



### **ISCA Update**

Antony Sprigg CEO

Melbourne Networking Event

21 June 2016

Improving the productivity & liveability of industry & communities through sustainability in infrastructure

### Thank you





#### Welcome







Industry traction of the IS rating scheme in ANZ

### **IS TRACTION**





#### Registrations

#### **Projects / Assets**

#### **Capital Value**



# \$79.2 billion







About the IS rating scheme

### IS RATING SCHEME VERSION 1.2



## **IS rating scheme**



- IS rating scheme comprises
  - IS Scorecard
  - IS Materials Calculator v1.2
  - IS Technical Manual v1.2
- Assessment process involves
  - Registration
  - Assessment support
  - Independent verification
  - Certification and rating award



## **IS Themes & Categories**

| Themes                         | Categories                              |
|--------------------------------|---|
|                                | Management Systems                      |
| Management and Governance      | Procurement and Purchasing              |
|                                | Climate Change Adaptation               |
|                                | Energy and Carbon                       |
| Using Resources                | Water                                   |
|                                | Materials                               |
|                                | Discharges to Air, Land and Water       |
| Emissions, Pollution and Waste | Land                                    |
|                                | Waste                                   |
| Ecology                        | Ecology                                 |
|                                | Community Health, Well-being and Safety |
| Deeple and Diace               | Heritage                                |
|                                | Stakeholder Participation               |
|                                | Urban and Landscape Design              |
| Innovation                     | Innovation                              |
| Workforce*                     |   |
| Economic*                      |   |



## **Training**

#### Infrastructure Sustainability Training for Professionals

- 2 day course
- +600 IS Accredited Professionals

#### Outline

- Refreshed Case studies and examples with material from the certified ratings.
- Guest speakers
- Case studies, exercises and group discussion time.
- Training workbook and IS Technical Manual (electronic and hard copy)
- For those seeking accreditation the exam will be delivered using an online delivery system outside of the two day course time.

#### Infrastructure Sustainability Seminar for Managers

**Bespoke Outline** 

- What is Infrastructure Sustainability
- Global trends and traction in infrastructure sustainability
- Industry cost benefit and challenges of infrastructure sustainability
- IS rating scheme introduction

#### Infrastructure Sustainability Workshop for Owners

#### **Bespoke Outline**

- Understand trends and benefits in infrastructure sustainability and how these impact businesses.
- Explore risks and opportunities associated with applying sustainability to specific infrastructure projects/assets.
- Develop a roadmap towards Infrastructure Sustainability.



### **Version 1.2 outcomes**

- **Greater industry alignment** across ANZ
- Adds rigourous flexibility with a risk-based approach to direct sustainability focus on the areas of greatest importance
- **Reduced complexity** of the IS rating process through consolidating and eliminating credits
- Reduced evidence collation through streamlining credits to focus on outcomes
- **Recognition and reward of incremental improvements** through scaled credits
- Improved accessibility of the IS tool for projects less than \$20 million in capital value
- **Ease of access** with free downloads of support tools for ISAPs



### **Improvements for small projects**

- Small project customisations in 25 of 44 credits
- Specific guidance for small projects (<\$20m)
- Benchmarking operations
- Program approach for operational assets and capital works programs
- Benefits Greater accessibility , reduced evidence burden, enhanced value add,



## **Weightings Assessment**

- Addresses concerns about whether the default weightings are suitable for all infrastructure
- Supports identification of the most material sustainability issues
- Results in adjustments to weightings within the tool to tailor and focus the tool to the project/assets stakeholders and context
- Weightings transfer to the scorecard
- Benefits tailored approach, enhanced value add



#### **Scaled credits**

- V1.1 had (up to) three fixed Levels for credits
- V1.2 scaled credits allow for fractions of Levels to be achieved on a sliding scale
- Provides encouragement to pursue every improvement opportunity possible
- Optimising innovation with up to 10 points "to reward pioneering initiatives in sustainable design, process or advocacy".
- Benefit enhanced value add



