

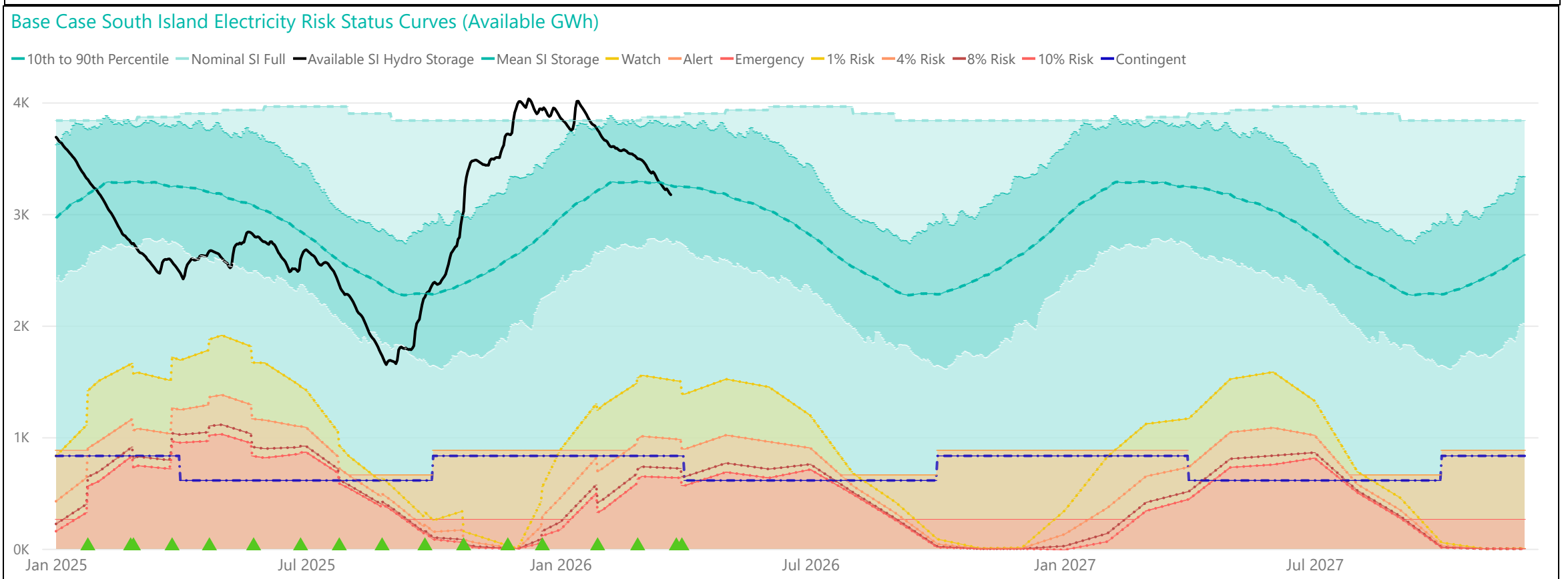
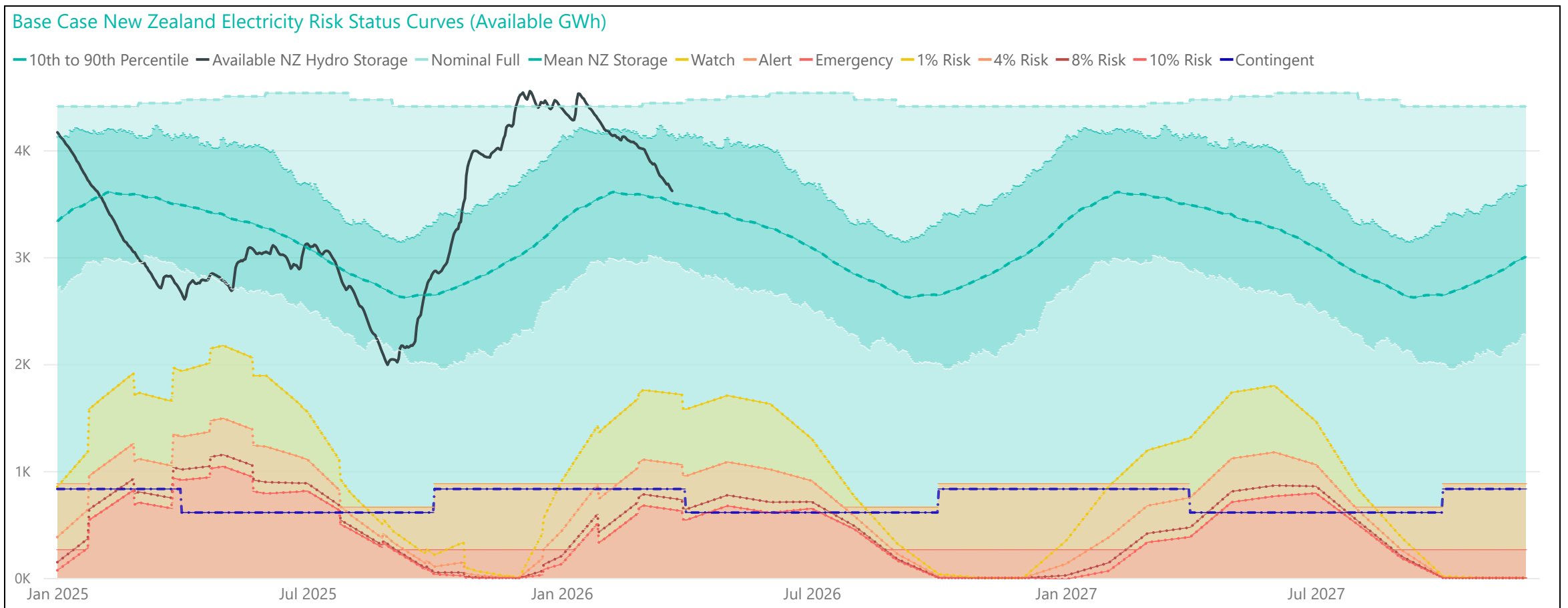
March 2026 Energy Security Outlook

