Monthly Operating Report

May 2024

May 2024 overview

- The Customer business recorded:
  - Mass market electricity and gas sales of 413GWh (May 2023: 362GWh)
  - Mass market netback of $128.51/MWh (May 2023: $127.11/MWh)
- The Wholesale business recorded:
  - Contracted Wholesale electricity sales, including that sold to the Customer business, totalled 776GWh (May 2023: 741GWh)
  - Electricity and steam net revenue of $163.52/MWh (May 2023: $134.43/MWh)
  - Electricity generated (or acquired) of 821GWh (May 2023: 665GWh)
  - The unit generation cost, which includes acquired generation was $56.78/MWh (May 2023: $29.34/MWh)
    - Own generation cost in the month of $49.06/MWh (May 2023: $27.55/MWh)

- Tauhara is currently undergoing its 30-day power station reliability run (EPC contractor process). Construction tracking data has been removed from this report.
- Te Huka 3 project progress vs. target for May 2024 was 87% vs. 89%[1] .
- Otahuhu futures settlement wholesale price for the 3rd quarter of 2024 (ASX):
  - As at 13 June 2024: $252/MWh
  - As at 31 May 2024: $243/MWh
  - As at 30 April 2024: $225/MWh
- As at 11th June 2024, South Island controlled storage was 72% of mean and North Island controlled storage was 65% of mean.
  - As at 11th June 2024, total Clutha scheme storage was 62% of mean.
  - Inflows into Contact's Clutha catchment for May 2024 were 44% of mean. (April 2024: 197%, March 2024: 68%, February 2024: 93%)
- Contact's contracted gas volume (including contracted swaps) for the next 12 months is 7.1PJ[2].

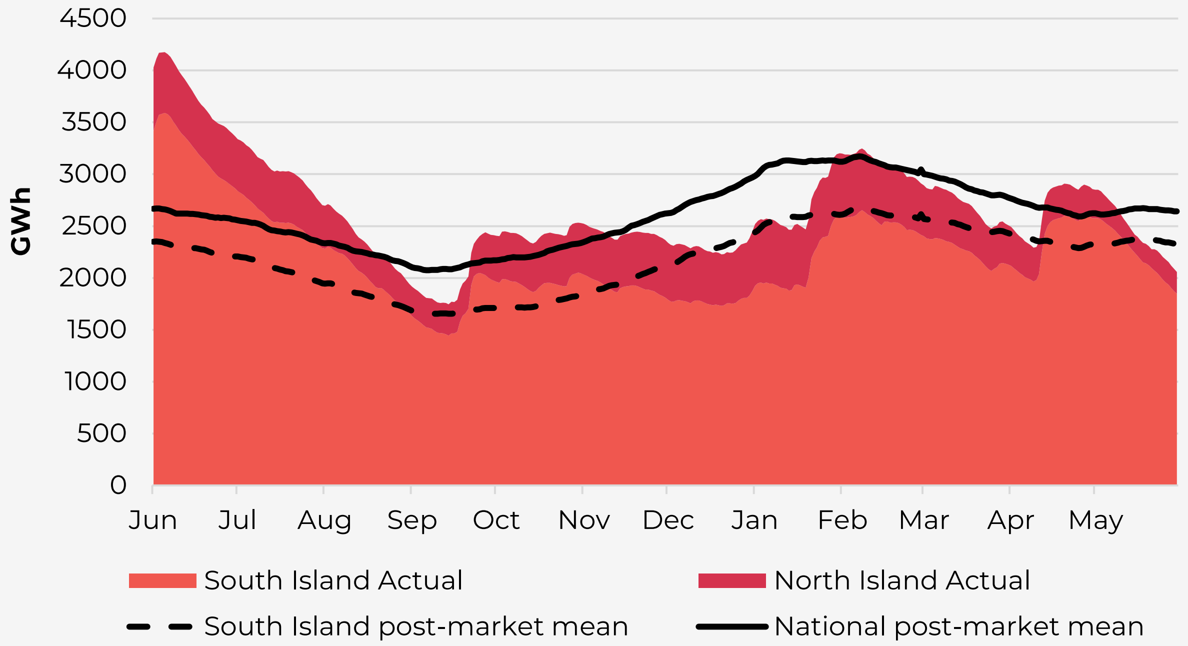
[1] The progress target for Te Huka 3 follows an S-Curve model in line with standard project management practice (for large scale infrastructure projects). This will result in more gradual increments in the reporting of target and actual progress as the projects near completion. Figures rounded to the nearest percentage.

