

## Release

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### Stock exchange listings: NZX (MEL) ASX (MEZ)

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## Meridian Energy monthly operating report for November 2019

17 December 2019

Attached is Meridian Energy Limited's monthly operating report for the month of November 2019.

Highlights this month include:

- In the month to 10 December 2019, national hydro storage increased from 111% to 175% of historical average
- South Island storage sat at 186% of average and North Island storage at 124% of average on 10 December 2019
- Meridian's November 2019 monthly total inflows were 174% of historical average
- Meridian's Waitaki catchment storage at the end of November 2019 was 126% of historical average
- Storage in Meridian's Waiau catchment was well above average at the end of November 2019
- National electricity demand in November 2019 was 2.7%<sup>1</sup> higher than the same month last year
- November 2019 was New Zealand's hottest November on record. Rainfall was well above average in the west and south of the South Island and much drier elsewhere
- New Zealand Aluminium Smelter's load during November 2019 was below the contract level of 622MW
- Meridian's New Zealand retail sales volumes in November 2019 were 26.9% higher than November 2018

ENDS

<sup>1</sup>estimated

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Meridian.

# Wind. Water. Sun.

The power to make  
a difference.

## MONTHLY OPERATING REPORT NOVEMBER 2019



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# NOVEMBER HIGHLIGHTS

In the month to 10 December 2019, national hydro storage increased from 111% to 175% of historical average

South Island storage sat at 186% of average and North Island storage at 124% of average on 10 December 2019

Meridian's November 2019 monthly total inflows were 174% of historical average

Meridian's Waitaki catchment storage at the end of November 2019 was 126% of historical average

Storage in Meridian's Waiau catchment was well above average at the end of November 2019

National electricity demand in November 2019 was 2.7%<sup>1</sup> higher than the same month last year

November 2019 was New Zealand's hottest November on record. Rainfall was well above average in the west and south of the South Island and much drier elsewhere

New Zealand Aluminium Smelter's load during November 2019 was below the contract level of 622MW

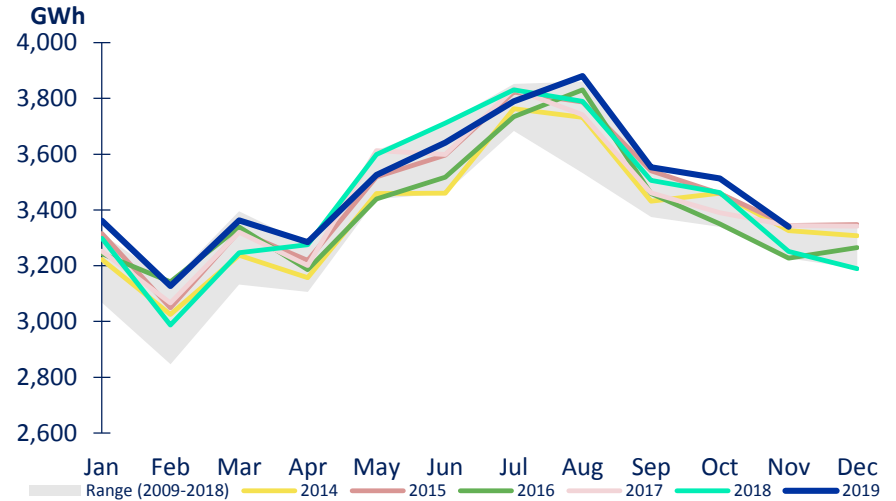
Meridian's New Zealand retail sales volumes in November 2019 were 26.9% higher than November 2018

# MARKET DATA

- National electricity demand in November 2019 was 2.7%<sup>1</sup> higher than the same month last year
- November 2019 was New Zealand's hottest November on record. Rainfall was well above average in the west and south of the South Island and much drier elsewhere
- Demand in the last 12 months was 0.7%<sup>1</sup> higher than the preceding 12 months
- New Zealand Aluminium Smelter's load during November 2019 was below the contract level of 622MW
- 12-month average switching rate of customers changing retailers but not moving ("trader" switch) was 7.1% at the end of October 2019
- 12-month average switching rate of customers moving and changing retailers ("move-in" switch) was 13.3% at the end of October 2019

