

# Monthly Operating Report

September 2024



# September 2024 overview

- » The Customer business recorded:
- Mass market electricity and gas sales of 389GWh (September 2023: 371GWh)
  - Mass market netback of \$130.58/MWh (September 2023: \$121.93/MWh)
- » The Wholesale business recorded:
- Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 814GWh (September 2023: 689GWh)
  - Electricity and steam net revenue of \$174.51/MWh (September 2023: \$127.96/MWh)
  - Electricity generated (or acquired) of 859GWh (September 2023: 784GWh)
  - The unit generation cost, which includes acquired generation was \$52.04/MWh (September 2023: \$54.22/MWh)
    - Own generation cost in the month of \$31.4/MWh (September 2023: \$47.7/MWh)
- » Te Huka 3 project progress vs. target for September 2024 was 96% vs. 97%<sup>1</sup>.

- » Otahuhu futures settlement wholesale price for the 1<sup>st</sup> quarter of 2025 (ASX):
- As at 7 October 2024: \$171.05/MWh
  - As at 30 September 2024: \$195/MWh
  - As at 30 August 2024: \$217/MWh
- » As at 13<sup>th</sup> October 2024, South Island controlled storage was 119% of mean and North Island controlled storage was 109% of mean.
- » As at 13<sup>th</sup> October 2024, total Clutha scheme storage was 117% of mean.
  - » Inflows into Contact's Clutha catchment for September 2024 were 193% of mean. (August 2024: 86%; July 2024: 74%, June 2024: 54%)<sup>2</sup>.
- » Contact's contracted gas volume (including contracted swaps) for the next 12 months is 6.2PJ.

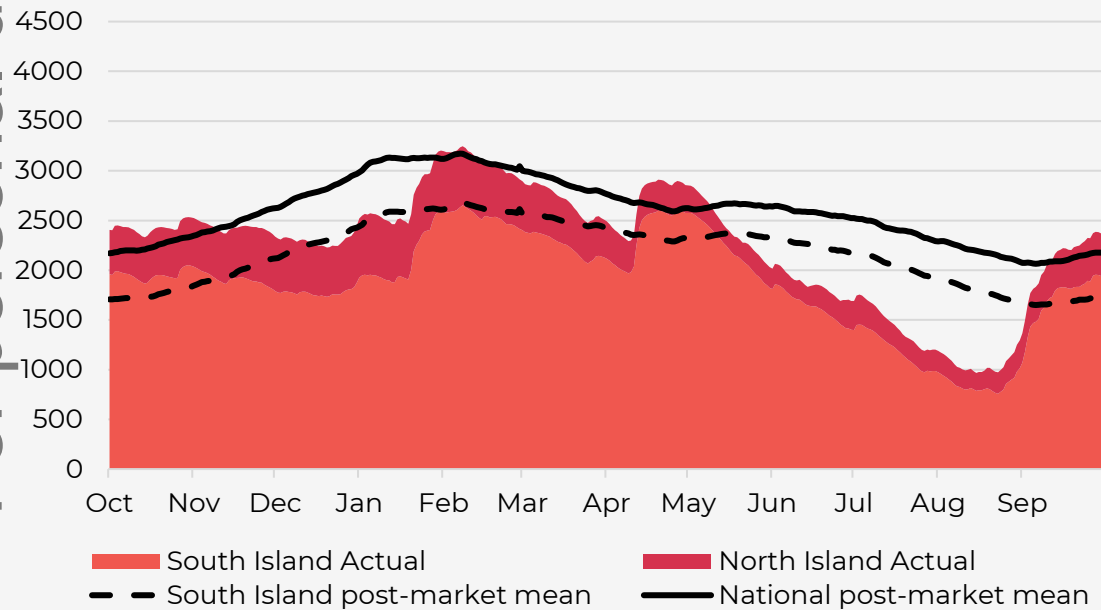
<sup>1</sup> The progress target for Te Huka 3 follows an S-Curve model in line with standard project management practice (for large scale infrastructure projects). This will result in more gradual increments in the reporting of target and actual progress as the projects near completion. Figures rounded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

<sup>2</sup> The inflows in the Clutha catchment for August differ from previously reported due to data/access issues with the NZX Hydro platform at the time of the August Operating Report.

