

Monthly Operating Report

September 2020



Putting our energy where it matters

September overview.

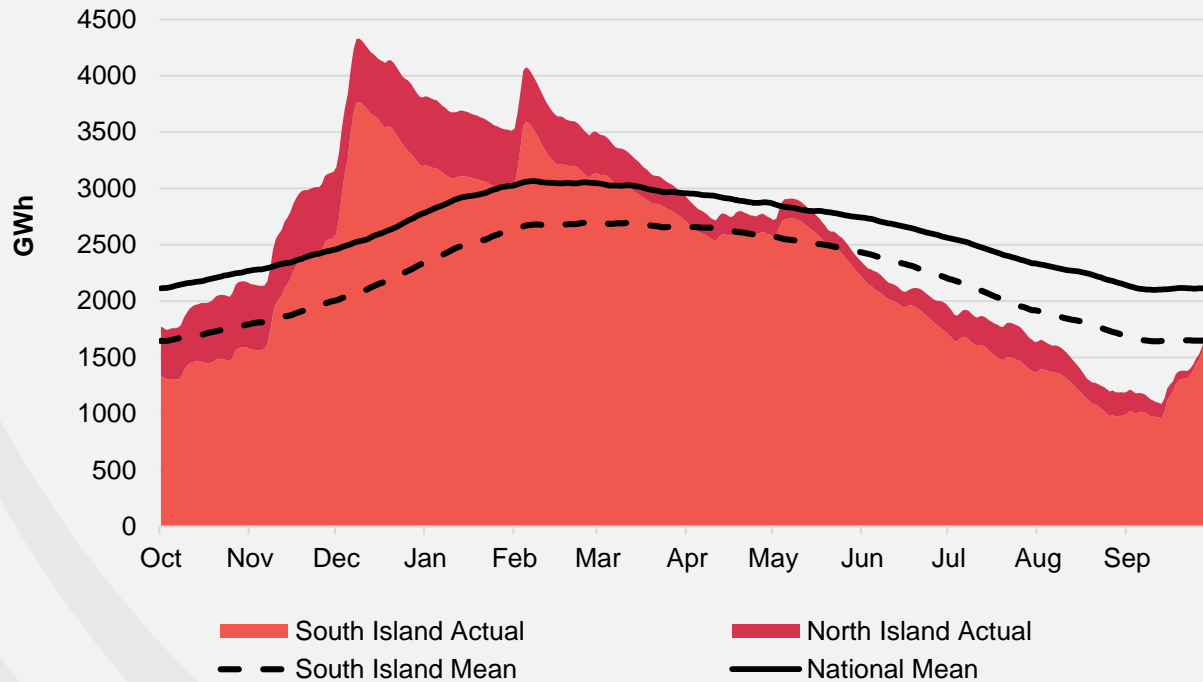
For the month of September 2020

- » The Customer business recorded:
 - Mass market electricity and gas sales of 398 GWh (September 2019: 398 GWh)
 - Mass market electricity and gas netback of \$101.48/MWh (September 2019: \$91.74MWh)
- » The Wholesale business recorded:
 - Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 725 GWh (September 2019: 712GWh)
 - Electricity and steam net revenue of \$83.78/MWh (September 2019: \$74.60/MWh)
 - Electricity generated (or acquired) of 831 GWh (September 2019: 773 GWh)
 - The unit generation cost, which includes acquired generation was \$37.59/MWh (September 2019: \$49.07/MWh)
 - Own generation cost in the month of \$35.21/MWh (September 2019: \$45.97/MWh)
- » Otahuhu futures settlement wholesale price for the 4th quarter of 2020 (ASX):
 - As at 09 October 2020: \$117/MWh
 - As at 30 September 2020: \$118/MWh
 - As at 31 August 2020: \$119/MWh
- » As at 8 October 2020, South Island controlled storage was 96% of mean (30 September 2020: 94%) and North Island controlled storage was 71% of mean (30 September 2020: 69%)
 - As at 8 October 2020, total Clutha scheme storage (including uncontrolled storage) was 95% of mean
 - Inflows into Contact's Clutha catchment for September 2020 were 101% of mean (August 2020: 75%, July 2020: 122%, June 2020: 73%, May 2020: 64%)

Hydro storage and forward prices.

