

FY21 Q3

Performance Report

20 April 2021



FY21 Q3 Quarterly Performance Highlights

Corporate	<p>Genesis affirmed our commitment to empowering New Zealand's sustainable future in our submission to the Climate Change Commission. Genesis called on the Government to develop a low-carbon energy pathway across all sectors, rather than a single electricity target. We believe that New Zealand's highly renewable electricity system is an important competitive advantage which can be utilised to decarbonise transport and industry.</p>
Retail	<p>As a proud sponsor of Emirates Team New Zealand, we turned the energy created from fans wearing our high-tech Supporter Shirts into 185,141 free hours of power for more than 600 Genesis-powered schools. We also launched Power Shout hours, the latest enhancement to our most popular customer reward, giving customers the freedom to use their free hours of power whenever they like. Over the quarter, we gave our customers over 1.2 million Power Shout hours. This strong customer engagement led to lower customer churn and improvements in interaction net promoter score.</p> <p>The re-platforming of our sales, service and billing technologies is proceeding as planned. Potential suppliers have been shortlisted and a final decision is expected by the end of FY21.</p>
Wholesale	<p>The Waipipi wind farm achieved practical completion in March with all 31 turbines now commissioned. The wind farm provided Genesis with 77 GWh of renewable generation at below our thermal fuel cost. The Huntly Power Station continued to provide backup, with a third Rankine unit returning to the market. A total of 270 GWh of energy was generated for our swaption partners. Reduced hydro inflows in March, inconsistent gas availability and increased market making costs made trading conditions challenging.</p>
Kupe	<p>The strategic review of our Kupe asset is continuing as planned. Genesis has received strong interest from potential buyers for its stake in Kupe. We are working with a number of interested parties whilst we continue to progress our strategic review and expect to update the market by the end of FY21.</p> <p>The Inlet Compression Project is progressing well with all major components on-site. The project remains on-track for completion in Q1 FY22</p>



Huntly Power station is doing what it was built to do, providing critical back-up to ensure security of supply in the wholesale electricity market.

Nigel Clark

Chief Operations Officer



Retail Segment Performance vs FY21 Q2

Highs

Genesis Gross Churn
24.4%

↓
2.4ppt

Customers > 1 Fuel
126k

↑
0.8%

Genesis Net Churn
15.2%

↓
1.7ppt

Total Gas Sales
1.5 PJ

↑
7.1%

Cost to serve vs. pcp
\$134/ICP

↓
2.9%

Lows

Total LPG Sales Volumes
8,044 tonnes

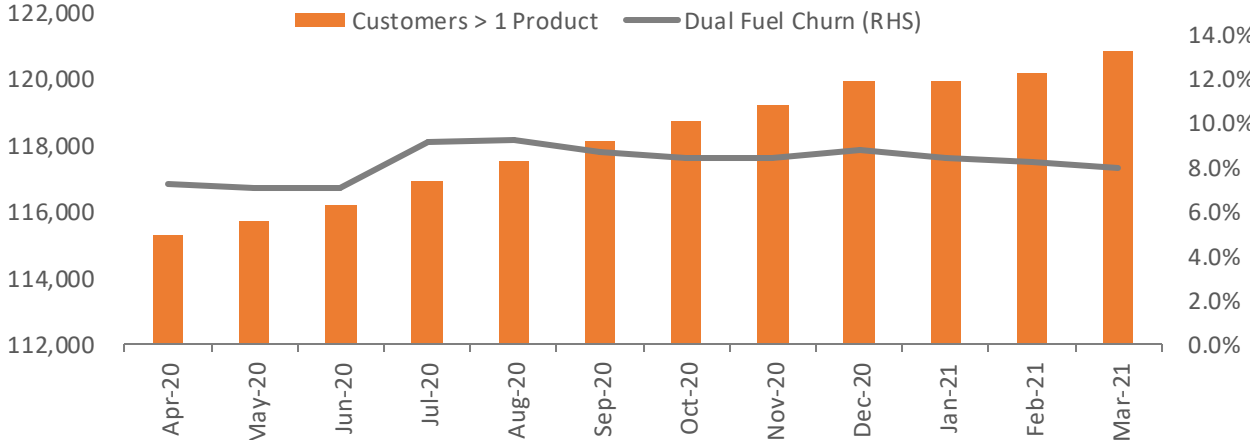
↓
20%

Total Customers
474k

↓
0.6%

Seasonal decline after strong previous quarter.

RESIDENTIAL DUAL FUEL CUSTOMER NUMBERS & CHURN (3-MONTH ROLLING AVERAGE %)



Wholesale Segment Performance vs Prior Comparable Period

Highs

Total Generation

1,959 GWh



20%

Total Renewable

487 GWh



15%

Waipipi Generation

77 GWh



Average Coal Burn Cost

\$6.1/GJ



7.6%

Lows

Gas Generation

605 GWh



25%

Swaption Volumes

270 GWh

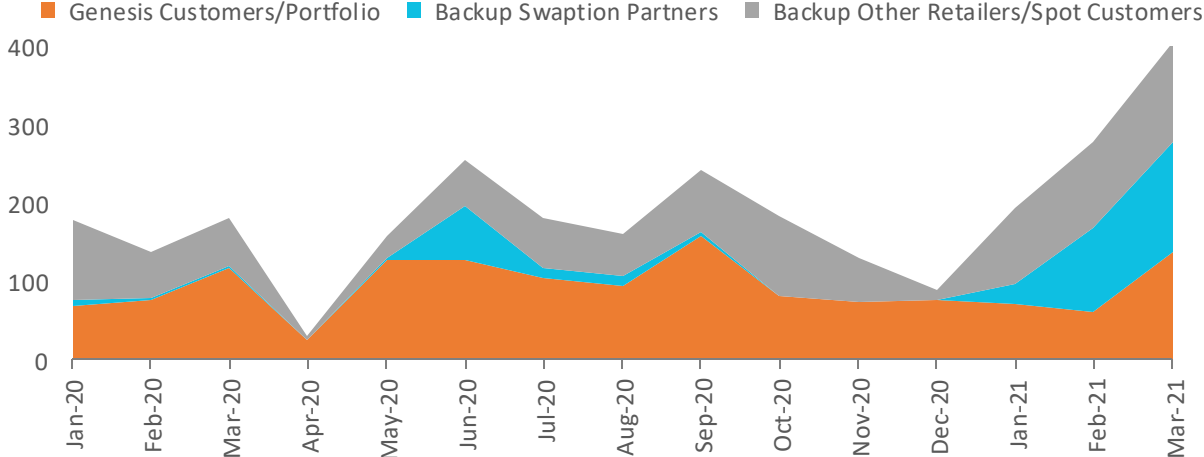


257 GWh

HYDROLOGY

	Q3 FY21	Q3 FY20	
Hydro Generation	483	419	↑
Hydro Inflows	429	385	↑
Closing Storage	220 (71% of ave.)	341 (110% of ave.)	↓