# Hydro storage and forward prices

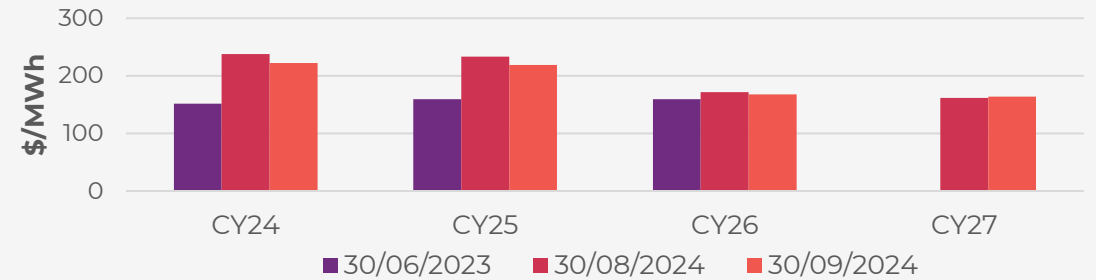
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**New Zealand controlled hydro storage against mean / 12 months**

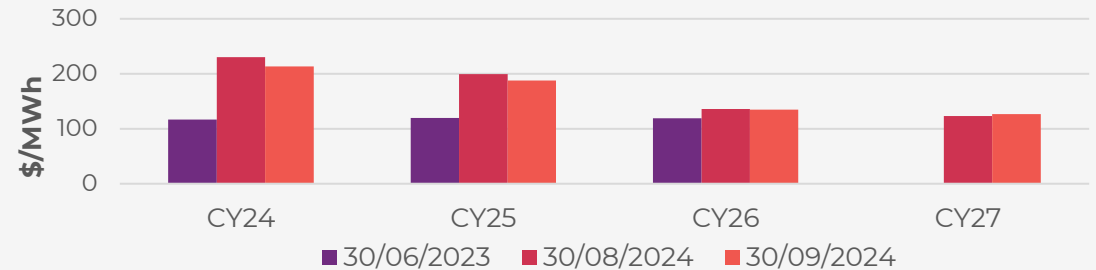


**ASX futures settlement**

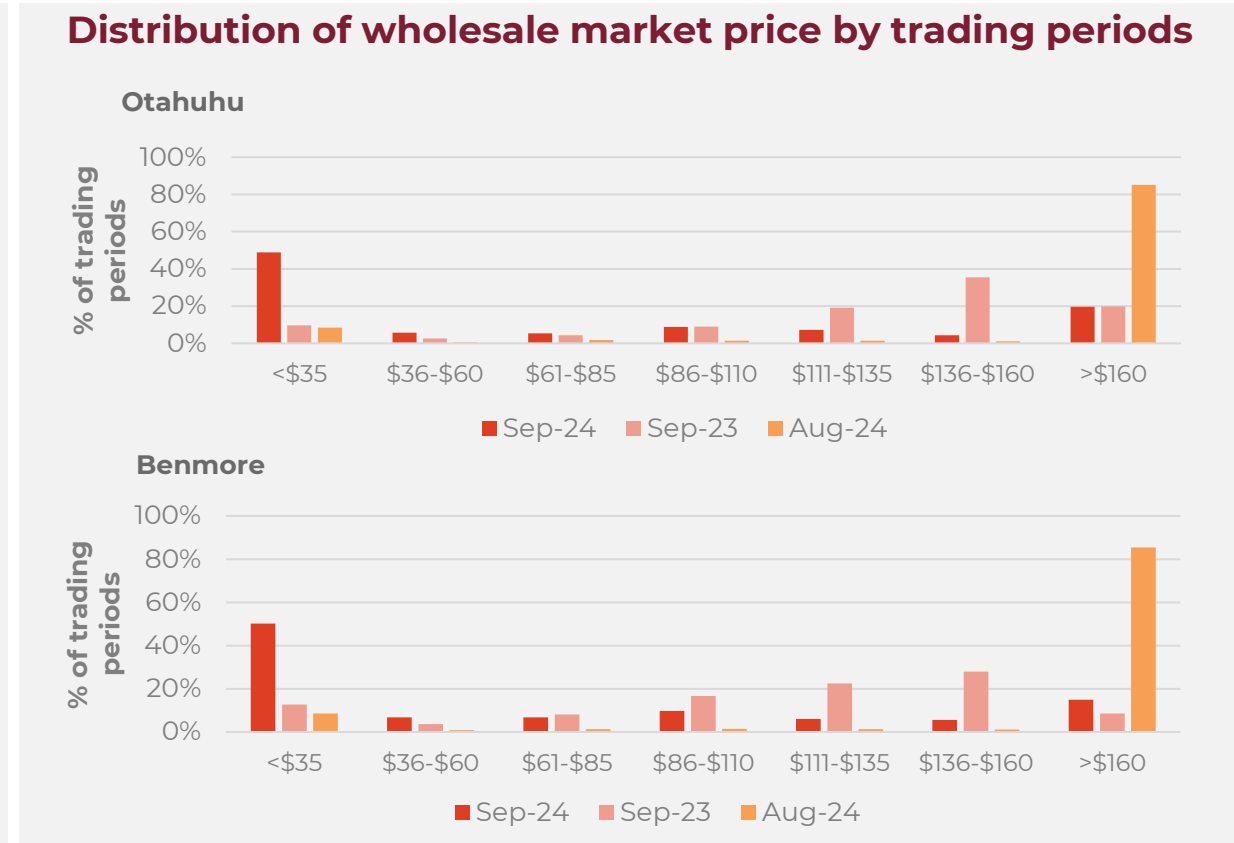
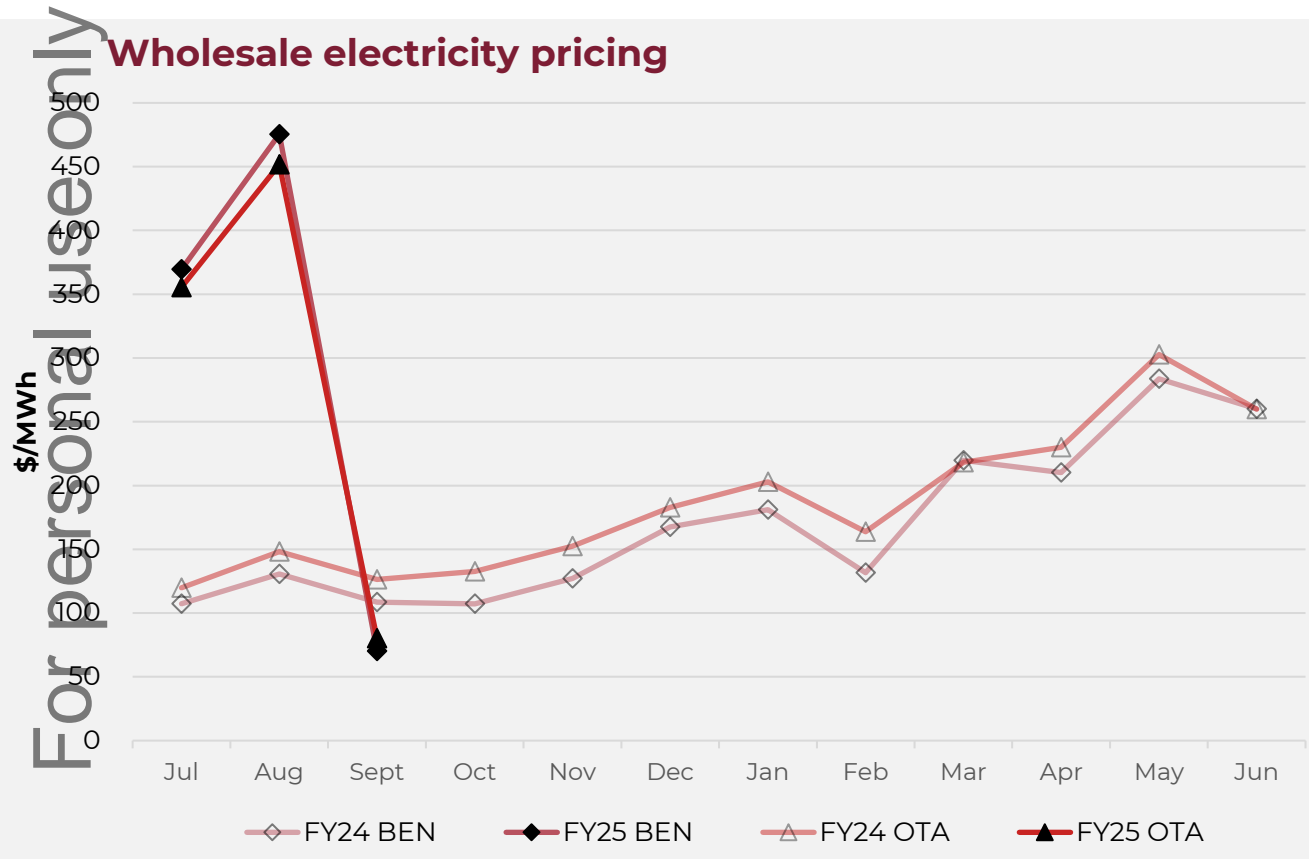
**Otahuhu**



