



Meridian.

# Wind. Water. Sun.

The power to make  
a difference.

## MONTHLY OPERATING REPORT MARCH 2020



FTSE4Good

MEMBER OF  
**Dow Jones**  
**Sustainability Indices**



In collaboration with a RobecoSAM brand

# MARCH HIGHLIGHTS

In the month to 9 April 2020, national hydro storage decreased from 111% to 94% of historical average

South Island storage sat at 96% of average and North Island storage at 71% of average on 9 April 2020

Meridian's March 2020 monthly total inflows were 79% of historical average

Meridian's Waitaki catchment storage at the end of March 2020 was 107% of historical average

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

National electricity demand in March 2020 was 2.0% lower than the same month last year

COVID-19 lockdown has reduced weekly demand in April 2020 by around 16% compared to the same period last year

Meridian made calls under the Genesis Swaption in March 2020

Pohokura offshore gas wells and the HVDC link returned to full operation in late March/early April 2020 respectively

March 2020 was dry across much of the country, with the exception of the lower North Island and Northern Canterbury. Temperatures were near to below average

New Zealand Aluminium Smelter's load during March 2020 was below the contract level of 622MW

In early April 2020 the 4<sup>th</sup> potline at Tiwai Point was suspended for up to six months in response to COVID-19

Meridian's New Zealand retail sales volumes in March 2020 were 14.7% higher than March 2019

April 2020 is seeing significantly lower business and commercial sales, higher residential sales

# MARKET DATA

- National electricity demand in March 2020 was 2.0% lower than the same month last year
- March 2020 was dry across much of the country, with the exception of the lower North Island and Northern Canterbury. Temperatures were near to below average
- Demand in the last 12 months was 0.6% higher than the preceding 12 months

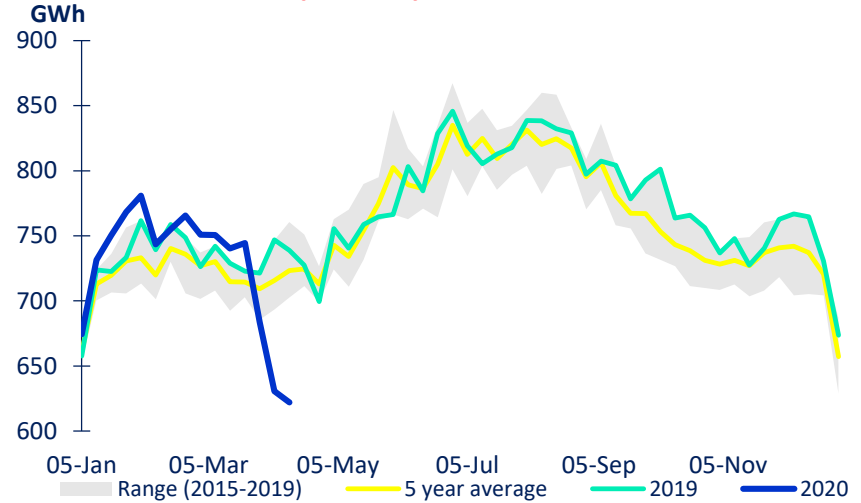
▪ COVID-19 lockdown has reduced weekly demand in April 2020 by around 16% compared to the same period last year

- New Zealand Aluminium Smelter's load during March 2020 was below the contract level of 622MW

▪ In early April 2020 the 4<sup>th</sup> potline at Tiwai Point suspended operation<sup>1</sup> in response to COVID-19

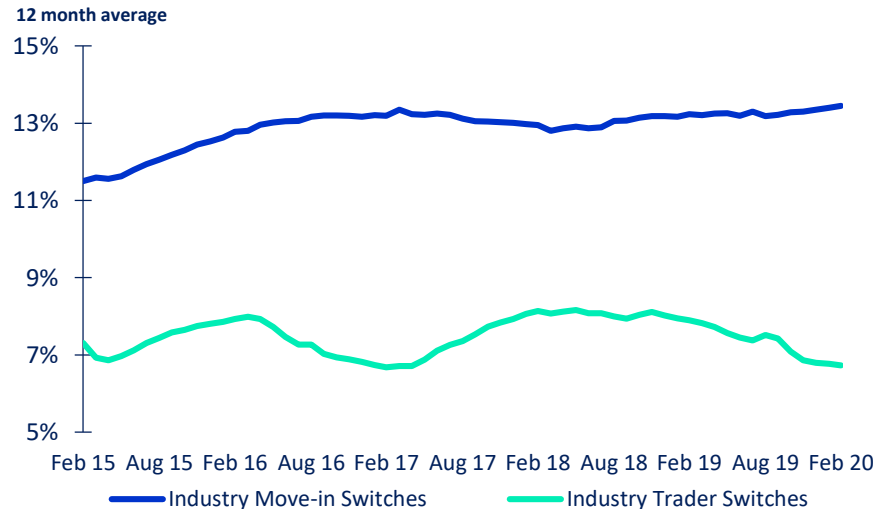
- 12-month average switching rate of customers changing retailers but not moving (“trader” switch) was 6.7% at the end of February 2020
- 12-month average switching rate of customers moving and changing retailers (“move-in” switch) was 13.4% at the end of February 2020

## NATIONAL DEMAND (WEEKLY)



Source: Electricity Authority (final pricing demand)

