

Monthly Operating Report

July 2023



July overview.

For the month of July 2023

- » The Customer business recorded:
 - Mass market electricity and gas sales of 467GWh (July 2022: 483GWh)
 - Mass market netback of \$126.40/MWh (July 2022: \$110.50MWh)
- » The Wholesale business recorded:
 - Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 821GWh (July 2022: 726GWh)
 - Electricity and steam net revenue of \$152.72/MWh (July 2022: \$115.93MWh)
 - Electricity generated (or acquired) of 789GWh (July 2022: 760GWh)
 - The unit generation cost, which includes acquired generation was \$42.28/MWh (July 2022: \$37.08/MWh)
 - Own generation cost in the month of \$41.97/MWh (July 2022: \$36.50/MWh)
- » Tauhara project progress vs. target for July 2023 was 97.5% vs. 98%¹.
- » Otahuhu futures settlement wholesale price for the 4th quarter of 2023 (ASX):
 - As at 8 August 2023: \$121/MWh
 - As at 31 July 2023: \$110/MWh
 - As at 30 June 2023: \$97/MWh
- » As at 8th August 2023, South Island controlled storage was 117% of mean and North Island controlled storage was 85% of mean
 - As at 8th August 2023, total Clutha scheme storage was 56% of mean
 - Inflows into Contact's Clutha catchment for July 2023 were 49% of mean. (June 2023: 128%, May 2023: 158%, April 2023: 94%)
- » Contact's contracted gas volume (including contracted swaps) for the next 12 months is 13.3PJ²

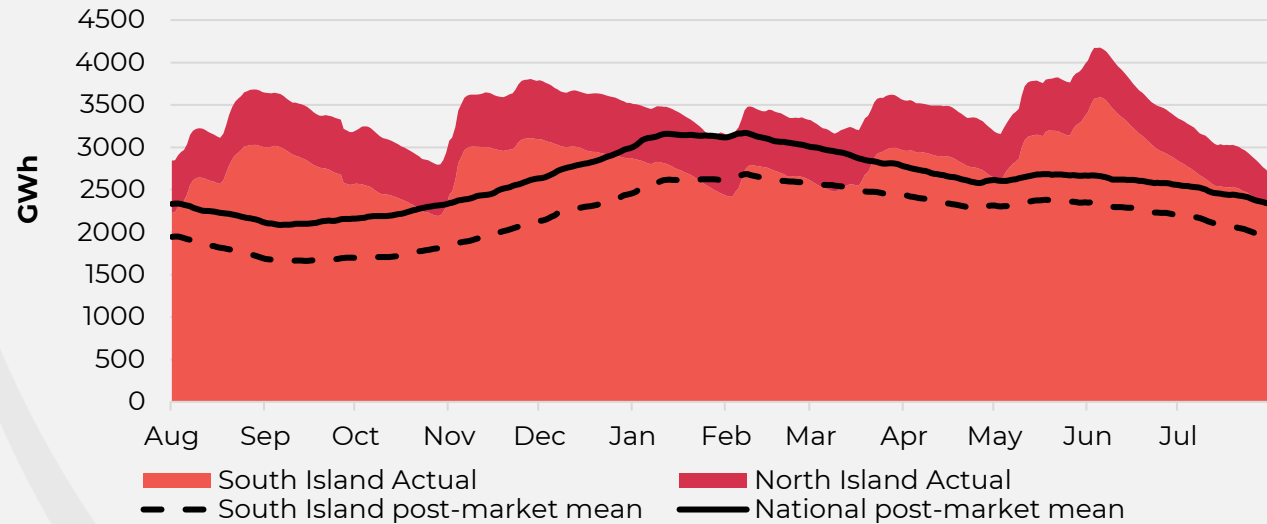
¹The progress target for Tauhara follows an S-Curve model in line with standard project management practice (for large scale infrastructure projects). This will result in more gradual increments in the reporting of target and actual progress as the project nears completion in Q4 of 2023.

²Forecast gas volumes as notified by suppliers, actual gas received is dependent on field delivery. This excludes gas available at AGS. It includes gas under discussion for reduction to reflect renewable build.

Hydro storage and forward prices.

