

# Monthly Operating Report

October 2021



Putting our energy where it matters

# October overview.

## For the month of October 2021

- » The Customer business recorded:
  - Mass market electricity and gas sales of 347GWh (October 2020: 346GWh)
  - Mass market electricity and gas netback of \$104.46/MWh (October 2020: \$99.15/MWh)
- » The Wholesale business recorded:
  - Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 690GWh (October 2020: 638 GWh)
  - Electricity and steam net revenue of \$91.57/MWh (October 2020: \$76.69/MWh)
  - Electricity generated (or acquired) of 744 GWh (October 2020: 716 GWh)
  - The unit generation cost, which includes acquired generation was \$27.91/MWh (October 2020: \$36.99/MWh)
    - Own generation cost in the month of \$22.25/MWh (October 2020 : \$32.95MWh)

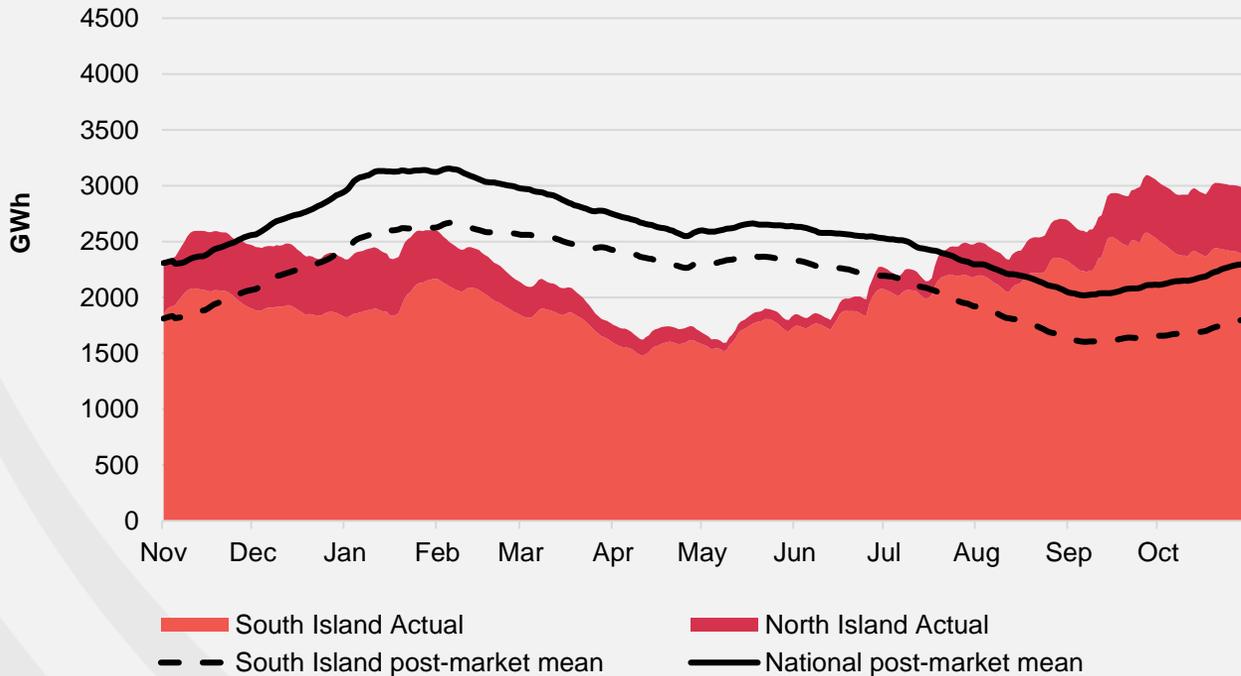
- » Otahuhu futures settlement wholesale price for the 1<sup>st</sup> quarter of 2022 (ASX):
  - As at 05 Nov 2021: \$142/MWh
  - As at 31 Oct 2021: \$124/MWh
  - As at 30 Sep 2021: \$127/MWh
- » As at 07 Nov 2021, South Island controlled storage was 125% of mean and North Island controlled storage was 132% of mean
  - As at 07 Nov 2021, total Clutha scheme storage (including uncontrolled storage) was 103% of mean
  - Inflows into Contact's Clutha catchment for October 2021 were 98% of mean (September 2021: 154%  
August 2021: 163%  
July 2021: 169%)
- » As at 1 November 2021, Contact's contracted gas volume (including contracted swap returns) for the next 12 months is 13.4PJ\*

