



**FY22 Q3**

# **Performance Report**

20 April 2022



**genesis** With you. For you.

# Performance Highlights

## Retail

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Brand Net Promoter Score

**29 pts**

11 point increase on pcp<sup>1</sup>

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Gas Netback

**\$17.5/GJ**

54% increase on pcp

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Energy Services

**67%**

Of new C&I customers signing up to Energy Services in FY22

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## Wholesale

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Hydro Storage

**421 GWh**

132% of average

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Generation Emissions

**Down 63%**

Carbon intensity down 53% on pcp

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Portfolio fuel cost

**\$61/MWh**

Down 6% on pcp

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## Kupe

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Gas Production

**2.9 PJ**

21% increase on pcp

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LPG Production

**11.9 kt**

13% increase on pcp

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Realised Oil Price (NZD)

**\$99/bbl**

27% increase on pcp

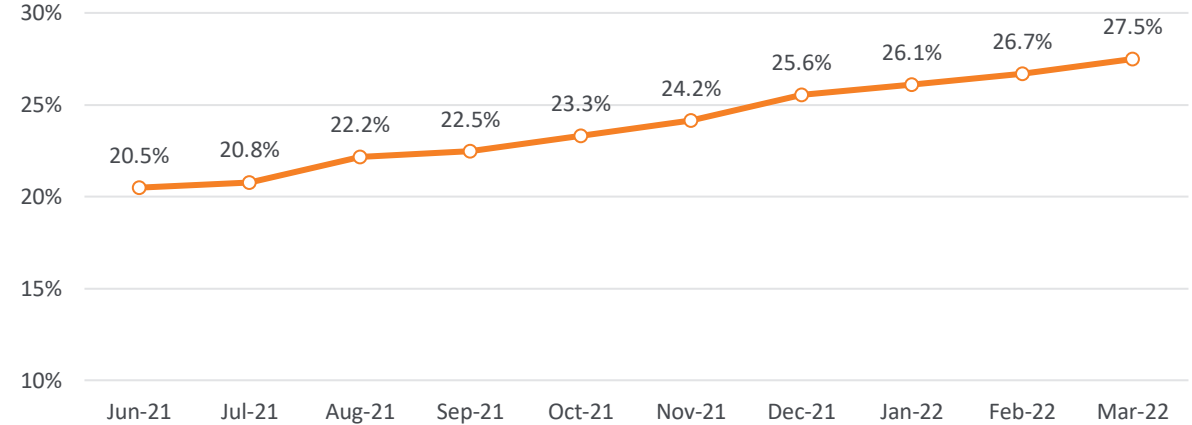
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<sup>1</sup> Pcp refers to Q3 FY21 unless otherwise stated

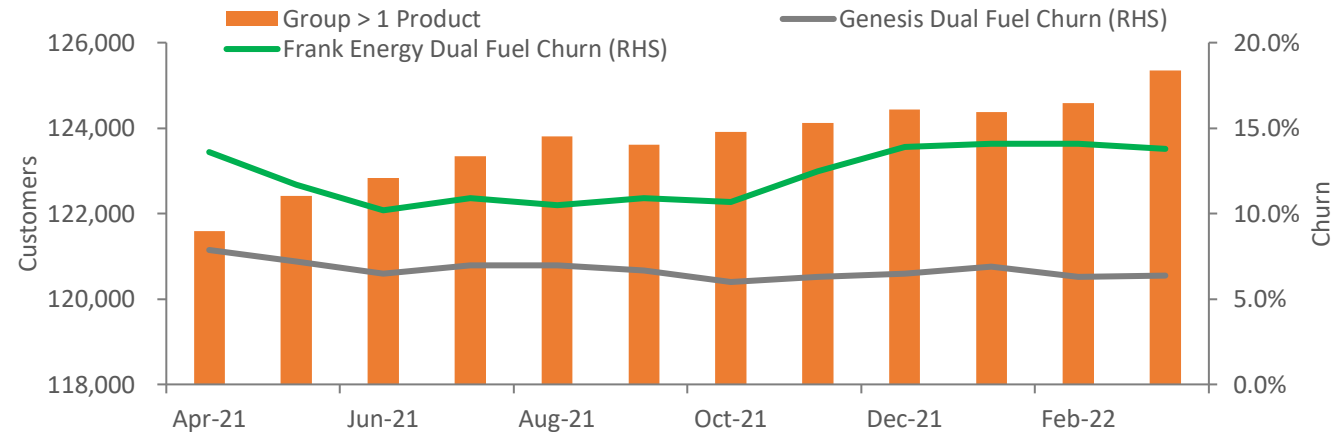
# Retail Segment

- Genesis continued to invest in customer loyalty through our Power Shout and Home Mover programmes. Trader and home mover switching declined, with net churn reducing to 12.8%. Brand NPS continued to increase, up to 29 points.
- Customer numbers were down 1.5% on pcp. Declines in electricity and gas single fuel customers were partially offset by dual-fuel and LPG growth.
- Netbacks continued to grow, with all fuels increasing on pcp. Gas was especially strong, with netback increasing by 54% as higher wholesale prices were passed on.
- Genesis' LPG customer numbers and volumes continued to grow in the period, albeit at a slower rate than previous quarters. COVID continued to reduce consumption, especially in hospitality and other SME businesses. The month of March saw an increase in consumption as businesses bounced back from lockdown. This is expected to continue in Q4.
- Genesis' C&I segment continued to focus on value, with 67% of new customers in FY22 utilising energy services. The market remains competitive and sales volumes (462 GWh) were 18% lower than pcp.

## C&I CUSTOMERS UTILISING ENERGY SERVICES



## RESIDENTIAL DUAL FUEL CUSTOMER NUMBERS & CHURN (3-MONTH ROLLING AVERAGE %)



# Wholesale and Kupe Segments

## Wholesale Segment

- Hydro conditions remain strong, with weather conditions favourable for Genesis' North Island catchments. Lake Waikaremoana received especially high inflows and has 170 GWh of storage.
- Carbon emissions declined significantly, down 63% on pcp. This was driven by increased Waipipi generation, hydro conditions and increased gas availability displacing Rankine generation.
- Genesis completed two major generation projects in the quarter, the Tekapo B runner replacement and Huntly Unit 2 statutory outage. Ongoing work at two Waikaremoana Stations fell behind schedule due to shipping delays. Piripaua is expected to return to service in April and Tuai in May.

