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Monthly Operating Report

June 2024



June 2024 overview

- » The Customer business recorded:
 - Mass market electricity and gas sales of 421GWh (June 2023: 430GWh)
 - Mass market netback of \$123.21/MWh (June 2023: \$123.07/MWh)
- » The Wholesale business recorded:
 - Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 799GWh (June 2023: 757GWh)
 - Electricity and steam net revenue of \$167.01/MWh (June 2023: \$162.06/MWh)
 - Electricity generated (or acquired) of 842GWh (June 2023: 672GWh)
 - The unit generation cost, which includes acquired generation was \$54.53/MWh (June 2023: \$27.28/MWh)
 - Own generation cost in the month of \$42.08/MWh (June 2023: \$25.66/MWh)
- » Te Huka 3 project progress vs. target for May 2024 was 89% vs. 91%¹. Steamfield commissioning activity is underway on Te Huka 3.

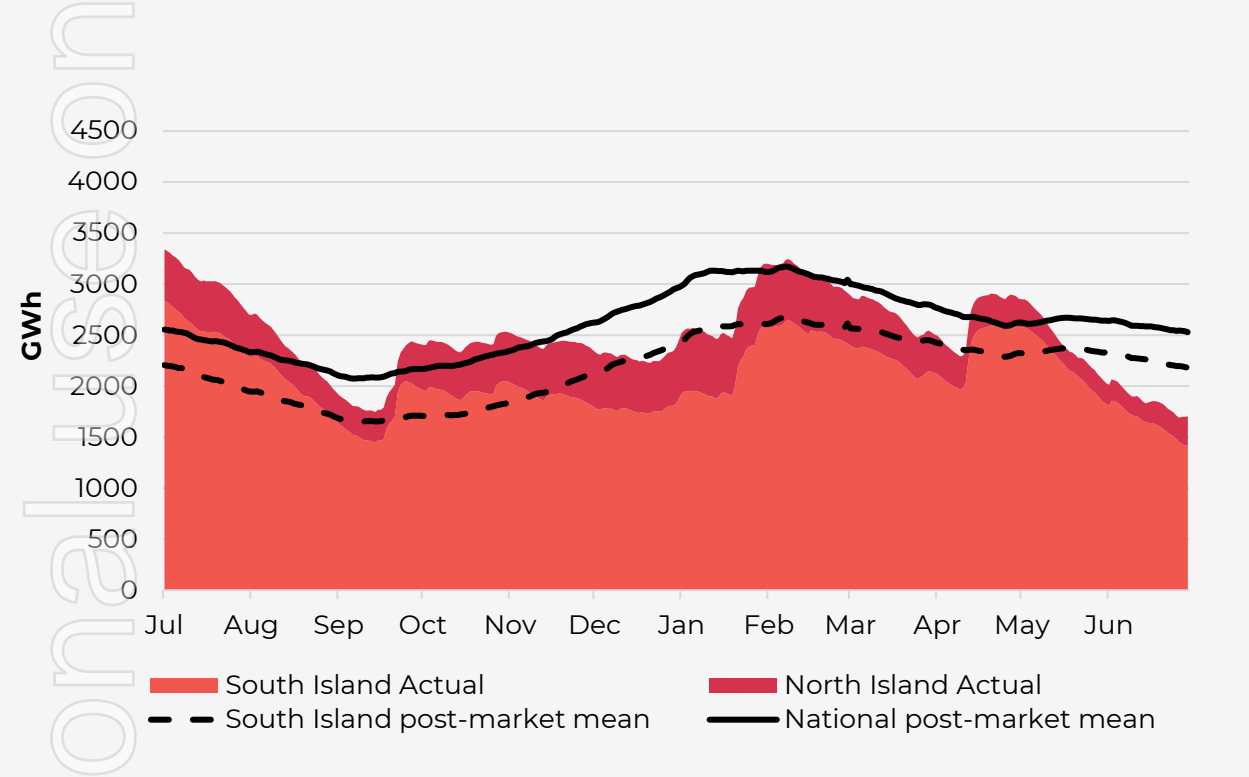
- » Otahuhu futures settlement wholesale price for the 4th quarter of 2024 (ASX):
 - As at 8 July 2024: \$217/MWh
 - As at 28 June 2024: \$173/MWh
 - As at 31 May 2024: \$162/MWh
- » As at 15th July 2024, South Island controlled storage was 60% of mean and North Island controlled storage was 63% of mean.
 - » As at 15th July 2024, total Clutha scheme storage was 49% of mean.
 - » Inflows into Contact's Clutha catchment for June 2024 were 54% of mean. (May 2024: 44%, April 2024: 197%, March 2024: 68%)
- » Contact's contracted gas volume (including contracted swaps) for the next 12 months is 7.1PJ².