\* As notified by suppliers, actual gas received is dependent on field delivery

# Hydro storage and forward prices.

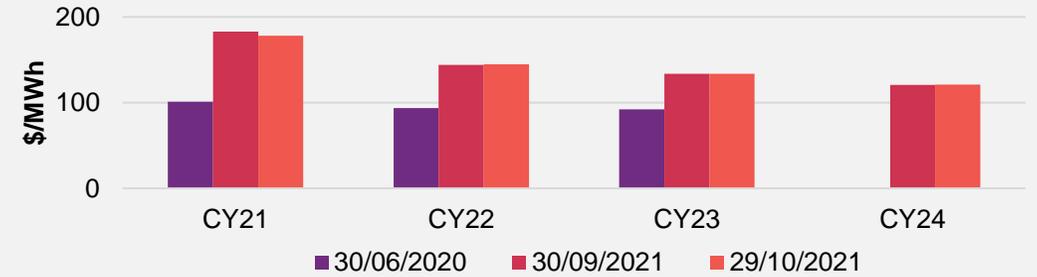
## New Zealand controlled hydro storage against mean

12 MONTHS

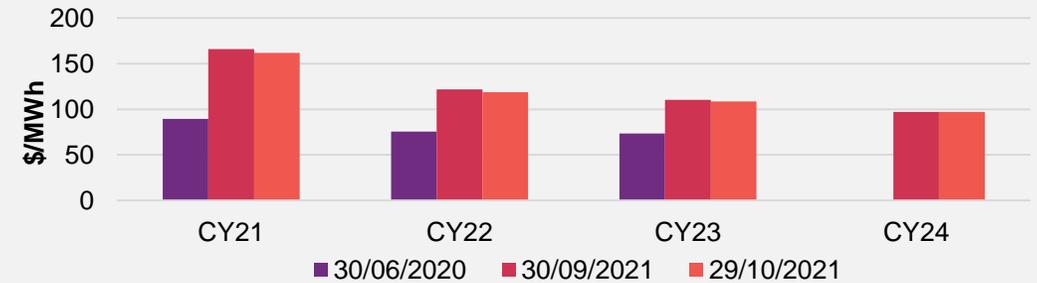


## ASX futures settlement

Otahuhu

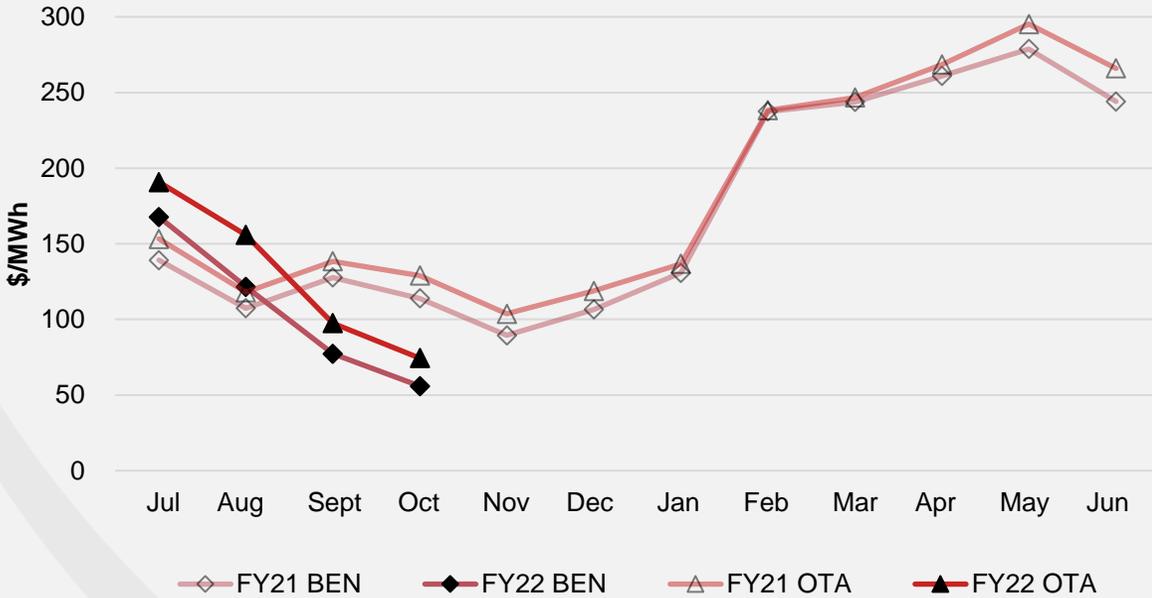