HUNTLY RANKINE UTILISATION (GWh)



Kupe Segment Performance vs Prior Comparable Period

Highs

Realised Oil Price 
\$78.14 NZD/bbl **14%**

Brent Crude Oil 
\$60.90 USD/bbl **21%**

Lows

Gas Production 
2.4 PJ **17%**

Oil Production Yield 
30.3 bbl/TJ **14%**

LPG Production 
10.5 kt **16%**

Glossary

RETAIL

Brand Net Promoter Score	Based on survey question "How likely would you be to recommend Genesis Energy/Energy Online to your friends or family?"
Interaction Net Promoter Score	Based on survey question "Based on your recent Interaction With GE/EOL, how likely would you be to recommend GE/EOL to your Friends/Family?"
Customers	Electricity and gas customers are defined by single customer view, regardless of number of connections (ICP's)
Single Customer View	Represents unique customers which may have multiple ICP's
ICP	Installation Connection Point, a connection point that is both occupied and has not been disconnected (Active-Occupied)
LPG Customer Connections	Defined as number of customers
Gross Customer Churn	Defined as customers instigating a trader switch or home move
Net Customer Churn	Defined as Gross Churn post home move saves, retention and acquisition activity
Resi, SME, C&I	Residential, small and medium enterprises and commercial & industrial customers
B2B	Business to Business, including both SME and C&I
Volume Weighted Average Electricity Selling Price - \$/MWh	Average selling price for customers including lines/transmission and distribution and after prompt payment discount
Volume Weighted Average Gas Selling Price - \$/GJ	Average selling price for customers including transmission and distribution and after prompt payment discount
Volume Weighted Average LPG Selling Price - \$/tonne	Average selling price for customers including after prompt payment discount
Bottled LPG Sales (tonnes)	Represents 45kg LPG bottle sales
SME & Other Bulk LPG sales (tonnes)	Represents SME and other bulk and 3rd party distributors
Cost to Serve (\$ per ICP)	Retail costs associated with serving customers across all fuel types divided by the total numbers of ICPs at time of reporting
Netback (\$/MWh, \$/GJ, \$/tonne)	Customer EBITDAF by fuel type plus respective fuel purchase cost divided by total fuel sales volumes, stated in native fuel units (excluding corporate allocation costs and Technology & Digital cost centre)

GENERATION

Average Price Received for Generation - GWAP (\$/MWh)	Excludes settlements from electricity derivatives.
Coal (GWh)	Coal generation is calculated by applying coal burn to monthly average heat rates
Coal Used In Internal Generation (PJ)	Results have been revised to reflect changes in coal kilo tonnes to PJ conversion rate and volume methodology
Rankine's Fuelled by Coal (%)	The proportion of coal used in the Rankine units
Equipment Availability Factor (EAF)	The percentage of time a power station is available to generate electricity
Forced Outage Factor (FOF)	The percentage of time a power station is unavailable to generate electricity due to unplanned failure or defect

POWER PURCHASE AGREEMENTS

Wind (GWh)	Energy purchased through long term agreements with generator
Average Price Received for Generation - GWAP (\$/MWh)	Price received at production node. (E.g. Waipipi at WVY1101 node)

WHOLESALE

Average Retail Electricity Purchase Price - LWAP (\$/MWh)	Excludes settlements from electricity derivatives
Electricity CFD Purchases - Wholesale (GWh)	Settlement volumes of generation hedge purchase contracts, including ASX but excluding Financial Transmission Right (FTRs) or Cap/Collar/Floor contracts
Electricity CFD Sales - Wholesale (GWh)	Settlement volumes of generation hedge sale contracts, including ASX but excluding Financial Transmission Right (FTRs) or Cap/Collar/Floor contracts
Swaption Sales - Wholesale (GWh)	Electricity (swap/option) sales contract volume called, a subset of the Electricity CFD Sales - Wholesale (GWh)
Wholesale LPG Sales (tonnes)	Represents wholesale, export sales and transfers to Huntly power station
Weighted Average Gas Burn Cost (\$/GJ)	Total cost of gas burnt divided by generation from gas fired generation, excluding emissions
Weighted Average Coal Burn Cost (\$/GJ)	Total cost of coal burnt divided by generation from coal fired generation, excluding emissions
Weighted Average Fuel Cost - Portfolio (\$/MWh)	Total cost of fuel burnt plus emissions on fuel burnt divided by total generation (thermal, hydro and wind)
Weighted Average Fuel Cost - Thermal (\$/MWh)	Total cost of fuel burnt plus emissions on fuel burnt divided by total generation from thermal plant
Coal Stockpile - Stored Energy (PJ)	The coal stockpile closing balance in tonnes divided by an estimated nominal energy content of Huntly's coal (22 GJ/t)

CORPORATE

Total Recordable Injury Frequency Rate	Rolling 12 month TRIFR per 200,000 hours worked for employees and contractors
Headcount	Based on full time equivalents, including contractors

KUPE

Oil Price realised (NZD/bbl)	Oil price received including hedge outcome for oil and foreign exchange
Oil Price realised (USD/bbl)	The underlying benchmark crude oil price that is used to set the price for crude oil sales
Oil Hedge Levels (%)	% hedged for remainder of FY as % of forecast sales

