

# Monthly Operating Report

August 2024





# August 2024 overview

- » The Customer business recorded:
- Mass market electricity and gas sales of 456GWh (August 2023: 489GWh)
  - Mass market netback of \$128.72/MWh (August 2023: \$127.73/MWh)
- » The Wholesale business recorded:
- Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 840GWh (August 2023: 832GWh)
  - Electricity and steam net revenue of \$204.53/MWh (August 2023: \$145.86/MWh)
  - Electricity generated (or acquired) of 875GWh (July 2023: 803GWh)
  - The unit generation cost, which includes acquired generation was \$80.39/MWh (August 2023: \$50.81/MWh)
    - Own generation cost in the month of \$64.1/MWh (August 2023: \$50.5/MWh)
- » Te Huka 3 project progress vs. target for August 2024 was 94% vs. 95%<sup>1</sup>.

- » Otahuhu futures settlement wholesale price for the 4<sup>th</sup> quarter of 2024 (ASX):
- As at 5 September 2024: \$171.9/MWh
  - As at 30 August 2024: \$167.4/MWh
  - As at 31 July 2024: \$293/MWh
- » As at 6<sup>th</sup> September 2024, South Island controlled storage was 89% of mean and North Island controlled storage was 80% of mean.
- » As at 6<sup>th</sup> September 2024, total Clutha scheme storage was 115% of mean.
  - » Inflows into Contact's Clutha catchment for August 2024 were 100% of mean. (July 2024: 74%; June 2024: 54%, May 2024: 44%).
- » Contact's contracted gas volume (including contracted swaps) for the next 12 months is 8.3-8.8PJ<sup>2</sup>.

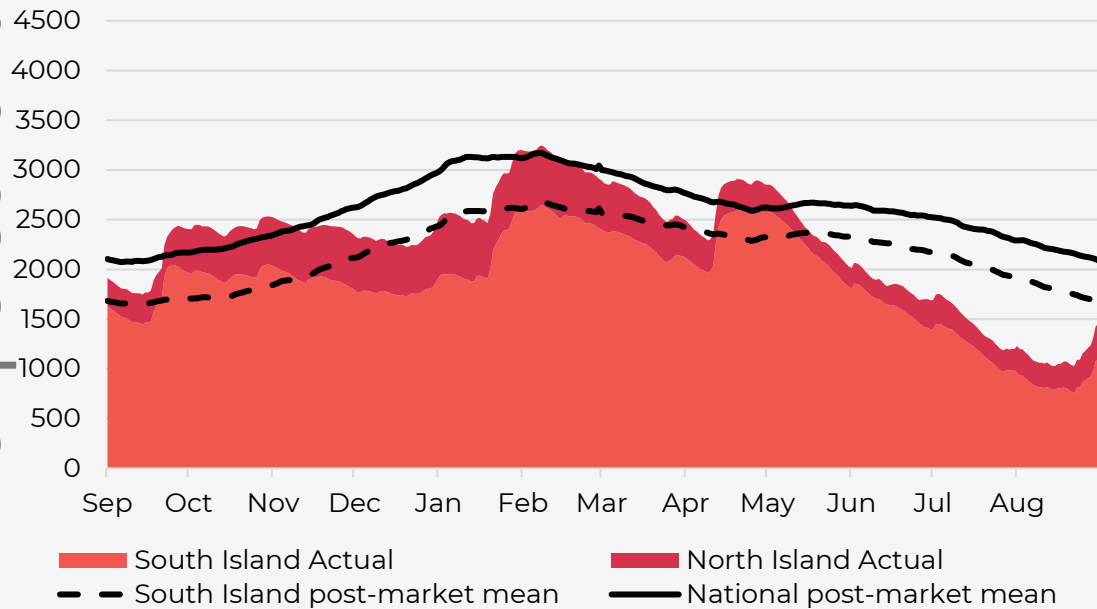
<sup>1</sup> The progress target for Te Huka 3 follows an S-Curve model in line with standard project management practice (for large scale infrastructure projects). This will result in more gradual increments in the reporting of target and actual progress as the projects near completion. Figures rounded to the nearest percentage.

<sup>2</sup> This incorporates the lower bound of the range notified by our suppliers as disclosed to the market on 7 April 2024. Of note, if drilling results and well performance are lower than expected we could see a further reduction to this forecast. The higher end of the range represents gas that may be put to Contact under the Methanex agreement announced on 13 August 2024. Note: Mean hydro references on this page are based on the mean of all reported periods (i.e. both pre- and post-market data), sourced from NZX.

