



# MONTHLY OPERATING REPORT AUGUST 2020



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# AUGUST HIGHLIGHTS

In the month to 14 September 2020, national hydro storage decreased from 70% to 56% of historical average

South Island storage sat at 59% of average and North Island storage at 46% of average on 14 September 2020

Meridian's August 2020 monthly total inflows were 92% of historical average

Meridian's Waitaki catchment storage at the end of August 2020 was 52% of historical average

Storage in Meridian's Waiau catchment was below average at the end of August 2020

National electricity demand in August 2020 was 3.5% lower than the same month last year

August 2020 was a warm dry month, the fourth warmest August on record. Rainfall was well below average, except for higher than average levels in Northland and North Auckland

New Zealand Aluminium Smelter's average load during August 2020 was 562MW

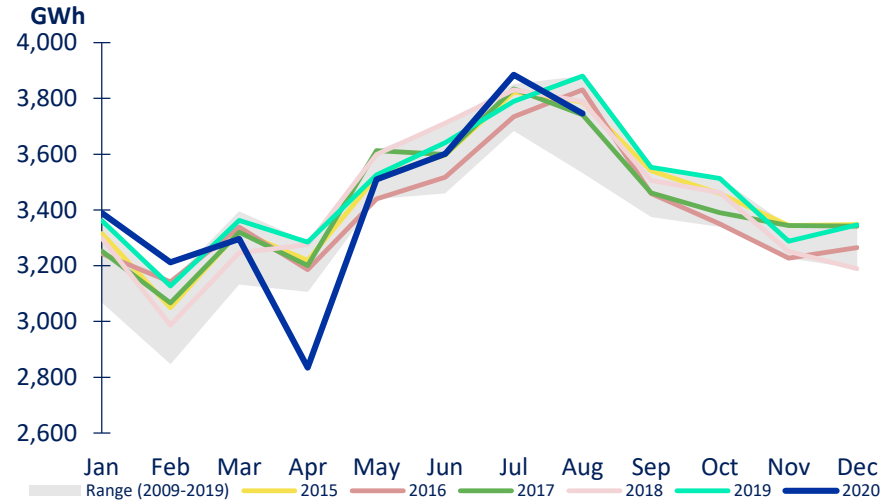
Meridian's New Zealand retail sales volumes in August 2020 were 7.5% higher than August 2019

Compared to August 2019, Meridian saw increased sales in all segments: residential (+2.7%), small medium business (+8.0%) agricultural (+10.4%), large business (+15.6%) and corporate (+8.2%)

# MARKET DATA

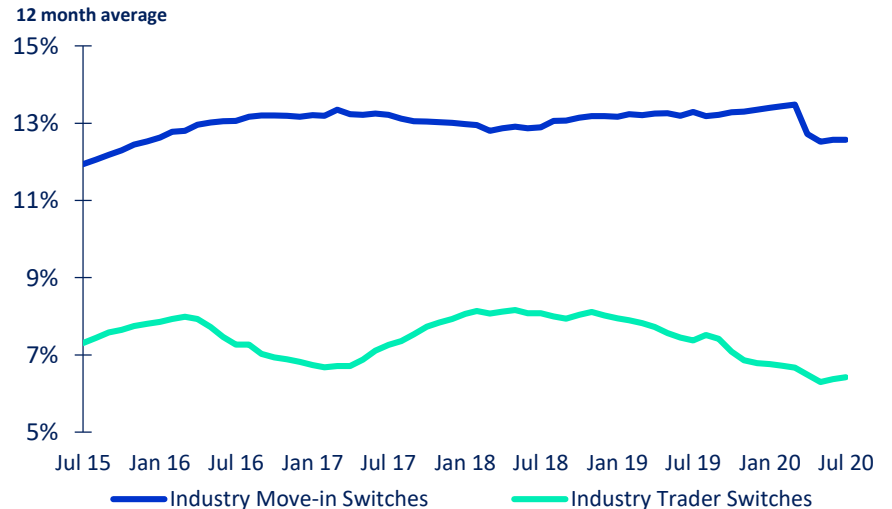
- National electricity demand in August 2020 was 3.5% lower than the same month last year
- August 2020 was a warm dry month, the fourth warmest August on record. Rainfall was well below average, except for higher than average levels in Northland and North Auckland
- Demand in the last 12 months was 0.5% lower than the preceding 12 months
- New Zealand Aluminium Smelter’s average load during August 2020 was 562MW
- 12-month average switching rate of customers changing retailers but not moving (“trader” switch) was 6.4% at the end of July 2020
- 12-month average switching rate of customers moving and changing retailers (“move-in” switch) was 12.6% at the end of July 2020

## NATIONAL DEMAND



Source: Electricity Authority (reconciled demand)