Note: Mean hydro references on this page are based on the mean of all reported periods (i.e. both pre- and post-market data), sourced from NZX.

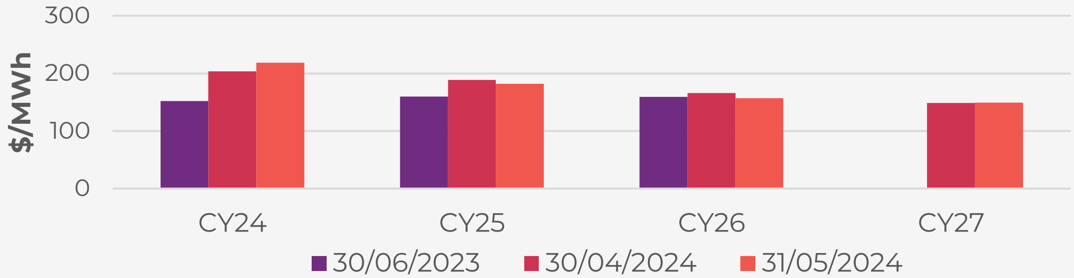
[2] This incorporates the lower bound of the range notified by our suppliers as disclosed to the market on 7 April 2024. Of note, if drilling results and well performance are lower than expected we could see a further reduction to this forecast.