## MARKET ICP SWITCHING (ALL RETAILERS)

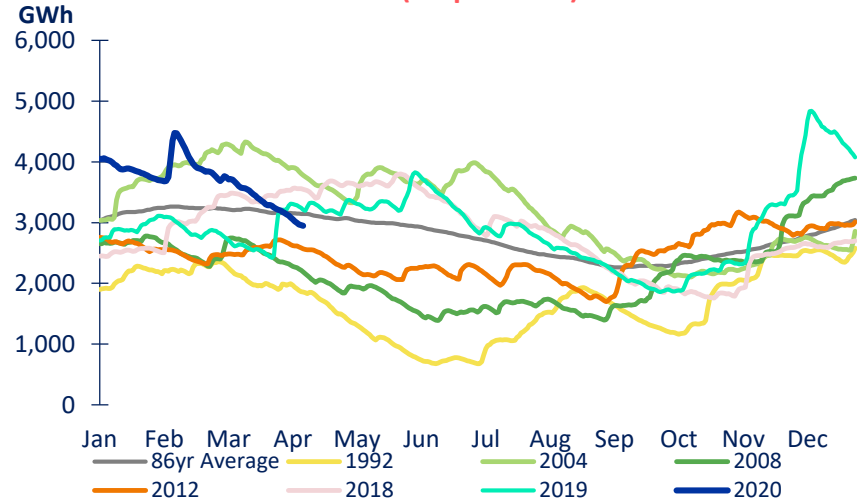


Source: Electricity Authority

# MARKET DATA

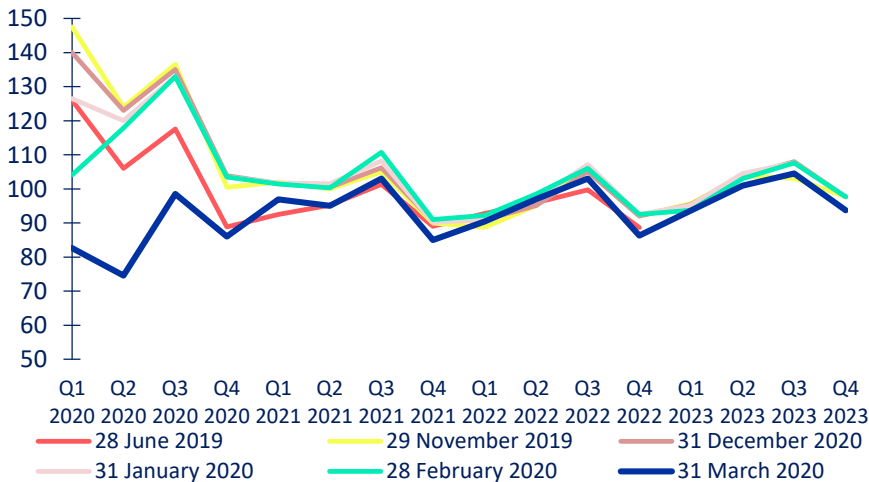
- March 2020 saw changes in near-term ASX prices and across the Benmore curve
- Pohokura offshore gas wells and the HVDC link returned to full operation in late March/early April 2020 respectively
- National storage decreased from 111% of average on 10 March 2020 to 94% of average on 9 April 2020
- South Island storage decreased to 96% of historical average on 9 April 2020. North Island storage decreased to 71% of average