## MARKET ICP SWITCHING (ALL RETAILERS)

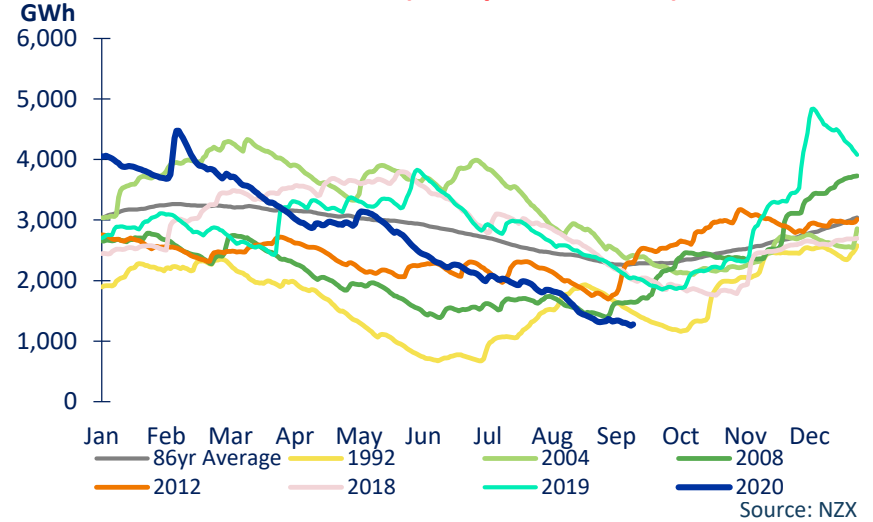


Source: Electricity Authority

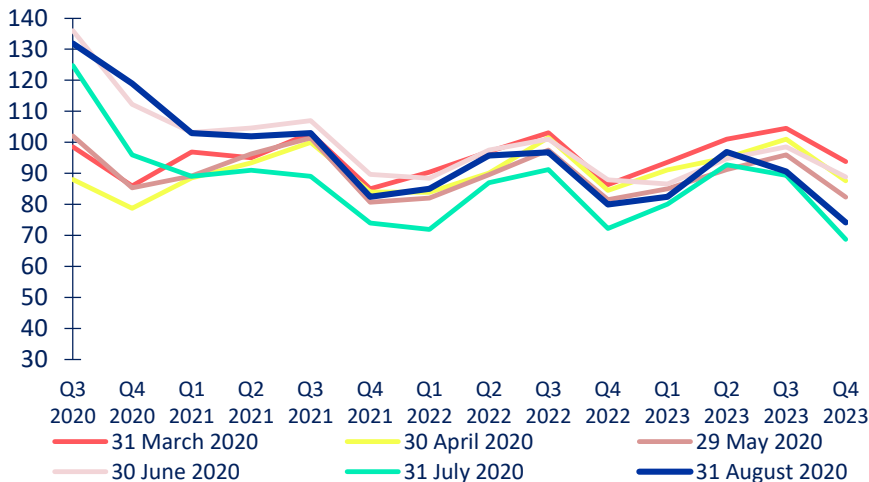
# MARKET DATA

- August 2020 saw increases in ASX prices, particularly at Benmore
- National storage decreased from 70% of average on 13 August 2020 to 46% of average on 14 September 2020
- South Island storage decreased to 59% of historical average on 14 September 2020. North Island storage decreased to 46% of average

**NATIONAL HYDRO STORAGE (14 September 2020)**

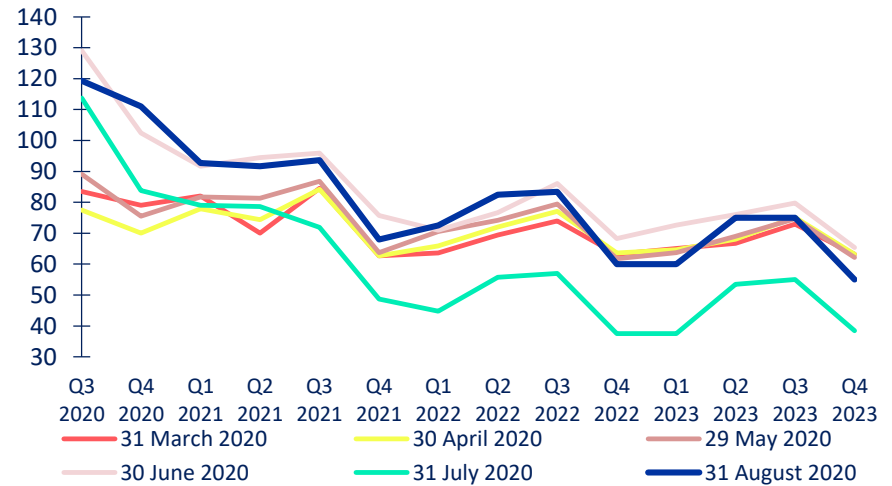


**OTAHUHU ASX FUTURES SETTLEMENT PRICE**  
\$/MWh



Source: ASX

**BENMORE ASX FUTURES SETTLEMENT PRICE**  
\$/MWh

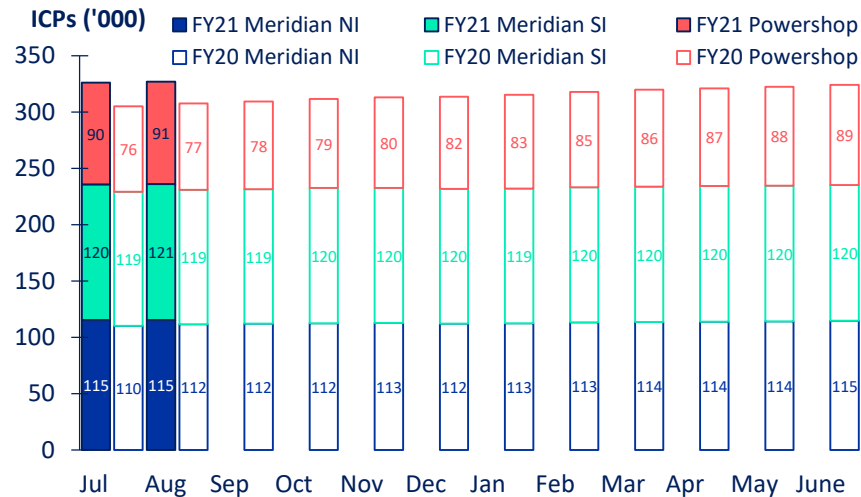


Source: ASX

# NEW ZEALAND RETAIL

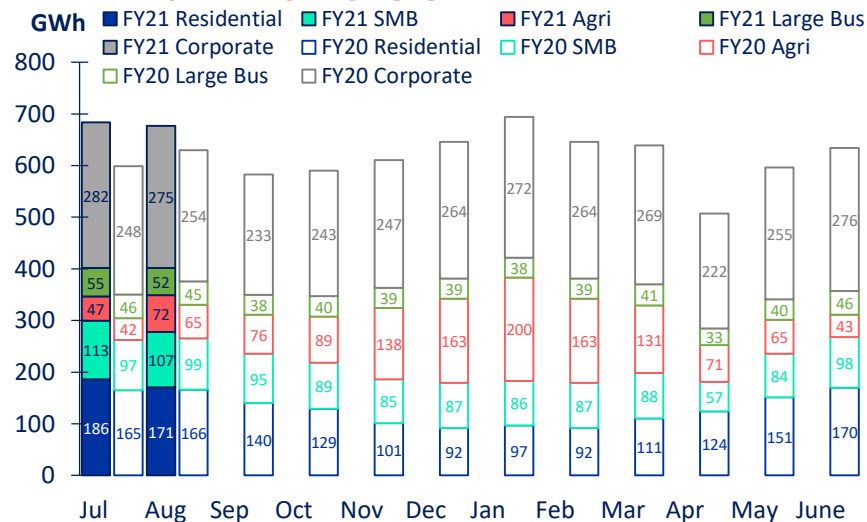
- Meridian's New Zealand customer connection numbers rose 0.3% during August 2020 and have risen 0.9% since June 2020
- Retail sales volumes in August 2020 were 7.5% higher than August 2019
- Compared to August 2019, Meridian saw increased sales in all segments: residential (+2.7%), small medium business (+8.0%) agricultural (+10.4%), large business (+15.6%) and corporate (+8.2%)
- To date this financial year, retail sales volumes are 10.7% higher than the same period last year
- This reflects increased sales in all segments: residential (+7.6%), small medium business (+12.4%) agricultural (+10.7%), large business (+18.2%) and corporate (+10.8%)

