

Summary of CEMARS® certification:



Meridian Energy Limited

Disclosure 2 of 3 year certificate period

Meridian Energy Limited meets the requirements of CEMARS® certification having measured its greenhouse gas emissions in compliance with ISO 14064-1:2006, and committed to managing and reducing its greenhouse gas emissions in respect of its organisation including Meridian Electricity, Arc Innovations and Agriculture facilities.



meridian

Introduction¹ – Meridian Energy Limited is a state owned enterprise and New Zealand’s largest electricity generator, supplying electricity to over 180,000 residential, business and rural customers, and to the Tiwai Pt aluminium smelter. Our primary business is renewable generation and retail of electricity. Through specific business units and subsidiary companies, we are also involved in a variety of other activities including smart metering, energy efficiency for both residential and industrial customers, share-milking dairy farms, online retailing of electricity, and dam safety services.

Meridian Energy Limited is committed to carbon reduction. Our decision to only generate using renewable energy sources has contributed to the low-carbon intensity of New Zealand’s electricity supply. And we support our customers to be energy efficient at home and at work through advice, products and services. Reducing our internal carbon footprint is therefore very important to us. It demonstrates our commitment to sustainability and enables us to share what we learn with our customers.

As part of this commitment the Meridian Group has two CEMARS® certifications – one for Meridian Energy Limited (the parent company) and one for our subsidiary company Energy for Industry Limited.

Boundary – The diagram below shows the organisational structure used for describing Meridian Energy Limited’s greenhouse gas (GHG) emissions inventory. Meridian Energy Limited is the parent company of the Meridian Group and includes three facilities: Meridian Electricity, Arc Innovations, and Agriculture.

This CEMARS certification applies to the parent company only. The other bubbles in the following diagram represent separate facilities (all subsidiary companies) not included in Meridian Energy Limited and not covered by this certification. Energy for

¹ **Disclaimer:** This Disclosure Statement is a summary of the verified information considered for certification and the certification decision. It should not be taken to represent the full submission for certification. While every effort has been made to ensure that the information in this Disclosure Statement is accurate and complete, Landcare Research does not, to the maximum extent permitted by law, give any warranty or guarantee relating to the accuracy or reliability of the information.

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Industry Limited has a separate CEMARS certification. Note that non-trading entities are not shown in this diagram as they do not have any GHG emissions associated with them.

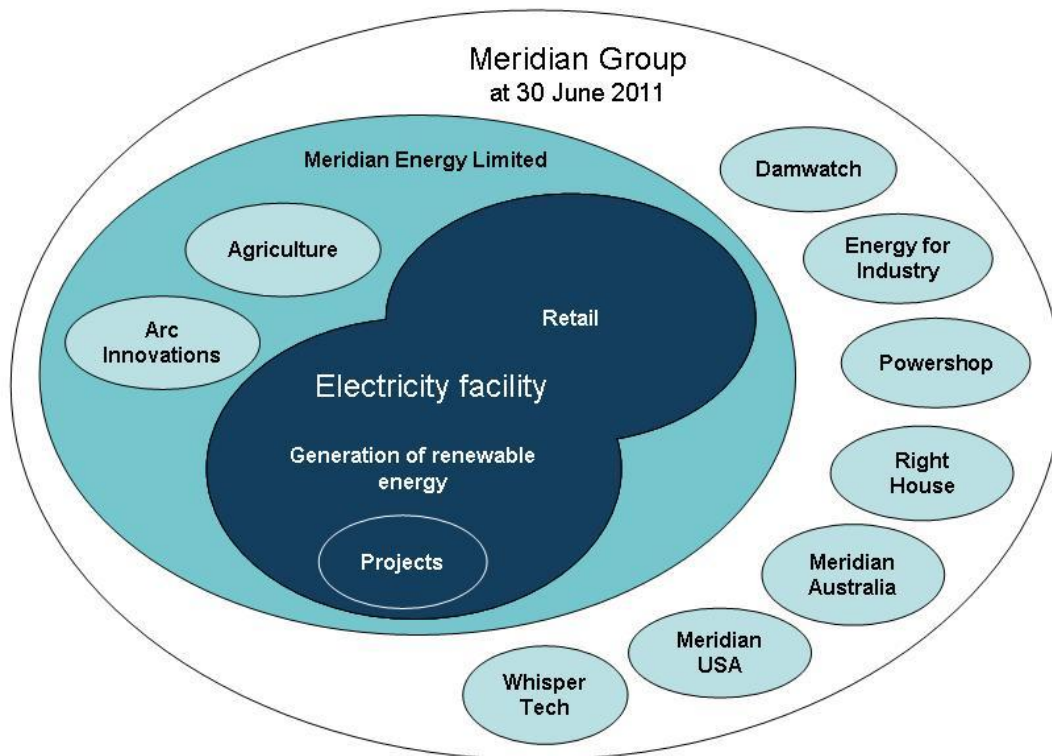


Figure 1: Organisational structure showing facilities included and excluded.