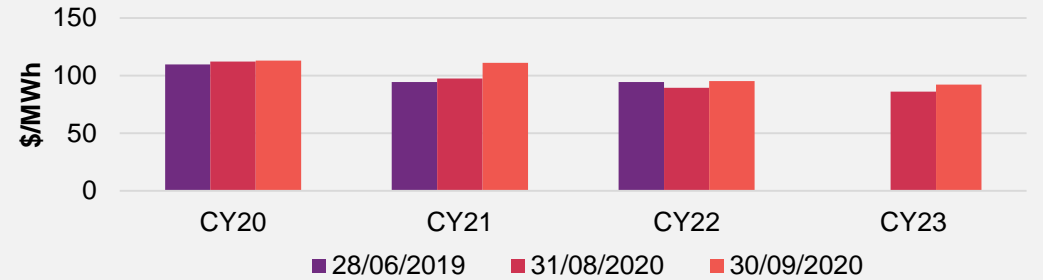
New Zealand controlled hydro storage against mean

12 MONTHS

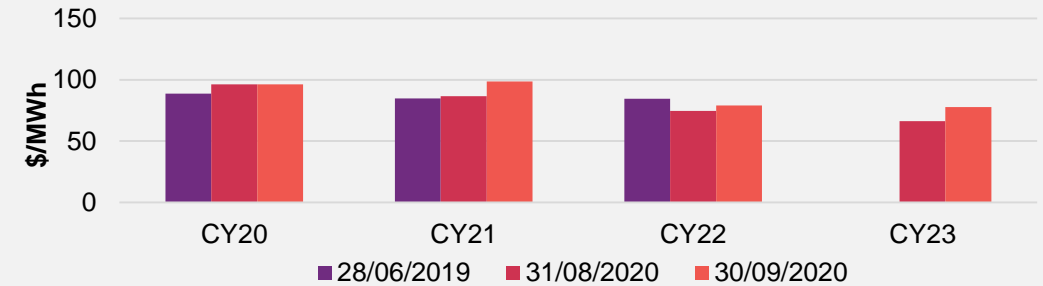


ASX futures settlement

Otahuhu

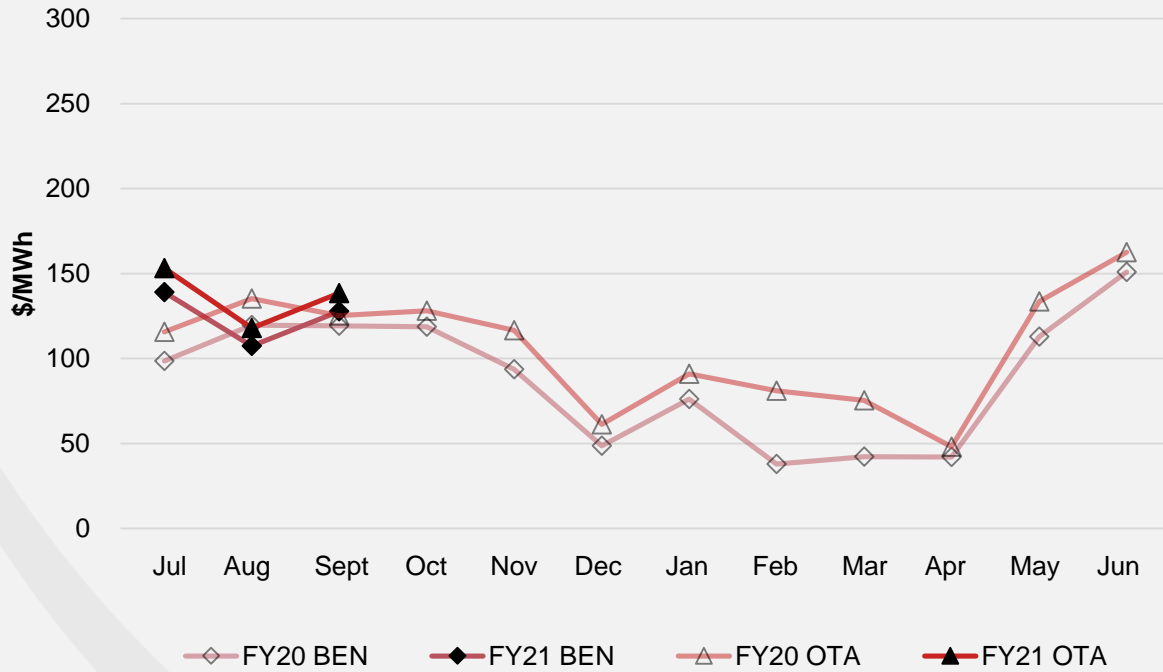


Benmore



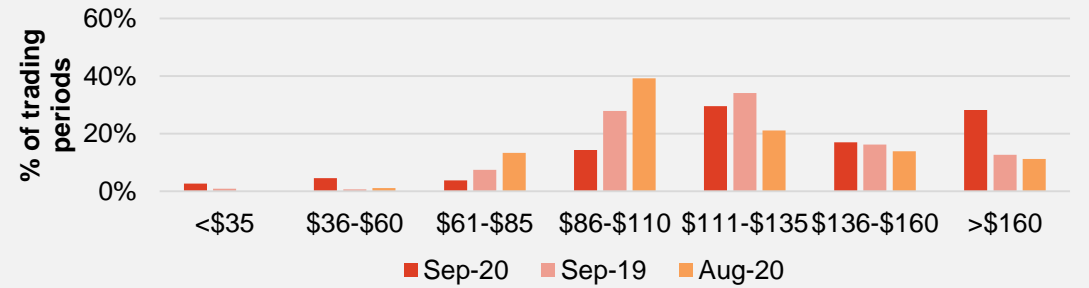
Wholesale market.

