

FY22 Q1

Performance Report

20 October 2021



genesis With you. For you.



Tekapo B upgrade

Performance at a glance

Genesis continues to work to support our customers through the lockdown period. We extended our customer care programme, Manaaki Kenehi, and offered over 280,000 customers five hours of free power to use when they choose. As we have done before, late payment fees were suspended for customers under lockdown levels two and above.

Tracey Hickman, Chief Customer Officer

Retail

- Total customer demand was down 6.0%, due to the COVID lockdown and warmer winter conditions. The residential market was least affected, with demand down 1.5%.
- Net customer churn declined in the quarter to 14%. This was driven by a reduction in home moving and may increase when lockdown restrictions are lifted.
- LPG continues to perform strongly with customer connections up 8.6% on the prior comparable period (pcp). Sales volumes were flat on pcp, due to reduced business consumption.

Wholesale

- Gas swaps with industrial producers and improved hydrology enabled Genesis to generate at a lower cost, with average portfolio fuel costs down 37% to \$64/MWh, compared to Q4 FY21.
- Genesis commenced stage two of the \$15 million upgrade of the Tekapo B power station. The replacement of unit runners is expected to provide a 2.5% increase in efficiency for the 800 GWh station.
- Executed two MoU's with solar developers for Genesis' Future-gen goal of developing 500MW of grid-scale solar by 2025.

Kupe

- The joint venture recently completed the Kupe inlet compression project. The project enabled the Kupe production station to return to full capacity production of 77TJ/day. Despite minor delays due to COVID disruptions, the project was delivered on budget and safely. The additional gas will enable better utilisation of Huntly Unit 5 and support industrial consumers.
- Crude oil prices continued to rally, with realised prices now over \$103 NZD per barrel. Genesis will continue to benefit from the higher price, with 38% of the next 12 months production unhedged.

Prior comparable period (pcp) refers to FY21 Q1, unless otherwise stated

Generation Emissions

31%

Down on pcp

Portfolio fuel cost

\$64 MWh

Down 37% on Q4 FY21

Kupe production capability

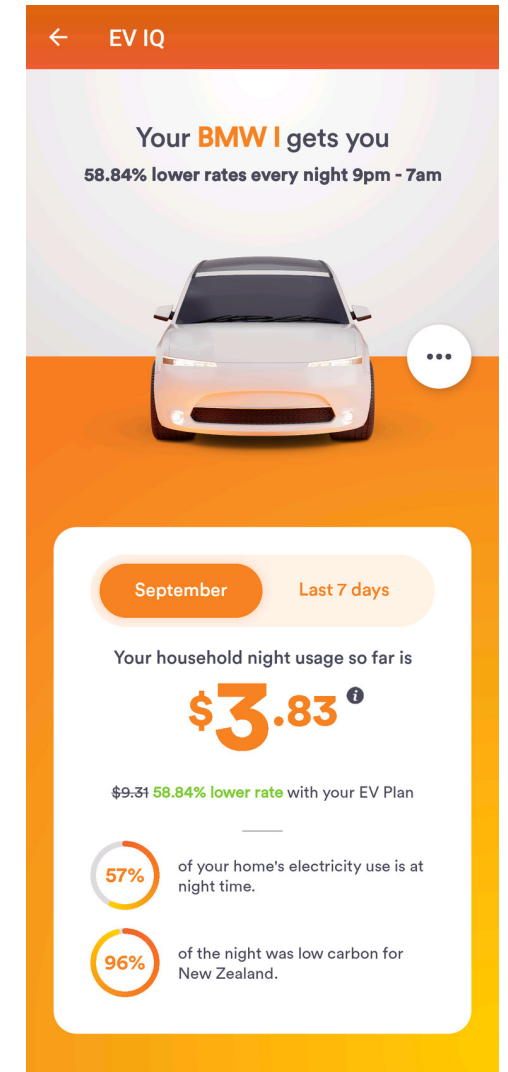
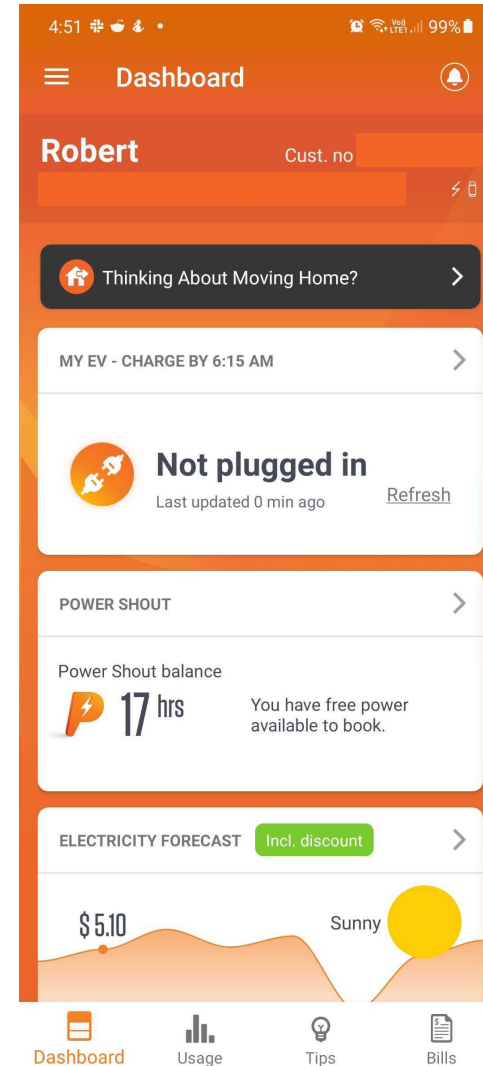
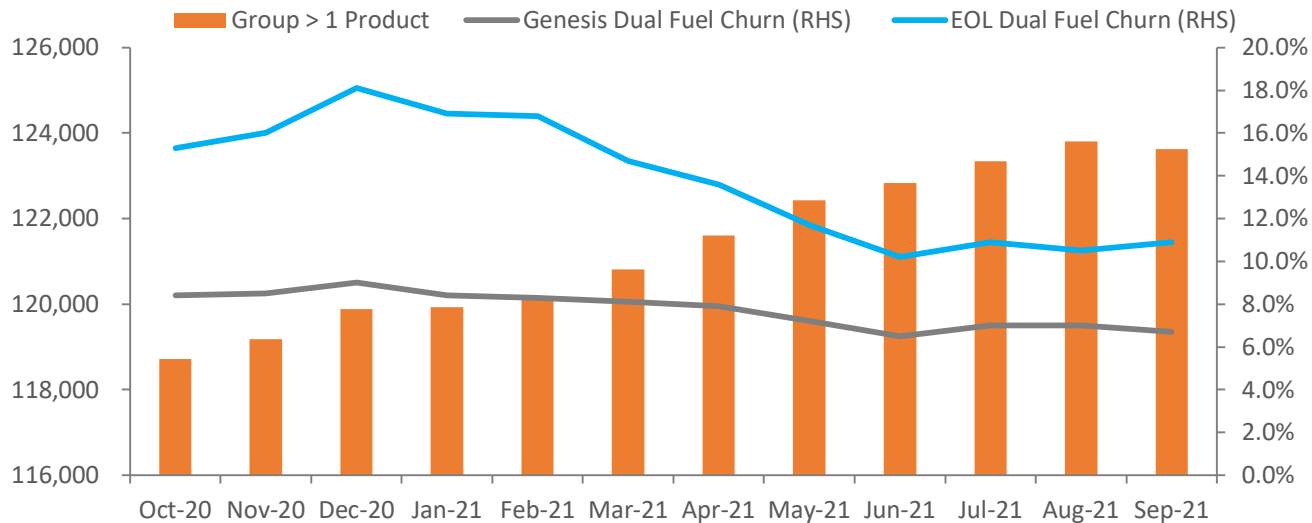
77 TJ/day

