

# Monthly Operating Report

May 2022



# May overview.

## For the month of May 2022

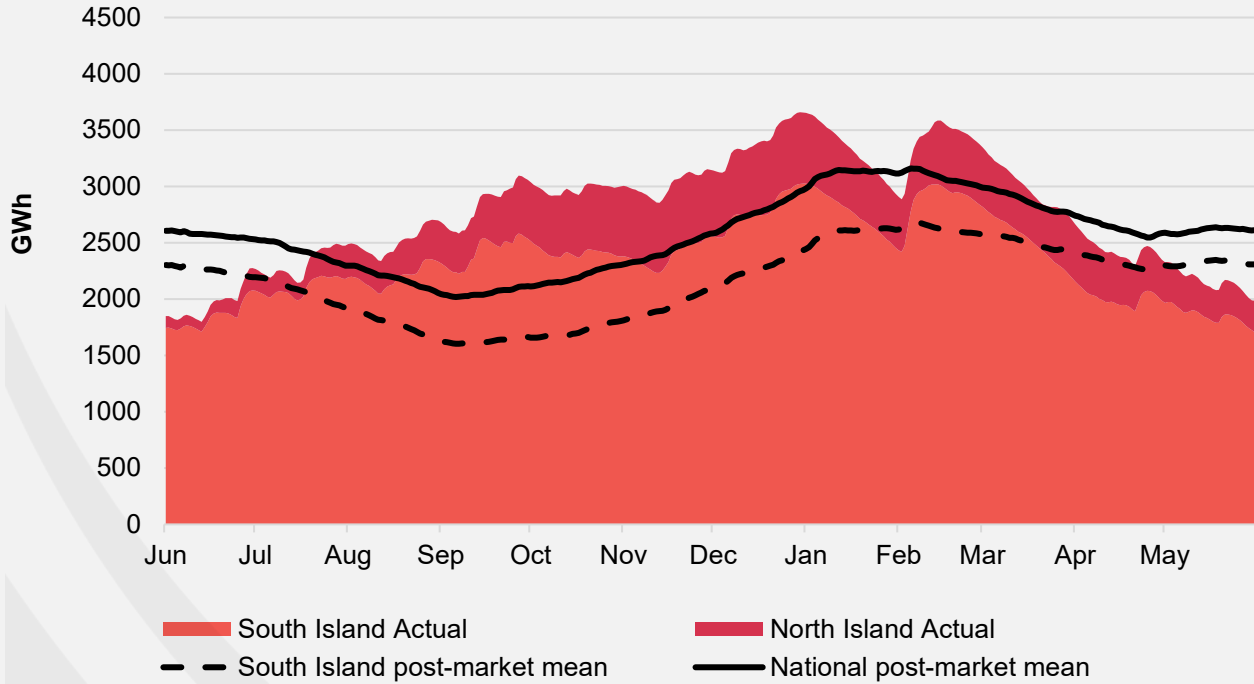
- » The Customer business recorded:
  - Mass market electricity and gas sales of 384GWh (May 2021: 372GWh)
  - Mass market netback of \$108.00/MWh (May 2021: \$103.79/MWh)
- » The Wholesale business recorded:
  - Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 694GWh (May 2021: 846GWh)
  - Electricity and steam net revenue of \$111.35/MWh (May 2021: \$122.68/MWh)
  - Electricity generated (or acquired) of 736GWh (May 2021: 893GWh)
  - The unit generation cost, which includes acquired generation was \$46.38/MWh (May 2021: \$58.13/MWh)
    - Own generation cost in the month of \$42.13/MWh (May 2021: \$53.41MWh)
- » Otahuhu futures settlement wholesale price for the 3<sup>rd</sup> quarter of 2022 (ASX):
  - As at 03 June 2022: \$215/MWh
  - As at 31 May 2022: \$228/MWh
  - As at 29 Apr 2022: \$232/MWh
- » As at 6 June 2022, South Island controlled storage was 74% of mean and North Island controlled storage was 117% of mean
  - As at 6 June 2022, total Clutha scheme storage (including uncontrolled storage) was 68% of mean
  - Inflows into Contact's Clutha catchment for May 2022 were 110% of mean (April 2022: 82%, March 2022: 51%, February 2022: 156%)
- » As at 1 June 2022, Contact's contracted gas volume (including contracted swaps) for the next 12 months is 15.62PJ\*

