



Meridian.

# Monthly Operating Report

September 2020



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## September highlights

In the month to 8 October 2020, national hydro storage increased from 56% to 94% of historical average

South Island storage sat at 101% of average and North Island storage at 72% of average on 8 October 2020

Meridian's September 2020 monthly total inflows were 169% of historical average

Meridian's Waitaki catchment water storage at the end of September 2020 was 78% of historical average

Water storage in Meridian's Waiau catchment was above average at the end of September 2020

Waitaki snow storage at the end of September 2020 was 113% of historical average

September 2020 was a record month of wind generation for Meridian in New Zealand

National electricity demand in September 2020 was 0.1% higher than the same month last year

September 2020 was dry for the north of the North Island and wet for much of the South Island. Temperatures were near average for most of the country. Soil moisture levels were below normal for much of the eastern parts of New Zealand

New Zealand Aluminium Smelter's average load during September 2020 was 561MW

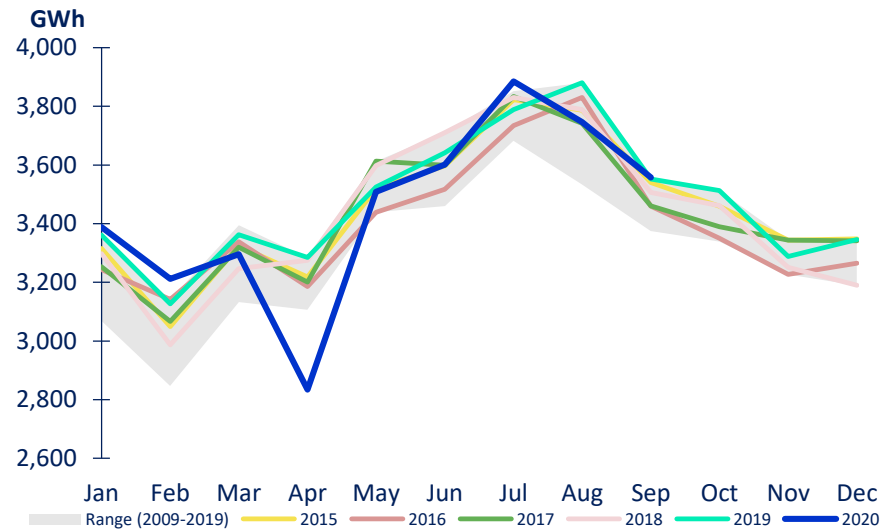
Meridian's New Zealand retail sales volumes in September 2020 were 12.7% higher than September 2019

Compared to September 2019, Meridian saw increased sales in all segments: residential (+3.9%), small medium business (+10.2%) agricultural (+13.8%), large business (+25.7%) and corporate (+16.6%)

## Market data

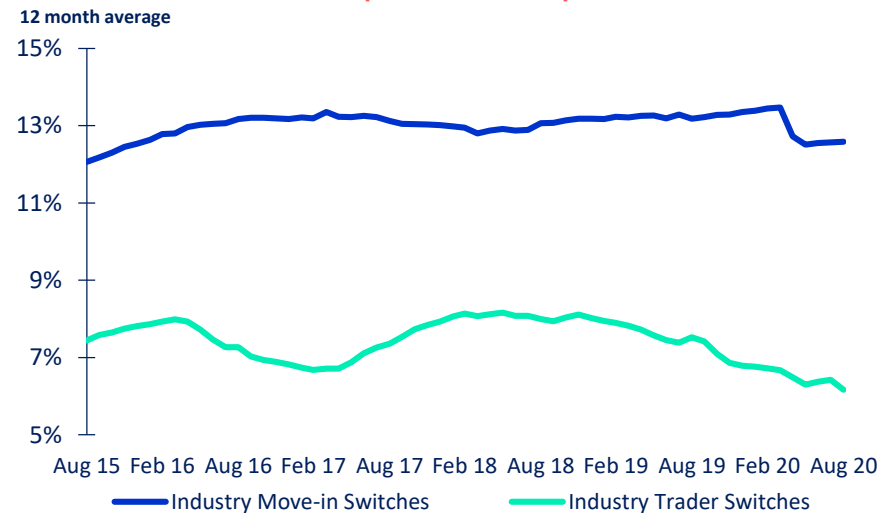
- National electricity demand in September 2020 was 0.1% higher than the same month last year
- September 2020 was dry for the north of the North Island and wet for much of the South Island. Temperatures were near average for most of the country. Soil moisture levels were below normal for much of the eastern parts of New Zealand
- Demand in the last 12 months was 0.6% lower than the preceding 12 months
- New Zealand Aluminium Smelter's average load during September 2020 was 561MW
- 12-month average switching rate of customers changing retailers but not moving ("trader" switch) was 6.2% at the end of August 2020
- 12-month average switching rate of customers moving and changing retailers ("move-in" switch) was 12.6% at the end of August 2020

### NATIONAL DEMAND



Source: Electricity Authority (reconciled demand)

