

DEMAND RESPONSE AGREEMENT

Parties:

Meridian Energy Limited (Meridian)

New Zealand Aluminium Smelters Limited (NZAS)

Background

The Parties have agreed to enter into this Agreement with the intention to provide support in managing periods of low hydrology and grid instability in New Zealand, and it is the parties' intention that when an Option is called by Meridian under this Agreement, NZAS will reduce Consumption accordingly.

Definitions:

"Actual Reduction" means, in respect of a Half Hour during a DR Period, Ramp-Down Period or Ramp-Up Period, the amount by which NZAS has reduced Consumption for that separate Half Hour, calculated as $M - D$, where:

$M =$ the lower of (i) the average of the Volume Consumed in each Half Hour during the Reference Period (expressed in MWh per Half Hour) or (ii) 286 MWh per Half Hour.

$D =$ the average of the Volume Consumed in that separate Half Hour during the DR Period, Ramp-Down Period or Ramp-Up Period.

"Agreement" means this Demand Response Agreement entered into by Meridian and NZAS.

"Calendar Day" means a day starting at 00:00 hours and ending at 23:59 hours.

"Demand Response Premium" means the premium set out in clause 10 of this Agreement.

"DR Cessation Notice" is defined in clause 6 of this Agreement.

"DR Exercise Notice" is defined in clause 1 of this Agreement.

"DR Period" means, for each Option, the period specified in the DR Exercise Notice for that Option during which Meridian requires NZAS to reduce Consumption. The DR Period will commence on 00:00 hours on the first day of the period and end on 23:59 hours on the last day of the period.

"DR Reduction" means, for each Option, the amount by which Meridian requires NZAS to reduce Consumption during the DR Period, as set out in Schedule 1.

“Effective Date”	<p>occurs when the following items are complete:</p> <ul style="list-style-type: none"> a) this Agreement has been signed by both parties; b) the Electricity Authority has provided clearance pursuant to clause 13.273 of the Electricity Industry Participation Code 2010 in respect of this Agreement and the letter titled ‘Electricity Agreement – Amendment Letter’; c) the letter titled ‘Electricity Agreement – Amendment Letter’ dated on or about the date of this Agreement has been signed by both parties; and d) NZAS has obtained the guarantor acknowledgements as required in the letter titled ‘Electricity Agreement – Amendment Letter’.
“Electricity Agreement”	means the electricity agreement dated 1 October 2007 between NZAS and Meridian, as amended and supplemented from time to time.
“Expiry Date”	means 31 December 2024.
“GST”	means goods and services tax chargeable, or to which a person may be liable, under the Goods and Services Tax Act 1985.
“Maximum Callable Volume”	means, at any time, an aggregate DR Reduction across all currently called Options of 25 MWh per Half Hour.
“Minimum Notice Period”	means, for each Option, the minimum notice period to exercise that Option, as set out in Schedule 1 of this Agreement.
“Option”	means one of the five options set out in Schedule 1 of this Agreement.
“Ramp-Down Period”	means, for each Option, the period prior to the commencement of the DR Period for that Option as set out in Schedule 1.
“Ramp-Up Notice Period”	means, for each Option, the minimum notice period before the Ramp-Up Period for that Option commences, as set out in Schedule 1 of this Agreement.
“Ramp-Up Period”	means, for each Option, the period commencing at the end of the DR Period for that Option as set out in Schedule 1.
“Reference Period”	means, for each Option, the most recent period of 14 consecutive days preceding the date of the DR Exercise Notice for that Option during which no day in that period fell during a DR Period, Ramp-Down Period or Ramp-Up Period for any Option or any SDR Period.
“Regulatory Intervention”	means a change in law or regulation that Meridian reasonably considers results, or will result, in a substantial change to the electricity market that substantially affects the relative benefits and burdens to the parties of this

	Agreement, such as the imposition of a capacity or reserve energy market or similar.
"Volume Consumed"	means, in respect of a Half Hour, the quantity of electricity Consumed by NZAS in that period.
"Stand-Down Period"	means, in relation to the exercise of an Option, the period of time between the end of a Ramp-Up Period for the most recently exercised Option (if any) and the start of a Ramp-Down Period for the Option being exercised, as specified in Schedule 1 of this Agreement.
SDR Period	means any period during which NZAS must reduce Consumption in accordance with clause 4.2 of the Electricity Agreement.
"Term"	the Effective Date to the Expiry Date, unless terminated earlier in accordance with clause 15 of this Agreement.

