

# Environmental Performance Management

ecoAnalytics™

*An IBM Cognos 8 Analytic Application*

**Steve Wayne**

## Agenda

- About SMS
- Global & Business Challenges
- Regulation
- Overview of ecoAnalytics™
- Solution Benefits
- Demo
- Questions

## About SMS

- IBM Cognos Platinum tier partner & lead partner for adaptive applications
- Pelion now the NSW data management practice of SMS Management and Technology
  - End to end implementation support to clients
- Over 1400 employees in Adelaide, Brisbane, Canberra, Mackay, Sydney and Melbourne
- Over 500 successful implementations
- Significant experience in environment & sustainability, pharma, retail, health, transport, defence and government



Quality  
Endorsed  
Company

AS 9001 Lic. 5487  
Standards Australia

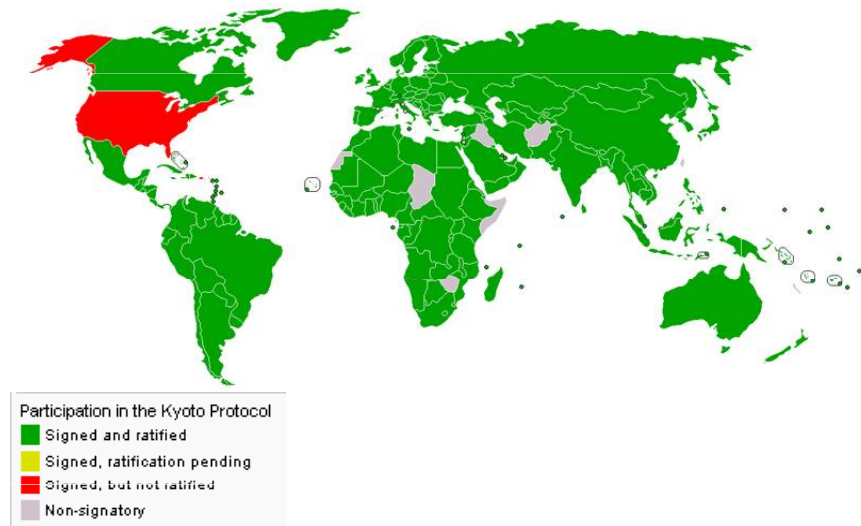
**Quality Assurance  
AS/NZS ISO 9001:**  
SMS is fully accredited to  
the ISO 9001:2000  
standard for the design  
and delivery of consulting  
services.



**AIPM  
Accreditation:**  
SMS is  
recognised as a  
Project Managed  
Organisation by  
the Australian  
Institute of Project  
Management

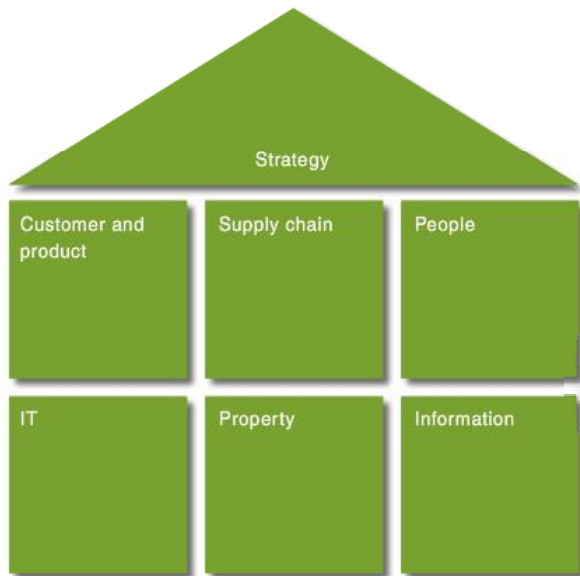
# Global Challenge

- Kyoto protocol to the UNFCCC since 1997
- Treaty is intended to achieve "stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system" – 5% reduction
- Monitoring of six GHG's\*
- Ratified by 183 Parties (as at Jan 09)
- Objectives:
  - Commitment
  - Implementation
  - Minimise impact
  - Accounting
  - Compliance