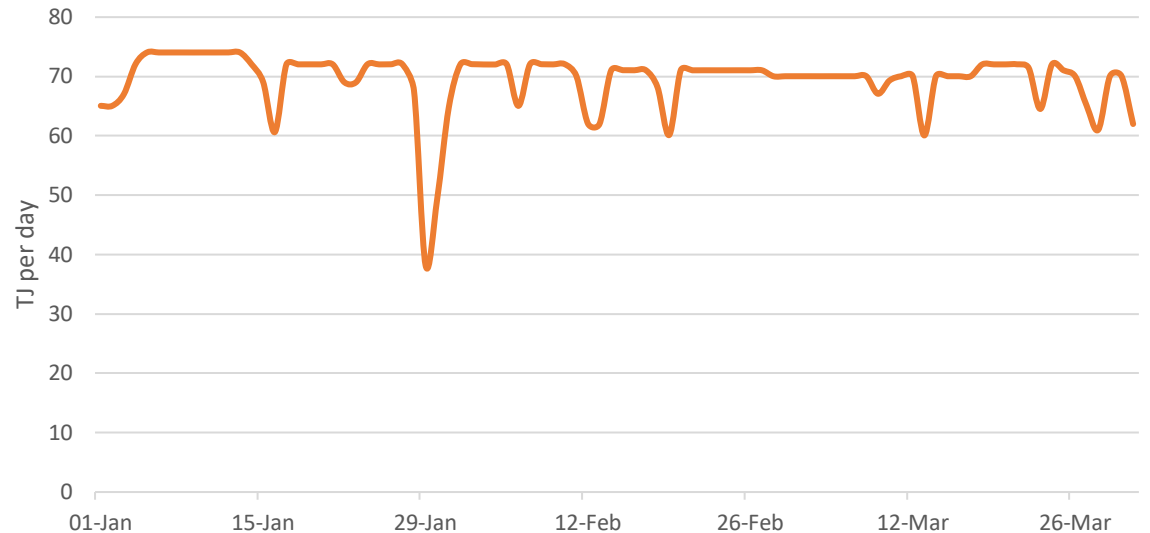
## Kupe Segment

- Following completion of the Kupe inlet compression project in Q1 FY22, production reached plant capacity of 77 TJ/day. Since commissioning, well deliverability has declined faster than expected and has impacted the ability to reach daily capacity rates. Despite this, total FY22 production remains on target, due to strong demand.
- Opportunities to increase well productivity and production rates are being assessed and include in-wellbore intervention activities and development well drilling. Subsurface analysis, planning and regulatory activities for a potential development well continued during the quarter.

## HYDROLOGY (GWH)

	Q3 FY22	Q3 FY21	
Hydro Generation	561	484	↑
Hydro Inflows	639	425	↑
Closing Storage	421 (132% of ave.)	231 (72% of ave.)	↑

## KUPE GAS PRODUCTION (TJ/day)



# Retail Operating Metrics

RETAIL SEGMENT	Q3 FY22	Q3 FY21	% Change	Var.	Q2 FY22	% Change	Var.
<b>RETAIL</b>							
Brand Net Promoter Score - Genesis Energy	29	18	61.1%	11	26	11.5%	3
Interaction Net Promoter Score - Genesis Energy	53	50	6.0%	3	49	8.2%	4
Gross Customer Churn (3 month rolling average, %)	20.2%	24.1%	(16.2%)	(3.9)ppt	20.3%	(0.5%)	(0.1)ppt
Net Customer Churn (3 month rolling average, %)	12.8%	15.2%	(15.8%)	(2.4)ppt	12.6%	1.6%	0.2ppt
Cost to Serve (\$ per ICP)	\$125	\$134	(6.7%)	(\$9)	\$124	0.8%	\$1
Electricity Netback (\$/MWh)	\$117.70	\$114.30	3.0%	\$3.40	\$113.92	3.3%	\$3.78
Gas Netback (\$/GJ)	\$17.48	\$11.32	54.4%	\$6.16	\$15.02	16.4%	\$2.46
LPG Netback (\$/t)	\$962.01	\$907.37	6.0%	\$54.64	\$1,010.41	(4.8%)	(\$48.40)
<b>CUSTOMER NUMBERS</b>							
Customers > 1 Fuel	130,838	126,023	3.8%	4,815	129,920	0.7%	918
Electricity Only Customers	287,939	299,058	(3.7%)	(11,119)	290,288	(0.8%)	(2,349)
Gas Only Customers	14,465	15,846	(8.7%)	(1,381)	15,101	(4.2%)	(636)
LPG Only Customers	34,344	33,775	1.7%	569	34,254	0.3%	90
<b>Total Customers</b>	<b>467,586</b>	<b>474,702</b>	<b>(1.5%)</b>	<b>(7,116)</b>	<b>469,563</b>	<b>(0.4%)</b>	<b>(1,977)</b>
Electricity ICPs Active-Occupied	477,496	484,074	(1.4%)	(6,578)	479,993	(0.5%)	(2,497)
Gas ICPs Active-Occupied	104,921	105,660	(0.7%)	(739)	105,083	(0.2%)	(162)
LPG Customer Connections	83,834	78,288	7.1%	5,546	83,130	0.8%	704
<b>Total ICPs</b>	<b>666,251</b>	<b>668,022</b>	<b>(0.3%)</b>	<b>(1,771)</b>	<b>668,206</b>	<b>(0.3%)</b>	<b>(1,955)</b>
<b>VOLUMES AND PRICE</b>							
Volume Weighted Average Electricity Selling Price - Resi (\$/MWh)	\$281.68	\$270.45	4.2%	\$11.23	\$274.27	2.7%	\$7.41
Volume Weighted Average Electricity Selling Price - SME (\$/MWh)	\$238.79	\$218.96	9.1%	\$19.83	\$230.47	3.6%	\$8.32
Volume Weighted Average Electricity Selling Price - C&I (\$/MWh)	\$131.31	\$133.51	(1.6%)	(\$2.20)	\$121.48	8.1%	\$9.83
Residential Electricity Sales (GWh)	554	568	(2.5%)	(14)	647	(14.4%)	(93)
SME Electricity Sales (GWh)	244	273	(10.6%)	(29)	273	(10.6%)	(29)
C&I Electricity Sales (GWh)	462	566	(18.4%)	(104)	532	(13.2%)	(70)
<b>Total Electricity Sales - Customer (GWh)</b>	<b>1,259</b>	<b>1,407</b>	<b>(10.5%)</b>	<b>(148)</b>	<b>1,452</b>	<b>(13.3%)</b>	<b>(193)</b>
Volume Weighted Average Gas Selling Price - Resi (\$/GJ)	\$57.22	\$49.64	15.3%	\$7.58	\$38.46	48.8%	\$18.76
Volume Weighted Average Gas Selling Price - SME (\$/GJ)	\$27.29	\$19.41	40.6%	\$7.88	\$23.28	17.2%	\$4.01
Volume Weighted Average Gas Selling Price - C&I (\$/GJ)	\$19.67	\$12.28	60.2%	\$7.39	\$18.14	8.4%	\$1.53
Residential Gas Sales (PJ)	0.3	0.3	0.0%	-	0.6	(50.0%)	(0.3)
SME Gas Sales (PJ)	0.2	0.3	(33.3%)	(0.1)	0.3	(33.3%)	(0.1)
C&I Gas Sales (PJ)	0.7	0.8	(12.5%)	(0.1)	0.8	(12.5%)	(0.1)
<b>Total Gas Sales (PJ)</b>	<b>1.3</b>	<b>1.5</b>	<b>(13.3%)</b>	<b>(0.2)</b>	<b>1.7</b>	<b>(23.5%)</b>	<b>(0.4)</b>
Volume Weighted Average LPG Selling Price - Resi (\$/tonne)	\$2,776	\$2,769	0.3%	\$7	\$2,529	9.8%	\$247
Volume Weighted Average LPG Selling Price - SME/Bulk (\$/tonne)	\$1,549	\$1,542	0.5%	\$7	\$1,538	0.7%	\$11
Bottled LPG Sales (tonnes)	3,228	3,102	4.1%	126	4,340	(25.6%)	(1,112)
SME & Other Bulk LPG sales (tonnes)	5,502	4,942	11.3%	560	6,257	(12.1%)	(755)
<b>Total LPG Sales Volumes (tonnes)</b>	<b>8,730</b>	<b>8,044</b>	<b>8.5%</b>	<b>686</b>	<b>10,597</b>	<b>(17.6%)</b>	<b>(1,867)</b>

\*Q2 F22 Retail and Wholesale operational numbers have been amended since the FY22 Q2 Performance Report.