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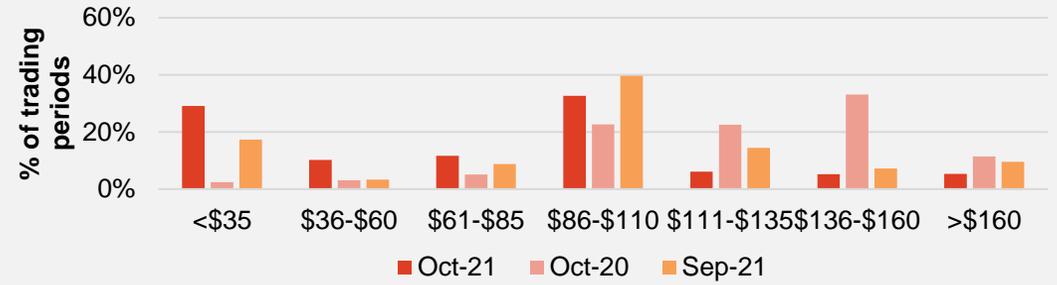
# Wholesale market.

## Wholesale electricity pricing

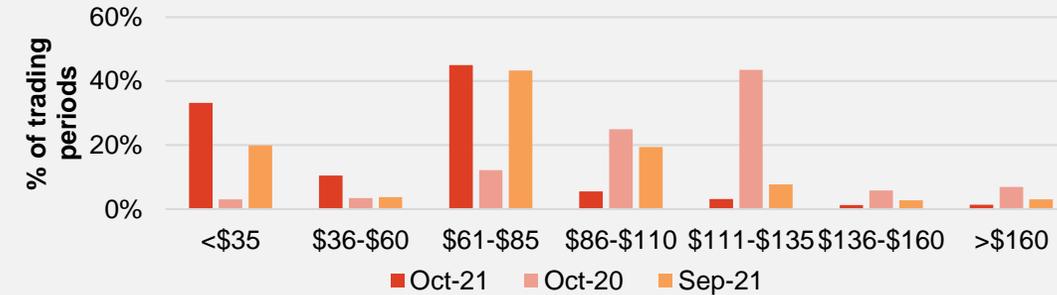


## Distribution of wholesale market price by trading periods

Otahuhu



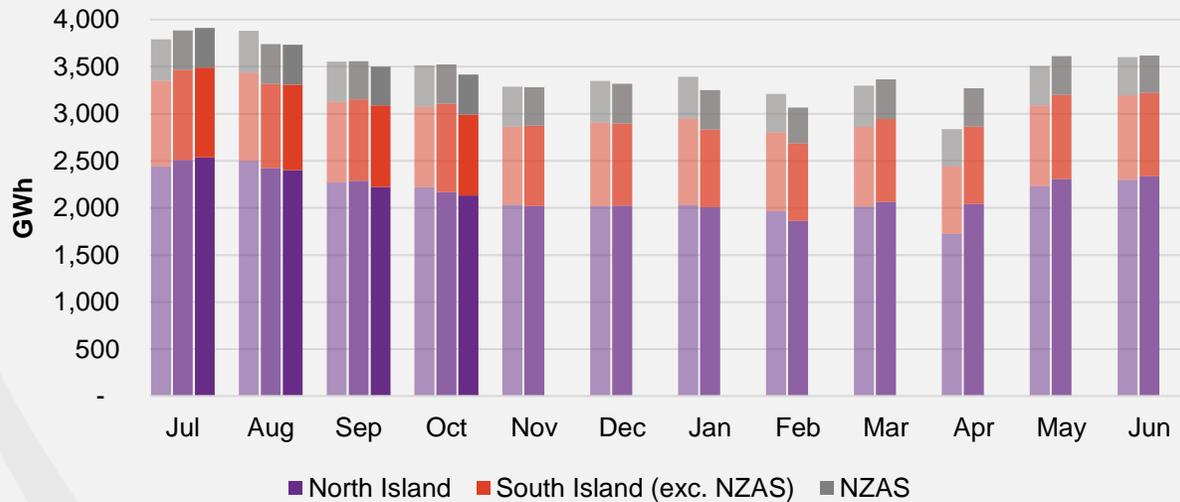
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# Electricity demand.

