



25 January 2012

Contact Energy Limited - December 2011 Operational Data and Half Year Results Announcement

Attached for release is the operational data for the month ended 31 December 2011.

Contact Energy Limited confirms that its half year results for the six months ended 31 December 2011 will be released to the New Zealand Stock Exchange on Tuesday, 21 February 2012.

ENDS

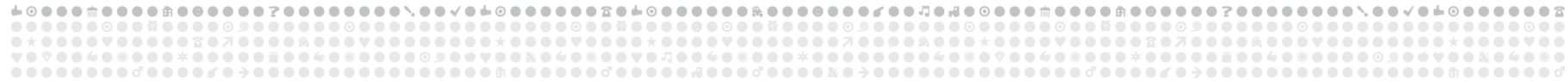


Monthly Operational Data

For the month ended 31 December 2011

December 2011

Highlights for December 2011



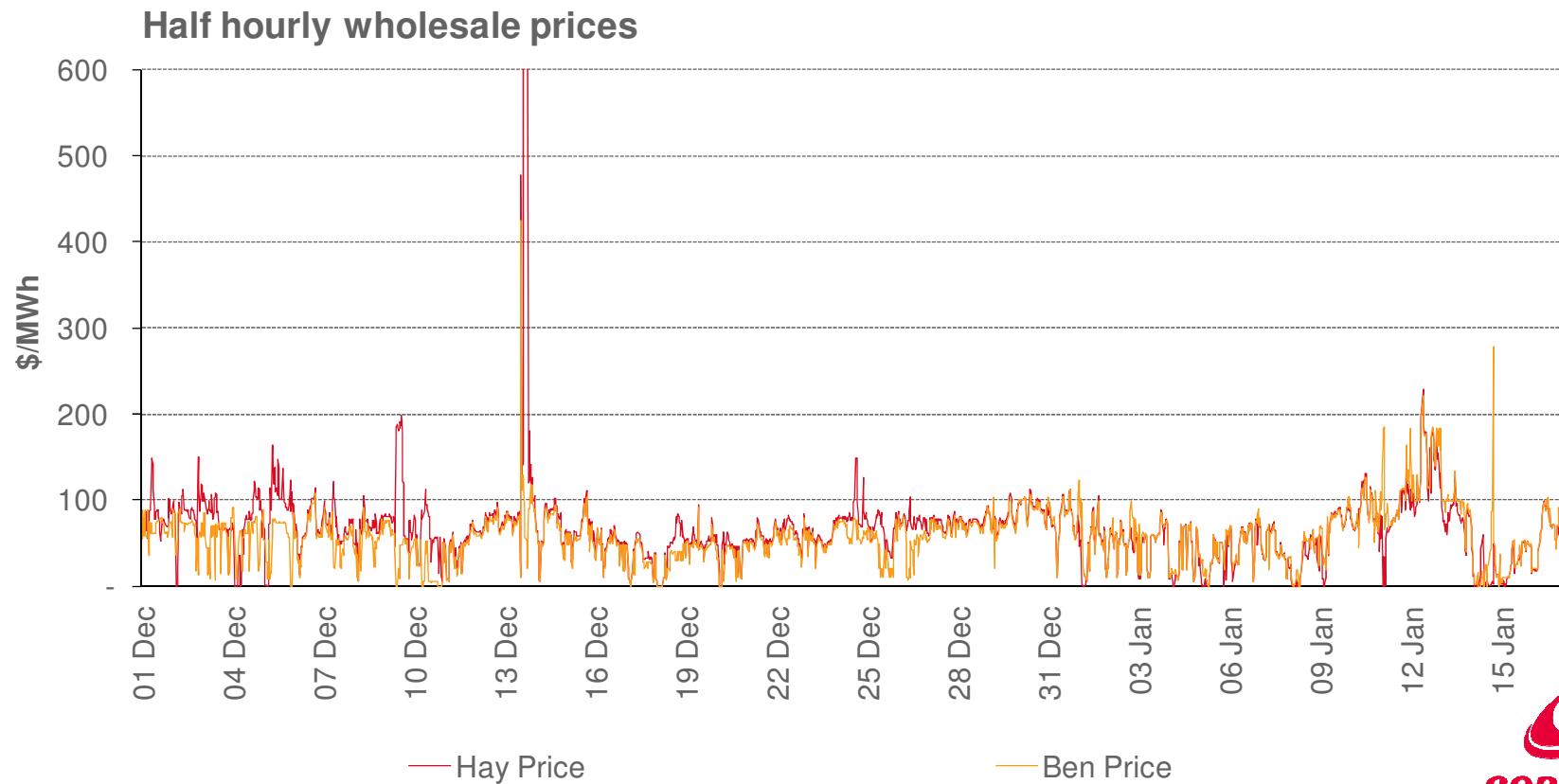
- **Hydro storage as at 31 December: South Island below mean - 85% of mean, North Island above mean - 120% of mean (p4)**
- **Average wholesale price for December 2011: \$75/MWh (p3)**
- **Otahuhu futures settlement wholesale price for 1st quarter 2012 (ASX) (p4):**
 - as at 17 January: \$93 /MWh
 - as at 31 December: \$75 /MWh
 - as at 30 November: \$75 /MWh