# Wholesale Operating Metrics

WHOLESALE SEGMENT	Q3 FY22	Q3 FY21	% Change	Var.	Q2 FY22	% Change	Var.
<b>GENERATION</b>							
Gas (GWh)	706	604	16.9%	102	569	24.1%	137
Coal (GWh)	283	868	(67.4%)	(585)	6	4616.7%	277
<b>Total Thermal (GWh)</b>	<b>989</b>	<b>1,473</b>	<b>(32.9%)</b>	<b>(484)</b>	<b>574</b>	<b>72.3%</b>	<b>415</b>
Hydro (GWh)	561	483	16.1%	78	646	(13.2%)	(85)
Wind (GWh)	2	4	(50.0%)	(2)	3	(33.3%)	(1)
<b>Total Renewable (GWh)</b>	<b>563</b>	<b>487</b>	<b>15.6%</b>	<b>76</b>	<b>649</b>	<b>(13.3%)</b>	<b>(86)</b>
<b>Total Generation (GWh)</b>	<b>1,552</b>	<b>1,959</b>	<b>(20.8%)</b>	<b>(407)</b>	<b>1,224</b>	<b>26.8%</b>	<b>328</b>
Average Price Received for Generation - GWAP (\$/MWh)	\$179.73	\$211.87	(15.2%)	(\$32.14)	\$79.08	127.3%	\$100.65
Generation Emissions (ktCO2)	404	1,080	(62.6%)	(676)	250	61.6%	154
Generation Carbon Intensity (tCO2/GWh)	260	551	(52.8%)	(291)	204	27.5%	56
Forced Outage Factor (FOF)	3.3%	0.4%	725.0%	2.9%	0.9%	266.7%	2.4%
Equipment Availability Factor (EAF)	78.2%	88.8%	(11.9%)	(10.6%)	78.7%	(0.6%)	(0.5%)
Rankine Output (GWh)	331	877	(62.3%)	(546)	23	1339.1%	308
Rankine Fuelled by Coal (%)	86%	99%	(13.1%)	(13%)	29%	196.6%	57%
<b>POWER PURCHASE AGREEMENTS</b>							
Wind (GWh)	96	77	24.7%	19	110	(12.7%)	(14)
Average Price Received for PPA - GWAP (\$/MWh)	\$140.75	\$171.56	(18.0%)	(\$30.81)	\$53.77	161.8%	\$86.98
<b>WHOLESALE</b>							
Electricity Purchases - Customer (GWh)	1,325	1,481	(10.5%)	(156)	1,529	(13.3%)	(204)
Average Customer Electricity Purchase Price - LWAP (\$/MWh)	\$178.41	\$217.98	(18.2%)	(\$39.57)	\$76.31	133.8%	\$102.10
LWAP/GWAP Ratio (%)	99%	103%	(3.9%)	(4)ppt	96%	3.1%	3ppt
Gas Purchases (PJ)	7.9	7.7	2.6%	0.2	9.0	(12.2%)	(1.1)
Coal Purchases (PJ)	3.0	5.0	(40.0%)	(2.0)	7.3	(58.9%)	(4.3)
Electricity Financial Contract Purchases - Wholesale (GWh)	434	376	15.4%	58	542	(19.9%)	(108)
Electricity Financial Contract Purchase Price- Wholesale (\$/MWh)	\$116.27	-	N/A	\$116.27	\$98.22	18.4%	\$18.05
Electricity Financial Contract Sales - Wholesale (GWh)	681	956	(28.8%)	(275)	535	27.3%	146
Electricity Financial Contract Sale Price - Wholesale (\$/MWh)	\$118.70	-	N/A	\$118.70	\$99.69	20.2%	\$19.01
Swaption Sales - Wholesale (GWh)	88	270	(67.4%)	(182)	-	N/A	88
Wholesale Gas Sales (PJ)	1.0	1.6	(37.5%)	(0.6)	2.8	(64.3%)	(1.8)
Wholesale Coal Sales (PJ)	-	-	-	-	-	-	-
Wholesale LPG Sales (tonnes)	4,541	3,950	15.0%	591	4,722	(3.8%)	(181)
Gas Used In Internal Generation (PJ)	5.5	4.6	19.6%	0.9	4.5	22.2%	1.0
Weighted Average Gas Burn Cost (\$/GJ)	\$9.44	\$9.63	(2.0%)	(\$0.19)	\$9.21	2.5%	\$0.23
Coal Used In Internal Generation (PJ)	3.40	9.7	(64.9%)	(6.3)	0.1	3300.0%	3.3
Weighted Average Coal Burn Cost (\$/GJ)	\$7.48	\$6.13	22.0%	\$1.35	\$7.39	1.2%	\$0.09
Weighted Average Fuel Cost - Portfolio (\$/MWh)	\$60.82	\$64.57	(5.8%)	(\$3.75)	\$38.30	58.8%	\$22.52
Weighted Average Fuel Cost - Thermal (\$/MWh)	\$95.40	\$85.92	11.0%	\$9.48	\$81.59	16.9%	\$13.81
Coal Stockpile - closing balance (kt)	817	283	188.7%	534	835	(2.2%)	(18)
Coal Stockpile - Stored Energy (PJ)	18.0	6.2	190.3%	11.8	18.0	-	-

