Monthly Operating Report

March 2023

contact

March overview[1].

For the month of March 2023

» The Customer business recorded:
- Mass market electricity and gas sales of 296GWh (March 2022: 298GWh)
- Mass market netback of $128.76/MWh (March 2022: $107.97/MWh)

» The Wholesale business recorded:
- Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 629GWh (March 2022: 627GWh)
- Electricity and steam net revenue of $114.60/MWh (March 2022: $95.52MWh)
- Electricity generated (or acquired) of 638GWh (March 2022: 691GWh)
- The unit generation cost, which includes acquired generation was $35.18/MWh (March 2022: $53.93/MWh)
  - Own generation cost in the month of $35.20/MWh (March 2022: $48.40/MWh)

Prior periods restated to account for metering costs, previously included within 'Cost to serve', have been reclassified to 'Electricity direct pass thru costs' to better reflect the direct nature of these costs and to improve comparability with the industry.

[1] All amounts in this operating report are shown excluding a $120 million onerous contract provision ($86 million after tax) for AGS recognized in December 2022.

[2] The progress target for Tauhara follows an S-Curve model in line with standard project management practice (for large scale infrastructure projects). This will result in more gradual increments in the reporting of target and actual progress as the project nears completion in Q4 of 2023.

» Tauhara project progress vs. target for March 2023 was 90% vs. 92%[2]

» Otahuhu futures settlement wholesale price for the 3rd quarter of 2023 (ASX):
- As at 3 April 2023: $193/MWh
- As at 31 March 2023: $191/MWh
- As at 28 February 2023: $209/MWh

» As at 10th April 2023, South Island controlled storage was 110% of mean and North Island controlled storage was 193% of mean
- As at 10th April 2023, total Clutha scheme storage was 89% of mean
- Inflows into Contact's Clutha catchment for March 2023 were 134% of mean. (February 2023: 119[3], January 2023: 50%, December 2022: 78%)

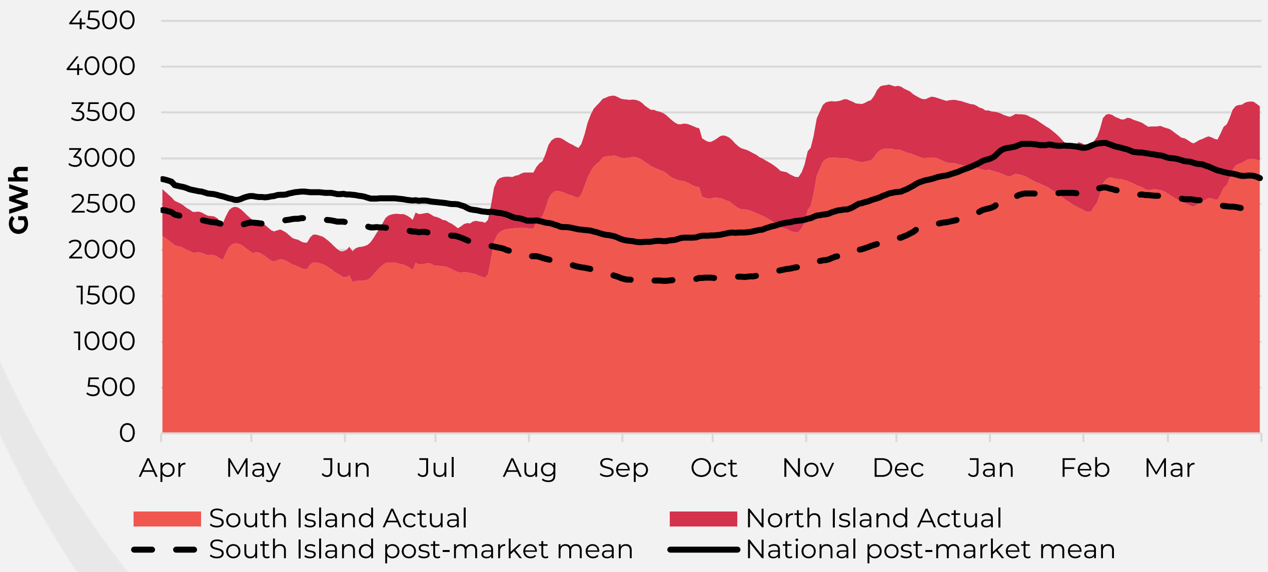
» Contact's contracted gas volume (including contracted swaps) for the next 12 months is 14.5PJ[4]