\* As notified by suppliers, actual gas received is dependent on field delivery

# Hydro storage and forward prices.

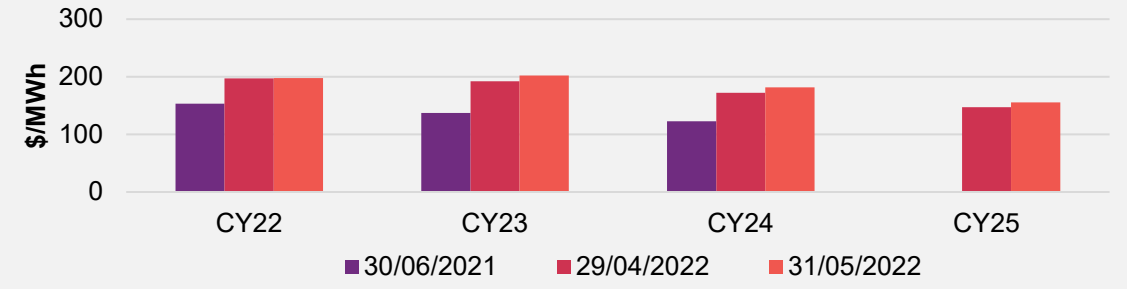
## New Zealand controlled hydro storage against mean