¹ 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.

² 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. 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.

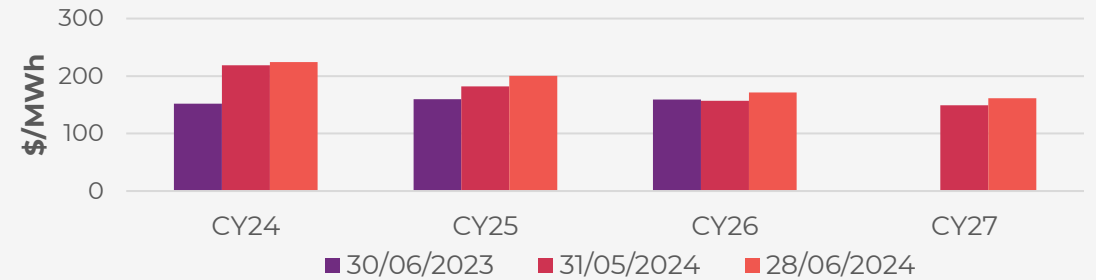
Hydro storage and forward prices

New Zealand controlled hydro storage against mean / 12 months

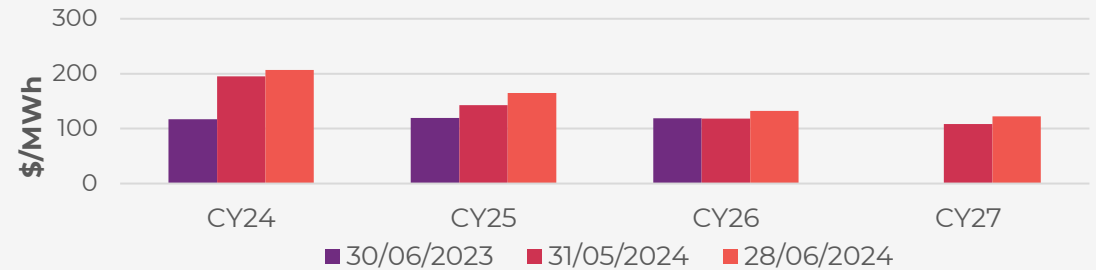


ASX futures settlement

Otahuhu

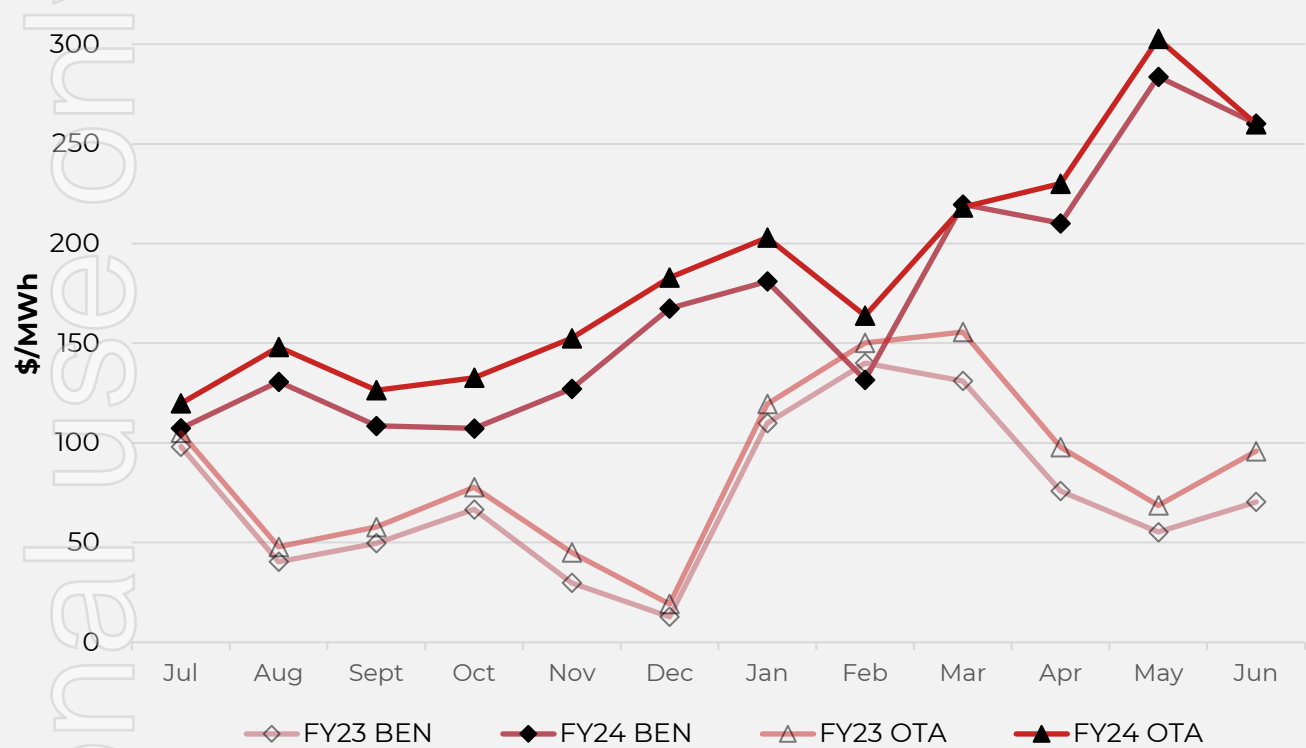


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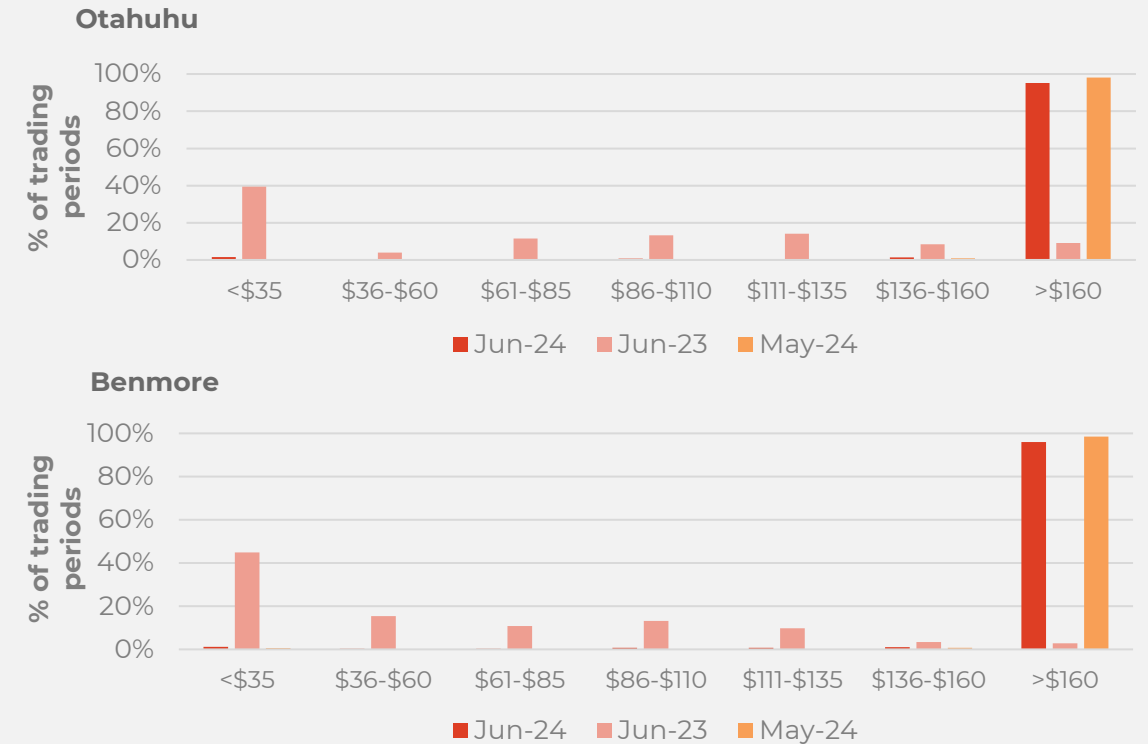