# Hydro storage and forward prices

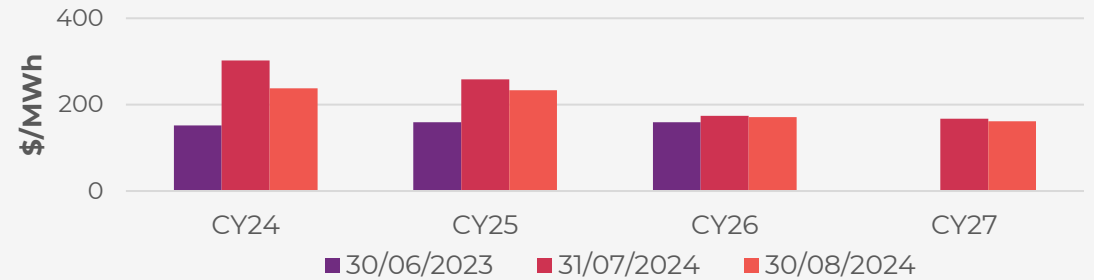
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**New Zealand controlled hydro storage against mean / 12 months**

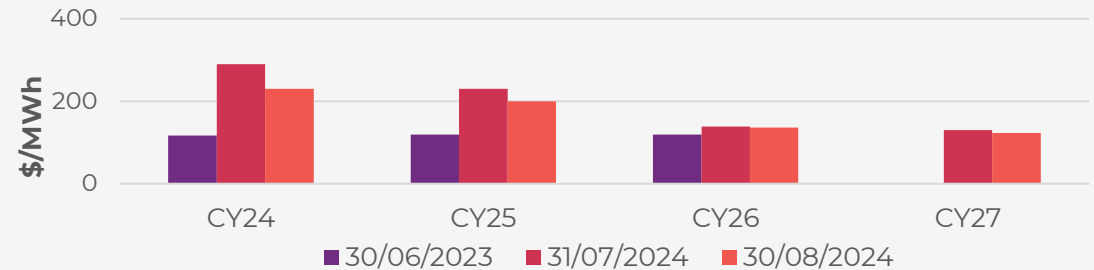


**ASX futures settlement**

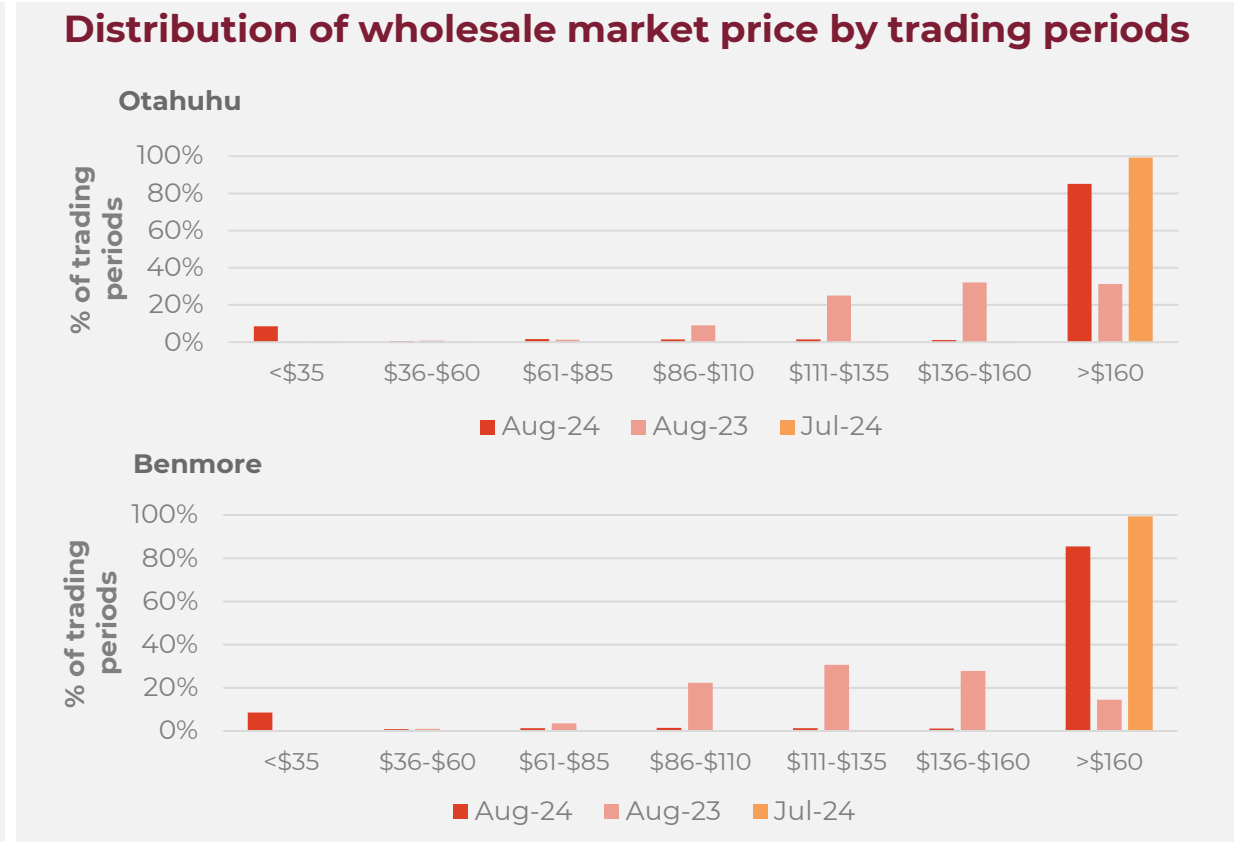
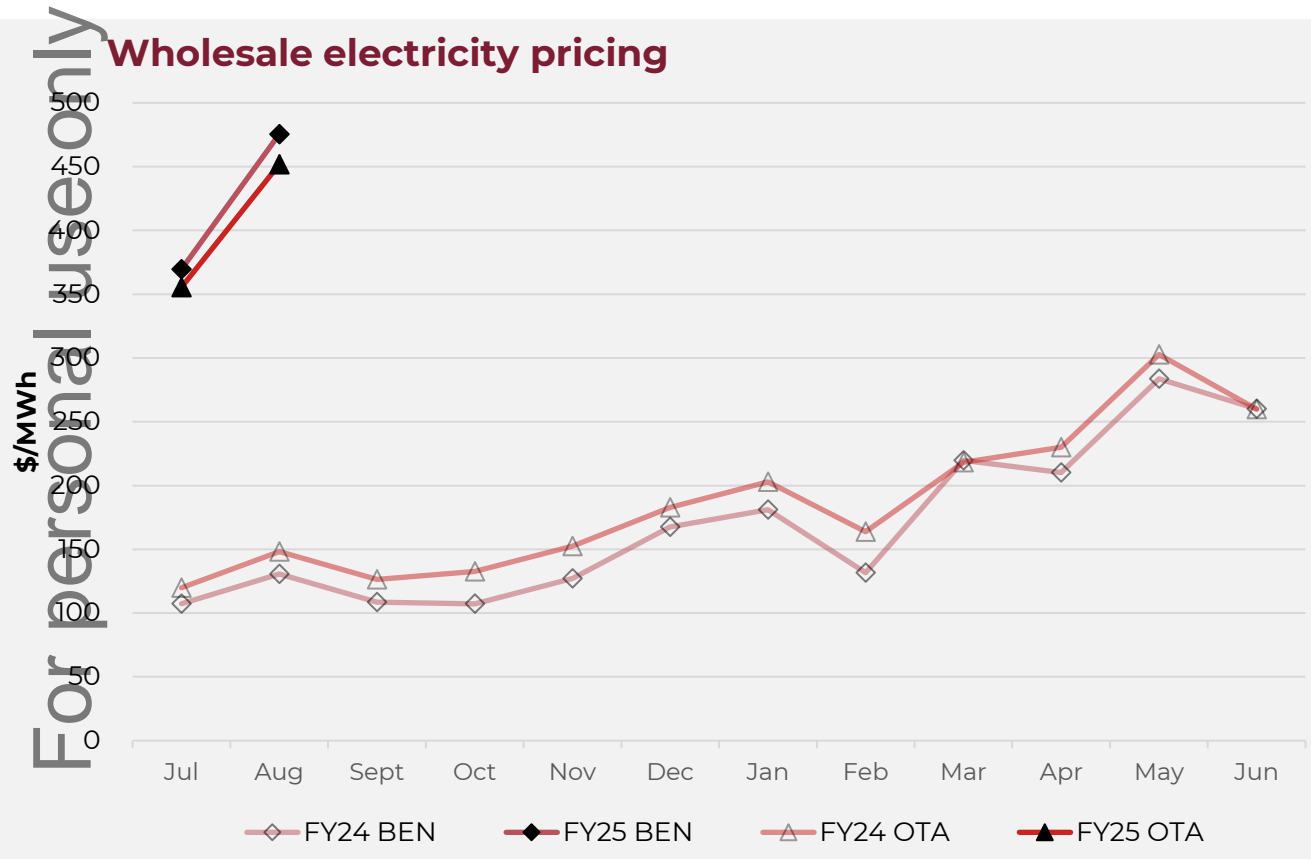
**Otahuhu**



