Monthly Operating Report

April 2023

April overview[1].

For the month of April 2023

» The Customer business recorded:
  - Mass market electricity and gas sales of 300GWh (April 2022: 312GWh)
  - Mass market netback of $124.68/MWh (April 2022: $104.59/MWh)

» The Wholesale business recorded:
  - Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 600GWh (April 2022: 622GWh)
  - Electricity and steam net revenue of $112.68/MWh (April 2022: $98.69MWh)
  - Electricity generated (or acquired) of 597GWh (April 2022: 684GWh)
  - The unit generation cost, which includes acquired generation was $27.08/MWh (April 2022: $60.25/MWh)
    - Own generation cost in the month of $27.20/MWh (April 2022: $50.10/MWh)

» Please note:
  - Contact has decided to not proceed with the C6 overhaul of its TCC plant and will run the plant to the end of the operating hours or as market needs dictate. We have adequate gas supply contracted to run TCC through to the end of winter 2024.

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.

» Tauhara project progress vs. target for April 2023 was 94% vs. 95%[2]. We have commenced pre-commissioning activities in preparation for first steam.

» Otahuhu futures settlement wholesale price for the 3rd quarter of 2023 (ASX):
  - As at 5 May 2023: $165/MWh
  - As at 28 April 2023: $177/MWh
  - As at 31 March 2023: $191/MWh

» As at 7th May 2023, South Island controlled storage was 112% of mean and North Island controlled storage was 195% of mean
  - As at 7th May 2023, total Clutha scheme storage was 80% of mean
  - Inflows into Contact’s Clutha catchment for April 2023 were 94% of mean. (March 2023: 134%, February 2023: 119%, January 2023: 50%)

» Contact’s contracted gas volume (including contracted swaps) for the next 12 months is 14.3PJ[3]

[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.

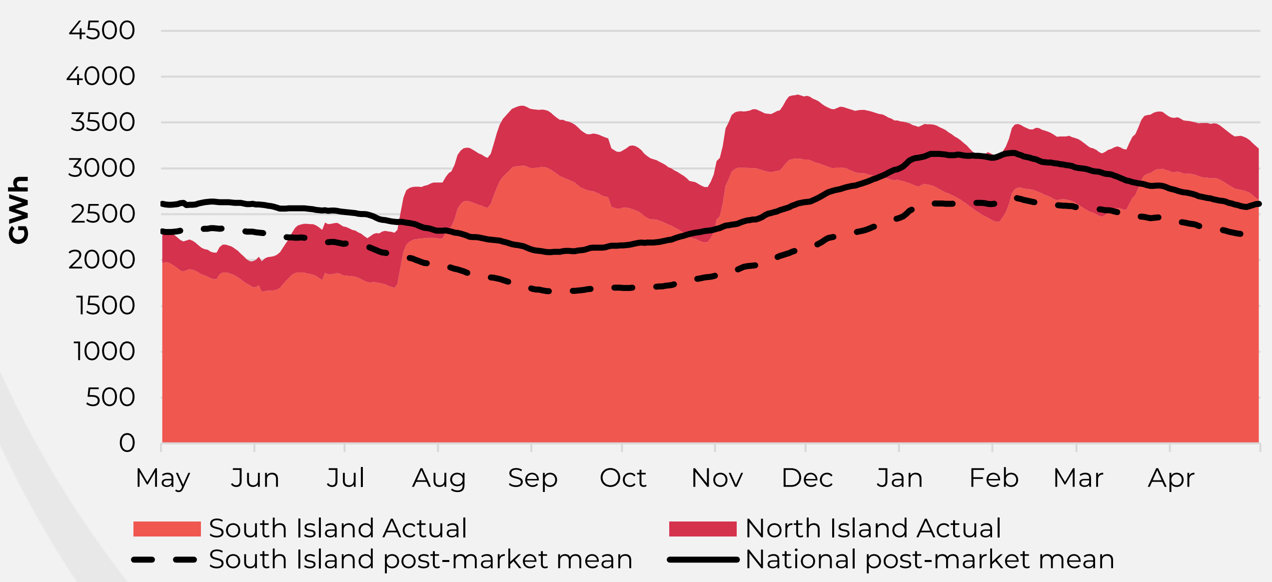
[2] The progress target for Tauhara follows an S-Curve model in line with standard project management practice (for large scale infrastructure projects). This will result in more gradual increments in the reporting of target and actual progress as the project nears completion in Q4 of 2023.