12 MONTHS

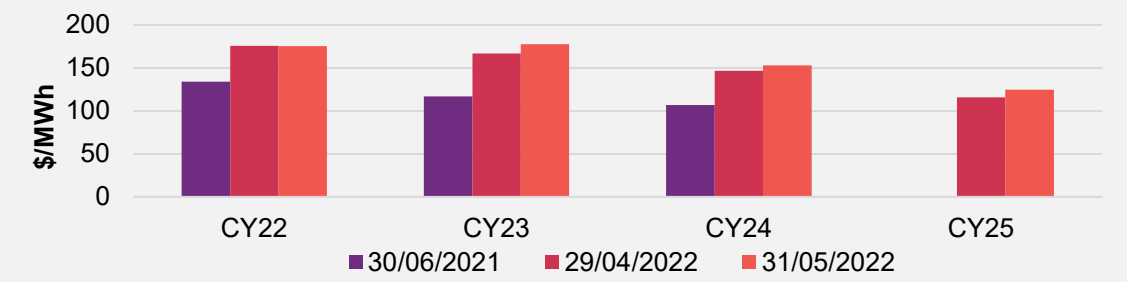


## ASX futures settlement

Otahuhu

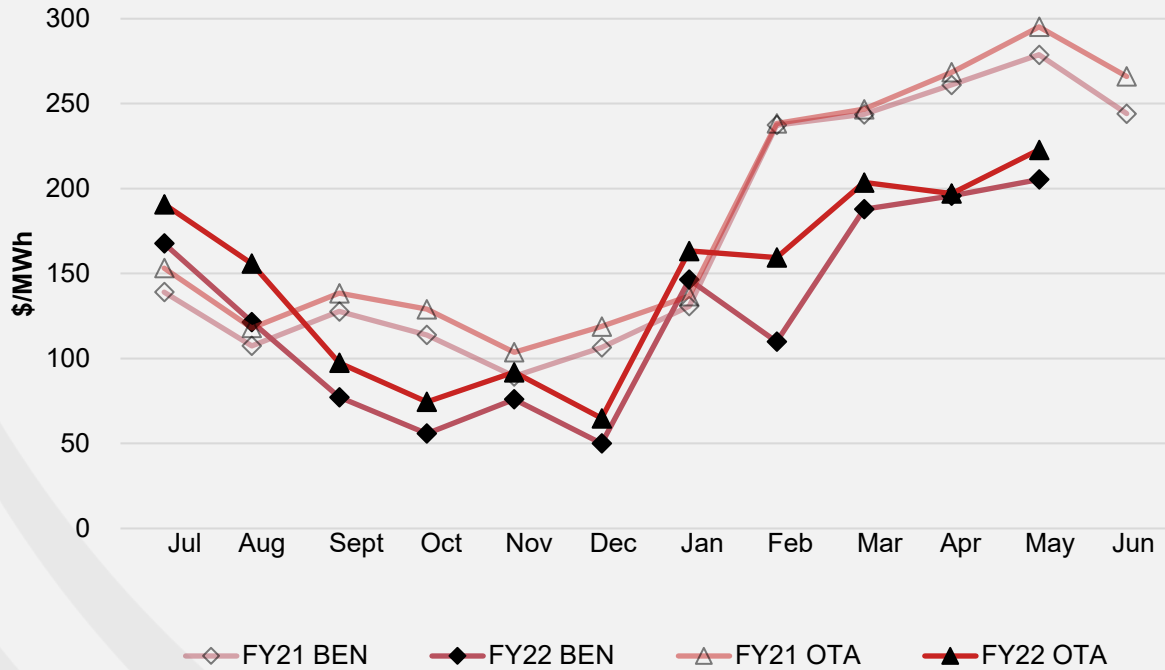


Benmore



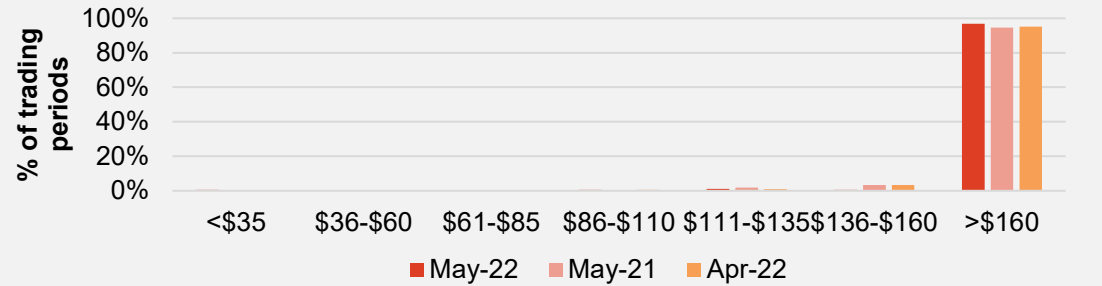
# Wholesale market.