## MERIDIAN'S NZ CUSTOMER CONNECTIONS



Source: Meridian

## MERIDIAN'S RETAIL SALES VOLUME\*



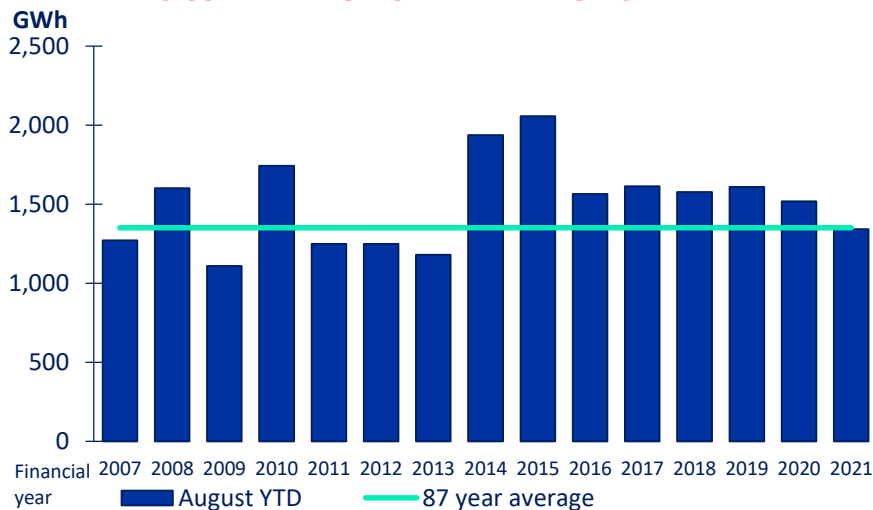
Source: Meridian

\*excludes volumes sold to New Zealand Aluminium Smelters and CFDs

# NEW ZEALAND STORAGE

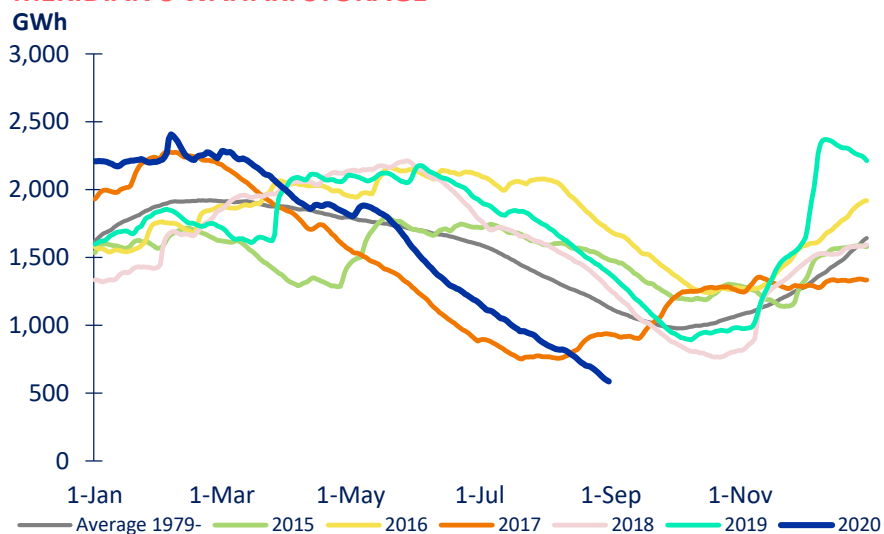
- August 2020 monthly inflows were 92% of historical average
- To date this financial year, inflows are 99% of historical average
- Meridian's Waitaki catchment storage moved from 871GWh to 587GWh during August 2020
- Waitaki storage at the end of August 2020 was 52% of historical average and 58% lower than the same time last year
- Storage in Meridian's Waiau catchment was also below average at the end of August 2020