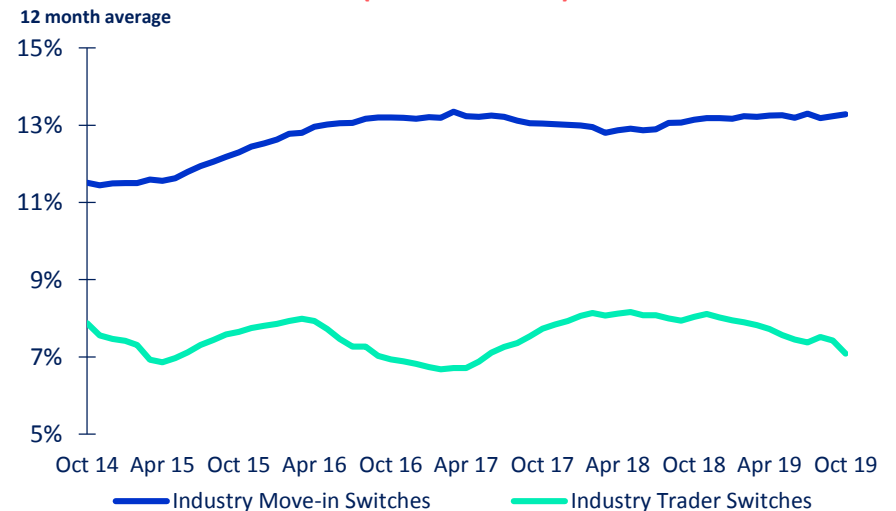
<sup>1</sup>estimated

## NATIONAL DEMAND



Source: Electricity Authority

## MARKET ICP SWITCHING (ALL RETAILERS)

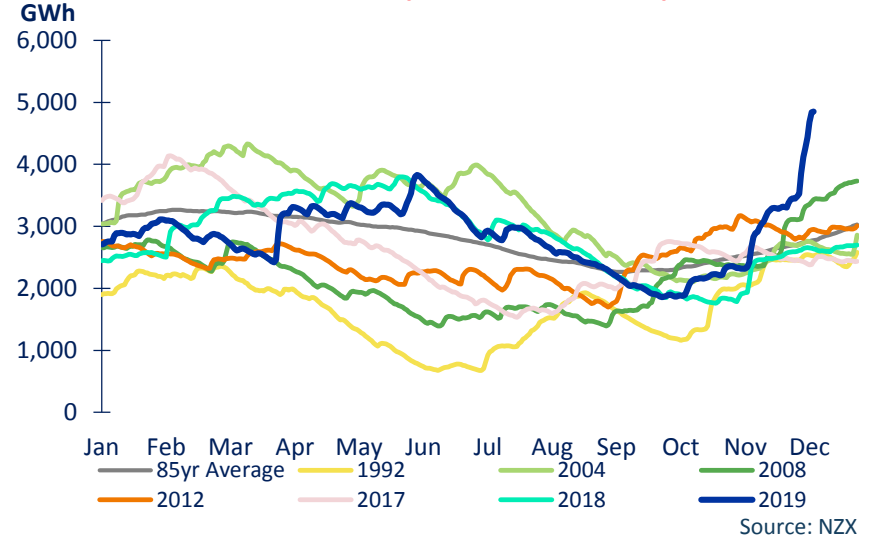


Source: Electricity Authority

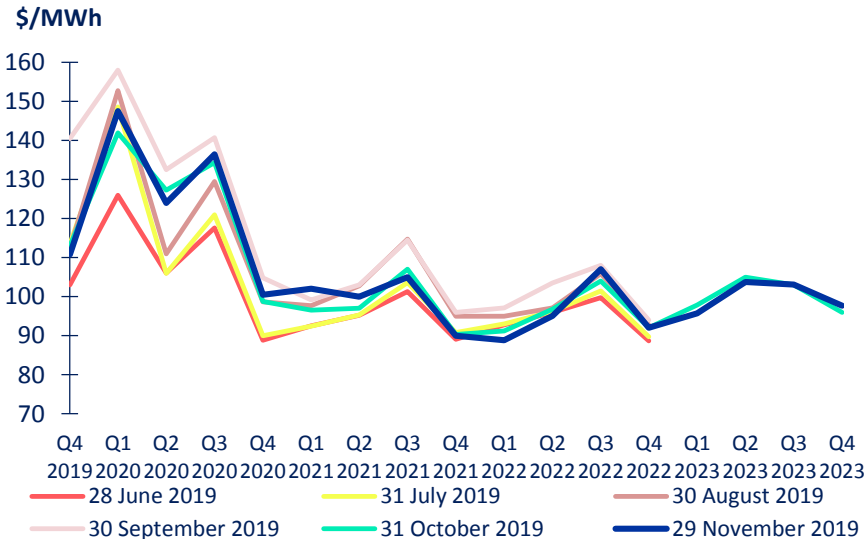
# MARKET DATA

- November 2019 saw little change in ASX prices
- National storage increased from 111% of average on 11 November 2019 to 175% of average on 10 December 2019
- South Island storage increased to 186% of historical average on 10 December 2019. North Island storage increased to 124% of average