Inlet compression
project successful

Retail Segment

- Electricity netback continued to grow, up 4.3% on pcp to \$134/MWh. This was driven by the re-contracting of existing customers on older fixed priced contracts to current market prices.
- Gas netbacks also rose, up to \$11.50/GJ, as higher wholesale prices were passed through to customers.
- Launched EV-IQ functionality to the Genesis Energy IQ app. This will provide Genesis' EV customers insights in how they can charge their car at low carbon times and take advantage of cheaper overnight electricity.

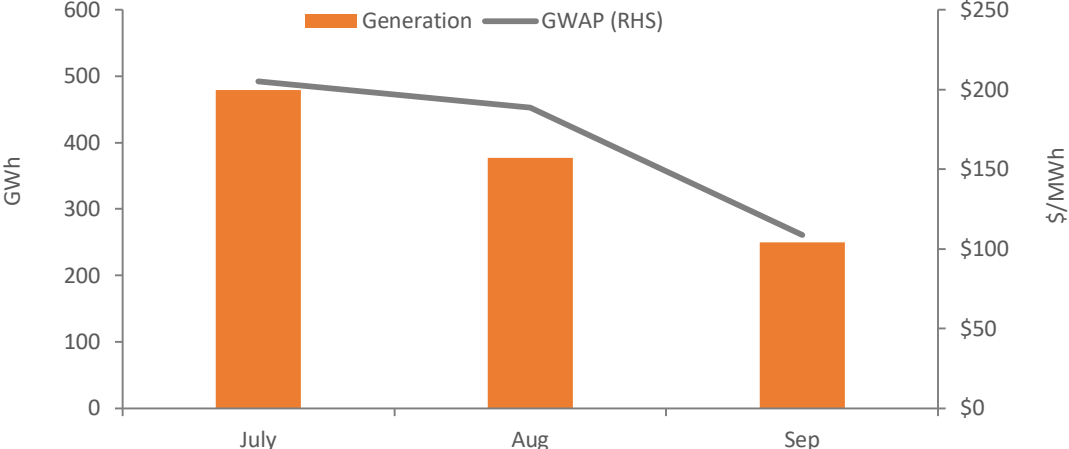
RESIDENTIAL DUAL FUEL CUSTOMER NUMBERS & CHURN (3-MONTH ROLLING AVERAGE %)



Wholesale Segment

- Gas swaps with industrial consumers and improved hydrology enabled Genesis to supply its customers at a lower cost, with average portfolio fuel costs down 37% to \$64/MWh, compared to Q4 FY21. This enabled Huntly to operate more flexibly and focus generation in higher priced periods.
- Heavy and consistent rainfall across the North and South Island’s improved Genesis’ hydro position across all lakes. Storage in Genesis lakes was 126% of average at the end of the quarter.
- Genesis participated in the September Emissions Trading Scheme auction and purchased additional units to build the carbon hedge position. Genesis’ forecast emissions are now hedged into FY29, at prices ranging between \$30 and \$60 per tonne.

THERMAL GENERATION - HUNTLY



CARBON HEDGE POSITION



Chart includes units from investment in Drylandcarbon.

HYDROLOGY

	Q1 FY22	Q1 FY21	
Hydro Generation	773	782	➔
Hydro Inflows	818	616	⬆
Closing Storage	339 (126% of ave.)	200 (74% of ave.)	⬆