Words and expressions defined in the Electricity Agreement have the same meaning in this Agreement, except where expressly defined in this Agreement or the context requires otherwise.

Terms of Agreement:

Demand Response

1. During the Term of this Agreement Meridian may, by giving written notice ("DR Exercise Notice") to NZAS in the form set out in Schedule 2 of this Agreement, require NZAS to reduce Consumption in accordance with the terms of this Agreement.
2. Each DR Exercise Notice must:
 - (a) specify the following:
 - (i) the Option to which the DR Exercise Notice relates;
 - (ii) the DR Reduction (expressed in MWh per Half Hour) by which Meridian is requiring NZAS to reduce Consumption during the DR Period, which when aggregated with the DR Reduction under any other Option that has been exercised and applies during the same DR Period as the Option being exercised, must be no more than the Maximum Callable Volume;
 - (iii) the commencement date of the Ramp-Down Period;
 - (iv) the first day of the DR Period, which must not fall during the Ramp-Down Period or during the Stand-Down Period or any SDR Period; and
 - (v) the last day of the DR Period, which must be no more than 60 days after the first day of the DR Period; and
 - (b) be received by NZAS no less than the Minimum Notice Period before the first day of the Ramp-Down Period specified in the DR Exercise Notice.

Subject to compliance with this clause 2, each Option can be exercised multiple times provided the Maximum Callable Volume is not exceeded at any one time.

3. NZAS shall, promptly after receipt of a DR Exercise Notice, notify Meridian in writing that it has received the DR Exercise Notice.
4. For each Half Hour during any DR Period, NZAS shall reduce its Consumption to ensure that its Actual Reduction for that Half Hour is not less than the aggregate of all applicable DR Reductions. It is acknowledged that the only consequences should NZAS fail to reduce its Consumption as required by a DR Exercise Notice will be non-payment or reduced payment of the amount payable under clause 9 and consequences in terms of clause 5.4 of the Electricity Agreement (as amended on or about the date of this Agreement), and that no other consequences or liability for NZAS will flow from such failure whether in terms of this Agreement or the Electricity Agreement or otherwise.
5. Meridian may revoke a DR Exercise Notice only if the Ramp-Down Period specified in the DR Exercise Notice has not commenced.
6. Meridian will give written notice ("DR Cessation Notice") to NZAS in the form set out Schedule 3 of this Agreement of not less than the Ramp-Up Notice Period for the relevant Option, setting out when NZAS may again increase Consumption. If Meridian fails to give a DR Cessation Notice, the DR Period for that Option shall be deemed to have ended on the earlier of the date specified in the DR Exercise Notice and the day that is 60 days after the first day of the DR Period.
7. Each DR Cessation Notice must specify the following:
 - (a) the Option to which the DR Cessation Notice relates; and
 - (b) the commencement of the Ramp-Up Period.
8. NZAS shall, promptly after receipt of a DR Cessation Notice, notify Meridian in writing that it has received the DR Cessation Notice. Meridian may not revoke a DR Cessation Notice once it has been issued to NZAS.
9. Meridian shall pay to NZAS \$ /MWh (plus GST, if any) of Actual Reduction achieved for each Half Hour during the DR Period, Ramp-Down Period and Ramp-Up Period, up to a maximum of the aggregate of all DR Reductions that applied for that Half Hour in accordance with clauses 12 to 14 below.