**Benmore**



# Wholesale market

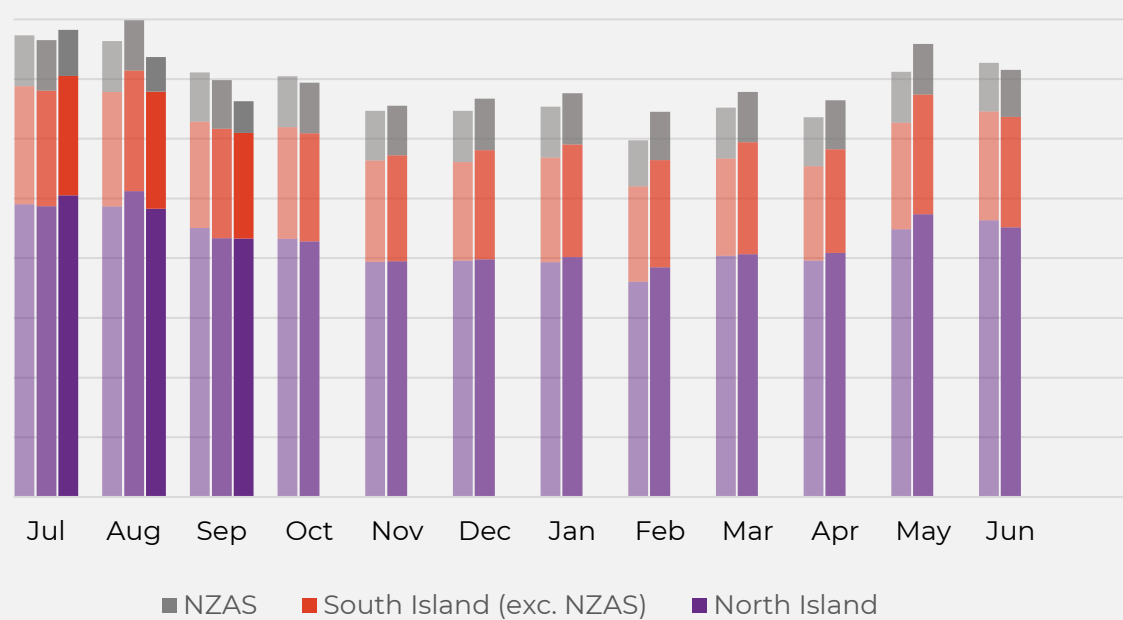


# Electricity demand

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## Total national demand

FY23, 24 and 25 respectively



» New Zealand electricity demand was down 5.1% on September 2023 (down 6.8% on September 2022). Of this, 4.1% related to reduced consumption by NZAS following the activation of demand response mechanisms.

