



anglianwater

GREENHOUSE GAS EMISSIONS ANNUAL REPORT 2017

Our £28m resilience scheme at Grafham Water Treatment Works has increased the security of water supplies to customers in the west of our region. In collaboration with our supply chain, the final scheme was constructed with 62% less capital carbon with a saving of £32m against the initial design. With the team focused on 'reduce carbon reduce cost' and rethinking the original solution significant benefits were gained through re-use of existing assets and challenging product suppliers in providing low carbon materials.

In 2016 Anglian Water became the first company globally to be verified against 'PAS2080 Carbon Management in Infrastructure', a framework that verified our approach in challenging ourselves and our supply chain in delivering 'reduce carbon reduce cost'.



OUR UNIQUE ENVIRONMENT



Storm surge at Cromer on the east coast

Our region is particularly vulnerable to the impacts of more volatile weather: temperature rise, the potential reduction in summer rainfall, lower available water resources, increased flood risk and rising sea levels.

Our region is particularly vulnerable to the impacts of a changing climate: temperature rise, the potential reduction in summer rainfall, lower available water resources, increased flood risk and rising sea levels.

The ecological sensitivity of many wetland sites in the east of England adds a further challenge. The impact of hotter, drier summers, combined with a growing population, will increase the demand for water. Coastal and low-lying assets face an increased risk of flooding.

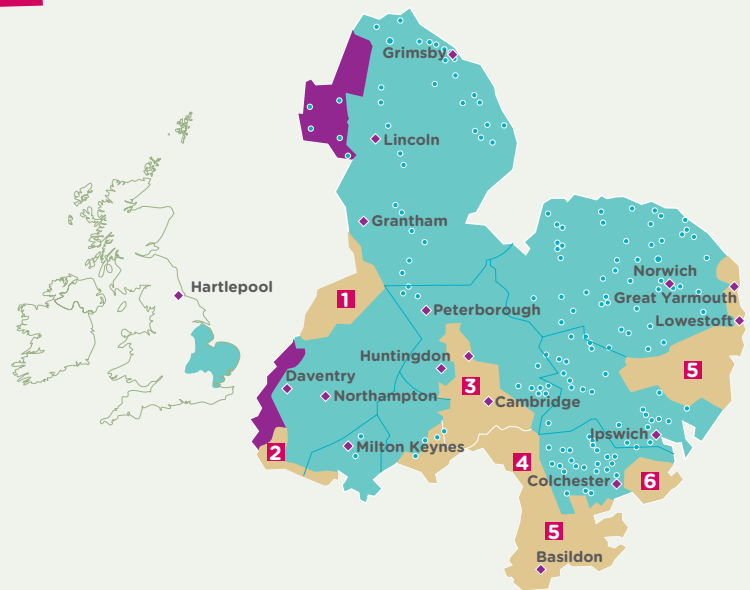
These challenges are a priority, and current action to adapt our operations includes improved flood protection for our sites securing supplies to 800,000 customers and water network investment to reduce customers reliant on a single supply.

In mitigating our impacts on climate change we are improving our energy efficiency, increasing our understanding of our carbon footprint, investing in renewable energy generation and promoting water efficiency. Over the long term, we are also designing and commissioning more sustainable treatment and delivery systems.