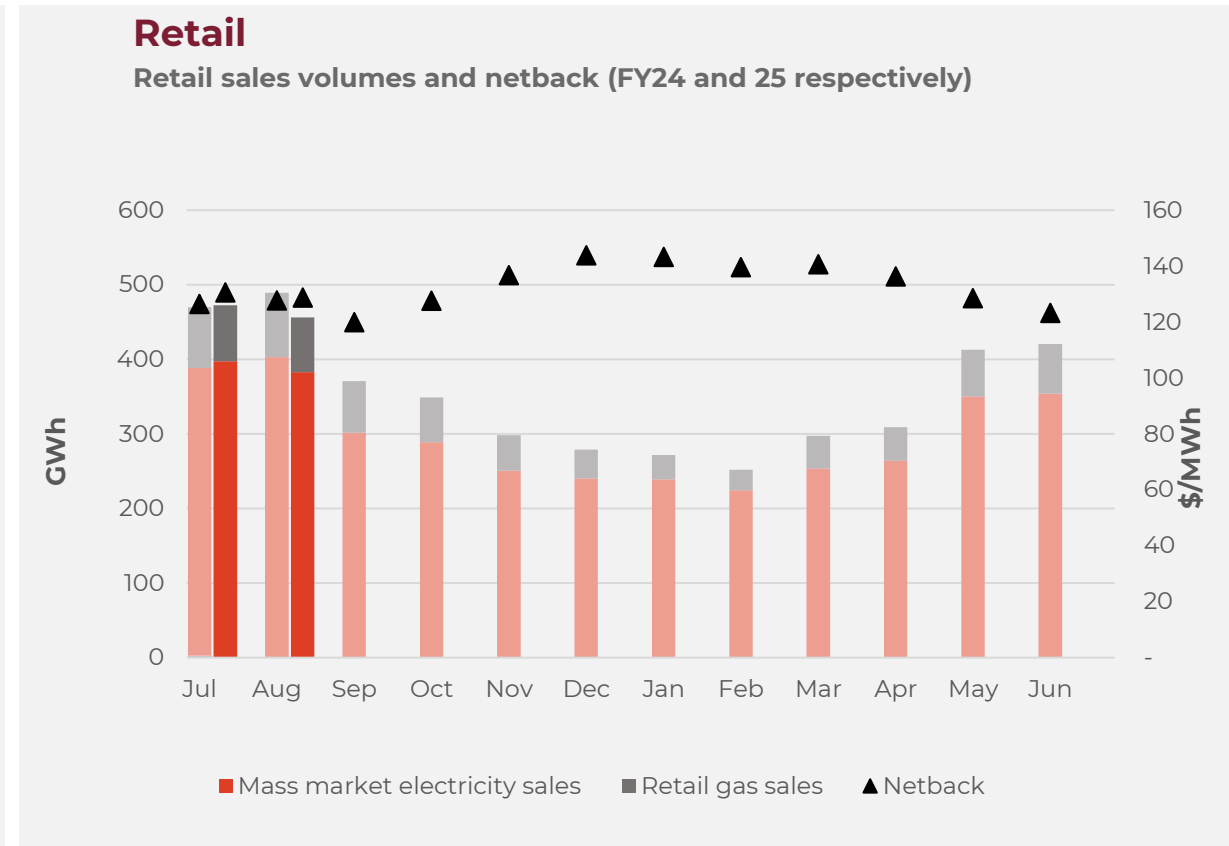