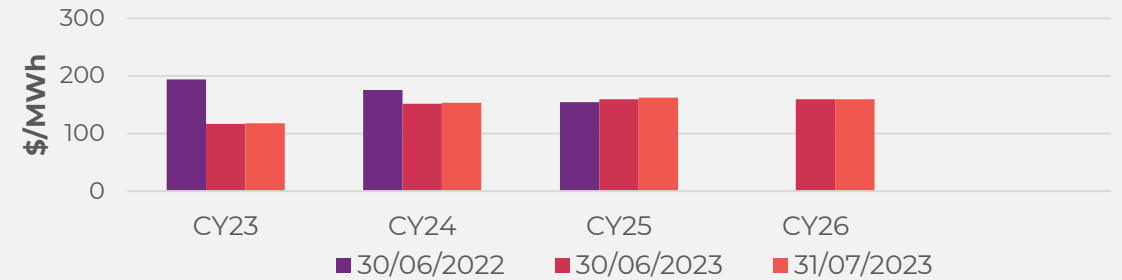
New Zealand controlled hydro storage against mean

12 MONTHS

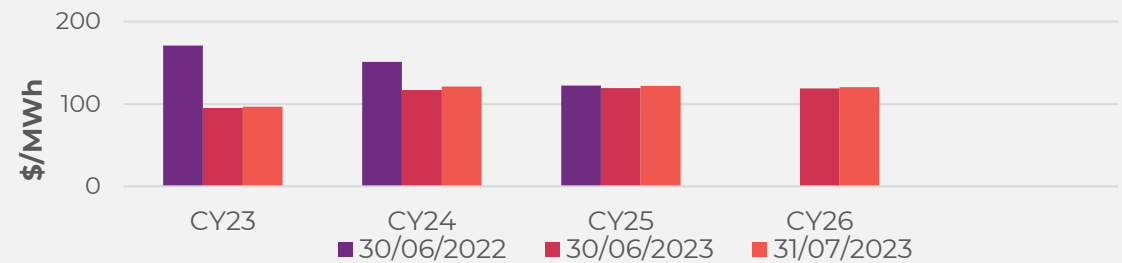


ASX futures settlement

Otahuhu

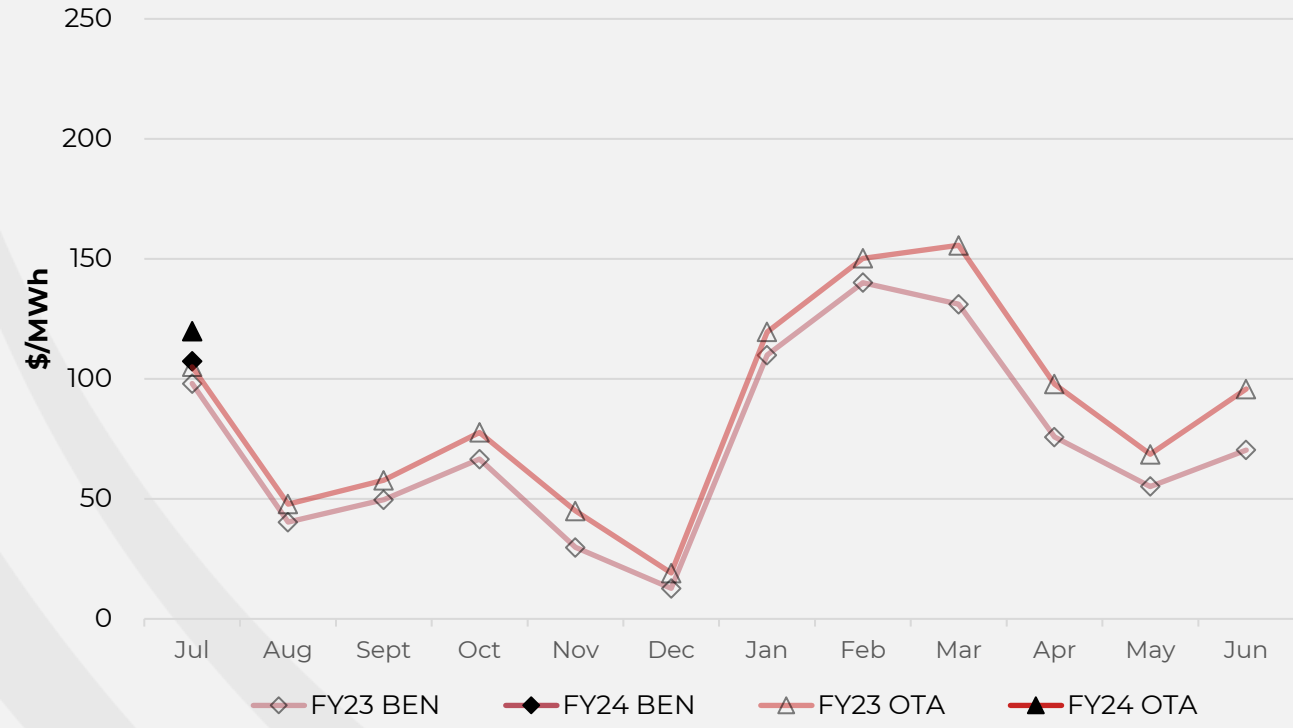