**NATIONAL HYDRO STORAGE (9 April 2020)**



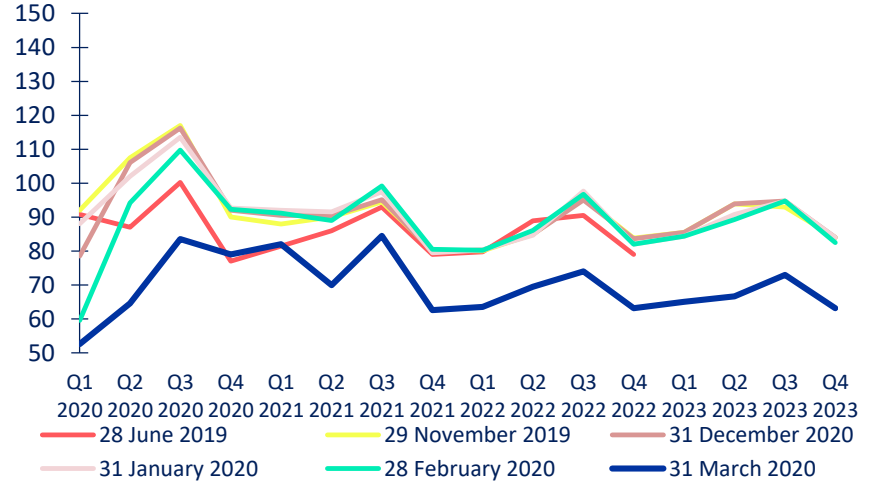
Source: NZX

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



Source: ASX

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

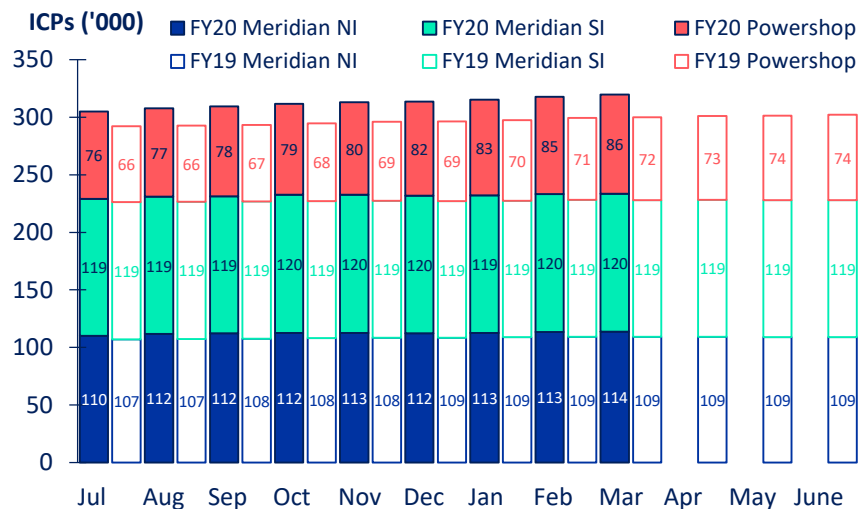


Source: ASX

# NEW ZEALAND RETAIL

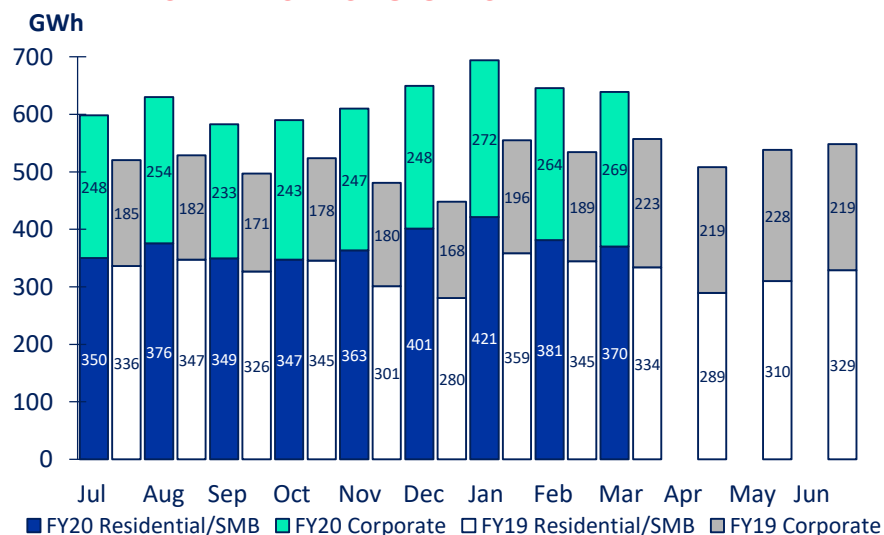
- Meridian's New Zealand customer connection numbers rose 0.6% during March 2020 and have risen 5.8% since June 2019
  - Retail sales volumes in March 2020 were 14.7% higher than March 2019
  - Compared to March 2019, residential/SMB sales volumes increased by 10.7% (increases in all segments) and corporate sales volumes increased by 20.7%
  - To date this financial year, retail sales volumes are 21.4% higher than the same period last year
  - This reflects a 13.0% increase in residential/SMB sales volumes and a 36.4% increase in corporate sales volumes
- April 2020 is seeing significantly lower business and commercial sales, higher residential sales from the level 4 lockdown

## MERIDIAN'S NZ CUSTOMER CONNECTIONS



Source: Meridian

## MERIDIAN'S RETAIL SALES VOLUMES\*



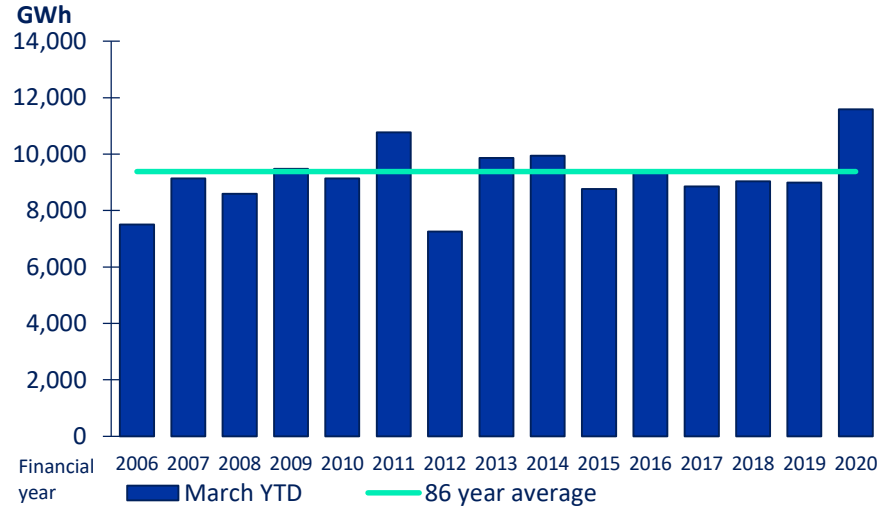
Source: Meridian

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

# NEW ZEALAND STORAGE

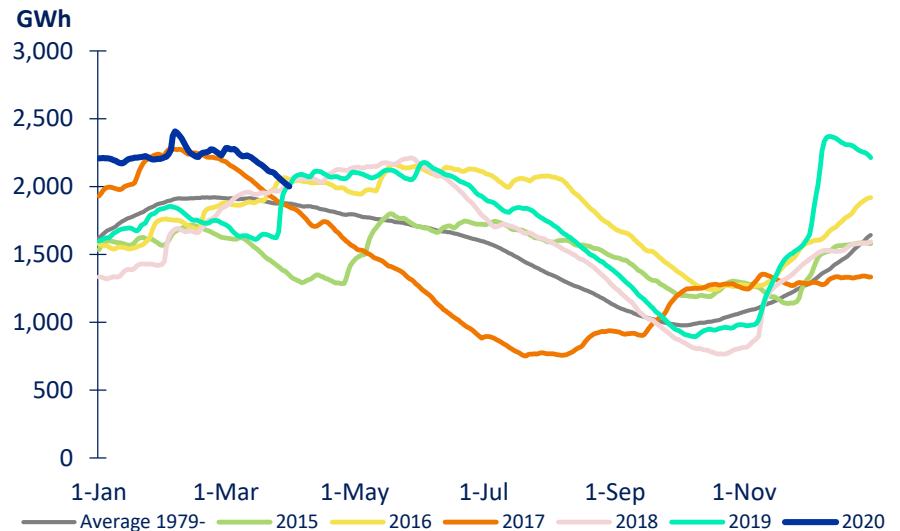
- March 2020 monthly inflows were 79% of historical average
- To date this financial year, inflows are 124% of historical average
- Meridian's Waitaki catchment storage moved from 2,229GWh to 2,002GWh during March 2020
- Waitaki storage at the end of March 2020 was 107% of historical average and consistent with the same time last year
- Storage in Meridian's Waiau catchment was below average at the end of March 2020