Wholesale Electricity Prices

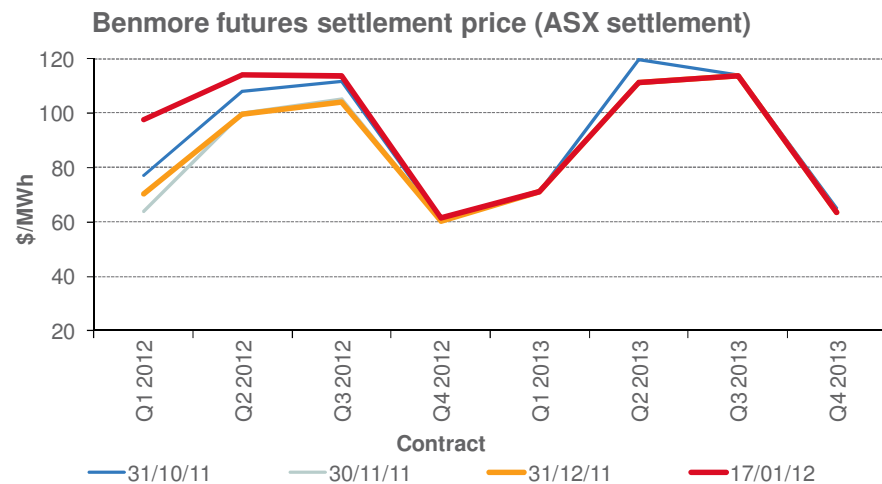
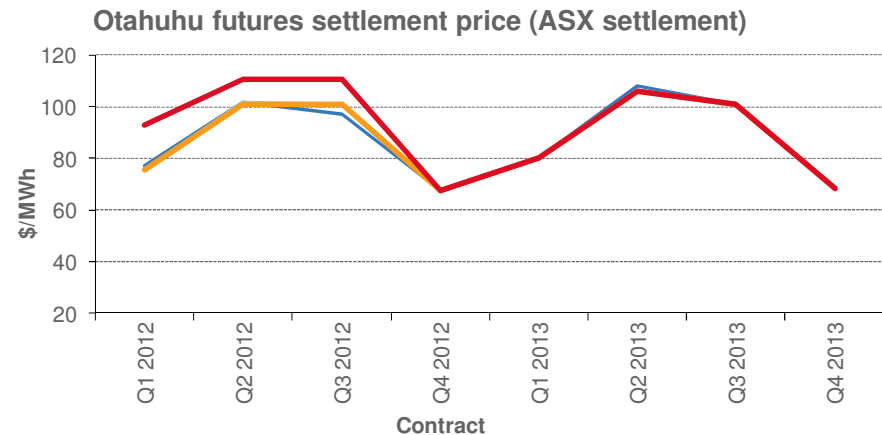
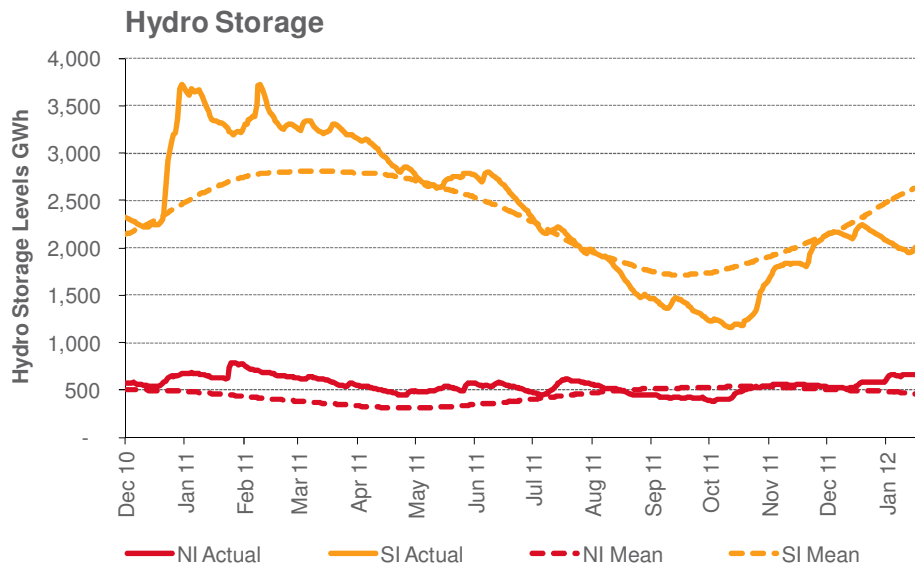