Demand Response Premium

10. Meridian shall pay to NZAS a Demand Response Premium of \$ plus GST, if any) each month during the Term of the Agreement. The Demand Response Premium shall be payable in arrears on the 20th day of each month (against receipt of a GST-compliant tax invoice, if required), with the final payment due on the 20th day of the month following the end of the Term in accordance with clause 7.12 of the Electricity Agreement.

Payment Terms

11. If any day in a month falls during a DR Period, Ramp-Down Period or Ramp-Up Period, Meridian shall, as soon as practicable, but no later than 10 Business Days, after the end of that month, notify NZAS in writing of the Actual Reductions achieved during the DR Period, Ramp-Down Period and Ramp-Up Period and the total amount that is payable by Meridian under clause 9 of this Agreement in respect of the previous month.
12. If an amount is payable by Meridian under clause 9 of this Agreement in respect of a month and is undisputed by NZAS, NZAS shall provide an invoice to Meridian for the payment of the amount no later than the 19th day of the following month. The amount payable by Meridian to NZAS under clause 9 in respect of a month shall be payable in arrears on the 20th day of the following month (being the day after NZAS has issued the applicable invoice to Meridian), with

the final payment due on the 20th day of the month following the end of the Term, in each case, provided Meridian receives an invoice from NZAS for this amount no later than the 19th day of the month. The invoice shall be payable in accordance with clause 7.12 of the Electricity Agreement.

13. If NZAS disputes the amount payable by Meridian as notified to NZAS under clause 12, NZAS shall notify Meridian of the dispute as soon as practicable and no later than the 15th day of the following month and clause 20 of the Electricity Agreement shall apply. If the dispute cannot be resolved before the due date for payment, Meridian shall pay the undisputed amount owing in accordance with clause 12 and, after the dispute is resolved and if further amounts are owing, Meridian shall pay any remaining amounts in the month following resolution of the dispute in accordance with clause 12.
14. If any amount payable under this agreement is due on a day that is not a Business Day, that amount is due for payment on the first Business Day following that day.

Termination

15. If:
 - (a) a Regulatory Intervention occurs after the Effective Date;
 - (b) the 400 MW Date has occurred; or
 - (c) the Electricity Agreement has terminated or will terminate before the Termination Date,

then this Agreement will terminate on the date that is:

- (d) in respect of termination under paragraph 16(a), the date the Regulatory Intervention comes into effect;
- (e) in respect of termination under paragraph 16(b), the 400 MW Date; or
- (f) in respect of termination under paragraph 16(c), the date that the Electricity Agreement has, or will, terminate.

Notices

16. All notices and invoices under this Agreement shall be addressed to the relevant party as outlined below:

NZAS shall address all notices and invoices to:

- (a) wlg.trader@meridianenergy.co.nz
- (b) hedgetrading@meridianenergy.co.nz

Meridian shall address all notices to:

- (a) meridian.notices@riotinto.com
- (b) nzas.power@riotinto.com

17. A notice will be deemed to have been received when sent by the sender. However, if a notice is received or deemed to have been received after 5pm on a Business Day in the place to which it is sent, or on a day which is not a Business Day in that place, it will be deemed not to have been received until the next Business Day in that place.

Governing law

18. This agreement shall be governed by and construed in accordance with New Zealand law and the parties accordingly submit to the non-exclusive jurisdiction of the New Zealand courts.

Counterparts

19. This agreement may be executed in two counterparts. Once both parties have executed a counterpart, and both have received an original copy of the other signed counterpart (allowing each party to have an original execution copy of this agreement), each counterpart shall be deemed to be as valid and binding on the party executing it as if it had been executed by both parties.