Supply and services across our region

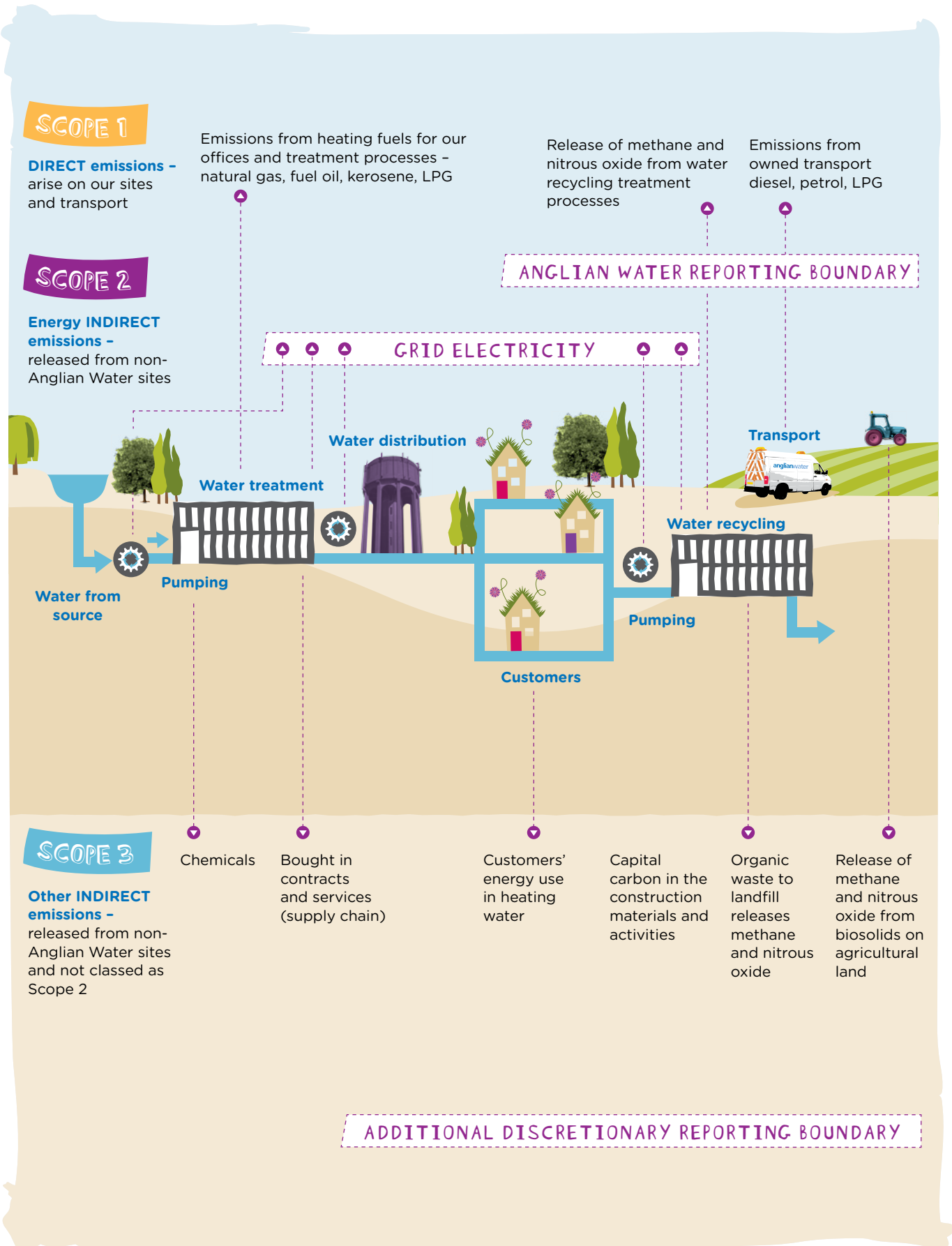
The map shows our sources of supply and the services we and other water companies provide.

- 1 Severn Trent Water
- 2 Thames Water
- 3 Cambridge Water
- 4 Affinity Water
- 5 Essex and Suffolk Water
- 6 Affinity Water
- Water services only
- Water recycling services only
- Water and water recycling services
- Groundwater supply