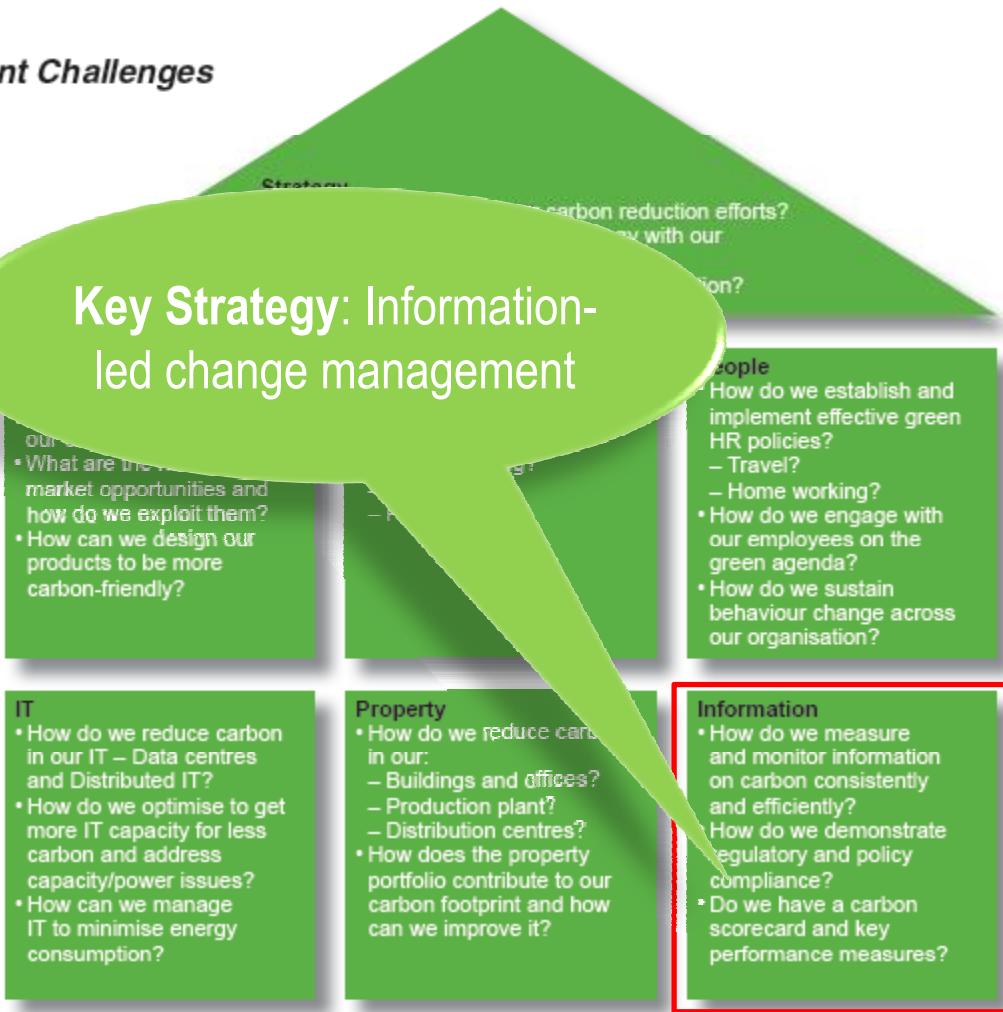
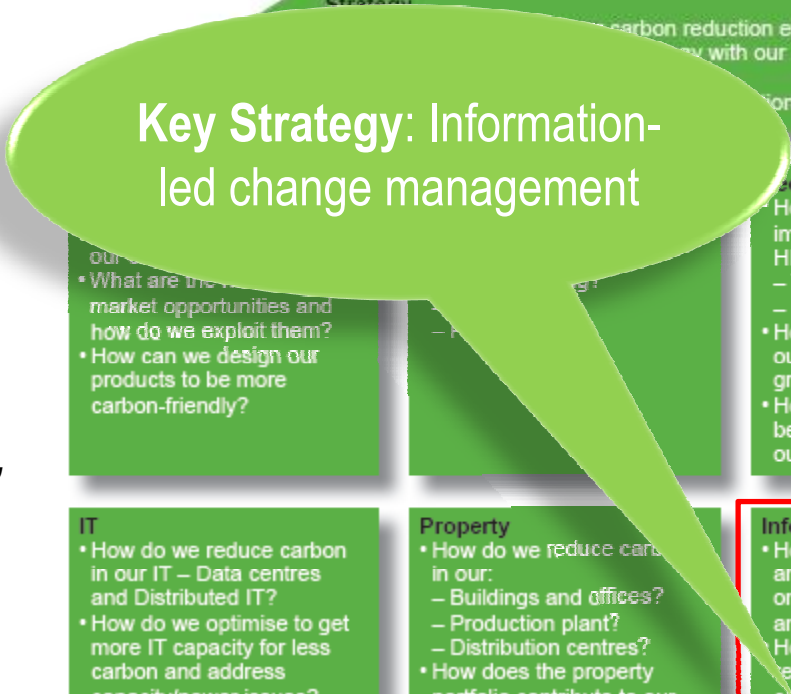
\*carbon dioxide, methane, nitrous oxide, sulfur hexafluoride, hydrofluorocarbons, and perfluorocarbons

# Business Challenges



IBM "House of Carbon"

## Client Challenges



# The Information Challenge

## Business Challenges

Customer Loyalty  
Cost Efficiencies  
Globalization  
Risk & Compliance  
Mergers & Acquisitions

60%+ of CEOs  
agree they need to  
do a better job  
leveraging information

**Information  
must become a  
Strategic Asset**

5X More Value Creation  
by organizations using information  
effectively

## Data Rich, Information Poor

Volume Explosion  
& Complexity  
Multiple Versions  
Inaccurate, Incomplete  
Inaccessible, Untimely  
Out of Context...

Over 50% of users  
lack confidence  
in their information

## Business Drivers

- Compliance and regulation
- Cost savings
- Changing the perceptions of:
  - Customers
  - Stakeholders
  - Shareholders
- Take advantage of opportunities
- Participation in carbon markets (\$60bn)
- Social pressures

# Corporate Responsibility

*“We aim to preserve the long-term health, function and viability of the natural environments affected by our operations. We are committed to identifying, analysing, evaluating and eliminating or otherwise treating all significant potential and actual impacts of our activities and operations on the environment, biodiversity and landscape functions”*