Retail Operating Metrics

RETAIL SEGMENT	Q3 FY21	Q3 FY20	% Change	Var.	Q2 FY21	% Change	Var.
RETAIL							
Brand Net Promoter Score - Genesis	17.6	18.0	(2.2%)	(40)ppt	17.6	0.0%	0ppt
Interaction Net Promoter Score - Genesis	50.3	42.3	18.9%	800ppt	44.7	12.5%	560ppt
Gross Customer Churn (3 month rolling average, %)	24.0%	24.6%	(0.8%)	(0.2)ppt	26.8%	(9.0%)	(2.4)ppt
Net Customer Churn (3 month rolling average, %)	15.2%	15.2%	-	0ppt	16.9%	(10.1%)	(1.7)ppt
Cost to Serve (\$ per ICP)	\$134	\$138	(2.9%)	(\$4)	\$134	0.0%	\$0
Electricity Netback (\$/MWh)	\$114.30	\$108.55	5.3%	\$5.75	\$114.54	(0.2%)	(\$0.24)
Gas Netback (\$/GJ)	\$11.3	\$10.6	6.6%	\$0.7	\$10.5	7.6%	\$0.8
LPG Netback (\$/t)	\$907	\$1,009	(10.1%)	(\$102)	\$1,012	(10.4%)	(\$105)
CUSTOMER NUMBERS							
Customers > 1 Fuel	126,023	119,852	5.1%	6,171	124,996	0.8%	1,027
Electricity Only Customers	299,058	316,825	(5.6%)	(17,767)	303,518	(1.5%)	(4,460)
Gas Only Customers	15,846	15,976	(0.8%)	(130)	15,649	1.3%	197
LPG Only Customers	33,775	33,685	0.3%	90	33,584	0.6%	191
Total Customers	474,702	486,338	(2.4%)	(11,636)	477,747	(0.6%)	(3,045)
Electricity ICPs Active-Occupied	484,074	494,248	(2.1%)	(10,174)	487,149	(0.6%)	(3,075)
Gas ICPs Active-Occupied	105,660	105,031	0.6%	629	105,483	0.2%	177
LPG Customer Connections	78,288	72,164	8.5%	6,124	76,864	1.9%	1,424
Total ICPs	668,022	671,443	(0.5%)	(3,421)	669,496	(0.2%)	(1,474)
VOLUMES AND PRICE							
Volume Weighted Average Electricity Selling Price - Resi (\$/MWh)	\$270.45	\$275.37	(1.8%)	(\$4.92)	\$270.43	0.0%	\$0.02
Volume Weighted Average Electricity Selling Price - SME (\$/MWh)	\$218.96	\$217.60	0.6%	\$1.36	\$211.99	3.3%	\$6.97
Volume Weighted Average Electricity Selling Price - C&I (\$/MWh)	\$133.51	\$133.13	0.3%	\$0.38	\$119.53	11.7%	\$13.98
Residential Electricity Sales (GWh)	568	587	(3.2%)	(19)	638	(11.0%)	(70)
SME Electricity Sales (GWh)	273	285	(4.2%)	(12)	276	(1.1%)	(3)
C&I Electricity Sales (GWh)	566	598	(5.4%)	(32)	597	(5.2%)	(31)
Total Electricity Sales - Customer (GWh)	1,407	1,469	(4.2%)	(62)	1,511	(6.9%)	(104)
Volume Weighted Average Gas Selling Price - Resi (\$/GJ)	\$49.6	\$51.4	(3.5%)	(\$1.8)	\$37.6	31.9%	\$12.0
Volume Weighted Average Gas Selling Price - SME (\$/GJ)	\$19.4	\$17.6	10.2%	\$1.8	\$17.0	14.1%	\$2.4
Volume Weighted Average Gas Selling Price - C&I (\$/GJ)	\$12.3	\$10.9	12.8%	\$1.4	\$12.2	0.8%	\$0.1
Residential Gas Sales (PJ)	0.3	0.3	0.0%	-	0.6	(50.0%)	(0.3)
SME Gas Sales (PJ)	0.3	0.3	0.0%	-	0.4	(25.0%)	(0.1)
C&I Gas Sales (PJ)	0.8	0.8	0.0%	-	0.7	14.3%	0.1
Total Gas Sales (PJ)	1.5	1.4	7.1%	0.1	1.6	(6.3%)	(0.1)
Volume Weighted Average LPG Selling Price - Resi (\$/tonne)	\$2,769	\$2,819	(1.8%)	(\$50)	\$2,410	14.9%	\$359
Volume Weighted Average LPG Selling Price - SME/Bulk (\$/tonne)	\$1,542	\$1,489	3.6%	\$53	\$1,542	0.0%	\$0
Bottled LPG Sales (tonnes)	3,102	3,250	(4.6%)	(148)	4,200	(26.1%)	(1,098)
SME & Other Bulk LPG sales (tonnes)	4,942	5,653	(12.6%)	(711)	5,843	(15.4%)	(901)
Total LPG Sales Volumes (tonnes)	8,044	8,903	(9.6%)	(859)	10,044	(19.9%)	(2,000)

Wholesale Operating Metrics

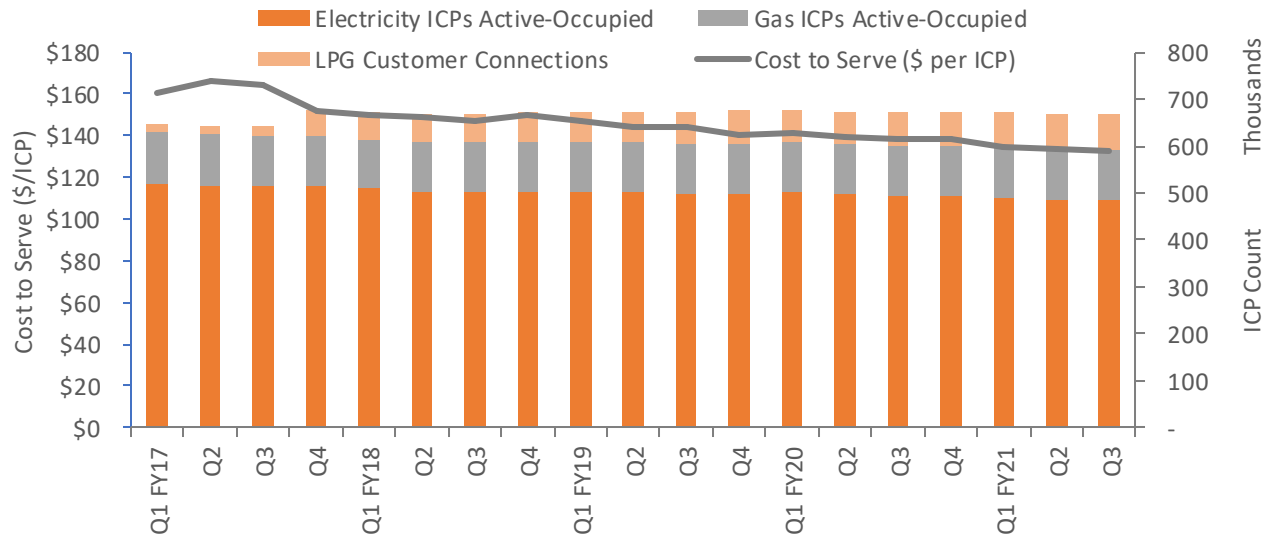
WHOLESALE SEGMENT	Q3 FY21	Q3 FY20	% Change	Var.	Q2 FY21	% Change	Var.
GENERATION							
Gas (GWh)	605	809	(25.2%)	(204)	644	(6.1%)	(39)
Coal (GWh)	868	400	117.0%	468	359	141.8%	509
Total Thermal (GWh)	1,473	1,209	21.8%	264	1,003	46.9%	470
Hydro (GWh)	483	419	15.3%	64	674	(28.3%)	(191)
Wind (GWh)	4	5	(20.0%)	(1)	5	(20.0%)	(1)
Total Renewable (GWh)	487	425	14.6%	62	680	(28.4%)	(193)
Total Generation (GWh)	1,959	1,633	20.0%	326	1,682	16.5%	277
Average Price Received for Generation - GWAP (\$/MWh)	\$211.87	\$87.01	143.5%	\$124.86	\$116.10	82.5%	\$95.77
Generation Emissions (ktCO2)	1,080	744	45.2%	336	625	72.8%	455
Generation Carbon Intensity (tCO2/GWh)	551	455	21.1%	96	372	48.1%	179
Forced Outage Factor (FOF)	0.4%	0.3%	33.3%	0.1ppt	0.8%	(50.0%)	(0.4)ppt
Equipment Availability Factor (EAF)	88.8%	91.8%	(3.3%)	(3)ppt	88.9%	(0.1%)	(0.1)ppt
Rankine Output (GWh)	877	496	76.8%	381	397	120.9%	480
Rankines Fueled by Coal (%)	99%	80%	23.8%	19ppt	90%	10.0%	9ppt
POWER PURCHASE AGREEMENTS							
Wind (GWh)	77	-	0.0%	77	30	156.7%	47
Average Price Received for PPA - GWAP (\$/MWh)	\$171.36	\$0.00	0.0%	\$171.36	\$97.95	74.9%	\$73.41
WHOLESALE							
Electricity Purchases - Retail (GWh)	1,481	1,552	(4.6%)	(71)	1,590	(6.9%)	(109)
Average Retail Electricity Purchase Price - LWAP (\$/MWh)	\$217.98	\$79.27	175.0%	\$138.71	\$115.82	88.2%	\$102.16
LWAP/GWAP Ratio (%)	103%	91%	13.2%	12ppt	100%	3.0%	3ppt
Gas Purchases (PJ)	7.7	11.1	(30.6%)	(3.4)	10.7	(28.0%)	(3.0)
Coal Purchases (PJ)	5.0	5.1	(2.0%)	(0.1)	7.8	(35.9%)	(2.8)
Electricity CFD Purchases - Wholesale (GWh)	376	361	4.2%	15	627	(40.0%)	(251)
Electricity CFD Sales - Wholesale (GWh)	956	565	69.2%	391	816	17.2%	140
Swaption Sales - Wholesale (GWh)	270	13	1976.9%	257	1	26900.0%	269
Wholesale Gas Sales (PJ)	1.6	3.2	(50.0%)	(1.6)	4.0	(60.0%)	(2.4)
Wholesale Coal Sales (kilotonnes)	-	-	-	-	-	-	-
Wholesale LPG Sales (tonnes)	3,950	1,282	208.1%	2,668	3,827	3.2%	123
Gas Used In Internal Generation (PJ)	4.6	6.5	(29.2%)	(1.9)	5.0	(8.0%)	(0.4)
Weighted Average Gas Burn Cost (\$/GJ)	\$9.6	\$9.2	4.3%	\$0.4	\$9.0	6.7%	\$0.6
Coal Used In Internal Generation (PJ)	9.73	4.49	116.7%	5.2	4.05	140.2%	5.7
Weighted Average Coal Burn Cost (\$/GJ)	\$6.1	\$6.6	(7.6%)	(\$0.5)	\$6.0	1.7%	\$0.1
Weighted Average Fuel Cost - Portfolio (\$/MWh)	\$64.57	\$61.59	4.8%	\$2.98	\$48.48	33.2%	\$16.09
Weighted Average Fuel Cost - Thermal (\$/MWh)	\$85.92	\$83.23	3.2%	\$2.69	\$81.33	5.6%	\$4.59
Coal Stockpile - Closing Balance (kilotonnes)	283	402	(29.6%)	(119)	496	(42.9%)	(213)
Coal Stockpile - Stored Energy (PJ)	6.2	8.8	(29.5%)	(2.6)	10.9	(43.1%)	(4.7)