## **Program Approach**

**Program Types** 

Program of works

Package based projects delivery

Capital works program

#### **IS Registrations**

- NorthLink WA (Main Roads WA)
- Great Northern Hwy Upgrade (Main Roads WA)
- Sydney Metro Northwest, Operations Trains and Systems (TfNSW)
- CityRail Link (Auckland Transport)
- Level Crossing Removal project
- Melbourne Metro Rail project



#### **Operation**

- Pilot Process
- Scoping whole-of-life sustainability risks for projects and assets, enabling smarter solutions that reduce risks and costs
- Benchmark current performance
- Guides the development of action plans and maps for addressing sustainability in asset management
- Tool to communicate best practice achievements and industry status
- IS for Operations release in 2016



IS rating tool update





## **IS is being updated**

- ISCA is updating its IS rating scheme to develop IS version 2
- The update includes:
  - Coverage: The way in which IS version 2 will adapt and consider each phase of the infrastructure life cycle from strategic planning to deconstruction
  - Systems and processes: A review of the current systems, rating processes and feedback loops to create an effective and efficient scheme
  - Engagement: The development of an engagement plan which reviews and identifies how ISCA engages with our stakeholders, customer interactions and opportunities for value add
  - Content: Updating the current categories and the development two new themes- Economic and Social.



## Scheme intent and design principles

#### **Design Principles**

- 1. Beyond compliance
- 2. Does not reward minimum standards
- 3. Measures outcomes first then processes and inputs
- 4. Globally applicable with local adaptations
- 5. Quantitative where possible
- 6. Material to achieving intent
- 7. Evidence-based
- 8. Scalable
- 9. Considers each phase in the infrastructure life cycle

#### **Scheme Intent**

"To advance infrastructure sustainability by providing guidance for designers, builders, owners, operators and investors to make decisions that optimise the environmental, social and economic outcomes of infrastructure.

To achieve this through an evidencebased assessment and verification scheme and the sharing of leading practices."



## **The Economic Theme**

The Economic Theme development is guided by the Economic Advisory Group and will include the following topic areas:

- Options assessment
  - Valuing externalities
  - Equity and distribution
  - Risk and uncertainty
  - Financial sustainability
  - Transparency
- Benefits realisation



## **The Social Theme**

There will be three categories within the Social Theme:

- Ethical supply chains
  - Environmental sustainability, human rights and business ethics within the supply chain
- Social procurement
  - Engaging social enterprises, indigenous-owned businesses, local employment, long-term unemployed etc.
- Workforce sustainability
  - Wellbeing, training and education, indigenous employment, diversity etc.



# Version 2 development timeframes and funding

- Version 2 will be ready for release mid 2017, however this timeframe is dependent on funding.
- To date, the following organisations have provided financial support for the development of IS version 2.





#### What's On



Infrastructure Sustainability Council of Australia Sam Donaldson Sustainability Manager & IS Assessor

### **BAYSWATER LEVEL CROSSING REMOVAL PROJECT**



### Bayswater Level Crossings Removal Project

A Sustainable Journey & Solutions for Sustainable Integration

Sam Donaldson Sustainability Lead













#### **Alliance Team**









#### **Key Result Area**



## **Sustainability targets**

• 50 to 65 'Excellent' IS Design and As-built Rating



• 4 Green Star Rating





#### **Challenges**



- Culture and knowledge within the workforce
- Late addition of the rating tools
- Complex rating tools
- No system to support delivery of sustainability ratings
- Aiming for targets without delivery experience
- Poor marketing for sustainability
- Short programme to deliver the job



### **Objectives**



- Shift the tools into 'plain English'
- Re-design the tool for the project team
- Invest in the right numbers
- Explore every last opportunity to achieve the full sustainability performance potential
- Integrate sustainability within the business management system
- Create a brand for sustainability
- Educate, promote and drive sustainability



## **Invest in the right numbers**



- Initial benchmark based on BAU of parent organisations
- Workshops held with each discipline manager to determine commitment targets
- Results: provides suitable, achievable targets, establishes buy-in, commitment and ownership from the team

## **Explore every last opportunity**

• Review and re-review the tool to determine further opportunities to achieve additional credits or strengthen credit points.