**MERIDIAN'S COMBINED CATCHMENT INFLOWS**



Source: Meridian

**MERIDIAN'S WAITAKI STORAGE**

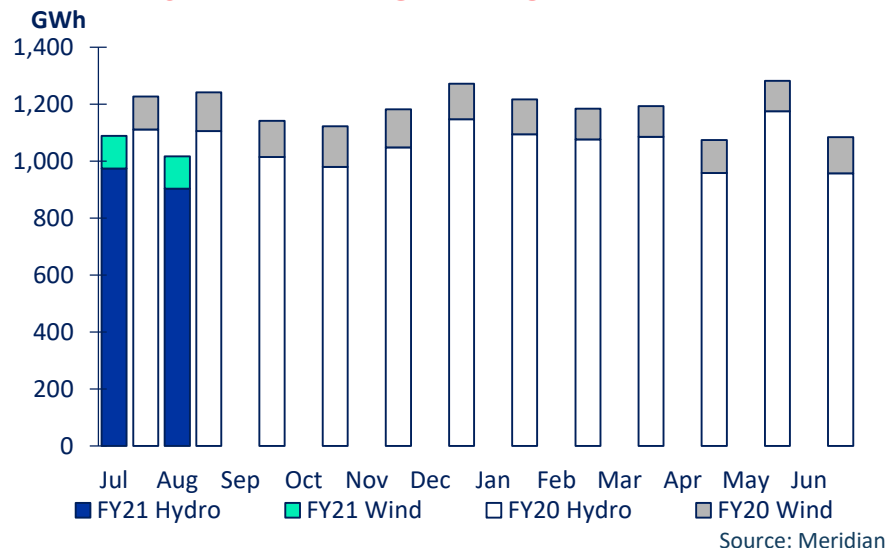


Source: Meridian

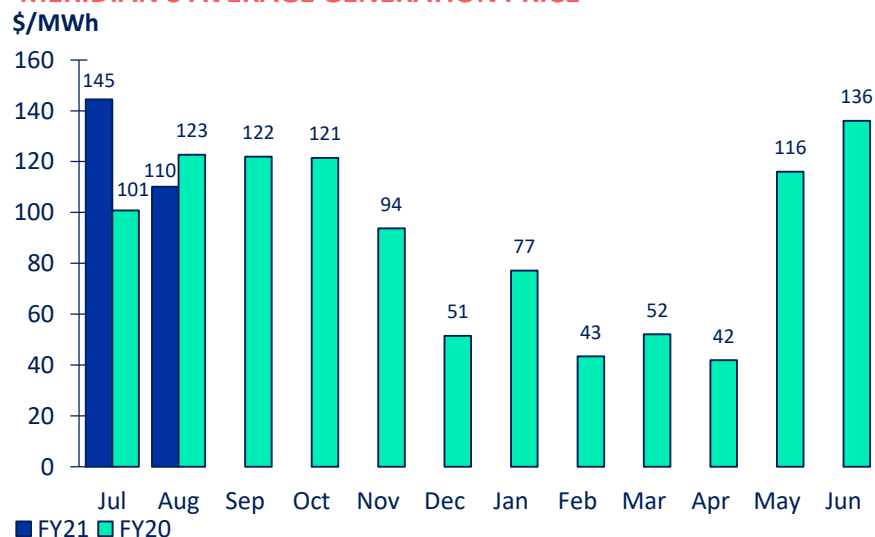
# NEW ZEALAND GENERATION

- Meridian's New Zealand generation in August 2020 was 18.1% lower than the same month last year, reflecting lower hydro and lower wind generation
- To date this financial year, Meridian's New Zealand generation is 14.7% lower than the same period last year, reflecting lower hydro and lower wind generation
- The average price Meridian received for its generation in August 2020 was 10.3% lower than the same month last year
- The average price Meridian paid to supply customers in August 2020 was 9.1% lower than the same month last year
- To date this financial year, the average price Meridian received for its generation is 14.4% higher than the same period last year and the average price paid to supply customers is 16.8% higher

**MERIDIAN'S NEW ZEALAND GENERATION**



**MERIDIAN'S AVERAGE GENERATION PRICE\***

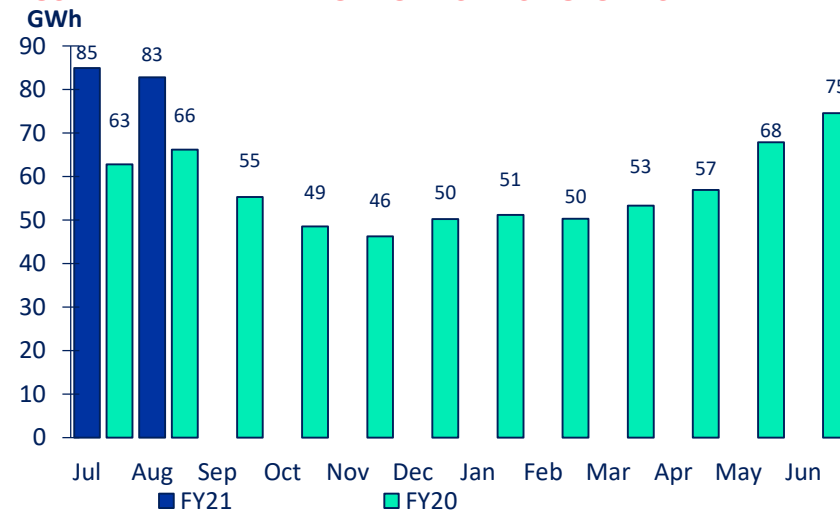


\*price received for Meridian's physical generation



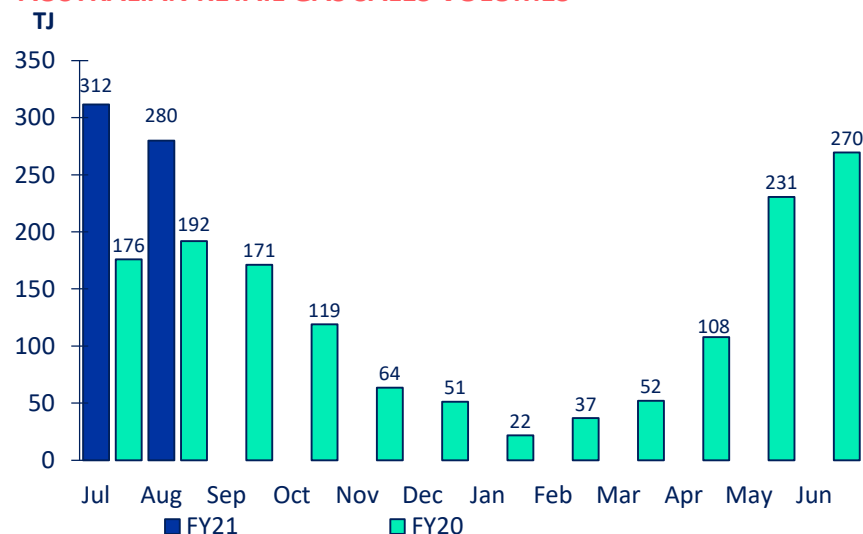
- Powershop Australia electricity customer connection numbers rose 0.6% during August 2020 and have risen 1.0% since June 2020
- Electricity sales volumes in August 2020 were 25.2% higher than the same month last year
- To date this financial year, electricity sales volumes are 30.1% higher than the same period last year
- Powershop Australia gas customer connection numbers rose 1.1% during August 2020 and have risen 2.9% since June 2020
- Gas sales volumes in August 2020 were 45.9% higher than the same month last year
- To date this financial year, gas sales volumes are 60.8% higher than the same period last year