[3] Correction of data – was listed incorrectly in the February Operating Report
[4] Forecast gas volumes as notified by suppliers, actual gas received is dependent on field delivery. This excludes gas available at AGS.

Hydro storage and forward prices.

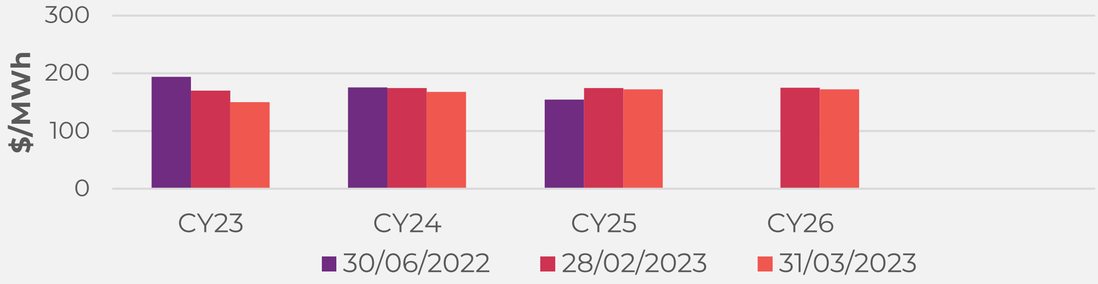
New Zealand controlled hydro storage against mean