Wholesale electricity pricing

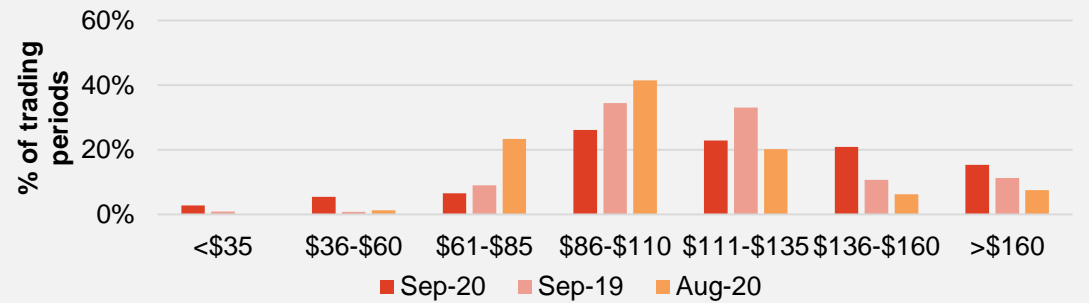


Distribution of wholesale market price by trading periods

Otahuhu



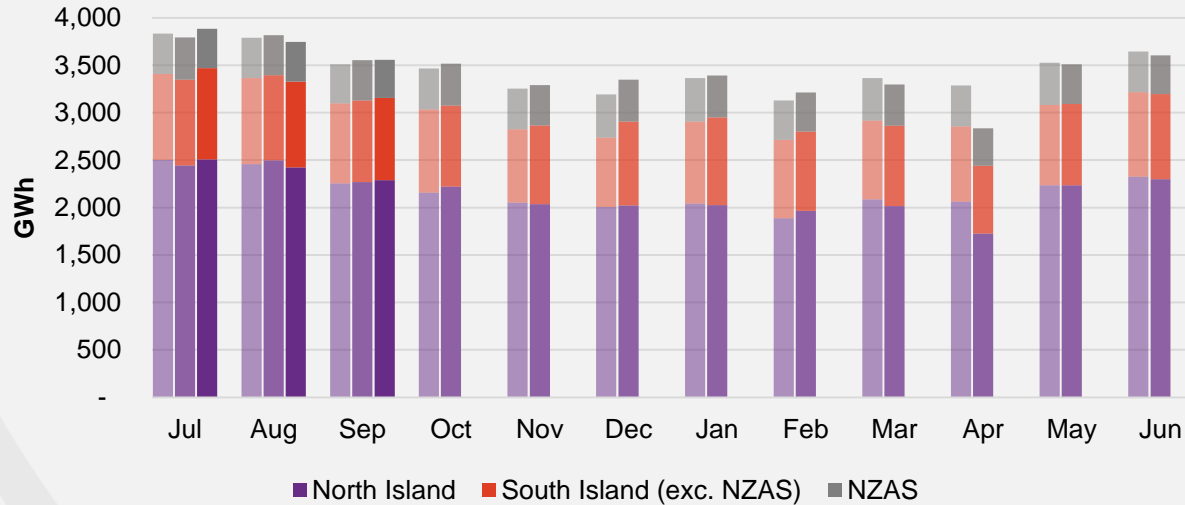
Benmore



Electricity demand.

Total national demand

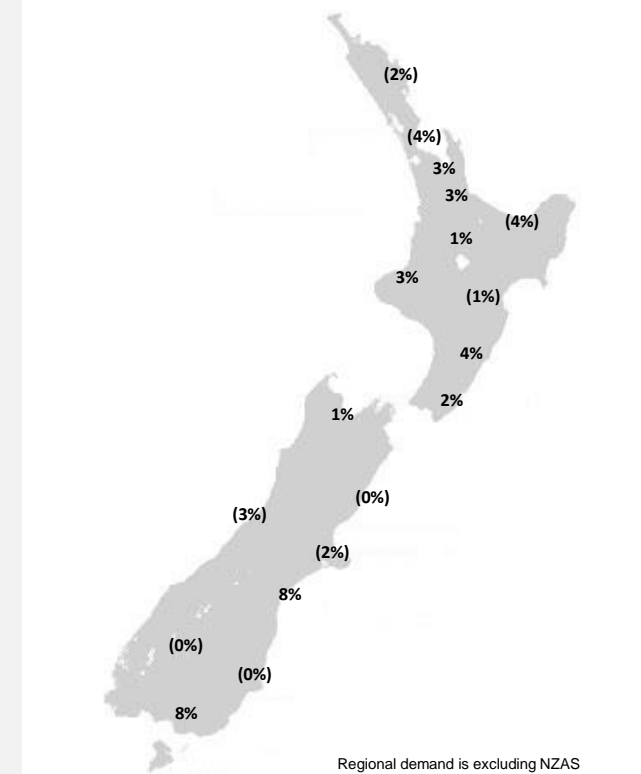
FY19, 20 and 21 respectively



- » New Zealand electricity demand was up 0.1% on September 2019 (up 1.4% on September 2018):
 - Cumulative 12 months demand for Oct 2019 to Sept 2020 of 41,195 GWh is down 0.6% to the prior comparative period.

Regional demand change (%) on September 2019

Nationwide temperatures for September 2020 were 11.0°, 1.2° higher than September 2019: 10.5°

