

Mandatory energy reporting tightening CO2 emissions building requirements



New legislation, increasing regulation and social and economic pressures are starting to come to bear on a wide range of Australian industries.

CO2 management is one of the most pressing business issues of our time and pressure is mounting on organisations to account for their energy use and carbon emissions.

Previously, companies producing 125 kilo tonnes of CO2 within a fixed financial year faced mandatory reporting and disclosure under the Federal Government's National Greenhouse and Energy Reporting Act 2007. In the financial year of 2009-2010, that legislation's threshold (above which a company must disclose its emissions) fell to 87.5 kilo tonnes. In 2010-2011 it falls to 50 kilo tonnes.

The recently announced Commercial Building Disclosure programme precludes owners of office space greater than 2000 square metres in net lettable area from offering to sell, lease or sub-lease without a Building Energy Efficiency Certificate from 1 November 2010.

Investors are increasingly taking the exposure of companies to the carbon economy into account, posing negative financial implications for poor CO2 performing businesses.

This will not only require businesses being aware of their own emission performance but require them to be aware of the CO2 performance of their supply chain and the inputs it may have into the goods and services they are selling.

In order to be on top of the CO2 issues a company needs to take a number of steps:

1. Understand their corporate energy use and greenhouse gas emission profile. Develop appropriate reporting.

2. Identify abatement opportunities including cost/benefit analysis and set meaningful short and longer term reduction targets.
3. Prepare an action plan including responsibility, time frame and budget for improvement.
4. Start with the 'low hanging fruit' including staff behaviour. The whole process will rely on people from across the organisation, including facilities management, finance, operations and executives.

Legislation now mandates thresholds at which companies must report on their energy use and greenhouse gas emissions and more companies are being caught in this compulsory disclosure net.

The level of work required will obviously depend on the nature of the business. Some businesses will be able to achieve short payback periods from just modifying staff behaviour while others will require significant infrastructure, plant and equipment investment.

Some form of carbon price is inevitable. It makes financial and environmental sense to become more energy efficient – and pay less in the future.

O'Donnell Griffin's licensed and accredited technicians and engineers help their clients scope, design, and implement energy efficient solutions to reduce CO2 building emissions. If you would like to speak to a professional that is capable of conducting a carbon audit of your building systems and recommending a range of energy saving options that comply with the new building reporting requirements, then phone 1300 100 ODG (1300 100 634).