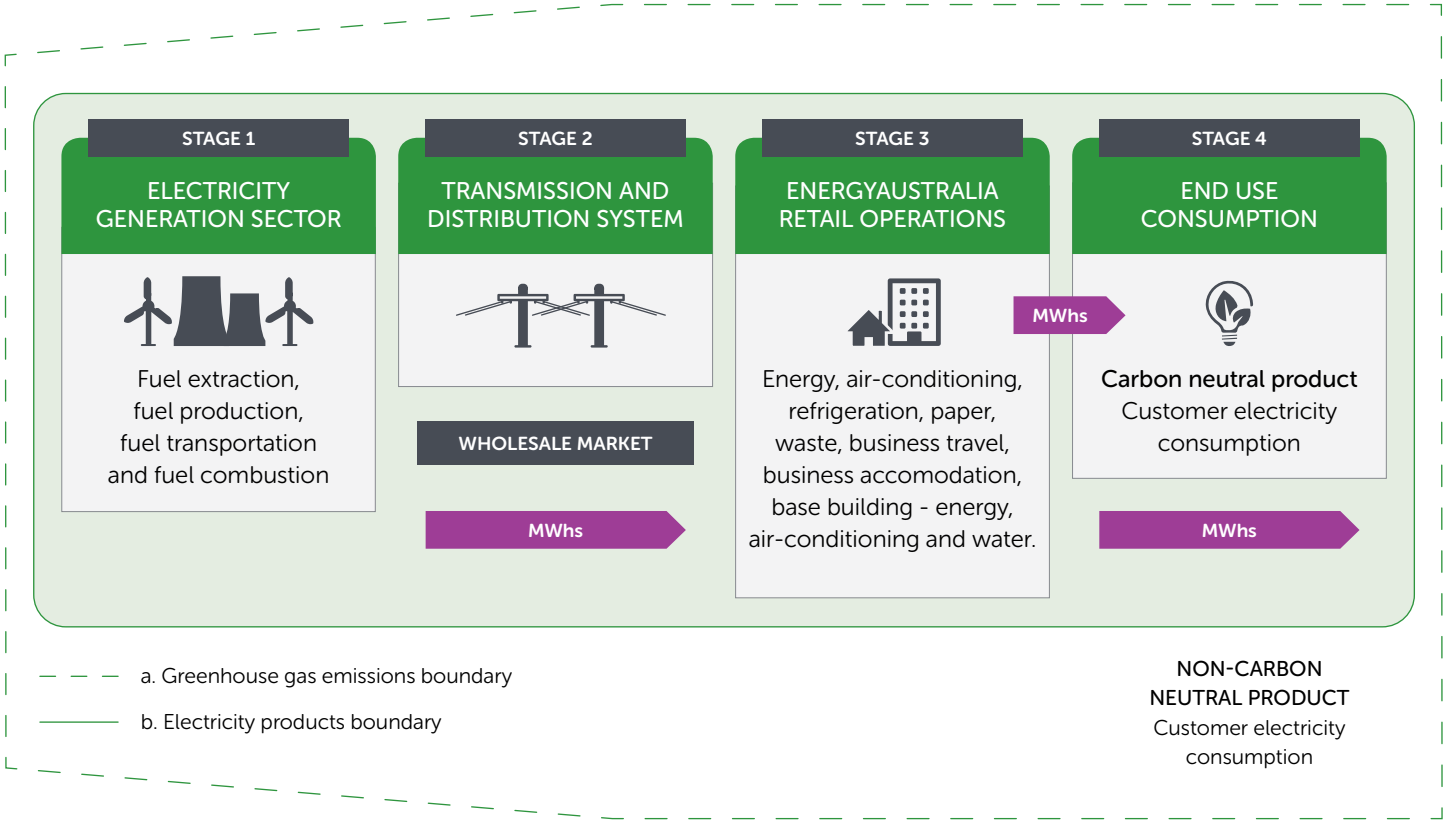
- extraction of fuels to generate electricity;
- production of fuels to generate electricity;
- transport of fuels to generate electricity; and
- combustion of fuels to generate electricity.