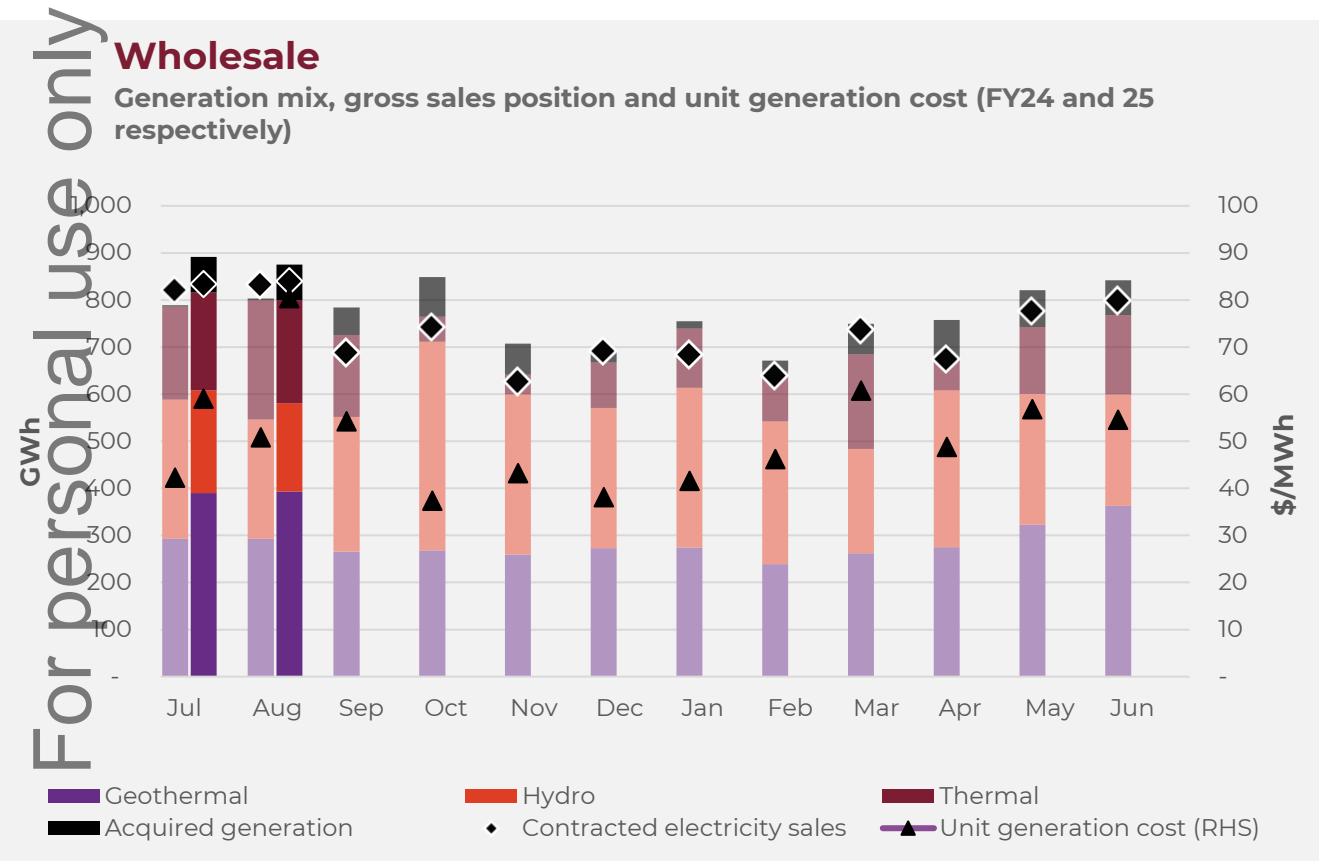
**Benmore**



