



Media Release – for immediate release

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Contact signs 10-year renewable energy agreement with Microsoft on new geothermal power station at Te Huka

Contact Energy (Contact) and Microsoft signed a 10-year renewable attribute purchase agreement in September 2022 that is supporting the development of new renewable energy capacity in Aotearoa New Zealand, in line with [Microsoft's sustainability commitments](#).

The arrangement will see Contact provide Microsoft with all the renewable energy attributes generated by Contact's new 51.4MW Te Huka Unit 3 geothermal power station.

Ownership of renewable energy attributes is the global standard for electricity customers to show they are using a renewable source. This is important for encouraging renewable electricity, since electricity consumed on a shared grid cannot be traced back to a specific power station. This contract supported Contact's investment decision to begin construction of the new renewable electricity generation facility at Te Huka.

Contact CEO, Mike Fuge, sees long-term commitments to the purchase of renewable energy attributes as a way to bring a new generation of renewables online faster while directly connecting a company's environmental aspirations with physical solutions.

"Further development at Te Huka has always been on the cards. By entering this arrangement with Microsoft, Te Huka Unit 3 got the backing it needed, providing further confidence to develop this project. Microsoft's commitment shows what companies with energy intensive facilities can achieve to support new renewable energy sources," Mr Fuge said.

"This type of agreement is a first for Contact and New Zealand. It reflects our commitment to enter contracts for renewable energy certificates that are directly linked to the addition of new renewable power generation. This is all part of delivering on our Contact26 strategy to build a better Aotearoa New Zealand by leading the country's decarbonisation."

"Geothermal is unique in that it provides 24/7 non-weather dependent, reliable, and renewable base load generation to the grid. This deal demonstrates the actions of two leading organisations aligning to create better outcomes both here in Aotearoa and globally."

Speaking about the agreement, Vanessa Sorenson, Managing Director Microsoft New Zealand, said the organisation was proud of the agreement and the sustainability alignment it enabled.

"Microsoft has big plans in New Zealand. With the construction of the data center region, this agreement aligns our New Zealand activities with Contact Energy's presence and capabilities around

geothermal in New Zealand and will further strengthen our transition to 100% renewable energy by 2025. It will also support Microsoft's 100/100/0 commitment," she said.

About Contact

Contact Energy is one of New Zealand's largest energy retailer and generators. We generated 87% of our electricity from renewable sources in the last financial year and have over 550,000 customers with energy and broadband connections. Our vision is to help build a better Aotearoa New Zealand by leading New Zealand's decarbonisation.

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