

Monthly Operating Report

March 2020



Putting our energy where it matters

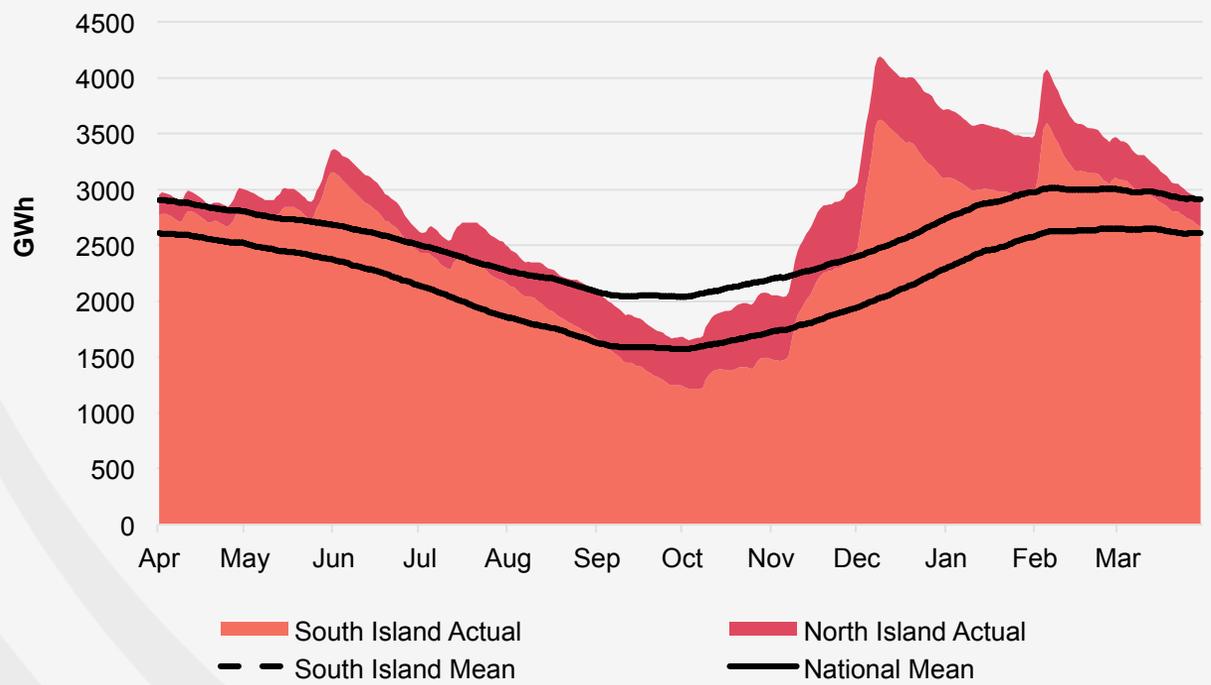
March overview.