### MARKET ICP SWITCHING (ALL RETAILERS)

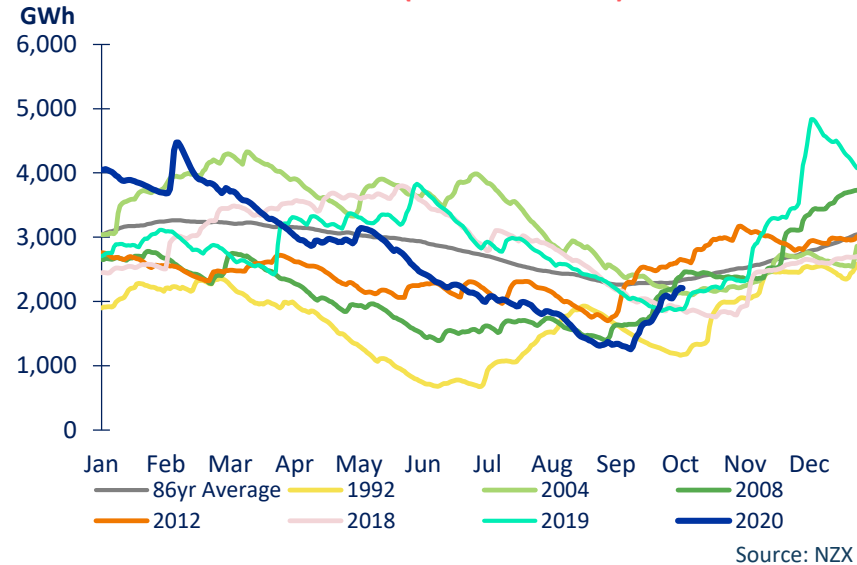


Source: Electricity Authority

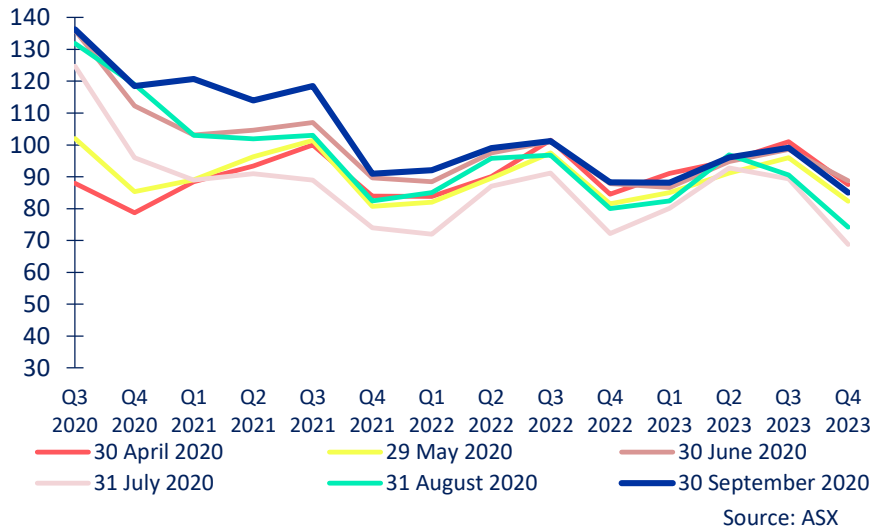
# Market data

- September 2020 saw further increases in ASX prices
- National storage increased from 56% of average on 14 September 2020 to 94% of average on 8 October 2020
- South Island storage increased to 101% of historical average on 8 October 2020. North Island storage increased to 72% of average

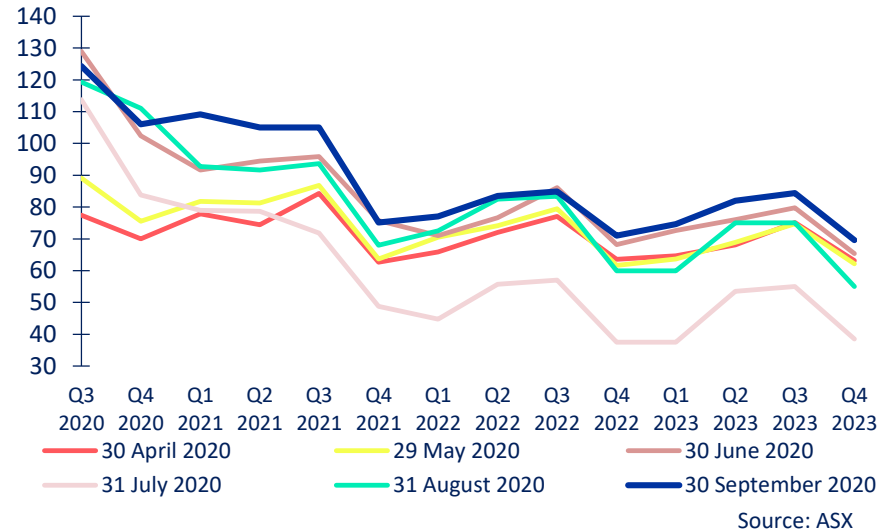
## NATIONAL HYDRO STORAGE (8 October 2020)



