Genesis intends to provide the annual ITP on a consolidated basis, incorporating both the "Genesis Energy" and "Frank Energy" brands.

Reporting on a group basis ensures, among other things, a level of consistency with the disclosures in our financial reports.

We set out below our FY22 ITP with a breakdown and explanation of the methodology and key components.

Genesis FY22 Internal Transfer Price for Mass Market Electricity

Average ASX Futures Price ($MWh)	Location ($MWh)	Average Shape adjustment ($MWh)	Locational Hedging Costs ($MWh)	Weighted Average ITP ($MWh)
105.32	(0.73)	6.41	0.16	111.16*

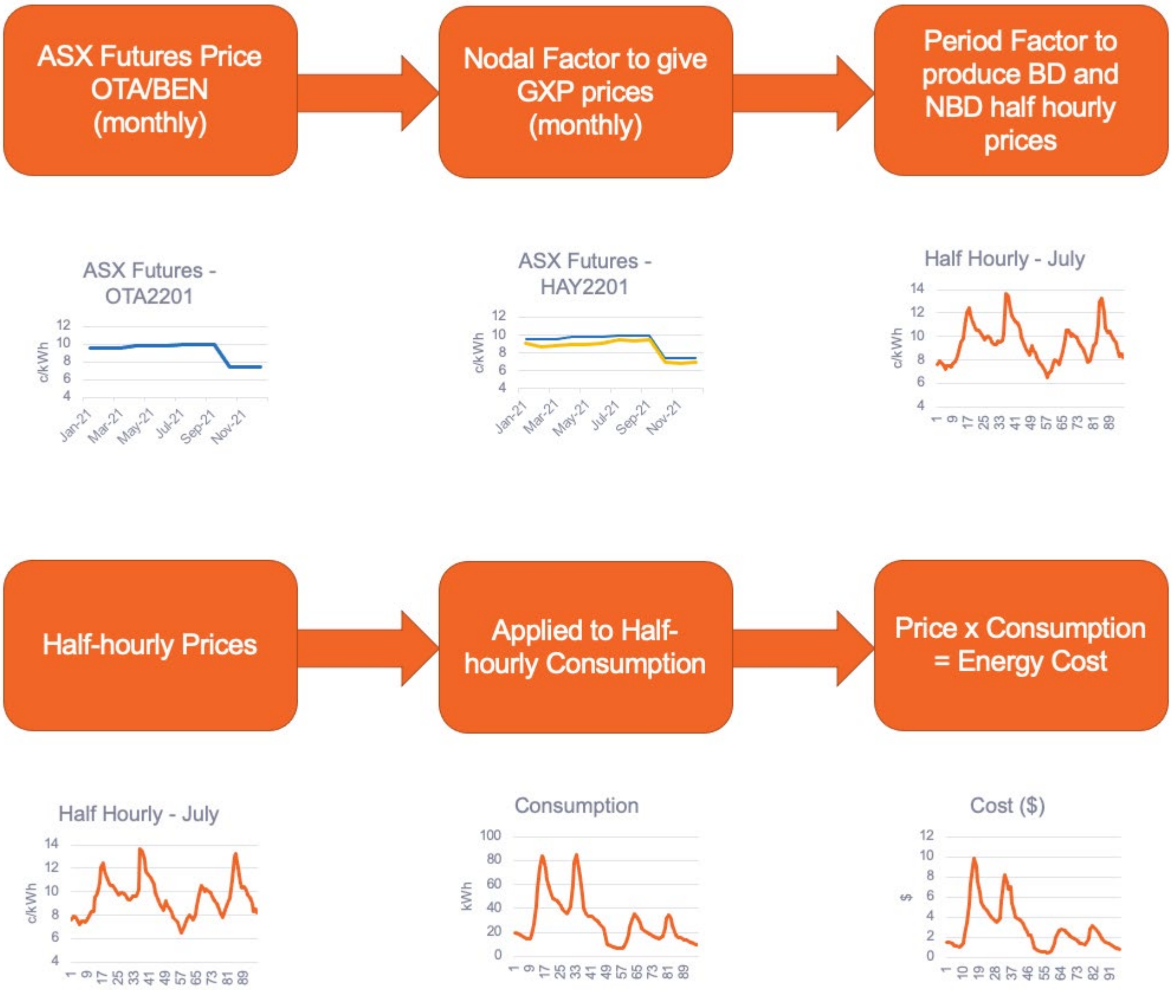
*Note, Incorporates Genesis Energy and Frank Energy brands.

Methodology and Components

- The internal transfer price for mass-market electricity (ITP) is the price at which electricity is notionally sold by Genesis' wholesale business to its retail business. It provides both a planning and performance measure for these business units.
- The ITP is calculated in a manner that is intended to provide a fair reflection of market prices to both parts of the business to ensure efficient allocation of capital, allow business units to plan and measure performance, ensure that price volatility risk resides primarily with the business unit best placed to manage that risk and so far as possible derived from independent market prices.
- The principal driver of the Genesis ITP is the ASX New Zealand electricity futures prices.

  - The key components of the mass market electricity ITP calculation are:
    - Average of the ASX futures prices for the relevant period (e.g. FY2022) over the 90 days preceding the date of the ITP calculation. The 90-day average helps ensure that short term market events or conditions are not given undue weight.
    - Locational factor adjustment (based on five years of spot price history to form relationships between the OTA2201 and BEN2201 ASX futures reference nodes and the GXPs within each Island where Genesis Energy currently sells electricity to mass-market customers).
    - Shape adjustment (based on several years of spot price history to convert monthly prices to typical business day and non-business day half-hourly prices).
    - Estimated hedging costs for regional and winter peak risks.

  - A high-level view of the base calculation is shown by the diagrams below:



- A rolling three-year hedging approach is used so that the most recent ASX Futures forward prices will contribute only 33% to the ITP in any given year. This reflects the market practice of partially hedging future year volumes and reduces volatility between financial years.