## NATIONAL HYDRO STORAGE (10 December 2019)

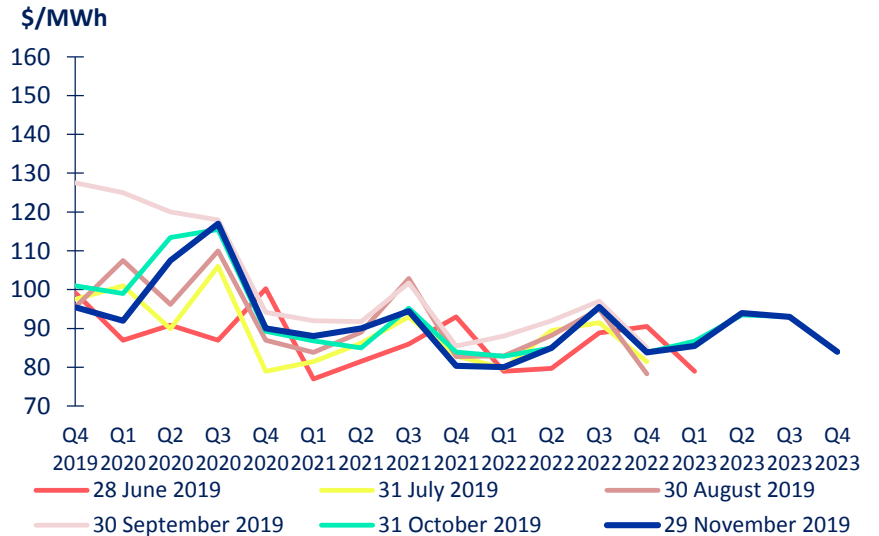


## OTAHUHU ASX FUTURES SETTLEMENT PRICE



Source: ASX

## BENMORE ASX FUTURES SETTLEMENT PRICE

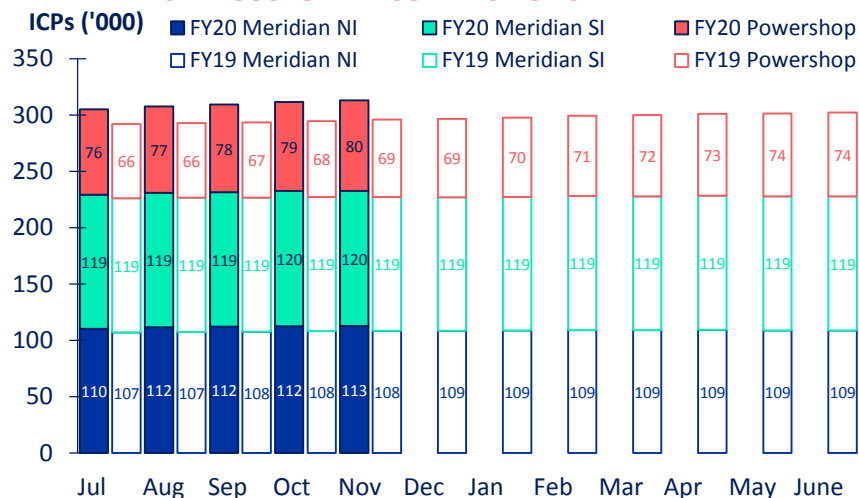


Source: ASX

# NEW ZEALAND RETAIL

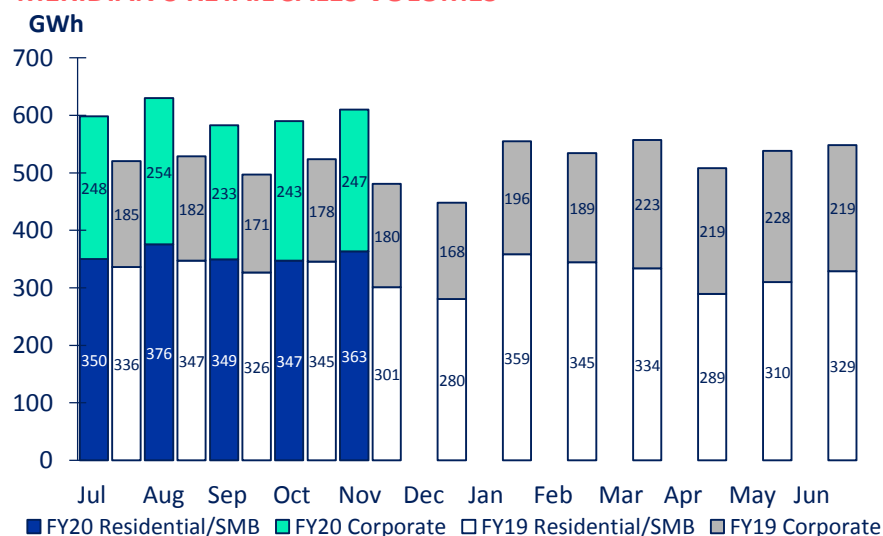
- Meridian's New Zealand customer connection numbers rose 0.5% during November 2019 and have risen 3.6% since June 2019
- Retail sales volumes in November 2019 were 26.9% higher than November 2018
- Compared to November 2018, residential/SMB sales volumes increased by 20.6% (small increases in all segments, notably higher Agri sales) and corporate sales volumes increased by 37.5%
- To date this financial year, retail sales volumes are 18.1% higher than the same period last year
- This reflects a 7.8% increase in residential/SMB sales volumes and a 37.0% increase in corporate sales volumes

## MERIDIAN'S NZ CUSTOMER CONNECTIONS



Source: Meridian

## MERIDIAN'S RETAIL SALES VOLUMES\*



Source: Meridian

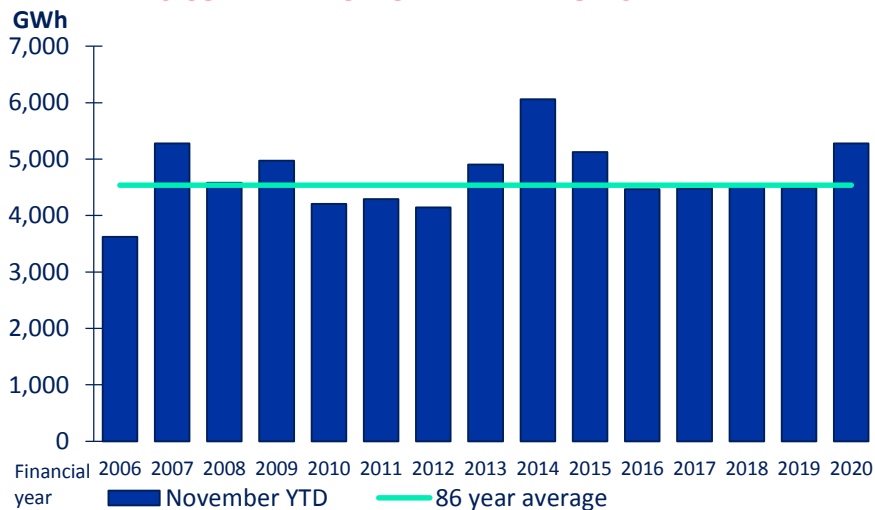
\*excludes volumes sold to New Zealand Aluminium Smelters and CFDs



# NEW ZEALAND STORAGE

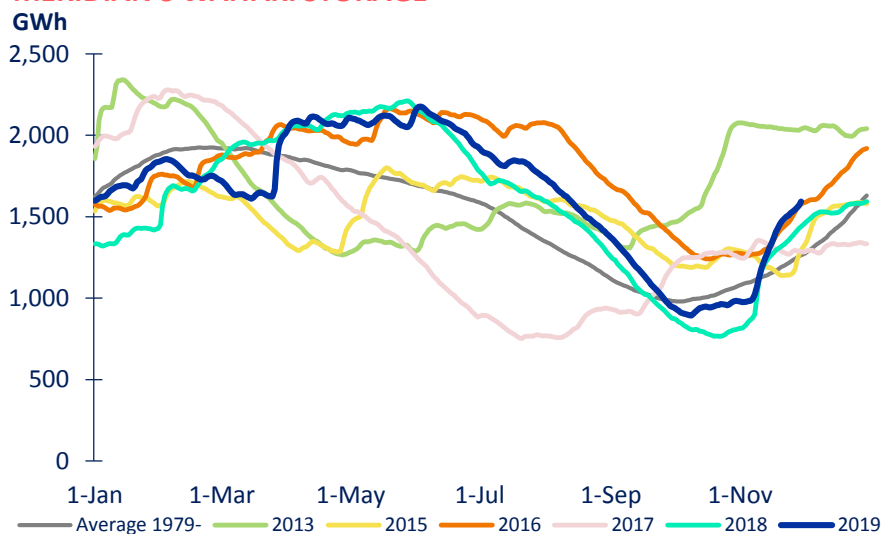
- November 2019 monthly inflows were 174% of historical average
- To date this financial year, inflows are 116% of historical average
- Meridian's Waitaki catchment storage moved from 982GWh to 1,593GWh during November 2019
- Waitaki storage at the end of November 2019 was 126% of historical average and 11% higher than the same time last year
- Storage in Meridian's Waiau catchment was also well above average at the end of November 2019