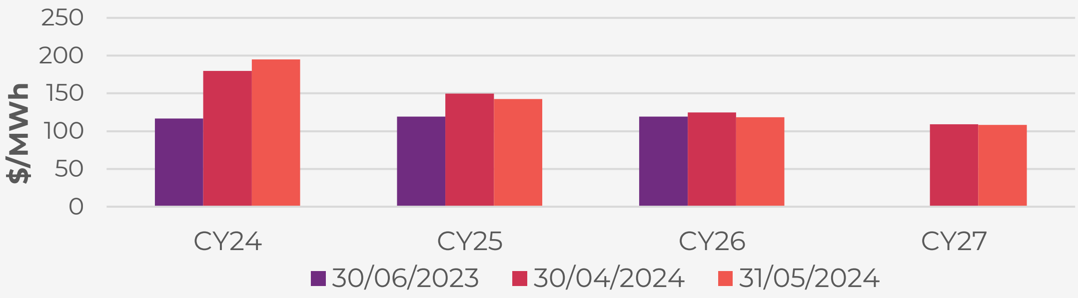
Hydro storage and forward prices

New Zealand controlled hydro storage against mean / 12 months



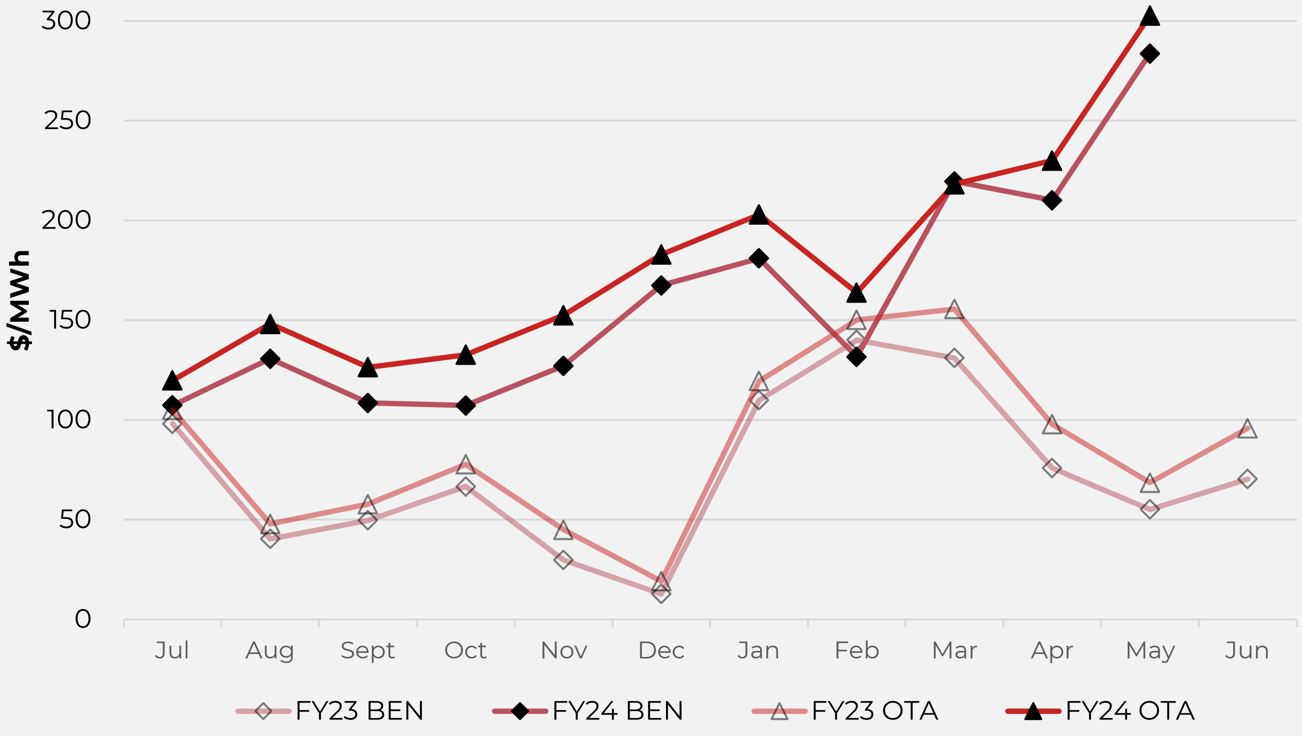
ASX futures settlement



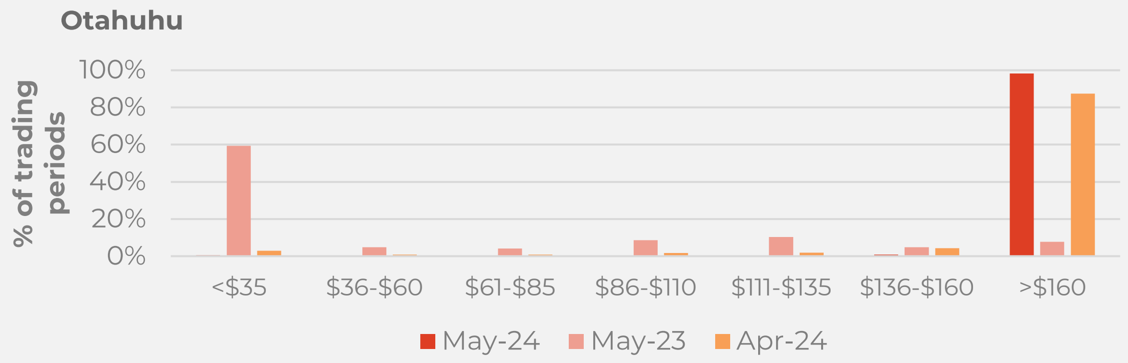


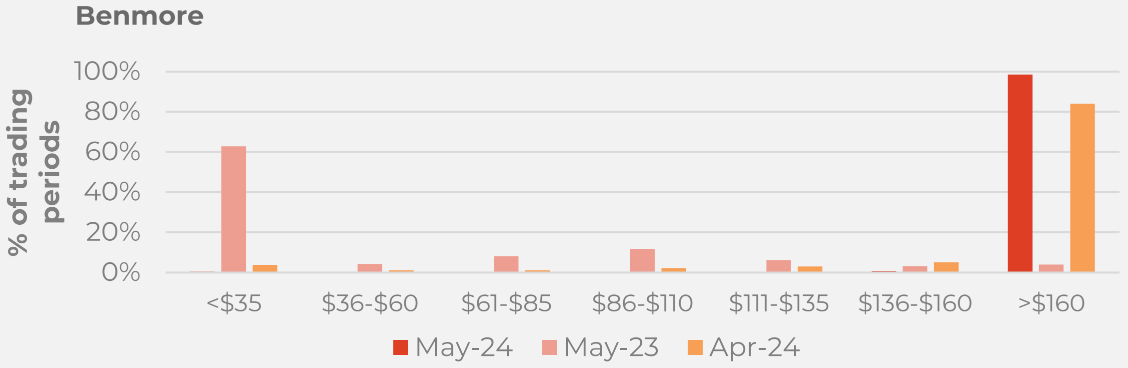
Wholesale market

Wholesale electricity pricing



Distribution of wholesale market price by trading periods

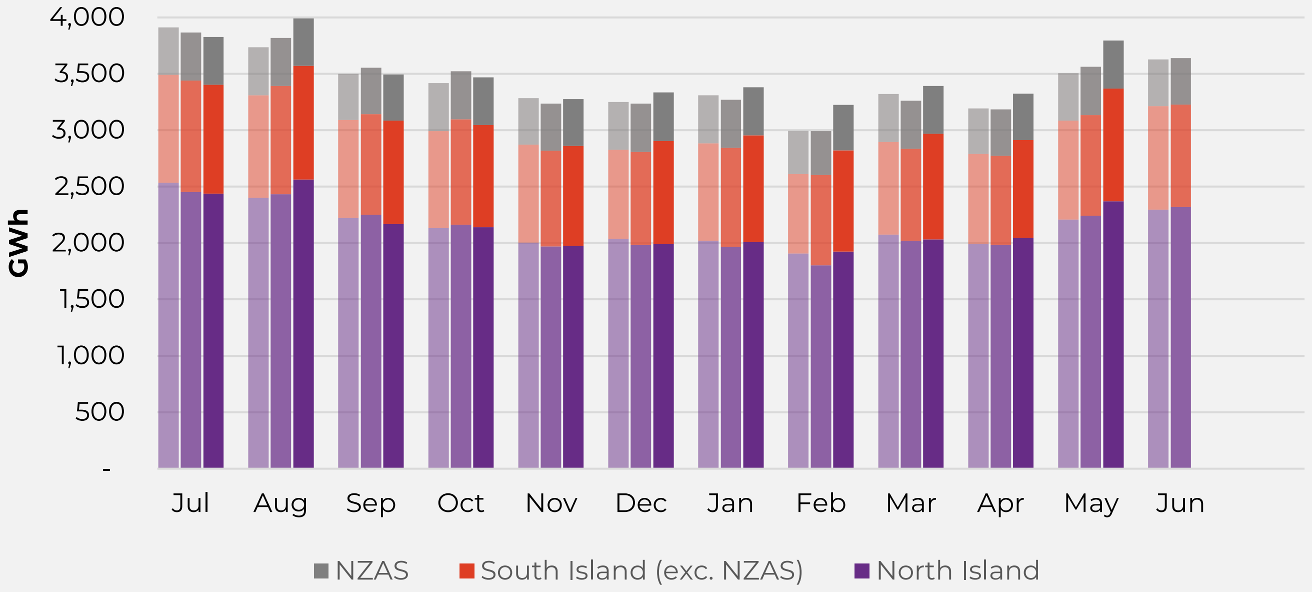