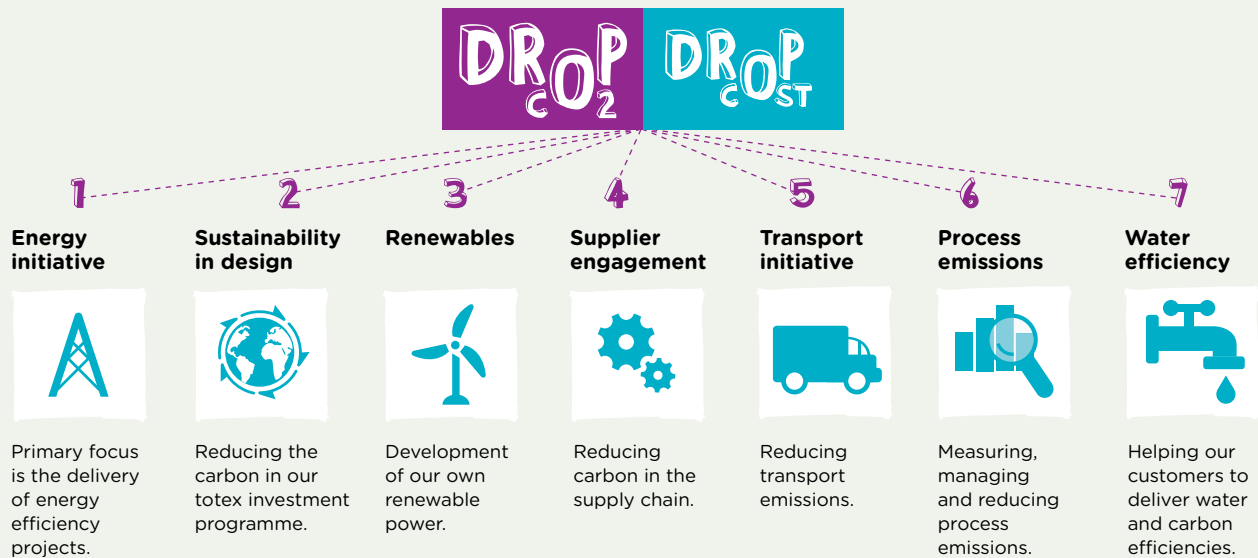


OUR APPROACH

We have followed the Defra guidance 2009 and 2013 on how to measure and report greenhouse gas emissions.



Our mitigation activities have been brought together under 'Drop CO₂'. Drop CO₂ forms part of our long-term visionary campaign and business strategy 'Love Every Drop'. This communication and behavioural change campaign brings all our stakeholders and customers together to put water at the heart of a new way of sustainable living.



Drop CO₂ drives reductions in carbon emissions and power costs through the above routes.

Organisational boundary

We have included emissions within the regulated activity of Anglian Water, where we have operational control.

Reporting period

Our base year is 1 April 2014 - 31 March 2015, which we set using a fixed-base year approach.

Intensity measurement

We have chosen 'kg of CO₂e per mega litre' for water supply and water recycling treated as these are common business metrics for our industry sector.

Our intensity measurement for water and water recycling (flow to full treatment) has reduced against the baseline with more efficient pumping and lower GHG emissions in grid electricity we use.

Data assurance

The carbon data has been externally verified as part of our regulatory reporting requirements. Since 2010, we have met the requirements of the CEMARS (Certified Emissions Measurement and Reduction Scheme), having measured greenhouse gas emissions in compliance with ISO 14064-1:2006.

Carbon offsets

At present, carbon offsets do not form part of our carbon mitigation strategy.

Green tariffs

The 'green tariff' electricity we have purchased complies with guidance from Ofgem and HM Treasury, however it does not conform to the latest Defra guidance.

PERFORMANCE

Operational scopes

We have measured our Scope 1, Scope 2 and significant Scope 3 emissions for business travel and outsourced transport.

Greenhouse gas emissions data for period 1 April 2015 to 31 March 2017

	Tonnes of CO ₂ e	
	2017	Baseline
Scope 1	109,447	97,627
Scope 2	256,945	315,555
Scope 3	36,707	42,153
Total annual gross emissions	403,099	455,335
Exported renewables	10,010	8,501
Green tariff	0	0
Total annual net emissions	393,089	446,834
Kg CO ₂ e per Ml water treated	361	422
Kg CO ₂ e per Ml recycled water	606	694
Kg CO ₂ e per Ml recycled water, flow to full treatment	332	372

403,099
TONNES (of CO₂e)

measurement of greenhouse gas emissions in compliance with ISO 14064.

113GWh
of renewable generation equating to a 315% increase compared to 2010.

	Tonnes of CO ₂ e	Specific exclusions
Scope 1		
Gas/fuel oil consumption	20,251	None
Process and fugitive emissions	66,499	None
Owned transport	22,697	None
Total Scope 1	109,447	None
Scope 2		
Purchased electricity	256,945	
Total Scope 2	256,945	
Significant Scope 3		
Business travel	584	None
Outsourced transport	12,882	None
Purchased electricity (transmission and distribution)	23,241	We have not included commuting, capital carbon and emissions from use of water in customers' homes.
Total significant Scope 3	36,707	