- The average price at Haywards (North Island) for the month of December 2011 was \$75/MWh while the average price at Benmore (South Island) was \$56/MWh.
- The average Haywards price from 1 January to 16 January 2012 was \$56/MWh. The average Benmore price over this period was \$62/MWh.



Storage levels and wholesale electricity prices

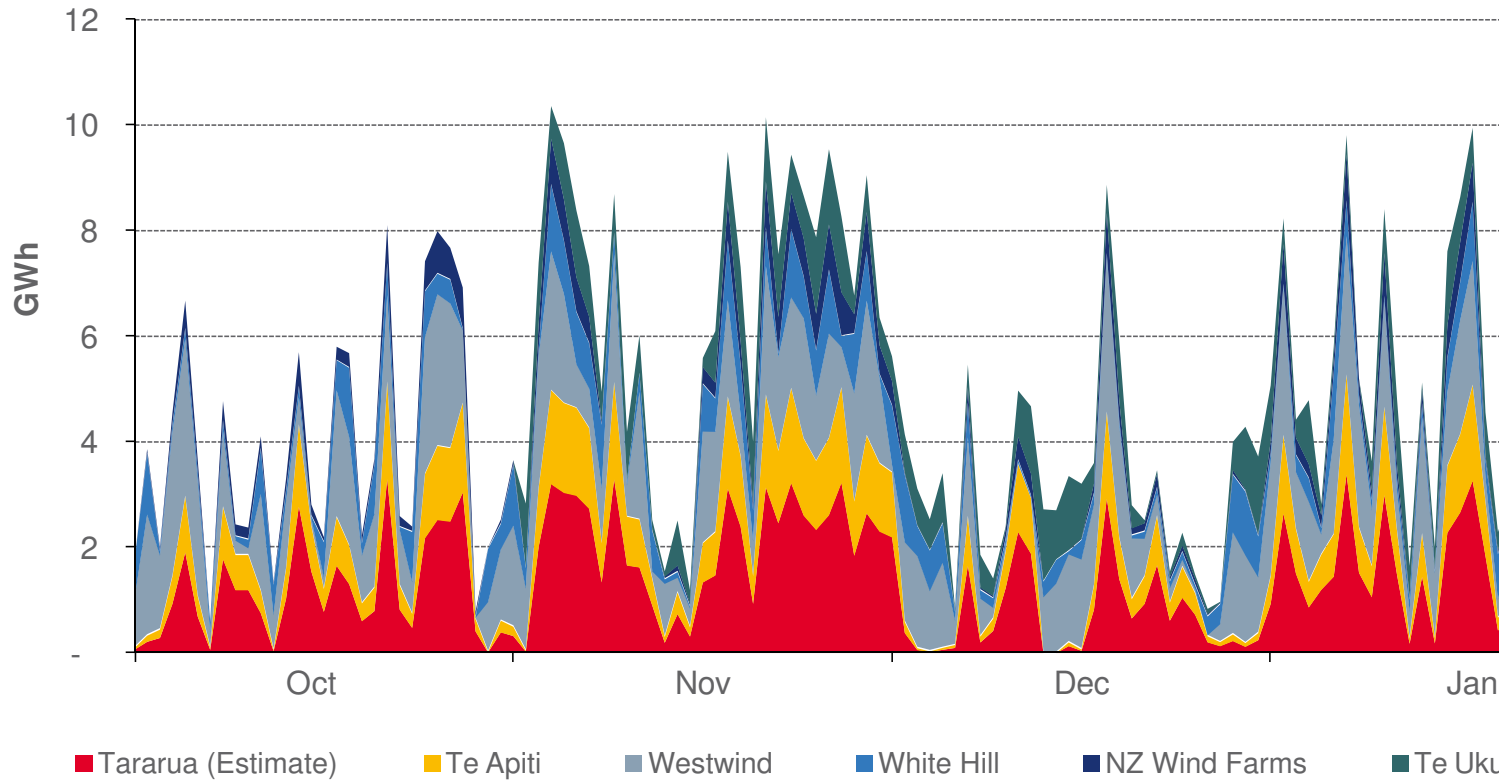
- At 31 December 2011, South Island storage was 85% of mean (30 November: 100%) and North Island storage was 120% of mean (30 November: 105%)
- As at 18 January, storage was:
 - South Island: 75% of mean
 - North Island: 139% of mean