Kupe and Other Operating Metrics

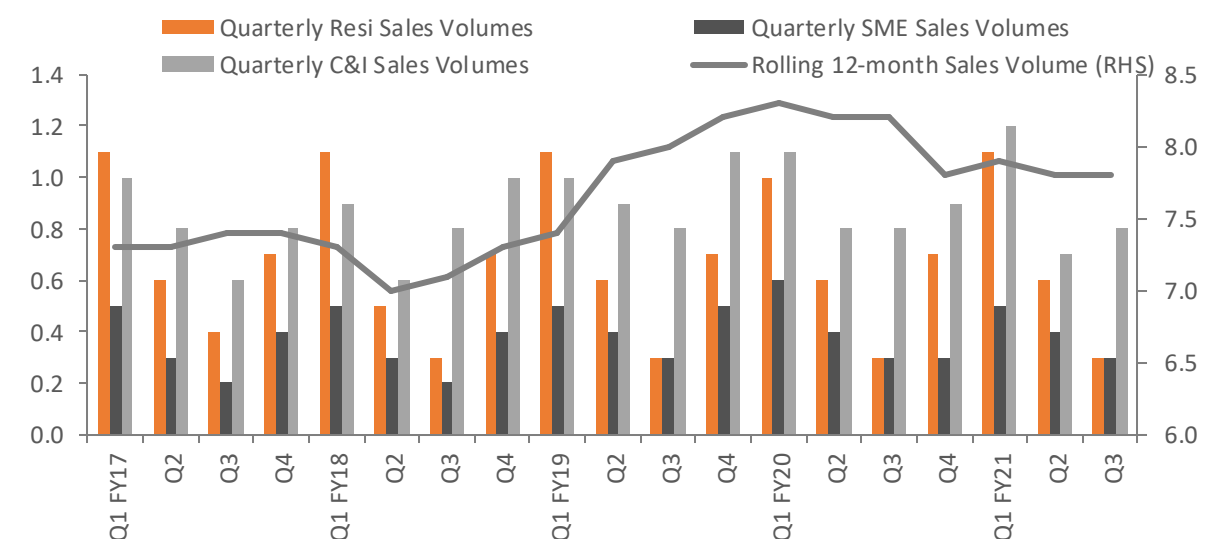
KUPE SEGMENT	Q3 FY21	Q3 FY20	% Change	Var.	Q2 FY21	% Change	Var.
KUPE							
Gas Production (PJ)	2.4	2.9	(17.2%)	(0.5)	2.6	(7.7%)	(0.2)
Gas Sales (PJ)	2.4	2.9	(17.2%)	(0.5)	2.6	(7.7%)	(0.2)
Oil Production (kbbbl)	73	101	(27.7%)	(28)	83	(12.0%)	(10.0)
Oil Production Yield (bbl/TJ)	30.3	35.3	(14.2%)	(5.0)	31.2	(2.9%)	(0.9)
Oil Sales (kbbbl)	81	156	(48.1%)	(75)	81	0.0%	-
Realised Oil Price (NZD/bbl)	\$78.14	\$68.72	13.7%	\$9.42	\$63.61	22.8%	14.5
Average Brent Crude Oil (USD/bbl)	\$60.90	\$50.26	21.2%	\$10.64	\$44.22	37.7%	16.7
LPG Production (kt)	10.5	12.5	(16.0%)	(2.0)	11.4	(7.9%)	(0.9)
LPG Production Yield (t/TJ)	4.4	4.4	0.0%	-	4.3	2.3%	0.1
LPG Sales (kt)	10.6	12.2	(13.1%)	(1.6)	11.0	(3.6%)	(0.4)
OTHER							
CORPORATE							
Headcount (FTE)	1,096	1,066	2.8%	30	1,099	(0.3%)	(3)
Total Recordable Injury Frequency Rate	2.10	1.04	101.9%	1.06	2.02	4.0%	0.08