Electricity demand

Total national demand

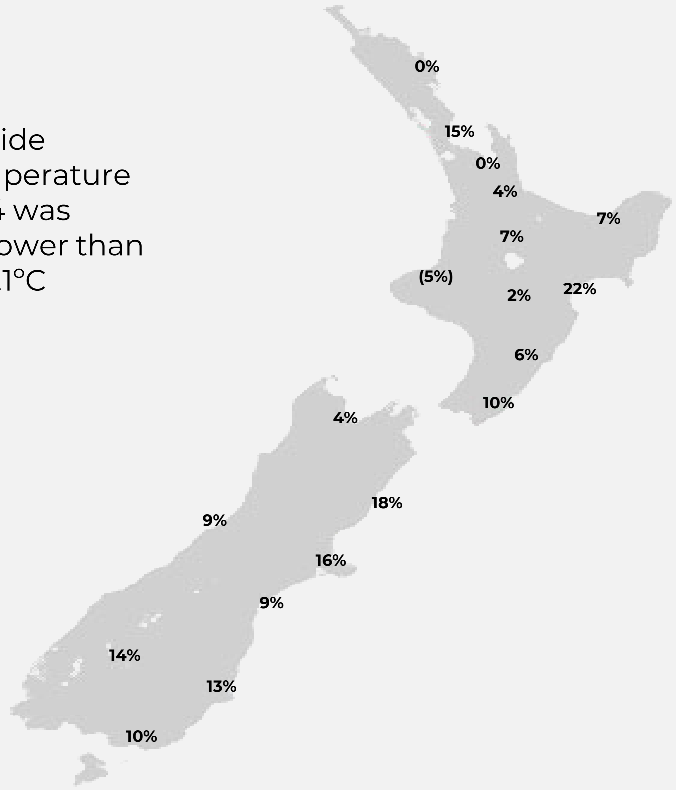
FY22, 23 and 24 respectively



- New Zealand electricity demand was up 6.6% on May 2023 (up 8.3% on May 2022) .
- According to NIWA's Climate Summary for May 24, this May was the coldest in 15 years.

Regional demand change (%) on May 2023

The nationwide average temperature for May 2024 was 9.8°C, 3.3°C lower than May 2023: 13.1°C