Retail Operating Metrics

RETAIL SEGMENT	Q1 FY22	Q1 FY21	% Change	Var.	Q4 FY21	% Change	Var.
RETAIL							
Brand Net Promoter Score - Genesis Energy	20	14	NA	6	19	NA	1
Interaction Net Promoter Score – Genesis	47 ¹	44	NA	3	47	NA	0
Gross Customer Churn (3 month rolling average, %)	21.4%	26.3%	(18.6%)	(4.9)ppt	23.1%	(7.4%)	(1.7)ppt
Net Customer Churn (3 month rolling average, %)	13.8%	17.2%	(19.8%)	(3.4)ppt	14.3%	(3.5%)	(0.5)ppt
Cost to Serve (\$ per ICP)	\$124	\$135	(8.1%)	(\$11)	\$124	0.0%	\$0
Electricity Netback (\$/MWh)	\$133.72	\$128.25	4.3%	\$5.47	\$138.18	(3.2%)	(\$4.46)
Gas Netback (\$/GJ)	\$11.5	\$10.5	9.5%	\$1.0	\$11.0	4.5%	\$0.5
LPG Netback (\$/t)	\$1,138	\$1,070	6.4%	\$68	\$1,091	4.3%	\$47
CUSTOMER NUMBERS¹							
Customers > 1 Fuel	129,041	123,131	4.8%	5,910	128,214	0.6%	827
Electricity Only Customers	293,182	309,276	(5.2%)	(16,094)	296,018	(1.0%)	(2,836)
Gas Only Customers	15,560	15,922	(2.3%)	(362)	16,086	(3.3%)	(526)
LPG Only Customers	33,975	33,612	1.1%	363	34,007	(0.1%)	(32)
Total Customers	471,758	481,941	(2.1%)	(10,183)	474,325	(0.5%)	(2,567)
Electricity ICPs Active-Occupied	481,823	490,705	(1.8%)	(8,882)	484,082	(0.5%)	(2,259)
Gas ICPs Active-Occupied	105,544	105,388	0.1%	156	106,314	(0.7%)	(770)
LPG Customer Connections (#)	81,665	75,173	8.6%	6,492	80,322	1.7%	1,343
Total ICPs	669,032	671,266	(0.3%)	(2,234)	670,718	(0.3%)	(1,686)
VOLUMES AND PRICE							
Volume Weighted Average Electricity Selling Price - Resi (\$/MWh)	\$263.57	\$260.37	1.2%	\$3.20	\$264.42	(0.3%)	(\$0.85)
Volume Weighted Average Electricity Selling Price - SME (\$/MWh)	\$233.57	\$219.39	6.5%	\$14.18	\$229.56	1.7%	\$4.01
Volume Weighted Average Electricity Selling Price - C&I (\$/MWh)	\$159.42	\$159.22	0.1%	\$0.20	\$155.45	2.6%	\$3.97
Residential Electricity Sales (GWh)	919	933	(1.5%)	(14)	764	20.3%	155
SME Electricity Sales (GWh)	245	271	(9.6%)	(26)	252	(2.8%)	(7)
C&I Electricity Sales (GWh)	505	572	(11.7%)	(67)	532	(5.1%)	(27)
Total Electricity Sales - Customer (GWh)	1,669	1,775	(6.0%)	(106)	1,548	7.8%	121
Volume Weighted Average Gas Selling Price - Resi (\$/GJ)	\$31.0	\$28.6	8.4%	\$2.4	\$35.5	(12.7%)	(\$4.5)
Volume Weighted Average Gas Selling Price - SME (\$/GJ)	\$17.4	\$15.4	13.0%	\$2.0	\$17.3	0.6%	\$0.1
Volume Weighted Average Gas Selling Price - C&I (\$/GJ)	\$11.3	\$10.5	7.6%	\$0.8	\$13.0	(13.1%)	(\$1.7)
Residential Gas Sales (PJ)	1.0	1.1	(9.1%)	(0.1)	0.6	66.7%	0.4
SME Gas Sales (PJ)	0.5	0.5	0.0%	-	0.4	25.0%	0.1
C&I Gas Sales (PJ)	1.0	1.2	(16.7%)	(0.2)	1.0	0.0%	-
Total Gas Sales (PJ)	2.5	2.8	(10.7%)	(0.3)	2.0	25.0%	0.5
Volume Weighted Average LPG Selling Price - Resi (\$/tonne)	\$2,328	\$2,373	(1.9%)	(\$45)	\$2,492	(6.6%)	(\$164)
Volume Weighted Average LPG Selling Price - SME/Bulk (\$/tonne)	\$1,508	\$1,533	(1.6%)	(\$25)	\$1,500	0.5%	\$8
Bottled LPG Sales (tonnes)	6,086	5,858	3.9%	228	4,959	22.7%	1,127
SME & Other Bulk LPG sales (tonnes)	7,282	7,241	0.6%	41	7,396	(1.5%)	(114)
Total LPG Sales Volumes (tonnes)	13,368	13,099	2.1%	269	12,355	8.2%	1,013

¹ From July 2021, changes have been made to the reporting of iNPS to include an additional interaction channel and removal of "don't know" responses from the NPS calculation in line with best practice. Results reported from July 2021 onwards reflect these changes.

Wholesale Operating Metrics

WHOLESALE SEGMENT	Q1 FY22	Q1 FY21	% Change	Var.	Q4 FY21	% Change	Var.
GENERATION							
Gas (GWh)	771	751	2.7%	20	547	41.0%	224
Coal (GWh)	334	553	(39.6%)	(219)	1,175	(71.6%)	(841)
Total Thermal (GWh)	1,106	1,305	(15.2%)	(199)	1,721	(35.7%)	(615)
Hydro (GWh)	773	781	(1.0%)	(8)	569	35.9%	204
Wind (GWh)	3	6	(50.0%)	(3)	4	(25.0%)	(1)
Total Renewable (GWh)	776	787	(1.4%)	(11)	573	35.4%	203
Total Generation (GWh)	1,882	2,091	(10.0%)	(209)	2,294	(18.0%)	(412)
Average Price Received for Generation - GWAP (\$/MWh)	\$163.12	\$136.96	19.1%	\$26.16	\$278.39	(41.4%)	(\$115.27)
Generation Emissions (ktCO ₂)	656	956	(31.4%)	(300)	1,368	(52.0%)	(712)
Generation Carbon Intensity (tCO ₂ /GWh)	349	457	(23.6%)	(108)	596	(41.4%)	(247)
Forced Outage Factor (FOF)	1.5%	0.2%	650.0%	1.3ppt	2.8%	(46.4%)	(1.3)ppt
Equipment Availability Factor (EAF)	88.2%	96.5%	(8.6%)	(8.3)ppt	88.9%	(0.8%)	(0.7)ppt
Rankine Output (GWh)	382	585	(34.7%)	(203)	1,222	(68.7%)	(840)
Rankines Fueled by Coal (%)	87%	95%	(8.4%)	(8)ppt	96%	(9.4%)	(9)ppt
POWER PURCHASE AGREEMENTS							
Wind (GWh)	133	-	0%	133	116	14.7%	17
Average Price Received for PPA - GWAP (\$/MWh)	\$104.99	\$0.00	0%	\$104.99	\$229.95	(54.3%)	(\$124.96)
WHOLESALE							
Electricity Purchases - Customer (GWh)	1,760	1,873	(6.0%)	(113)	1,630	8.0%	130
Average Customer Electricity Purchase Price - LWAP (\$/MWh)	\$156.53	\$140.21	11.6%	\$16.32	\$283.56	(44.8)	(\$127.03)
LWAP/GWAP Ratio (%)	96%	102%	(5.9%)	(6)ppt	102%	(5.9%)	(6)ppt
Gas Purchases (PJ)	11.7	12.5	(6.4%)	(0.8)	8.9	31.5%	2.8
Coal Purchases (PJ)	10.8	4.2	157.1%	6.6	11.0	(1.8%)	(0.2)
Electricity Financial Contract Purchases - Wholesale (GWh)	650	477	36.3%	173	522	24.5%	128
Electricity Financial Contract Sales - Wholesale (GWh)	942	645	46.0%	297	1,210	(22.1%)	(268)
Swaption Sales - Wholesale (GWh)	51	30	70.0%	21	519	(90.2%)	(468)
Wholesale Gas Sales (PJ)	3.3	4.0	(17.5%)	(0.7)	2.3	43.5%	1.0
Wholesale Coal Sales (PJ)	-	-	-	-	-	-	-
Wholesale LPG Sales (tonnes)	3,618	4,168	(13.2%)	(550)	3,514	3.0%	104
Gas Used In Internal Generation (PJ)	6.0	5.7	5.3%	0.3	4.4	36.4%	1.6
Weighted Average Gas Burn Cost (\$/GJ)	\$12.68	\$8.97	41.4%	\$3.71	\$10.82	17.2%	\$1.86
Coal Used In Internal Generation (PJ)	3.9	6.3	(38.1%)	(2.4)	13.1	(70.2%)	(9.2)
Weighted Average Coal Burn Cost (\$/GJ)	\$7.25	\$6.11	18.7%	\$1.14	\$6.44 ¹	12.6%	\$0.81
Weighted Average Fuel Cost - Portfolio (\$/MWh)	\$63.72	\$49.25	29.4%	\$14.47	\$101.51	(37.2%)	(\$37.79)
Weighted Average Fuel Cost - Thermal (\$/MWh)	\$108.45	\$78.95	37.4%	\$29.50	\$135.29 ¹	(19.8%)	(\$26.84)
Coal Stockpile - closing balance (kilotonnes)	508	328	54.9%	180	189	168.8%	319
Coal Stockpile - Stored Energy (PJ)	11.2	7.2	55.6%	4.0	4.2	166.7%	7