## Wholesale electricity pricing

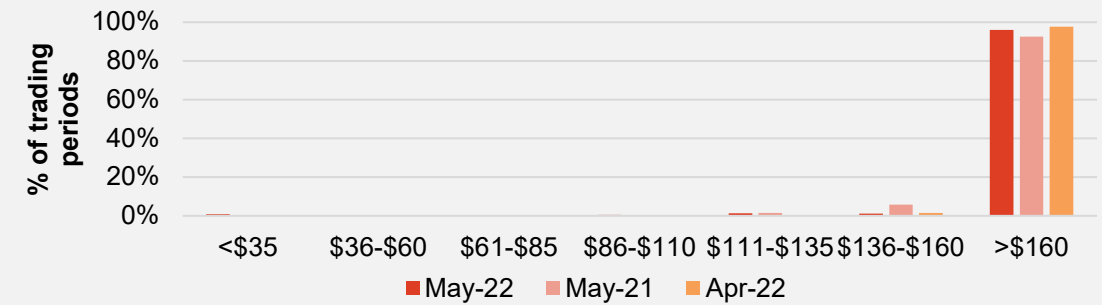


## Distribution of wholesale market price by trading periods

### Otahuhu



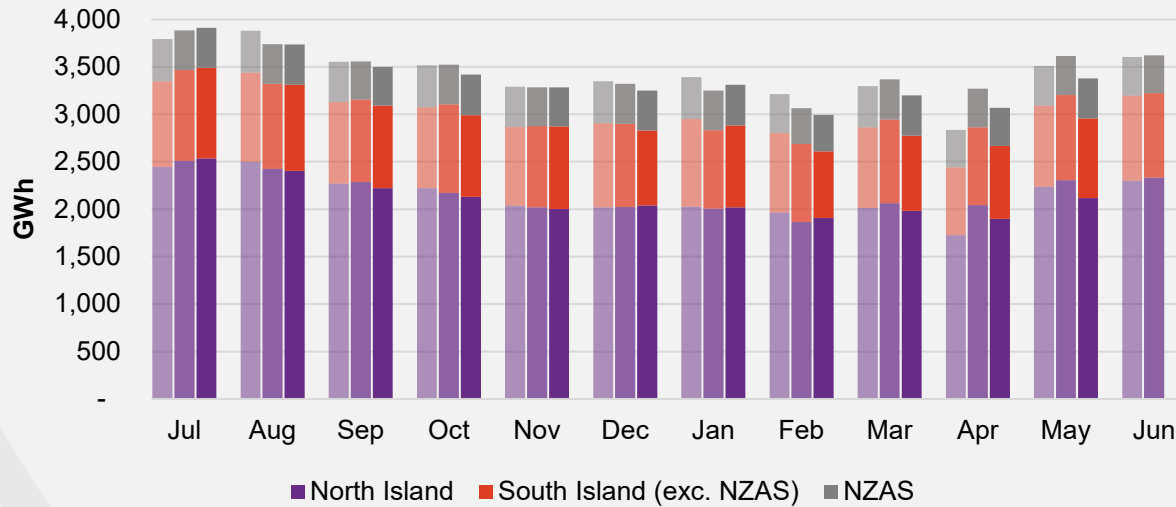
### Benmore



# Electricity demand.

## Total national demand

FY20, 21 and 22 respectively

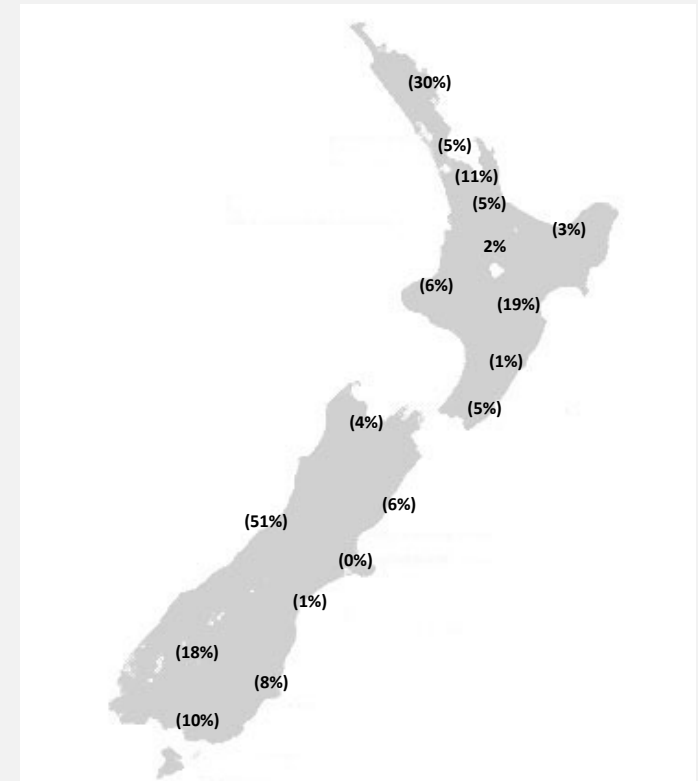


- » New Zealand electricity demand was down 6.5% on May 2021 (down 3.7% on May 2020):
  - Cumulative 12 months demand for June 2021 to May 2022 of 40,571 GWh is 2.2% lower than the prior comparative period.