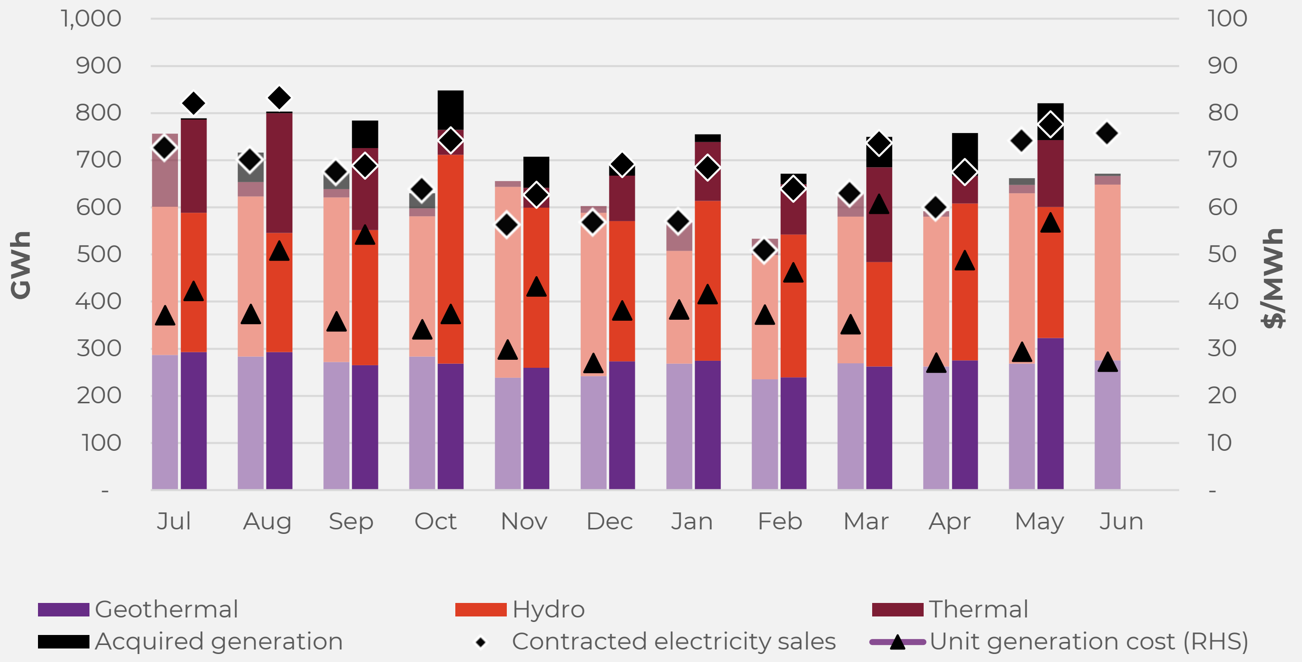
Regional demand is excluding NZAS

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

Business performance

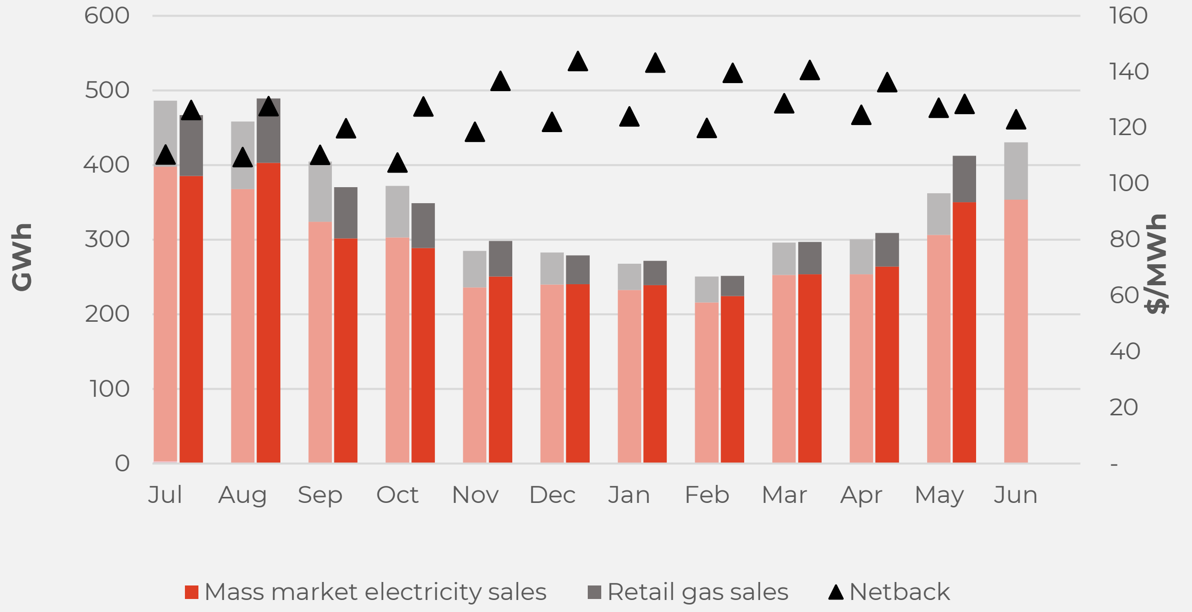
Wholesale

Generation mix, gross sales position and unit generation cost (FY23 and 24 respectively)



Retail

Retail sales volumes and netback (FY23 and 24 respectively)



Operational data

		Measure	The month ended May 24	The month ended May 23	The month ended April 24	Eleven months ending May 24	Eleven months ending May 23
Retail	Mass market electricity sales	GWh	350	307	264	3,202	3,128
	Retail gas sales	GWh	62	56	45	594	636
	Mass market electricity and gas sales	GWh	413	362	309	3,796	3,764
	Average electricity sales price	$/MWh	277.53	279.34	297.22	287.62	269.56
	Electricity direct pass thru costs	$/MWh	(123.21)	(124.16)	(139.50)	(125.90)	(122.21)
	Cost to serve	$/MWh	(15.02)	(16.34)	(18.90)	(17.71)	(16.76)
	Customer netback	$/MWh	128.51	127.11	136.31	132.38	117.33
	Energy cost	$/MWh	(167.34)	(146.62)	(139.29)	(135.11)	(117.78)
	Actual electricity line losses	%	6%	8%	6%	6%	7%
	Retail gas sales	PJ	0.2	0.2	0.2	2.1	2.3
	Electricity ICPs	#	437,000	426,500	434,500	432,000	427,500
	Gas ICPs	#	72,000	70,000	71,500	71,000	70,000
	Telco connections	#	105,000	85,000	101,000	94,000	78,500
Wholesale	Electricity sales to Customer business	GWh	374	334	281	3,413	3,345
	Electricity sales to Commercial and Industrial	GWh	118	127	132	1,332	1,469
	Electricity CFD sales	GWh	284	281	261	3,168	2,107
	Contracted electricity sales	GWh	776	741	675	7,913	6,921