12 MONTHS



ASX futures settlement

Otahuhu



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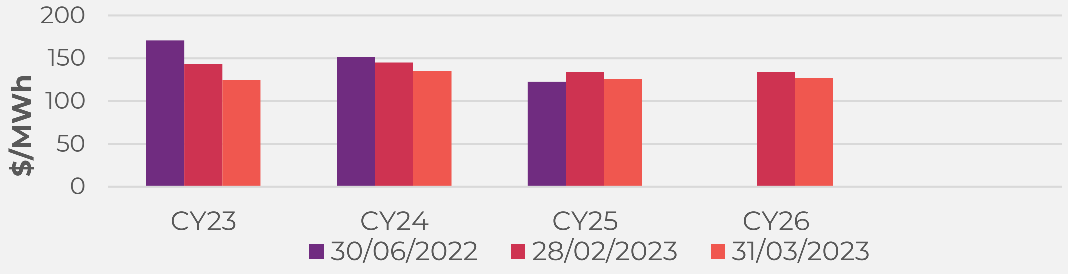
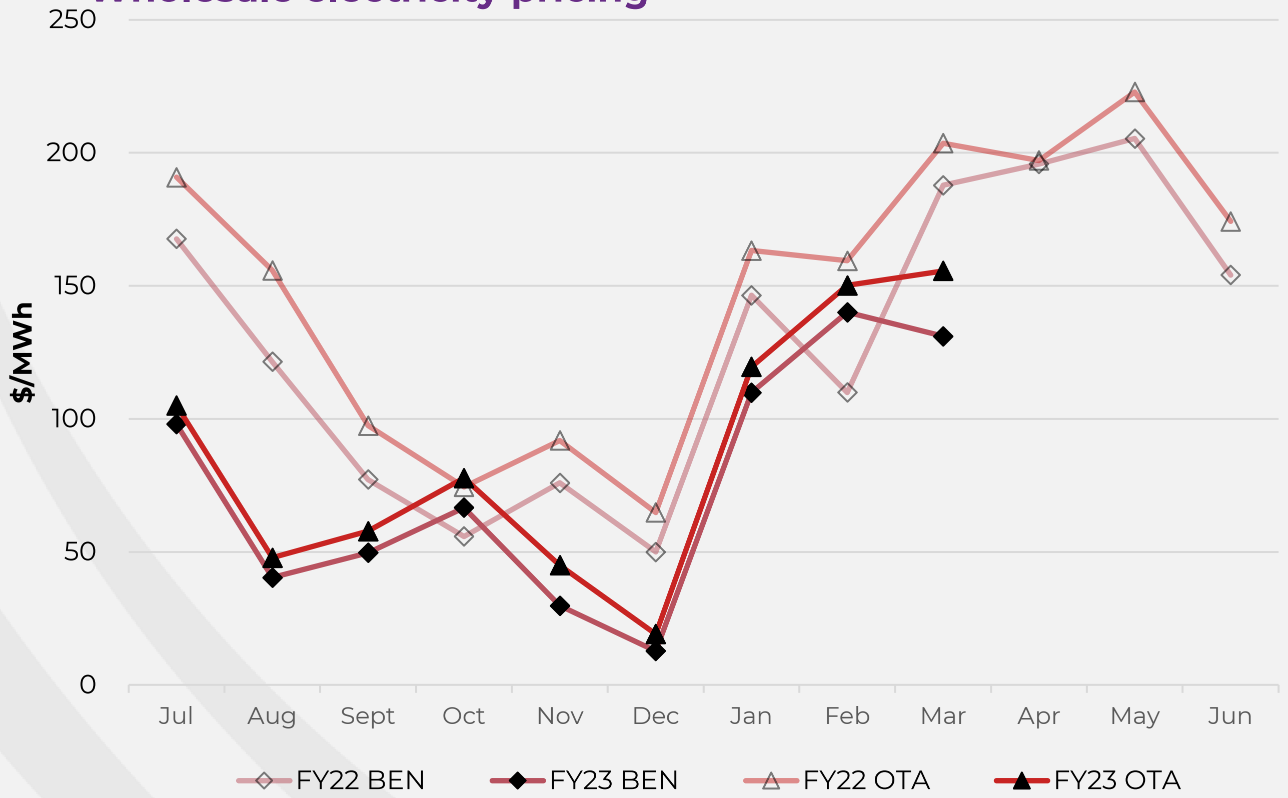
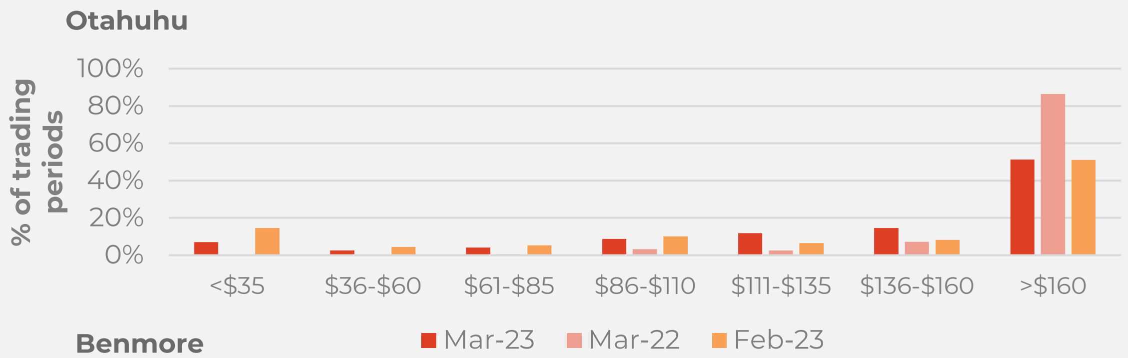