Wholesale market

Wholesale electricity pricing



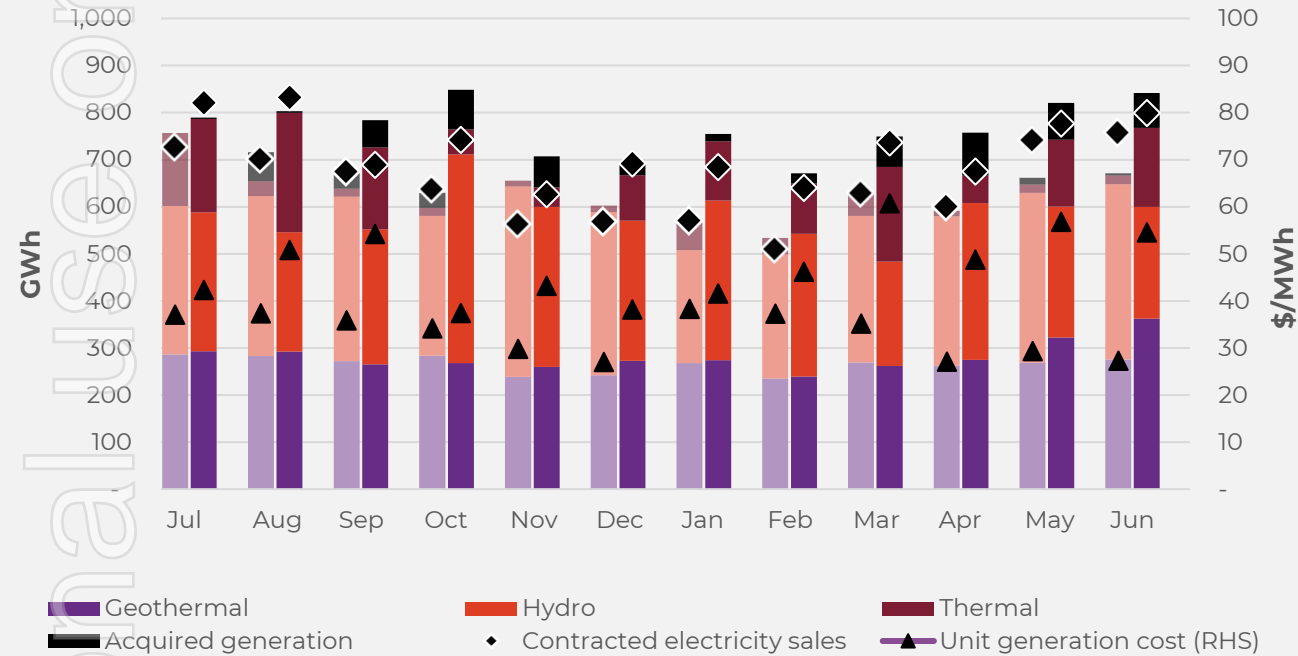
Distribution of wholesale market price by trading periods



