



SUMMARY OF TOITŪ CARBONREDUCE CERTIFICATION  
**ORION NEW ZEALAND LIMITED**  
 WHICH INCLUDES ORION NZ LIMITED AND CONNETICS LIMITED  
 Year 1 of 3 year certificate period



*Orion New Zealand Limited (which includes Orion NZ Limited & Connetics Limited) meets the requirements of Toitū carbonreduce certification having measured its greenhouse gas emissions in accordance with ISO 14064-1:2006 and committed to managing and reducing its emissions in respect of the operational activities of its organisation.*

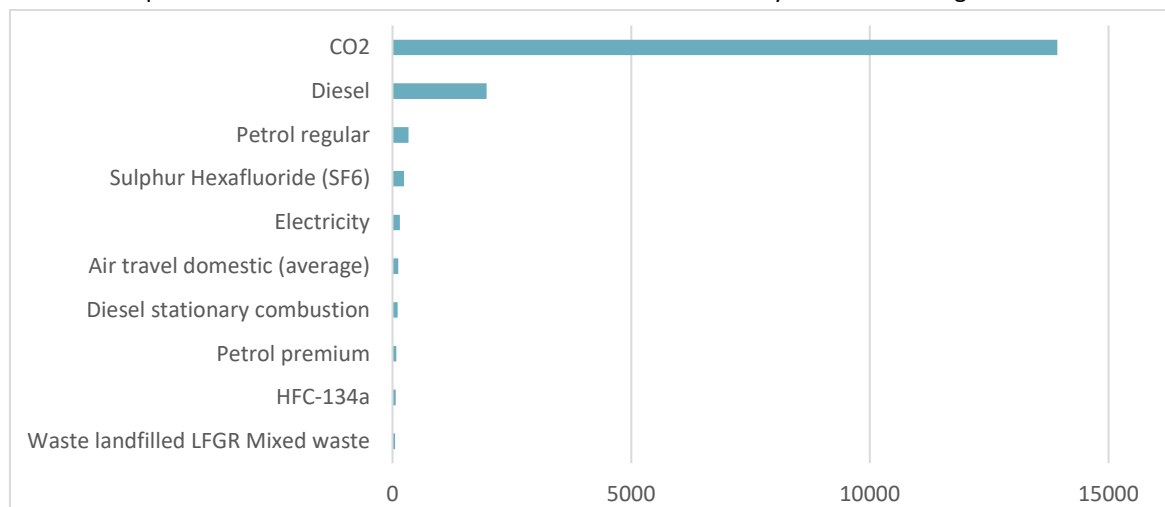
Orion New Zealand Limited ("Orion") owns and operates the electricity distribution network that delivers electricity to central Canterbury. This report will also be used to report to the Climate Leaders Coalition and the Sustainable Business Council to demonstrate compliance with membership requirements.

Connetics Limited ("Connetics") is a wholly owned subsidiary of Orion, with a focus on construction and maintenance of substations, overhead and underground lines and associated equipment. It also operates an equipment supply and distribution business, and provides engineering design and consultancy services. Orion and Connetics have separate governance structures and Orion has no operational control over Connetics. Connetics Limited is now included in this inventory

Orion and Connetics have consolidated accounts. Reported turnover for Orion includes Connetics' revenue from third parties, but under accounting conventions excludes Connetics' revenue from Orion.

**EMISSIONS SUMMARY <sup>1</sup>**

Orion New Zealand Limited's emissions for this year (01 April 2019 to 31 March 2020) were 17,205.98 tCO<sub>2</sub>e. The operational GHG emission sources included in this inventory are shown in Figure 1 below.



**Figure 1: GHG emissions by emissions source**

<sup>1</sup> **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. Whilst every effort has been made to ensure that the information in this Disclosure Statement is accurate and complete, Enviro-Mark Solutions Limited (trading as Toitū Envirocare) does not, to the maximum extent permitted by law, give any warranty or guarantee relating to the accuracy or reliability of the information.



Emissions as tonnes of carbon dioxide equivalents (tCO<sub>2</sub>e) for this period were:

Scope	tCO <sub>2</sub> e
Scope 1	2,834.84
Scope 2	14,078.96
Scope 3 Mandatory	292.19
Scope 3 Additional	0.00
Scope 3 One time	0.00
<b>Total gross emissions</b>	<b>17,205.98</b>

## EMISSIONS REDUCTIONS

To reduce its emissions, Orion New Zealand Limited has developed a GHG emissions management plan and reduction targets. Some of these plans include:

Orion New Zealand Limited is committed to reducing its GHG emissions in compliance with programme requirements. However, Orion is a lifelines utility and it is vital that any steps taken to reduce carbon emissions do not compromise our ability to provide a safe, reliable and resilient electricity delivery service. We are also owned by the community and must be aware that any steps that increase the cost of our service can have unintended consequences on our customers, our community and our wider goal to provide a largely renewable alternative to fossil fuel generation. We have a goal that in 2025 our region is the most efficiently decarbonising region.