Appendix: Retail Segment

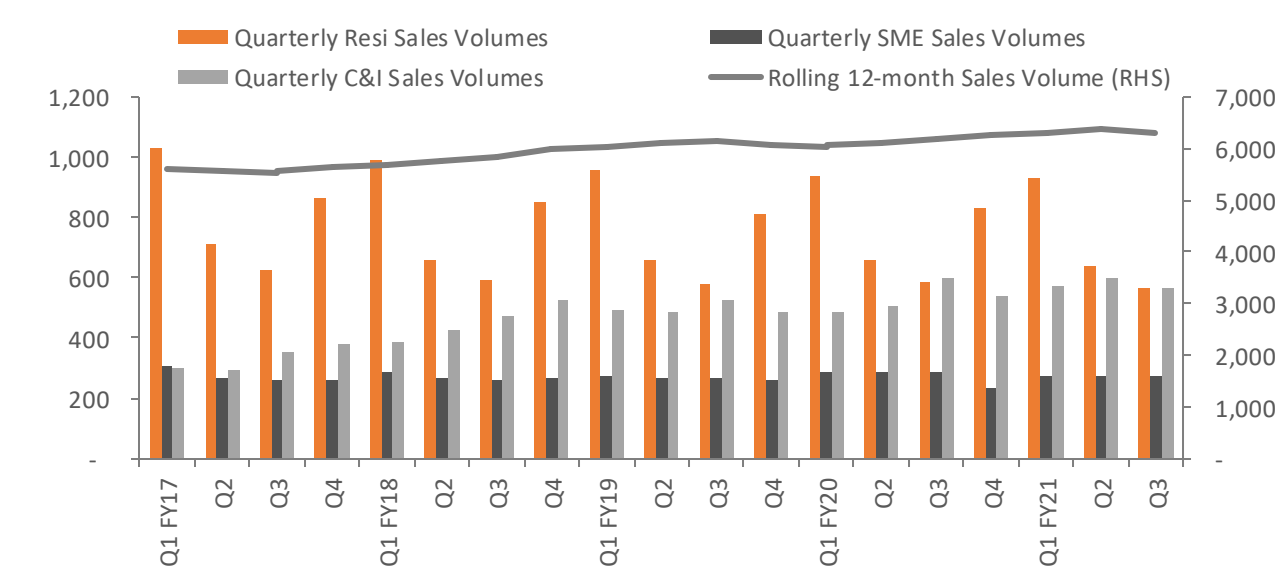
ICP NUMBER & COST TO SERVE (\$/ICP)



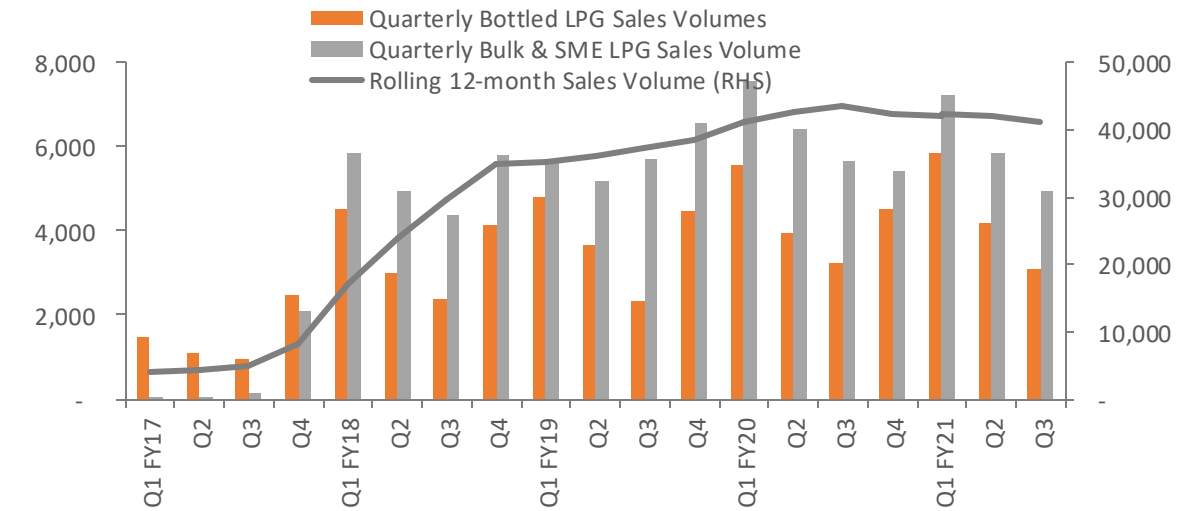
GAS SALES VOLUME (PJ)



ELECTRICITY SALES VOLUMES (GWh)

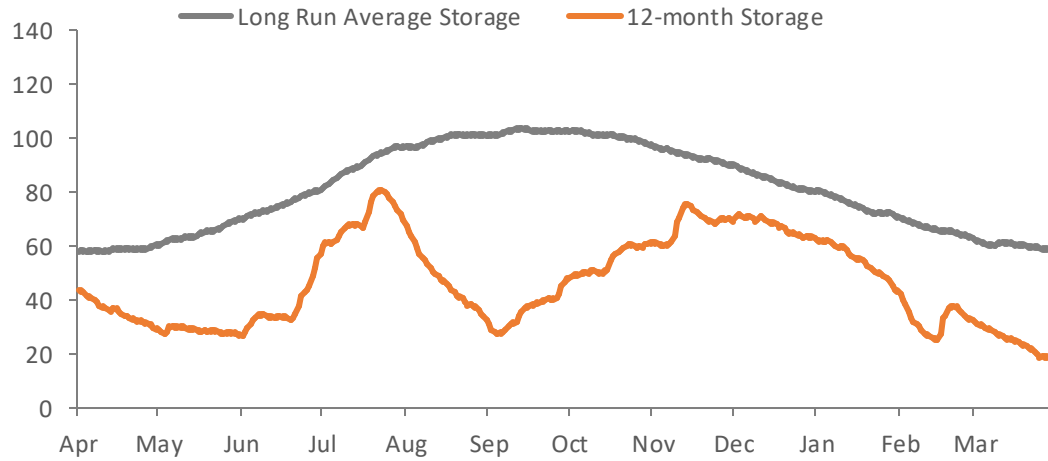


LPG SALES VOLUMES (Tonnes)