# Kupe and Other Operating Metrics

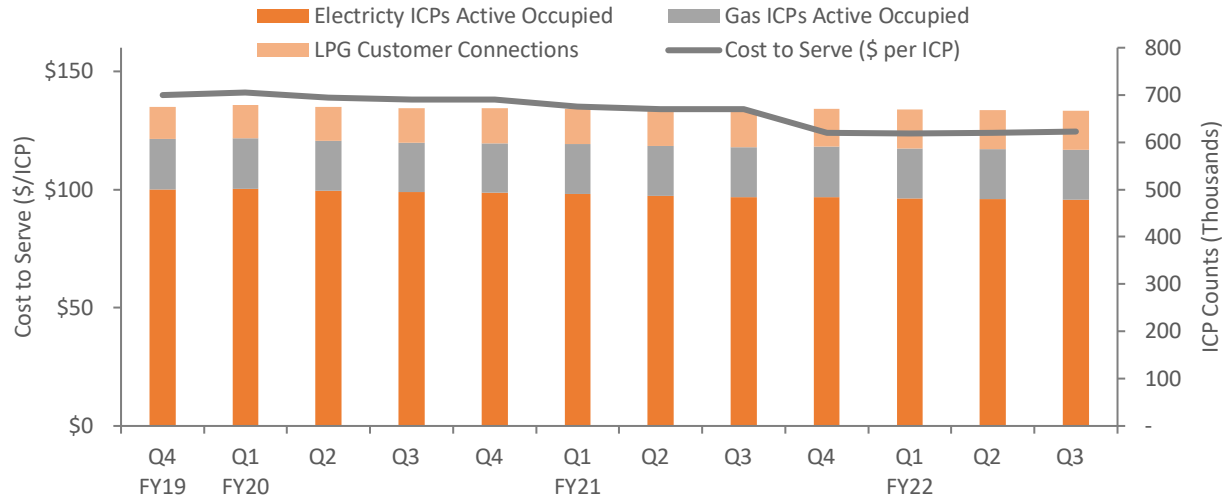
KUPE SEGMENT	Q3 FY22	Q3 FY21	% Change	Var.	Q2 FY22	% Change	Var.
<b>KUPE</b>							
Gas Production (PJ)	2.9	2.4	20.8%	0.5	3.0	(3.3%)	(0.1)
Gas Sales (PJ)	2.9	2.4	20.8%	0.5	3.0	(3.3%)	(0.1)
Oil Production (kbbl)	75	73	2.7%	2	82	(8.5%)	(7)
Oil Production Yield (bbl/TJ)	26.0	30.3	(14.2%)	(4.3)	27.7	(6.1%)	(1.7)
Oil Sales (kbbl)	80	81	(1.2%)	(1)	71	12.7%	9
Realised Oil Price (NZD/bbl)	\$99.26	\$78.14	27.0%	\$21.12	\$91.11	8.9%	\$8.15
Average Brent Crude Oil (USD/bbl)	\$101.41	\$60.90	66.5%	\$40.51	\$75.92	33.6%	\$25.49
LPG Production (kt)	11.9	10.5	13.3%	1.4	12.7	(6.3%)	(0.8)
LPG Production Yield (t/TJ)	4.2	4.4	(4.5%)	(0.2)	4.3	(2.3%)	(0.1)
LPG Sales (kt)	11.7	10.6	10.4%	1.1	12.6	(7.1%)	(0.9)
<b>OTHER</b>							
	Q3 FY22	Q3 FY21	% Change	Var.	Q2 FY22	% Change	Var.
<b>CORPORATE</b>							
Headcount (FTE)	1,187	1,096	8.3%	91	1,193	(0.5%)	(6)
Total Recordable Injuries	10	1	900%	9	9	11.1%	1

## FORWARD RISK MANAGEMENT

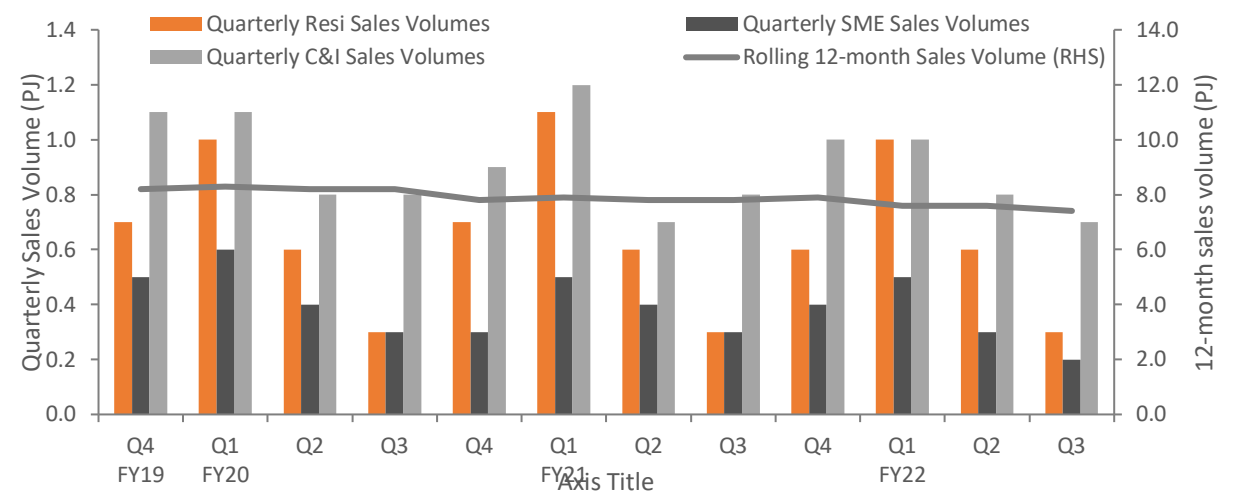
Oil Price Hedges (USD/bbl)	% Hedged	Average Oil Price
1-12 months	81%	\$70.20
13-24 months	54%	\$72.00
25-36 months	23%	\$83.30
<b>USD/NZD Hedges</b>		<b>Rate</b>
1-12 months	72%	0.667
13-24 months	45%	0.673
25-36 months	24%	0.669

# Appendix: Retail Segment

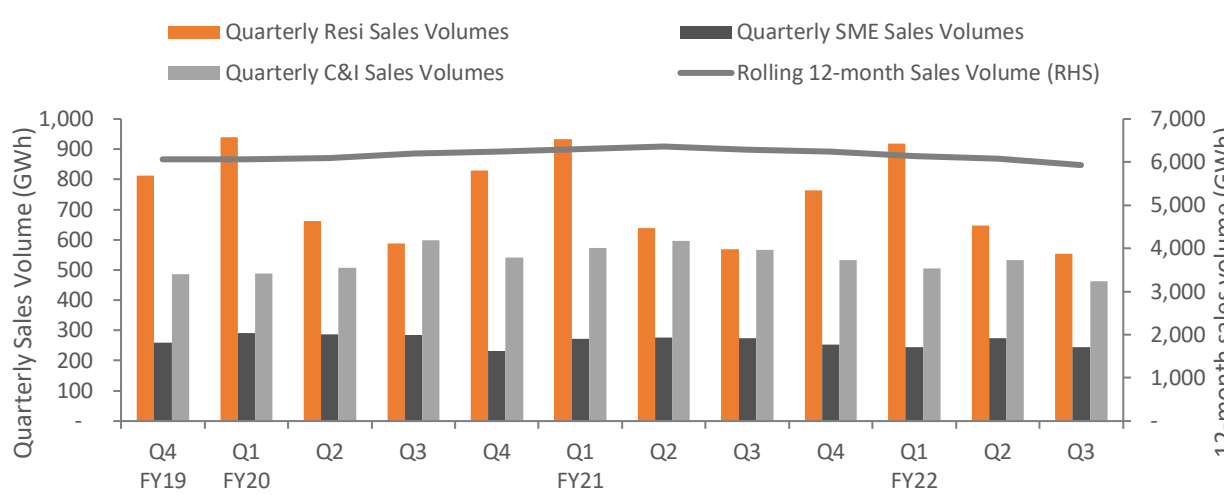
## ICP NUMBER & COST TO SERVE (\$/ICP)



