



Corporate Emissions Reduction Transparency report

Coversheet for submissions

Contact details	
Name of organisation	Iberdrola Australia
Contact person	Joel Gilmore
Phone number	0411267044
Email	joel.gilmore@iberdrola.com.au
Postal Address	Level 17, 56 Pitt Street, Sydney, 2000
Do you want this submission to be treated as confidential?	No

Submission instructions

Submissions are due by 5:00pm Monday 1 November 2021. Any submissions received after this date will be considered at the discretion of the Clean Energy Regulator. It is preferred that submissions be submitted electronically to CER-CERT@cer.gov.au. Please include this coversheet with your submission.

Confidentiality and privacy

The Clean Energy Regulator will treat all submissions as public documents, unless the author requests the submission be treated as confidential. Public submissions may be published in full on the Clean Energy Regulator's website. If published, the Clean Energy Regulator will publish the name of the individual or name of the organisation responsible for your submission. The Clean Energy Regulator will deal with personal information contained in, or provided in relation to, submissions in accordance with the [Clean Energy Regulator's privacy policy](#).

Please note that the Clean Energy Regulator is subject to a number of disclosure requirements which may apply to your submission even if you do not give us permission to publish it. In particular, the Clean Energy Regulator is required to respond to requests made under the *Freedom of Information Act 1982* (Cth), and it is possible that your submissions could be requested and/or disclosed under this Act even if you do not give us permission to publish it on our website. Any such requests will be determined in accordance with the *Freedom of Information Act 1982*.

Clean Energy Regulator

1 November 2021

By Email: CER-CERT@cer.gov.au

RE: Corporate Emissions Reduction Transparency report

To whom it may concern,

Iberdrola Australia welcomes the opportunity to provide further feedback to the CER's proposed Corporate Emissions Reduction Transparency (CERT) report design.

We strongly support the proposed design which will support the many businesses that have committed to emissions reduction targets with a view to communicating effectively with consumers and transparently demonstrating how those targets are being met.

We note, however, the proposed design does not facilitate the use of voluntarily surrendered LGCs to offset Scope 1 emissions. The CERT provides an opportunity for the CER to establish a methodology for linking electricity sector emissions with other sectors, consistent with the King Report's recommendations (which were supported by the Commonwealth Government). We further note that the recent Long-Term Emissions Reduction Plan describes LGCs as "carbon or carbon-related units", and that electricity sector emissions abatement is key to achieving Australia's net-zero by 2050 commitment. Many large corporates are increasingly seeing the value of the LGC framework.¹

In our view, LGCs provide effective and transparent emissions reduction that can help businesses achieve their targets at least-cost, which ultimately benefits consumers.² An

¹ For example, see <https://www.bhp.com/news/media-centre/releases/2021/10/olympic-dam-to-partner-with-iberdrola-at-port-augusta-renewable-energy-park> and <https://www.colesgroup.com.au/media-releases/?page=coles-secures-path-to-100--renewable-energy-by-end-of-fy25>

² Consumers would expect that genuine abatement from Australian renewable projects would be facilitated if less obviously connected abatement is also being included (e.g. methane flaring projects in south-east Asia).

appropriate “exchange rate” needs to be determined (e.g., the average emissions intensity of the grid or of the residual mix factor determined by the CER), and it would increase transparency for this to be agreed with the CER. A forthcoming paper in the Australian Journal of Agricultural and Resource Economics (AJARE) provides quantification of this.

We look forward to continuing to engage with the CER on the implementation of the CERT, and of future emissions reduction schemes.

Sincerely,

Dr Joel Gilmore
GM Energy Policy & Planning