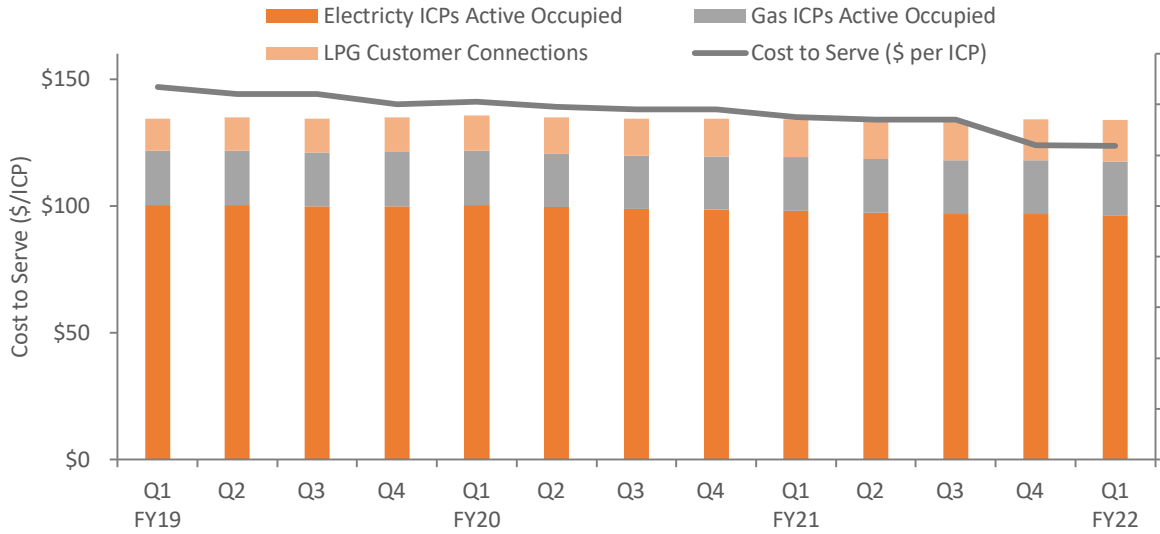
¹ Change in the FY21 Q4 Weighted Average Fuel Cost for Portfolio and Thermal relate to the impact of Beach Arbitration decision.

Kupe and Other Operating Metrics

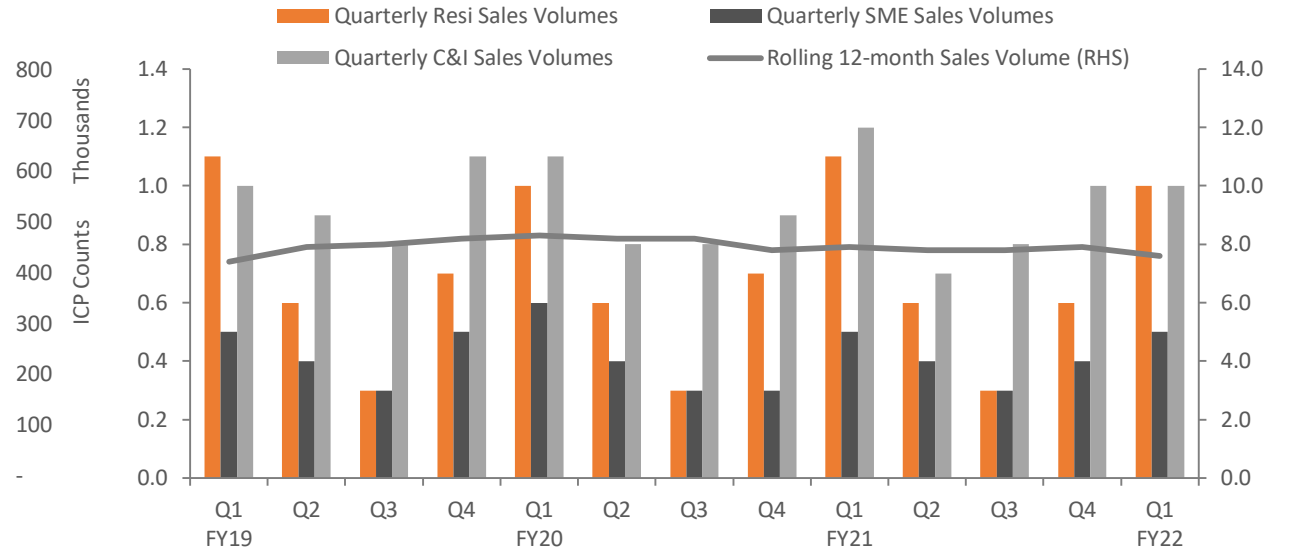
KUPE SEGMENT	Q1 FY22	Q1 FY21	% Change	Var.	Q4 FY21	% Change	Var.
KUPE							
Gas Production (PJ)	2.4	3.0	(20.0%)	(0.6)	2.5	(4.0%)	(0.1)
Gas Sales (PJ)	2.4	3.0	(20.0%)	(0.6)	2.5	(4.0%)	(0.1)
Oil Production (kbbbl)	70	96	(27.1%)	(26)	74	(5.4%)	(4)
Oil Production Yield (bbl/TJ) - check	29.0	31.6	(8.2%)	(2.6)	29.5	(1.7%)	(0.5)
Oil Sales (kbbbl)	76	77	(1.3%)	(1)	68	11.8%	8
Realised Oil Price (NZD/bbl)	\$103.21	\$73.74	40.0%	\$29.47	\$88.29	16.9%	\$14.92
Average Brent Crude Oil (USD/bbl)	\$75.13	\$43.00	74.7%	\$32.13	\$68.83	9.2%	\$6.30
LPG Production (kt)	10.6	13.0	(18.5%)	(2.4)	11.1	(4.5%)	(0.5)
LPG Production Yield (t/TJ) - check	4.4	4.3	2.3%	0.1	4.4	0.0%	-
LPG Sales (kt)	11.2	13.4	(16.4%)	(2.2)	10.7	4.7%	0.5
OTHER							
CORPORATE							
Headcount (FTE)	1,148	1,077	6.6%	71	1,149	(0.1%)	(1)
Total Recordable Injury Frequency Rate	2.90	2.12	36.8%	0.78	2.60	11.5%	0.30