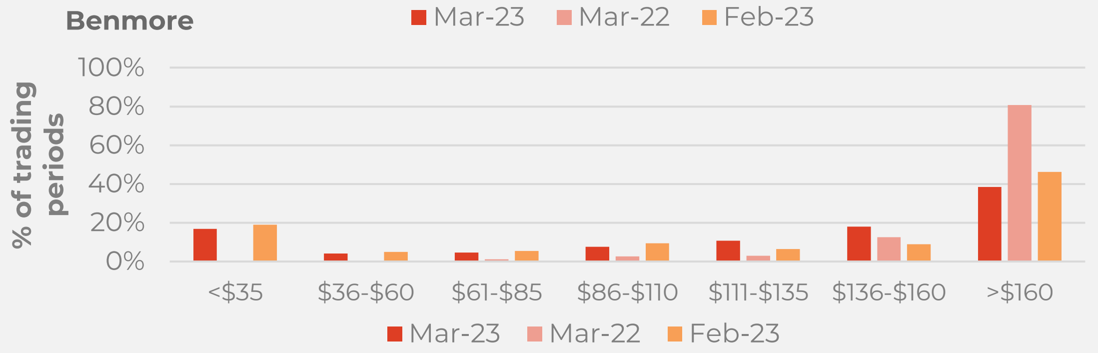
Wholesale market.

Wholesale electricity pricing



Distribution of wholesale market price by trading periods





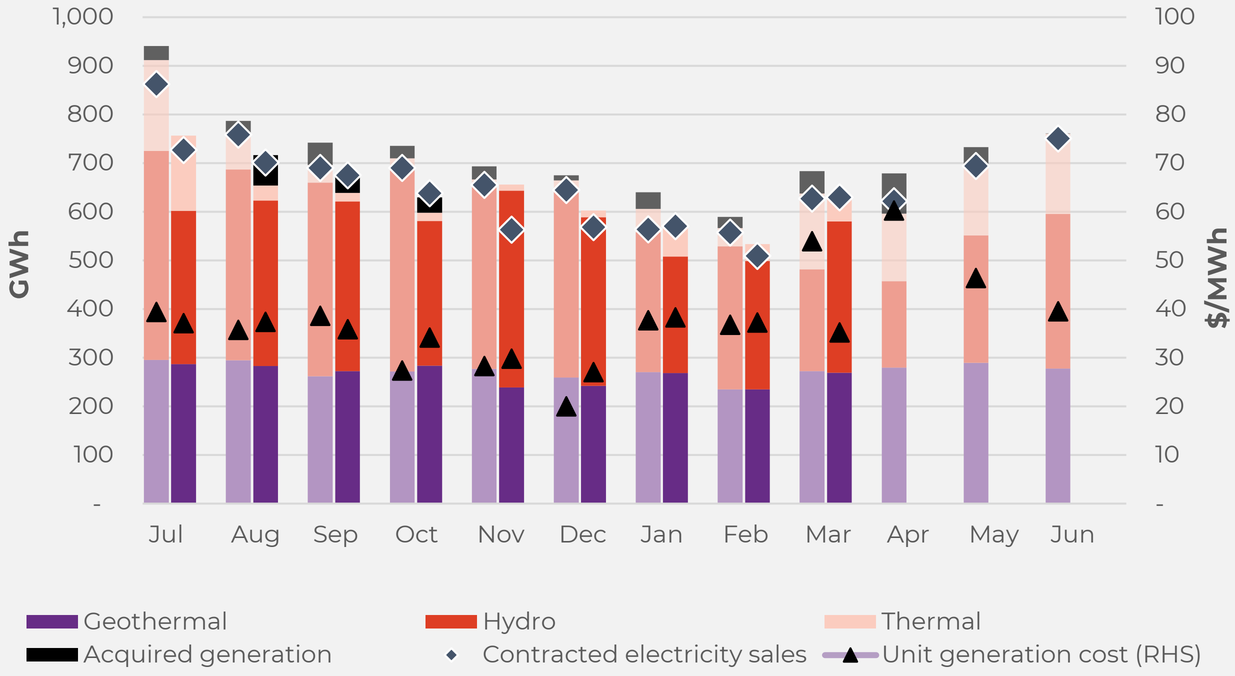
Electricity demand.

Information for March 2023 was not available at the time of preparing this operating report.

Business performance.