## OTAHUHU ASX FUTURES SETTLEMENT PRICE \$/MWh



## BENMORE ASX FUTURES SETTLEMENT PRICE \$/MWh

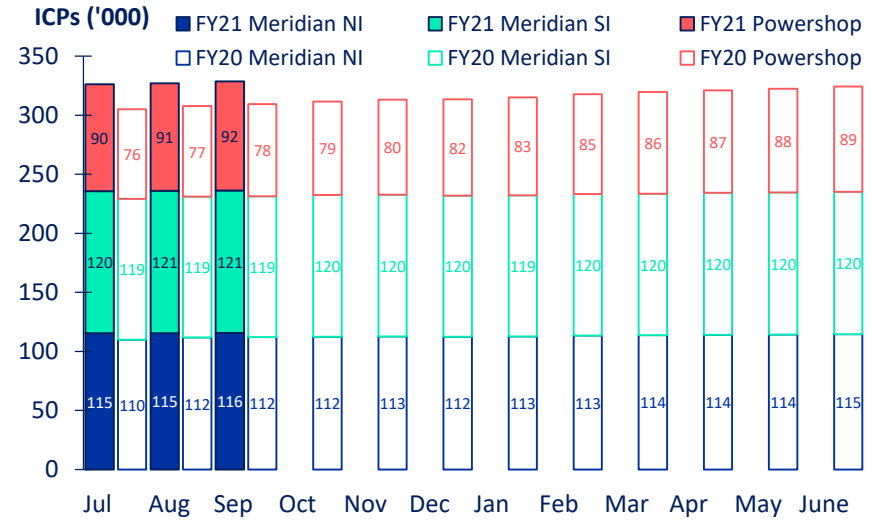


# New Zealand retail

- Meridian’s New Zealand customer connection numbers rose 0.5% during September 2020 and have risen 1.3% since June 2020
- Retail sales volumes in September 2020 were 12.7% higher than September 2019
- Compared to September 2019, Meridian saw increased sales in all segments: residential (+3.9%), small medium business (+10.2%) agricultural (+13.8%), large business (+25.7%) and corporate (+16.6%)
- To date this financial year, retail sales volumes are 11.4% higher than the same period last year
- This reflects increased sales in all segments: residential (+6.5%), small medium business (+11.7%) agricultural (+12.0%), large business (+20.4%) and corporate (+12.6%)

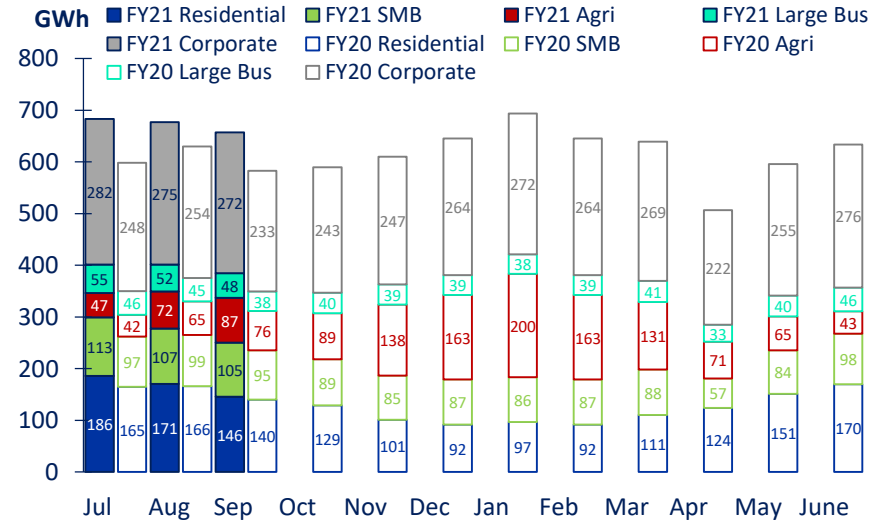
\*excludes volumes sold to New Zealand Aluminium Smelters and CFDs