**MERIDIAN'S COMBINED CATCHMENT INFLOWS**



Source: Meridian

**MERIDIAN'S WAITAKI STORAGE**



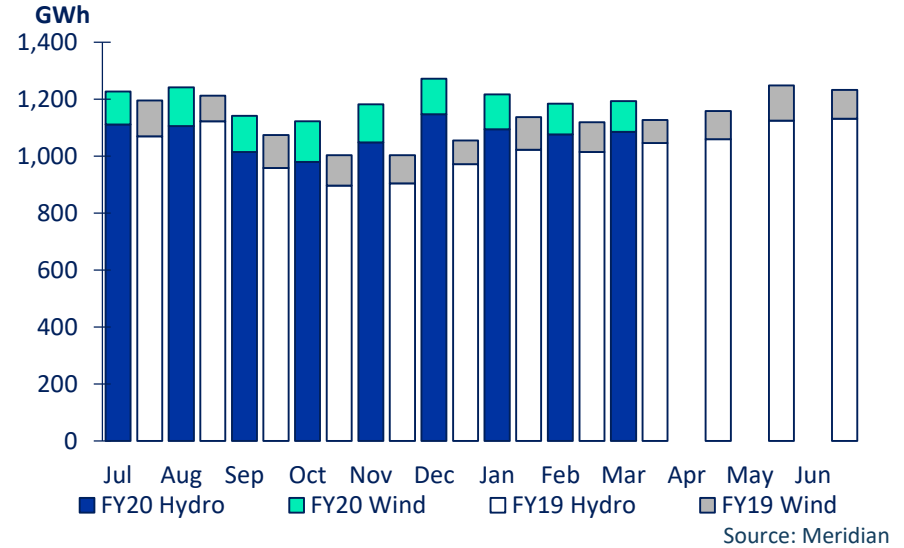
Source: Meridian

# NEW ZEALAND GENERATION

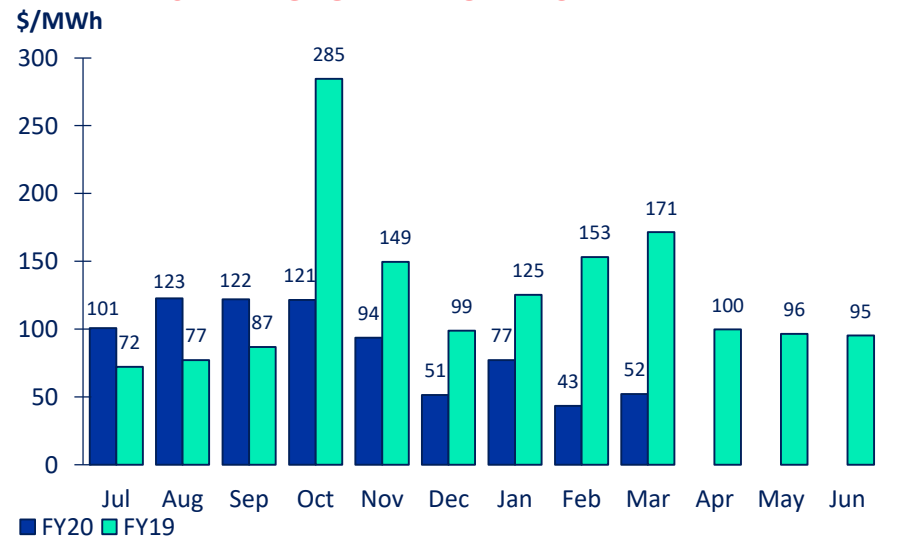
- Meridian's New Zealand generation in March 2020 was 5.9% higher than the same month last year, reflecting higher hydro and wind generation
  - To date this financial year, Meridian's New Zealand generation is 8.9% higher than the same period last year, reflecting higher hydro and wind generation
- April has seen lower market generation, with reduced thermal generation in response to decreased demand, lower spot prices and completion of HVDC outages
- The average price Meridian received for its generation in March 2020 was 69.6% lower than the same month last year
  - The average price Meridian paid to supply customers in March 2020 was 68.7% lower than the same month last year
  - To date this financial year, the average price Meridian received for its generation is 34.8% lower than the same period last year and the average price paid to supply customers is 35.7% lower