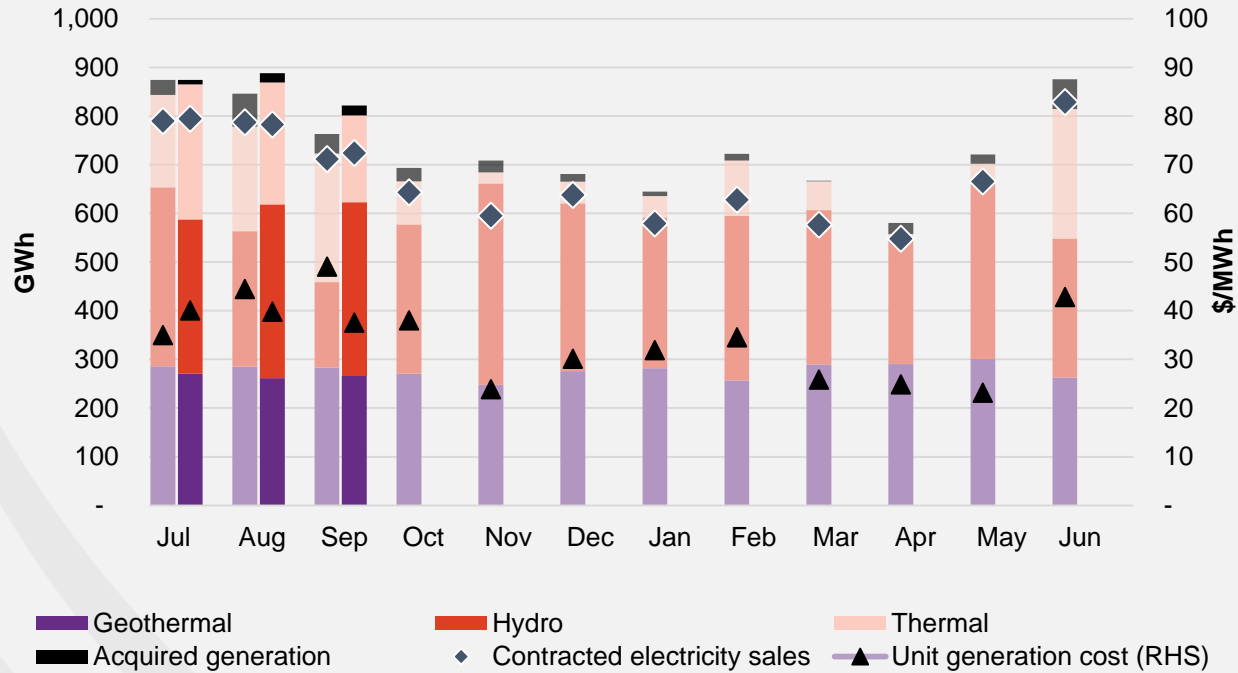


Source: Contact and Electricity Authority grid demand (reconciled) <http://www.emi.ea.govt.nz>

Business performance.

