This is what climate leadership looks like, and it's not blah, blah, blah.

-Energy Estate's COP26 Blog Series

Part 1: Net Zero isn't the answer – we need True Zero

a chat with Steve Hoy and Grant McDowell from Enosi, moderated by Vincent Dwyer from Energy Estate

Energy "Traceability" – what is it?

"Energy Traceability", otherwise known as "Energy Provenance", is the basis on which claims around "green" energy, zero carbon, "Net Zero" and other decarbonisation claims (including around "green" hydrogen) can be validated. It is founded on some form of independent validation, whether that is managed through a regulator or underpinned by technology. Simply put, traceability is matching your consumption of electricity with the actual generation at the time and source you bought it from.

So what's changed?

Finally, technology has come of age, and **Enosi's** Powertracer is a great example of this. It unlocks source, time and price for clean energy. In short, it is an innovative Australian "energy traceability" technology platform that enables energy consumers (and hydrogen producers) to "trace" the source of their energy consumption, when it happened, and put a price on it.

Like all technology step-changes, Powertracer will form an important tool for consumers to get to "true-zero" - certifying a customer's hour-by- hour purchase of clean energy from identified renewable energy projects, each at a unique price. A tool of "transparency", it will be used by energy customers, retailers and generators to help validate the achievement of energy decarbonisation goals. Consumers can now make decisions that are informed, and economically rational, all validated by the technology platform.

So what's happening at the corporate level?

Grant told us "The world has now shifted – and the discussions at COP26 are great evidence of that. We are now starting to see a defacto carbon price imposed on our exports - the "carbon borders". Producers and manufacturers are starting to feel the pinch. Customers want to differentiate between what is clean and what is fossil fuel generated, in real-time. This industry is changing at light speed and we're at the forefront of that."

Steve continued "While businesses have initiated their 100% renewable strategies, largely through LGCs and offsets, the carbon impact of their operations is now more acutely assessed. Every business case that has an impact on energy consumption now has an embedded carbon price, because if you can reduce energy consumption, you need buy less LGCs."

Grant added "With technologies like Powertracer now being applied to the global EnergyTag initiative, you can match (or "tag") your energy consumption directly with renewable generation, hour by hour, so you need only top up with LGCs and eventually be able to claim **true zero.**

"True Zero"?

Steve says "Everyone thinks Net Zero is the goal, that it means we've avoided any CO2 emissions, but it doesn't. It just means that you can create them over here, so long as they're offset with something over there. What we're arguing is: don't create them in the first place, don't have to offset anything, only use renewable energy, particularly in the energy space. Net zero just gives you a way to buy an excuse to keep using fossil-fueled energy. We believe you should focus on "**True Zero**" – using electricity that is directly "tagged" to renewable energy generation (including from stored renewable energy) at the same time. And the time element is critical – you won't be able to claim that you used solar energy in the middle of the night, as you can with a Net Zero measure."

"If we leave a legacy, with or without Enosi's business success, the moniker **True Zero** is something to be proud of, because it so neatly juxtaposes Net Zero."

Grant adds "**True Zero** is a new standard in the way we understand carbon. Electricity is such a big part of the carbon challenge and will become an even bigger part as we move into transport. All transport is going to move across to electricity, and so as the electricity sector grows, where the electricity is coming from becomes more and more important in the carbon discussion."

"So now we have the **True Zero** ambition, which is to "match" the electricity consumed at a particular time with clean electricity generated at the same time on the same grid, and we can measure how "green" our consumption really is. Then, we can adjust our consumption strategies to more closely align with renewable generation. So it's a "measure and manage" strategy that everyone can participate in.

And that's where the **True Zero Hero** idea comes in. In the lead up to COP26 we have identifying 10 True Zero Hero leaders, global leaders in climate change and climate action. By identifying these leaders, we cascade down their influence so that all of us, every single one of us, can be a True Zero Hero. The main thrust of the campaign is to allow anybody who has an electricity account to start to calculate with Powertracer how much clean energy they are consuming from wind and solar farms and other clean sources and then measure that monthly and annually to see how the percentage of clean energy that they are consuming changes. The aim is True Zero, and people are True Zero Heroes."

Learn more about True Zero Heroes: https://www.linkedin.com/company/enosienergy

What do you want to see coming out of COP26?

Steve told us "I'd like recognition that Net Zero isn't actually the right answer, that it's not actually a suitable thing. So many of the things that have been written around that net goal are insufficient."

Grant added "Net Zero" has served it's time and it's time that we all stepped up to the True Zero standard, to make a material change in carbon reduction and achieve our decarbonization ambitions."

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