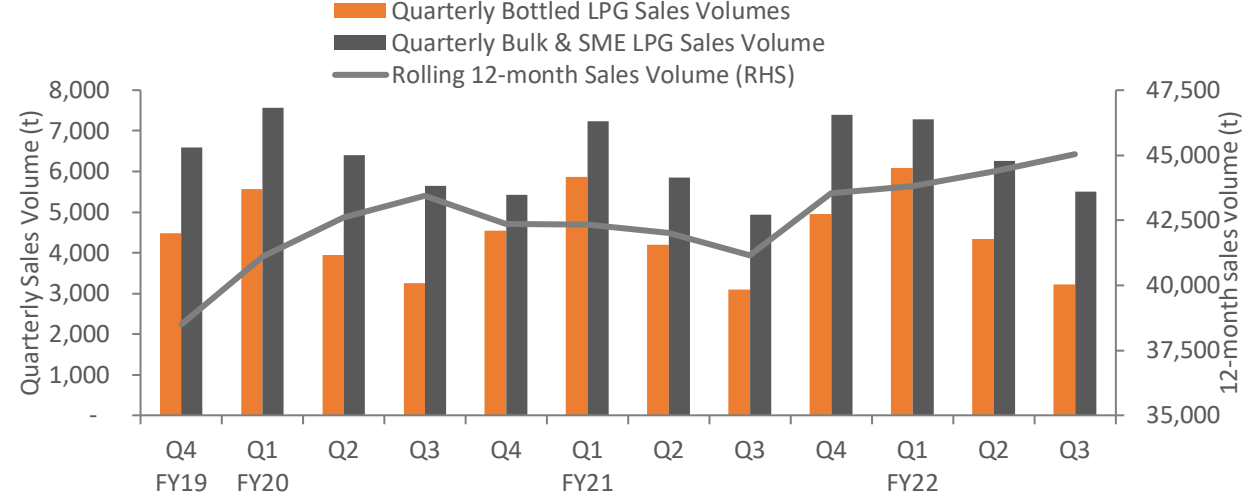
## GAS SALES VOLUME (PJ)



## ELECTRICITY SALES VOLUMES (GWh)



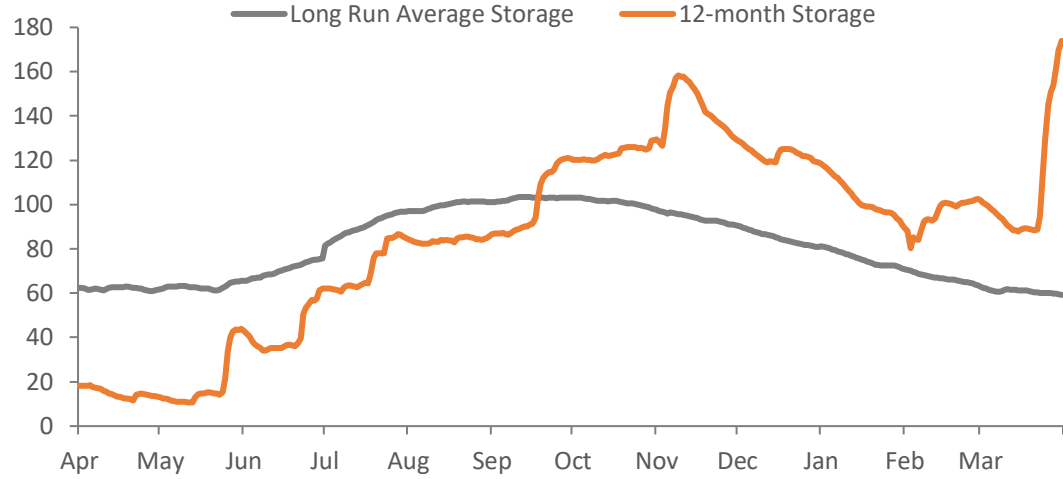
## LPG SALES VOLUMES (Tonnes)



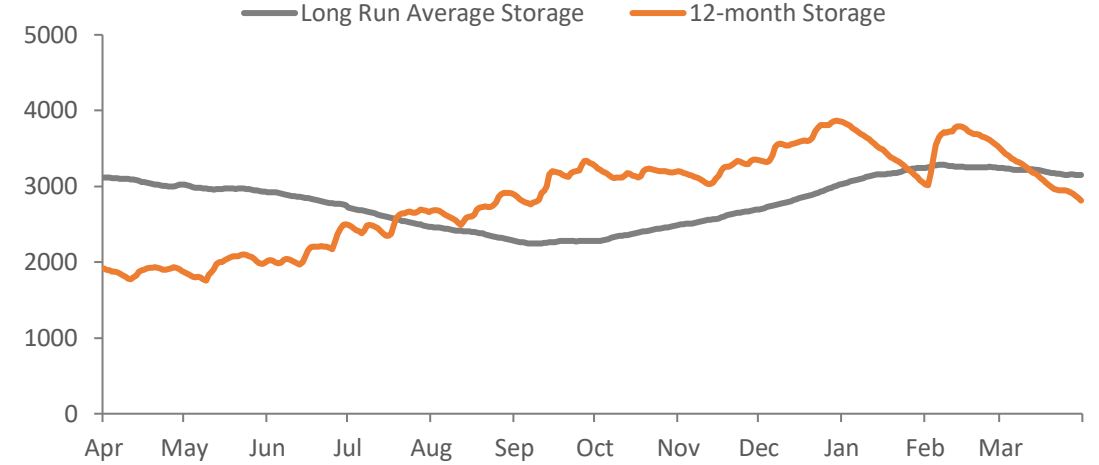


# Appendix: Wholesale Segment

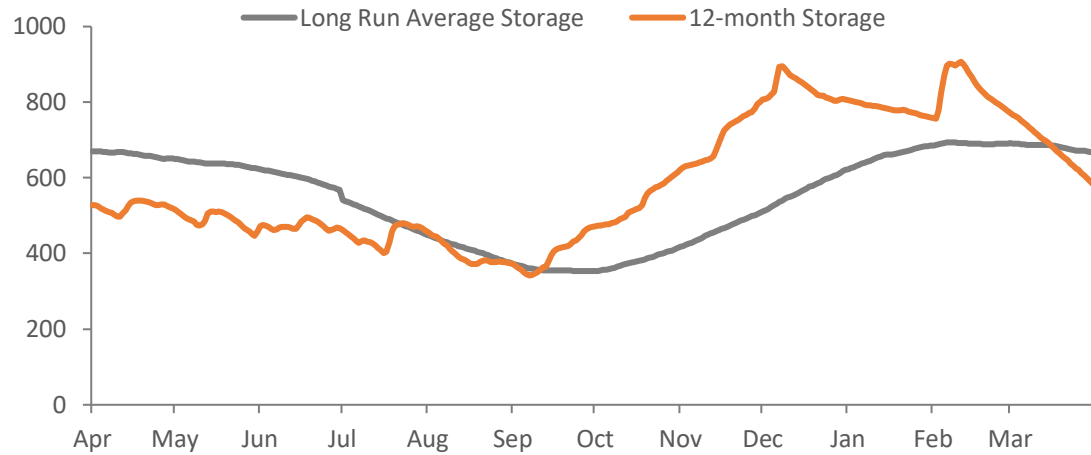
WAIKAREMOANA STORAGE Vs LONG RUN AVERAGE (GWh)