Business performance

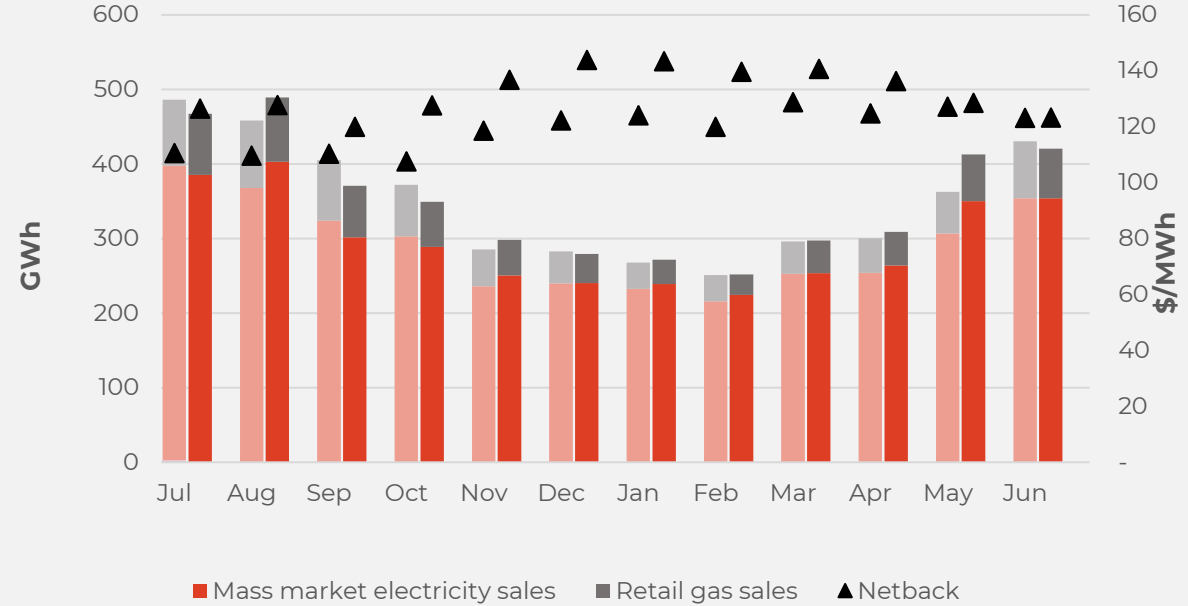
Wholesale

Generation mix, gross sales position and unit generation cost (FY23 and 24 respectively)



Retail

Retail sales volumes and netback (FY23 and 24 respectively)