**AUSTRALIAN RETAIL ELECTRICITY SALES VOLUMES**



Source: Meridian

**AUSTRALIAN RETAIL GAS SALES VOLUMES**



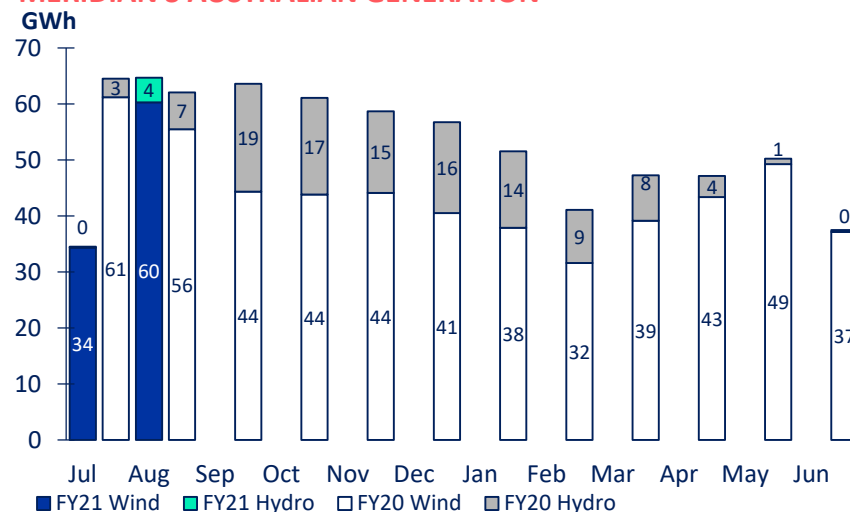
Source: Meridian



# AUSTRALIAN GENERATION

- Meridian's Australian generation in August 2020 was 4.2% higher than the same month last year, reflecting higher wind generation and lower hydro generation
- To date this financial year, Meridian's Australian generation is 21.6% lower than the same period last year, reflecting lower wind and lower hydro generation
- Storage at Meridian's Hume hydro power station increased to 65% of capacity by the mid September 2020
- The Stage 4 lockdown of Victoria has had a significant impact on electricity demand with grid consumption in the state down 3% in August 2020 from the same month last year, despite cooler than usual winter weather

**MERIDIAN'S AUSTRALIAN GENERATION**



Source: Meridian

	AUGUST 2020 MONTH	AUGUST 2019 MONTH	JULY 2020 MONTH	JUNE 2020 MONTH	2 MONTHS TO AUGUST 2020	2 MONTHS TO AUGUST 2019
<b>New Zealand sales</b>						
Residential sales volume (GWh)	171	166	186	170	357	332
Small medium business sales volume (GWh)	107	99	113	98	220	196
Agricultural sales volume (GWh)	72	65	47	43	119	107
Large business sales volume (GWh)	52	45	55	46	107	91
Corporate and industrial sales volume (GWh)	275	255	282	277	557	503
<b>Retail contracted sales volume (GWh)</b>	<b>677</b>	<b>630</b>	<b>683</b>	<b>634</b>	<b>1,360</b>	<b>1,228</b>
Average retail contracted sales price <sup>1</sup> (\$NZ/MWh)	\$119.3	\$115.4	\$120.4	\$116.5	\$119.8	\$114.5
NZAS sales volume (GWh)	426	463	426	485	851	926
Financial contract sales volumes <sup>2</sup> (GWh)	125	176	188	280	312	326
Avg. wholesale & financial contracts sales price <sup>3</sup> (\$NZ/MWh)	\$70.4	\$70.9	\$82.0	\$66.5	\$76.5	\$70.4
Retail customer supply volumes (GWh)	717	662	704	661	1,421	1,307
Cost to supply retail customers (\$NZ/MWh)	\$120.6	\$135.6	\$165.1	\$132.2	\$142.7	\$123.2
Cost to supply wholesale customers (\$NZ/MWh)	\$109.6	\$120.5	\$143.8	\$144.3	\$126.7	\$109.2
Cost of financial contracts (\$NZ/MWh)	\$113.1	\$118.2	\$143.7	\$130.6	\$131.5	\$110.7
Total New Zealand customer connections <sup>4</sup>	327,125	307,798	326,148	324,253		

	<b>AUGUST 2020 MONTH</b>	<b>AUGUST 2019 MONTH</b>	<b>JULY 2020 MONTH</b>	<b>JUNE 2020 MONTH</b>	<b>2 MONTHS TO AUGUST 2020</b>	<b>2 MONTHS TO AUGUST 2019</b>
<b>New Zealand generation</b>						
Hydro generation volumes (GWh)	904	1,106	975	958	1,879	2,217
Wind generation volumes (GWh)	113	135	114	126	228	252
<b>Total generation volumes (GWh)</b>	<b>1,017</b>	<b>1,241</b>	<b>1,089</b>	<b>1,084</b>	<b>2,107</b>	<b>2,469</b>
Average generation price <sup>5</sup> (\$NZ/MWh)	\$110.1	\$122.7	\$144.5	\$126.8	\$127.9	\$111.8

<b>New Zealand hedging</b>						
Hedging volume <sup>6</sup> (GWh)	266	139	318	317	584	284
Hedging cost average price (\$NZ/MWh)	\$104.6	\$63.2	\$109.3	\$87.6	\$107.2	\$64.1
Hedging spot revenue average price (\$NZ/MWh)	\$123.8	\$130.5	\$133.4	\$134.9	\$129.0	\$117.1
Future contract close outs (\$NZ m)	-\$1.9	-\$0.6	-\$1.6	-\$2.3	-\$3.5	-\$0.8