**MERIDIAN'S COMBINED CATCHMENT INFLOWS**



Source: Meridian

**MERIDIAN'S WAITAKI STORAGE**

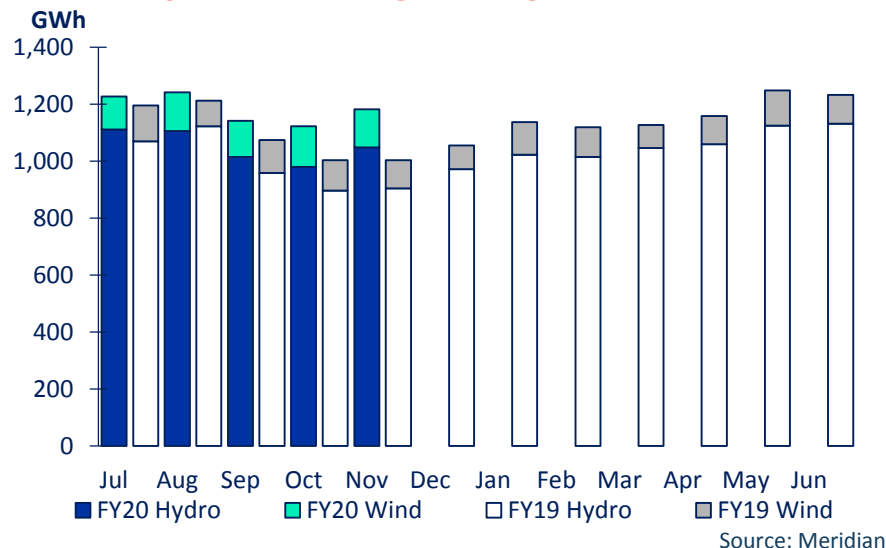


Source: Meridian

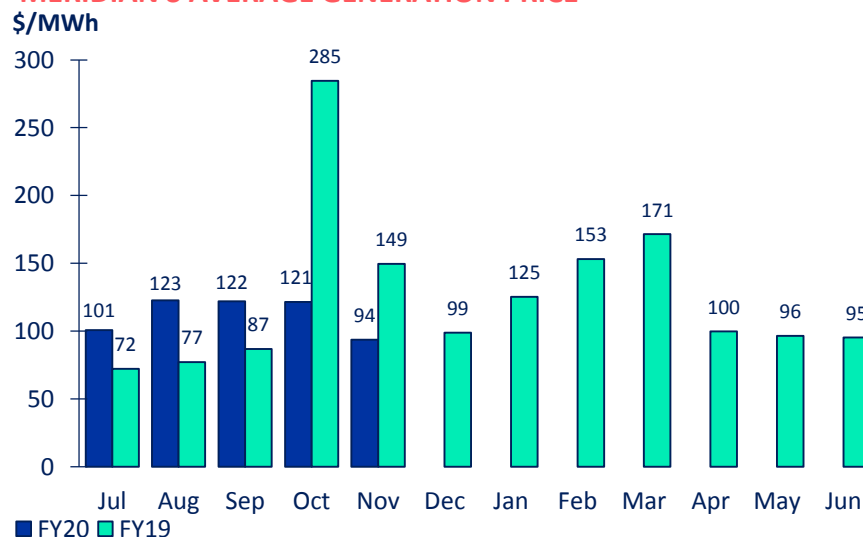
# NEW ZEALAND GENERATION

- Meridian's New Zealand generation in November 2019 was 17.7% higher than the same month last year, reflecting higher hydro generation and wind generation
- To date this financial year, Meridian's New Zealand generation is 7.7% higher than the same period last year, reflecting higher hydro generation and wind generation
- The average price Meridian received for its generation in November 2019 was 37.3% lower than the same month last year
- The average price Meridian paid to supply customers in November 2019 was 34.7% lower than the same month last year
- To date this financial year, the average price Meridian received for its generation is 13.3% lower than the same period last year and the average price paid to supply customers is 15.6% lower

**MERIDIAN'S NEW ZEALAND GENERATION**



**MERIDIAN'S AVERAGE GENERATION PRICE\***



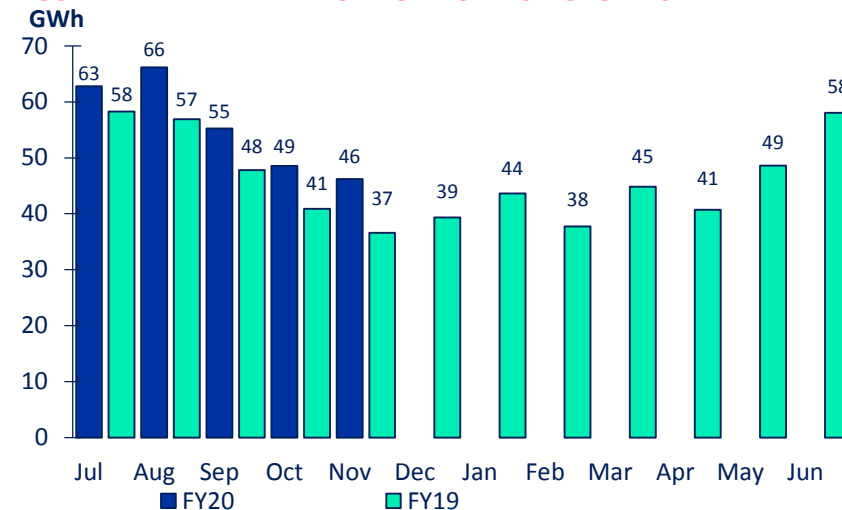
\*price received for Meridian's physical generation