## Total national demand

FY20, 21 and 22 respectively

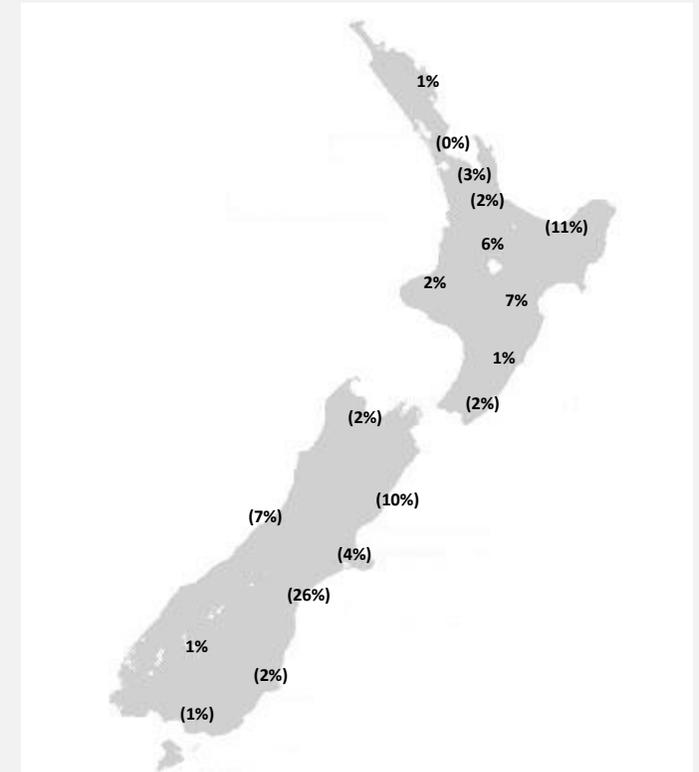


- » New Zealand electricity demand was down 3.0% on October 2020 (down 2.8% on October 2019):
  - Cumulative 12 months demand for November 2020 to October 2021 of 41,356 GWh is up 0.4% to the prior comparative period.

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

## Regional demand change (%) on October 2020

Nationwide temperatures for October 2021 were 13.2°C, no change to October 2020: 13.2°C