\*price received for Meridian's physical generation

MERIDIAN'S NEW ZEALAND GENERATION



MERIDIAN'S AVERAGE GENERATION PRICE\*

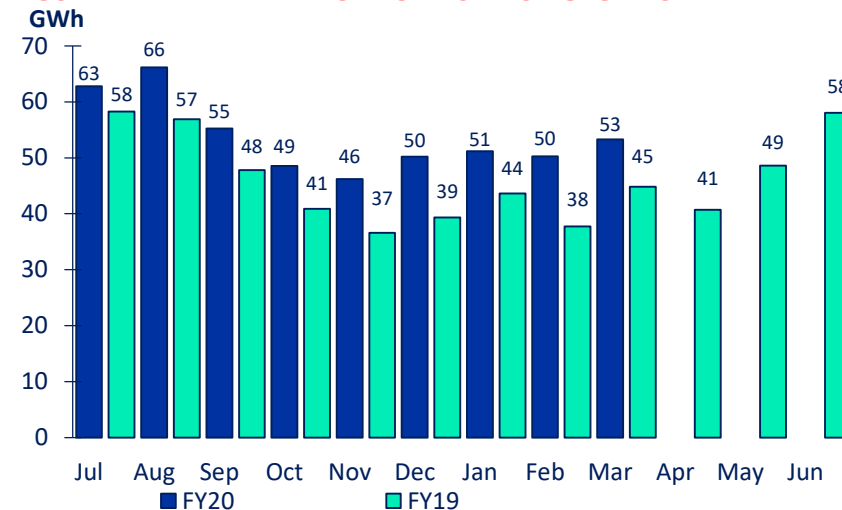


# AUSTRALIAN RETAIL

- Australian retail electricity sales volumes in March 2020 were 18.9% higher than the same month last year
- To date this financial year, Australian retail electricity sales volume is 19.2% higher than the same period last year
- Powershop Australia electricity customer connection numbers rose 2.1% during March 2020 and have risen 22.4% since June 2019
- Gas customer connection numbers rose 5.9% during March 2020, with total sales in the month of 52TJ

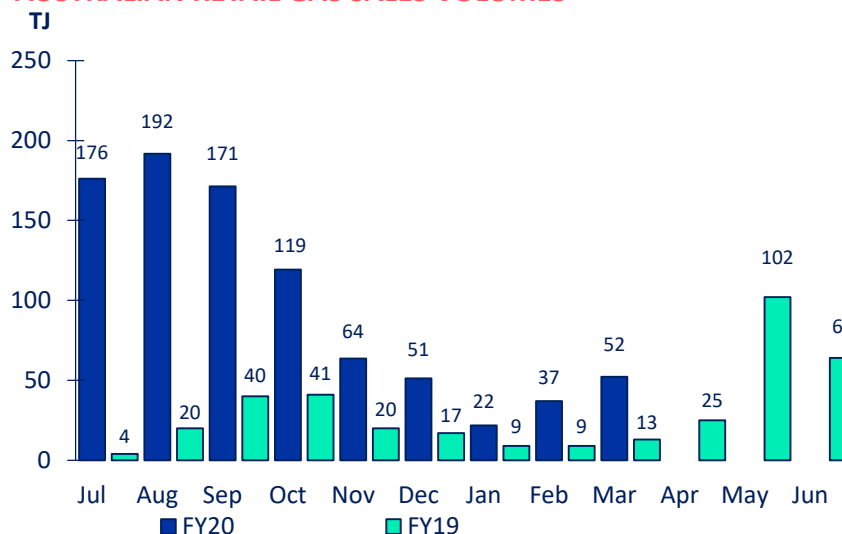
▪ April 2020 electricity sales are higher, reflecting Powershop Australia's predominately residential customer base

**AUSTRALIAN RETAIL ELECTRICITY SALES VOLUMES**



Source: Meridian

**AUSTRALIAN RETAIL GAS SALES VOLUMES**



Source: Meridian  
8

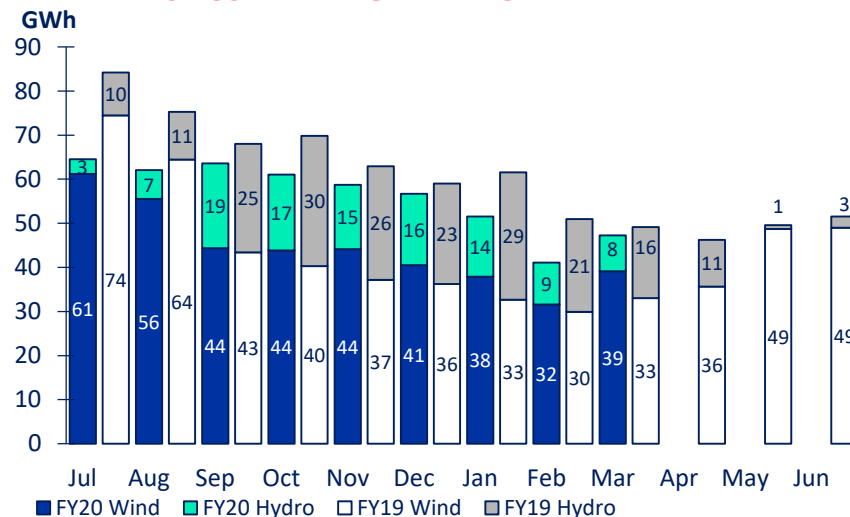


# AUSTRALIAN GENERATION

- Meridian's Australian generation in March 2020 was 3.8% lower than the same month last year, reflecting higher wind generation and lower hydro generation
- To date this financial year, Meridian's Australian generation is 12.8% lower than the same period last year, reflecting higher wind generation and lower hydro generation

Grid demand in the Australian market fell 7% in March 2020 compared to the prior year, and has fallen further in April 2020 with COVID-19 policy measures