# AUSTRALIAN RETAIL

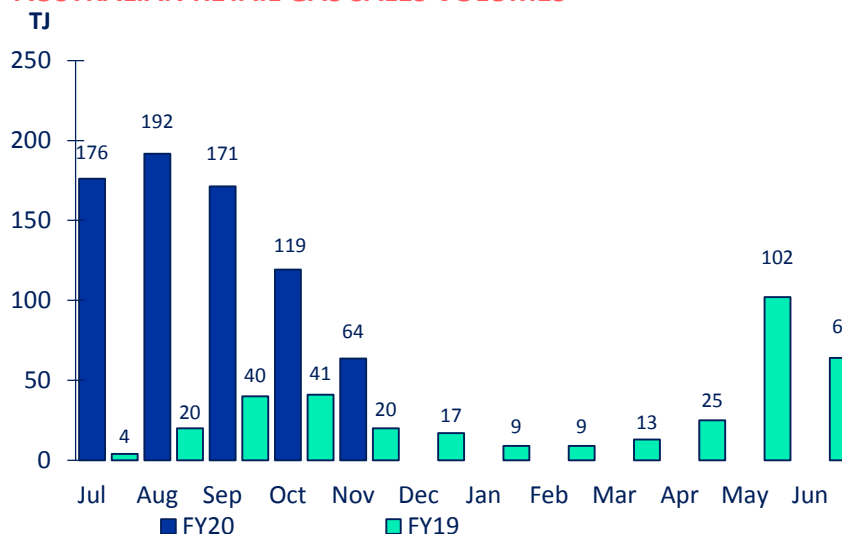
- Australian retail electricity sales volumes in November 2019 were 26.3% higher than the same month last year
- To date this financial year, Australian retail electricity sales volume is 16.0% higher than the same period last year
- Powershop Australia electricity customer connection numbers rose 2.4% during November 2019 and have risen 10.7% since June 2019
- Gas customer connection numbers rose 4.8% during November 2019, with total sales in the month of 64TJ

**AUSTRALIAN RETAIL ELECTRICITY SALES VOLUMES**



Source: Meridian

**AUSTRALIAN RETAIL GAS SALES VOLUMES**

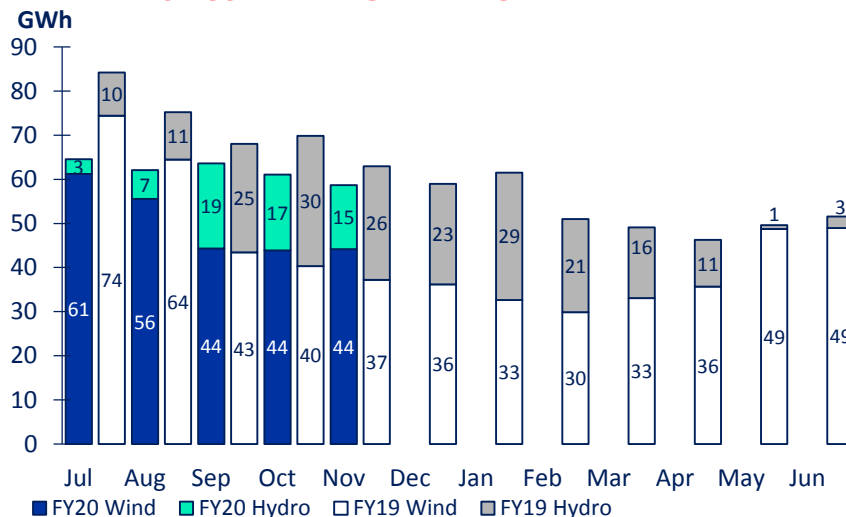


Source: Meridian  
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# AUSTRALIAN GENERATION

- Meridian's Australian generation in November 2019 was 6.7% lower than the same month last year, reflecting higher wind generation and lower hydro generation
- To date this financial year, Meridian's Australian generation is 14.0% lower than the same period last year, reflecting lower wind generation and lower hydro generation

**MERIDIAN'S AUSTRALIAN GENERATION**



Source: Meridian

# NEW ZEALAND

	NOVEMBER 2019 MONTH	NOVEMBER 2018 MONTH	OCTOBER 2019 MONTH	SEPTEMBER 2019 MONTH	5 MONTHS TO NOVEMBER 2019	5 MONTHS TO NOVEMBER 2018
<b>New Zealand sales</b>						
Retail contracted sales volume (GWh)	610	481	590	583	3,011	2,551
Average retail contracted sales price <sup>1</sup> (\$NZ/MWh)	\$99.8	\$98.5	\$102.7	\$109.5	\$108.3	\$105.6
NZAS sales volume (GWh)	448	444	463	447	2,283	2,145
Financial contract sales volumes <sup>2</sup> (GWh)	135	146	129	148	738	1,017
Avg. wholesale & financial contracts sales price <sup>3</sup> (\$NZ/MWh)	\$65.3	\$72.7	\$67.0	\$68.4	\$68.3	\$63.8
Retail customer supply volumes (GWh)	650	509	623	581	3,160	2,692
Cost to supply retail customers (\$NZ/MWh)	\$112.7	\$183.0	\$130.2	\$129.3	\$123.6	\$153.3
Cost to supply wholesale customers (\$NZ/MWh)	\$89.6	\$137.1	\$118.7	\$126.1	\$110.6	\$131.9
Cost of financial contracts (\$NZ/MWh)	\$92.8	\$152.7	\$112.6	\$120.5	\$109.7	\$119.3
Total New Zealand customer connections <sup>4</sup>	313,150	296,064	311,694	309,372		

<b>New Zealand generation</b>						
Hydro generation volumes (GWh)	1,049	905	980	1,015	5,261	4,953
Wind generation volumes (GWh)	133	99	143	126	654	538
<b>Total generation volumes (GWh)</b>	<b>1,182</b>	<b>1,004</b>	<b>1,123</b>	<b>1,141</b>	<b>5,915</b>	<b>5,491</b>
Average generation price <sup>5</sup> (\$NZ/MWh)	\$93.7	\$149.5	\$121.4	\$121.9	\$111.9	\$129.1