## MERIDIAN'S NZ CUSTOMER CONNECTIONS



Source: Meridian

## MERIDIAN'S RETAIL SALES VOLUME\*

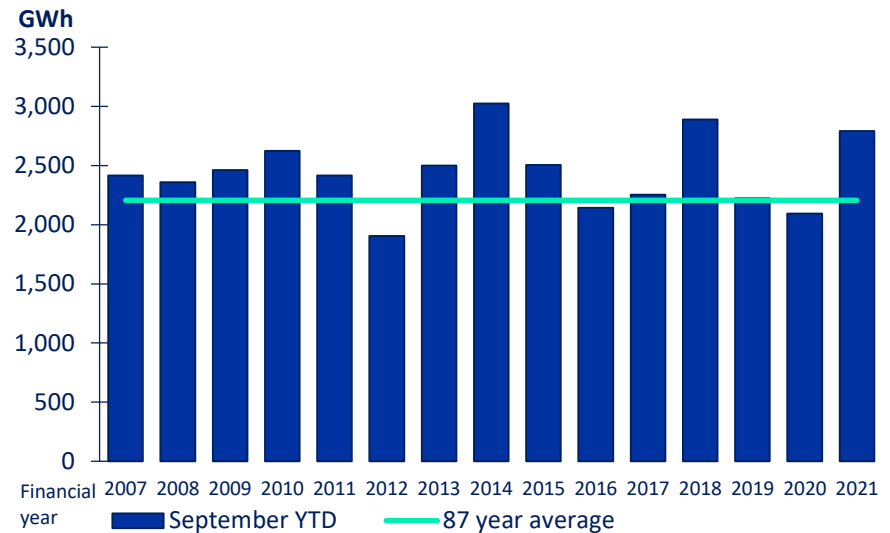


Source: Meridian

## New Zealand storage

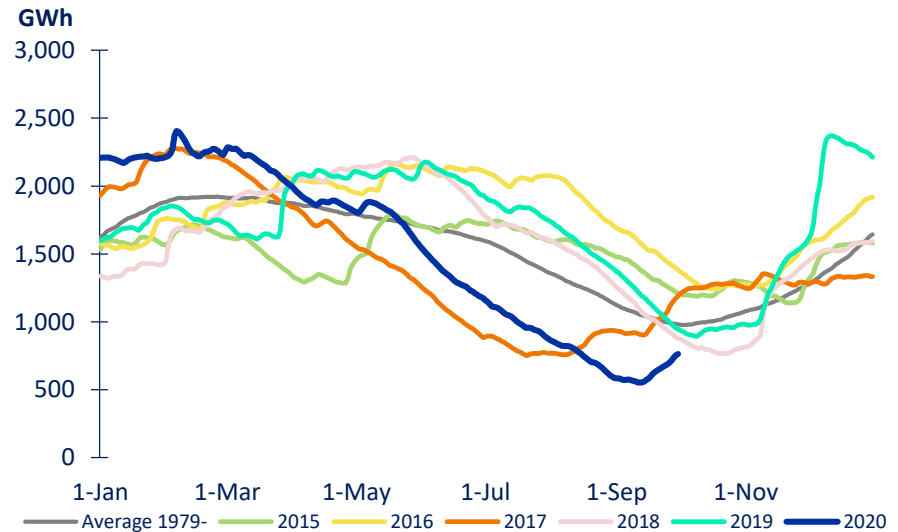
- September 2020 monthly inflows were 169% of historical average
- To date this financial year, inflows are 127% of historical average
- Meridian's Waitaki catchment water storage moved from 587GWh to 763GWh during September 2020
- Waitaki water storage at the end of September 2020 was 78% of historical average and 19% lower than the same time last year
- Water storage in Meridian's Waiau catchment was above average at the end of September 2020
- Waitaki snow storage at the end of September 2020 was 113% of historical average

