

# McHugh & Shaw.

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## INDEPENDENT ASSURANCE STATEMENT

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### TO THE MANAGEMENT OF NELSON CITY COUNCIL

**Reporter:** Nelson City Council Te Kaunihera o te tai o Aorere  
**Registered address:** 110 Trafalgar Street, Nelson, New Zealand

McHugh & Shaw Limited was engaged to conduct independent assurance of the greenhouse gas (GHG) emissions reported by Nelson City Council for the period of 1 July 2021 to 30 June 2022. The engagement was completed during the months of January and July 2023. This statement applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of Nelson City Council. McHugh & Shaw Limited was not involved in determining the GHG emissions. Our sole responsibility was to provide independent assurance on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyse and review the information.

This statement is only to be used for the purpose that it was intended i.e. to report against measured greenhouse gas emissions in accordance with the mandatory requirements of ISO 14064-1.

This statement is not to be used to make any claims including but not limited to:

- Certification to ISO 14064-1;
- Compliance with ISO 14064-1;
- Carbon neutral or net zero emissions claim (outside of the Ekos certification programme); and
- Verified emission reductions from a base year where McHugh & Shaw Limited have not been the verifiers for all years covered by the reduction claim.

### Environmental claims

Information regarding your responsibility when making environmental or carbon claims under the Fair Trading Act is available at the [New Zealand Commerce Commission website](#).

If you are making a claim outside of New Zealand, then check the legal requirements for that Country.

### GHG assurance objectives

McHugh and Shaw will perform such tests and procedures, as considered necessary under the particular circumstances, to enable McHugh and Shaw to express an opinion, on the level of assurance as specified below and that the GHG inventory reported (GHG Statement) meet the criteria stated.

## Boundaries of the reporting company GHG emissions covered

- Operational Control
- Nelson City Council jurisdiction

## GHG emissions information assured (to which this statement applies)

- GHG Report Reference: Verified\_EIR 2021\_2022.pdf
- GHG Calculations Reference: Verified\_Inventory 2021-22.xlsx

## GHG emissions and removals by category (metric tonnes CO<sub>2</sub>e)

Scope 1	Cat 1: Direct GHG Emissions		1,747.95
Scope 2	Cat 2: Indirect GHG Emissions from imported energy (Electricity, location-based)		1,323.20
Scope 3	Indirect GHG Emissions		
	Cat 3: Transportation and distribution:	15.42	
	Cat 4: Products and services used by the organisation:	105.73	
	Cat 5: Use of products from the organisation:	NR	
	Cat 6: Other sources:	9,457.28	9,578.43
		Total GHG Emissions (Gross)	12,649.58
		Cat 1: Removals	NR
		Total GHG Emissions (Net)	12,649.58

### Notes:

- Data and information supporting the Scope 1/Category 1 and Scope 2/Category 2 GHG emissions assertion were historical in nature.
- Data and information supporting the Scope 3/Category 3-6 GHG emissions assertion were in some cases estimated rather than historical in nature.
- Data quality: Good
- NR (not reported): out of scope, not applicable, or not verified.

## Period covered by GHG emissions statement

- 1 July 2021 to 30 June 2022

## Base year (baseline)

- 1 July 2017 to 30 June 2018
- 24,127.38 total Gross GHG Emissions (tCO<sub>2</sub>e).
- The base year was not verified by McHugh & Shaw Limited, and no opinion is provided.

## GHG reporting protocols against which assurance was conducted

- ISO 14064-1: 2018 Greenhouse gases – Part 1: Specification with guidance at the organisational level for quantification.

## GHG assurance protocol(s)

- ISO 14064-3:2019 Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions.

## GHG assurance methodology

A risk assessment and evidence gathering plan was completed. Our assurance strategy used a combined data and controls testing approach. Evidence-gathering procedures included but were not limited to the following:

- Review of the GHG Report written by Nelson City Council;
- Review of the GHG Calculator as provided by Nelson City Council;
- Testing, tracing and retracing of data trails back to primary data;
- Evaluation of relationships among GHG and non-GHG data;
- Remote interview of personnel involved in data collection;
- Evidence to support the reporting boundaries, organisational and legal structure reported;
- Review of primary data including electricity supplier reports, fuel card reports, supplier data, landfill reports, finance system reports, supporting evidence (inputs) into the calculations for the wastewater treatment plants.
- Review of emissions factors and conversion factors used within the calculations for source appropriateness; and
- Review of assumptions, quantification methodologies and the setting of operational boundaries.

Assurance findings are issued and tracked on a separate Findings Log as part of the assurance working papers.

## Projected emission reductions or removal enhancements

The reporter did not seek validation of projected emission reductions or removal enhancements. There is a reduction strategy in place.

## Achieved level of assurance

- Scope 1/Category 1 and Scope 2/ISO Category 2 Emissions: Reasonable Assurance
- Scope 3/ISO Category 3-6 Emissions: Limited Assurance

## Assurance opinion

Based on the assurance process and procedures conducted, we conclude that:

- The Scope 1/Category 1 and Scope 2/Category 2 GHG Emissions assertions shown above are materially correct and are a fair representation of the data and information
- There is no evidence that the Scope 3/Category 3-6 GHG Emissions assertion shown above is not materially correct or not a fair representation of the GHG emissions data set; and
- Nelson City Council has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of GHG emissions for the stated period and boundaries, and has implemented underlying internal assurance practices that provide a reasonable degree of confidence that such information is complete and accurate.

## Qualifications

- The WWTP emissions were calculated using an accepted model from Water New Zealand published in August 2021. The inputs into the model and the application of the model were verified. No assurance is given to the methodology provided by Water New Zealand.
- Biogenic emissions were not reported separately in this inventory.
- Neither of the items above materially impact on the intended use or users of the GHG Report but are noted deviations from ISO 14064-1:2018.

## Other matters

- The knowledge and methodologies used to determine the emission factors and processes to calculate or estimate quantities of GHG sources is evolving. Therefore, quantifying GHG emissions is subject to inherent uncertainty.

## Facts found after verification

There are no facts found after the verification was finalised.

## Statement of independence, impartiality and competence

McHugh & Shaw Limited is an independent professional services company that specialises in sustainability assurance with over 10 years history in providing assurance services.

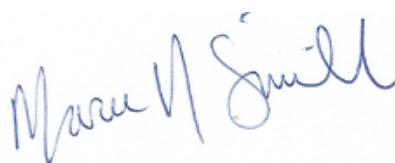
No member of the verification team has a business relationship with Nelson City Council, its elected members, managers or staff beyond that required of this assignment. We conducted this work independently and to our knowledge there has been no conflict of interest or risks to impartiality.

The assurance team has extensive experience in conducting assurance over environmental, quality, sustainability and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of the methodology for both reporting and assurance of greenhouse gas information statements.



**Jeska McHugh, Lead Verifier**

McHugh & Shaw Limited  
Christchurch, New Zealand  
6 July 2023



**Maree Smith, Independent Reviewer**

McHugh & Shaw Limited  
Auckland, New Zealand  
10 July 2023

This assurance statement, including the opinion expressed herein, is provided to Nelson City Council and is solely for the benefit of Nelson City Council in accordance with the terms of our agreement. We consent to the release of this statement by you to interested parties but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this statement. Any correspondence regarding this statement is to be directed to [info@mchugh-shaw.co.nz](mailto:info@mchugh-shaw.co.nz)