For the month of March 2020

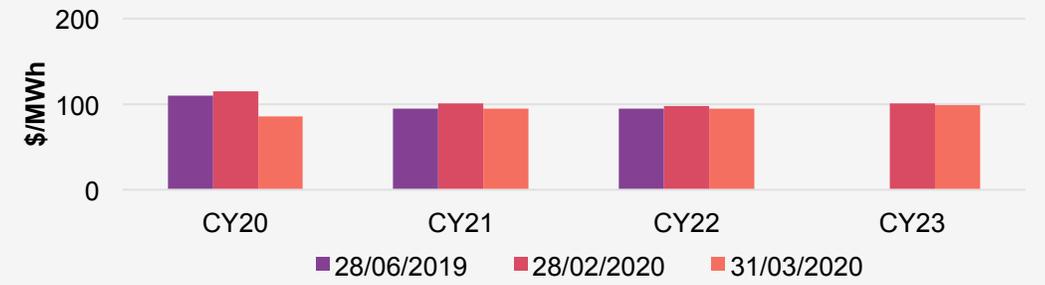
- » The Customer business recorded:
 - Mass market electricity and gas sales of 310 GWh (March 2019: 287 GWh)
 - Mass market electricity and gas netback of \$92.71/MWh (March 2019: \$88.06/MWh)
- » The Wholesale business recorded:
 - Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 577 GWh (March 2019: 814 GWh)
 - Electricity and steam net revenue of \$87.29/MWh (March 2019: \$82.52/MWh)
 - Electricity generated (or acquired) of 672 GWh (March 2019: 853 GWh)
 - The unit generation cost, which includes acquired generation was \$25.90/MWh (March 2019: \$41.18/MWh)
 - Own generation cost in the month of \$25.14/MWh (March 2019: \$32.17/MWh)
- » Otahuhu futures settlement wholesale price for the 3rd quarter of 2020 (ASX):
 - As at 14 April 2020: \$95/MWh
 - As at 31 March 2020: \$99/MWh
 - As at 29 February 2020: \$133/MWh
- » As at 9 April 2020, South Island controlled storage was 98% of mean (31 March 2020: 102%) and North Island controlled storage was 66% of mean (31 March 2020: 74%)
 - As at 14 April 2020, total Clutha scheme storage (including uncontrolled storage) was 94% of mean
 - Inflows into Contact's Clutha catchment for March 2020 were 90% of mean (February 2020: 189%, January 2020: 68%, December 2019: 204%)

Hydro storage and forward prices.

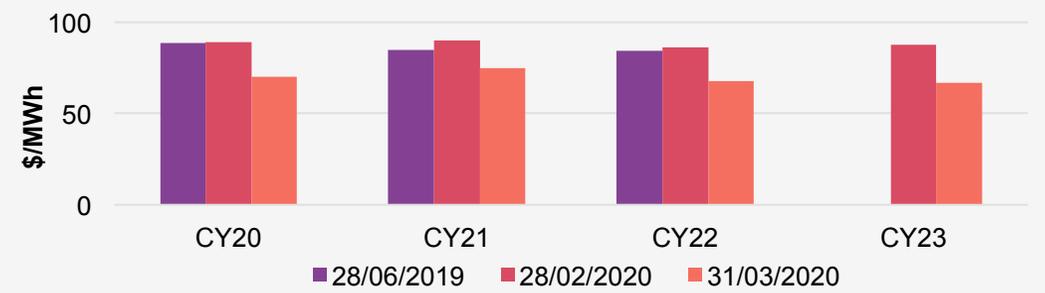
New Zealand controlled hydro storage against mean
12 MONTHS



