

CHANGE TOMORROW BY CHANGING THINKING TODAY

Climate Change Fact Sheet 02
Summer 2007/2008



HELLO
TOMORROW
PROGRAMME

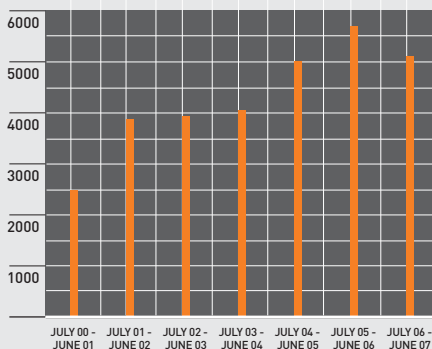
OUR CARBON FOOTPRINT – A SNAPSHOT

During the financial year 2006/2007 Genesis Energy was responsible for:

- 5.031 million tonnes of CO₂ from generation of electricity, a 12% decrease on the previous year
- A generation portfolio with a carbon intensity of 630 tonnes of CO₂ per GWh
- 954 tonnes of CO₂ from our non-generation activities or 2.1 tonnes per Full-Time Equivalent staff member

CARBON DIOXIDE EMISSIONS FROM GENERATION OF ELECTRICITY

CARBON DIOXIDE EMISSIONS (Kte)

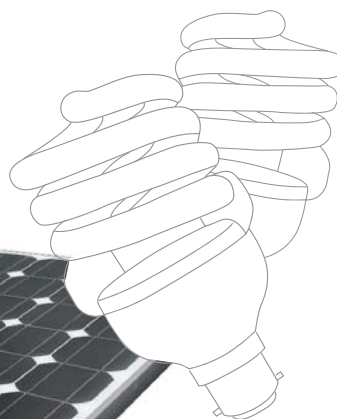


Genesis Energy promoted energy-saving Ecobulbs™ to selected power consumers and has also developed Schoolgen, a programme which assists schools in New Zealand to recognise the importance of energy efficiency and climate change.

As New Zealand's primary thermal electricity generator, Genesis Energy recognises the need to **understand and reduce the impact** of its activities on climate change.

Genesis Energy is taking real action to reduce its emissions while balancing climate change considerations against increasing energy demand and the need to make sure its customers have a **reliable energy supply**.

Genesis Energy's **climate change strategy** is a comprehensive whole-of-company approach. Our goal is to responsibly manage our impact on climate change both through our own activities and emissions and in partnership with our customers and stakeholders.





THE COMPANY'S CURRENT CLIMATE CHANGE OBJECTIVES ARE:

OBJECTIVE ONE: TO REDUCE THE CARBON INTENSITY OF GENESIS ENERGY'S GENERATION PORTFOLIO OVER TIME.

To achieve this objective we have identified several targets which will be updated and reviewed annually to ensure they are continually driving us to improve our performance:

- Reduce carbon intensity by 30% below 2005/2006 levels by 2015
- Consent and construct 300MW of renewable energy projects by 2015
- Advance the commercialisation of wave and tidal energy technology in New Zealand
- Champion New Zealand initiatives for carbon capture and sequestration

PROGRESS TO DATE

The introduction of a new high-efficiency 400MW combined cycle gas turbine at Huntly (known as e3p) has enabled Genesis Energy to reduce its coal-fired generation and reduce emissions in absolute terms.

Specific actions to achieve these and all other climate change targets have been published in our 2007 Annual Report (www.genesisenergy.co.nz/genesis/about-us/see-our-company-reports). We will also report on our performance against these targets in future Annual Reports.

GENESIS ENERGY 2007/2008 YEAR-TO-DATE EMISSIONS

GENESIS ENERGY'S EMISSIONS	CURRENT YEAR 2007/2008	LAST YEAR 2006/2007	PERCENTAGE CHANGE
Month	Total (kilotonnes)	Total (kilotonnes)	%
July	388.7	530.8	-26.7
August	282.8	493.0	-42.6
September	323.1	537.4	-39.9



The Huntly e3p combined cycle gas turbine.

OBJECTIVE TWO: TO REDUCE THE CARBON INTENSITY OF GENESIS ENERGY'S NON-GENERATION ACTIVITIES.