Appendix: Retail Segment

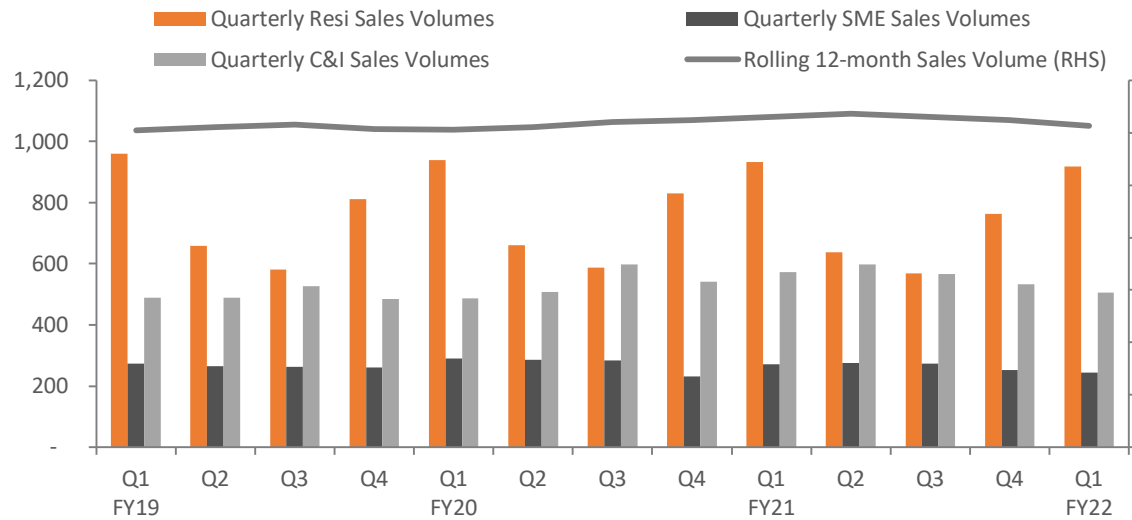
ICP NUMBER & COST TO SERVE (\$/ICP)



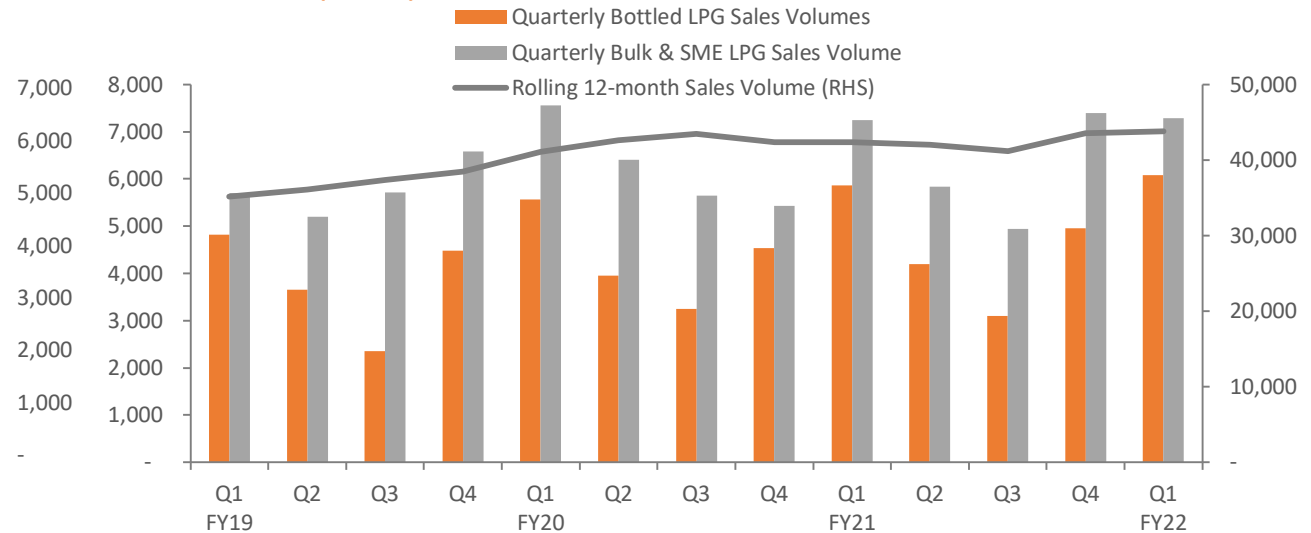
GAS SALES VOLUME (PJ)



ELECTRICITY SALES VOLUMES (GWh)

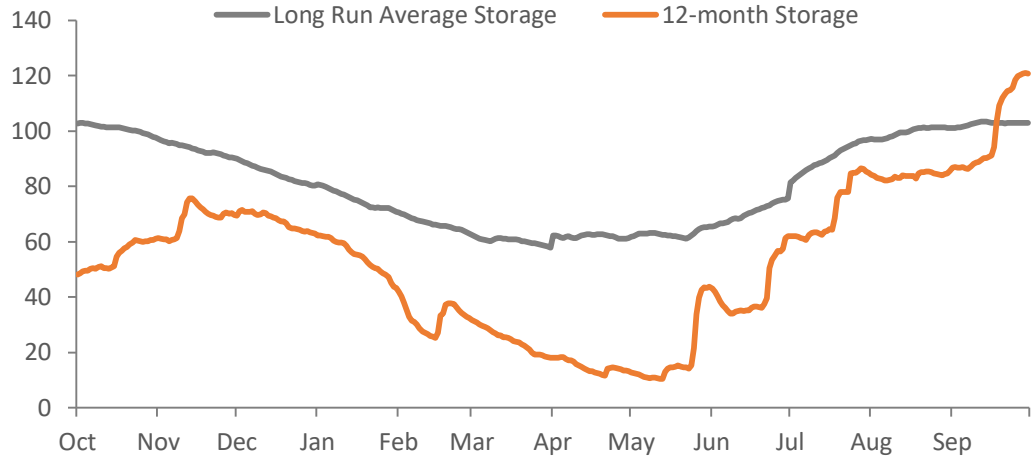


LPG SALES VOLUMES (Tonnes)