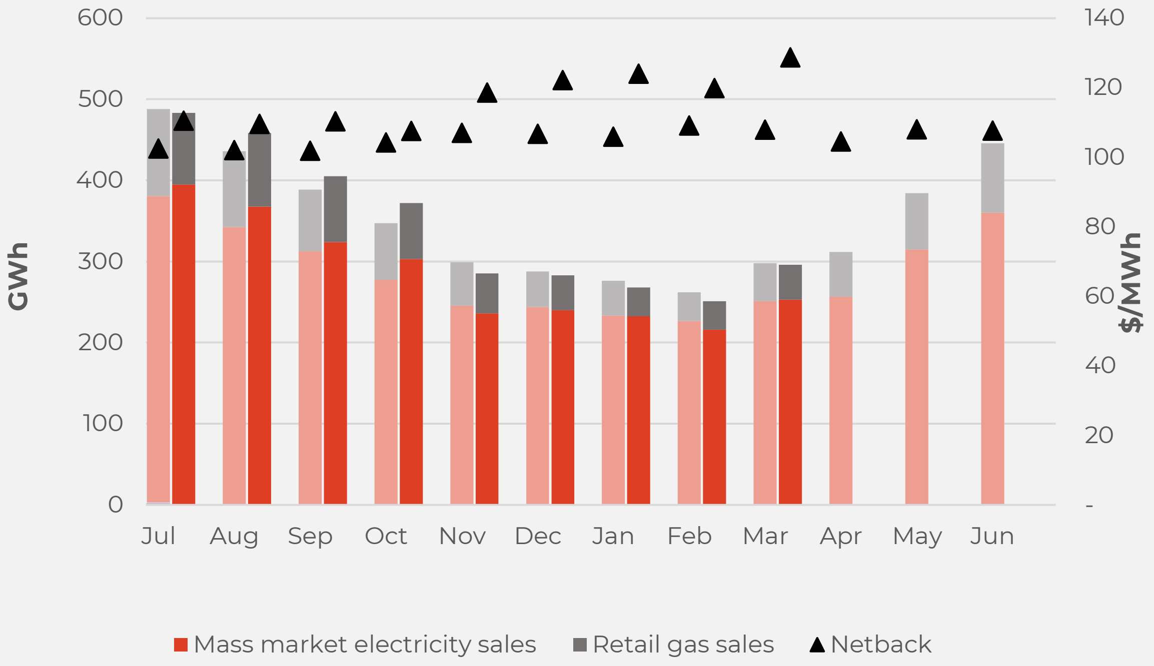
Wholesale

Generation mix, gross sales position and unit generation cost (FY22 and 23 respectively)



Retail

Retail sales volumes and netback (FY22 and 23 respectively)



Operational data.