## **Changing this**



Management Mat-1 Procurement Man-1 Climate Lan-3 Water Ene-3 Materials Pro-2 Discharges Dis-4 Land Was-2 Waste Wat-2 Ecology Eco-1 Heath Hea-2 Stakeholders Her-1 Emissions Ene-3 Categories Mat-1 Credits Man-1 Levels Lan-3 Scores Eco-1 Rating Hea-2 Scorecard Dis-4 Benchmark Pro-2 Evidence Was-2 Calculator Wat-2 Guidelines Her-1 Assessment Ene-3 Verification Lan-3 Base case Eco-1 Scope out Mat-1 Adaptation Man-1 Lifecycle Hea-2 Biodiversity Dis-4 Resilience Was-2 Risk Pro-2 Weighting Wat-2 Metering Her-1 Scorecard Dis-4 Benchmark Pro-2 Evidence Was-2 Calculator Wat-2 Guidelines Her-1 Assessment Ene-3 Verification Lan-3 Base case Eco-1 Scope out Mat-1 Adaptation Man-1 Lifecycle Hea-2 Biodiversity Dis-4 Resilience Was-2 Calculator Wat-2 Guidelines Her-1 Assessment Ene-3 Verification Lan-3 Base case Eco-1 Scope out Mat-1 Adaptation Man-1 Lifecycle Hea-2 Biodiversity Dis-4 Resilience Was-2 Risk Pro-2 Weighting Wat-2 Metering Her-1 Management Mat-1 Procurement Man-1 Climate Lan-3 Water Ene-3 Materials Pro-2 Discharges Dis-4 Land Was-2 Waste Wat-2 Ecology Eco-1 Heath Hea-2 Stakeholders Her-1

#### To this

#### 50 to 65



## Translating the tools into 'plain English' – make it easy



|        | Category   | ISCA Mandatory Requirements  | Bayswater Implementation  | Owner |
|--------|--|--|---|-------|
|        |  |  | Estimate of reference to be completed   | NT    |
|        |  |  | Estimate of detailed design to be completed   | NT    |
| ∕lat-1 | Materials lifecycle<br>impact measurement<br>and reduction | Monitoring and modelling<br>demonstrates a significant reduction<br>in materials lifecycle impacts   | Set up distance analysis in tender analysis for materials   | SD    |
|        |  | Ionitoring and modelling<br>emonstrates a significant reduction<br>materials lifecycle impacts<br>ompared to a reference footprint,<br>determined by the Materials<br>alculator. | Set up material lifecycle workshops to explore opportunities to introduce sustainable performing materials                                | SD    |
|        |  |  | Set up scope of works documents in major<br>material procurement packages to specify<br>outcomes and identify additional<br>opportunities | SD    |
|        |  |  | Complete IS Materials Calculator  | SD    |
|        |  |  |   |       |





### **The Tools**

#### Focus:





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|--|---|---|--|--|
| Rooman   |   | Road  |  |  |
| Bayswate   | er Level Crossing Rem   | oval Project  |  |  |
| Pre Const  | Iruction Sustainability St  | rategy  |  |  |
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#### Continued focus:















#### Performance Outcome Successes



## **Sustainability in Design**



- Sustainability in design section in all design packages
- Smart Design Initiatives: track realignment, removal of underground tank slab, lighting, rainwater tank, universal design etc



Figure 1: Reference track alignment cross-section



Figure 2: Proposed track alignment cross-section



#### **Sustainability in Procurement**



- Site Wide Material Packages
- Sustainable Clause in Scope of Works Documents
- Inclusion of Forward Commitments
- Sustainability review in Tender Analysis





FVFI

BAYSWATER



#### **Dewatering Centrifuge Unit**



## **Modelling Sustainability**



Model, Measure and • Assess sustainable performance outcome • areas

- Determines suitable designs and construction initiatives
- Calculates improvements made against the reference case
- Calculates economic impacts to the Alliance or Asset owner for each sustainability initiative

Energy and carbon, water, material lifecycle impacts, acoustic performance modelling, daylight modelling, noise and vibration modelling, climate change impacts modelling, water quality modelling, light spill modelling....