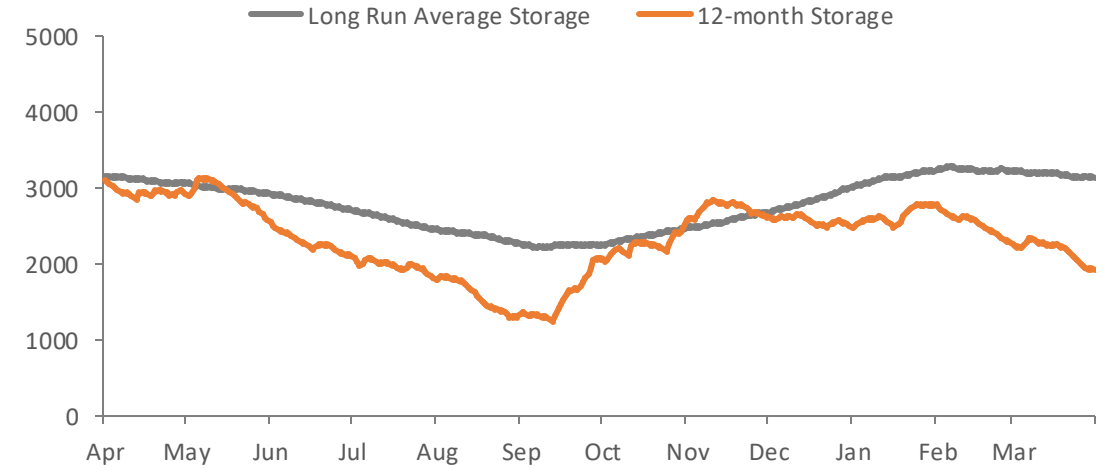


Appendix: Wholesale Segment

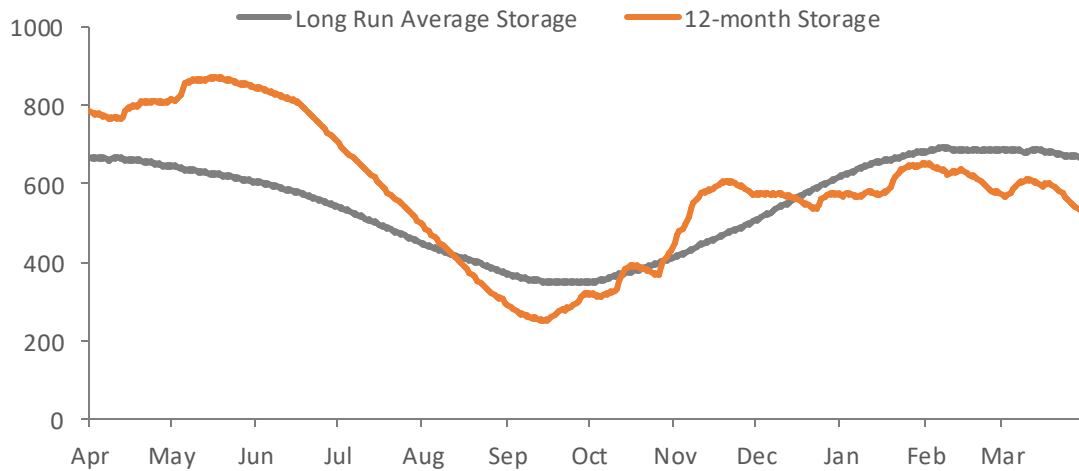
WAIKAREMOANA STORAGE vs LONG RUN AVERAGE (GWh)



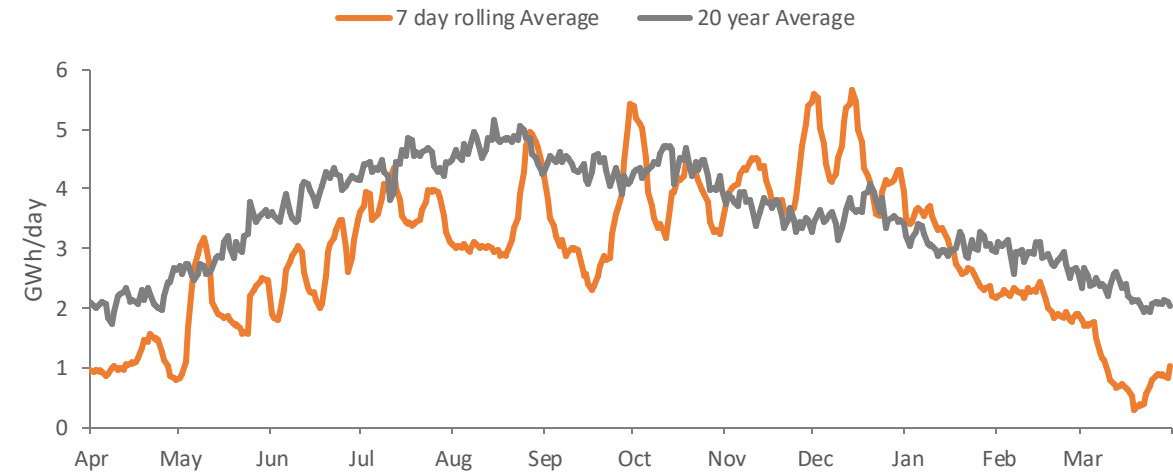
NEW ZEALAND DAILY STORAGE (ALL GENERATORS, GWh)



TEKAPO STORAGE vs LONG RUN AVERAGE (GWh)