**MERIDIAN'S AUSTRALIAN GENERATION**



Source: Meridian

# NEW ZEALAND

	MARCH 2020 MONTH	MARCH 2019 MONTH	FEBRUARY 2020 MONTH	JANUARY 2020 MONTH	9 MONTHS TO MARCH 2020	9 MONTHS TO MARCH 2019
<b>New Zealand sales</b>						
Retail contracted sales volume (GWh)	639	557	646	694	5,640	4,645
Average retail contracted sales price <sup>1</sup> (\$NZ/MWh)	\$108.3	\$101.3	\$109.5	\$103.3	\$106.8	\$102.8
NZAS sales volume (GWh)	463	463	433	463	4,105	3,951
Financial contract sales volumes <sup>2</sup> (GWh)	354	187	283	170	1,708	1,774
Avg. wholesale & financial contracts sales price <sup>3</sup> (\$NZ/MWh)	\$66.7	\$80.3	\$68.7	\$66.5	\$67.3	\$68.7
Retail customer supply volumes (GWh)	666	587	682	733	5,910	4,900
Cost to supply retail customers (\$NZ/MWh)	\$67.4	\$186.0	\$67.9	\$95.1	\$99.8	\$154.3
Cost to supply wholesale customers (\$NZ/MWh)	\$44.7	\$168.2	\$36.6	\$76.8	\$84.2	\$133.8
Cost of financial contracts (\$NZ/MWh)	\$45.7	\$163.0	\$47.0	\$86.7	\$81.1	\$128.3
Total New Zealand customer connections <sup>4</sup>	319,778	299,905	317,784	315,225		
<b>New Zealand generation</b>						
Hydro generation volumes (GWh)	1,085	1,047	1,077	1,095	9,665	9,009
Wind generation volumes (GWh)	109	81	108	122	1,118	921
<b>Total generation volumes (GWh)</b>	<b>1,194</b>	<b>1,128</b>	<b>1,185</b>	<b>1,217</b>	<b>10,783</b>	<b>9,930</b>
Average generation price <sup>5</sup> (\$NZ/MWh)	\$52.1	\$171.5	\$43.4	\$77.1	\$86.7	\$132.9
<b>New Zealand hedging</b>						
Hedging volume <sup>6</sup> (GWh)	428	186	342	296	1,956	1,533
Hedging costs (\$NZ/MWh)	\$106.4	\$71.2	\$100.7	\$96.1	\$84.7	\$68.4
Hedging spot revenue average price (\$NZ/MWh)	\$59.8	\$168.4	\$75.1	\$100.0	\$89.5	\$145.7
Future contract close outs (\$NZ m)	-\$0.1	-\$2.8	-\$0.2	-\$0.2	-\$5.3	-\$6.5

	MARCH 2020 MONTH	MARCH 2019 MONTH	FEBRUARY 2020 MONTH	JANUARY 2020 MONTH	9 MONTHS TO MARCH 2020	9 MONTHS TO MARCH 2019
<b>Australian contracted sales</b>						
Retail contracted electricity sales volume (GWh)	53	45	50	51	484	406
Average electricity contracted sales price <sup>1</sup> (\$A/MWh)	\$142.0	\$157.2	\$150.4	\$130.0	\$149.7	\$158.1
Retail contracted gas sales volume (TJ)	52	13	37	22	884	173
Average gas contracted sales price <sup>1</sup> (\$A/GJ)	\$18.7	\$45.1	\$22.2	\$33.4	\$15.6	\$21.7
Financial contract sales volumes <sup>2</sup> (GWh)	46		43	46	489	
Financial contracted sales average price (\$A/MWh)	\$122.0		\$122.0	\$122.0	\$93.7	
Cost to supply electricity customers (\$A/MWh)	\$53.6	\$152.3	\$111.9	\$257.6	\$118.3	\$137.5
Cost to supply gas customers (\$A/GJ)	\$13.6	\$38.8	\$20.4	\$41.1	\$12.1	\$15.0
Cost of financial contracts (\$A/MWh)	\$45.8		\$52.2	\$138.8	\$83.5	
Powershop electricity customer connections <sup>7</sup>	134,399	104,450	131,647	127,847		
Powershop gas customer connections <sup>8</sup>	35,392	18,225	33,428	32,387		

	MARCH 2020 MONTH	MARCH 2019 MONTH	FEBRUARY 2020 MONTH	JANUARY 2020 MONTH	9 MONTHS TO MARCH 2020	9 MONTHS TO MARCH 2019
<b>Australian generation</b>						
Wind generation volumes (GWh)	39	33	32	38	398	392
Average wind generation price <sup>5</sup> (\$A/MWh)	\$77.8	\$175.3	\$474.6	\$225.9	\$152.6	\$150.7
Hydro generation volumes (GWh)	8	16	9	14	108	189
Average hydro generation price <sup>5</sup> (\$A/MWh)	\$43.8	\$123.1	\$56.4	\$153.1	\$88.3	\$113.1
PPA generation received (GWh)	30	23	28	29	276	132
Average PPA generation price [net of costs] (\$A/MWh)	-\$8.9	\$42.0	\$1.4	\$59.5	\$23.8	\$24.1
<b>Australian hedging</b>						
Hedging volume <sup>6</sup> (GWh)	42		43	39	383	
Hedging costs (\$A/MWh)	\$185.1		\$197.7	-\$23.1	\$107.7	
Hedging spot revenue average price (\$A/MWh)	\$43.5		\$58.6	\$130.3	\$85.8	
Future contract close outs (\$A M)	-\$0.1	\$0.1	\$0.5	\$0.0	\$1.1	\$0.1