Wind generation



Daily wind generation (SCADA)



Monthly demand comparison

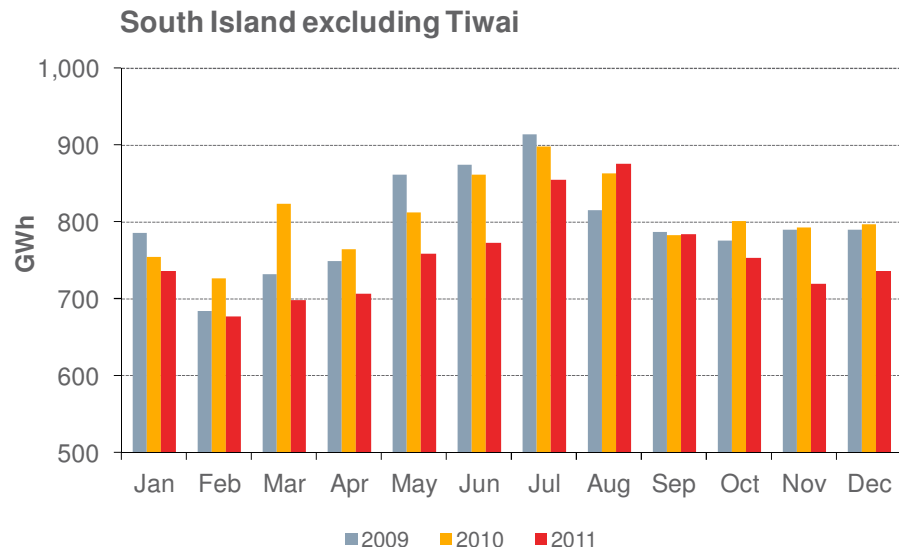
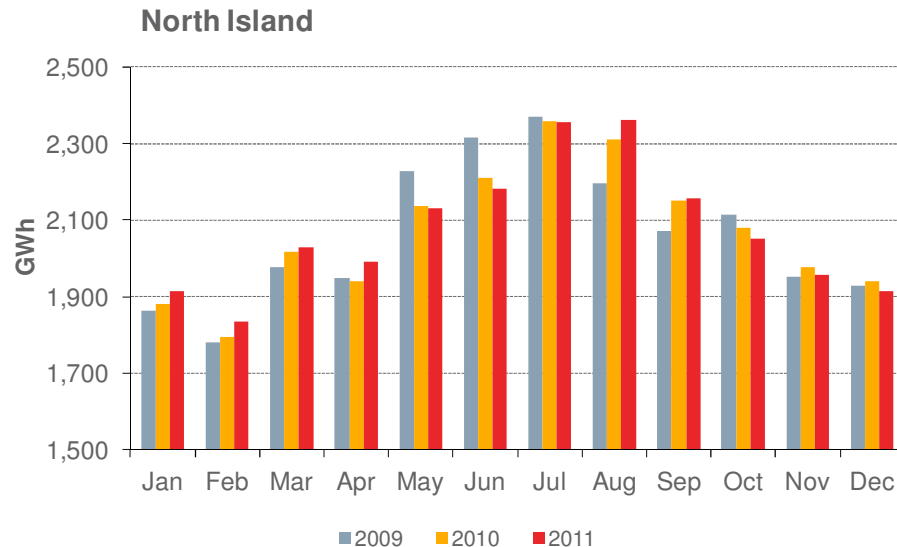


NIWA's National Climate Summary for December 2011 reports:

- The New Zealand national average temperature in December was 15.8°C (0.2°C above the 1971-2000 December average).