<b>New Zealand hedging</b>						
Hedging volume <sup>6</sup> (GWh)	148	190	145	132	709	874
Hedging costs (\$NZ/MWh)	\$67.3	\$74.7	\$64.4	\$62.2	\$64.5	\$69.4
Hedging spot revenue average price (\$NZ/MWh)	\$104.1	\$180.8	\$122.6	\$124.0	\$116.8	\$150.5
Future contract close outs (\$NZ m)	-\$0.2	-\$0.5	-\$1.5	-\$1.4	-\$3.9	-\$2.0

	NOVEMBER 2019 MONTH	NOVEMBER 2018 MONTH	OCTOBER 2019 MONTH	SEPTEMBER 2019 MONTH	5 MONTHS TO NOVEMBER 2019	5 MONTHS TO NOVEMBER 2018
<b>Australian contracted sales</b>						
Retail contracted electricity sales volume (GWh)	46	37	49	55	279	240
Average electricity contracted sales price <sup>1</sup> (\$A/MWh)	\$174.0	\$151.5	\$168.0	\$131.2	\$152.6	\$156.5
Retail contracted gas sales volume (TJ)	64	20	119	171	722	126
Average gas contracted sales price <sup>1</sup> (\$A/GJ)	\$18.9	\$20.7	\$13.8	\$13.4	\$14.2	\$16.0
Financial contract sales volumes <sup>2</sup> (GWh)	63		65	60	286	
Financial contracted sales average price (\$A/MWh)	\$80.1		\$80.1	\$90.1	\$83.7	
Cost to supply electricity customers (\$A/MWh)	\$89.2	\$113.3	\$119.9	\$118.0	\$112.7	\$108.4
Cost to supply gas customers (\$A/GJ)	\$14.0	\$8.9	\$8.6	\$9.8	\$10.9	\$10.9
Cost of financial contracts (\$A/MWh)	\$68.3		\$100.1	\$103.6	\$91.4	
Powershop electricity customer connections <sup>7</sup>	121,575	98,618	118,721	115,099		
Powershop gas customer connections <sup>8</sup>	29,182	11,333	27,858	26,529		

	NOVEMBER 2019 MONTH	NOVEMBER 2018 MONTH	OCTOBER 2019 MONTH	SEPTEMBER 2019 MONTH	5 MONTHS TO NOVEMBER 2019	5 MONTHS TO NOVEMBER 2018
<b>Australian generation</b>						
Wind generation volumes (GWh)	44	37	44	44	249	260
Average wind generation price <sup>5</sup> (\$/MWh)	\$110.3	\$123.2	\$125.5	\$127.3	\$120.6	\$153.3
Hydro generation volumes (GWh)	15	26	17	19	61	100
Average hydro generation price <sup>5</sup> (\$/MWh)	\$66.9	\$90.9	\$99.4	\$99.2	\$91.1	\$90.4
PPA generation received (GWh)	30	12	31	30	160	54
Average PPA generation price [net of costs] (\$/MWh)	\$16.5	\$121.3	\$45.2	\$38.4	\$30.5	-\$25.2
<b>Australian hedging</b>						
Hedging volume <sup>6</sup> (GWh)	48		50	36	208	
Hedging costs (\$/MWh)	\$89.9		\$95.5	\$94.3	\$92.6	
Hedging spot revenue average price (\$/MWh)	\$72.3		\$107.7	\$111.4	\$98.4	
Future contract close outs (\$A M)	-\$0.3	\$1.9	-\$0.3	-\$0.5	-\$1.0	-\$0.2

	NOVEMBER 2019 MONTH	NOVEMBER 2018 MONTH	OCTOBER 2019 MONTH	SEPTEMBER 2019 MONTH	5 MONTHS TO NOVEMBER 2019	5 MONTHS TO NOVEMBER 2018
<b>Meridian Group</b>						
Employee and Operating Costs (\$m)	24	22	25	25	122	113
Stay in Business Capital Expenditure (\$m)	4	4	4	4	19	20
Investment Capital Expenditure (\$m)	2	1	1	2	7	6
<b>Total Capital Expenditure (\$m)</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>26</b>	<b>26</b>

## Footnotes

- Contracted sales volumes and volume weighted average price received from contracted customers less distribution costs
- Derivatives sold excluding the sell-side of virtual asset swaps
- Average price of both NZAS sales volume and derivative sales volumes
- Meridian Retail and Powershop New Zealand installation control points (ICPs), excluding vacants
- Volume weighted average price received for Meridian's physical generation
- Over the counter and ASX contract volumes excluding the buy-side of virtual asset swaps
- Financially responsible market participants, excluding vacants
- Meter installation registration numbers