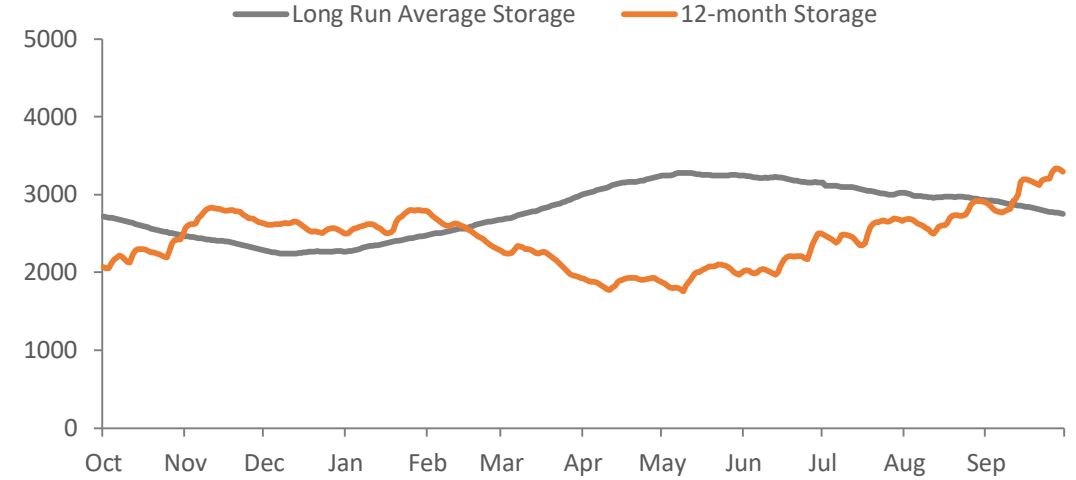


Appendix: Wholesale Segment

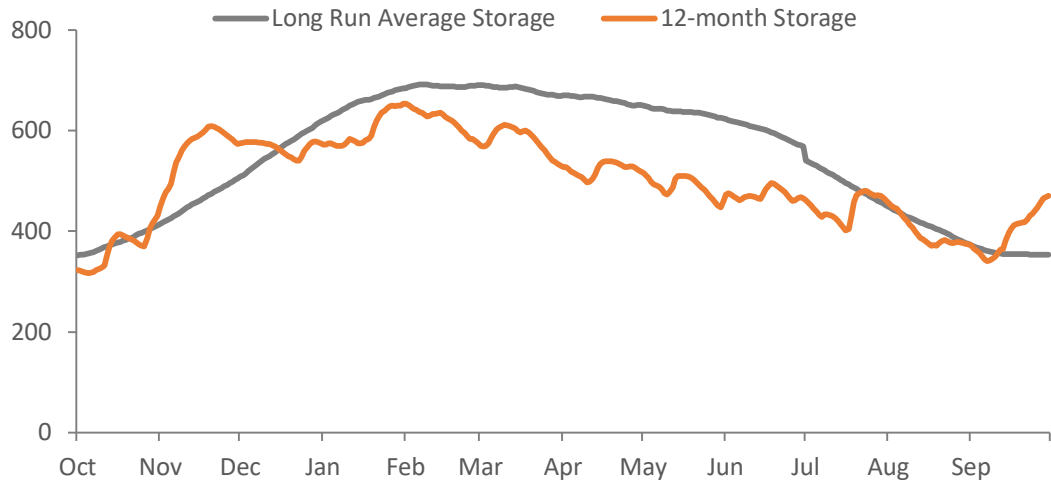
WAIKAREMOANA STORAGE Vs LONG RUN AVERAGE (GWh)



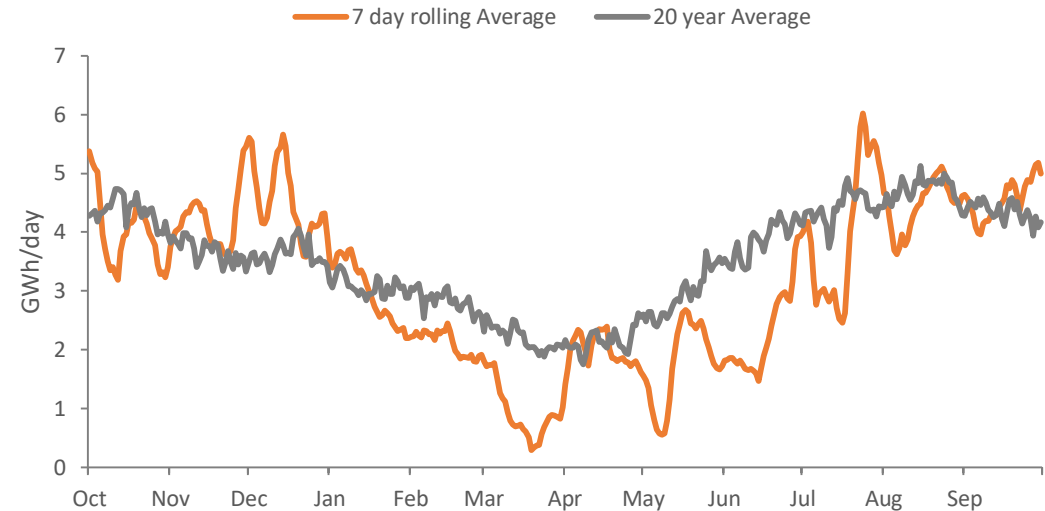
NEW ZEALAND DAILY STORAGE (ALL GENERATORS, GWh)



TEKAPO STORAGE Vs LONG RUN AVERAGE (GWh)