 Monday, 30 March 2026

- Since our last update the national controlled hydro storage position has dropped to 103% of the historic mean at 22 March, with South Island storage at 97%.
- There have been reductions to the risk curves in mid-2026 and 2027 due to increased gas in storage, contracted gas reallocation from some industrial users to power generation, and newly modelled wind and solar projects coming online in 2027.
- No Simulated Storage Trajectories (SSTs) cross the Watch curve in 2026 or in 2027. This assumes the market supplements the existing coal stockpile at its maximum import capability to maintain increased thermal generation during any extended periods of low hydro inflows.
- NIWA has forecast in their [seasonal climate outlook](#) that below-normal rainfall is most likely for the west of the South Island over the next two months, which includes key hydro catchments. As we approach winter 2026, an ongoing focus on hydro storage management and ensuring sufficient backup thermal fuels and capacity remains necessary to mitigate the potential for very high prices.
- Current levels of thermal storage (gas and coal) remain close to their maximum levels. We are engaging with thermal generators to ensure we receive timely information should there be a need to modify our assumptions as a result of the global fuel supply situation.

Base Case - Electricity Risk Curves (ERCs) Updates and Assumptions

- An increase in Ahuroa gas storage.
- Contracted gas reallocation from industrial users to power generation.
- All three Huntly Rankine units are available in 2026, except for outages. This includes a month long Huntly Unit 5 outage in October 2026. Huntly Unit 2 is currently on outage until the end of April 2026.
- TCC is no longer modelled following its announced exit at the end of 2025.
- Updates to planned generator outages and upcoming commissioning dates.
- Input data was prepared as of 19 March. The current hydro storage level is as of 22 March.



Energy Security Outlook Explanation:

[Energy Security Outlook 101](#)

Watch Curve - The one percent risk curve.

Alert Curve - The maximum of the four percent risk curve and the floor.

Emergency Curve - The maximum of the 10 percent risk curve and the floor.

Official Conservation Campaign Start - See cl. 9.23 of the code.

Official Conservation Campaign Stop - See cl. 9.23A of the code.

Triggers and actions of Watch/Alert/Emergency status are set only by the official base case curves (not scenario curves).