# FY20 OPERATING INFORMATION

	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020
<b>New Zealand contracted sales</b>												
Retail contracted sales volume (GWh)	599	630	583	590	610							
Average retail contracted sales price (\$NZ/MWh)	\$113.5	\$115.4	\$109.5	\$102.7	\$99.8							
NZAS sales volume (GWh)	463	463	447	463	448							
Financial contract sales volumes (GWh)	150	176	148	129	135							
Average wholesale & financial contracts sales price (\$NZ/MWh)	\$69.9	\$70.9	\$68.4	\$67.0	\$65.3							
Retail customer supply volumes (GWh)	645	662	581	623	650							
Cost to supply retail customers (\$NZ/MWh)	\$110.4	\$135.6	\$129.3	\$130.2	\$112.7							
Cost to supply wholesale customers (\$NZ/MWh)	\$97.9	\$120.5	\$126.1	\$118.7	\$89.6							
Cost of financial contracts (\$NZ/MWh)	\$101.9	\$118.2	\$120.5	\$112.6	\$92.8							
Total New Zealand customer connections	304,993	307,798	309,372	311,694	313,150							
<b>New Zealand generation</b>												
Hydro generation volume (GWh)	1,111	1,106	1,015	980	1,049							
Wind generation volume (GWh)	116	135	126	143	133							
<b>Total generation volume (GWh)</b>	<b>1,227</b>	<b>1,241</b>	<b>1,141</b>	<b>1,123</b>	<b>1,182</b>							
Average generation price (\$NZ/MWh)	\$100.7	\$122.7	\$121.9	\$121.4	\$93.7							
<b>New Zealand hedging</b>												
Hedging volume (GWh)	145	139	132	145	148							
Hedging costs (\$NZ/MWh)	\$65.0	\$63.2	\$62.2	\$64.4	\$67.3							
Hedging spot revenue average price (\$NZ/MWh)	\$104.4	\$130.5	\$124.0	\$122.6	\$104.1							
Future contract close outs (\$NZm)	-0.3	-0.6	-1.4	-1.5	-0.2							
<b>Australia contracted sales</b>												
Retail contracted electricity sales volume (GWh)	63	66	55	49	46							
Average electricity contracted sales price <sup>1</sup> (\$A/MWh)	\$149.8	\$147.0	\$131.2	\$168.0	\$174.0							
Retail contracted gas sales volume (TJ)	176	192	171	119	64							
Average gas contracted sales price <sup>1</sup> (\$A/GJ)	\$13.9	\$14.0	\$13.4	\$13.8	\$18.9							
Financial contract sales volumes <sup>2</sup> (GWh)	54	43	60	65	63							
Financial contracted sales average price (\$A/MWh)	\$83.3	\$86.1	\$90.1	\$80.1	\$80.1							
Cost to supply electricity customers (\$A/MWh)	\$105.5	\$126.4	\$118.0	\$119.9	\$89.2							
Cost to supply gas customers (\$A/GJ)	\$11.8	\$11.4	\$9.8	\$8.6	\$14.0							
Cost of financial contracts (\$A/MWh)	\$86.9	\$101.0	\$103.6	\$100.1	\$68.3							
Powershop electricity customer connections <sup>7</sup>	111,373	112,995	115,099	118,721	121,575							
Powershop gas customer connections <sup>8</sup>	24,096	25,240	26,529	27,858	29,182							
<b>Australia generation</b>												
Wind generation volume (GWh)	61	56	44	44	44							
Average wind generation price (\$A/MWh)	\$115.7	\$124.7	\$127.3	\$125.5	\$110.3							
Hydro generation volume (GWh)	3	7	19	17	15							
Average hydro generation price (\$A/MWh)	\$81.0	\$104.0	\$99.2	\$99.4	\$66.9							
PPA generation received (GWh)	35	34	30	31	30							
Average PPA generation price [net of costs] (\$A/MWh)	\$22.9	\$30.3	\$38.4	\$45.2	\$16.5							
<b>Australia hedging</b>												
Hedging volume (GWh)	36	39	36	50	48							
Hedging costs (\$A/MWh)	\$89.6	\$93.1	\$94.3	\$95.5	\$89.9							
Hedging spot revenue average price (\$A/MWh)	\$99.6	\$105.4	\$111.4	\$107.7	\$72.3							
Future contract close outs (\$A M)	-\$0.8	\$0.0	-\$0.5	-\$0.3	-\$0.3							
<b>Meridian Group</b>												
Employee and Operating Costs (\$NZ m)	24	24	25	25	24							
Stay in Business Capital Expenditure (\$NZ m)	4	3	4	4	4							
Investment Capital Expenditure (\$NZ m)	1	2	2	1	2							
<b>Total Capital Expenditure (\$NZ m)</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>6</b>							