Benmore

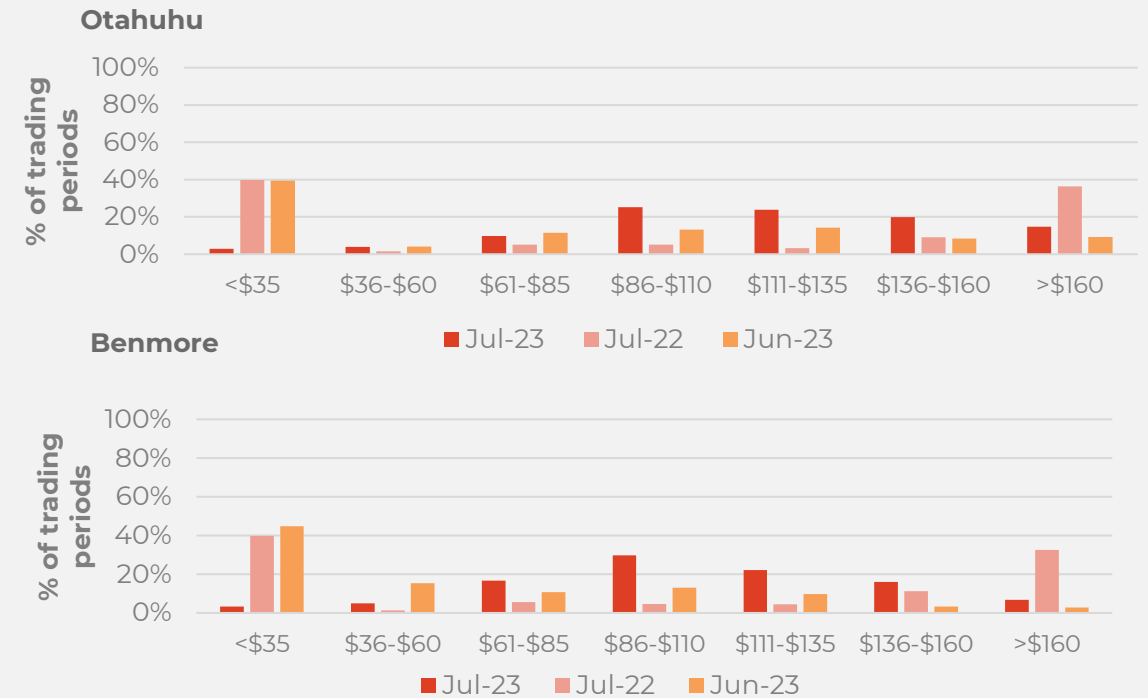


Wholesale market.

Wholesale electricity pricing



Distribution of wholesale market price by trading periods



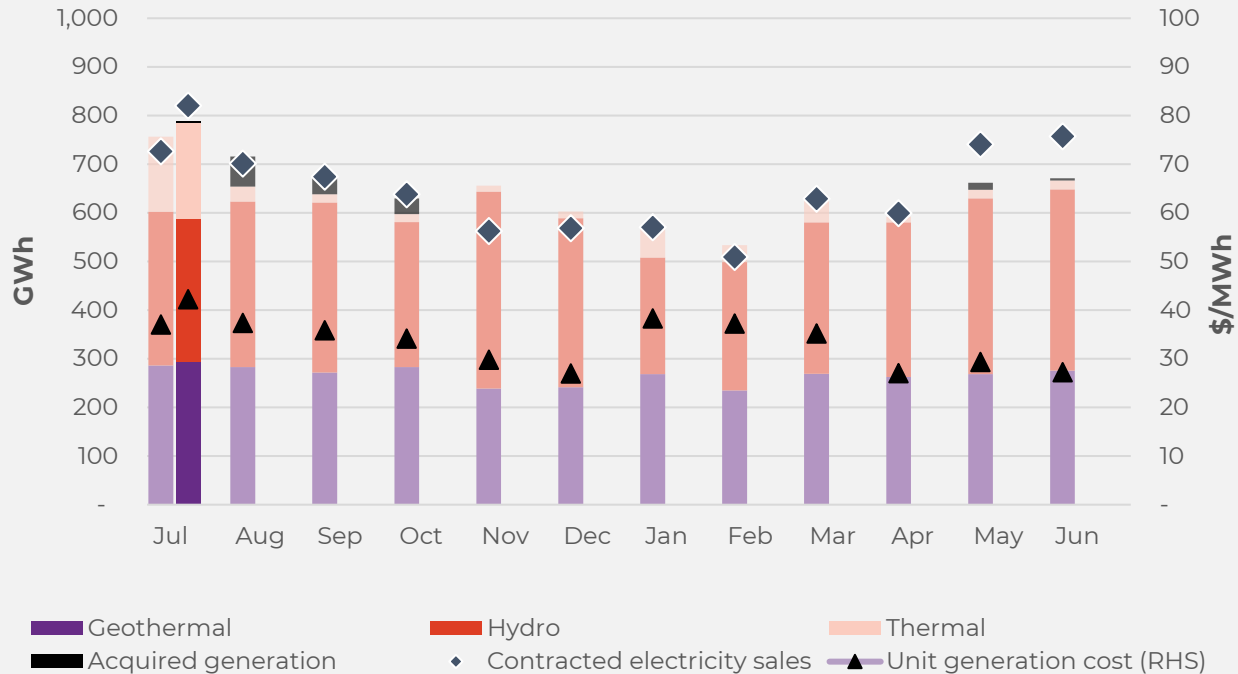
Electricity demand.