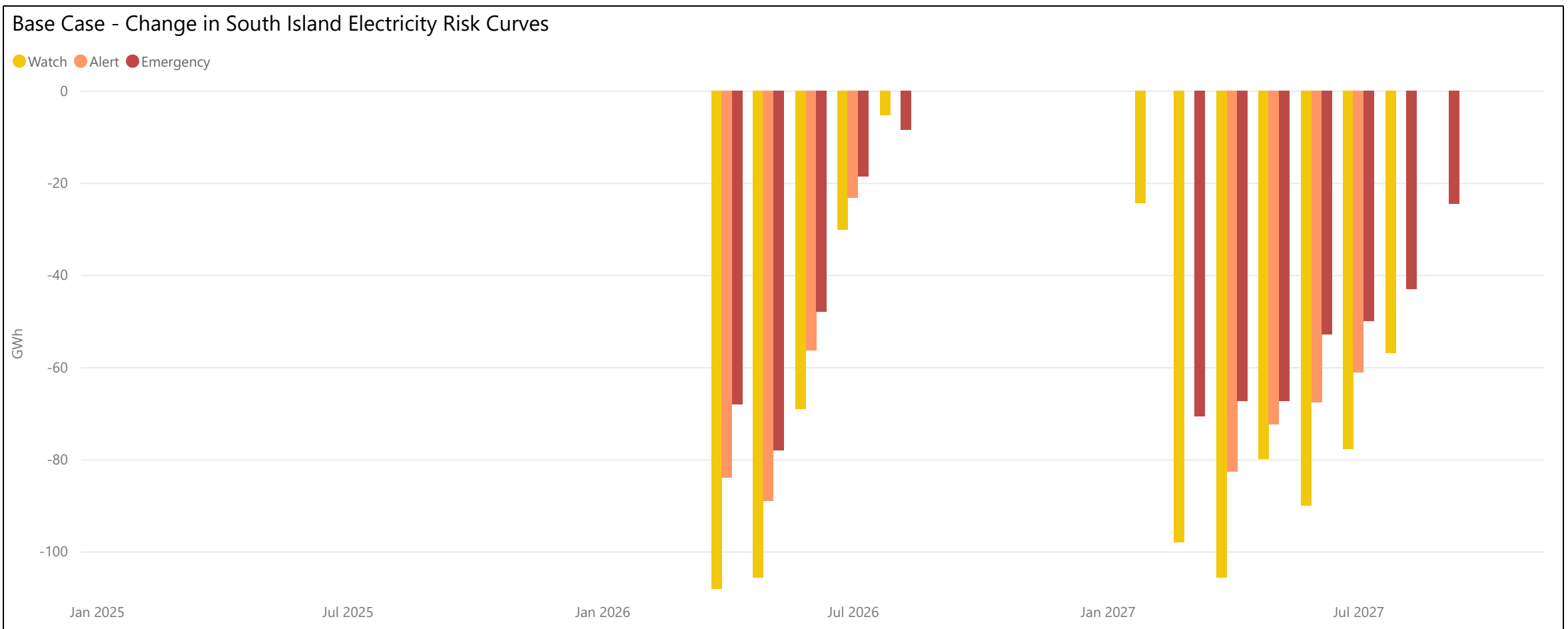
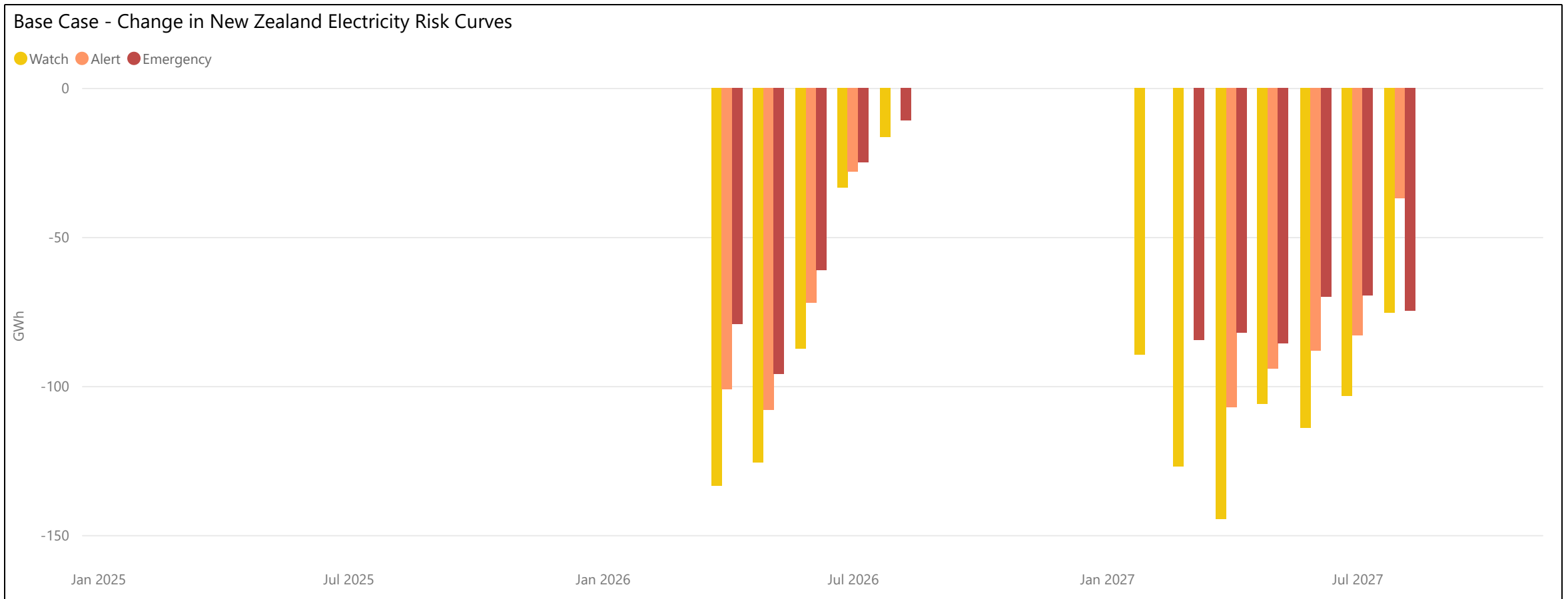
Note: The floor is equal to the amount of contingent hydro storage that is linked to the specific electricity risk curve, plus any contingent hydro storage linked to electricity risk curves representing higher levels of risk of future shortage, and the buffer. The default buffer is 50 GWh.