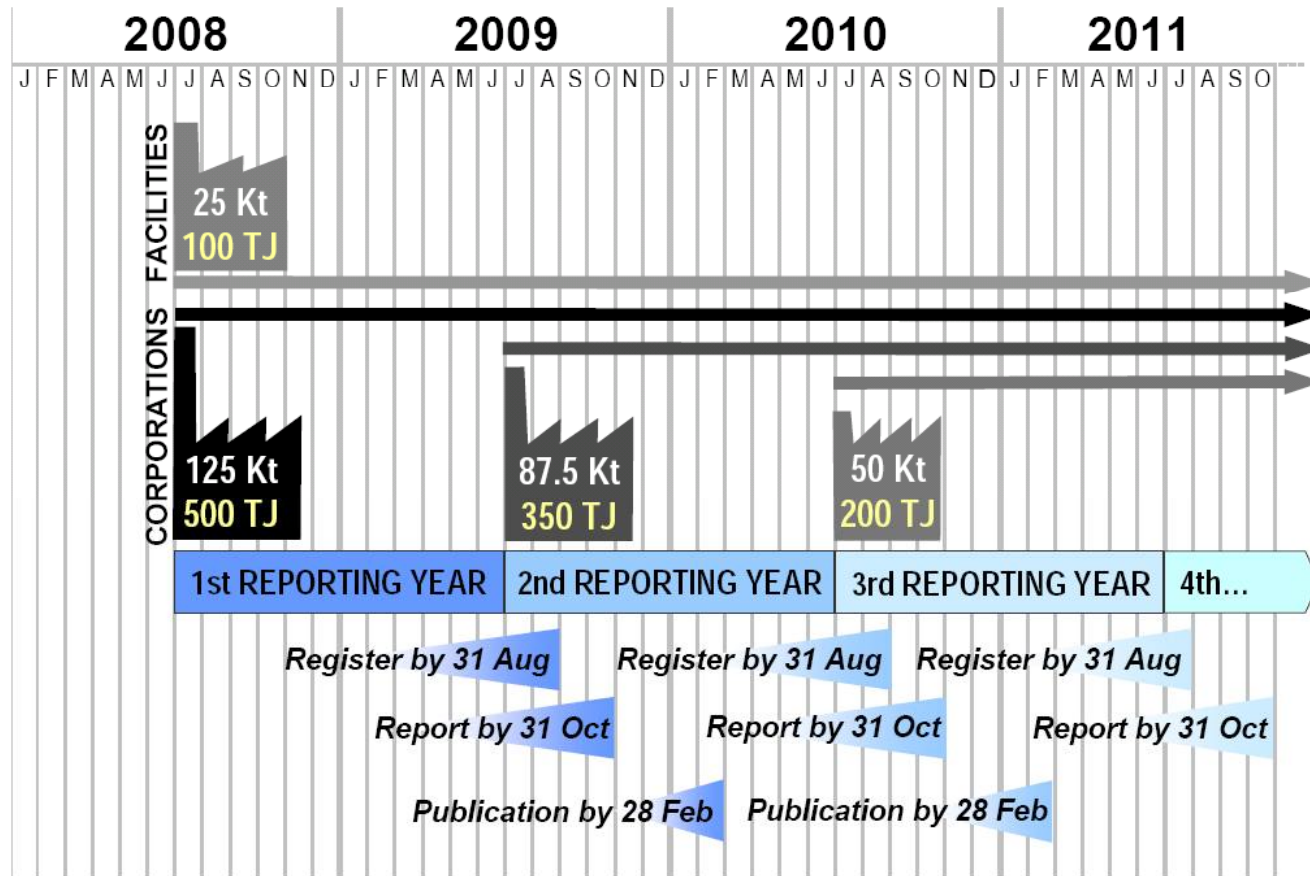
# Australian Schemes

## NGERS

(National Greenhouse and Energy Reporting Scheme)

- Six GHG's grouped into Activities:
- Scope 1
  - CO<sub>2</sub> emissions from fuel use in facilities
  - CO<sub>2</sub> emissions from transport or mobile sources
- Scope 2
  - Indirect CO<sub>2</sub> emissions from purchased electricity
  - Allocation of emissions from a combined heat and power (CHP) plant
- Scope 3
  - Emissions from employee commuting
  - CO<sub>2</sub> emissions from business travel
  - CO<sub>2</sub> emissions from transport or mobile sources

# Australian Emission Thresholds



**Kt** = kilotonnes of greenhouse gases emitted in CO<sub>2</sub> equivalent  
**TJ** = terajoules (10<sup>12</sup> joules) of energy consumed or produced

# Australian Schemes

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## CPRS

(Carbon Pollution Reduction Scheme)

- Australian Emission Trading Scheme (ETS)
- To be introduced in 2011
- Cap and Trade Scheme
- Fixed price AUD\$10 per permit for limited period
- Replace NSW GGAS
- 25% reduction by 2020
- References calculations in NGER Act

# ecoAnalytics: Organisational Impact



CEO



CFO

What's the effective of our emission reduction programs on our organization and what's the business impact?