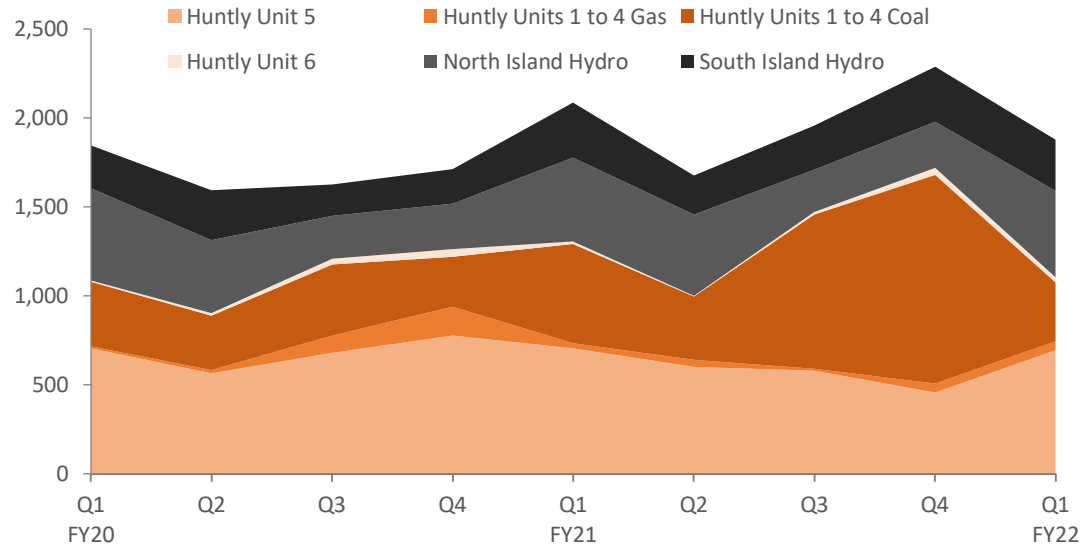


TONGARIRO GENERATION vs 20y AVERAGE

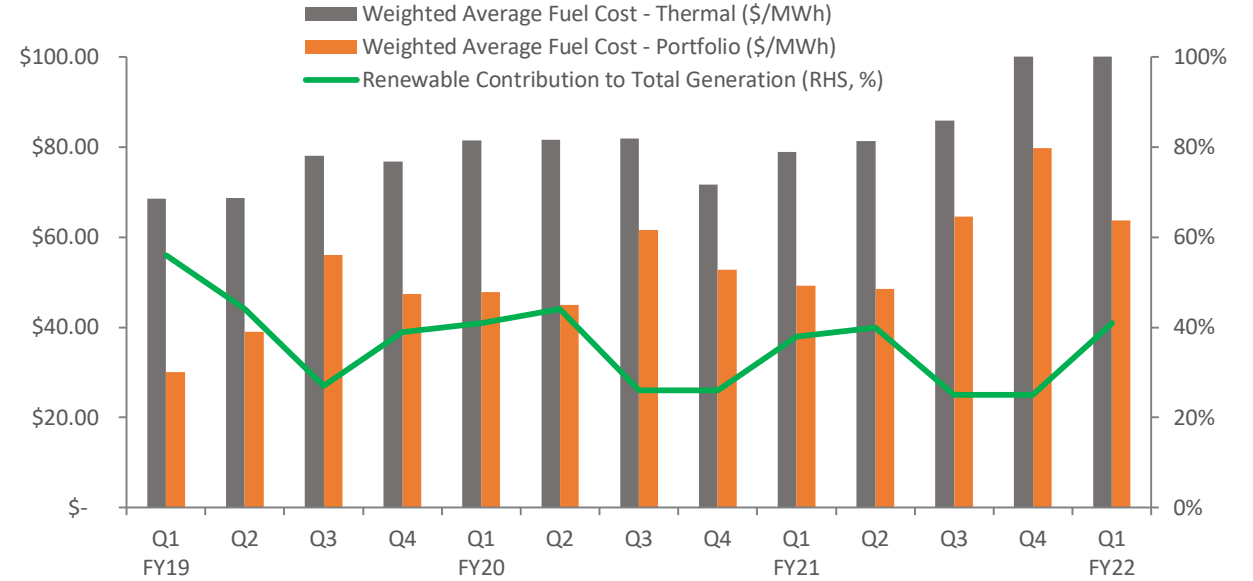


Appendix: Wholesale Segment

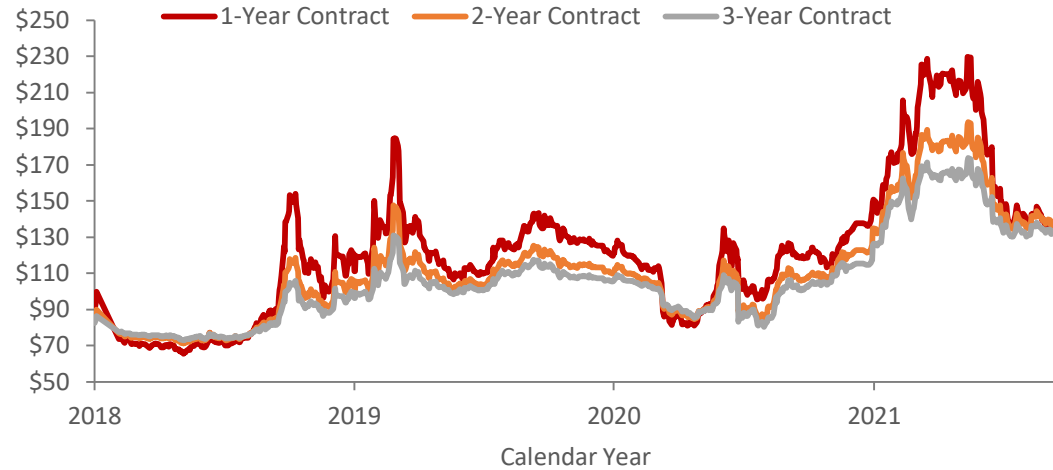
GENERATION BY POWER STATION (GWh)



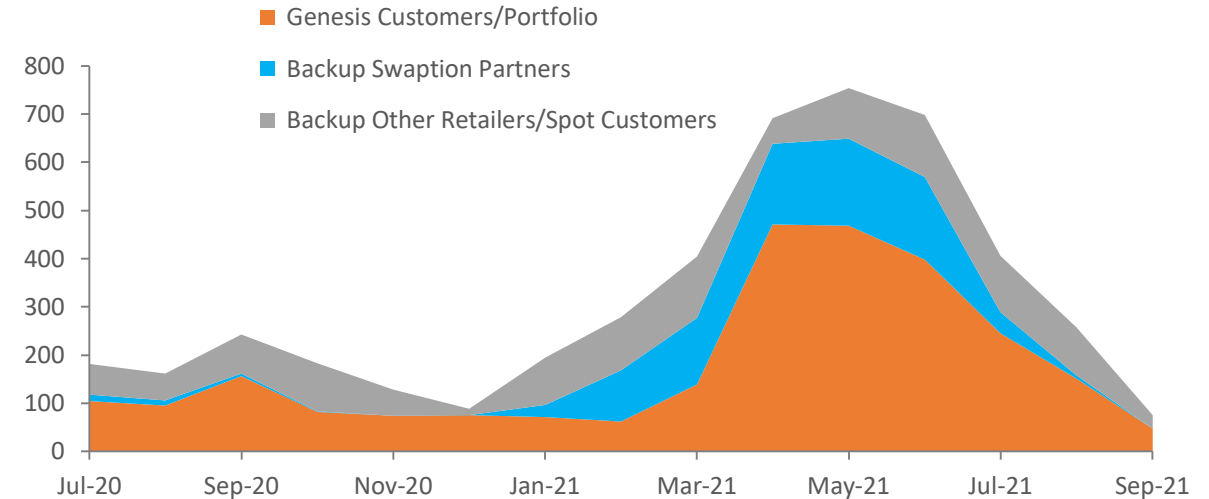
PORTFOLIO AND THERMAL FUEL COSTS



ASX FUTURES SPOT PRICING (\$/MWh)