#### **Passionate Team**

LEVEL CROSSING REMOVAL PROJECT BAYSWATER

- Site compound biodiesel generator with option for solar feed
- Digital engineering to manage community concerns
- LED lighting for public lighting
- Water sensitive road designs i.e. bio-retention swale
- Design of underground rainwater tank
- Solar bus shelters
- 30 to 40% RAP content in purchased Asphalt
- An average of 30% SCM content in purchased Concrete
- Existing ballast to be reused as drainage blanket backfill
- Site identified to reuse excavated material
- Solar lighting for shared use path
- Biodiversity offset credits purchased
- Implemented opportunities to enhance Ecology in the local area



### What next?



- Further growing our Sustainability Culture
- Further exploring sustainable opportunities
- Learning and Sharing
- Achieving our 'Leading' IS Design Rating
- Develop and Track As Built deliverables

Think Sustainable



Rob Rouwette - start2see

Rob Johnson - OneSteel

George Macovaz - General Manager Technology and Marketing, Vinidex and current Director and past Chairman, PIPA

### **EXPERT PANEL DISCUSSION**







#### an **OAliaxis** company

## **Company Profile**





Major supplier to Building, Infrastructure, Irrigation, and Mining sectors.

- 54,000 km of pipe per year
- 20 million of fittings per year

Eleven manufacturing plants across Australia



## Markets









#### BUILDING

- Residential
- Commercial
- Plumbing
- Electrical
- Drainage

#### INFRASTRUCTURE IRRI

- Water
- Sewerage
- Gas
- Drainage
- Power
- Communications
- Roads
- Rail
- Trenchless

#### **IRRIGATION**

- Pipe
- Equipment
- Fittings
- Valves

#### MINING

- Water
- Slurry transport
- Power
- Gas
   Gathering

#### **Products**





- PVC Pipes and Fittings Systems
  - 15mm to 575mm
- PE Pipe and Fittings Systems
  - Pipe 15mm to 1000mm
  - Compression Fittings 15mm to 160mm
  - Electrofusion Fittings 20mm to 450mm
  - Fabricated fittings 100mm to 1000mm
- PP Pipe and Fittings Systems
  - 150mm to 900mm

## Environment





- Founding members of the Green Building Council of Australia
- Product Stewardship
- Material Efficient Products
- Recycling
- Best Environmental Practice (BEP) PVC
- EPDs







## Infrastructure Sustainability Council of Australia (ISCA)

**Energetics Presentation June 2016** 

energetics

In the business of climate change

## **About Energetics**



30 years in the energy and sustainability industry

We employ over 70 professionals in 4 offices across Australia: Sydney, Brisbane, Melbourne, Perth

Independent advisor for energy, utilities, carbon, sustainability and climate change

Provide advice to all levels of Government and ASX200 companies

Joined ISCA in June 2016



## Infrastructure services





Energy and emissions modelling Renewable energy strategies Mitigation measures Climate change studies Procurement Sustainable materials assessment Life Cycle Assessment ISCA Ratings and support (MAN, ENE, PRO, CLI, WAT, MAT)



# Australia's 2030 climate change target and the measures we can pursue to achieve it

#### Australia's commitments

- Signed the Paris Agreement on 22 April 2016
- Nationally Determined Contribution (NDC) is to reduce Australian domestic emissions by 26 to 28 percent below 2005 levels by 2030
- Cities and infrastructure make up a significant component of achieving our domestic and international targets



PARIS2015 UN CLIMATE CHANGE CONFERENCE COP21.CMP11





## Risks and opportunities: the new climate action pathway



- Changing energy mix
  - Divestment from fossil fuel and emission intensive assets
  - Investment in renewable energy technologies
  - Electrification particularly vehicles
- Nations moving at their own pace
- Innovation a focus for growth in a low carbon world
- Governance and supply chain
- Communication and positioning



## The surge in understanding investments



#### Sign the

## MontrealPLEDGE

commit to measure and publicly disclose the carbon footprint of your investment portfolios.