ASX futures settlement
Otaguhu

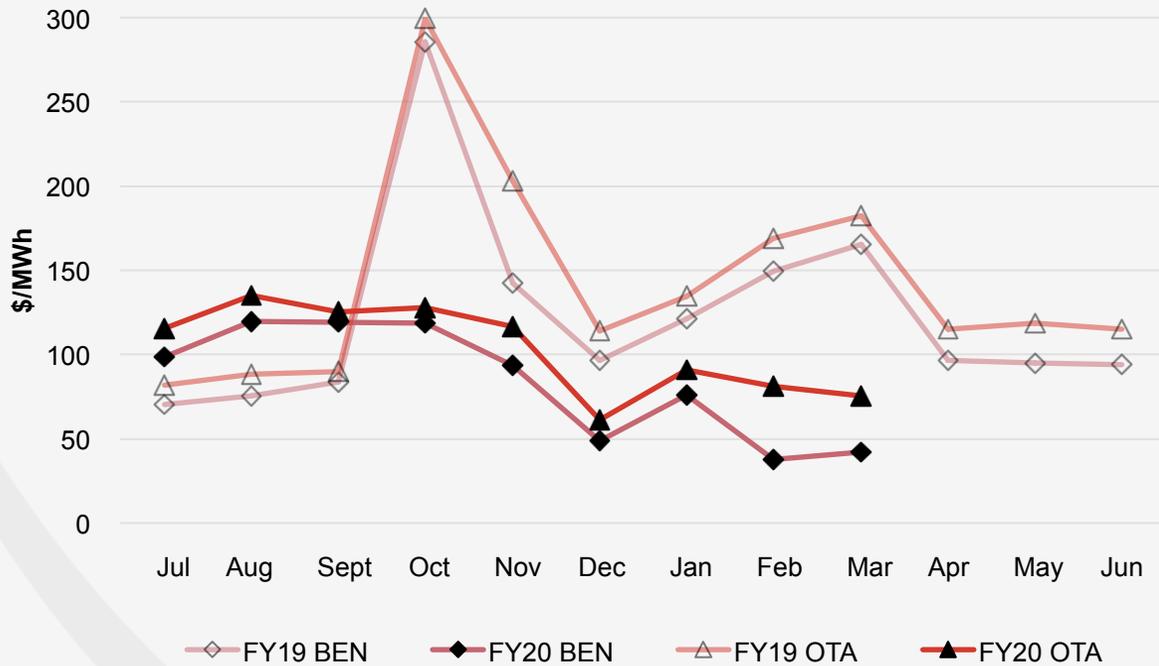


Benmore



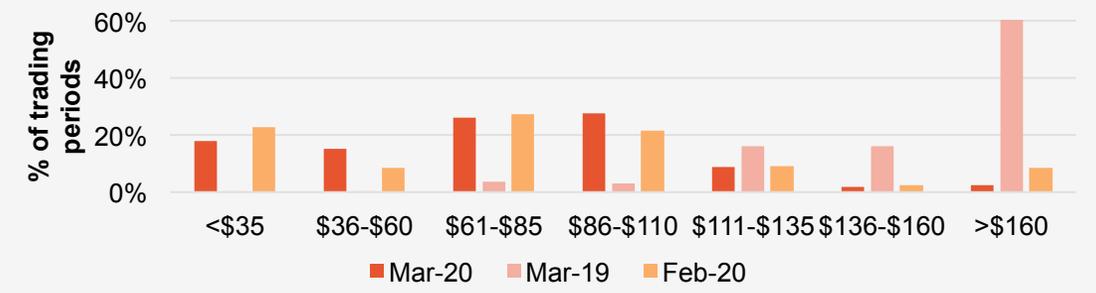
Wholesale market.