[3] 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.

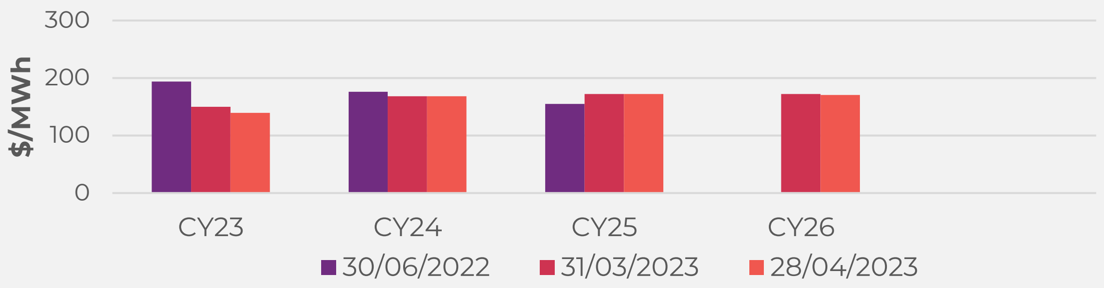
New Zealand controlled hydro storage against mean

12 MONTHS



ASX futures settlement

Otahuhu



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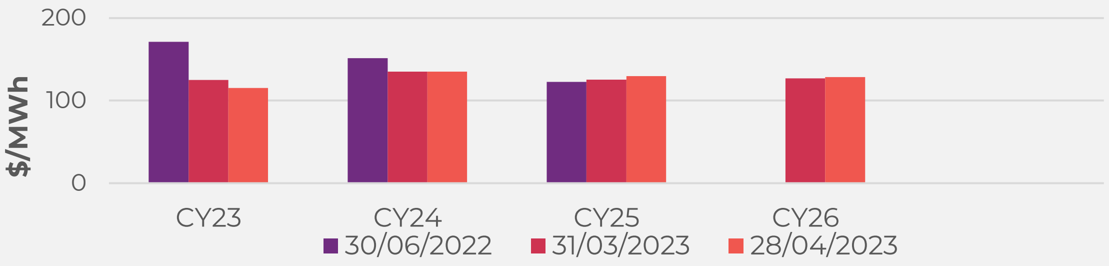
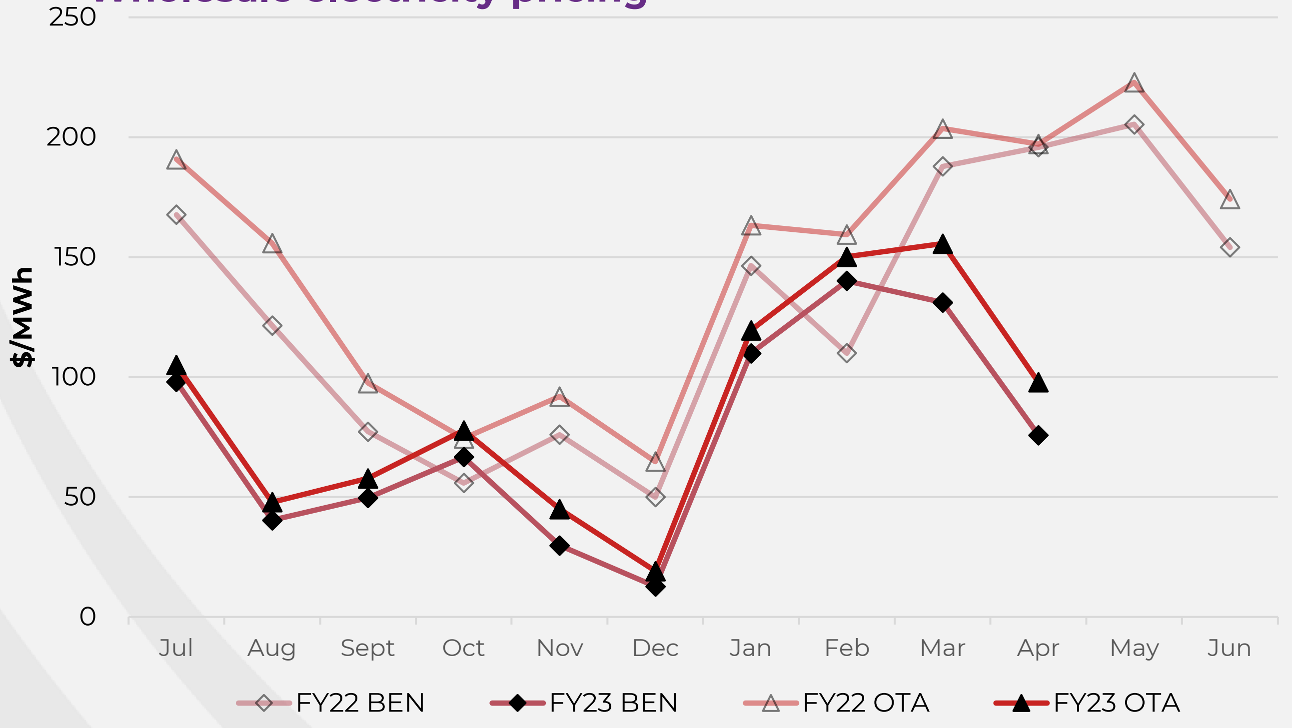
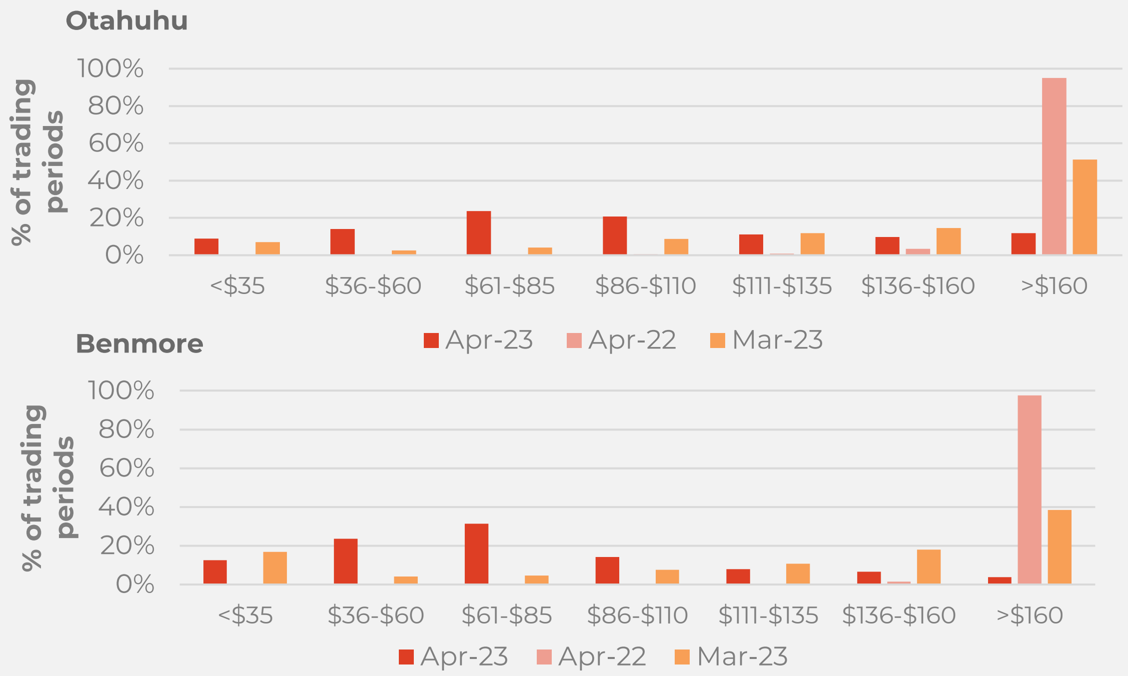


Wholesale market.