Information for July 2023 was not available at the time of preparing this operating report.

Business performance.

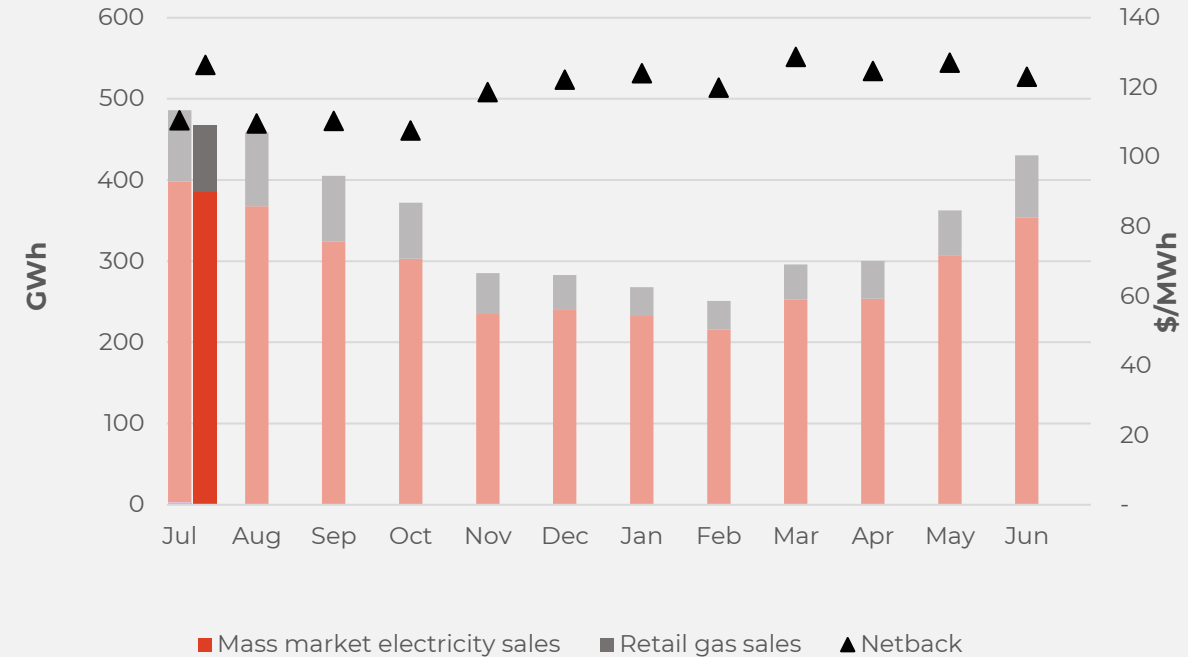
Wholesale

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 July 23	The month ended July 22	The month ended June 23
Retail	Mass market electricity sales	GWh	385	395	354
	Retail gas sales	GWh	82	88	76
	Mass market electricity and gas sales	GWh	467	483	430
	Average electricity sales price	\$/MWh	266.65	247.12	266.09
	Electricity direct pass thru costs	\$/MWh	(111.73)	(109.23)	(114.17)
	Cost to serve	\$/MWh	(14.16)	(11.95)	(14.21)
	Customer netback	\$/MWh	126.40	110.50	123.07
	Energy cost	\$/MWh	(161.55)	(131.21)	(151.15)
	Actual electricity line losses	%	7%	7%	7%
	Retail gas sales	PJ	0.3	0.3	0.3
	Electricity ICPs	#	431,000	431,500	428,000
	Gas ICPs	#	70,500	71,000	70,000
	Broadband connections	#	87,000	72,000	86,000
Wholesale	Electricity sales to Customer business	GWh	414	422	382
	Electricity sales to Commercial and Industrial	GWh	113	128	107
	Electricity CFD sales	GWh	294	176	268
	Contracted electricity sales	GWh	821	726	757
	Steam sales	GWh	21	33	20
	Total electricity and steam net revenue ¹	\$/MWh	152.72	115.93	162.06
	C&I netback (at the ICP)	\$/MWh	155.32	144.80	144.05
	C&I line losses	%	4%	5%	4%
	Thermal generation	GWh	198	155	19
	Geothermal generation	GWh	293	287	276
	Hydro generation	GWh	296	315	372
	Spot electricity sales	GWh	786	757	667
	Electricity sales – Direct	GWh	-	3	1
	Acquired generation	GWh	3	0	5
	Electricity generated (or acquired)	GWh	789	760	672
	Unit generation cost (including acquired generation) ²	\$/MWh	(42.28)	(37.08)	(27.28)
	Spot electricity purchases	GWh	(527)	(547)	(488)
	CFD sale settlements	GWh	(294)	(176)	(268)
	Spot exposed purchases / CFD settlement	GWh	(821)	(724)	(756)
	Spot revenue and settlement on acquired generation (GWAP)	\$/MWh	113.48	101.47	93.74
	Spot purchases and settlement on CFDs sold (LWAP)	\$/MWh	(120.24)	(111.06)	(95.86)
	LWAP/GWAP	%	106%	109%	102%
	Gas used in internal generation	PJ	1.5	1.4	0.2
Gas storage net movement (extraction) / injection	PJ	(0.2)	0.4	0.2	
Tauhara progress tracking actual (<i>target</i>)		97% (98%)	N/A	96% (96%)	