Wholesale electricity pricing

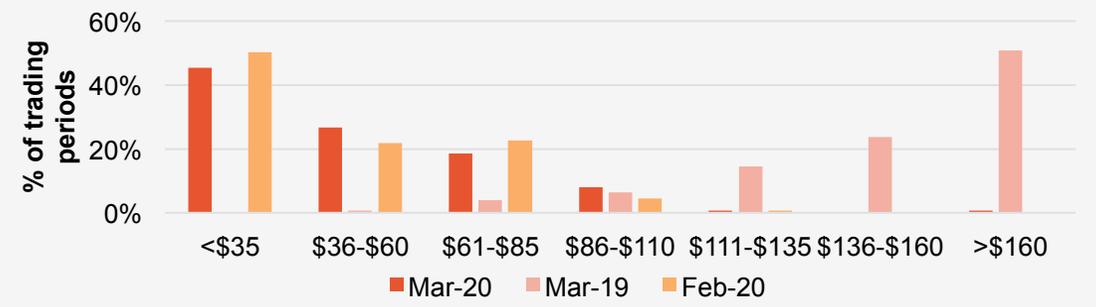


Distribution of wholesale market price by trading periods

Otahuhu



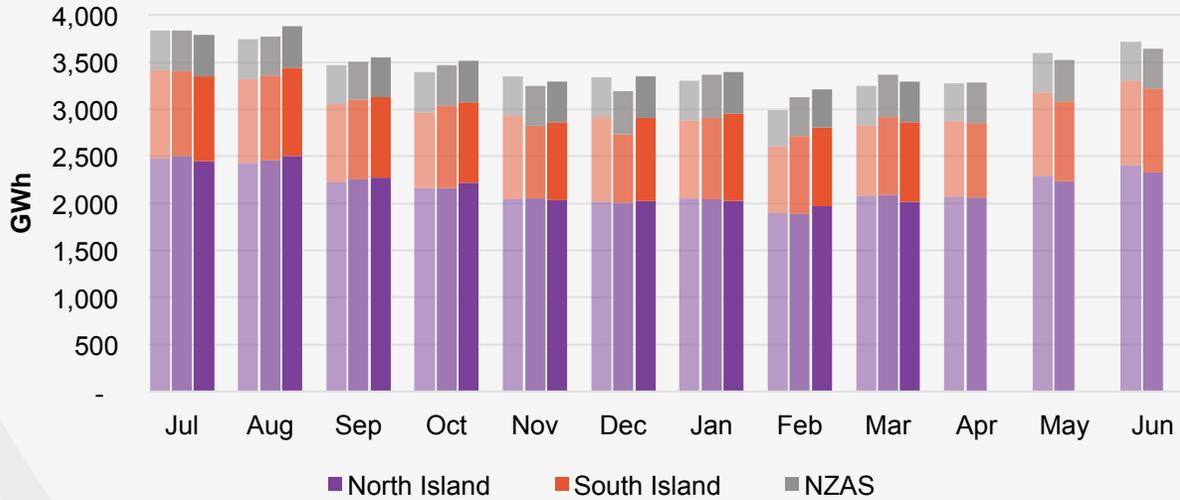
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Electricity demand.

Total national demand

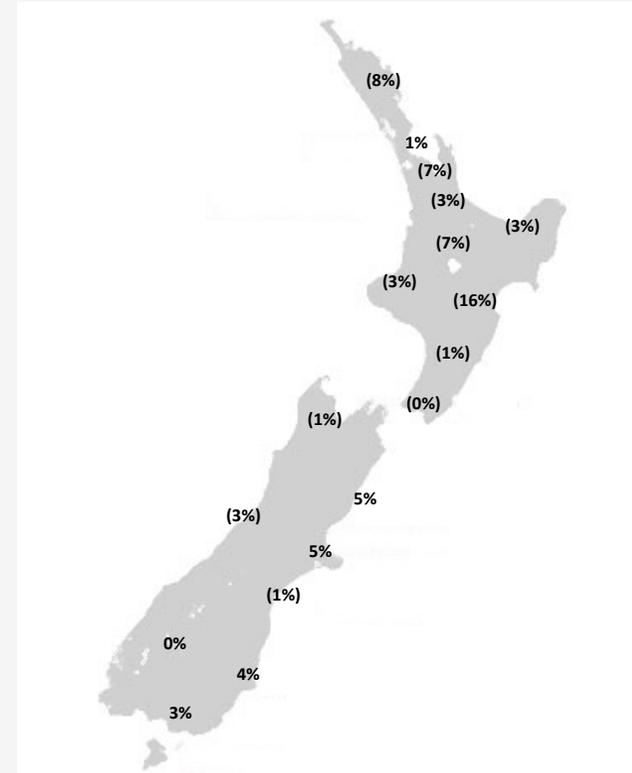
FY18, 19 and 20 respectively



- » New Zealand electricity demand was down 2.0% on March 2019 (up 0.7% on March 2018), COVID-19 L4 lockdown commenced on 25 March:
 - Cumulative 12 months demand for April 2019 to March 2020 of 41,746 GWh is up by 0.6% on the prior comparative period.