Operations



Finance



Marketing

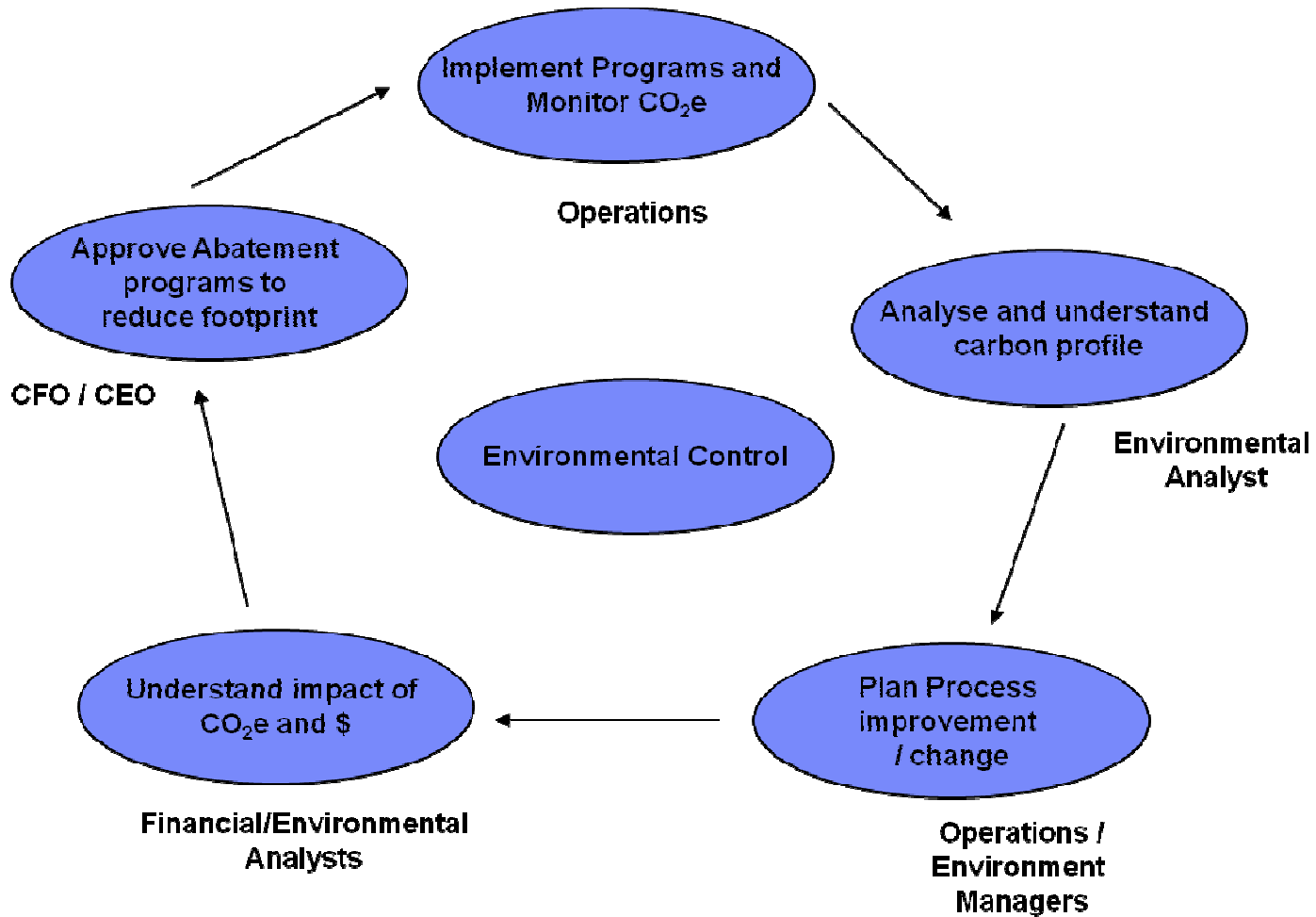


IT

Operations	Finance	Marketing	IT
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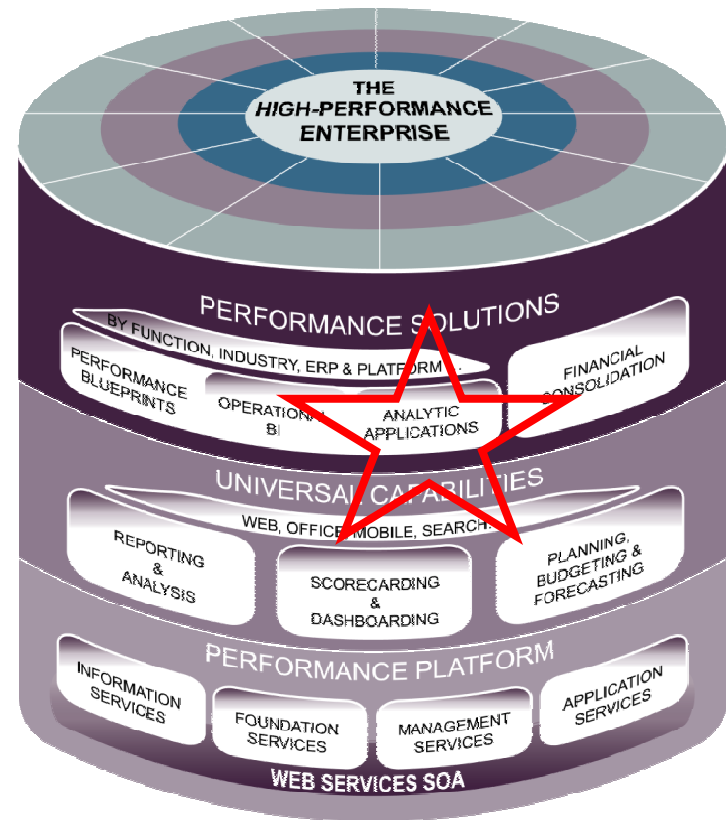
Are we on track to meet compliance requirements?	How effective are our emission reduction programs?	What is the impact of CO2 emissions? Leverage of applicable abatements?	What results do we share with customers/ shareholders?	How do I deliver all the data requirements to meet NGERS?
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# Business Scenario