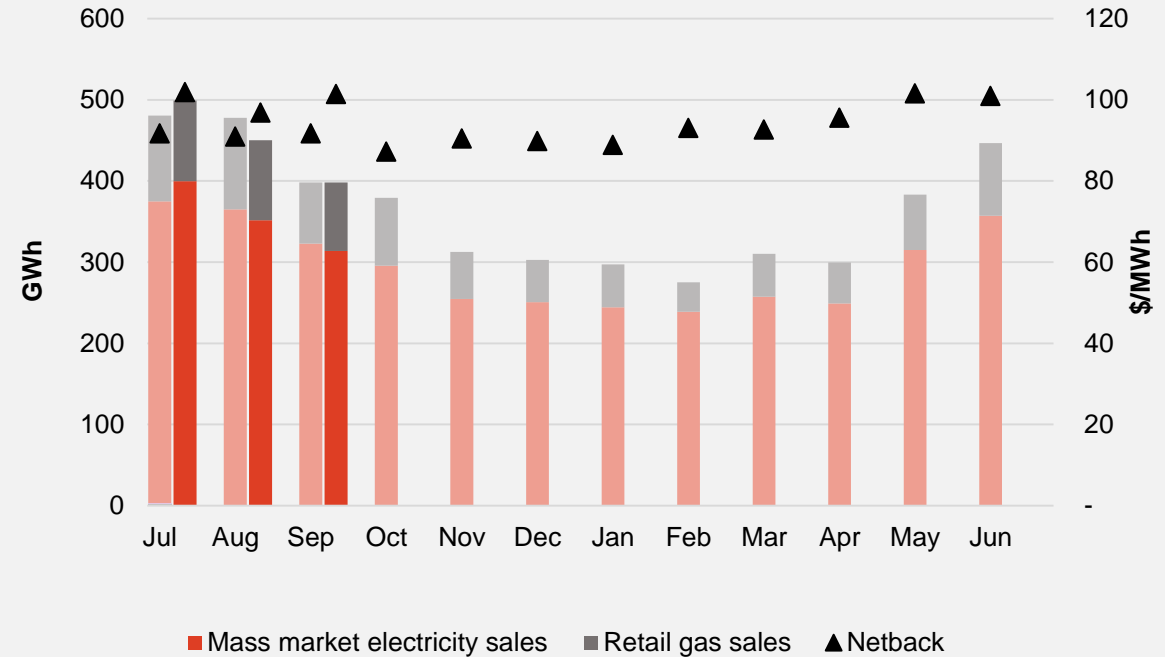
Wholesale

Generation mix, gross sales position and unit generation cost (FY20 and 21 respectively)



Customer

Retail sales volumes and netback (FY20 and 21 respectively)



Operational data.

		Measure	The month ended September 20	The month ended September 19	The month ended August 20	Three months ended September 20	Three months ended September 19
Customer	Mass market electricity sales	GWh	314	323	351	1,065	1,060
	Retail gas sales	GWh	84	76	99	283	294
	Mass market electricity and gas sales	GWh	398	398	450	1,347	1,354
	Average electricity sales price	\$/MWh	244.66	241.10	241.31	241.39	238.75
	Electricity direct pass thru costs	\$/MWh	(108.47)	(116.41)	(107.09)	(105.85)	(113.84)
	Cost to serve	\$/MWh	(15.12)	(18.07)	(16.47)	(15.76)	(15.44)
	Customer netback	\$/MWh	101.48	91.74	96.91	100.13	91.48
	Energy cost	\$/MWh	(83.99)	(77.64)	(93.37)	(94.09)	(85.37)
	Actual electricity line losses	%	9%	7%	7%	7%	7%
	Retail gas sales	PJ	0.3	0.3	0.4	1.0	1.1
	Electricity ICPs	#	410,500	411,000	413,500	412,833	410,833
	Gas ICPs	#	64,500	66,000	64,500	64,500	66,167
	Broadband connections	#	32,000	17,000	30,000	30,000	15,333
Wholesale	Electricity sales to Customer business	GWh	345	348	379	1,146	1,139
	Electricity sales to Commercial and Industrial	GWh	160	199	153	462	603
	Electricity CFD sales	GWh	220	165	251	695	548