We are committed to ensuring all our non-generation activities are carbon neutral which means they don't add any carbon to the atmosphere over their lifetimes.

Our emphasis is on reducing the amount we use, with offsetting an option only after other avenues have been explored. Genesis Energy has the following targets in place to help us achieve this objective (actions are published in the Annual Report):

- All non-generation activities to become carbon neutral by June 2008 and annually thereafter through a mix of reduction, offset and purchase of permits
- Achieve office energy performance within the Energy Efficiency and Conservation Authority's (EECA) low typical usage benchmark of 200-280kWh/m²
- Benchmark our current fuel consumption in all Genesis Energy fleet vehicles and rental vehicles
- Reduce waste to landfill from each Genesis Energy office building by 30% below 2006/2007 levels by June 2008

- Reduce waste to landfill from generation sites by 30% below 2006/2007 levels by June 2008
- Environmental Purchasing Guidelines are fully implemented into all office and stationery purchasing decisions

PROGRESS TO DATE

1. The company has leased six Toyota Prius hybrid vehicles for staff travel in and around Auckland and Huntly.
2. A waste minimisation programme is being piloted at the Greenlane head office with waste sent to landfill reduced by over 50% since implementation.
3. A new office fit-out for two sections of the Greenlane head office was conducted using materials sourced under the Environmental Purchasing Guidelines.

OBJECTIVE THREE: TO ENCOURAGE AND ASSIST CUSTOMERS AND STAKEHOLDERS TO REDUCE GREENHOUSE GAS EMISSIONS.

Genesis Energy continues to encourage our customers to reduce their own carbon footprint through energy-efficiency practices. Our key target to achieve this objective is:

- Identify and offer a suite of climate change campaigns

PROGRESS TO DATE

1. Under the Schoolgen programme, six Auckland schools have been installed with 2kW photovoltaic systems. By 6 November 2007, 4776kWh of electricity had been generated by the panels, saving 1.10 tonnes of CO₂ from thermal generation.
2. Genesis Energy worked with Panasonic, EECA and WEL Networks to offer 300,000 customers an opportunity to save energy and dollars with a discounted heat pump. As a result 1,024 heat pumps were sold, saving 1.9GWh when comparing a 3.6kW heat pump to two electric bar heaters with a combined output of 3.6kW.



Murray Jackson with our new fleet of hybrid cars.



OBJECTIVE FOUR: TO MEASURE AND ACCURATELY REPORT GENESIS ENERGY'S GREENHOUSE GAS EMISSIONS ACROSS ALL AREAS OF ITS BUSINESS.

A high level of importance continues to be placed on measuring and reporting our greenhouse gas emissions. In 2007/2008 we will continue to increase the scope of our reporting, as follows:

- Report all non-generation emissions in accordance with an internationally recognised standard by June 2008
- Report all generation emissions in accordance with an internationally recognised standard by June 2008
- Develop a policy on supply chain boundaries for non-generation and generation suppliers in the context of sustainable procurement and reporting

PROGRESS TO DATE

1. Genesis Energy has built a custom software solution to accurately capture all our emissions. We are currently upgrading this program to ensure it will enable verification.
2. Independent verification of our emissions has been committed to for the 2007/2008 financial year.

Contact us:
feedback@genesisenergy.co.nz

Websites:
www.genesisenergy.co.nz

Schoolgen
www.schoolgen.co.nz

The Genesis Oncology Trust
www.genesisoncology.org.nz

Electrocity educational game
www.electrocity.co.nz

OBJECTIVE FIVE: TO DEVELOP AND CONSTANTLY IMPROVE INTERNAL POLICIES AND STRATEGIES TO ALLOW GENESIS ENERGY TO EFFECTIVELY RESPOND TO CLIMATE CHANGE POLICIES AND REGULATIONS.

The New Zealand Government has announced the Emissions Trading Scheme and the New Zealand Energy Strategy, both of which will have far-reaching impacts for our company. In response to the proposed legislation, we are increasing the focus on our Climate Change Strategy and ensuring our systems and processes are ready for the implementation of new government policy.

- Actively participate in the development of a national climate change policy
- Review the Genesis Energy climate change strategy annually

PROGRESS TO DATE

1. A review of the climate change programme will occur prior to June 2008.