Stage 2: Transmission and distribution system – which includes scope 3 greenhouse gas emissions created from electricity lost in delivery from the point of generation to the point of consumption (customer meter).

Stage 3: EA retail operation – which includes 'organisation' scope 1, 2 & 3 greenhouse gas emissions as they relate to the retailing operations required to sell electricity products to customers:

- office energy consumption (electricity & gas);
- office air conditioning;
- office refrigeration;
- office paper consumption;
- office waste consumption;
- business travel;
- business accommodation;
- base building energy consumption (electricity & gas);
- base building water consumption; and
- base building air conditioning.

Figure 1. Life cycle assessment (LCA) approach for a final electricity product consumed by an end-user.



2. Emissions reduction measures

2A. Emissions over time

Table 1. Emissions since base year (tonnes CO_2-e)

Scope	Base Year: 2015[1]	Year 1: 2016-2017[2]	Year 2: 2018[2]	Current Year Year 3: 2019
1	5	0	0	0
2	4,639	23	87	143
3	22,306,619	172,983	546,084	878,937
Total	22,311,266	173,006	546,171	879,081

2B. Emissions reduction strategy

Carbon Neutral by 2050.

At the start of 2020, EnergyAustralia set a public objective of being Carbon Neutral by 2050. Our accompanying climate credentials can be found linked from the Sustainability page of our website.

Our Purpose is to lead and accelerate the clean energy transformation for all.

2C. Emissions reduction actions

On the wholesale side of our business, EnergyAustralia has the rights to more than 800 MW of solar and wind farm power purchase agreements, along with ownership of half the Cathedral Rocks wind farm. Through these long-term agreements, worth almost $3 billion, we underpin around 11 per cent of the large-scale wind and solar projects in the National Electricity Market.

EnergyAustralia is committed to reducing its carbon emissions by progressively phasing out coal-fired power, as we work to integrate new, cleaner supplies of electricity, without compromising the reliability and affordability of the energy system. We plan to give at least five years' notice before closing our coal-fired power stations where circumstances are within our control. We will halve our carbon emissions from electricity generation by 2032 with the closure of Yallourn. We will not build another coal-fired power plant.

We give our residential electricity customers the option of fully offsetting their household electricity emissions at no cost to them. At the end of 2019, we had over 200,000 customers opted in to our 'Go Neutral' carbon neutral program.

Through opting into our "Go Neutral' program, our customers have contributed to the cumulative offset of over 1.5m tonnes of carbon dioxide since the program was launched (to the end of 2019). In addition, we have over 10,000 customer accounts purchasing accredited GreenPower through EnergyAustralia.

[1] Includes greenhouse gas emissions in relation to full electricity customer base for 2015.
[2] Includes greenhouse gas emissions attributable to electricity consumed by customers who have voluntarily opted in to the Go Neutral Electricity Product or automatically opted in to the Go Neutral Electricity Product by virtue of the electricity product or plan the customer is provided electricity under.
[3] Based on typical household consumption of 5 MWh per year.

3. Emissions summary

Table 2 represents a summary of EnergyAustralia's emissions by source based on the 2015 base year calculations.