Base Case - Changes in the Electricity Risk Curves From Previous Update

▲ Monday, 30 March 2026

The changes to the Watch/Alert/Emergency curves compared to the last update are shown below.

There has been a decrease in the curves in 2026 (New Zealand Watch curve decreased by up to 130 GWh, South Island by up to 110 GWh) due to an increase in stored gas and due to contracted gas reallocation from the industrial sector to power generation. There has been a decrease in the curves in 2027 (NZ watch curve decreased by up to 140 GWh, SI by up to 110 GWh) due to additional projects now expected to commission in 2027.





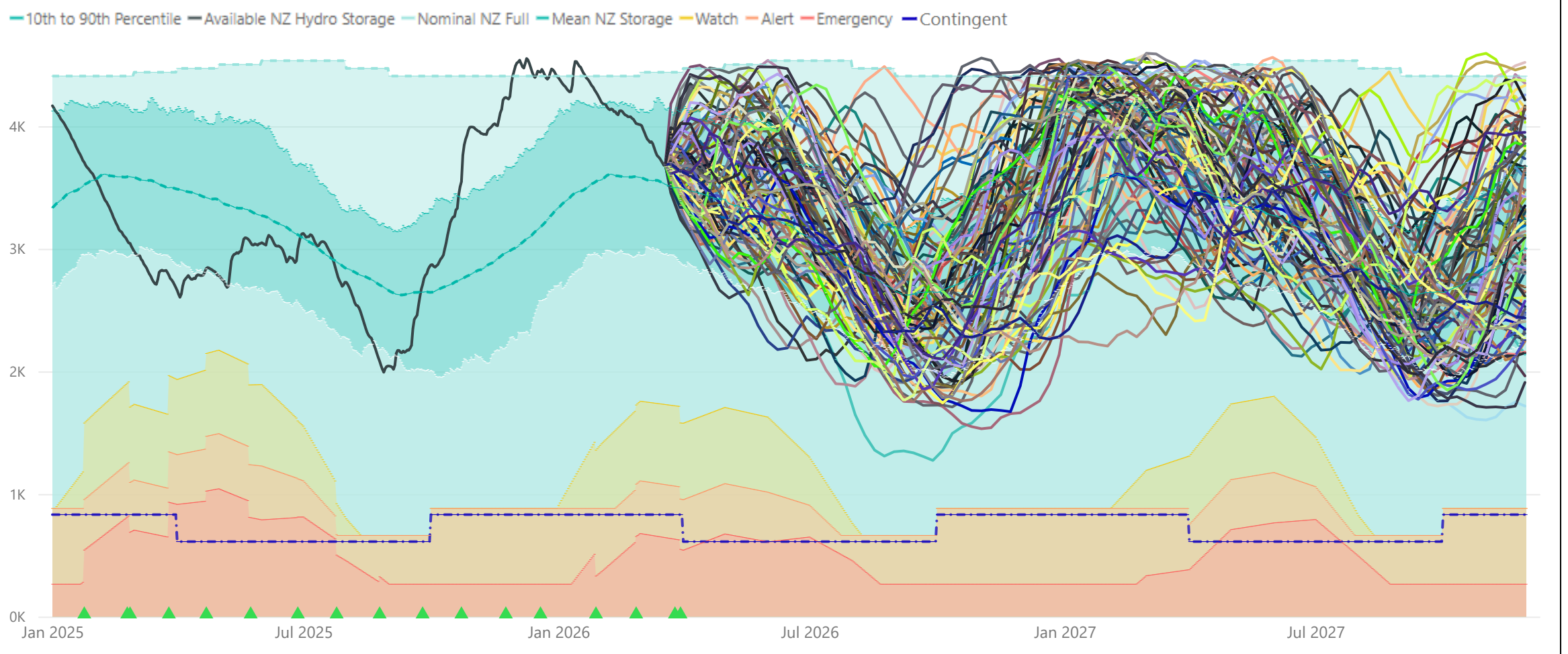
Base Case - Simulated Storage Trajectories (SSTs)

Monday, 30 March 2026

The March SST update is shown below which have a hydro storage starting date of 19 March.

No SSTs cross any risk curves during the outlook horizon (to the end of 2027).

Basecase - New Zealand SST Electricity Risk Status Curves (Available GWh)



Basecase - South Island SST Electricity Risk Status Curves (Available GWh)