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

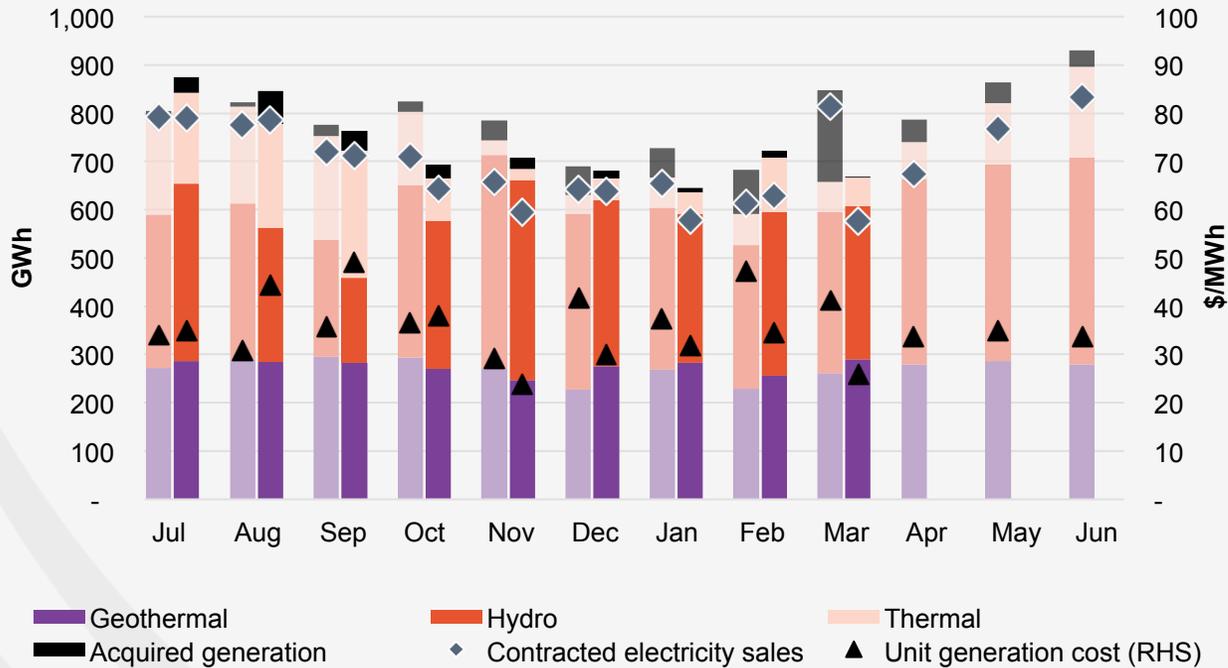
Regional demand change (%) on March 2019



Business performance.