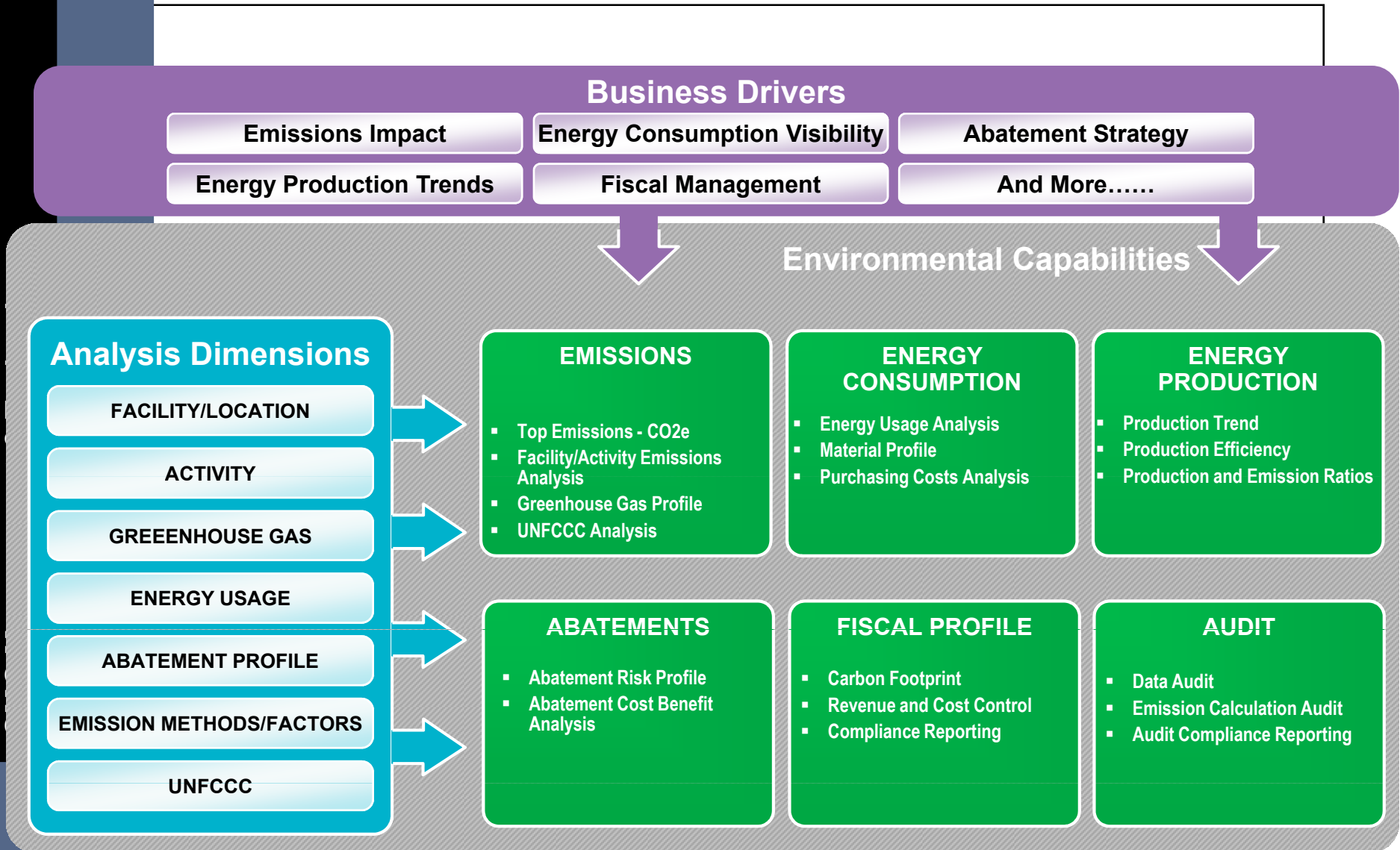


# Environmental Performance Management

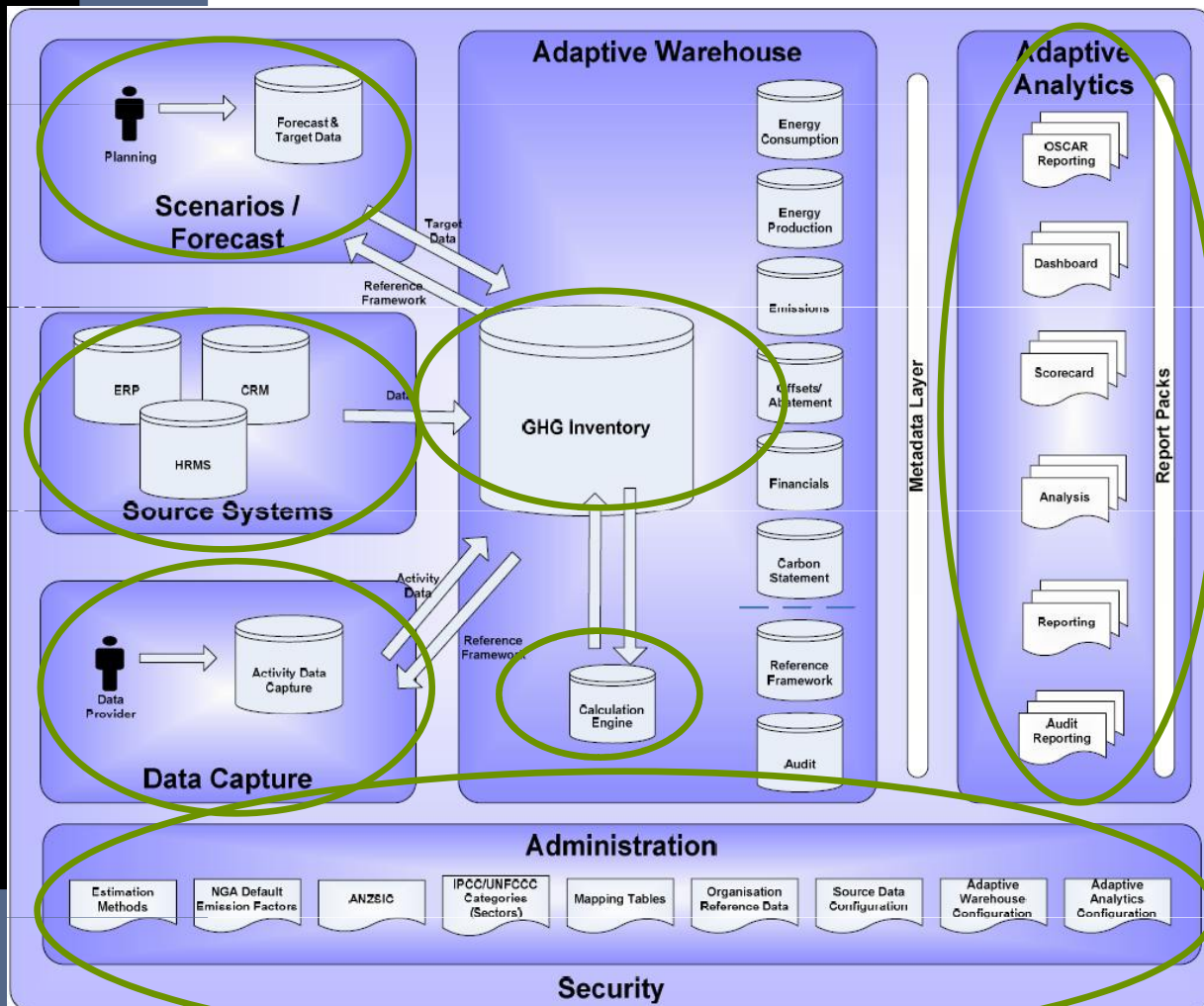
- ecoAnalytics™ - the only true environmental performance management solution