### MERIDIAN'S COMBINED CATCHMENT INFLOWS



Source: Meridian

### MERIDIAN'S WAITAKI STORAGE

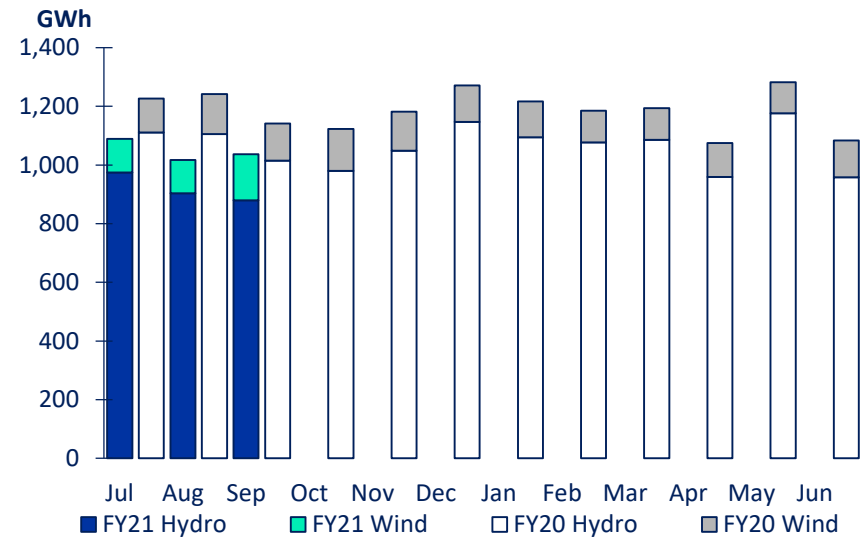


Source: Meridian

## New Zealand generation

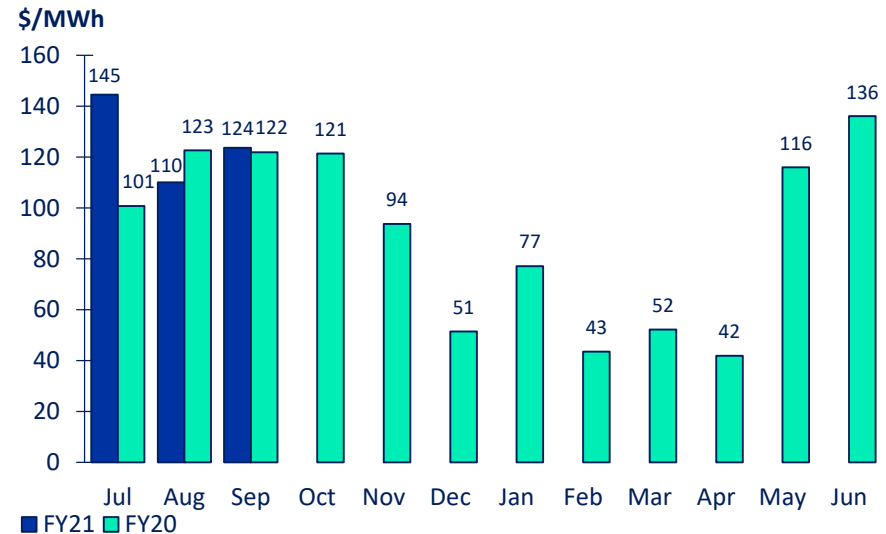
- Meridian's New Zealand generation in September 2020 was 9.1% lower than the same month last year, reflecting lower hydro and higher wind generation
- September 2020 was a record month of wind generation for Meridian
- To date this financial year, Meridian's New Zealand generation is 12.9% lower than the same period last year, reflecting lower hydro and higher wind generation
- The average price Meridian received for its generation in September 2020 was 1.4% higher than the same month last year
- The average price Meridian paid to supply customers in September 2020 was 4.5% higher than the same month last year
- To date this financial year, the average price Meridian received for its generation is 10.0% higher than the same period last year and the average price paid to supply customers is 12.6% higher

### MERIDIAN'S NEW ZEALAND GENERATION



Source: Meridian

### MERIDIAN'S AVERAGE GENERATION PRICE\*



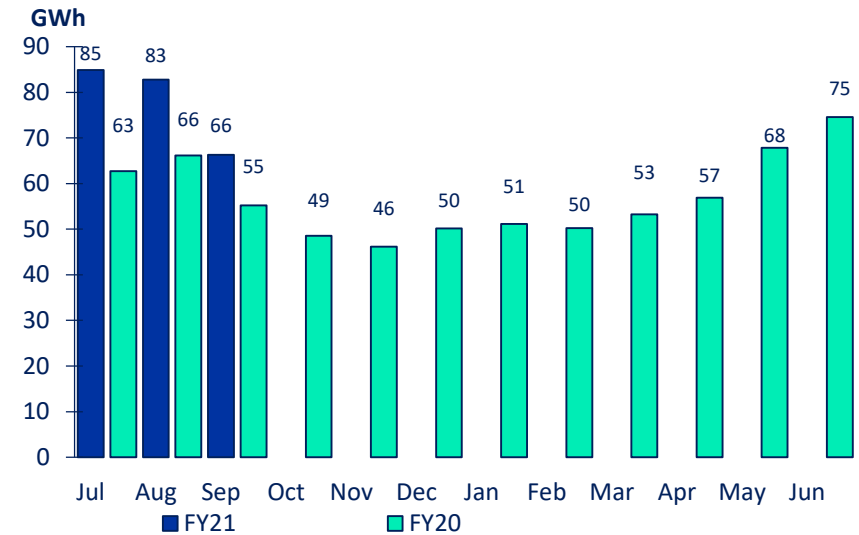
\*price received for Meridian's physical generation

Source: Meridian

## Australian retail

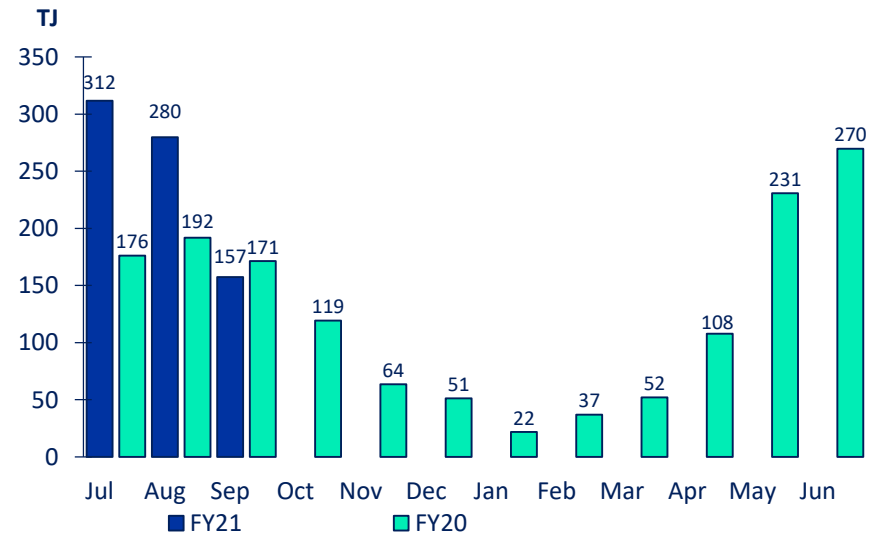
- Powershop Australia electricity customer connection numbers rose 0.6% during September 2020 and have risen 1.5% since June 2020
- Electricity sales volumes in September 2020 were 20.0% higher than the same month last year
- To date this financial year, electricity sales volumes are 27.1% higher than the same period last year
- Powershop Australia gas customer connection numbers rose 0.7% during September 2020 and have risen 3.6% since June 2020
- Gas sales volumes in September 2020 were 8.2% lower than the same month last year
- To date this financial year, gas sales volumes are 38.9% higher than the same period last year

