

Summary of CEMARS certification:

Energy for Industry

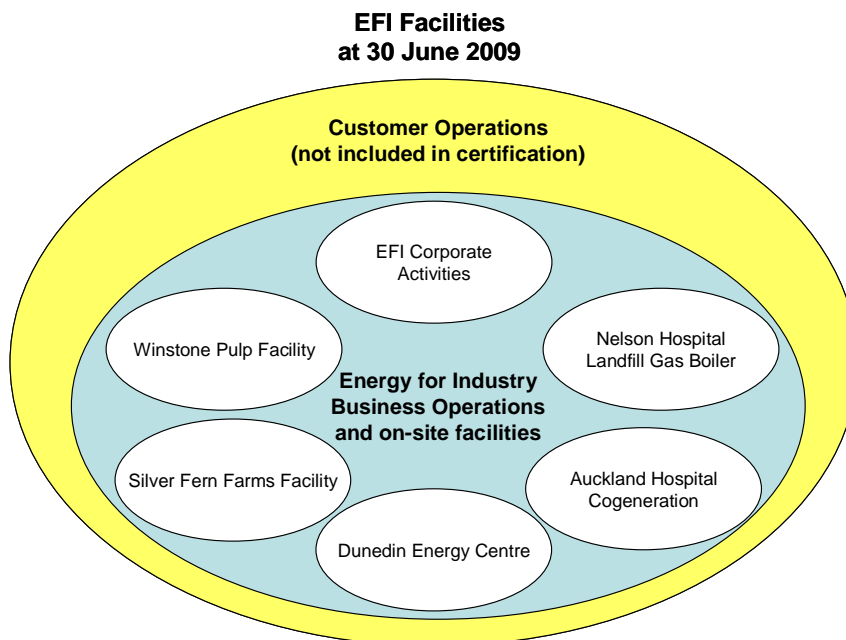


Energy for Industry meets the requirements of CEMARS™ certification having measured its greenhouse gas emissions in compliance with ISO 14064-1 and committed to managing and reducing its emissions in respect of its organisation including corporate operations, on-site energy centres and related energy efficiency solutions.



Introduction¹ – Energy for Industry (EFI) is a wholly owned business unit of Meridian Energy Limited. Energy for Industry acts as an independent investor in on-site energy centres and related energy efficiency solutions, supplying heat and power to largely industrial and institutional energy market customers.

Boundary – The diagram below shows the organisational structure relevant to Energy for Industry's greenhouse gas (GHG) emissions inventory. The EFI operations included in the CEMARS certification are within the blue boundary. Customer activities unrelated to the operation of EFI's plant are not covered by the EFI facilities and fall into the yellow area shown below.



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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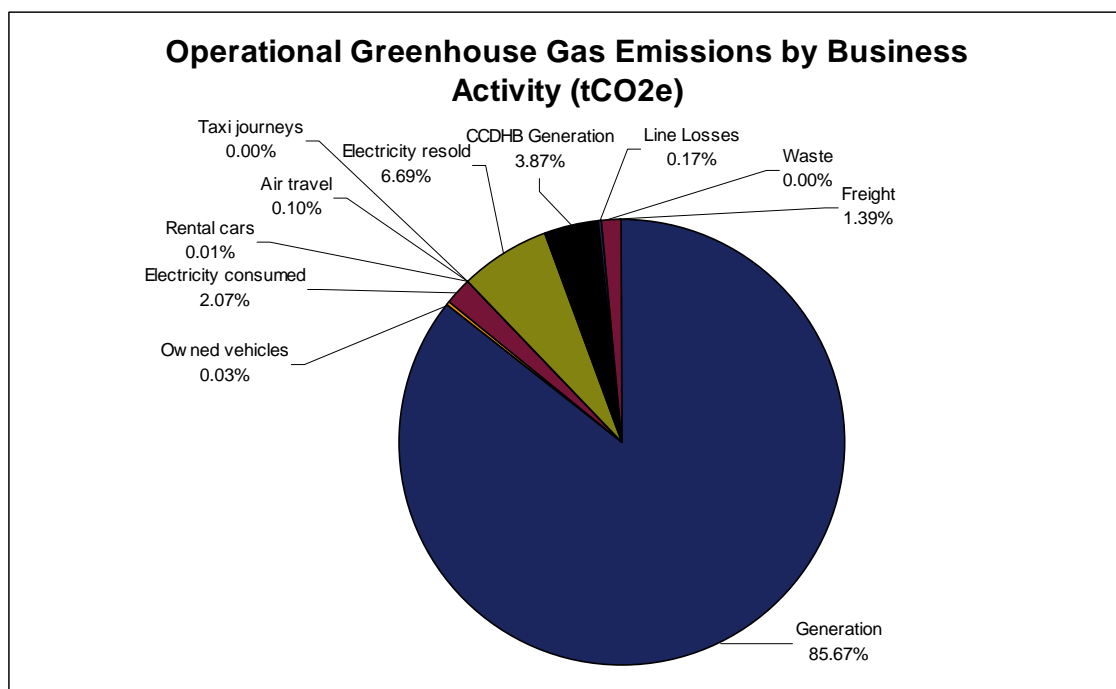


Consolidation approach – Equity share

Base year – 1 July 2007 to 30 June 2008

Measurement period – 1 July 2008 to 30 June 2009

GHG emissions source inclusions – The diagram below shows the operational GHG emissions for Energy for Industry by emissions source. Energy for Industry's total emissions for this period were 51,098 tonnes carbon dioxide equivalents (CO₂e) comprising 43,791 tonnes CO₂e Scope 1, 1,056 tonnes CO₂e Scope 2 and 6,251 tonnes CO₂e Scope 3 emissions.



GHG emissions source exclusions – The emission sources listed 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 quantification is not technically feasible or cost effective at the present time.

- Fugitive emissions (HFCs/PFCs) from air conditioning and refrigeration
- Emissions from office waste sent to landfill which is unable to be separated from the Meridian Electricity facility
- Emissions from fuel used by couriers

GHG emissions reduction commitments – Energy for Industry has developed a GHG emissions reduction plan. EFI seeks to ensure that its emissions intensity remains constant or declines in concert with its growth in business. Some projects in this plan include:

- Seek customer agreement to modification of the Dunedin Energy Centre plant to allow it to be co-fired with a mixture of lignite and woody biomass

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- Upgrade of boiler at Nelson Landfill Gas site to take advantage of additional landfill gas available
- Continue to operate all sites to ensure maximum availability

GHG emissions reduction report against last year's plan – Energy for Industry achieved reduction in emissions intensity per GJ for its operations in the 2008/09 year compared to the base year. A 14% reduction in total emissions was also achieved.

The decrease in emissions reported in the EFI facility was primarily driven by the substitution of gas generated electricity at ADHB for grid purchased electricity resold to ADHB. This was due to the relatively low spot electricity prices during the year. Emissions also decreased significantly from CCDHB. EFI operated this plant for only three months of the reporting year, compared to a full 12 months in the prior year.

Verified by – Deloitte

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

Level of assurance – Reasonable assurance

Certification status – CEMARS certified “organisation”.

Certificate number – 2009058J

Valid until – 30 September 2010