	Steam sales	GWh	14	31	12	177	567
	Total electricity and steam net revenue	$/MWh	163.52	134.43	137.02	127.91	108.18
	C&I netback (at the ICP)[1]	$/MWh	196.73	131.01	137.19	130.17	117.07
	C&I line losses	%	3%	4%	4%	4%	4%
	Thermal generation	GWh	142	18	59	1,451	421
	Geothermal generation	GWh	323	269	275	3,025	2,910
	Hydro generation	GWh	278	361	333	3,391	3,546
	Spot electricity sales	GWh	743	648	667	7,868	6,877
	Electricity sales – Direct	GWh	-	3	-	-	77
	Acquired generation	GWh	78	14	91	511	145
	Electricity generated (or acquired)	GWh	821	665	758	8,378	7,099
	Unit generation cost (including acquired generation)[2]	$/MWh	(56.78)	(29.34)	(48.79)	(47.37)	(33.56)
	Spot electricity purchases	GWh	(493)	(457)	(413)	(4,745)	(4,738)
	CFD sale settlements	GWh	(284)	(281)	(261)	(3,168)	(2,107)
	Spot exposed purchases / CFD settlement	GWh	(776)	(738)	(675)	(7,913)	(6,844)
	Spot revenue and settlement on acquired generation (GWAP)	$/MWh	297.01	68.91	216.35	170.30	80.95
	Spot purchases and settlement on CFDs sold (LWAP)	$/MWh	(318.91)	(72.50)	(225.86)	(178.47)	(88.71)
	LWAP/GWAP	%	107%	105%	104%	105%	110%
	Gas used in internal generation	PJ	1.1	0.3	0.5	11.8	6.0
	Gas storage net movement (extraction) / injection	PJ	(0.4)	0.2	0.1	(1.4)	2.9
	Progress tracking actual *(target)* for Te Huka 3	%	87% (89%)	N/A	85% (86%)	N/A	N/A
Contact	Total customer connections	#	619,000	587,000	612,000	601,500	581,500
	Realised gains / (losses) on market derivatives not in a hedge relationship[3]	$m	(0.66)	(3.59)	0.55	(2.97)	(20.49)