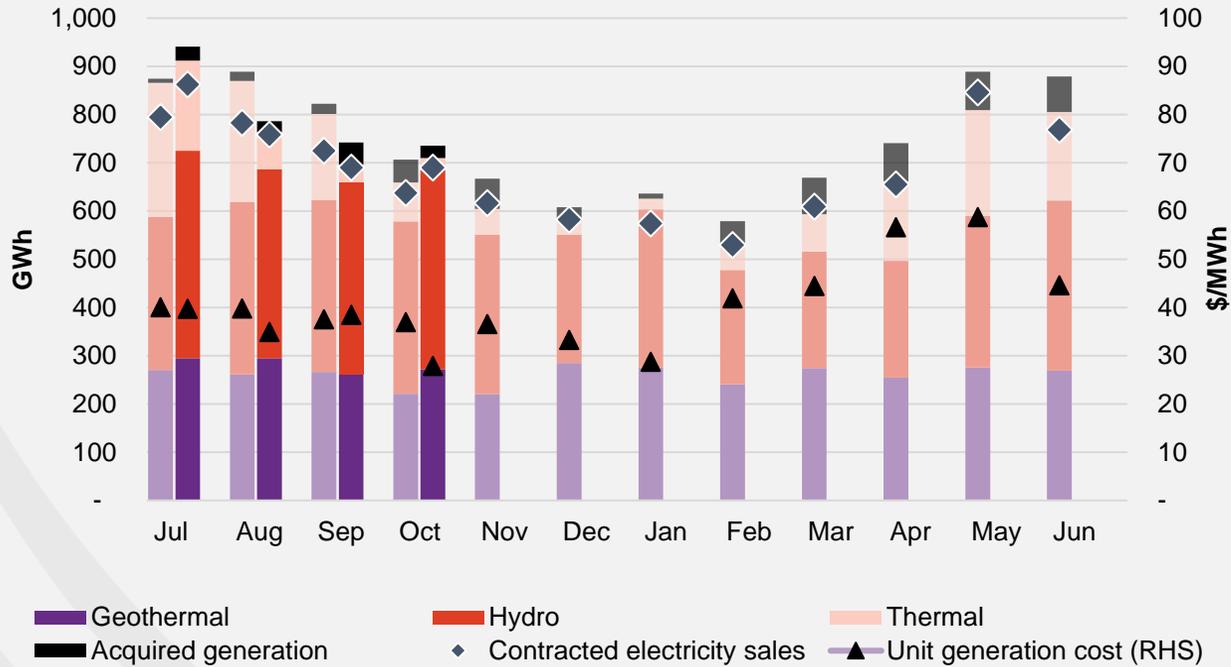


Regional demand is excluding NZAS

# Business performance.

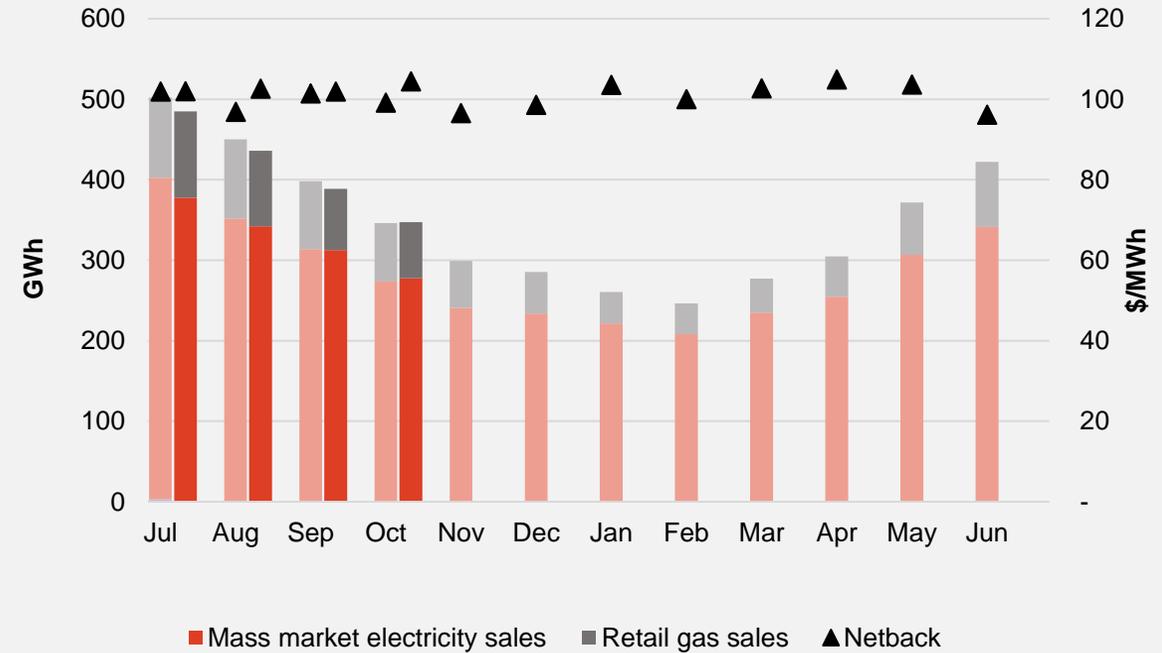
## Wholesale

Generation mix, gross sales position and unit generation cost (FY21 and 22 respectively)



## Customer

Retail sales volumes and netback (FY21 and 22 respectively)