	12 months to date			Growth rate YTD		December demand			Growth rate December	
	GWh			% p.a.		GWh			% p.a.	
	2011	2010	2009	1 year	2 year	2011	2010	2009	1 year	2 year
North Island	24,881	24,798	24,745	0.3%	0.3%	1,916	1,940	1,928	(1.2%)	(0.3%)
South Island excluding Tiwai	9,073	9,679	9,560	(6.3%)	(2.6%)	736	797	790	(7.6%)	(3.5%)
Total	33,954	34,477	34,306	(1.5%)	(0.5%)	2,652	2,737	2,718	(3.1%)	(1.2%)

Source: SCADA data



Contact Generation and Retail Data

Data		Measure	The month ended 31 December 2011	The month ended 31 December 2010	The month ended 30 November 2011	Six months ended 31 December 2011	Six months ended 31 December 2010
Generation*	Thermal generation	GWh	230	251	260	2,199	2,201
	Geothermal generation	GWh	205	200	178	1,169	1,154
	Hydro generation	GWh	287	322	340	1,598	1,905
	Swaption	GWh	54	75	33	320	203
	Embedded generation	GWh	-	3	-	3	20
	Total generation	GWh	776	851	811	5,289	5,483
	Gas used in internal generation	PJ	2.1	2.1	2.2	18.0	18.0
	Gas paid & not taken	PJ	-	0.2	-	-	2.0
	GWAP ¹	\$/MWh	73.20	105.97	57.52	79.31	53.68
	LWAP ²	\$/MWh	80.41	116.60	64.93	84.12	58.46
	LWAP/GWAP	%	110%	110%	113%	106%	109%
Other	Total electricity purchases (incl. Fonterra)	GWh	713	670	724	4,503	4,413
	Retail gas sales	PJ	0.2	0.2	0.1	1.4	1.6
	Wholesale gas sales	PJ	0.2	1.5	0.3	1.4	6.4
	LPG sales	tonnes	4,653	4,728	4,575	35,037	36,127

* HVDC Rental rebates are accounted for in "Other Generation Revenue" which is not included in the statistical data in this table

¹ This is the price received by Contact for its generation. It excludes contracts for differences.

² This price excludes contracts for differences.



Electricity Segment Data



Data		Measure	The month ended 31 December 2011	The month ended 31 December 2010	The month ended 30 November 2011	Six months ended 31 December 2011	Six months ended 31 December 2010
Exposed Generation	Unhedged generation volume	GWh	38	138	86	632	725
	Unit generation operating cost	\$/MWh	56.82	52.53	41.44	44.52	36.48
	Exposed GWAP ¹	\$/MWh	108.78	140.10	60.80	89.34	65.90
Hedged Generation	Hedged generation volume	GWh	738	712	725	4,657	4,757
	Retail volume	GWh	689	676	721	4,522	4,473
	CfD sales	GWh	49	37	4	135	284
	Expected line losses	%	5.1%	4.8%	5.1%	5.3%	5.1%
	Unit generation operating cost	\$/MWh	44.86	46.57	46.83	54.24	55.07
	Haywards energy transfer price	\$/MWh	88.21	88.21	88.21	88.21	88.21
	Haywards - Hedged GWAP ¹ differential	\$/MWh	5.94	2.34	1.79	0.43	1.08
	Renewable generation	%	67%	74%	71%	59%	65%
	Thermal generation	%	33%	26%	29%	41%	35%
Retail	Retail electricity sales	GWh	654	644	685	4,286	4,250
	Average Electricity sales price	\$/MWh	154.62	156.95	154.52	169.31	168.35
	Haywards energy purchase price	\$/MWh	88.21	88.21	88.21	88.21	88.21
	Network costs ²	\$/MWh	54.60	55.49	56.50	61.45	60.55
	Cost to serve	\$/MWh	11.56	13.54	15.41	14.06	13.70
	Actual line losses	%	8.4%	4.0%	5.5%	4.9%	3.7%
	LWAP ³ - Haywards differential	\$/MWh	5.39	14.92	6.01	5.74	5.57
	Retail margin	%	-4%	-7%	-6%	1%	2%

¹ This is the price received by Contact for its generation. It excludes contracts for differences.

² Network costs include HVAC rental rebates that arise from the difference between nodal pricing of purchases and generation.

³ This price excludes contracts for differences.



Customer Numbers



	As at 31 December 2011	As at 31 December 2010	As at 30 November 2011
Electricity customer numbers	443,000	464,000	442,500
Gas customer numbers	60,500	61,500	60,500
LPG customer numbers (includes franchises)	60,000	58,500	60,000

Data has been rounded to the nearest 500



Revised Monthly Electricity Segment Data



- 1H12 operating expense allocations between the retail and hedged segments have been revised. The updated monthly numbers are included below and have been updated in the year to date numbers on slide 8.

Data		Measure	Dec-11	Nov-11	Oct-11	Sep-11	Aug-11	Jul-11
Hedged Generation	Unit generation operating cost	\$/MWh	44.86	46.83	51.05	60.31	61.66	58.86
Retail	Cost to serve	\$/MWh	11.56	15.41	13.89	13.87	14.42	15.02
	Retail margin	%	-4%	-6%	0%	2%	5%	7%