# Wholesale market



# Business performance



# Operational data

		Measure	The month ended August 24	The month ended August 23	The month ended July 24	Two months ending August 24	Two months ending August 23
Retail	Mass market electricity sales	GWh	383	403	397	780	788
	Retail gas sales	GWh	73	86	75	148	168
	Mass market electricity and gas sales	GWh	456	489	472	928	956
	Average electricity sales price	\$/MWh	275.90	264.28	275.53	275.71	265.44
	Electricity direct pass thru costs	\$/MWh	(121.69)	(108.37)	(116.14)	(118.86)	(110.01)
	Cost to serve	\$/MWh	(12.83)	(14.13)	(14.73)	(13.80)	(14.15)
	Customer netback	\$/MWh	128.72	127.73	130.63	129.69	127.08
	Energy cost	\$/MWh	(166.14)	(149.25)	(183.91)	(175.18)	(155.26)
	Actual electricity line losses	%	5%	6%	7%	6%	7%
	Retail gas sales	PJ	0.3	0.3	0.3	0.5	0.6
	Electricity ICPs	#	443,500	433,500	441,500	442,500	432,500
	Gas ICPs	#	73,500	71,000	73,000	73,500	71,000
	Telco connections	#	111,000	88,000	109,778	110,500	87,500
	Wholesale	Electricity sales to Customer business	GWh	404	430	427	831
Electricity sales to Commercial and Industrial		GWh	126	118	126	252	230
Electricity CFD sales		GWh	310	284	281	591	579
Contracted electricity sales		GWh	840	832	834	1,674	1,653
Steam sales		GWh	23	21	23	46	43
Total electricity and steam net revenue		\$/MWh	204.53	145.86	174.20	189.42	149.26
C&I netback (at the ICP)		\$/MWh	160.08	150.62	179.81	169.95	152.92
C&I line losses		%	3%	4%	4%	4%	4%
Thermal generation		GWh	219	254	208	427	452
Geothermal generation		GWh	393	293	390	784	586
Hydro generation		GWh	187	253	218	405	549
Spot electricity sales		GWh	800	800	816	1,616	1,586
Electricity sales – Direct		GWh	-	-	-	-	-
Acquired generation		GWh	75	3	75	150	6
Electricity generated (or acquired)		GWh	875	803	891	1,766	1,592
Unit generation cost (including acquired generation)		\$/MWh	(80.39)	(50.81)	(59.05)	(69.62)	(46.58)
Spot electricity purchases		GWh	(530)	(548)	(553)	(1,083)	(1,074)
CFD sale settlements		GWh	(310)	(284)	(281)	(591)	(579)
Spot exposed purchases / CFD settlement		GWh	(840)	(832)	(834)	(1,674)	(1,653)
Spot revenue and settlement on acquired generation (GWAP)		\$/MWh	465.77	138.63	355.88	410.32	126.17
Spot purchases and settlement on CFDs sold (LWAP)		\$/MWh	(480.85)	(145.50)	(376.61)	(428.90)	(132.96)
LWAP/GWAP		%	103%	105%	106%	105%	105%
Gas used in internal generation		PJ	1.6	2.0	1.6	3.1	3.5
Gas storage net movement (extraction) / injection	PJ	0.3	(0.6)	(0.7)	(0.5)	(0.7)	
Progress tracking actual ( <i>target</i> ) for Te Huka 3	%	94% (95%)	N/A	92% (93%)	94 (95%)	N/A	
Contact	Total customer connections	#	632,000	598,000	629,000	630,500	596,000
	Realised gains / (losses) on market derivatives not in a hedge relationship <sup>1</sup>	\$m	(11.44)	(0.13)	(3.35)	(14.79)	(3.26)

<sup>1</sup> This includes market making activity and is reported outside of EBITDAF.

# Environment, Social and Governance (ESG)

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Material theme	Measure	Unit	Q4 FY24	Q4 FY23
Climate Change	Greenhouse Gas (GHG) Emissions from generation assets <sup>1</sup>	kt CO <sup>2</sup> -e	250	83
	GHG intensity of generation <sup>2</sup>	kt CO <sup>2</sup> -e / GWh	0.115	0.043
Water	Freshwater take <sup>3</sup>	Million cubic metres	0.60	0.42
	Non-consumptive water usage <sup>4</sup>	Million cubic metres	3,433	4,723
	Geothermal fluid discharge to awa (rivers)	Million cubic metres	5.15	4.27
Biodiversity	Native rākau (trees) planted by Contact <sup>5</sup>	#	6,017	6,707
	Pests caught <sup>6</sup>	#	903	761
Community	Community initiatives and organisations supported	#	33	29
Inclusion and Diversity	Board	% Women / % Men	43% / 57%	57% / 43%
Inclusion and Diversity	Key Management Personnel	% Women / % Men	20% / 80%	20% / 80%
Inclusion and Diversity	Employee Gender balance <sup>7</sup>	% Women / % Men	47% / 52%	46% / 53%

**Note: This information is updated quarterly (September, January, April, June)**

<sup>1</sup> Scope 1 – Stationary combustion. In FY23 stationary combustion was 99.94% of Contact's total Scope 1 emissions. There was more thermal generation in Q4 compared to previous quarters. Tauhara generation began in Q4.

<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. There was more thermal generation in Q4 compared to previous quarters, therefore more cooling water required.

<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 DrylandCarbon/Forest Partners activities

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

<sup>7</sup> Includes all permanent, fixed term and casual employees. 1.5% and 1.2% unspecified in Q4 FY24 and Q4 FY23 respectively. Q4 data now includes Simply Energy employees.






# Keep in touch

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