Change in emissions

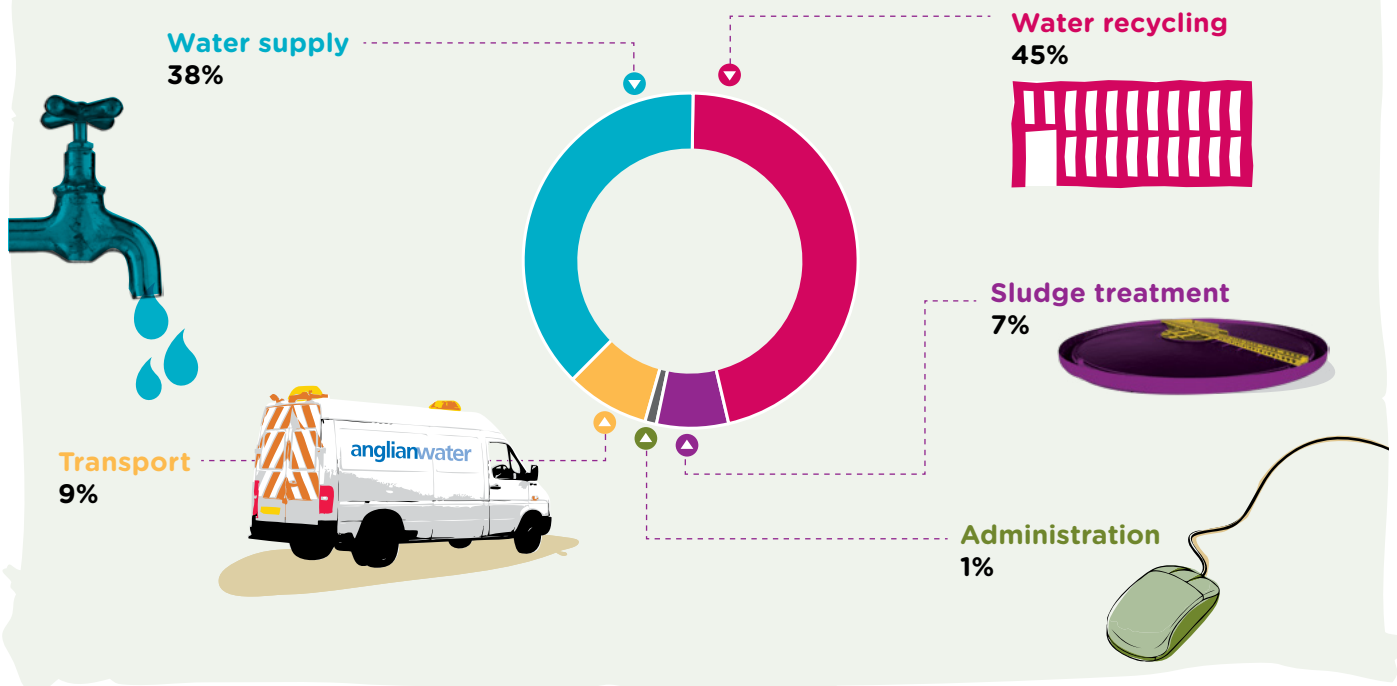
Our gross annual carbon emissions have decreased by 52,236 t/CO₂e between 2015 and 2017. The main influencing factors include a 2.3 per cent reduction in electricity imported from the grid and decarbonisation of the grid by 16 per cent, which was slightly

offset by an increase in the emissions factor for methane.

During 2016/17 as part of our carbon mitigation strategy we saved 13.01GWh of electricity (5,854 t/CO₂e) and generated 113GWh of renewable power from biogas CHP, wind and solar.

Capital carbon emissions have reduced by 55 per cent against our 2010 baseline. This is due to the success of our design engineers and capital delivery partners in responding to our challenge in delivering more sustainable assets, reducing carbon, the use of finite raw materials and cost.

Operational footprint by activity



We recognise that a significant proportion of our carbon emissions (99%) is as a result of the provision of water and water recycling services to our customers. Only 1% of emissions are attributed to administration.

Targets

Through the period 2015–2020, we are mitigating against pressures on our business with potential increasing GHG emissions through serving a growing population and meeting tighter quality standards. By the end of this five year period, we will have invested over £2 billion in maintaining and improving our infrastructure. This investment will result in a forecast 360 kt/CO₂e of capital carbon in the materials we use to build and replace assets. These new assets will also add an additional 39 kt/CO₂e of annual operational carbon emissions in 2020.

With a continued focus on energy management, innovation in design and optimising renewable generation assets, we have again set a challenging objective of mitigating against future potential increases in operational carbon emissions and reducing capital carbon in assets we design and build.

Medium-term target

Reduce capital carbon emissions by 60% by 2020 from a 2010 baseline.
Reduce gross operational carbon emissions by 7% in real terms by 2020 from a 2015 baseline.

Long-term target

In 2017, we announced our long-term goal to be carbon neutral in our operations by 2050.

Responsibility for achieving these carbon targets lies at Board level with Chris Newsome, Asset Management Director and Paul Gibbs, Director of Water Recycling Services.

Contacts

For further information on GHG emissions within Anglian Water, please contact our Head of Carbon and Energy, David Riley:

Email us

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Company information

Anglian Water Services Limited is a private limited company incorporated in England with company number 2366656.

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