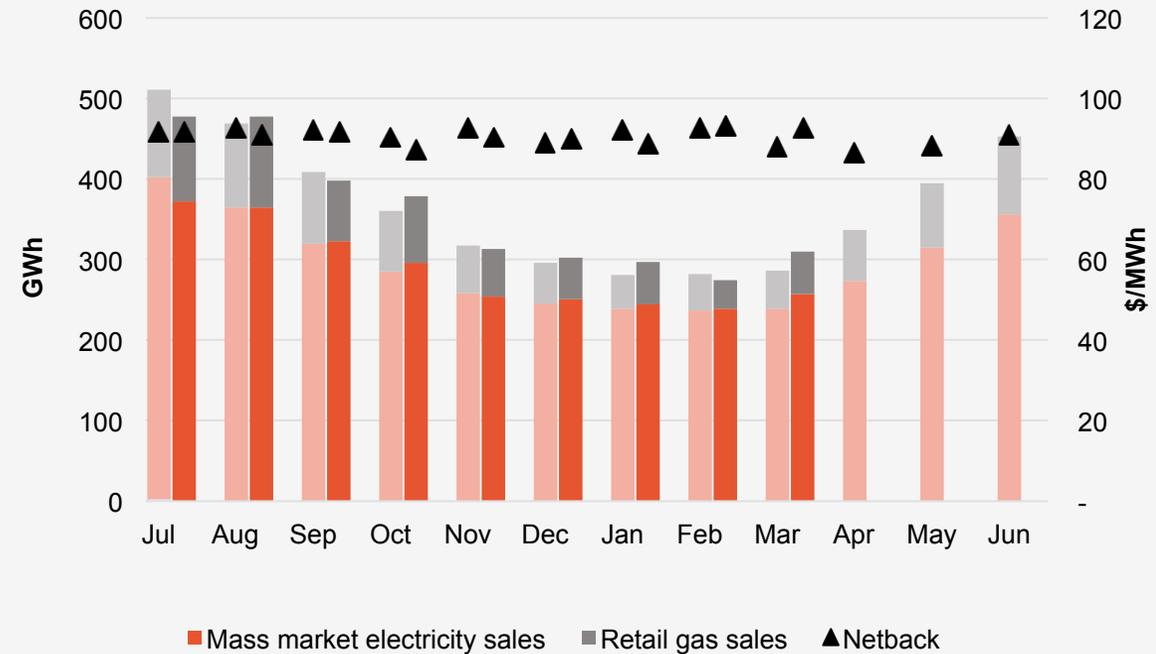
Wholesale

Generation mix, gross sales position and unit generation cost (FY19 and 20 respectively)



Customer

Retail sales volumes and netback (FY19 and 20 respectively)



Operational data.

		Measure	The month ended March 20	The month ended March 19	The month ended February 20	Nine months ended March 20	Nine months ended March 19
Customer	Mass market electricity sales	GWh	257	239	239	2,601	2,589
	Retail gas sales	GWh	53	48	36	630	619
	Mass market electricity and gas sales	GWh	310	287	275	3,231	3,208
	Average electricity sales price	\$/MWh	250.32	253.16	250.35	244.70	245.50
	Electricity direct pass thru costs	\$/MWh	(123.77)	(130.80)	(125.42)	(119.54)	(120.54)
	Cost to serve	\$/MWh	(20.45)	(24.61)	(22.90)	(18.61)	(18.75)
	Customer netback	\$/MWh	92.71	88.06	93.15	90.77	91.48
	Energy cost	\$/MWh	(87.67)	(87.01)	(84.66)	(79.15)	(73.20)
	Actual electricity line losses	%	5%	9%	6%	6%	8%
	Retail gas sales	PJ	0.2	0.2	0.1	2.3	2.2
	Electricity ICPs	#	408,000	408,500	409,000		
	Gas ICPs	#	65,000	66,000	65,500		
Wholesale	Electricity sales to Customer business	GWh	270	262	255	2,768	2,804
	Electricity sales to Commercial and Industrial	GWh	164	266	180	1,734	2,358
	Electricity CFD sales	GWh	143	286	193	1,452	1,216
	Contracted electricity sales	GWh	577	814	629	5,954	6,378
	Steam sales	GWh	33	44	43	478	489
	Total electricity and steam net revenue	\$/MWh	87.29	82.52	76.62	78.23	77.65
	C&I netback (at the ICP)	\$/MWh	90.51	93.21	83.46	83.40	83.26
	C&I line losses	%	7%	4%	5%	5%	4%
	Thermal generation	GWh	59	64	114	1,042	1,028
	Geothermal generation	GWh	290	262	257	2,478	2,412
	Hydro generation	GWh	317	333	338	2,850	3,010
	Spot electricity sales	GWh	666	658	709	6,370	6,450
	Electricity sales - Direct	GWh	4	6	7	71	74
	Acquired generation	GWh	1	189	14	232	511
	Electricity generated (or acquired)	GWh	672	853	730	6,673	7,035
	Unit generation cost (including acquired generation)	\$/MWh	(25.90)	(41.18)	(34.55)	(35.20)	(36.88)
	Spot electricity purchases	GWh	(430)	(522)	(428)	(4,431)	(5,088)
	CFD sale settlements	GWh	(143)	(286)	(193)	(1,452)	(1,216)
	Spot exposed purchases / CFD settlement	GWh	(573)	(808)	(621)	(5,883)	(6,304)
	Spot revenue and settlement on acquired generation (GWAP)	\$/MWh	59.03	167.39	60.05	94.30	139.99
	Spot purchases and settlement on CFDs sold (LWAP)	\$/MWh	(66.15)	(178.11)	(67.17)	(100.77)	(145.64)
	LWAP/GWAP	%	112%	106%	112%	107%	104%
Gas used in internal generation	PJ	0.7	0.8	1.2	10.4	10.5	
Gas storage net movement (extraction) / injection	PJ	(0.1)	(0.3)	0.1	1.3	(2.6)	

Keep in touch.

Investors

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