Source: Contact and Electricity Authority grid demand (reconciled) <http://www.emi.ea.govt.nz>

## Regional demand change (%) on May 2021

Nationwide temperatures for May 2022 were 12.6°C, 1.1°C higher than May 2021: 11.5°C

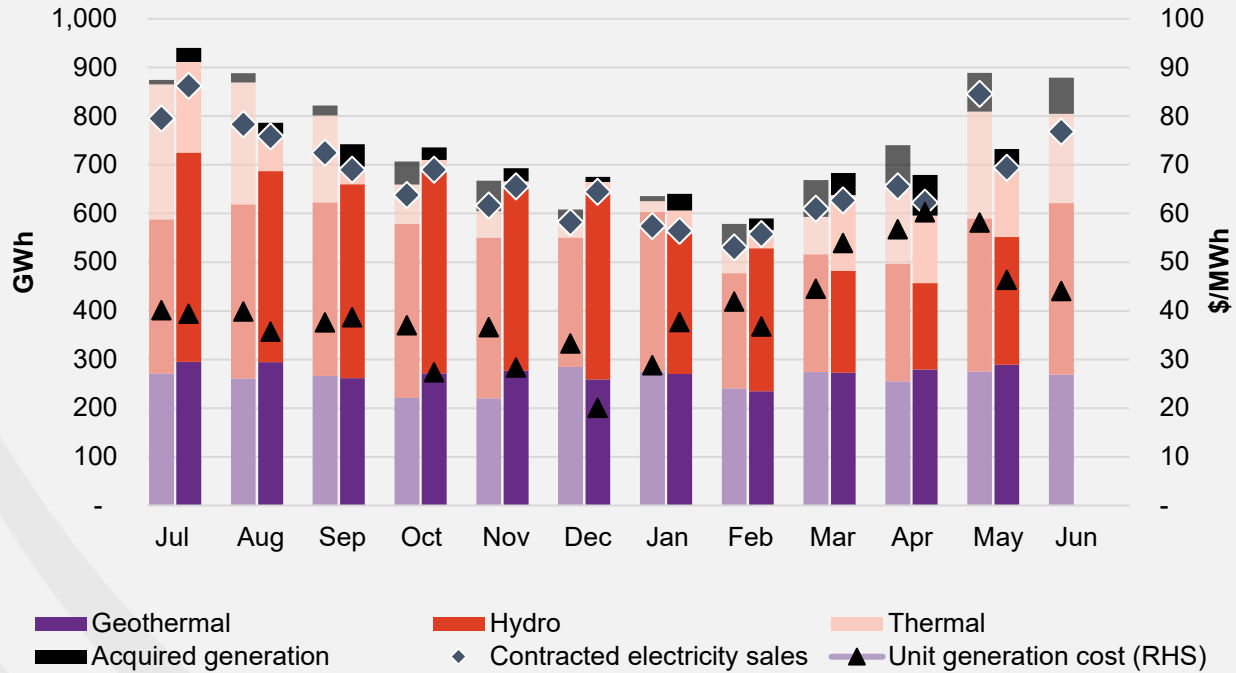


Regional demand is excluding NZAS

# Business performance.

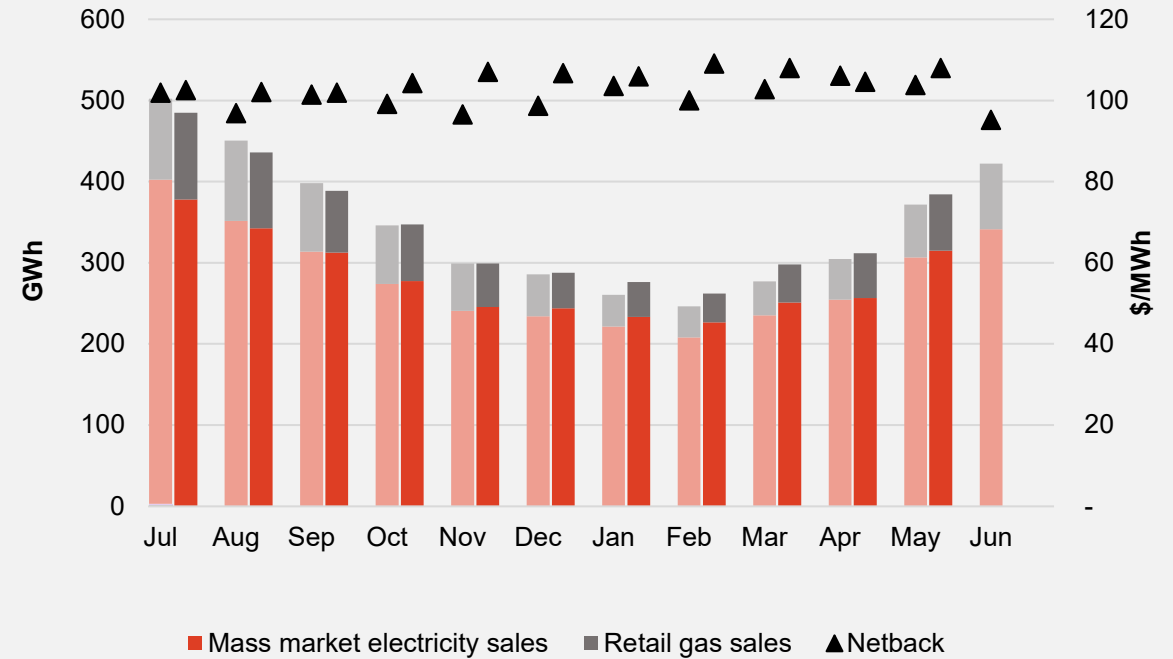
## Wholesale

Generation mix, gross sales position and unit generation cost (FY21 and 22 respectively)



## Customer

Retail sales volumes and netback (FY21 and 22 respectively)



## Operational data.

		Measure	The month ended May 22	The month ended May 21	The month ended April 22	Eleven months ending May 22	Eleven months ending May 21
Customer	Mass market electricity sales	GWh	315	307	256	3,082	3,039
	Retail gas sales	GWh	69	65	55	694	699
	Mass market electricity and gas sales	GWh	384	372	312	3,776	3,739
	Average electricity sales price	\$/MWh	252.17	246.34	258.00	252.94	248.75
	Electricity direct pass thru costs	\$/MWh	(117.57)	(112.82)	(125.37)	(118.75)	(115.52)
	Cost to serve	\$/MWh	(15.31)	(15.61)	(18.69)	(16.47)	(16.17)
	Customer netback	\$/MWh	108.00	103.79	104.59	105.13	100.92
	Energy cost	\$/MWh	(112.18)	(92.92)	(98.94)	(99.25)	(86.48)
	Actual electricity line losses	%	7%	7%	7%	7%	7%
	Retail gas sales	PJ	0.2	0.2	0.2	2.5	2.5
	Electricity ICPs	#	430,500	405,500	428,500	421,000	407,000
	Gas ICPs	#	71,000	65,000	70,500	68,500	64,500
	Broadband connections	#	69,000	48,000	67,000	61,500	38,000
Wholesale	Electricity sales to Customer business	GWh	338	331	277	3,307	3,267