Wholesale electricity pricing



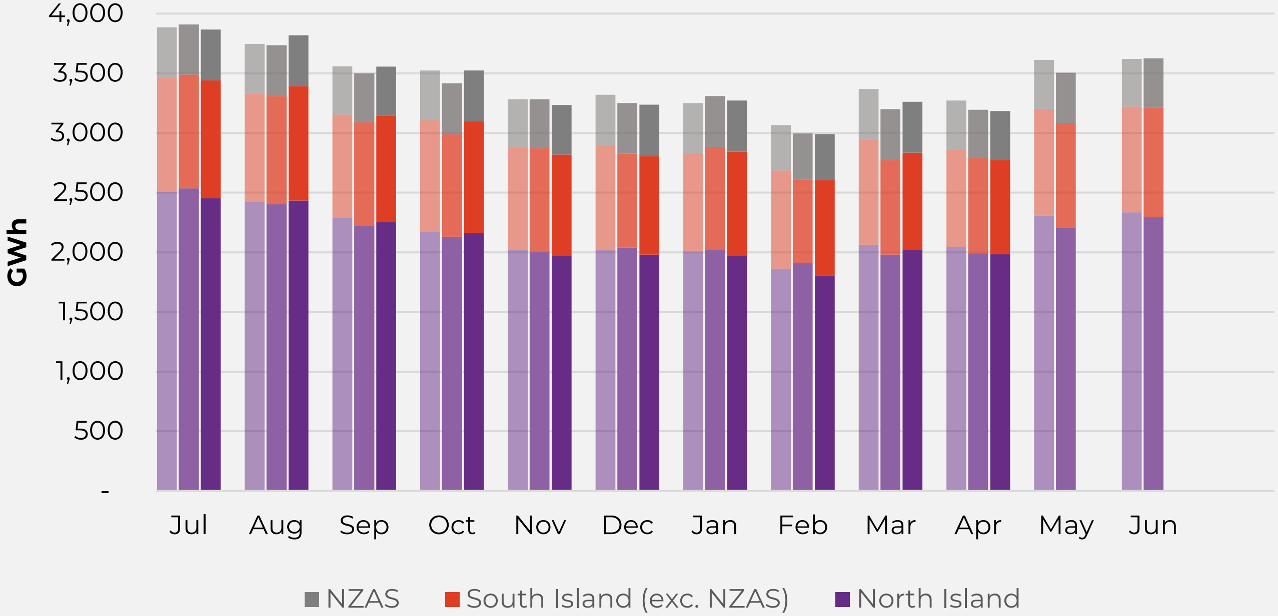
Distribution of wholesale market price by trading periods



Electricity demand.

Total national demand

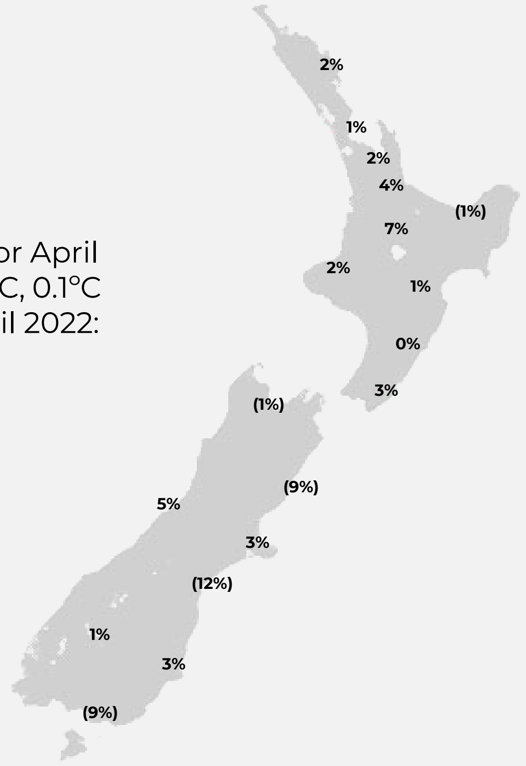
FY21, 22 and 23 respectively



» New Zealand electricity demand was down 0.3% on April 2022 (down 2.7% on April 2021)

Regional demand change (%) on April 2022

Nationwide temperatures for April 2023 were 14.4°C, 0.1°C cooler than April 2022: 14.5°C



