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Greenhouse and Energy Reporting Taskforce  
Department of Climate Change  
PO Box 854  
CANBERRA ACT 2601

13 February 2008

Re: National Greenhouse and Energy Reporting System, Technical Guidelines for the  
Estimation of Greenhouse Emissions and Energy at the Facility Level – Discussion Paper  
(December 2007)

Dear Sir/Madam

AGL Energy (AGL) welcomes the opportunity to provide a submission on the National Greenhouse and Energy Reporting System, and more specifically the technical guidelines for the estimation of emissions at a facility-level.

Please find enclosed AGL's submission. Should you require further information, please contact myself or Andrew Dudgeon on (02) 9921 2612 or by email at [adudgeon@agl.com.au](mailto:adudgeon@agl.com.au).

Yours sincerely

Emily Kucukalic  
Group Head of Brand and External Relations

# **AGL ENERGY SUBMISSION ON NGER SYSTEM – TECHNICAL GUIDELINES FOR THE ESTIMATION OF GREENHOUSE EMISSIONS AND ENERGY AT A FACILITY-LEVEL**

## **1. Introduction**

AGL Energy (AGL) is Australia's leading energy company. AGL is well placed to comment on emissions trading because of the diversity of our operations. We operate across the supply chain and have investments in energy retailing, coal-fired electricity generation, gas-fired electricity generation, renewables and upstream gas extraction. The diversity of this portfolio has allowed AGL to develop a detailed understanding of the risks and opportunities presented by climate change policy and emissions trading.

AGL is Australia's largest retailer of gas and electricity with 3.4 million customer accounts in New South Wales, Victoria, South Australia and Queensland. AGL has significant investments in upstream energy markets. We own and operate 645 MW of hydroelectric power generation assets, the 1280 MW Torrens Island gas-fired power station, the 150 MW Somerton gas-fired peaking power station and a number of landfill gas, biogas and biomass generation facilities. AGL also has a 32.5% equity investment in the Loy Yang A power station.

AGL welcomes the opportunity to provide a submission on the National Greenhouse and Energy Reporting System, Technical Guidelines for the Estimation of Greenhouse Emissions and Energy at Facility Level (*The Guidelines*).

## **2. Emissions Estimation Methodologies**

AGL agree with the broad approach set out in *The Guidelines* that reporters have the option of using a default methodology or higher order methods depending on the nature of the emission source. The option to use a mix of default and facility-specific emissions factors is a workable approach for a company such as AGL that has a range of emission sources.

## **3. National Greenhouse Accounts (NGA) Ratings Framework**

AGL acknowledges the need for transparency around the accuracy of emissions estimation methodologies so as to maintain the integrity of the NGER system, and ultimately the proposed Emissions Trading System (ETS). AGL seek further clarification as to how the system of NGA Ratings will be used to inform the compliance requirements under the NGER System i.e. will the compliance system take a risk based approach based upon the NGA Ratings Framework.

## **4. Fuel Types**

The list of fuel types for the consumption and production of energy set out in Section 3.10 of *The Guidelines* provides sufficient detail for the reporting of AGL's energy use and production.

## **5. Data Systems and Equipment Types**

Over recent years AGL has developed data systems and processes for reporting of greenhouse emissions and relevant activity data for a range of voluntary reporting initiatives such as Greenhouse Challenge Plus program. AGL have data systems in place to monitor and report energy consumption based on equipment type or emission sources. However, AGL believe that reporting energy data to GEDO at the equipment level for facilities would place an unnecessary burden on reporters, and that for the purposes of reporting and public disclosure this level of detail is not required. AGL suggest that reporting be limited to the facility and sub-facility level (as appropriate).