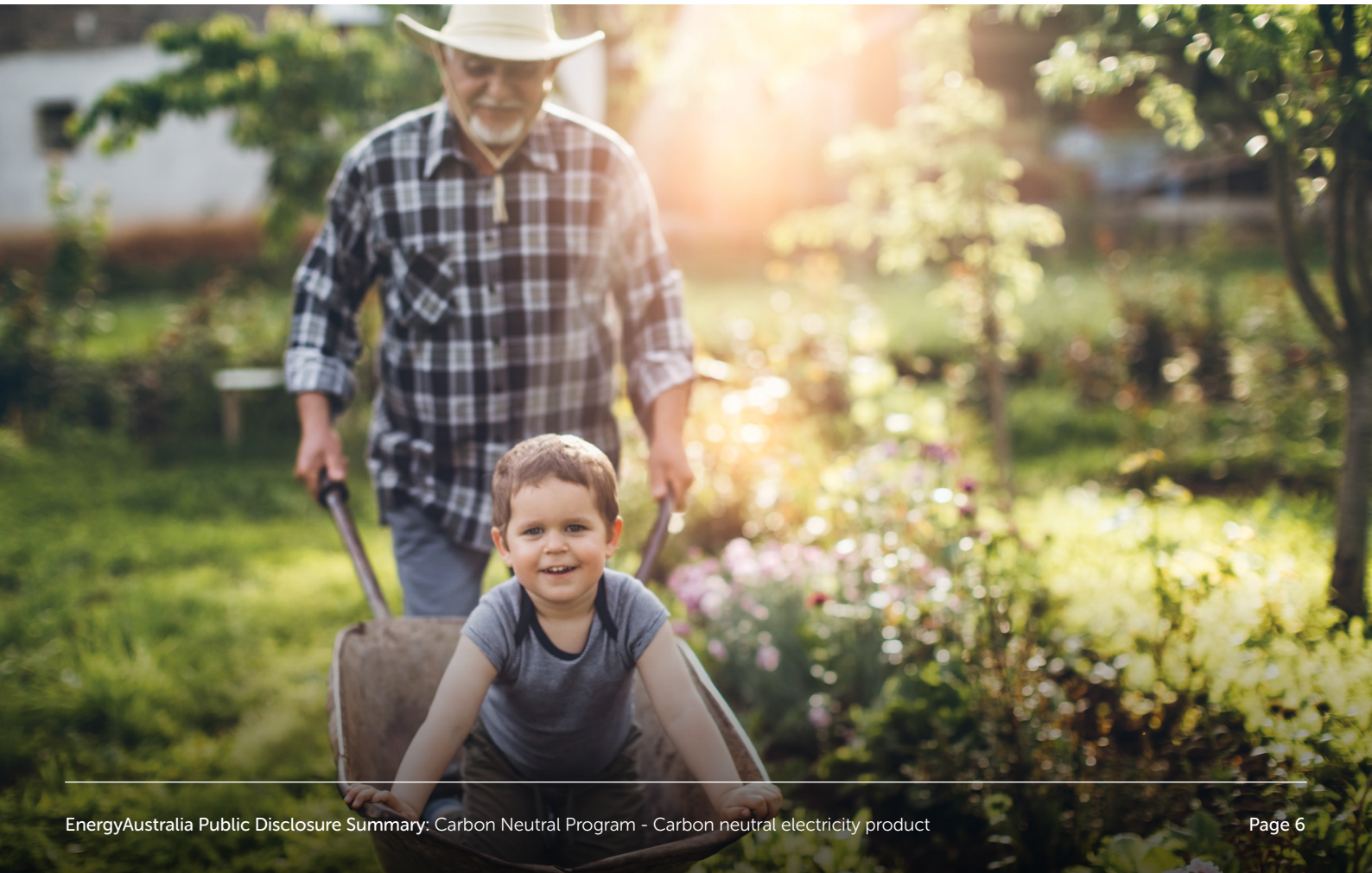
Table 2. Go Neutral electricity product emissions summary

Scope	Emission source	t CO_2-e
Total Retail emissions[1]		11,257
Retail emissions attributable to the Go Neutral electricity product[2]		347
3	Stage 1 and 2 greenhouse gas emissions attributable to Go Neutral electricity product[3]	878,733
Total Gross Emissions attributable to Go Neutral electricity product		879,081
Total Net Emissions attributable to Go Neutral electricity product		**879,081**

[1] Greenhouse gas emissions attributable to Stage 3, EnergyAustralia retail operations are estimated based on the analysis of greenhouse gas emissions undertaken in relation to the base year 2015.