After investigation of various reduction options over the past 12 months, it has become apparent that the technology that will enable the significant reduction in our carbon footprint (ie diesel use) is not available yet. This is not unique to us and we feel it should not stop us from setting an ambitious reduction target, in line with a 1.5 degree world. We feel we can assist in deployment of new carbon reduction technology in our region, by testing on ourselves, so we can speak from a position of knowledge and feel comfortable that response vehicles in particular will be fit for purpose, before recommending (or stipulating) their uptake by our contractor partners.

Scope of target	Target	Baseline (tCO <sub>2</sub> e)	Target date
Overall Scope 1, 2, and mandatory 3 emissions, excluding Scope 2 distribution losses (absolute)	50% reduction	3,279.14	31/03/2030

This is the 3<sup>rd</sup> year of reporting under the Toitū carbonreduce programme and the 1<sup>st</sup> year since resetting their base year to 2019-20. No reduction in emissions was verified, as this is their base year.

## EMISSIONS BOUNDARIES

Orion is owned by two local authorities - Christchurch City Council, through Christchurch City Holdings Limited, owns 89.275% and Selwyn District Council owns 10.725%.

Orion has two wholly owned subsidiary companies - Connetics and Orion New Zealand Ventures Limited. Connetics is the only active subsidiary company at present, and is included in the footprint measurement.

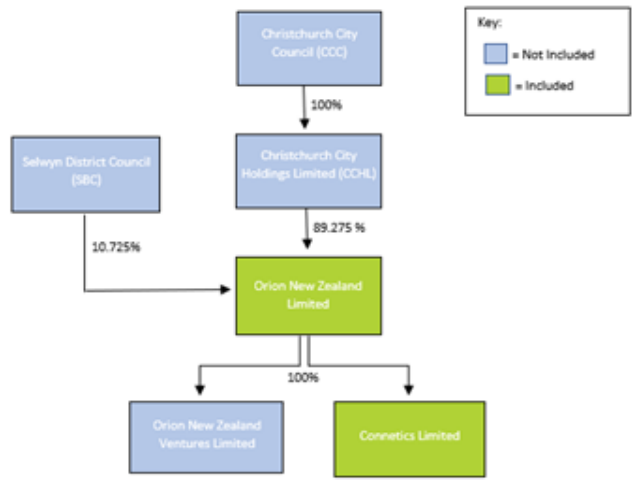


Figure 2: Organisational structure showing business units included in green and excluded in blue

An operational control consolidation approach was used to account for emissions. Orion and Connetics have consolidated financial accounts, however there is no operational control over Connetics by Orion. Connetics has its own separate and independent governance system.

As Connetics' sole shareholder, Orion provides a yearly letter of expectation that provides a high level indication of the desired business strategy for Connetics - this can include a requirement to achieve carbon neutrality or other carbon certification. It does not include directions as to how any goal is achieved by Connetics.

This is with reference to the methodology described in the GHG Protocol and ISO 14064-1:2006 standards.

The following emissions sources were excluded from the inventory for this measurement period:

GHG emissions source	GHG emissions level scope	Reason for exclusion
Freight	Scope 3 mandatory	Couriers used direct by Orion under 2kg Freight for items ordered by Orion under 2kg or freight not charged separately Freight for other network assets (if charged) paid by contractor who orders the assets
Electricity at rental properties:	Scope 2	Tenant controls electricity account and use. Orion has no operational control.
Other GHG gases (refrigerant) at rental properties	Scope 1	No operational control - servicing HVAC system and top ups is under tenant control
Other GHG gases (refrigerant) at rental properties:	Scope 1	Managed by Quality Property Management. Residential heat pumps are considered <i>de minimis</i> .
Fuel use by contractors	Scope 3 optional	Very few invoices declare fuel use as a line item. Fuel use by contractors has been identified as a key emissions area we can make a difference by altering our procurement processes. We anticipate our Sustainable Procurement Strategy that will be introduced by April 2021 will address reporting and emissions management goals.
Waste	Scope 1	Waste disposal from Hanmer holiday house - <i>de minimis</i>
Wood fuel	Scope 1	Wood for Hanmer holiday house - <i>de minimis</i>
Bus/Train travel by staff	Scope 1	<i>De minimis</i>



GHG emissions source	GHG emissions level scope	Reason for exclusion
LPG	Scope 1	LPG for Wairakei Rd bbq - <i>de minimis</i>
Connetics Credit Card Air Travel	Scope 3 Mandatory	Excluding credit card air travel spend of \$1808.93 as data is incomplete and this cannot be converted to pkm – <i>de minimis</i>

Excluded emissions do not exceed 5% of the total footprint within the organisation boundary stated.

## CERTIFICATE DETAILS

*Certification status* – Toitū carbonreduce certified organisation

*Certificate number* – 2019057J, Year 1 of 3 year certificate period

*Valid until* – 26 July 2022

*Measurement period* – 01 April 2019 to 31 March 2020

*Base year* – 01 April 2019 to 31 March 2020

*Verified by* – Enviro-Mark Solutions Limited

*Level of assurance* – Reasonable

*Data quality score* – High