	<b>AUGUST 2020 MONTH</b>	<b>AUGUST 2019 MONTH</b>	<b>JULY 2020 MONTH</b>	<b>JUNE 2020 MONTH</b>	<b>2 MONTHS TO AUGUST 2020</b>	<b>2 MONTHS TO AUGUST 2019</b>
<b>Australian contracted sales</b>						
Retail contracted electricity sales volume (GWh)	83	66	85	75	168	129
Average electricity contracted sales price <sup>1</sup> (\$A/MWh)	\$137.7	\$147.0	\$142.7	\$147.6	\$140.3	\$148.4
Retail contracted gas sales volume (TJ)	280	192	312	270	591	367
Average gas contracted sales price <sup>1</sup> (\$A/GJ)	\$11.5	\$14.0	\$14.7	\$12.5	\$13.2	\$13.9
Financial contract sales volumes <sup>2</sup> (GWh)	33	43	26	22	60	97
Financial contracted sales average price (\$A/MWh)	\$65.7	\$86.1	\$67.6	\$59.8	\$66.5	\$84.5
Cost to supply electricity customers (\$A/MWh)	\$85.5	\$126.4	\$79.5	\$78.1	\$82.5	\$116.2
Cost to supply gas customers (\$A/GJ)	\$11.3	\$11.4	\$10.1	\$11.6	\$10.7	\$11.6
Cost of financial contracts (\$A/MWh)	\$53.5	\$101.0	\$56.7	\$42.3	\$54.9	\$93.2
Powershop electricity customer connections <sup>7</sup>	137,530	112,995	136,696	136,202		
Powershop gas customer connections <sup>8</sup>	38,978	25,240	38,544	37,878		

	AUGUST 2020 MONTH	AUGUST 2019 MONTH	JULY 2020 MONTH	JUNE 2020 MONTH	2 MONTHS TO AUGUST 2020	2 MONTHS TO AUGUST 2019
<b>Australian generation</b>						
Wind generation volumes (GWh)	60	56	34	37	95	117
Average wind generation price <sup>5</sup> (\$/MWh)	\$90.4	\$124.7	\$90.3	\$79.2	\$90.4	\$120.0
Hydro generation volumes (GWh)	4	7	0	0	4	10
Average hydro generation price <sup>5</sup> (\$/MWh)	\$51.7	\$104.0	-	\$58.5	\$51.8	\$96.3
PPA generation received (GWh)	33	34	27	28	61	\$69
Average PPA generation price [net of costs] (\$/MWh)	-\$3.8	\$30.3	-\$1.6	-\$9.1	-\$2.8	\$26.5
<b>Australian hedging</b>						
Hedging volume <sup>6</sup> (GWh)	42	39	35	37	77	74
Hedging costs (\$/MWh)	\$78.3	\$98.7	\$48.4	\$80.6	\$64.8	\$93.2
Hedging spot revenue average price (\$/MWh)	\$55.8	\$105.5	\$18.6	\$55.0	\$39.0	\$102.7
Future contract close outs (\$A M)	\$0.0	\$0.2	-\$0.2	\$0.0	-\$0.2	\$0.2

	AUGUST 2020 MONTH	AUGUST 2019 MONTH	JULY 2020 MONTH	JUNE 2020 MONTH	2 MONTHS TO AUGUST 2020	2 MONTHS TO AUGUST 2019
<b>Meridian Group</b>						
Employee and Operating Costs <sup>1</sup> (\$m)	21	21	21	31	41	42
Stay in Business Capital Expenditure (\$m)	4	3	3	6	6	7
Investment Capital Expenditure (\$m)	3	2	7	3	10	3
<b>Total Capital Expenditure (\$m)</b>	<b>7</b>	<b>5</b>	<b>10</b>	<b>9</b>	<b>16</b>	<b>10</b>

<sup>1</sup>excludes electricity metering expenses, now reclassified into gross margin

## Footnotes

- Contracted sales volumes and volume weighted average price received from contracted customers less distribution costs
- Derivatives sold excluding the sell-side of virtual asset swaps
- Average price of both NZAS sales volume and derivative sales volumes
- Meridian Retail and Powershop New Zealand installation control points (ICPs), excluding vacants
- Volume weighted average price received for Meridian's physical generation
- Over the counter and ASX contract volumes excluding the buy-side of virtual asset swaps
- Financially responsible market participants, excluding vacants
- Meter installation registration numbers

# FY21 OPERATING INFORMATION

	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021
<b>New Zealand contracted sales</b>												
Residential sales volume (GWh)	186	171										
Small medium business sales volume (GWh)	113	107										
Agricultural sales volume (GWh)	47	72										
Large business sales volume (GWh)	55	52										
Corporate and industrial sales volume (GWh)	282	275										
<b>Retail contracted sales volume (GWh)</b>	<b>683</b>	<b>677</b>										
Average retail contracted sales price (\$NZ/MWh)	\$120.4	\$119.3										
NZAS sales volume (GWh)	426	426										
Financial contract sales volumes (GWh)	188	125										
Average wholesale & financial contracts sales price (\$NZ/MWh)	\$82.0	\$70.4										
Retail customer supply volumes (GWh)	704	717										
Cost to supply retail customers (\$NZ/MWh)	\$165.1	\$120.6										
Cost to supply wholesale customers (\$NZ/MWh)	\$143.8	\$109.6										
Cost of financial contracts (\$NZ/MWh)	\$143.7	\$113.1										
<b>Total New Zealand customer connections</b>	<b>326,148</b>	<b>327,125</b>										
<b>New Zealand generation</b>												
Hydro generation volume (GWh)	975	904										
Wind generation volume (GWh)	114	113										
<b>Total generation volume (GWh)</b>	<b>1,089</b>	<b>1,017</b>										
Average generation price (\$NZ/MWh)	\$144.5	\$110.1										
<b>New Zealand hedging</b>												
Hedging volume (GWh)	318	266										
Hedging cost average price (\$NZ/MWh)	\$109.3	\$104.6										
Hedging spot revenue average price (\$NZ/MWh)	\$133.4	\$123.8										
Future contract close outs (\$NZm)	-1.6	-1.9										
<b>Australia contracted sales</b>												
Retail contracted electricity sales volume (GWh)	85	83										
Average electricity contracted sales price <sup>1</sup> (\$A/MWh)	\$142.7	\$137.7										
Retail contracted gas sales volume (TJ)	312	280										
Average gas contracted sales price <sup>1</sup> (\$A/GJ)	\$14.7	\$11.5										
Financial contract sales volumes <sup>2</sup> (GWh)	26	33										
Financial contracted sales average price (\$A/MWh)	\$67.6	\$65.7										
Cost to supply electricity customers (\$A/MWh)	\$79.5	\$85.5										
Cost to supply gas customers (\$A/GJ)	\$10.1	\$11.3										
Cost of financial contracts (\$A/MWh)	\$56.7	\$53.5										
Powershop electricity customer connections <sup>7</sup>	136,696	137,530										
Powershop gas customer connections <sup>8</sup>	38,544	38,978										
<b>Australia generation</b>												
Wind generation volume (GWh)	34	60										
Average wind generation price (\$A/MWh)	\$90.3	\$90.4										
Hydro generation volume (GWh)	0	4										
Average hydro generation price (\$A/MWh)	-	\$51.7										
PPA generation received (GWh)	27	33										
Average PPA generation price [net of costs] (\$A/MWh)	-\$1.6	-\$3.8										
<b>Australia hedging</b>												
Hedging volume (GWh)	35	42										
Hedging costs (\$A/MWh)	\$48.4	\$78.3										
Hedging spot revenue average price (\$A/MWh)	\$18.6	\$55.8										
Future contract close outs (\$A M)	-\$0.2	\$0.0										
<b>Meridian Group</b>												
Employee and Operating Costs (\$NZ m)	21	21										
Stay in Business Capital Expenditure (\$NZ m)	3	4										
Investment Capital Expenditure (\$NZ m)	7	3										
<b>Total Capital Expenditure (\$NZ m)</b>	<b>10</b>	<b>7</b>										



