

19 March 2021

RET and Energy Section
Clean Energy Regulator
GPO Box 621 Canberra ACT 2601

Dear Sir / Madam

RE: Corporate Emissions Reduction Transparency Report consultation paper

Ndeivr Environmental is pleased to submit a response to the Clean Energy Regulator's (CER) Corporate Emissions Reduction Transparency (CERT) Report consultation paper.

Ndeivr Environmental strongly endorses the CER's proposal to implement the CERT. We recognise that transparency underpins action, and that action has already been undertaken by Australia's largest emitters.

It is extremely important as the market moves, and as consumer and regulator expectations of business are increasing significantly year on year, that there is a robust, consistent and well supported framework for the reporting of and statements against emissions reduction targets.

The proposed CERT framework will underpin other emerging schemes such as the Task Force on Climate-related Financial Disclosures (TCFD), as well as the existing Climate Active program, which continues to see larger emitters involved, including organisations such as ISPT Pty Ltd and Lion Pty Ltd.

We look forward to seeing more details as they emerge, including guidelines for reporting under the report, and would be happy to be involved in further discussions on the development of the CERT framework and associated guidelines.

Should you have any queries regarding this submission, please do not hesitate to contact me via phone on 0406 757 289 or email at matt.drum@ndeivr.com.au.

Yours Sincerely,



Matt Drum
Managing Director

m 0406 757 289

w 03 7035 1740

e matt.drum@ndeivr.com.au

w www.ndevrenvironmental.com.au

Melbourne – Sydney – Brisbane – Perth – Adelaide

Submission Response

#	Question	Response
1	Is the proposed reporting structure suitable for demonstrating how a corporation is offsetting or reducing its scope 1 emissions and scope 2 electricity consumption?	<p>We propose the following to be considered for reporting under the CERT report:</p> <ul style="list-style-type: none"> • recognise ACCUs, VCUs and VERs as emissions reduction efforts for both scope 1 and scope 2 emissions, as a means to continue to encourage development of the carbon market and to better align with the Climate Active program. Some organisations such as ISPT have offset their entire portfolio of emissions (including scope 2 emissions) with ACCUs. This also reflects that scope 2 emissions are indirect scope 1 emissions. • include a net scope 2 emissions (t CO₂-e) and/or net total scope 1 + scope 2 emissions (t CO₂-e) column instead of or in addition to the net scope 1 emissions (t CO₂-e) column, to reflect the above point, and to assist with transparency in and tracking of emissions reduction efforts. • allow for organisations to include multiple targets in their submission. Target types could range in type and scope, including emissions reduction, renewable electricity, intensity, interim, and targets that are specific to subsidiaries and/or business units. • where applicable, include production variables for Safeguard facilities in the submission.
2	Should corporations opt-in each year or should their participation be assumed to continue until they optout?	We support the option for organisations to continue reporting until/unless they opt-out, to help maintain and encourage participation in CERT reporting.
3	Does CERT appropriately manage double counting?	We agree that the CERT appropriately manages double counting.
4	Should surrenders of ACCUs from NGER facilities delivered under Emissions Reduction Fund contracts be included in the net emissions calculation?	For ACCUs created by an NGER facility, we suggest an option to distinguish between ACCUs delivered under a contract, voluntarily surrendered or on-sold to a third-party.

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5	Should the RPP be included in CERT using the proposed methodology?	<p>The ‘Renewable Energy as a percentage of total electricity consumed’ (RE%) equation as stated in section 9.2.6 of the draft guidelines does not currently appear to accurately account for renewable energy electricity generated and consumed onsite.</p> <p>If we understand correctly that ‘Scope 2 electricity consumed’ includes renewable electricity generated and consumed onsite (i.e. ‘Eligible behind the meter electricity consumption’), we agree that the RPP should not be applied to ‘Eligible behind the meter electricity consumption’, however believe that this needs to be accounted for separately in the numerator. We propose the equation be updated to read as per Equation 1 below (emphasis added to the update).</p>
6	How could NGER reporters’ voluntary targets and progress against these targets best be reflected in CERT to align with the NGER framework?	<p>Refer to responses for questions 1 and 8.</p> <p>Additionally, we propose an alternative to showing the % change in emissions from the previous year to be a % change from a baseline year (where relevant to the organisation’s target).</p>
7	Are there any other enhancements to CERT that could help build participation?	<p>We propose the following additional reporting aspects to be considered for inclusion in the CERT report:</p> <ul style="list-style-type: none"> • links to organisations’ corporate documents and internal methodologies used for target setting and for further information. • the ability to nominate LGCs and ACCUs by state of production and vintage.
8	Are there other elements that should be considered in future phases of CERT?	<p>Additional proposed considerations include:</p> <ul style="list-style-type: none"> • the option for participants that do not meet the publication threshold to opt-in to be published / included in the CERT. • an aggregated summary showing an organisation’s offsetting efforts year-on-year. • the possibility of mandating participation over an extended / staggered transition period, to help encourage and increase participation over time.

Equation 1:

$$= \frac{(\text{Scope 2 elec consumed} - \text{EITE elec consumption} - \text{Eligible btm elec consumption}) \times \text{RPP} + \text{Eligible btm elec consumption} + \text{LGCs voluntarily surrendered}}{\text{Scope 2 elec consumed}} \times 100$$

btm = behind the meter