## Disclose: US\$10 trillion in assets Decarbonise: US\$100 billion\*

\*The Portfolio Decarbonisation Coalition, UNEP FI/CDP/UNEP





## How Australia is meeting their international targets?



#### Emissions trajectory through to 2030





Figure 3: Australian emissions trajectory and impact of abatement

#### Energetics' modelling of Australia's abatement opportunities

| Built<br>environment  | Low Carbon<br>Precincts                       | Digital<br>infrastructure                     | Intelligent<br>management<br>systems |
|---|---|---|--------------------------------------|
| High<br>performance<br>energy<br>generation and<br>distribution | Energy efficient<br>equipment<br>(industrial) | Energy efficient<br>equipment<br>(commercial) | Low carbon<br>transport              |
| Land<br>management  | Fugitive<br>emissions                         | Waste<br>management                           | Management<br>of gases               |

#### Focusing on infrastructure

| Low Carbon<br>Precincts   | <ul> <li>Integrated urban to<br/>design</li> <li>Precinct scale desi<br/>developments.</li> </ul> | ransport system<br>gns for new |
|---|---|--------------------------------|
| <ul> <li>Mandatory fuel e</li> <li>Optimising existing</li> <li>Electric vehicles</li> <li>Improvements in a</li> </ul> | fficiency standards<br>g transport systems<br>aircraft performance.                               | Low carbon<br>transport        |
|   | Waste<br>management   |                                |



Victorian action – driving change at a state and city level



## Victoria – state based action



Review of the *Climate Change Act 2010* has resulted in the Victorian Government accepting a number of proposed recommendations.



# Victoria – state based action (cont.)



- Long term emissions reduction target – yet to be legislated but agreement that it is to be in line with a commitment to limit warming to 1.5°C
  - In principle this will result in legislating for net zero emissions by 2050
  - Interim reviews on target – five yearly periods.



Figure 5.2: Possible emissions pathways under single-year and multi-year targets

- Potential pathway to a long-term target
- .... Business as usual

Source: Independent Review of the Climate Change Act 2010



## Money will flow into cities: the built environment, transport





Cities 'spearheading' action:

- Responsible for up to 49% of global emissions
- 1000 city mayors and local leaders plan to use 100% renewable energy
- Melbourne: Carbon Neutral Cities Alliance member

## Major Victorian infrastructure



All commenced and proposed major infrastructure projects may be impacted by changes in state based climate change action.

This includes the following major projects:

- Melbourne Metro Rail Project
- Port of Melbourne Port Capacity Project
- Mernda Rail Extension Project
- Murray Basin Rail Project
- Melbourne Park Redevelopment



## Impacts on infrastructure

#### **Cost impacts**

- Increased raw commodities costs
- Increased energy prices flow through supply chain

#### **Technology impacts**

- Electric vehicles moving to autonomous
- Increased renewable energy and decarbonisation of grid
- Innovative material solutions

#### **Planning and regulation**

- Adaptive infrastructure
- Integrated planning for built environment
- Mandatory reporting and sustainability requirements
- Increasing importance of IS Ratings



Investors are aware and acting on these issues. IS is already being used to benchmark investments and inform capital allocation decisions.

Climate Bonds

energet

ics

# IS ratings driving down emissions

#### **Transparency and reporting**

- Clear about impacts using standard reporting frameworks IS ratings
- Moving from voluntary to mandatory e.g. TfNSW

#### **Driving emissions reduction using IS ratings**

- Increasing influence on materials selection, design and procurement
- Incentive to innovate
- Materiality assessment will increase energy and emissions focus where relevant
- Contractual requirements and targets likely to escalate

#### Winning work

- Clients will demand robust information on the sustainability of proposed infrastructure projects impact on asset value
- Policy and investor pressure pushing for sustainable projects











## **Energetics core services**