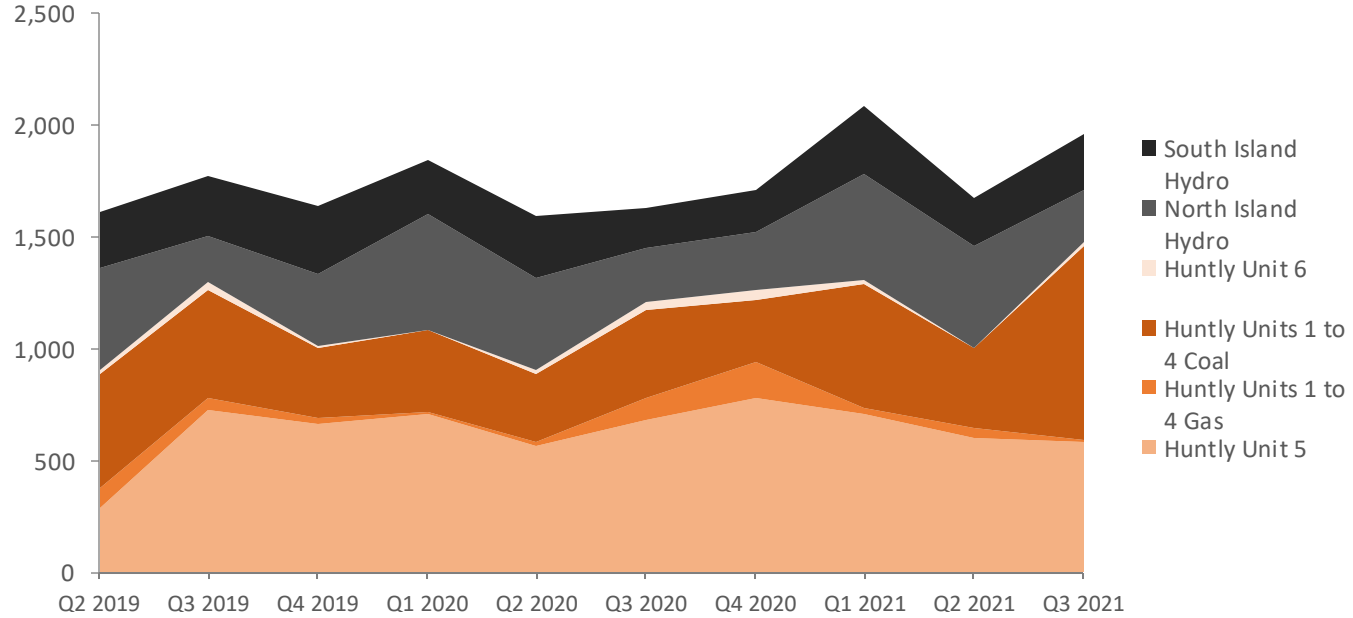


TONGARIRO GENERATION vs 20y AVERAGE

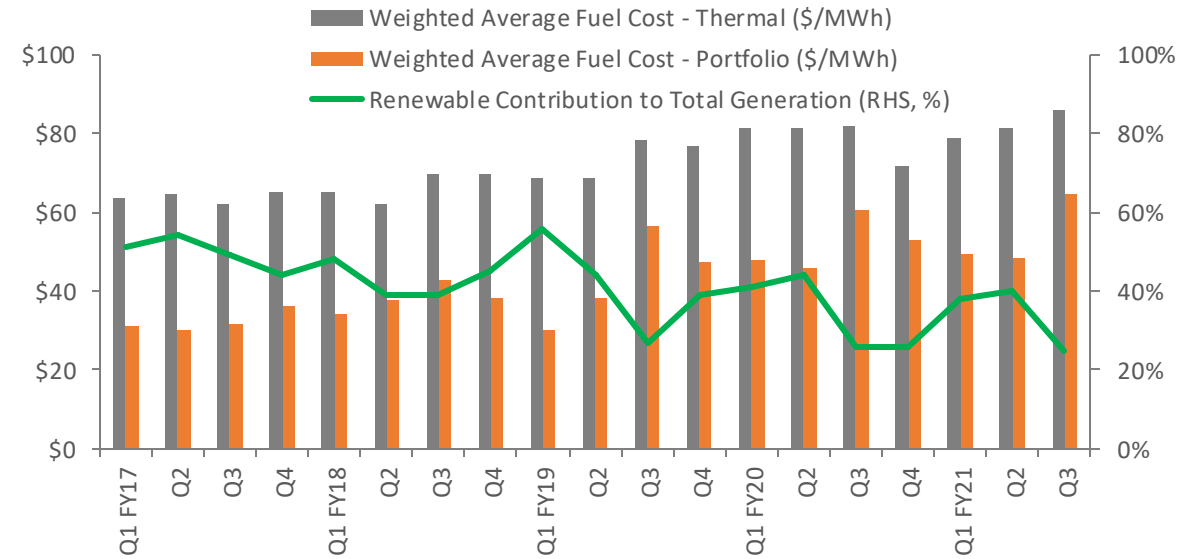


Appendix: Wholesale Segment

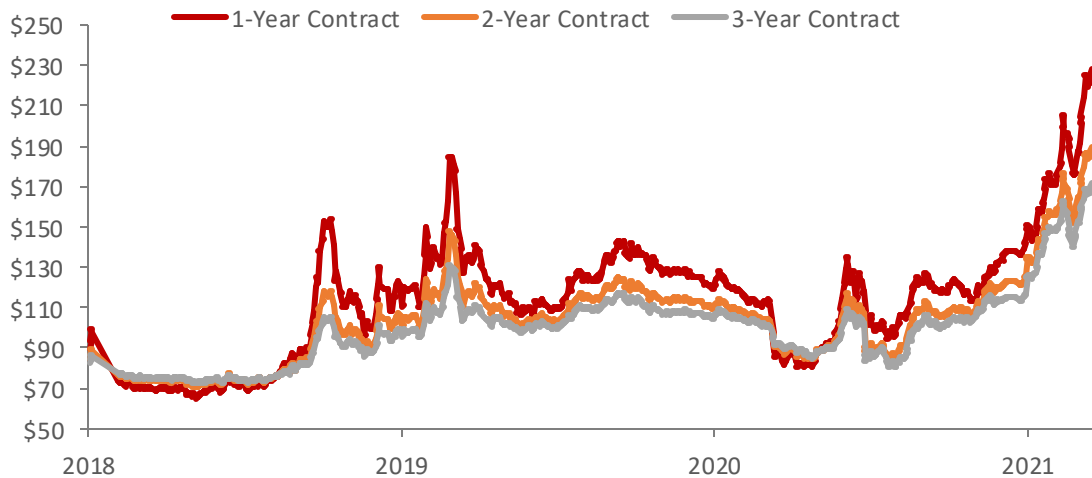
GENERATION BY POWER STATION (GWh)



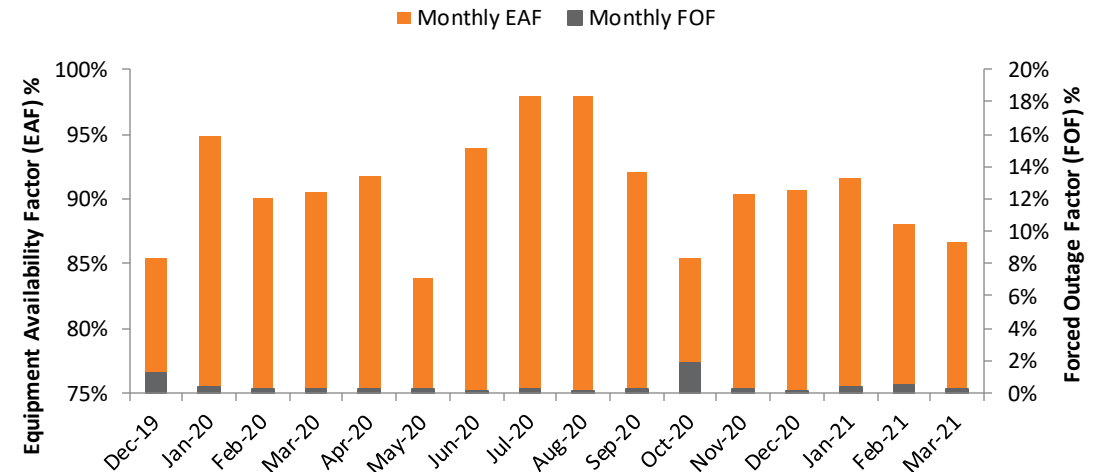
PORTFOLIO AND THERMAL FUEL COSTS



ASX FUTURES SPOT PRICING (\$/MWh)