[1] C&I netback is impacted by an accounting adjustment in May to correct for volume allocations in prior months.
[2] Unit generation costs are calculated excluding the impact of an onerous contract provision for the Ahuroa Gas Storage facility (AGS). From the month of May 2024, Contact now excludes the impact from asset write-offs and impairments from EBITDAF to better indicate underlying performance. The impact of the change will be an increase to EBITDAF in FY24 in the July to April period of $7.9m ($4.0m within wholesale and $3.9m corporate). The $4.0m reallocation is reflected within the May 2024 operating data (unit generation cost).
[3] This includes market making activity and is reported outside of EBITDAF.

Environment, Social and Governance (ESG)

Material theme	Measure	Unit	Q3 FY24	Q3 FY23
Climate Change*	Greenhouse Gas (GHG) Emissions from generation assets[1]	kt CO^2-e	234	157
	GHG intensity of generation[2]	kt CO^2-e / GWh	0.113	0.091
Water	Freshwater take[3]	Million cubic metres	0.80	0.52
	Non-consumptive water usage[4]	Million cubic metres	3,354	3,256
	Geothermal fluid discharge to awa (rivers)	Million cubic metres	4.11	3.70
Biodiversity	Native rākau (trees) planted by Contact[5]	#	0	1,000
	Pests caught[6]	#	761	691
Community	Community initiatives and organisations supported	#	15	10
Inclusion and Diversity	Board	% Women/ % Men	43% / 57%	57% / 43%
Inclusion and Diversity	Key Management Personnel	% Women/ % Men	20% / 80%	20% / 80%
Inclusion and Diversity	Employee Gender balance[7]	% Women/ % Men	47% / 53%	46% / 53%

Note: This information is updated quarterly (September, January, April, June)

[1] Scope 1 – Stationary combustion. In FY23 stationary combustion was 99.94% of Contact's total Scope 1 emissions. There was more thermal generation in Q3 compared to previous quarters.
[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. There was more thermal generation in Q3 compared to previous quarters, therefore more cooling water required.
[4] Water that flows through our Roxburgh power station and cooling water for our geothermal power stations
[5] Does not include DrylandCarbon/Forest Partners activities
[6] Predominantly stoats, rats and possums
[7] Includes all permanent, fixed term and casual employees. 1.8% and 1.3% unspecified in Q3 FY24 and Q3 FY23 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

Linkedin.com/company/contact-energy-ltd

Facebook.com/ContactEnergy

Youtube.com/ContactEnergy