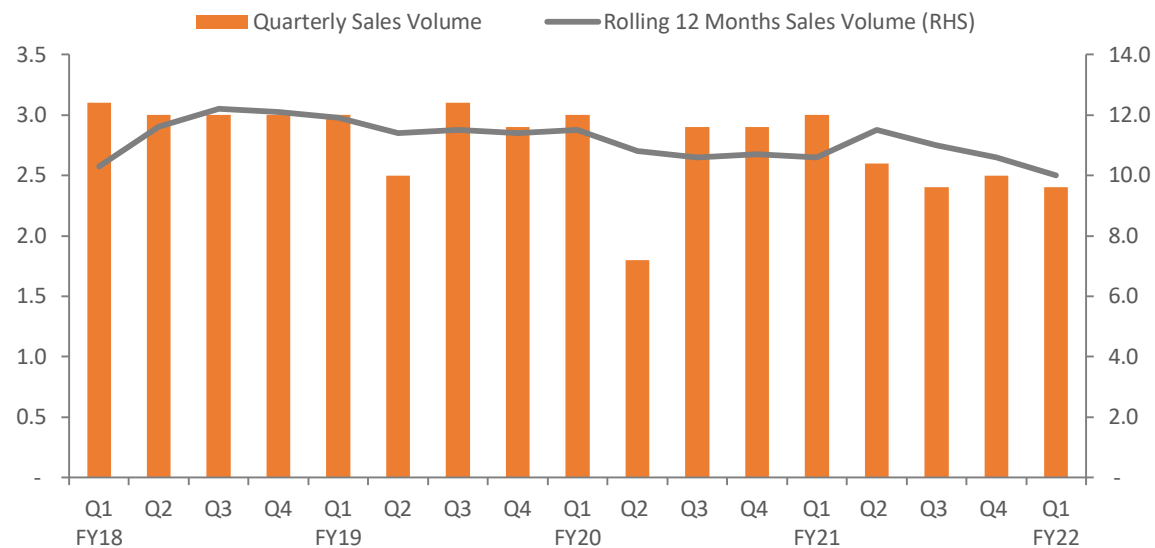


HUNTLY RANKINE UTILISATION (GWh)

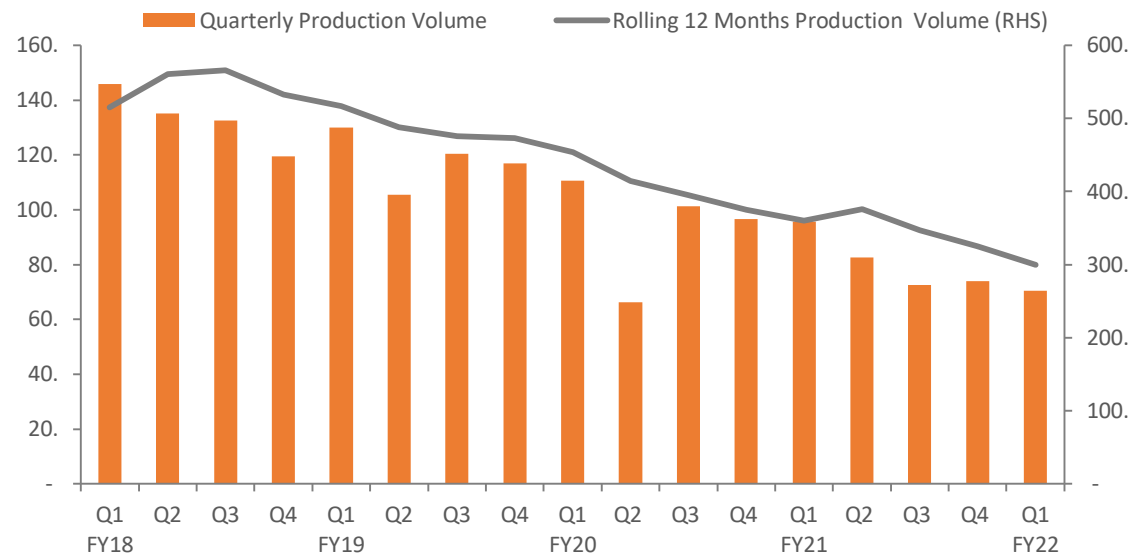


Appendix: Kupe Segment

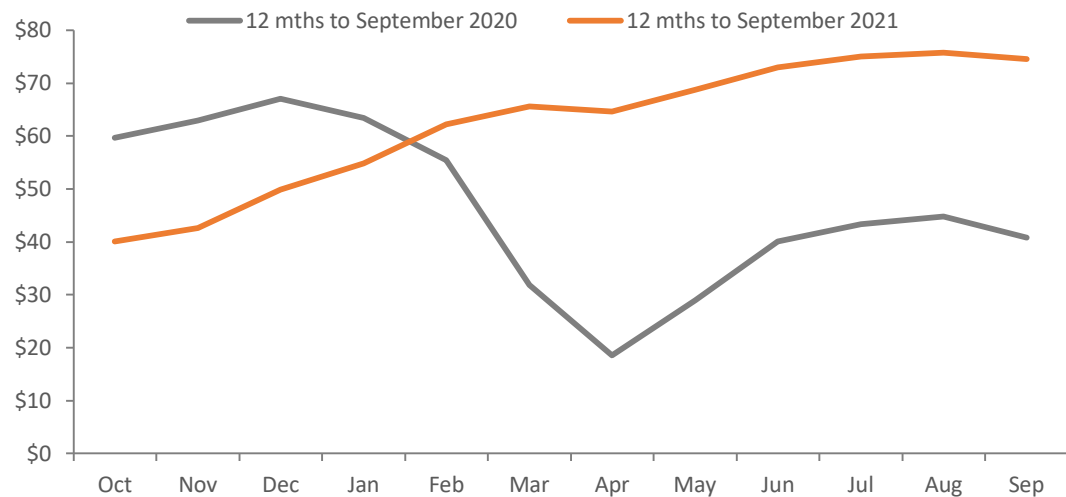
KUPE GAS SALE VOLUMES (GENESIS SHARE, PJ)



KUPE OIL PRODUCTION VOLUMES (GENESIS SHARE, Kbbi)



BRENT CRUDE OIL SPOT PRICE (USD/bbl)



FORWARD OIL PRICE AND FOREX RISK MANAGEMENT

Oil Price Hedges (USD/bbl)	% Hedged	Average Oil Price
1-12 months	62%	\$58.30
13-24 months	43%	\$64.70
25-36 months	0%	\$0.00

USD/NZD Hedges	Rate
1-12 months	82%
13-24 months	29%
25-36 months	13%

Glossary

RETAIL

Brand Net Promoter Score	Based on survey question "How likely would you be to recommend Genesis Energy/Energy Online to your friends or family?"
Interaction Net Promoter Score	Based on survey question "Based on your recent Interaction With GE/EOL, how likely would you be to recommend GE/EOL 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)

WHOLESALE

Average Retail Electricity Purchase Price - LWAP (\$/MWh)	Priced paid to purchase electricity for Genesis customers on the spot market. 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 on site at Huntly in tonnes divided by an estimated nominal energy content of Huntly's coal (22 GJ/t)

CORPORATE

Total Recordable Injury Frequency Rate	Rolling 12 month TRIFR per 200,000 hours worked for employees and contractors
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



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