# FY19 OPERATING INFORMATION

	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019
<b>New Zealand contracted sales</b>												
Retail contracted sales volume (GWh)	521	529	497	524	481	448	555	534	557	508	538	548
Average retail contracted sales price (\$NZ/MWh)	\$113.1	\$110.7	\$106.7	\$98.3	\$98.5	\$95.5	\$98.2	\$102.0	\$101.3	\$105.4	\$112.7	\$113.9
NZAS sales volume (GWh)	426	426	411	439	444	463	463	418	463	448	463	448
Financial contract sales volumes (GWh)	386	196	140	149	146	217	157	196	187	168	168	129
Average wholesale & financial contracts sales price (\$NZ/MWh)	\$63.9	\$58.5	\$58.0	\$65.9	\$72.7	\$68.9	\$69.4	\$80.6	\$80.3	\$73.0	\$72.3	\$69.6
Retail customer supply volumes (GWh)	541	560	528	554	509	468	581	572	587	538	578	592
Cost to supply retail customers (\$NZ/MWh)	\$87.1	\$90.0	\$95.0	\$309.8	\$183.0	\$115.5	\$141.3	\$171.6	\$186.0	\$113.4	\$113.3	\$102.8
Cost to supply wholesale customers (\$NZ/MWh)	\$68.9	\$74.4	\$88.7	\$284.1	\$137.1	\$98.1	\$125.8	\$153.6	\$168.2	\$97.5	\$93.1	\$89.7
Cost of financial contracts (\$NZ/MWh)	\$71.8	\$93.1	\$94.3	\$267.7	\$152.7	\$116.5	\$126.1	\$156.8	\$163.0	\$104.4	\$96.3	\$103.0
Total New Zealand customer connections	292,091	292,906	293,386	294,695	296,064	296,532	297,621	299,351	299,905	301,230	301,508	302,277
<b>New Zealand generation</b>												
Hydro generation volume (GWh)	1,070	1,123	959	897	905	972	1,022	1,015	1,046	1,060	1,125	1,132
Wind generation volume (GWh)	126	90	115	107	99	83	116	104	81	99	123	100
<b>Total generation volume (GWh)</b>	<b>1,196</b>	<b>1,213</b>	<b>1,074</b>	<b>1,004</b>	<b>1,004</b>	<b>1,055</b>	<b>1,138</b>	<b>1,119</b>	<b>1,128</b>	<b>1,159</b>	<b>1,248</b>	<b>1,232</b>
Average generation price (\$NZ/MWh)	\$72.1	\$77.2	\$86.8	\$284.6	\$149.5	\$98.8	\$125.3	\$153.1	\$171.5	\$99.8	\$96.5	\$95.2
<b>New Zealand hedging</b>												
Hedging volume (GWh)	170	167	147	200	190	177	155	142	186	144	149	138
Hedging costs (\$NZ/MWh)	\$65.7	\$63.1	\$62.5	\$77.7	\$74.7	\$61.7	\$69.3	\$66.6	\$71.2	\$65.0	\$66.3	\$63.9
Hedging spot revenue average price (\$NZ/MWh)	\$74.5	\$80.8	\$87.9	\$290.6	\$180.8	\$104.6	\$127.7	\$157.7	\$168.4	\$103.1	\$101.9	\$97.5
Future contract close outs (\$NZm)	-0.1	-0.3	-0.6	-0.5	-0.5	-0.5	-0.4	-0.7	-2.8	-1.1	-0.4	-0.1
<b>Australia contracted sales</b>												
Retail contracted electricity sales volume (GWh)	58	57	48	41	37	39	44	38	45	41	49	58
Average electricity contracted sales price <sup>1</sup> (\$A/MWh)	\$149.6	\$168.9	\$159.4	\$150.4	\$151.5						\$162.2	\$159.7
Retail contracted gas sales volume (TJ)	4	20	40	41	20	17	9	9	13	25	102	64
Average gas contracted sales price <sup>1</sup> (\$A/GJ)	\$16.1	\$15.5	\$14.2	\$15.7	\$20.7						\$15.4	\$19.4
Financial contract sales volumes <sup>2</sup> (GWh)											51	42
Financial contracted sales average price (\$A/MWh)											\$64.1	\$80.7
Cost to supply electricity customers (\$A/MWh)	\$103.1	\$105.7	\$114.1	\$108.7	\$113.3						\$112.4	\$133.7
Cost to supply gas customers (\$A/GJ)	\$14.8	\$12.8	\$15.0	\$6.8	\$8.9						\$11.7	\$29.4
Cost of financial contracts (\$A/MWh)											\$70.1	\$100.2
Powershop electricity customer connections <sup>7</sup>	96,743	96,801	96,657	97,514	98,618	99,368	101,020	102,730	104,450	106,240	108,332	109,804
Powershop gas customer connections <sup>8</sup>	1,137	4,776	7,558	9,577	11,333	12,508	14,309	16,751	18,225	19,990	21,426	22,612
<b>Australia generation</b>												
Wind generation volume (GWh)	74	64	43	40	37	36	33	30	33	36	49	49
Average wind generation price (\$A/MWh)	\$153.0	\$148.0	\$163.9	\$178.3	\$123.2						\$143.9	\$126.1
Hydro generation volume (GWh)	10	11	25	30	26	23	29	21	16	11	1	3
Average hydro generation price (\$A/MWh)	\$37.3	\$46.0	\$128.6	\$92.0	\$90.9						\$79.3	\$77.4
PPA generation received (GWh)	11	10	7	13	12						33	31
Average PPA generation price [net of costs] (\$A/MWh)	-\$66.0	-\$63.9	-\$71.3	-\$65.5	\$121.3						\$40.4	\$34.2
<b>Australia hedging</b>												
Hedging volume (GWh)											80	51
Hedging costs (\$A/MWh)											\$65.6	\$95.9
Hedging spot revenue average price (\$A/MWh)											\$58.2	\$99.0
Future contract close outs (\$A M)	-\$0.1	-\$0.1	-\$1.2	-\$0.6	\$1.9						\$0.0	\$0.1
<b>Meridian Group</b>												
Employee and Operating Costs (\$NZ m)	22	23	24	22	22	22	22	22	23	22	26	29
Stay in Business Capital Expenditure (\$NZ m)	5	3	4	5	4	3	3	3	3	4	5	9
Investment Capital Expenditure (\$NZ m)	1	1	1	1	1	1	1	2	1	1	2	1
<b>Total Capital Expenditure (\$NZ m)</b>	<b>6</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>7</b>	<b>10</b>

# GLOSSARY

Hedging volumes	buy-side electricity derivatives excluding the buy-side of virtual asset swaps
Average generation price	the volume weighted average price received for Meridian's physical generation
Average retail contracted sales price	volume weighted average electricity price received from retail customers, less distribution costs
Average wholesale contracted sales price	volume weighted average electricity price received from wholesale customers (including NZAS) and financial contracts
Combined catchment inflows	combined water inflows into Meridian's Waitaki and Waiau hydro storage lakes
Cost of hedges	volume weighted average price Meridian pays for derivatives acquired
Cost to supply contracted sales	volume weighted average price Meridian pays to supply contracted customer sales and financial contracts
Contracts for Difference (CFDs)	an agreement between parties to pay the difference between the wholesale electricity price and an agreed fixed price for a specified volume of electricity. CFDs do not result in the physical supply of electricity
Customer connections (NZ)	number of installation control points, excluding vacants
FRMP	financially responsible market participant
GWh	gigawatt hour. Enough electricity for 125 average New Zealand households for one year
Historic average inflows	the historic average combined water inflows into Meridian's Waitaki and Waiau hydro storage lakes over the last 85 years
Historic average storage	the historic average level of storage in Meridian's Waitaki catchment since 1979
HVDC	high voltage direct current link between the North and South Islands of New Zealand
ICP	New Zealand installation control points, excluding vacants
ICP switching	the number of installation control points changing retailer supplier in New Zealand, recorded in the month the switch was initiated
MWh	megawatt hour. Enough electricity for one average New Zealand household for 46 days
National demand	Electricity Authority's reconciled grid demand <a href="http://www.emi.ea.govt.nz">www.emi.ea.govt.nz</a>
NZAS	New Zealand Aluminium Smelters Limited
Retail sales volumes	contract sales volumes to retail customers, including both non half hourly and half hourly metered customers
Financial contract sales	sell-side electricity derivatives excluding the sell-side of virtual asset swaps
TJ	Terajoules
Virtual Asset Swaps (VAS)	CFDs Meridian has with Genesis Energy and Mercury New Zealand. They do not result in the physical supply of electricity