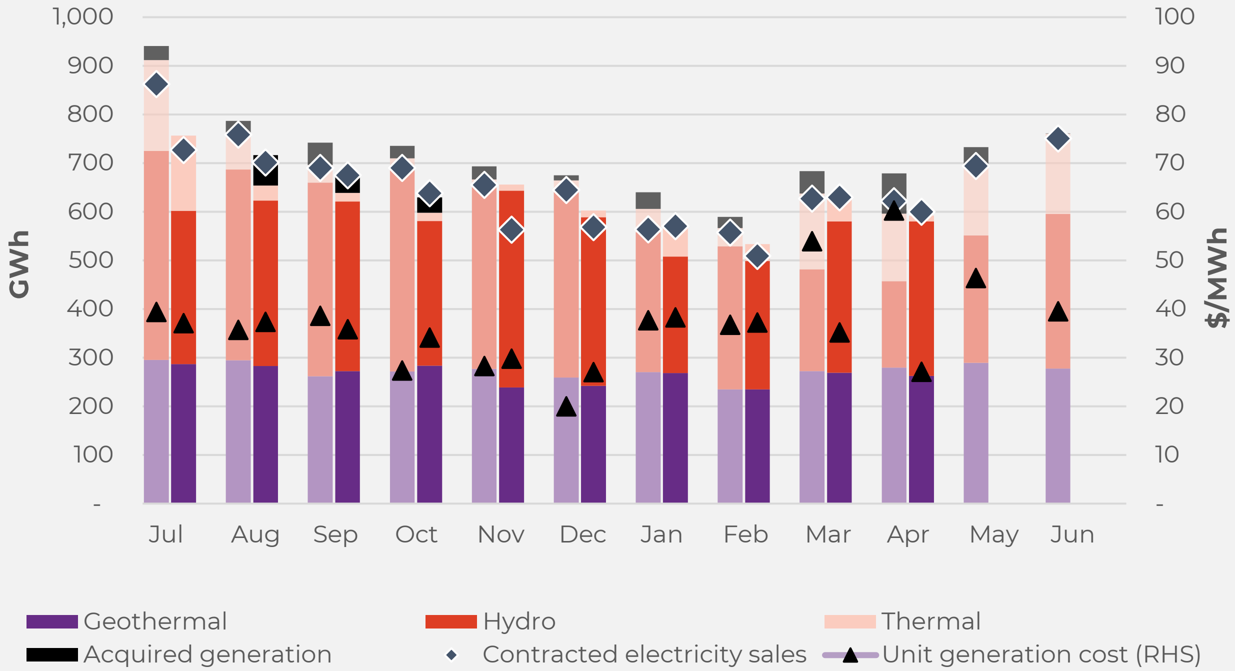
Source: Contact and Electricity Authority grid demand (reconciled) http://www.emi.ea.govt.nz

Regional demand is excluding NZAS

Business performance.