**NEW ZEALAND ALUMINIUM
SMELTERS LIMITED**

(Company No: 156735)

By:

Signature of Authorised Signatory

Name of Authorised Signatory

Date:

MERIDIAN ENERGY LIMITED

(Company No: 938552)

By:

Signature of Authorised Signatory

Name of Authorised Signatory

Date:

Schedule 1

Option	DR Reduction (MWh per Half Hour)	Minimum Notice Period	Ramp-Down Period	Ramp-Up Notice Period	Ramp-Up Period	Stand-Down Period
1	10	2 Business Days	6 Calendar Days	3 Calendar Days	10 Calendar Days or such other time period as agreed by the parties.	7 Calendar Days
2	7.5	<p>2 Business Days</p> <p>Option 2 may only be exercised if Meridian has already issued a DR Exercise Notice for Option 1 and provided Option 1 is not in a Ramp-Up Period.</p> <p>A Ramp-Down Period for Option 2 cannot commence until the Ramp-Down Period for Option 1 has ended and provided Option 1 is not in a Ramp-Up Period.</p>	6 Calendar Days	3 Calendar Days	8 Calendar Days or such other time period as agreed by the parties.	10 Calendar Days or such other time period as agreed by the parties.
3	7.5	<p>2 Business Days</p> <p>Option 3 may only be exercised if Meridian has already issued a DR Exercise Notice for Option 2 and provided Option 2 is not in a Ramp-Up Period.</p> <p>A Ramp-Down Period for Option 3 cannot commence until the Ramp-Down Period for Option 2 has ended and provided Option 2 is not in a Ramp-Up Period.</p>	6 Calendar Days	3 Calendar Days	8 Calendar Days or such other time period as agreed by the parties.	10 Calendar Days or such other time period as agreed by the parties.
4	15	<p>3 Business Days</p> <p>Option 4 may only be exercised if Meridian has already issued a DR Exercise Notice for Option 1 and provided Option 1 is not in a Ramp-Up Period.</p> <p>A Ramp-Down Period for Option 4 cannot commence until the Ramp-Down Period for Option 1 has ended and provided Option 1 is not in a Ramp-Up Period.</p>	8 Calendar Days	3 Calendar Days	15 Calendar Days or such other time period as agreed by the parties.	21 Calendar Days or such other time period as agreed by the parties.
5	25	3 Business Days	10 Calendar Days	3 Calendar Days	20 Calendar Days or such other time period as agreed by the parties.	35 Calendar Days or such other time period as agreed by the parties.

Schedule 2 – Template DR Exercise Notice

Email from Meridian:

To: [x]

From: wlg.trader@meridianenergy.co.nz

Sent: [Date of DR Exercise Notice inserted automatically]

Subject: Notification – DR Exercise Notice under Meridian-NZAS Demand Response Agreement

Text: We, Meridian Energy Limited, refer to the Agreement dated [x] 2023 between you and us (the "Agreement"). This email constitutes a "DR Exercise Notice" referred to in the Agreement. Terms defined in the Agreement have the same meanings as in this DR Exercise Notice.

We hereby exercise Option [x] granted to us by you under the Agreement. The Ramp-Down Period will begin at [hh:mm] [am/pm] on [dd mmm yyyy]. The DR Period will commence at 00:00 hours on [dd mmm yyyy] and will end at 00:00 hours on [dd mmm yyyy].

The DR Reduction for each Half Hour during the DR Period is [x] MWh.

For and on behalf of Meridian Energy Limited.

Schedule 3 – Template DR Cessation Notice

Email from Meridian:

To: [x]

From: wlg.trader@meridianenergy.co.mz

Sent: [Date of DR Cessation Notice inserted automatically]

Subject: Notification – DR Cessation Notice under Meridian-NZAS Demand Response Agreement

Text: We, Meridian Energy Limited, refer to the Agreement dated [x] 2023 between you and us (the "Agreement"). This email constitutes a "DR Cessation Notice" referred to in the Agreement. Terms defined in the Agreement have the same meanings as in this DR Cessation Notice.

This DR Cessation Notice applies to Option [x], the DR Period for which began on [dd mmm yyyy].

The DR Period will end at 23:59 on [dd mmm yyyy] and the Ramp-Up Period will begin at 00:00 hours on the following day.

For and on behalf of Meridian Energy Limited.