# Areas of Analysis



# ecoAnalytics Solution Overview



**EMISSIONS**

- Top Emissions - CO2e
- Facility/Activity Emissions Analysis
- Greenhouse Gas Profile
- UNFCCC Analysis

**FISCAL PROFILE**

- Carbon Footprint
- Revenue and Cost Control
- Compliance Reporting

**ENERGY CONSUMPTION**

- Energy Usage Analysis
- Material Profile
- Purchasing Costs Analysis

**AUDIT**

- Data Audit
- Emission Calculation Audit
- Audit Compliance Reporting

**ENERGY PRODUCTION**

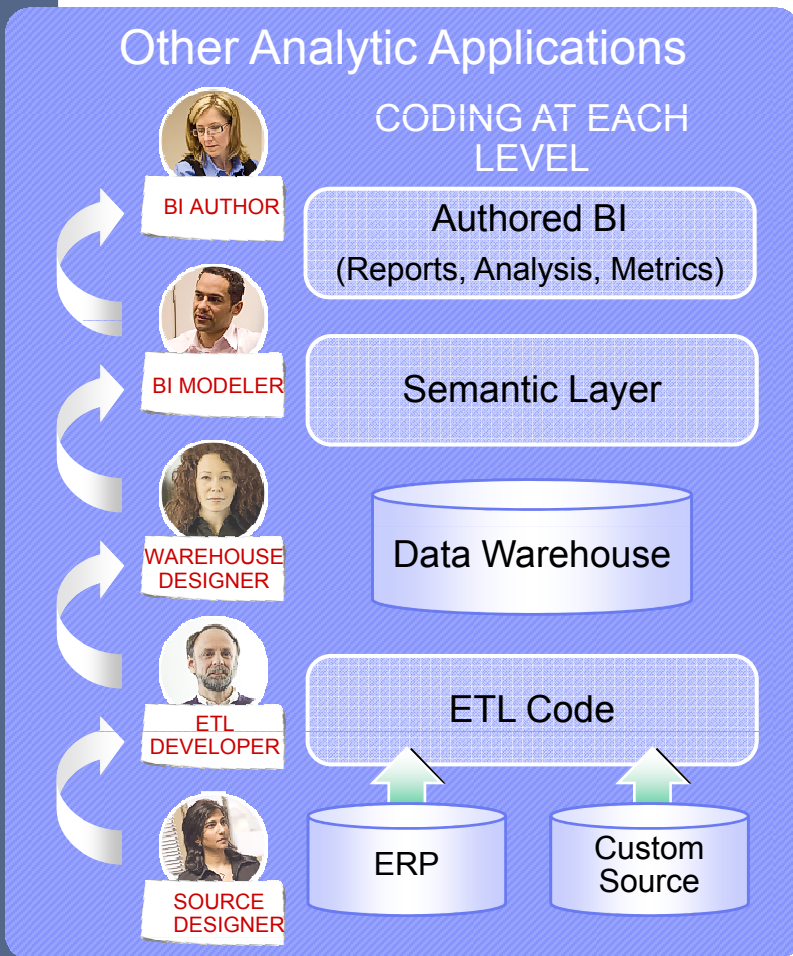
- Production Trend
- Production Efficiency
- Production and Emission Ratios