Operational data

		Measure	The month ended June 24	The month ended June 23	The month ended May 24	Twelve months ending June 24	Twelve months ending June 23
Retail	Mass market electricity sales	GWh	354	354	350	3,556	3,481
	Retail gas sales	GWh	67	76	62	661	713
	Mass market electricity and gas sales	GWh	421	430	413	4,216	4,194
	Average electricity sales price	\$/MWh	275.20	266.09	277.53	286.38	269.20
	Electricity direct pass thru costs	\$/MWh	(125.23)	(114.17)	(123.21)	(125.83)	(121.39)
	Cost to serve	\$/MWh	(15.36)	(14.21)	(15.02)	(17.47)	(16.50)
	Customer netback	\$/MWh	123.21	123.07	128.51	131.47	117.92
	Energy cost	\$/MWh	(173.86)	(151.15)	(167.34)	(138.97)	(121.20)
	Actual electricity line losses	%	6%	7%	6%	6%	7%
	Retail gas sales	PJ	0.2	0.3	0.2	2.4	2.6
	Electricity ICPs	#	439,000	428,000	437,000	432,500	427,500
	Gas ICPs	#	72,500	70,000	72,000	71,000	70,000
	Telco connections	#	109,000	86,000	105,175	95,000	79,000
	Wholesale	Electricity sales to Customer business	GWh	378	382	374	3,791
Electricity sales to Commercial and Industrial		GWh	124	107	118	1,456	1,577
Electricity CFD sales		GWh	297	268	284	3,465	2,375
Contracted electricity sales		GWh	799	757	776	8,712	7,678
Steam sales		GWh	17	20	14	194	587
Total electricity and steam net revenue		\$/MWh	167.01	162.06	163.52	131.49	113.25
C&I netback (at the ICP) ¹		\$/MWh	177.80	144.05	196.73	134.23	118.99
C&I line losses		%	4%	4%	3%	4%	4%
Thermal generation		GWh	168	19	142	1,620	439
Geothermal generation		GWh	363	276	323	3,388	3,185
Hydro generation		GWh	237	372	278	3,628	3,919
Spot electricity sales		GWh	768	667	743	8,635	7,544
Electricity sales – Direct		GWh	-	1	-	-	78
Acquired generation		GWh	74	5	78	585	150
Electricity generated (or acquired)		GWh	842	672	821	9,220	7,772
Unit generation cost (including acquired generation) ²		\$/MWh	(54.53)	(27.28)	(56.78)	(48.02)	(33.02)
Spot electricity purchases		GWh	(502)	(488)	(493)	(5,247)	(5,226)
CFD sale settlements		GWh	(297)	(268)	(284)	(3,465)	(2,375)
Spot exposed purchases / CFD settlement		GWh	(799)	(756)	(776)	(8,712)	(7,600)
Spot revenue and settlement on acquired generation (GWAP)		\$/MWh	256.90	93.74	297.01	178.21	82.06
Spot purchases and settlement on CFDs sold (LWAP)		\$/MWh	(267.06)	(95.86)	(318.91)	(186.59)	(89.42)
LWAP/GWAP		%	104%	102%	107%	105%	109%
Gas used in internal generation		PJ	1.3	0.2	1.1	13.1	6.2
Gas storage net movement (extraction) / injection	PJ	(0.5)	0.2	(0.4)	(1.9)	3.1	
Progress tracking actual (<i>target</i>) for Te Huka ³	%	89% (91%)	N/A	87% (89%)	N/A	N/A	
Contact	Total customer connections	#	625,000	590,000	619,000	603,500	582,000
	Realised gains / (losses) on market derivatives not in a hedge relationship ³	\$m	0.70	(6.46)	(0.66)	(2.26)	(26.95)

¹C&I netback is impacted by an accounting adjustment in May to correct for volume allocations in prior months. ² Unit generation costs are calculated excluding the impact of an onerous contract provision for the Ahuroa Gas Storage facility (AGS). From the month of May 2024, Contact now excludes the impact from asset write-offs and impairments from EBITDAF to better indicate underlying performance. The impact of the change will be an increase to EBITDAF in FY24 in the July to April period of \$7.9m (\$4.0m within wholesale and \$3.9m corporate). The \$4.0m reallocation is reflected within the May 2024 operating data (unit generation cost). ³This includes market making activity and is reported outside of EBITDAF.
Note: Impairments and write-offs in FY24 (reported outside EBITDAF) total \$50m, including \$8m reported at the FY24 interim results. The majority is associated with peaker damage and Tauhara in line with the increase in cost associated with steam plant rework announced in 2023.

Environment, Social and Governance (ESG)

Material theme	Measure	Unit	Q4 FY24	Q4 FY23
Climate Change	Greenhouse Gas (GHG) Emissions from generation assets ¹	kt CO ² -e	250	83
	GHG intensity of generation ²	kt CO ² -e / GWh	0.115	0.043
Water	Freshwater take ³	Million cubic metres	0.60	0.42
	Non-consumptive water usage ⁴	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 ⁵	#	6,017	6,707
	Pests caught ⁶	#	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 ⁷	% Women / % Men	47% / 52%	46% / 53%

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

¹ 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.

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

⁴ Water that flows through our Roxburgh power station and cooling water for our geothermal power stations

⁵ Does not include DrylandCarbon/Forest Partners activities


⁶ Predominantly rats, possums and hedgehogs

⁷ 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.






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