Contact	Total customer connections	#	594,000	580,000	590,000

¹ Contact has applied updated IFRIC guidance and market making activity is now excluded from operating income (EBITDAF). This adjustment has been made retrospectively to FY23 figures.

² For FY23 comparison figures note that Unit generation costs are calculated excluding an onerous contract provision for AGS.

Environment, Social and Governance (ESG)

Material theme	Measure	Unit	Q4 FY23	Q4 FY22
Climate Change	Greenhouse Gas (GHG) Emissions from generation assets ¹	kt CO ² -e	83	291
	GHG intensity of generation ²	kt CO ² -e / GWh	0.043	0.142
Water	Water Freshwater take ³	Million cubic metres	0.42	0.56
	Non-consumptive water usage ⁴	Million cubic metres	4,723	2,855
	Geothermal fluid discharge to awa (rivers)	Million cubic metres	4.27	4.01
Biodiversity	Native rākau (trees) planted by Contact ⁵	#	6,707	7,947
	Pests caught ⁶	#	761	1,154
Community	Community initiatives and organisations supported	#	29	59
Inclusion and Diversity	Board	% Women/ % Men	57% / 43%	57% / 43%
Inclusion and Diversity	Key Management Personnel	% Women/ % Men	20% / 80%	20% / 80%
Inclusion and Diversity	Employee Gender balance ⁷	% Women/ % Men	46% / 53%	46% / 52%

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

¹ Scope 1 – Stationary combustion. In FY22 stationary combustion was 99.96% of Contact's total Scope 1 emissions

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

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

⁵ Does not include DrylandsCarbon/Forest Partners activities




⁶ Predominantly stoats, rats and possums

⁷ Includes all permanent, fixed term and casual employees. 1.2% and 1.4% unspecified in Q4 FY23 and Q4 FY22 respectively.






Keep in touch.

Investors

Shelley Hollingsworth – Investor Relations & Strategy Manager

-  investor.centre@contactenergy.co.nz
-  contact.co.nz/aboutus/investor-centre
-  +64 27 227 2429

To find out more about Contact Energy

-  contact.co.nz
-  [@ContactEnergy](https://twitter.com/ContactEnergy)
-  [Linkedin.com/company/contact-energy-ltd](https://www.linkedin.com/company/contact-energy-ltd)
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