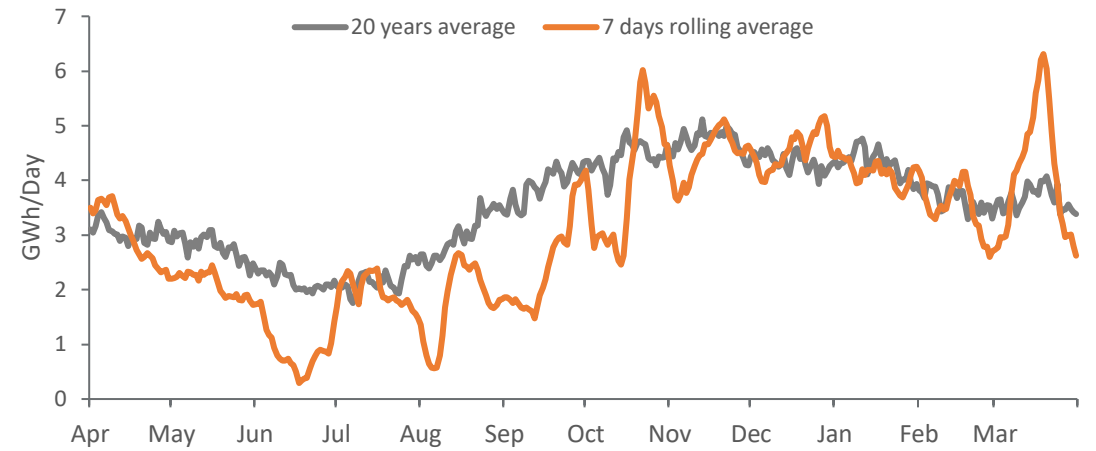
NEW ZEALAND DAILY STORAGE (ALL GENERATORS, GWh)



TEKAPO STORAGE Vs LONG RUN AVERAGE (GWh)