	MARCH 2020 MONTH	MARCH 2019 MONTH	FEBRUARY 2020 MONTH	JANUARY 2020 MONTH	9 MONTHS TO MARCH 2020	9 MONTHS TO MARCH 2019
<b>Meridian Group</b>						
Employee and Operating Costs (\$m)	24	23	24	22	215	203
Stay in Business Capital Expenditure (\$m)	4	3	3	3	33	31
Investment Capital Expenditure (\$m)	2	1	2	1	13	12
<b>Total Capital Expenditure (\$m)</b>	<b>6</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>46</b>	<b>43</b>

## 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

# 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>												
Retail contracted sales volume (GWh)	599	630	583	590	610	650	694	646	639			
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			
NZAS sales volume (GWh)	463	463	447	463	448	463	463	433	463			
Financial contract sales volumes (GWh)	150	176	148	129	135	164	170	283	354			
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			
Retail customer supply volumes (GWh)	645	662	581	623	650	669	733	682	666			
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			
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			
Cost of financial contracts (\$NZ/MWh)	\$101.9	\$118.2	\$120.5	\$112.6	\$92.8	\$81.6	\$86.7	\$47.0	\$45.7			
Total New Zealand customer connections	304,993	307,798	309,372	311,694	313,150	313,599	315,225	317,784	319,778			
<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			
Wind generation volume (GWh)	116	135	126	143	133	125	122	108	109			
<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>			
Average generation price (\$NZ/MWh)	\$100.7	\$122.7	\$121.9	\$121.4	\$93.7	\$51.4	\$77.1	\$43.4	\$52.1			
<b>New Zealand hedging</b>												
Hedging volume (GWh)	145	139	132	145	148	182	296	342	428			
Hedging costs (\$NZ/MWh)	\$65.0	\$63.2	\$62.2	\$64.4	\$67.3	\$64.4	\$96.1	\$100.7	\$106.4			
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			
Future contract close outs (\$NZm)	-0.3	-0.6	-1.4	-1.5	-0.2	-0.9	-0.2	-0.2	-0.1			
<b>Australia contracted sales</b>												
Retail contracted electricity sales volume (GWh)	63	66	55	49	46	50	51	50	53			
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			
Retail contracted gas sales volume (TJ)	176	192	171	119	64	51	22	37	52			
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			
Financial contract sales volumes <sup>2</sup> (GWh)	54	43	60	65	63	68	46	43	46			
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			
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			
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			
Cost of financial contracts (\$A/MWh)	\$86.9	\$101.0	\$103.6	\$100.1	\$68.3	\$58.2	\$138.8	\$52.2	\$45.8			
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			
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			
<b>Australia generation</b>												
Wind generation volume (GWh)	61	56	44	44	44	41	38	32	39			
Average wind generation price (\$A/MWh)	\$115.7	\$124.7	\$127.3	\$125.5	\$110.3	\$101.9	\$225.9	\$474.6	\$77.8			
Hydro generation volume (GWh)	3	7	19	17	15	16	14	9	8			
Average hydro generation price (\$A/MWh)	\$81.0	\$104.0	\$99.2	\$99.4	\$66.9	\$64.4	\$153.1	\$56.4	\$43.8			
PPA generation received (GWh)	35	34	30	31	30	29	29	28	30			
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			
<b>Australia hedging</b>												
Hedging volume (GWh)	36	39	36	50	48	50	39	43	42			
Hedging costs (\$A/MWh)	\$67.2	\$98.6	\$107.3	\$95.5	\$89.9	\$89.9	-\$23.1	\$197.7	\$185.1			
Hedging spot revenue average price (\$A/MWh)	\$99.6	\$105.4	\$111.4	\$107.7	\$72.3	\$58.6	\$130.3	\$58.6	\$43.5			
Future contract close outs (\$A M)	\$0.0	\$0.2	-\$0.1	\$0.0	\$0.7	-\$0.1	\$0.0	\$0.5	-\$0.1			
<b>Meridian Group</b>												
Employee and Operating Costs (\$NZ m)	24	24	25	25	24	22	22	24	24			
Stay in Business Capital Expenditure (\$NZ m)	4	3	4	4	4	4	3	3	4			
Investment Capital Expenditure (\$NZ m)	1	2	2	1	2	1	1	2	2			
<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>			