	Electricity sales to Commercial and Industrial	GWh	131	133	133	1,331	1,720
	Electricity CFD sales	GWh	225	381	211	2,725	2,365
	Contracted electricity sales	GWh	694	846	622	7,363	7,353
	Steam sales	GWh	25	36	35	577	625
	Total electricity and steam net revenue	\$/MWh	111.35	122.68	98.69	99.21	90.38
	C&I netback (at the ICP)	\$/MWh	132.28	97.04	115.23	96.35	84.72
	C&I line losses	%	4%	5%	4%	5%	5%
	Thermal generation	GWh	141	220	139	881	1,408
	Geothermal generation	GWh	289	276	280	3,006	2,845
	Hydro generation	GWh	262	314	178	3,622	3,346
	Spot electricity sales	GWh	692	809	596	7,509	7,599
	Electricity sales - Direct	GWh	3	4	5	79	80
	Acquired generation	GWh	41	80	83	388	481
	Electricity generated (or acquired)	GWh	736	893	684	7,976	8,160
	Unit generation cost (including acquired generation)	\$/MWh	(46.38)	(58.13)	(60.25)	(38.56)	(41.82)
	Spot electricity purchases	GWh	(466)	(461)	(406)	(4,560)	(4,907)
	CFD sale settlements	GWh	(225)	(381)	(211)	(2,725)	(2,365)
	Spot exposed purchases / CFD settlement	GWh	(691)	(842)	(617)	(7,285)	(7,272)
	Spot revenue and settlement on acquired generation (GWAP)	\$/MWh	208.87	286.35	191.63	135.54	170.15
	Spot purchases and settlement on CFDs sold (LWAP)	\$/MWh	(219.35)	(294.07)	(208.25)	(145.65)	(179.49)
	LWAP/GWAP	%	105%	103%	109%	107%	105%
	Gas used in internal generation	PJ	1.3	1.9	1.3	9.5	13.6
Gas storage net movement (extraction) / injection	PJ	(0.9)	(0.4)	(0.6)	(0.1)	(0.2)	
Contact	Total customer connections	#	577,000	527,000	572,000	558,000	516,500