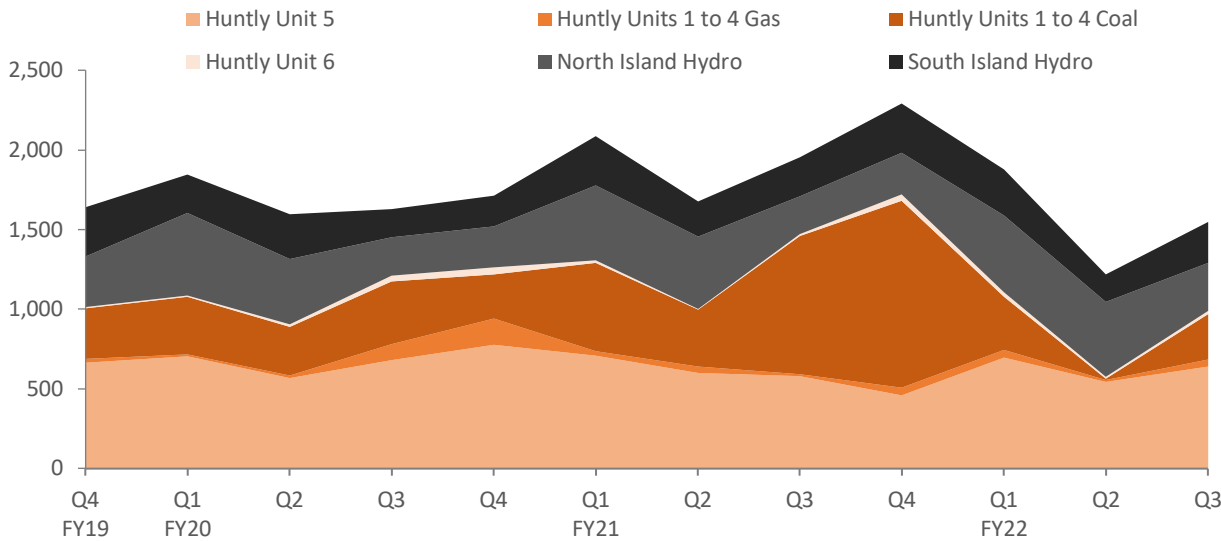


TONGARIRO GENERATION

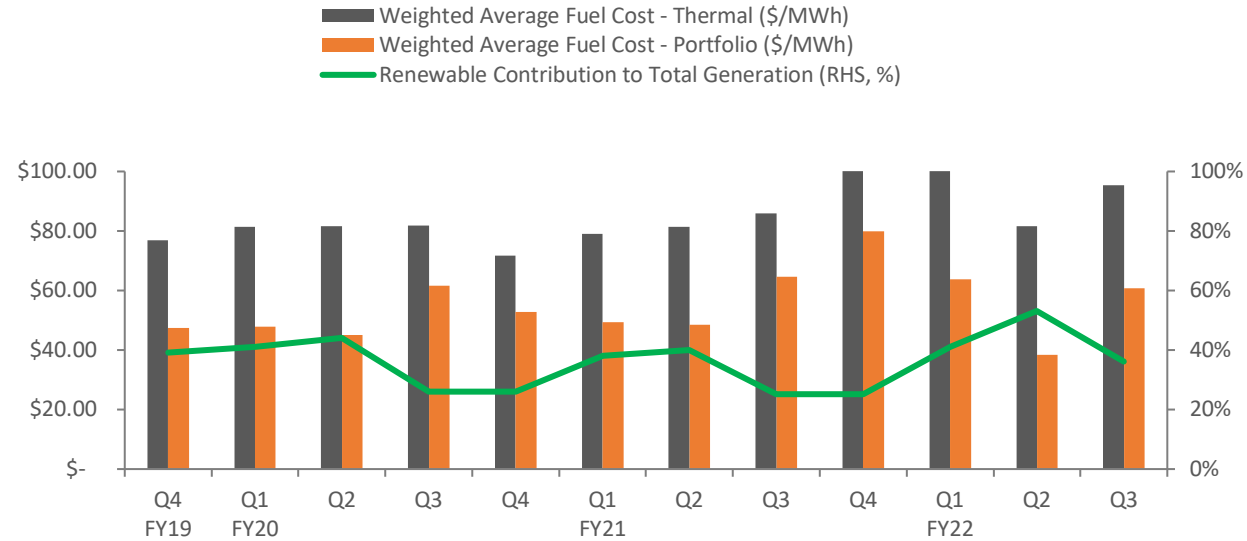


# Appendix: Wholesale Segment

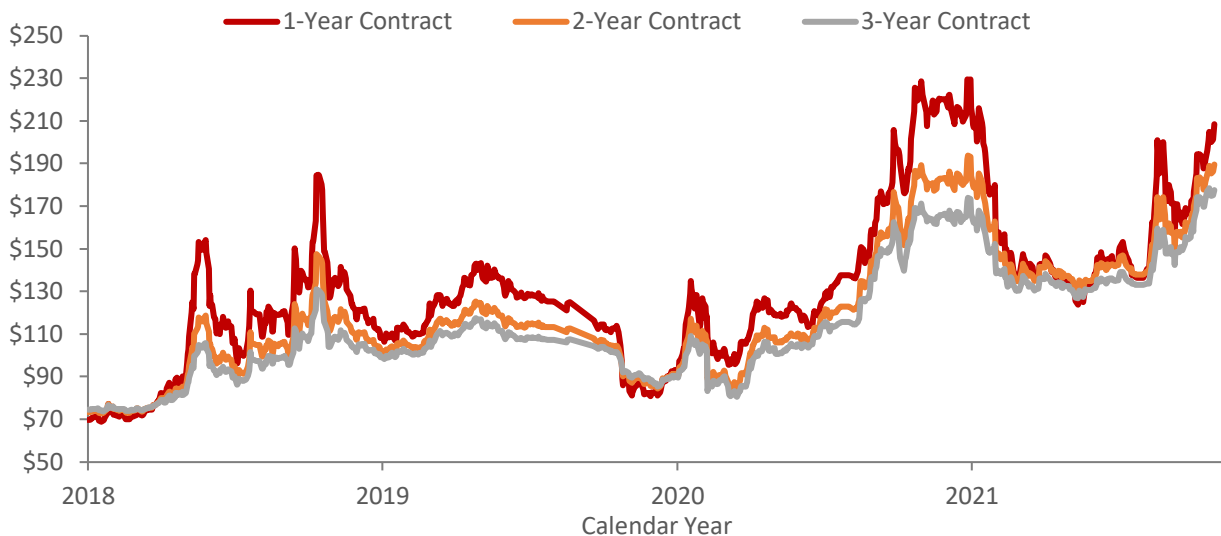
**GENERATION BY POWER STATION (GWh)**



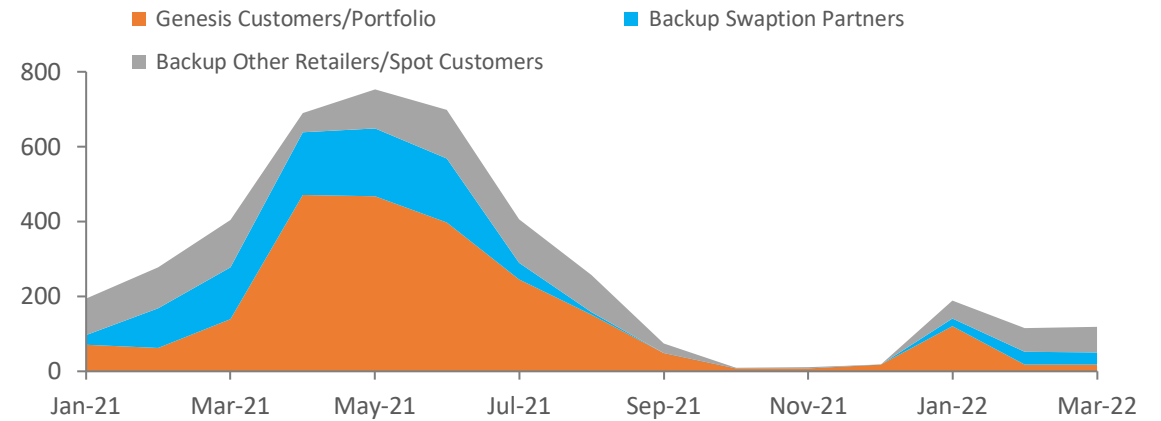
**PORTFOLIO AND THERMAL FUEL COSTS**



**ASX FUTURES SPOT PRICING (\$/MWh)**

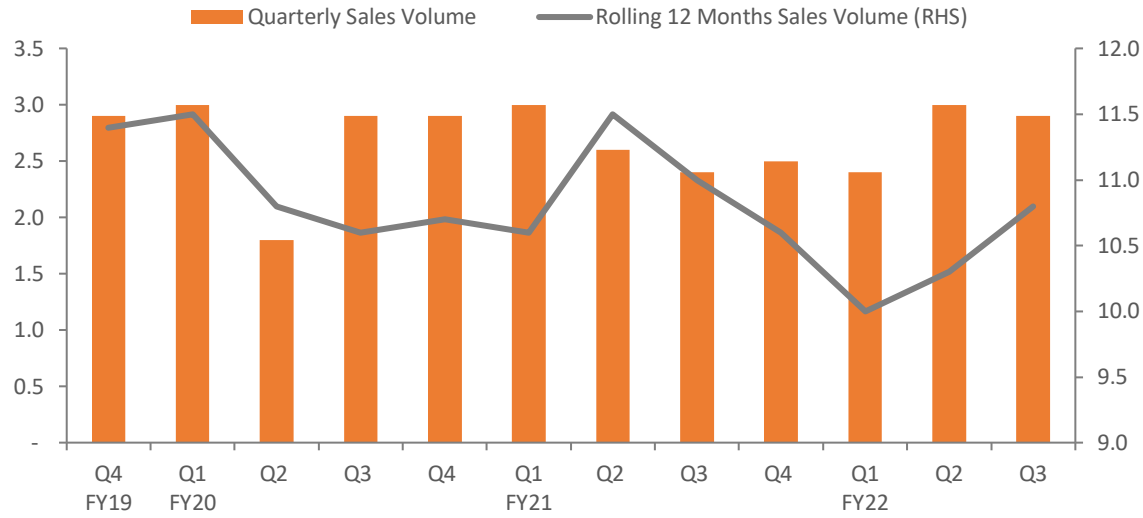


**HUNTLY RANKINE UTILISATION (GWh)**

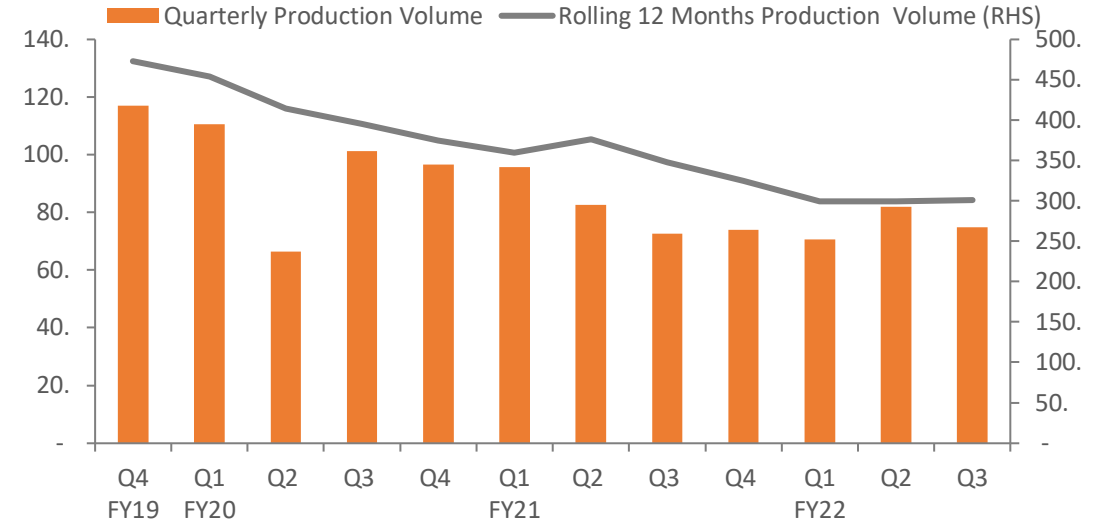


# Appendix: Kupe Segment

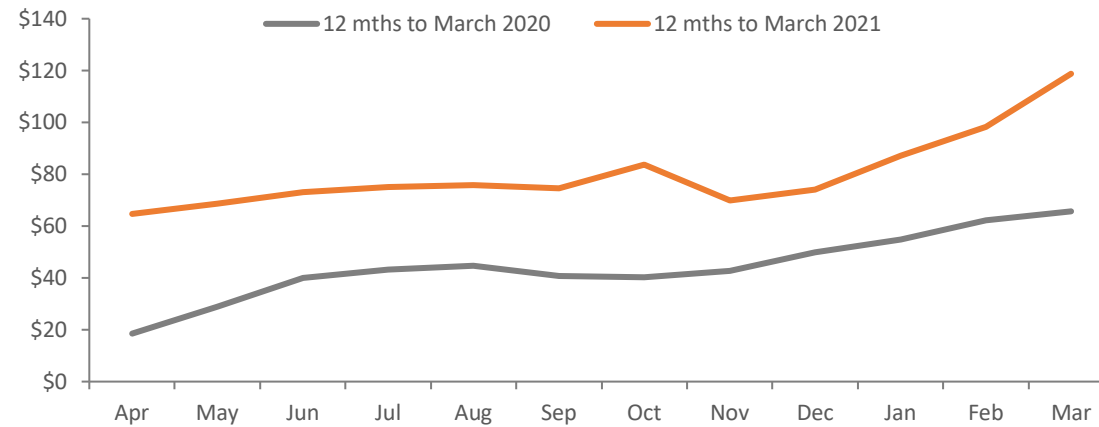
KUPE GAS SALE VOLUMES (GENESIS SHARE, PJ)



KUPE OIL PRODUCTION VOLUMES (GENESIS SHARE, KbbI)



BRENT CRUDE OIL SPOT PRICE (USD/bbl)



# Glossary

## RETAIL

Brand Net Promoter Score	Based on survey question "How likely would you be to recommend Genesis Energy/Frank Energy to your friends or family?"
Interaction Net Promoter Score	Based on survey question "Based on your recent Interaction With GE/Frank Energy, how likely would you be to recommend GE/Frank Energy to your Friends/Family?"
Customers	Electricity and gas customers are defined by single customer view, regardless of number of connections (ICP's)
Single Customer View	Represents unique customers which may have multiple ICP's
ICP	Installation Connection Point, a connection point that is both occupied and has not been disconnected (Active-Occupied)
LPG Customer Connections	Defined as number of customers
Gross Customer Churn	Defined as customers instigating a trader switch or home move
Net Customer Churn	Defined as Gross Churn post home move saves, retention and acquisition activity
Resi, SME, C&I	Residential, small and medium enterprises and commercial & industrial customers
B2B	Business to Business, including both SME and C&I
Volume Weighted Average Electricity Selling Price - \$/MWh	Average selling price for customers including lines/transmission and distribution and after discounts
Volume Weighted Average Gas Selling Price - \$/GJ	Average selling price for customers including transmission and distribution and after discounts
Volume Weighted Average LPG Selling Price - \$/tonne	Average selling price for customers including after discounts
Bottled LPG Sales (tonnes)	Represents 45kg LPG bottle sales
SME & Other Bulk LPG sales (tonnes)	Represents SME and other bulk and 3rd party distributors
Cost to Serve (\$ per ICP)	Retail costs associated with serving customers across all fuel types divided by the total numbers of ICPs at time of reporting
Netback (\$/MWh, \$/GJ, \$/tonne)	Customer EBITDAF by fuel type plus respective fuel purchase cost divided by total fuel sales volumes, stated in native fuel units (excluding corporate allocation costs and Technology & Digital cost centre)

## GENERATION

Average Price Received for Generation - GWAP (\$/MWh)	Excludes settlements from electricity derivatives.
Coal (GWh)	Coal generation is calculated by applying coal burn to monthly average heat rates
Coal Used In Internal Generation (PJ)	Results have been revised to reflect changes in coal kilo tonnes to PJ conversion rate and volume methodology