# FY19 OPERATING INFORMATION

	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019
<b>New Zealand contracted sales</b>												
Retail contracted sales volume (GWh)	521	529	497	524	481	448	555	534	557	508	538	548
Average retail contracted sales price (\$NZ/MWh)	\$113.1	\$110.7	\$106.7	\$98.3	\$98.5	\$95.5	\$98.2	\$102.0	\$101.3	\$105.4	\$112.7	\$113.9
NZAS sales volume (GWh)	426	426	411	439	444	463	463	418	463	448	463	448
Financial contract sales volumes (GWh)	386	196	140	149	146	217	157	196	187	168	168	129
Average wholesale & financial contracts sales price (\$NZ/MWh)	\$63.9	\$58.5	\$58.0	\$65.9	\$72.7	\$68.9	\$69.4	\$80.6	\$80.3	\$73.0	\$72.3	\$69.6
Retail customer supply volumes (GWh)	541	560	528	554	509	468	581	572	587	538	578	592
Cost to supply retail customers (\$NZ/MWh)	\$87.1	\$90.0	\$95.0	\$309.8	\$183.0	\$115.5	\$141.3	\$171.6	\$186.0	\$113.4	\$113.3	\$102.8
Cost to supply wholesale customers (\$NZ/MWh)	\$68.9	\$74.4	\$88.7	\$284.1	\$137.1	\$98.1	\$125.8	\$153.6	\$168.2	\$97.5	\$93.1	\$89.7
Cost of financial contracts (\$NZ/MWh)	\$71.8	\$93.1	\$94.3	\$267.7	\$152.7	\$116.5	\$126.1	\$156.8	\$163.0	\$104.4	\$96.3	\$103.0
Total New Zealand customer connections	292,091	292,906	293,386	294,695	296,064	296,532	297,621	299,351	299,905	301,230	301,508	302,277
<b>New Zealand generation</b>												
Hydro generation volume (GWh)	1,070	1,123	959	897	905	972	1,022	1,015	1,047	1,060	1,125	1,132
Wind generation volume (GWh)	126	90	115	107	99	83	116	104	81	99	123	100
<b>Total generation volume (GWh)</b>	<b>1,196</b>	<b>1,213</b>	<b>1,074</b>	<b>1,004</b>	<b>1,004</b>	<b>1,055</b>	<b>1,138</b>	<b>1,119</b>	<b>1,128</b>	<b>1,159</b>	<b>1,248</b>	<b>1,232</b>
Average generation price (\$NZ/MWh)	\$72.1	\$77.2	\$86.8	\$284.6	\$149.5	\$98.8	\$125.3	\$153.1	\$171.5	\$99.8	\$96.5	\$95.2
<b>New Zealand hedging</b>												
Hedging volume (GWh)	170	167	147	200	190	177	155	142	186	144	149	138
Hedging costs (\$NZ/MWh)	\$65.7	\$63.1	\$62.5	\$77.7	\$74.7	\$61.7	\$69.3	\$66.6	\$71.2	\$65.0	\$66.3	\$63.9
Hedging spot revenue average price (\$NZ/MWh)	\$74.5	\$80.8	\$87.9	\$290.6	\$180.8	\$104.6	\$127.7	\$157.7	\$168.4	\$103.1	\$101.9	\$97.5
Future contract close outs (\$NZm)	-0.1	-0.3	-0.6	-0.5	-0.5	-0.5	-0.4	-0.7	-2.8	-1.1	-0.4	-0.1
<b>Australia contracted sales</b>												
Retail contracted electricity sales volume (GWh)	58	57	48	41	37	39	44	38	45	41	49	58
Average electricity contracted sales price <sup>1</sup> (\$A/MWh)	\$149.6	\$168.9	\$159.4	\$150.4	\$151.5	\$165.9	\$160.0	\$159.2	\$157.2		\$162.2	\$159.7
Retail contracted gas sales volume (TJ)	4	20	40	41	20	17	9	9	13	25	102	64
Average gas contracted sales price <sup>1</sup> (\$A/GJ)	\$16.1	\$15.5	\$14.2	\$15.7	\$20.7	\$24.7	\$39.2	\$45.2	\$45.1		\$15.4	\$19.4
Financial contract sales volumes <sup>2</sup> (GWh)											51	42
Financial contracted sales average price (\$A/MWh)											\$64.1	\$80.7
Cost to supply electricity customers (\$A/MWh)	\$103.1	\$105.7	\$114.1	\$108.7	\$113.3	\$111.4	\$332.0	\$108.0	\$152.3		\$112.4	\$133.7
Cost to supply gas customers (\$A/GJ)	\$14.8	\$12.8	\$15.0	\$6.8	\$8.9	\$14.0	\$19.3	\$35.6	\$38.8		\$11.7	\$29.4
Cost of financial contracts (\$A/MWh)											\$70.1	\$100.2
Powershop electricity customer connections <sup>7</sup>	96,743	96,801	96,657	97,514	98,618	99,368	101,020	102,730	104,450	106,240	108,332	109,804
Powershop gas customer connections <sup>8</sup>	1,137	4,776	7,558	9,577	11,333	12,508	14,309	16,751	18,225	19,990	21,426	22,612
<b>Australia generation</b>												
Wind generation volume (GWh)	74	64	43	40	37	36	38	30	33	36	49	49
Average wind generation price (\$A/MWh)	\$153.0	\$148.0	\$163.9	\$178.3	\$123.2	\$134.9	\$225.9	\$151.6	\$175.3		\$143.9	\$126.1
Hydro generation volume (GWh)	10	11	25	30	26	23	14	21	16	11	1	3
Average hydro generation price (\$A/MWh)	\$37.3	\$46.0	\$128.6	\$92.0	\$90.9	\$94.8	\$153.1	\$86.3	\$123.1		\$79.3	\$77.4
PPA generation received (GWh)	11	10	7	13	12	11	29	22	23		33	31
Average PPA generation price [net of costs] (\$A/MWh)	-\$66.0	-\$63.9	-\$71.3	-\$65.5	\$121.3	\$20.8	\$59.5	\$34.3	\$42.0		\$40.4	\$34.2
<b>Australia hedging</b>												
Hedging volume (GWh)											80	51
Hedging costs (\$A/MWh)											\$65.6	\$95.9
Hedging spot revenue average price (\$A/MWh)											\$58.2	\$99.0
Future contract close outs (\$A M)	-\$0.1	-\$0.1	\$0.1	-\$0.1	\$0.0	\$0.0	\$0.0	\$0.2	\$0.1		\$0.0	\$0.1
<b>Meridian Group</b>												
Employee and Operating Costs (\$NZ m)	22	23	24	22	22	22	22	22	23	22	26	29
Stay in Business Capital Expenditure (\$NZ m)	5	3	4	5	4	3	3	3	3	4	5	9
Investment Capital Expenditure (\$NZ m)	1	1	1	1	1	1	1	2	1	1	2	1
<b>Total Capital Expenditure (\$NZ m)</b>	<b>6</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>7</b>	<b>10</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>
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