### AUSTRALIAN RETAIL ELECTRICITY SALES VOLUMES



Source: Meridian

### AUSTRALIAN RETAIL GAS SALES VOLUMES



Source: Meridian



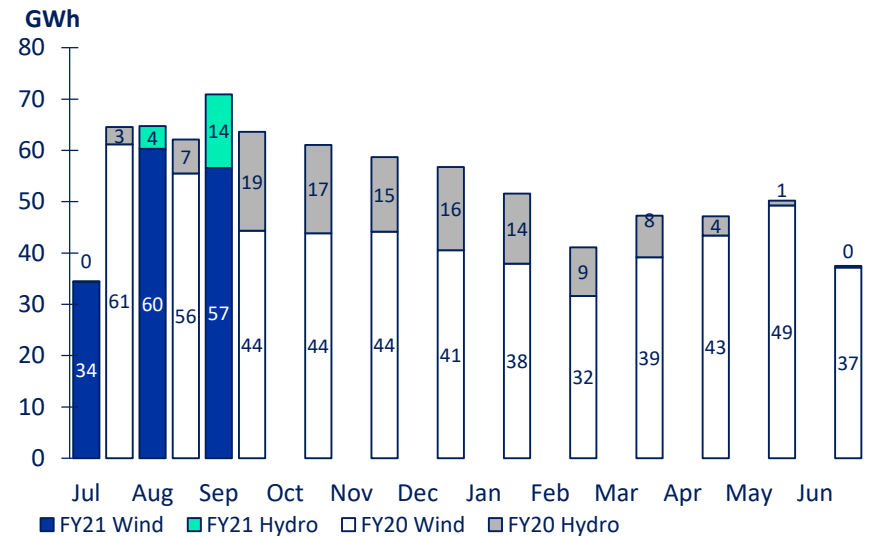
## Australian generation

- Meridian's Australian generation in September 2020 was 11.5% 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 10.6% lower than the same period last year, reflecting lower wind and lower hydro generation
- Storage at Meridian's Hume hydro power station increased to 72% of capacity by early October 2020
- NEM<sup>1</sup> electricity demand in September 2020 was 3% lower than the same month last year
- Average spot prices across the four key NEM states in September 2020 were 65% lower than the same month last year

<sup>1</sup>See glossary on page 17 for a definition of Australia's National Electricity Market

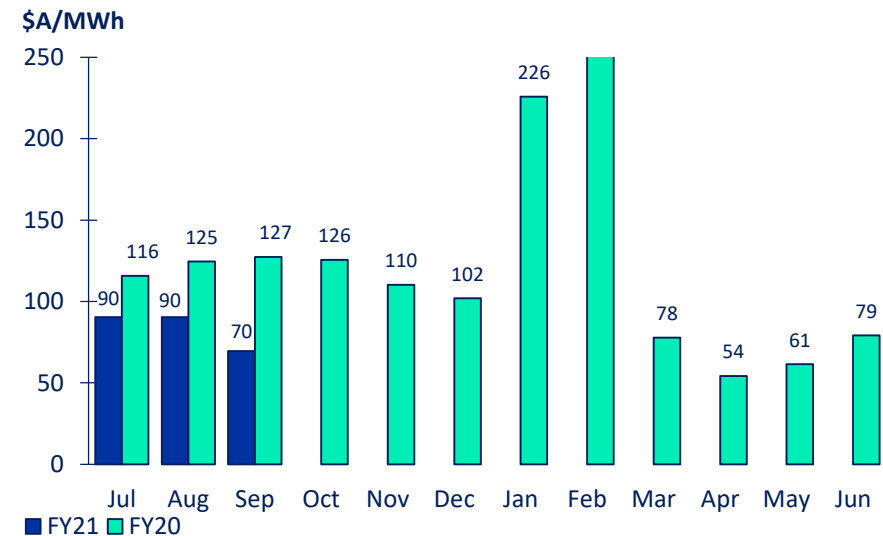
<sup>2</sup>February 2020 average wind generation price includes the settlement of CY19 forward sold Large Generation Certificates