Rankine's Fuelled by Coal (%)	The proportion of coal used in the Rankine units
Equipment Availability Factor (EAF)	The percentage of time a power station is available to generate electricity
Forced Outage Factor (FOF)	The percentage of time a power station is unavailable to generate electricity due to unplanned failure or defect

## POWER PURCHASE AGREEMENTS

Wind (GWh)	Energy purchased through long term agreements with generator
Average Price Received for Generation - GWAP (\$/MWh)	Price received at production node. (E.g. Waipipi at WVY1101 node)

# Glossary

## WHOLESALE

Average Retail Electricity Purchase Price - LWAP (\$/MWh)	Excludes settlements from electricity derivatives
Electricity Financial Contract Purchases - Wholesale (GWh)	Settlement volumes of generation hedge purchases, including exchange traded and OTC contracts. Excludes PPAs, active trading, Financial Transmissions Rights (FTRs) and Cap/Collar/Floor contracts.
Electricity Financial Contract Sales - Wholesale (GWh)	Settlement volumes of generation hedge sales, including exchange traded, OTC contracts and Swaptions. Excludes PPAs, active trading, Financial Transmissions Rights (FTRs) and Cap/Collar/Floor contracts.
Electricity Financial Contract Purchases - Wholesale Price (\$/MWh)	Average price paid for Electricity Financial Contract Purchases - Wholesale.
Electricity Financial Contract Sales - Wholesale Price (\$/GWh)	Average price received for Electricity Financial Contract Sales- Wholesale.
Swaptions (GWh)	Electricity swap options sales volume. A subset of the Electricity Financial Contract Sales.
Wholesale LPG Sales (tonnes)	Represents wholesale, export sales and transfers to Huntly power station
Weighted Average Gas Burn Cost (\$/GJ)	Total cost of gas burnt divided by generation from gas fired generation, excluding emissions
Weighted Average Coal Burn Cost (\$/GJ)	Total cost of coal burnt divided by generation from coal fired generation, excluding emissions
Weighted Average Fuel Cost - Portfolio (\$/MWh)	Total cost of fuel burnt plus emissions on fuel burnt divided by total generation (thermal, hydro and wind)
Weighted Average Fuel Cost - Thermal (\$/MWh)	Total cost of fuel burnt plus emissions on fuel burnt divided by total generation from thermal plant
Coal Stockpile - Stored Energy (PJ)	The coal stockpile closing balance in tonnes divided by an estimated nominal energy content of Huntly's coal (22 GJ/t)

## CORPORATE

Total Recordable Injuries	12-month rolling Total Recordable Injuries including Lost Time Injuries, Restrictive Work Injuries and Medical Treatment Injuries.
Headcount	Based on full time equivalents, including contractors

## KUPE

Oil Price realised (NZD/bbl)	Oil price received including hedge outcome for oil and foreign exchange
Oil Price realised (USD/bbl)	The underlying benchmark crude oil price that is used to set the price for crude oil sales
Oil Hedge Levels (%)	% hedged for remainder of FY as % of forecast sales



Arrival of replacement generator at Tuai



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