[2] The proportion of greenhouse gas emissions in relation to Stage 3, EnergyAustralia retail operations attributable to the Go Neutral electricity product for the period is calculated utilising electricity sales as a percentage of total gas and electricity sales by Energy Australia during the period, then multiplied by the percentage of total electricity purchased (MWh) attributable to customers opted in for the Go Neutral product from the date of the opt in up until the date of the opt out or termination as an EnergyAustralia customer.

[3] Greenhouse gas emissions attributable to electricity consumed by customers who have voluntarily opted in to the Go Neutral Electricity Product and have been customer for greater than 6 months or are automatically opted in to the Go Neutral Electricity Product by virtue of the electricity product or plan the customer is provided electricity under.



4. Carbon offsets

4A. Offsets summary

EnergyAustralia utilise offset units to offset the Total Net Emissions attributable to the Go Neutral electricity product.

A summary of the offsets purchased and surrendered for the period is included below:

Table 3. Offsets Summary

Offset type and registry	Year retired	Quantity	Serial numbers	Vintage
Australia Revegetation: Non-Kyoto Australian Carbon Credit Units (NKACCUs) in EA's account in the Australian National Registry of Emission Units (ANREU).	2020	5,100	3,655,183,987 - 3,655,189,086	2014-15
Australia Savanna Burning: Australian Carbon Credit Units (ACCUs) in EA's account in the ANREU. **AFLA**	2019	27,900	3,769,419,980 - 3,769,434,979	2017-18
	2020		3,769,434,980 - 3,769,447,879	2017-18
Brazil Solid Waste Management: Certified Emission Reductions (CERs) in EA's account in the ANREU.	2019	33,331	142,064,972 - 142,089,971	2017
	2020		116,921,659 - 116,929,989	2015
India Wind: Certified Emission Reductions (CERs) in EA's account in the ANREU	2019	812,750	221,167,676 - 221,330,675	2013
			221,367,676 - 221,567,675	2013
	2020		251,407,519 - 251,464,621	2013
			221,567,676 - 221,642,265	2013
			221,642,266 - 221,759,961	2013
			221,759,962 - 221,762,961	2013
			237,196,785 - 237,394,145	2014-15
Total offset units retired			879,081	
Net emissions after offsetting			0	
Total offsets banked for use future years			0	

4B. Offsets purchasing and retirement strategy

Offsets are purchased periodically and retired upon completion of NCOS reporting on an annual basis.

4C. Offset projects (Co-benefits)

EnergyAustralia has purchased certificates for projects from both Australian and International projects. These include Caixa Econonimca Federal Solid Waste Management and Carbon Finance Project, Urisino Regenerative Ecosystem Project and the ALFA (NT) Savanna Fire Management Project.

The ALFA (NT) Savanna Fire Management Project involves the application of strategic, lower intensity early dry season fire management to reduce the risk and extent of higher intensity fires that occur mostly in the late dry season. The Indigenous Ranger groups formed the entity Arnhem Land Fire Abatement (NT) Ltd. ALFA (NT) Ltd is a company owned exclusively by Aboriginal people with custodial responsibility for those parts of Arnhem Land under active bushfire management.

The co-benefits of this project include Aboriginal people being supported in returning to and remaining on their country. Formal ranger programs are providing crucial skills and training, applicable also outside the project. Bio-diversity in the areas covered, some of it critically endangered, is protected. The knowledge of old people is preserved and transferred to younger generations. Aboriginal languages are maintained and participants in land management activity enjoy higher standards of mental and physical health.

5. Use of trade mark

Table 4. Trade mark register

Where used	Logo type
https://www.energyaustralia.com.au/home/bills-and-accounts/go-carbon-neutral#/existing-customer	Certified product

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