### MERIDIAN'S AUSTRALIAN GENERATION



Source: Meridian

### AVERAGE WIND GENERATION PRICE<sup>2</sup>



Source: Meridian

# New Zealand

	SEPTEMBER 2020 MONTH	SEPTEMBER 2019 MONTH	AUGUST 2020 MONTH	JULY 2020 MONTH	3 MONTHS TO SEPTEMBER 2020	3 MONTHS TO SEPTEMBER 2019
<b>New Zealand sales</b>						
Residential sales volume (GWh)	146	140	171	186	503	472
Small medium business sales volume (GWh)	105	95	107	113	325	291
Agricultural sales volume (GWh)	86	76	72	47	205	183
Large business sales volume (GWh)	48	38	52	55	155	129
Corporate and industrial sales volume (GWh)	272	234	275	282	829	736
<b>Retail contracted sales volume (GWh)</b>	<b>657</b>	<b>583</b>	<b>677</b>	<b>683</b>	<b>2,017</b>	<b>1,811</b>
Average retail contracted sales price <sup>1</sup> (\$NZ/MWh)	\$118.1	\$109.6	\$119.3	\$120.4	\$119.3	\$112.9
NZAS sales volume (GWh)	411	447	426	426	1,262	1,373
Financial contract sales volumes <sup>2</sup> (GWh)	201	148	125	188	514	473
Avg. wholesale & financial contracts sales price <sup>3</sup> (\$NZ/MWh)	\$74.2	\$68.4	\$70.4	\$82.0	\$75.7	\$69.8
Retail customer supply volumes (GWh)	696	581	717	704	2,117	1,888
Cost to supply retail customers (\$NZ/MWh)	\$140.3	\$129.3	\$120.6	\$165.1	\$141.9	\$125.1
Cost to supply wholesale customers (\$NZ/MWh)	\$122.2	\$126.1	\$109.6	\$143.8	\$125.2	\$114.7
Cost of financial contracts (\$NZ/MWh)	\$127.8	\$120.5	\$113.1	\$143.7	\$130.0	\$113.7
Total New Zealand customer connections <sup>4</sup>	328,602	309,372	327,125	326,148		

# New Zealand

	SEPTEMBER 2020 MONTH	SEPTEMBER 2019 MONTH	AUGUST 2020 MONTH	JULY 2020 MONTH	3 MONTHS TO SEPTEMBER 2020	3 MONTHS TO SEPTEMBER 2019
<b>New Zealand generation</b>						
Hydro generation volumes (GWh)	879	1,015	904	975	2,758	3,232
Wind generation volumes (GWh)	158	126	113	114	386	378
<b>Total generation volumes (GWh)</b>	<b>1,037</b>	<b>1,141</b>	<b>1,017</b>	<b>1,089</b>	<b>3,144</b>	<b>3,610</b>
Average generation price <sup>5</sup> (\$NZ/MWh)	\$123.7	\$121.9	\$110.1	\$144.5	\$126.5	\$115.0
<b>New Zealand hedging</b>						
Hedging volume <sup>6</sup> (GWh)	268	132	266	318	852	416
Hedging cost average price (\$NZ/MWh)	\$101.2	\$62.2	\$104.6	\$109.3	\$105.3	\$63.5
Hedging spot revenue average price (\$NZ/MWh)	\$132.6	\$124.0	\$123.8	\$133.4	\$130.2	\$119.3
Future contract close outs (\$NZ m)	-\$2.9	-\$1.4	-\$1.9	-\$1.6	-\$6.4	-\$2.2

# Australia

	SEPTEMBER 2020 MONTH	SEPTEMBER 2019 MONTH	AUGUST 2020 MONTH	JULY 2020 MONTH	3 MONTHS TO SEPTEMBER 2020	3 MONTHS TO SEPTEMBER 2019
<b>Australian contracted sales</b>						
Retail contracted electricity sales volume (GWh)	66	55	83	85	234	184
Average electricity contracted sales price <sup>1</sup> (\$A/MWh)	\$146.3	\$131.2	\$137.7	\$142.7	\$142.2	\$143.2
Retail contracted gas sales volume (TJ)	157	171	280	312	749	539
Average gas contracted sales price <sup>1</sup> (\$A/GJ)	\$12.0	\$13.4	\$11.5	\$14.7	\$12.9	\$13.8
Financial contract sales volumes <sup>2</sup> (GWh)	29	60	33	26	88	157
Financial contracted sales average price (\$A/MWh)	\$66.5	\$90.1	\$65.7	\$67.6	\$66.5	\$86.6
Cost to supply electricity customers (\$A/MWh)	\$61.3	\$118.0	\$85.5	\$79.5	\$76.6	\$116.7
Cost to supply gas customers (\$A/GJ)	\$14.6	\$9.8	\$11.3	\$10.1	\$11.5	\$11.0
Cost of financial contracts (\$A/MWh)	\$37.0	\$103.6	\$53.5	\$56.7	\$49.1	\$97.1
Powershop electricity customer connections <sup>7</sup>	138,289	115,099	137,530	136,696		
Powershop gas customer connections <sup>8</sup>	39,251	26,529	38,978	38,544		

# Australia

	SEPTEMBER 2020 MONTH	SEPTEMBER 2019 MONTH	AUGUST 2020 MONTH	JULY 2020 MONTH	3 MONTHS TO SEPTEMBER 2020	3 MONTHS TO SEPTEMBER 2019
<b>Australian generation</b>						
Wind generation volumes (GWh)	57	44	60	34	151	161
Average wind generation price <sup>5</sup> (\$A/MWh)	\$69.6	\$127.3	\$90.4	\$90.3	\$82.6	\$122.0
Hydro generation volumes (GWh)	14	19	4	0	19	29
Average hydro generation price <sup>5</sup> (\$A/MWh)	\$39.0	\$99.2	\$51.7	-	\$41.9	\$98.2
PPA generation received (GWh)	34	30	33	27	94	99
Average PPA generation price [net of costs] (\$A/MWh)	-\$14.4	\$38.4	-\$3.8	-\$1.6	-\$7.0	\$30.1
<b>Australian hedging</b>						
Hedging volume <sup>6</sup> (GWh)	37	36	42	35	115	110
Hedging costs (\$A/MWh)	\$82.6	\$105.6	\$78.3	\$48.4	\$70.6	\$97.3
Hedging spot revenue average price (\$A/MWh)	\$40.6	\$111.4	\$55.8	\$18.6	\$39.5	\$105.5
Future contract close outs (\$A M)	\$0.0	-\$0.1	\$0.0	-\$0.2	-\$0.3	\$0.1