**ABATEMENTS**

- Abatement Risk Profile
- Abatement Cost Benefit Analysis

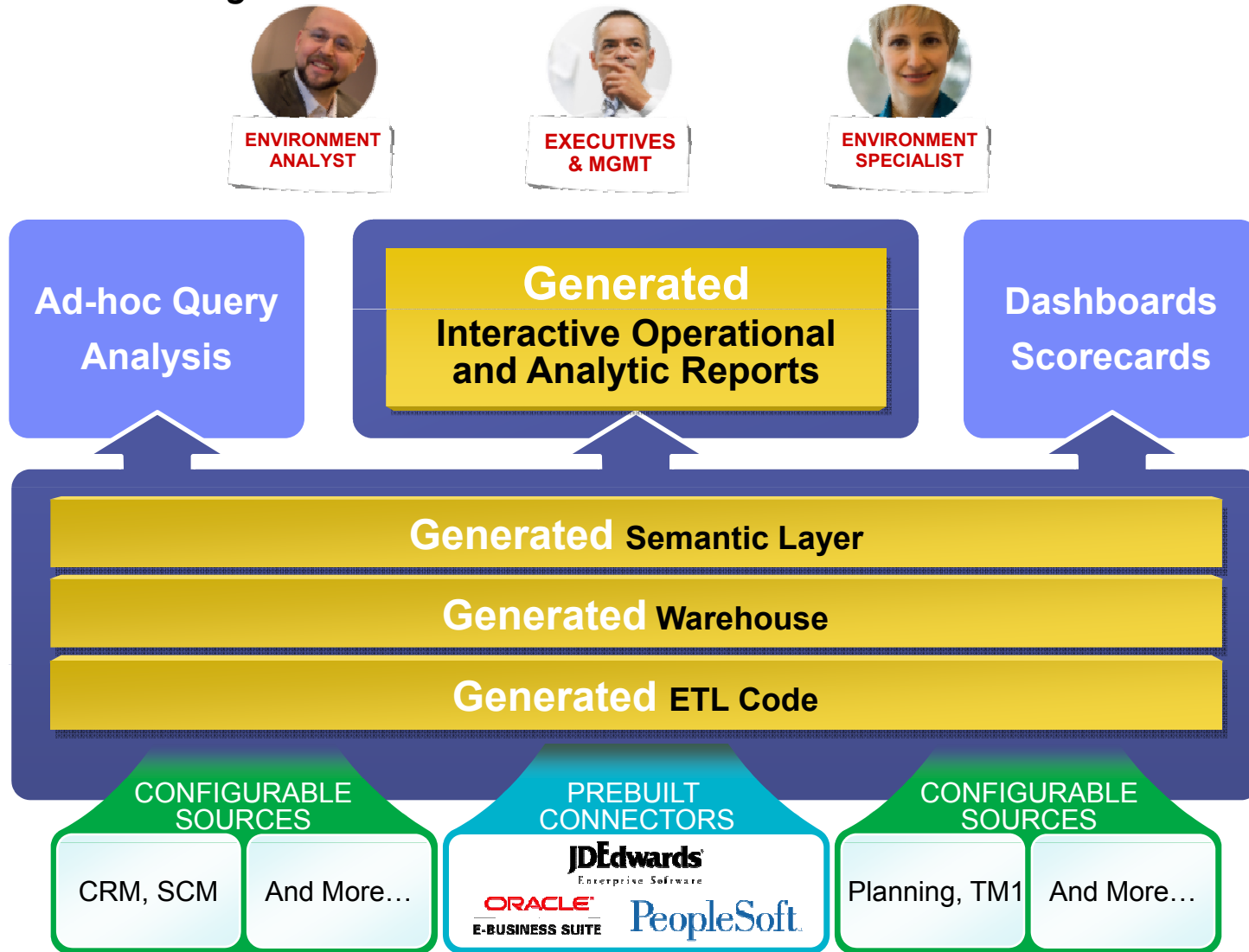


# Traditional Approach

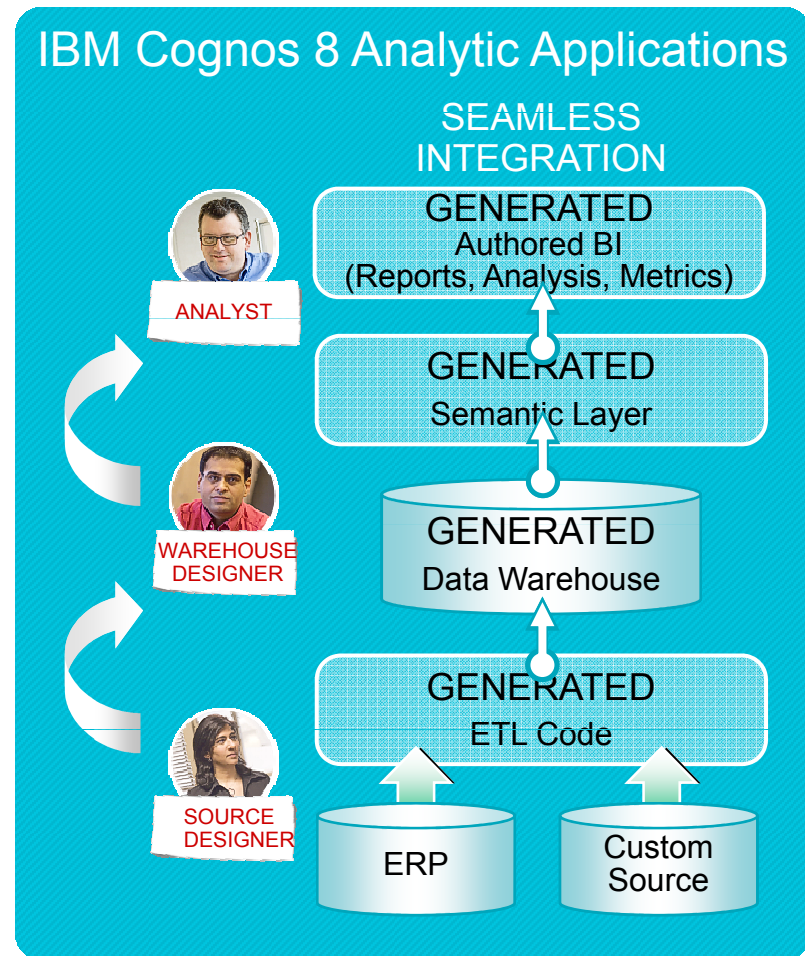
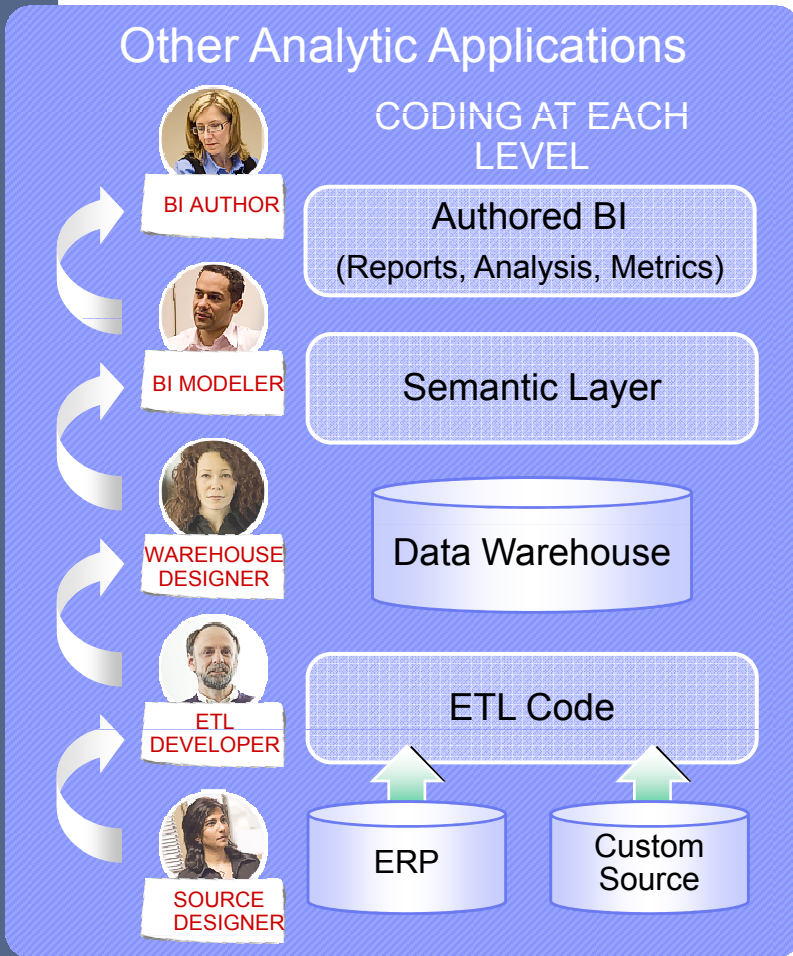