Consolidation approach – Equity share

Base year – 1 July 2007 to 30 June 2008

Measurement period – 1 July 2010 to 30 June 2011

Emissions source inclusions – Total emissions for this period were 39,137 tonnes carbon dioxide equivalents (tCO₂e) comprising:

Scope 1:	4,996 tCO ₂ e
Scope 2:	1,972 tCO ₂ e
Scope 3:	2,405 tCO ₂ e
Scope 3 One-Time:	29,762 tCO ₂ e

In summary, there were 9,375 tCO₂e operational emissions and 29,762 tCO₂e non-operational emissions.

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The following diagram shows the sources of GHG emissions by activity category for Meridian Energy Limited.

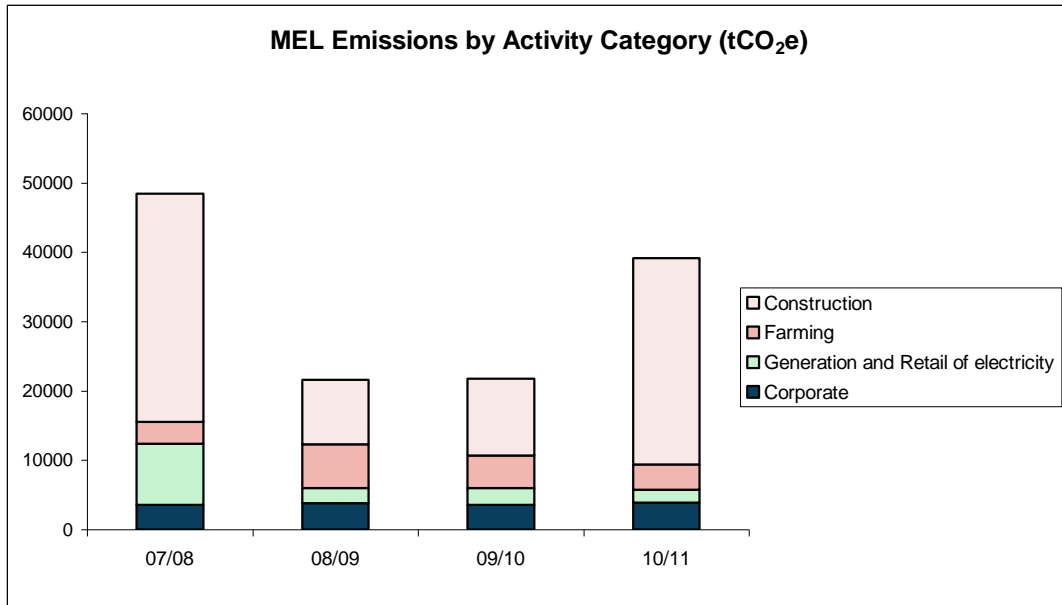


Figure 2: GHG emissions by activity category (construction emissions are Scope 3 One-Time)

