



MARKET RELEASE

Date: 14 February 2018

Genesis establishes a pathway to a coal-free electricity future

Genesis has today announced a pathway for the removal of coal from the New Zealand electricity sector.

Genesis Chair Dame Jenny Shipley said that by 2025 Genesis has committed to not use any coal to generate electricity in normal market conditions, with the intention to phase out coal use completely by 2030. This timeline gives the industry, which currently relies on coal fired generation to meet their needs, time to find alternative solutions that maintain security of supply.

“Over the last decade, Genesis has cut its use of coal by 80 per cent, halved overall carbon emissions and retired 500 megawatts of thermal generation, all while providing the flexibility and stability of generation that New Zealand’s renewable electricity system depends on,” says Dame Jenny.

Chief Executive Marc England said Genesis’ diverse generation portfolio plays a central role in maintaining the reliable supply of electricity to New Zealand communities and businesses when hydro lake storage is low. This has been particularly apparent in 2017.

“New Zealand has one of the cleanest electricity sectors in the OECD and already has an 85% renewable electricity system. While coal, as a fuel, only makes up a small portion of total grid electricity generation, New Zealand now needs a plan to move away from a dependency on it. Now is the right time to establish a pathway to drive the essential discussion across the whole industry on how to achieve a future without coal.”

“However in a largely weather dependent renewable future gas fired thermal generation will, for many years to come, remain a key enabler by ensuring a reliable supply while keeping costs manageable for consumers.”

England also added that the announcement would not preclude Genesis from removing coal earlier and did not represent an announcement on specific generation units closing as all current thermal generation units can run on gas.

“Now is the right time for the whole industry to plan for a future without coal,” said England.

For media enquiries, please contact:

Emma-Kate Greer

Group Manager Corporate Relations

M: 027 655 4499

For investor relations enquiries, please contact:

Wendy Jenkins

Group Manager Corporate Finance and Investor Relations

Genesis Energy

P: 09 951 9355

M: 027 471 2377

About Genesis Energy

Genesis Energy (NZX: GNE, ASX: GNE) is a diversified New Zealand energy company. It sells electricity, reticulated natural gas and LPG through its retail brands of Genesis Energy and Energy Online. It is New Zealand’s largest energy retailer with around 503,000 customers. The Company generates electricity from a diverse portfolio of thermal and renewable generation assets located in different parts of the country. Genesis Energy also has a 46% interest in the Kupe Joint Venture, which owns the Kupe Oil and Gas Field offshore of Taranaki, New Zealand. Genesis Energy had revenue of \$NZ2bn during the 12 months ended 30 June 2017. More information can be found at www.genesisenergy.co.nz