# Meridian group

	SEPTEMBER 2020 MONTH	SEPTEMBER 2019 MONTH	AUGUST 2020 MONTH	JULY 2020 MONTH	3 MONTHS TO SEPTEMBER 2020	3 MONTHS TO SEPTEMBER 2019
<b>Meridian Group</b>						
Employee and Operating Costs <sup>1</sup> (\$m)	21	22	21	21	63	65
Stay in Business Capital Expenditure (\$m)	4	4	4	3	10	11
Investment Capital Expenditure (\$m)	3	6	3	7	13	4
<b>Total Capital Expenditure (\$m)</b>	<b>7</b>	<b>6</b>	<b>7</b>	<b>10</b>	<b>23</b>	<b>15</b>

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

# 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	146									
Small medium business sales volume (GWh)	113	107	105									
Agricultural sales volume (GWh)	47	72	86									
Large business sales volume (GWh)	55	52	48									
Corporate and industrial sales volume (GWh)	282	275	272									
<b>Retail contracted sales volume (GWh)</b>	<b>683</b>	<b>677</b>	<b>657</b>									
Average retail contracted sales price (\$NZ/MWh)	\$120.4	\$119.3	\$118.1									
NZAS sales volume (GWh)	426	426	411									
Financial contract sales volumes (GWh)	188	125	201									
Average wholesale & financial contracts sales price (\$NZ/h)	\$82.0	\$70.4	\$74.2									
Retail customer supply volumes (GWh)	704	717	696									
Cost to supply retail customers (\$NZ/MWh)	\$165.1	\$120.6	\$140.3									
Cost to supply wholesale customers (\$NZ/MWh)	\$143.8	\$109.6	\$122.2									
Cost of financial contracts (\$NZ/MWh)	\$143.7	\$113.1	\$127.8									
<b>Total New Zealand customer connections</b>	<b>326,148</b>	<b>327,125</b>	<b>328,602</b>									
<b>New Zealand generation</b>												
Hydro generation volume (GWh)	975	904	879									
Wind generation volume (GWh)	114	113	158									
<b>Total generation volume (GWh)</b>	<b>1,089</b>	<b>1,017</b>	<b>1,037</b>									
Average generation price (\$NZ/MWh)	\$144.5	\$110.1	\$123.7									
<b>New Zealand hedging</b>												
Hedging volume (GWh)	318	266	268									
Hedging cost average price (\$NZ/MWh)	\$109.3	\$104.6	\$101.2									
Hedging spot revenue average price (\$NZ/MWh)	\$133.4	\$123.8	\$132.6									
Future contract close outs (\$NZm)	-1.6	-1.9	-2.9									
<b>Australia contracted sales</b>												
Retail contracted electricity sales volume (GWh)	85	83	66									
Average electricity contracted sales price <sup>1</sup> (\$A/MWh)	\$142.7	\$137.7	\$146.3									
Retail contracted gas sales volume (TJ)	312	280	157									
Average gas contracted sales price <sup>1</sup> (\$A/GJ)	\$14.7	\$11.5	\$12.0									
Financial contract sales volumes <sup>2</sup> (GWh)	26	33	29									
Financial contracted sales average price (\$A/MWh)	\$67.6	\$65.7	\$66.5									
Cost to supply electricity customers (\$A/MWh)	\$79.5	\$85.5	\$61.3									
Cost to supply gas customers (\$A/GJ)	\$10.1	\$11.3	\$14.6									
Cost of financial contracts (\$A/MWh)	\$56.7	\$53.5	\$37.0									
Powershop electricity customer connections <sup>7</sup>	136,696	137,530	138,289									
Powershop gas customer connections <sup>8</sup>	38,544	38,978	39,251									
<b>Australia generation</b>												
Wind generation volume (GWh)	34	60	57									
Average wind generation price (\$A/MWh)	\$90.3	\$90.4	\$69.6									
Hydro generation volume (GWh)	0	4	14									
Average hydro generation price (\$A/MWh)	-	\$51.7	\$39.0									
PPA generation received (GWh)	27	33	34									
Average PPA generation price [net of costs] (\$A/MWh)	-\$1.6	-\$3.8	-\$14.4									
<b>Australia hedging</b>												
Hedging volume (GWh)	35	42	37									
Hedging costs (\$A/MWh)	\$48.4	\$78.3	\$82.6									
Hedging spot revenue average price (\$A/MWh)	\$18.6	\$55.8	\$40.6									
Future contract close outs (\$A M)	-\$0.2	\$0.0	\$0.0									
<b>Meridian Group</b>												
Employee and Operating Costs (\$NZ m)	21	21	21									
Stay in Business Capital Expenditure (\$NZ m)	3	4	4									
Investment Capital Expenditure (\$NZ m)	7	3	3									
<b>Total Capital Expenditure (\$NZ m)</b>	<b>10</b>	<b>7</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