## Regional demand change (%) on September 2023

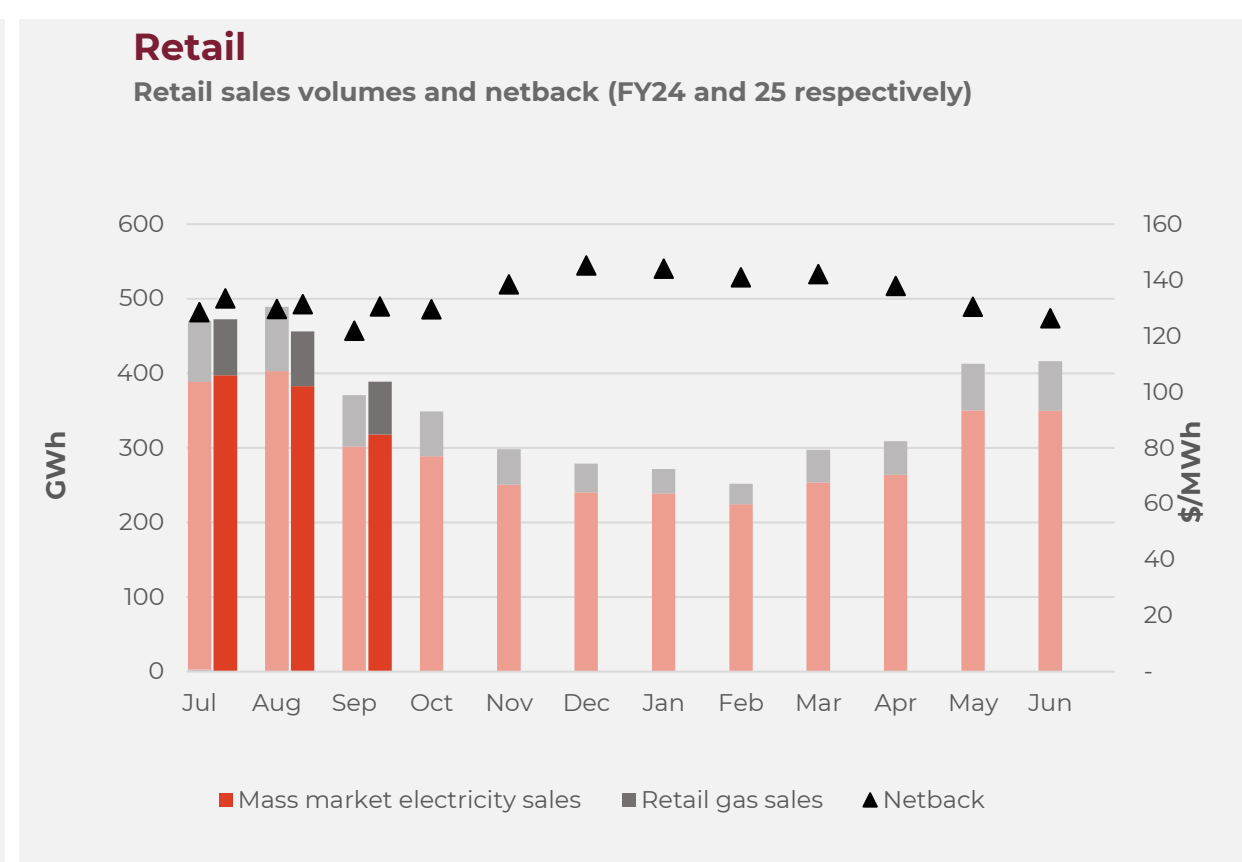
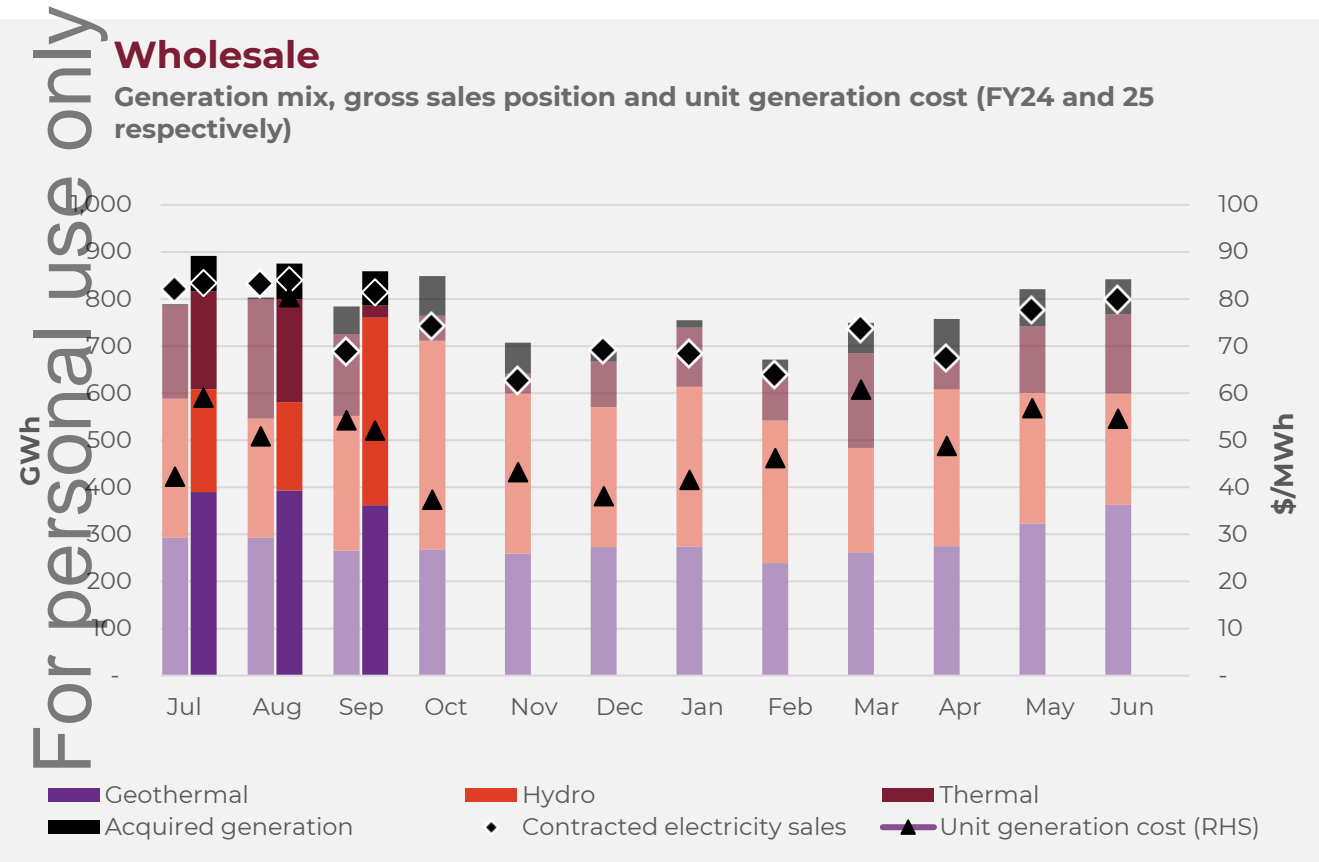
The nationwide average temperature for September 2024 was 11.2°C, 0.7°C lower than September 2023: 11.9°C