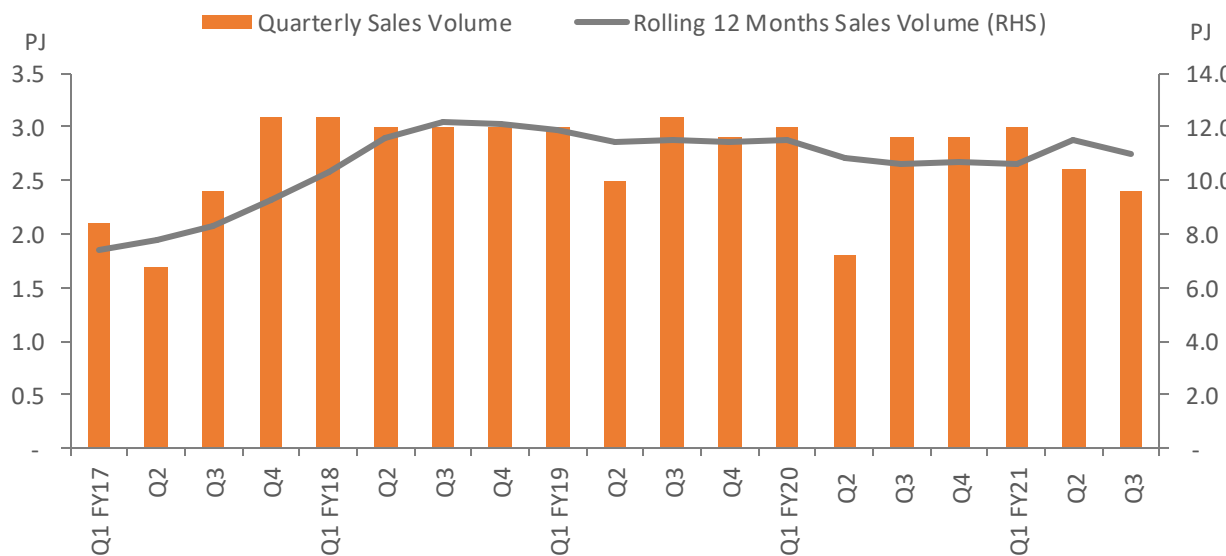


PLANT PERFORMANCE

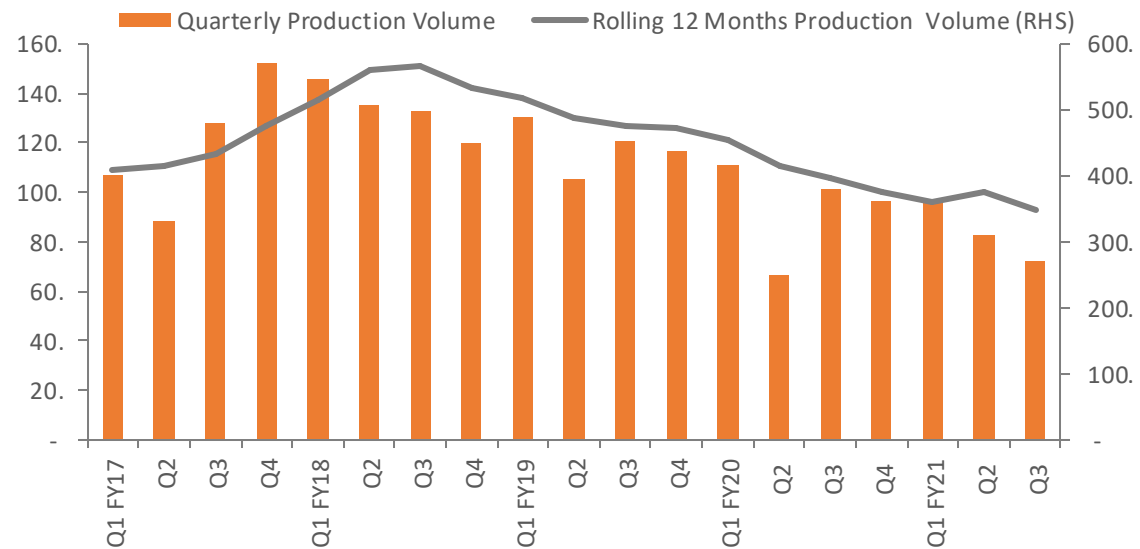


Appendix: Kupe Segment

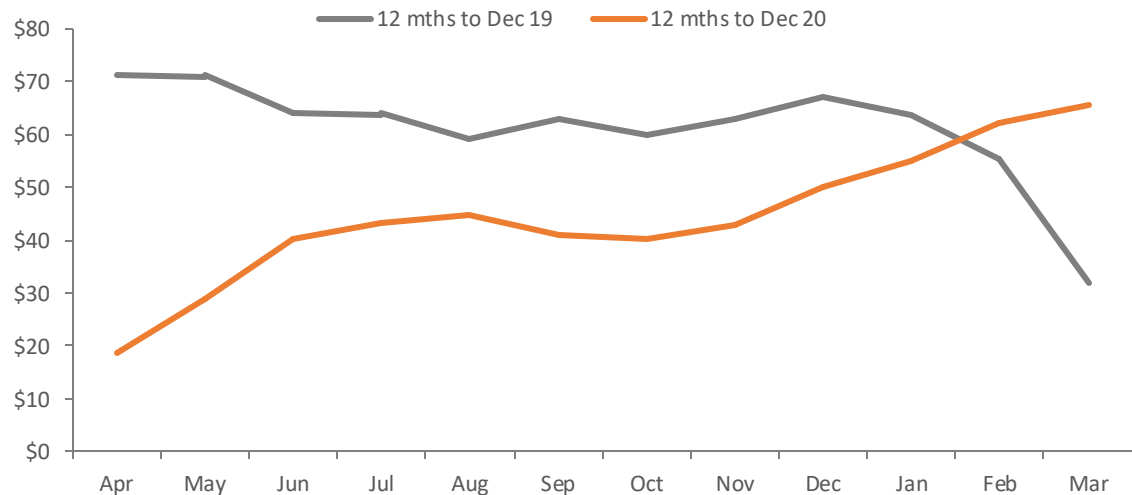
KUPE GAS SALE VOLUMES (GENESIS SHARE, PJ)



KUPE OIL PRODUCTION VOLUMES (GENESIS SHARE, Kbbi)



BRENT CRUDE OIL SPOT PRICE (USD/bbl)



OIL PRICE AND FOREX RISK MANAGEMENT

FORWARD RISK MANAGEMENT		
Oil Price Hedges (USD/bbl)	% Hedged	Average Oil Price
1-12 months	53%	\$59.70
13-24 months	19%	\$56.00
25-36 months	0%	\$0.00
USD/NZD Hedges		Rate
1-12 months	54%	0.669
13-24 months	44%	0.642
25-36 months	0%	0.000