	Contracted electricity sales	GWh	725	712	783	2,302	2,290
	Steam sales	GWh	76	66	77	181	151
	Total electricity and steam net revenue	\$/MWh	83.78	74.60	90.37	92.54	84.27
	C&I netback (at the ICP)	\$/MWh	84.05	79.25	92.34	89.50	90.67
	C&I line losses	%	4%	5%	3%	5%	4%
	Thermal generation	GWh	179	265	251	707	669
	Geothermal generation	GWh	266	283	261	798	854
	Hydro generation	GWh	356	175	357	1,030	821
	Spot electricity sales	GWh	801	723	869	2,536	2,344
	Electricity sales - Direct	GWh	9	9	8	20	21
	Acquired generation	GWh	21	40	19	49	140
	Electricity generated (or acquired)	GWh	831	773	897	2,605	2,505
	Unit generation cost (including acquired generation)	\$/MWh	(37.59)	(49.07)	(39.81)	(39.20)	(42.58)
	Spot electricity purchases	GWh	(495)	(537)	(524)	(1,588)	(1,721)
	CFD sale settlements	GWh	(220)	(165)	(251)	(695)	(548)
	Spot exposed purchases / CFD settlement	GWh	(715)	(703)	(775)	(2,282)	(2,269)
	Spot revenue and settlement on acquired generation (GWAP)	\$/MWh	128.39	120.30	110.66	127.87	116.34
	Spot purchases and settlement on CFDs sold (LWAP)	\$/MWh	(137.20)	(126.48)	(117.48)	(136.34)	(122.21)
	LWAP/GWAP	%	107%	105%	106%	107%	105%
	Gas used in internal generation	PJ	1.7	2.3	2.2	6.1	5.8
Gas storage net movement (extraction) / injection	PJ	(0.2)	(0.5)	(0.2)	(0.7)	(0.1)	

Keep in touch.

Investors

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