Regional demand is excluding NZAS

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

# Business performance



# Operational data

		Measure	The month ended September 24	The month ended September 23	The month ended August 24	Three months ending September 24	Three months ending September 23
Retail	Mass market electricity sales	GWh	318	302	383	1,098	1,090
	Retail gas sales	GWh	71	69	73	219	237
	Mass market electricity and gas sales	GWh	389	371	456	1,317	1,327
	Average electricity sales price	\$/MWh	287.09	276.85	275.90	279.01	268.60
	Electricity direct pass thru costs	\$/MWh	(131.10)	(124.79)	(121.69)	(122.41)	(114.10)
	Cost to serve	\$/MWh	(14.64)	(19.61)	(12.83)	(14.04)	(15.67)
	Customer netback <sup>1</sup>	\$/MWh	130.58	121.93	131.36	131.85	127.09
	Energy cost <sup>1</sup>	\$/MWh	(140.18)	(125.84)	(168.78)	(166.75)	(148.49)
	Actual electricity line losses	%	4%	4%	5%	6%	6%
	Retail gas sales	PJ	0.3	0.3	0.3	0.8	0.9
	Electricity ICPs	#	444,500	433,000	443,500	443,000	432,500
	Gas ICPs	#	73,000	71,000	73,500	73,000	71,000
	Telco connections	#	113,000	89,000	111,000	111,500	88,000
Wholesale	Electricity sales to Customer business	GWh	332	316	404	1,163	1,160
	Electricity sales to Commercial and Industrial	GWh	125	114	126	377	345
	Electricity CFD sales	GWh	356	259	310	948	837
	Contracted electricity sales	GWh	814	689	840	2,487	2,342
	Steam sales	GWh	21	18	23	67	61
	Total electricity and steam net revenue	\$/MWh	174.51	127.96	204.53	185.57	142.99
	C&I netback (at the ICP)	\$/MWh	138.13	124.70	160.08	159.38	143.55
	C&I line losses	%	4%	4%	3%	4%	4%
	Thermal generation	GWh	26	174	219	454	626
	Geothermal generation	GWh	362	265	393	1,145	851
	Hydro generation	GWh	398	287	187	803	836
	Spot electricity sales	GWh	787	726	800	2,403	2,312
	Electricity sales – Direct	GWh	-	-	-	-	-
	Acquired generation	GWh	72	58	75	223	64
	Electricity generated (or acquired)	GWh	859	784	875	2,625	2,376
	Unit generation cost (including acquired generation)	\$/MWh	(52.04)	(54.22)	(80.39)	(64.87)	(49.10)
	Spot electricity purchases	GWh	(457)	(430)	(530)	(1,540)	(1,505)
	CFD sale settlements	GWh	(356)	(259)	(310)	(948)	(837)
	Spot exposed purchases / CFD settlement	GWh	(814)	(689)	(840)	(2,487)	(2,342)
	Spot revenue and settlement on acquired generation (GWAP)	\$/MWh	78.86	115.06	465.77	301.88	122.50
	Spot purchases and settlement on CFDs sold (LWAP)	\$/MWh	(90.51)	(122.70)	(480.85)	(318.20)	(129.94)
	LWAP/GWAP	%	115%	107%	103%	105%	106%
	Gas used in internal generation	PJ	0.3	1.4	1.6	3.4	4.9
Gas storage net movement (extraction) / injection	PJ	1.2	(0.0)	0.3	0.8	(0.8)	
Progress tracking actual ( <i>target</i> ) for Te Huka 3	%	96% (97%)	61% (59%)	94% (95%)	N/A	N/A	
Contact	Total customer connections	#	635,000	598,000	632,000	632,000	597,000
	Realised gains / (losses) on market derivatives not in a hedge relationship <sup>2</sup>	\$m	(0.18)	0.66	(11.44)	(14.97)	(2.60)

<sup>1</sup> Retail netback and energy costs per MWh have been amended in this operating report (including comparative historic periods), to reflect an update in the allocation of retail gas related carbon costs in the operating report which were previously shown as reducing netback rather than as part of energy costs which they are now. There is no change to EBITDAF.

<sup>2</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	Q1 FY25	Q1 FY24
Climate Change	Greenhouse Gas (GHG) Emissions from generation assets <sup>1</sup>	kt CO <sup>2</sup> -e	313	325
	GHG intensity of generation <sup>2</sup>	kt CO <sup>2</sup> -e / GWh	0.130	0.141
Water	Freshwater take <sup>3</sup>	Million cubic metres	0.57	0.69
	Non-consumptive water usage <sup>4</sup>	Million cubic metres	3,671	3,643
	Geothermal fluid discharge to awa (rivers)	Million cubic metres	4.54	3.91
Biodiversity	Native rākau (trees) planted by Contact <sup>5</sup>	#	46,165	42,679
	Pests caught <sup>6</sup>	#	851	458
Community	Community initiatives and organisations supported	#	26	21
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	46% / 53%	48% / 51%

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

<sup>1</sup> Scope 1 – Stationary combustion. Q1 emissions from combustion of natural gas in our gas fired power stations reduced by 31% YoY.

<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.

<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. 1.4% and 1.5% unspecified in Q1 FY25 and Q1 FY24 respectively.








# Keep in touch

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