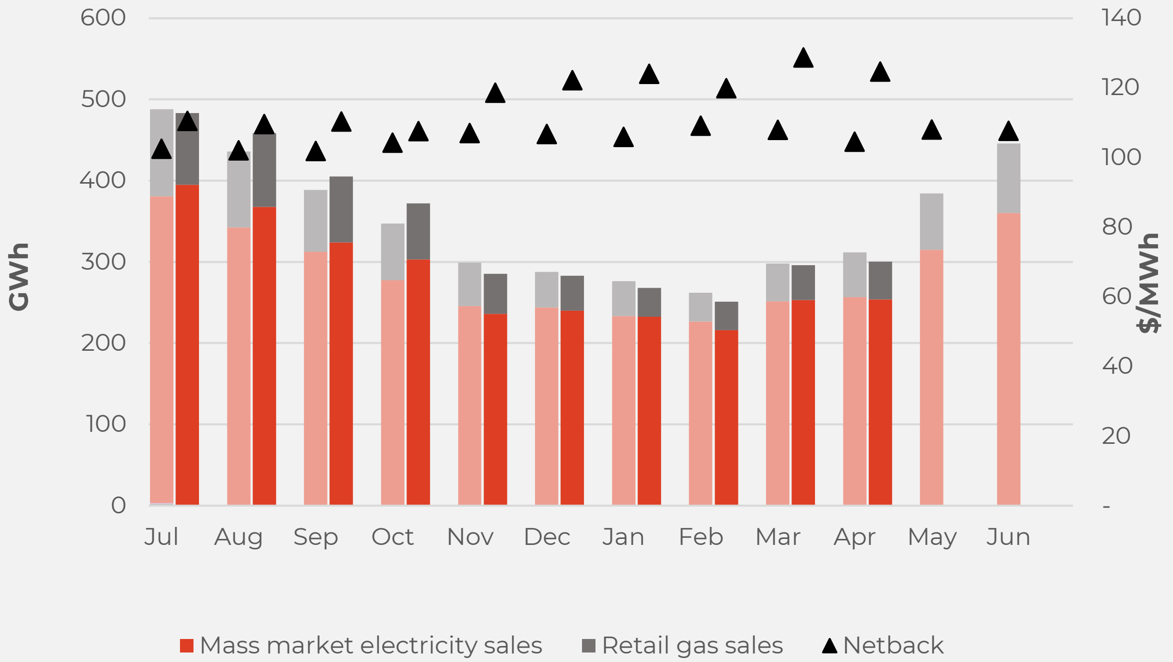
Wholesale

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 April 23	The month ended April 22	The month ended March 23	Ten months ending April 23	Ten months ending April 22
Retail	Mass market electricity sales	GWh	254	256	253	2,821	2,767
	Retail gas sales	GWh	46	55	43	581	625
	Mass market electricity and gas sales	GWh	300	312	296	3,402	3,392
	Average electricity sales price	$/MWh	288.33	258.00	286.95	268.49	253.03
	Electricity direct pass thru costs	$/MWh	(133.85)	(125.37)	(126.87)	(121.99)	(118.88)
	Cost to serve	$/MWh	(17.70)	(18.69)	(20.33)	(16.81)	(16.61)
	Customer netback	$/MWh	124.68	104.59	128.76	116.29	104.80
	Energy cost	$/MWh	(121.91)	(98.94)	(129.90)	(114.71)	(97.79)
	Actual electricity line losses	%	5%	7%	8%	6%	7%
	Retail gas sales	PJ	0.2	0.2	0.2	2.1	2.2
	Electricity ICPs	#	426,000	428,500	426,000	427,500	420,000
	Gas ICPs	#	70,000	70,500	69,500	70,000	68,000
	Broadband connections	#	84,000	67,000	83,000	78,000	61,000
Wholesale	Electricity sales to Customer business	GWh	268	277	274	3,012	2,969
	Electricity sales to Commercial and Industrial	GWh	118	133	140	1,342	1,201
	Electricity CFD sales	GWh	214	211	216	1,826	2,500
	Contracted electricity sales	GWh	600	622	629	6,180	6,670
	Steam sales	GWh	46	35	59	536	552
	Total electricity and steam net revenue	$/MWh	112.68	98.69	114.60	102.65	98.00
	C&I netback (at the ICP)	$/MWh	113.49	115.23	122.27	115.72	92.23
	C&I line losses	%	4%	4%	4%	4%	5%
	Thermal generation	GWh	12	139	50	403	741
	Geothermal generation	GWh	263	280	269	2,641	2,716
	Hydro generation	GWh	318	178	311	3,185	3,360
	Spot electricity sales	GWh	592	596	630	6,229	6,817
	Electricity sales – Direct	GWh	5	5	7	74	76
	Acquired generation	GWh	0	83	-	131	348
	Electricity generated (or acquired)	GWh	597	684	638	6,434	7,240
	Unit generation cost (including acquired generation)[1]	$/MWh	(27.08)	(60.25)	(35.18)	(34.00)	(37.77)
	Spot electricity purchases	GWh	(381)	(406)	(406)	(4,281)	(4,093)
	CFD sale settlements	GWh	(214)	(211)	(216)	(1,826)	(2,500)
	Spot exposed purchases / CFD settlement	GWh	(595)	(617)	(622)	(6,107)	(6,594)
	Spot revenue and settlement on acquired generation (GWAP)	$/MWh	87.89	191.63	144.77	82.20	128.04
	Spot purchases and settlement on CFDs sold (LWAP)	$/MWh	(92.46)	(208.25)	(155.59)	(90.67)	(137.93)
	LWAP/GWAP	%	105%	109%	107%	110%	108%
	Gas used in internal generation	PJ	0.3	1.3	0.7	5.7	8.3
	Gas storage net movement (extraction) / injection	PJ	0.5	(0.6)	(0.1)	2.7	0.8
	Tauhara progress tracking actual *(target)*		94% *(95%)*	N/A	90% *(92%)*	N/A	N/A
Contact	Total customer connections	#	586,000	572,000	584,000	581,000	556,000

[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.

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