		Measure	The month ended March 23	The month ended March 22	The month ended February 23	Nine months ending March 23	Nine months ending March 22
Retail	Mass market electricity sales	GWh	253	251	216	2,567	2,511
	Retail gas sales	GWh	43	47	35	534	569
	Mass market electricity and gas sales	GWh	296	298	251	3,101	3,080
	Average electricity sales price	$/MWh	286.95	259.01	284.83	266.53	252.52
	Electricity direct pass thru costs	$/MWh	(126.87)	(126.01)	(131.44)	(120.82)	(118.22)
	Cost to serve	$/MWh	(20.33)	(19.00)	(21.97)	(16.72)	(16.40)
	Customer netback	$/MWh	128.76	107.97	119.90	115.48	104.82
	Energy cost	$/MWh	(129.90)	(106.73)	(117.88)	(114.01)	(97.67)
	Actual electricity line losses	%	8%	5%	7%	6%	7%
	Retail gas sales	PJ	0.2	0.2	0.1	1.9	2.0
	Electricity ICPs	#	426,000	428,000	425,500	427,500	419,000
	Gas ICPs	#	69,500	70,000	69,500	70,000	68,000
	Broadband connections	#	83,000	67,000	82,000	77,000	60,000
Wholesale	Electricity sales to Customer business	GWh	274	265	233	2,744	2,691
	Electricity sales to Commercial and Industrial	GWh	140	121	123	1,224	1,067
	Electricity CFD sales	GWh	216	241	152	1,612	2,289
	Contracted electricity sales	GWh	629	627	509	5,581	6,048
	Steam sales	GWh	59	61	53	489	517
	Total electricity and steam net revenue	$/MWh	114.60	95.52	99.80	101.58	97.93
	C&I netback (at the ICP)	$/MWh	122.27	110.13	110.58	115.94	89.22
	C&I line losses	%	4%	7%	4%	4%	5%
	Thermal generation	GWh	50	156	35	391	602
	Geothermal generation	GWh	269	272	235	2,379	2,437
	Hydro generation	GWh	311	209	264	2,867	3,182
	Spot electricity sales	GWh	630	638	534	5,637	6,221
	Electricity sales – Direct	GWh	7	8	8	69	71
	Acquired generation	GWh	0	45	-	131	265
	Electricity generated (or acquired)	GWh	638	691	542	5,837	6,557
	Unit generation cost (including acquired generation)[1]	$/MWh	(35.18)	(53.93)	(37.26)	(34.70)	(35.42)
	Spot electricity purchases	GWh	(406)	(378)	(349)	(3,899)	(3,688)
	CFD sale settlements	GWh	(216)	(241)	(152)	(1,612)	(2,289)
	Spot exposed purchases / CFD settlement	GWh	(622)	(618)	(501)	(5,512)	(5,977)
	Spot revenue and settlement on acquired generation (GWAP)	$/MWh	144.77	196.24	151.84	81.61	121.38
	Spot purchases and settlement on CFDs sold (LWAP)	$/MWh	(155.59)	(210.14)	(158.50)	(90.47)	(130.67)
	LWAP/GWAP	%	107%	107%	104%	111%	108%
	Gas used in internal generation	PJ	0.7	1.4	0.5	5.5	7.0
	Gas storage net movement (extraction) / injection	PJ	(0.1)	(0.7)	0.1	2.1	1.4
	Tauhara progress tracking actual *(target)*		90% *(92%)*	N/A	87% (89%)	N/A	N/A
Contact	Total customer connections	#	584,000	571,000	583,000	580,500	554,500

[1] Unit generation costs is calculated excluding a $120 million onerous contract provision ($86 million after tax) for AGS.

Environment, Social and Governance (ESG)

Material theme	Measure	Unit	Q3 FY23	Q3 FY22
Climate Change	Greenhouse Gas (GHG) Emissions from generation assets[1]	kt CO^2-e	157	236
	GHG intensity of generation[2]	kt CO^2-e / GWh	0.091	0.131
Water	Water Freshwater take[3]	Million cubic metres	0.52	0.58
	Non-consumptive water usage[4]	Million cubic metres	3,256	3,138
	Geothermal fluid discharge to awa (rivers)	Million cubic metres	3.70	3.06
Biodiversity	Native rakau (trees) planted by Contact[5]	#	1,000	-
	Pests caught[6]	#	810	989
Community	Community initiatives and organisations supported	#	10	15
Inclusion and Diversity	Board	% Women/ % Men	57% / 43%	57% / 43%
Inclusion and Diversity	Key Management Personnel	% Women/ % Men	20% / 80%	20% / 80%
Inclusion and Diversity	Employee Gender balance[7]	% Women/ % Men	46% / 53%	46% / 53%

Note: This information is updated quarterly (September, December, March, June)

[1] Scope 1 – Stationary combustion. In FY22 stationary combustion was 99.96% of Contact's total Scope 1 emissions
[2] Carbon equivalent from stationary combustion / electricity generated and sold via the spot wholesale market
[3] Freshwater taken to support operations at geothermal and thermal
[4] Water that flows through our Roxburgh power station and cooling water for our geothermal power stations
[5] Does not include DrylandsCarbon/Forest Partners activities
[6] Predominantly stoats, rats and possums
[7] Includes all permanent, fixed term and casual employees. 1.3% and 1% unspecified in Q3 FY23 and Q3 FY22 respectively.

Keep in touch.

Investors

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