# FY20 OPERATING INFORMATION

	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020
<b>New Zealand contracted sales</b>												
Residential sales volume (GWh)	165	166	140	129	101	98	97	92	111	124	151	170
Small medium business sales volume (GWh)	97	99	95	89	85	81	86	87	88	57	85	98
Agricultural sales volume (GWh)	42	65	76	89	138	181	200	163	131	71	65	43
Large business sales volume (GWh)	46	45	38	40	39	40	38	39	41	33	40	46
Corporate and industrial sales volume (GWh)	249	255	233	243	247	248	272	264	269	222	255	277
<b>Retail contracted sales volume (GWh)</b>	<b>599</b>	<b>630</b>	<b>583</b>	<b>590</b>	<b>610</b>	<b>650</b>	<b>694</b>	<b>646</b>	<b>639</b>	<b>507</b>	<b>596</b>	<b>634</b>
Average retail contracted sales price (\$NZ/MWh)	\$113.5	\$115.4	\$109.5	\$102.7	\$99.8	\$100.0	\$103.3	\$109.5	\$108.3	\$109.2	\$106.8	\$116.5
NZAS sales volume (GWh)	463	463	447	463	448	463	463	433	463	416	426	485
Financial contract sales volumes (GWh)	150	176	148	129	135	164	170	283	354	222	318	280
Average wholesale & financial contracts sales price (\$NZ/MWh)	\$69.9	\$70.9	\$68.4	\$67.0	\$65.3	\$62.3	\$66.5	\$68.7	\$66.7	\$64.8	\$65.4	\$66.5
Retail customer supply volumes (GWh)	645	662	581	623	650	669	733	682	666	537	624	661
Cost to supply retail customers (\$NZ/MWh)	\$110.4	\$135.6	\$129.3	\$130.2	\$112.7	\$57.1	\$95.1	\$67.9	\$67.4	\$50.1	\$132.3	\$132.2
Cost to supply wholesale customers (\$NZ/MWh)	\$97.9	\$120.5	\$126.1	\$118.7	\$89.6	\$45.4	\$76.8	\$36.6	\$44.7	\$43.4	\$113.4	\$144.3
Cost of financial contracts (\$NZ/MWh)	\$101.9	\$118.2	\$120.5	\$112.6	\$92.8	\$81.6	\$86.7	\$47.0	\$45.7	\$52.1	\$98.9	\$130.6
<b>Total New Zealand customer connections</b>	<b>304,993</b>	<b>307,798</b>	<b>309,372</b>	<b>311,694</b>	<b>313,150</b>	<b>313,599</b>	<b>315,225</b>	<b>317,784</b>	<b>319,778</b>	<b>321,051</b>	<b>322,448</b>	<b>324,253</b>
<b>New Zealand generation</b>												
Hydro generation volume (GWh)	1,111	1,106	1,015	980	1,049	1,147	1,095	1,077	1,085	959	1,176	958
Wind generation volume (GWh)	116	135	126	143	133	125	122	108	109	116	106	126
<b>Total generation volume (GWh)</b>	<b>1,227</b>	<b>1,241</b>	<b>1,141</b>	<b>1,123</b>	<b>1,182</b>	<b>1,272</b>	<b>1,217</b>	<b>1,185</b>	<b>1,194</b>	<b>1,075</b>	<b>1,282</b>	<b>1,084</b>
Average generation price (\$NZ/MWh)	\$100.7	\$122.7	\$121.9	\$121.4	\$93.7	\$51.4	\$77.1	\$43.4	\$52.1	\$41.9	\$116.0	\$126.8
<b>New Zealand hedging</b>												
Hedging volume (GWh)	145	139	132	145	148	182	296	342	428	239	218	317
Hedging cost average price (\$NZ/MWh)	\$65.0	\$63.2	\$62.2	\$64.4	\$67.3	\$64.4	\$96.1	\$100.7	\$106.4	\$77.4	\$70.1	\$87.6
Hedging spot revenue average price (\$NZ/MWh)	\$104.4	\$130.5	\$124.0	\$122.6	\$104.1	\$63.1	\$100.0	\$75.1	\$59.8	\$51.5	\$101.9	\$134.9
Future contract close outs (\$NZm)	-0.3	-0.6	-1.4	-1.5	-0.2	-0.9	-0.2	-0.2	-0.1	-2.0	-4.3	-2.3
<b>Australia contracted sales</b>												
Retail contracted electricity sales volume (GWh)	63	66	55	49	46	50	51	50	53	57	68	75
Average electricity contracted sales price <sup>1</sup> (\$A/MWh)	\$149.8	\$147.0	\$131.2	\$168.0	\$174.0	\$161.1	\$130.0	\$150.4	\$142.0	\$121.1	\$146.5	\$147.6
Retail contracted gas sales volume (TJ)	176	192	171	119	64	51	22	37	52	108	231	270
Average gas contracted sales price <sup>1</sup> (\$A/GJ)	\$13.9	\$14.0	\$13.4	\$13.8	\$18.9	\$20.0	\$33.4	\$22.2	\$18.7	\$12.5	\$15.4	\$12.5
Financial contract sales volumes <sup>2</sup> (GWh)	54	43	60	65	63	68	46	43	46	7	19	22
Financial contracted sales average price (\$A/MWh)	\$83.3	\$86.1	\$90.1	\$80.1	\$80.1	\$79.2	\$122.0	\$122.0	\$122.0	\$176.6	\$69.5	\$59.8
Cost to supply electricity customers (\$A/MWh)	\$105.5	\$126.4	\$118.0	\$119.9	\$89.2	\$82.2	\$257.6	\$111.9	\$53.6	\$56.8	\$67.5	\$78.1
Cost to supply gas customers (\$A/GJ)	\$11.8	\$11.4	\$9.8	\$8.6	\$14.0	\$9.9	\$41.1	\$20.4	\$13.6	\$13.4	\$11.2	\$11.6
Cost of financial contracts (\$A/MWh)	\$86.9	\$101.0	\$103.6	\$100.1	\$68.3	\$58.2	\$138.8	\$52.2	\$45.8	\$87.4	\$39.8	\$42.3
Powershop electricity customer connections <sup>7</sup>	111,373	112,995	115,099	118,721	121,575	124,668	127,847	131,647	134,399	135,205	135,628	136,202
Powershop gas customer connections <sup>8</sup>	24,096	25,240	26,529	27,858	29,182	30,465	32,387	33,428	35,392	36,077	36,955	37,878
<b>Australia generation</b>												
Wind generation volume (GWh)	61	56	44	44	44	41	38	32	39	43	49	37
Average wind generation price (\$A/MWh)	\$115.7	\$124.7	\$127.3	\$125.5	\$110.3	\$101.9	\$225.9	\$474.6	\$77.8	\$54.2	\$61.4	\$79.2
Hydro generation volume (GWh)	3	7	19	17	15	16	14	9	8	4	1	0
Average hydro generation price (\$A/MWh)	\$81.0	\$104.0	\$99.2	\$99.4	\$66.9	\$64.4	\$153.1	\$56.4	\$43.8	\$39.1	\$39.9	\$58.5
PPA generation received (GWh)	35	34	30	31	30	29	29	28	30	30	32	28
Average PPA generation price [net of costs] (\$A/MWh)	\$22.9	\$30.3	\$38.4	\$45.2	\$16.5	\$7.8	\$59.5	\$1.4	-\$8.9	-\$14.5	-\$13.1	-\$9.1
<b>Australia hedging</b>												
Hedging volume (GWh)	36	39	36	50	48	50	39	43	42	36	40	37
Hedging costs (\$A/MWh)	\$87.3	\$98.7	\$107.3	\$95.5	\$89.9	\$89.9	-\$23.1	\$197.7	\$185.1	\$79.3	-\$49.6	\$80.6
Hedging spot revenue average price (\$A/MWh)	\$99.6	\$105.5	\$111.4	\$107.7	\$72.3	\$58.6	\$130.3	\$58.6	\$43.5	\$41.7	\$42.9	\$55.0
Future contract close outs (\$A m)	\$0.0	\$0.2	-\$0.1	\$0.0	\$0.7	-\$0.1	\$0.0	\$0.5	-\$0.1	\$0.8	\$0.7	\$0.0
<b>Meridian Group</b>												
Employee and Operating Costs (\$NZ m)	21	21	22	22	22	19	19	21	21	20	19	31
Stay in Business Capital Expenditure (\$NZ m)	4	3	4	4	4	4	3	3	4	3	3	6
Investment Capital Expenditure (\$NZ m)	1	2	2	1	2	1	1	2	2	1	1	3
<b>Total Capital Expenditure (\$NZ m)</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>4</b>	<b>4</b>	<b>9</b>