## Operational data.

		Measure	The month ended October 21	The month ended October 20	The month ended September 21	Four months ending October 21	Four months ending October 20
Customer	Mass market electricity sales	GWh	277	274	313	1,310	1,339
	Retail gas sales	GWh	70	72	76	347	355
	Mass market electricity and gas sales	GWh	347	346	389	1,657	1,694
	Average electricity sales price	\$/MWh	252.84	248.47	247.84	245.66	242.84
	Electricity direct pass thru costs	\$/MWh	(114.50)	(111.73)	(111.23)	(110.14)	(107.05)
	Cost to serve	\$/MWh	(17.20)	(19.19)	(18.05)	(16.17)	(16.46)
	Customer netback	\$/MWh	104.46	99.15	101.91	102.68	99.93
	Energy cost	\$/MWh	(92.19)	(80.21)	(94.14)	(100.28)	(91.25)
	Actual electricity line losses	%	6%	9%	9%	7%	7%
	Retail gas sales	PJ	0.3	0.3	0.3	1.2	1.3
	Electricity ICPs	#	417,500	407,000	415,500	413,000	411,500
	Gas ICPs	#	67,500	64,500	67,000	67,000	64,500
	Broadband connections	#	58,000	34,000	57,000	56,000	31,000
	Wholesale	Electricity sales to Customer business	GWh	294	300	344	1,406
Electricity sales to Commercial and Industrial		GWh	120	168	117	465	629
Electricity CFD sales		GWh	276	171	229	1,129	865
Contracted electricity sales		GWh	690	638	690	3,000	2,940
Steam sales		GWh	67	78	70	244	259
Total electricity and steam net revenue		\$/MWh	91.57	76.69	95.10	108.60	88.99
C&I netback (at the ICP)		\$/MWh	72.87	75.24	93.29	92.97	86.68
C&I line losses		%	2%	3%	2%	2%	4%
Thermal generation		GWh	25	81	36	323	788
Geothermal generation		GWh	272	221	262	1,123	1,019
Hydro generation		GWh	413	357	398	1,634	1,388
Spot electricity sales		GWh	710	659	696	3,080	3,195
Electricity sales - Direct		GWh	9	10	9	29	30
Acquired generation		GWh	25	47	46	124	96
Electricity generated (or acquired)		GWh	744	716	751	3,234	3,321
Unit generation cost (including acquired generation)		\$/MWh	(27.91)	(36.99)	(38.48)	(35.54)	(38.72)
Spot electricity purchases		GWh	(405)	(457)	(452)	(1,842)	(2,045)
CFD sale settlements		GWh	(276)	(171)	(229)	(1,129)	(865)
Spot exposed purchases / CFD settlement		GWh	(681)	(628)	(681)	(2,970)	(2,910)
Spot revenue and settlement on acquired generation (GWAP)		\$/MWh	59.87	111.42	77.87	119.27	124.33
Spot purchases and settlement on CFDs sold (LWAP)		\$/MWh	(70.61)	(119.49)	(90.47)	(129.36)	(132.71)
LWAP/GWAP		%	118%	107%	116%	108%	107%
Gas used in internal generation		PJ	0.4	0.9	0.5	3.5	7.0
Gas storage net movement (extraction) / injection	PJ	0.5	(0.3)	0.1	1.1	(1.0)	
Contact	Total customer connections	#	550,000	514,000	547,000	543,500	511,000

# Environment, Social and Governance (ESG)

Material theme	Measure	Unit	Q1 FY22	Q1 FY21
Climate Change	Emissions from generation assets <sup>1</sup>	kt CO <sup>2</sup> -e	228	357
	Greenhouse Gas (GHG) intensity of generation <sup>2</sup>	kt CO <sup>2</sup> -e / GWh	0.096	0.141
Water	Freshwater take <sup>3</sup>	Million cubic metres	0.42	0.26
	Non-consumptive water usage <sup>4</sup>	Million cubic metres	5,231	4,142
	Geothermal fluid discharge to awa (rivers)	Million cubic metres	2.08	2.22
Biodiversity	Native rākau (trees) planted by Contact <sup>5</sup>	#	28,825	*
	Pests caught <sup>6</sup>	#	1,009	*
Community wellbeing	Community initiatives and organisations supported	#	17	*
Access to energy	Customer accepted (after standard credit checking / after prepay)	%	93% / 96%	90% / 92%

**Note: This information is updated quarterly (September, December, March, June)**

<sup>1</sup> Scope 1 – Stationary combustion. In FY21 stationary combustion was 99.97% of Contact's total Scope 1 emissions

<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 activities

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

\* Data has not historically been collected by quarter

## Keep in touch.

### Investors

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