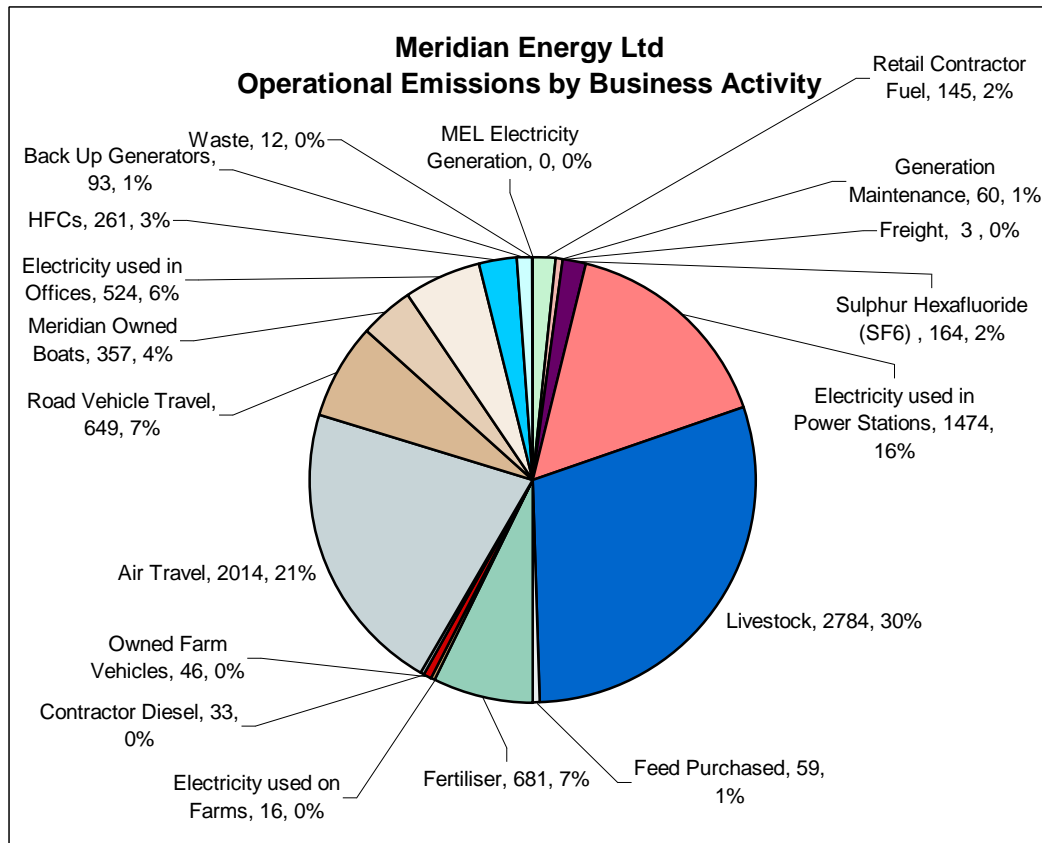


Figure 2: Operational GHG emissions (tCO₂e) by emissions source (excludes One-Time emissions - construction)

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Emissions intensity – 5.0 operational tCO₂e/\$million revenue
6.6 corporate tCO₂e/FTE

Emissions source exclusions – The emission sources below have been identified and excluded from the GHG inventory. These emission sources are considered not material to stakeholders, not material in the context of the inventory, and/or quantification is not technically feasible or cost effective at this time:

- Fugitive emissions (HFCs/PFCs) from air conditioning and refrigeration for some sites
- Electricity consumed at Manapouri and Ross Island power stations
- Minor construction and maintenance work and freight of these materials
- Fuel used by contractors undertaking meter reading
- Fuel used by couriers
- Freight for the farms and Arc Innovations
- Waste in the Arc Innovations office
- Water use
- Waste from earthquake damage to goods, fittings and fixtures.

GHG emissions reduction commitments – Meridian Energy Limited has developed a GHG emissions reduction plan that focuses on the emissions sources that are under our control. We are committed to reducing our operational emissions intensity by 3% on a 5-yr rolling average basis. Some projects in this plan include:

- Reducing air travel in kilometres travelled
- Reducing the amount of electricity used in our offices
- Maintaining the excellent efficiency of our new commuting boat at Manapouri
- Reducing car travel in kilometres travelled
- Reducing taxi spend
- Maintaining our very low level of waste per FTE.

GHG emissions reduction report against last year's plan –

Overall, the emissions for Meridian Energy Limited fall into four categories:

- Corporate emissions are under Meridian's direct control, and are the focus of Meridian's emission reduction efforts. These emissions have increased by 2% per FTE since the base year of 2007/08 primarily from increased air travel as we expand into overseas markets.
- Emissions from the generation and retail of electricity include emissions from directly related activities (such as providing fast spinning reserve capacity to the electricity market) and are not wholly under Meridian's control. This emissions category was quite high during the base year of 2007/08 due to the dry winter conditions, but is now at more expected levels.
- One-time construction emissions have increased this year in comparison to 2009/10 but are still lower than in 2007/08. Volumes of one-time emissions depend on individual major refurbishment and generation development projects

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and can vary widely. The bulk of the construction for the Te Uku wind farm was completed in 2010/11.

- Farming emissions are largely dependant on the number of dairy farms Meridian has under share-milking arrangements in the south island. These emissions rose between the base year and last year due to a change in calculation methodology, and have fallen again this year due to the sale of a farm.

Verified by – Deloitte

Data quality score – Good

Threshold of materiality – Excluded emissions do not exceed 5% of the total footprint for organisation stated

Level of assurance – Reasonable assurance

Certification status – CEMARS certified organisation including the Meridian Electricity, Arc Innovations and Agriculture facilities

Certificate number – 2010115J – year 2

Valid until – 31 October 2013 as on certificate

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