# Adaptive Approach

*The Advantage*



# Adaptive Advantage



# The Age Old Challenge: Not All Solutions Are Equal

## Build Option

- Time to insight = Long
- Requirements = Outdated
- Cost of Maintenance = High

## Buy Option

- Requirements = Rigid
- Custom business logic = Hard
- Extensibility = Low

## The IBM/ Cognos Approach

- Simplified design process - business conversation
- Rapid response to evolving requirements
- Configure metadata versus lines of code

# Benefits to Organisations

## BUSINESS

- Meet compliance requirements and minimise non-compliance risk
- Reduce carbon related costs
- Participate effectively in the emerging carbon markets
- Maximise opportunities in a carbon led economy
- Shape perceptions of customers and stakeholders
- Plan for the future

## IT

- No coding or customisation
- Simplified control
- Lower risk and faster ROI
- Established proven platform
- Simple to extend
- Complete auditability
- Ad-hoc and self service
- Increased agility
- Resource mix

# Demo

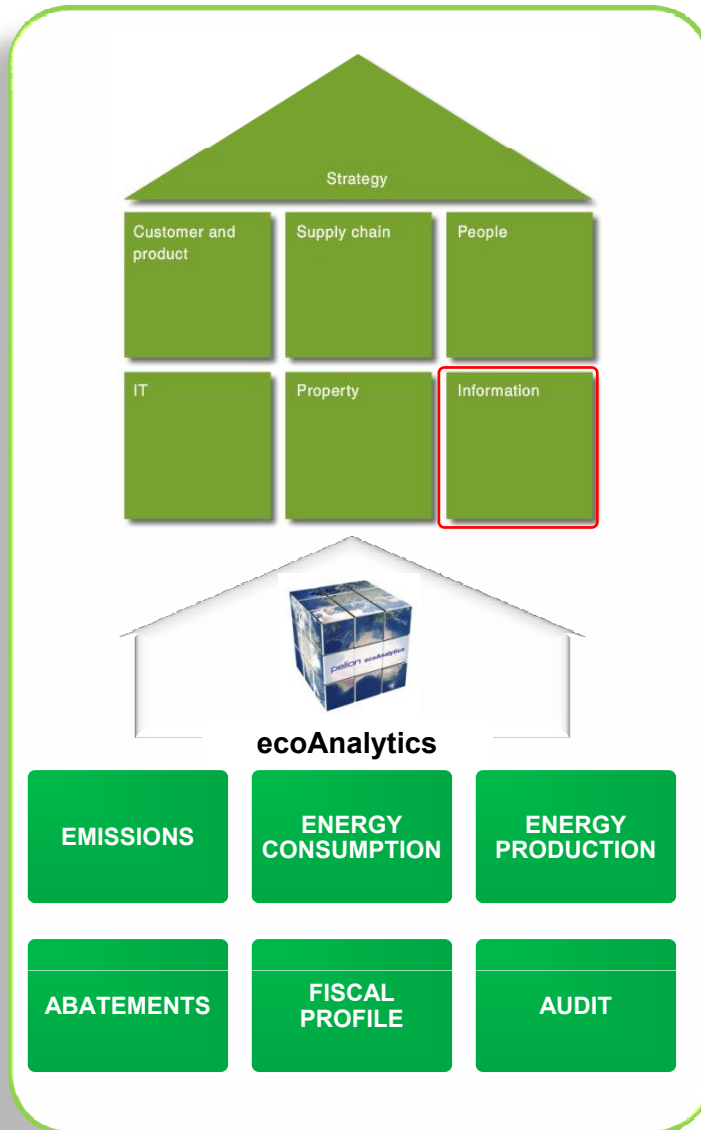


# Making Businesses Smarter

Pervasive insight  
Faster time to value  
Integrated reporting  
and analysis  
Smarter Decisions  
= Smarter Business



# Summary



- **Packaged ecoAnalytics**
  - Gives you answers to your environmental questions quickly from multiple sources
  - Rapid to implement
- **Adaptable**
  - Adapts to your changing needs quickly and cost effectively
  - Self-service reporting for a broad range of users
- **One Platform**
  - Industry-leading BI and performance management solutions
  - Powered by IBM Cognos 8



# Questions

“A prudent question is one-half of wisdom”

*Francis Bacon*



**Steve Wayne**

**SMS Management & Technology**

[www.smsmt.com](http://www.smsmt.com)

“Never does nature say one thing and wisdom another”

*Juvenal*

# Evaluation Forms

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