# Environment, Social and Governance (ESG)

Material theme	Measure	Unit	Q3 FY22	Q3 FY21
Climate Change	Emissions from generation assets <sup>1</sup>	kt CO <sup>2</sup> -e	236	270
	Greenhouse Gas (GHG) intensity of generation <sup>2</sup>	kt CO <sup>2</sup> -e / GWh	0.131	0.154
Water	Freshwater take <sup>3</sup>	Million cubic metres	0.58	0.86
	Non-consumptive water usage <sup>4</sup>	Million cubic metres	3,138	3,244
	Geothermal fluid discharge to awa (rivers)	Million cubic metres	3.06	4.44
Biodiversity	Native rākau (trees) planted by Contact <sup>5</sup>	#	-	4,948
	Pests caught <sup>6</sup>	#	989	715
Inclusion and Diversity	Employee Gender Balance <sup>7, 8</sup>		Women / Men	Women / Men
	• Board – The Company Directors		57% / 43%	57% / 43%
	• Key Management Personnel - Leadership Team including CEO		20% / 80%	27% / 73%
	• Other Executives/General Managers – Managers that oversee and influence organisational decisions	%	40% / 60%	40% / 60%
	• Senior Management – Managers that oversee a business function within a business unit		39% / 61%	44% / 56%
	• Other Managers – All other managers		34% / 66%	30% / 70%
	• Non-Managers – Those without direct reports		48% / 51%	47% / 53%
<b>Total</b>		<b>46% / 53%</b>	<b>44% / 55%</b>	
Community wellbeing	Community initiatives and organisations supported	#	15	*
Access to energy	Customer accepted (after standard credit checking / after prepay)	%	93% / 96%	94% / 95%

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

<sup>1</sup> Scope 1 – Stationary combustion. In FY21 stationary combustion was 99.97% of Contact's total Scope 1 emissions

<sup>2</sup> Carbon equivalent from stationary combustion / electricity generated and sold via the spot wholesale market

<sup>3</sup> Freshwater taken to support operations at geothermal and thermal and includes Council take in Q2 FY22

<sup>4</sup> Water that flows through our Roxburgh power station and cooling water for our geothermal power stations

<sup>5</sup> Does not include DrylandsCarbon activities

<sup>6</sup> Predominantly stoats, rats and possums

<sup>7</sup> Categories are aligned with the Diversity Reporting Framework provided by Champions for Change

<sup>8</sup> Includes all performance, fixed term and casual employees.

\* Data has not historically been collected by quarter



## Keep in touch.

### Investors

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