# GLOSSARY

Hedging volumes	buy-side electricity derivatives excluding the buy-side of virtual asset swaps
Average generation price	the volume weighted average price received for Meridian’s physical generation
Average retail contracted sales price	volume weighted average electricity price received from retail customers, less distribution costs
Average wholesale contracted sales price	volume weighted average electricity price received from wholesale customers (including NZAS) and financial contracts
Combined catchment inflows	combined water inflows into Meridian’s Waitaki and Waiau hydro storage lakes
Cost of hedges	volume weighted average price Meridian pays for derivatives acquired
Cost to supply contracted sales	volume weighted average price Meridian pays to supply contracted customer sales and financial contracts
Contracts for Difference (CFDs)	an agreement between parties to pay the difference between the wholesale electricity price and an agreed fixed price for a specified volume of electricity. CFDs do not result in the physical supply of electricity
Customer connections (NZ)	number of installation control points, excluding vacants
FRMP	financially responsible market participant
GWh	gigawatt hour. Enough electricity for 125 average New Zealand households for one year
Historic average inflows	the historic average combined water inflows into Meridian’s Waitaki and Waiau hydro storage lakes over the last 85 years
Historic average storage	the historic average level of storage in Meridian’s Waitaki catchment since 1979
HVDC	high voltage direct current link between the North and South Islands of New Zealand
ICP	New Zealand installation control points, excluding vacants
ICP switching	the number of installation control points changing retailer supplier in New Zealand, recorded in the month the switch was initiated
MWh	megawatt hour. Enough electricity for one average New Zealand household for 46 days
National demand	Electricity Authority’s reconciled grid demand <a href="http://www.emi.ea.govt.nz">www.emi.ea.govt.nz</a>
NEM	Australia’s national energy market, comprising Queensland, New South Wales (including the Australian Capital Territory), Victoria, South Australia, and Tasmania
NZAS	New Zealand Aluminium Smelters Limited
Retail sales volumes	contract sales volumes to retail customers, including both non half hourly and half hourly metered customers
Financial contract sales	sell-side electricity derivatives excluding the sell-side of virtual asset swaps
TJ	Terajoules
Virtual Asset Swaps (VAS)	CFDs Meridian has with Genesis Energy and Mercury New Zealand. They do not result in the physical supply of electricity