



To	Company Announcements Office	Facsimile	1300 300 021
Company	Australian Stock Exchange Limited	Date	19 October 2006
From	Bill Hundy	Pages	3
Subject	CONTACT ENERGY QUARTERLY OPERATIONAL REPORT		

Attached herewith is a copy of an announcement released to the New Zealand Stock Exchange by Contact Energy Limited.

Origin Energy has a 51.36% interest in Contact Energy Limited.

Regards

A handwritten signature in black ink, appearing to read "Bill Hundy", with a long horizontal flourish extending to the right.

Bill Hundy
Company Secretary

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19 October 2006

QUARTERLY OPERATIONAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2006

- The average wholesale electricity price received by Contact's generation was \$63.54 per MWh over the quarter ended 30 September 2006¹. The comparable price for the same period ended 30 September 2005 was \$72.14 per MWh.
- The lower prices reflected higher than average hydro inflows. National hydro inflows were 81% of mean during the period ended 30 September 2006 and national hydro storage was 88% of mean at the end of the period.
- Contact's total generation for the quarter ended 30 September 2006 was 2,954 GWh, which was 1% less than total generation for the period ended 30 September 2005, when it was 2,980 GWh.
- Contact's use of gas for thermal generation was 12.8 PJ for the quarter ended 30 September 2006, compared to 13.8 PJ for the three months to 30 September 2005. The decrease reflects lower thermal generation output.
- Geothermal generation was 528 GWh for the quarter ended 30 September 2006. This represents an 18% increase compared to the same quarter last financial year. This shows the direct benefit of Contact's steam winning programme.
- Electricity customer numbers as at 30 September 2006, were 514,000, down slightly on the quarter ended 30 June 2006 when customer numbers were 515,000. Gas customer numbers declined from 79,000 at 30 June 2006 to 78,000 at 30 September 2006.
- Contact and Genesis Energy announced Port Taranaki as the preferred site for a LNG import terminal, should the companies need to execute an option to import LNG.
- Contact continues discussions with Maui Development Limited regarding the company's Right of First Refusal over any further gas from the Maui field.
- Contact decided to relinquish its interest in petroleum exploration permit, PEP38493, in the offshore Taranaki Basin. The permit was awarded in 2004. Contact purchased existing data over the permit and shot its own seismic data over the permit area early in 2006. Following detailed analysis of seismic and other data, Contact decided not to proceed to the next step of drilling a well.
- A new, modified resource consent application was lodged for a small hydro scheme (17MW) at the company's control gates at Lake Hawea in Central Otago.
- The hearing of the appeal of Contact's resource consents for the Wairakei assets commenced on 4 September. The hearing is set down to take eight weeks. The outcome of this appeal is unlikely to be known until the first half of 2007.

¹ This price excludes contracts for differences.

Operational Data**Thermal Generation**

Quarter ended 30 Sept 2006	1,676 GWh
Quarter ended 30 Sept 2005	1,751 GWh

Geothermal Generation

Quarter ended 30 Sept 2006	528 GWh
Quarter ended 30 Sept 2005	449 GWh

Hydro Generation

Quarter ended 30 Sept 2006	750 GWh
Quarter ended 30 Sept 2005	780 GWh

Total Generation

Quarter ended 30 Sept 2006	2,954 GWh
Quarter ended 30 Sept 2005	2,980 GWh

Retail Sales

Quarter ended 30 Sept 2006	2,125 GWh
Quarter ended 30 Sept 2005	2,019 GWh

Average Wholesale Electricity Price¹

Quarter ended 30 Sept 2006	\$ 63.54 MWh
Quarter ended 30 Sept 2005	\$ 72.14 MWh

Average Energy Purchase Price

Quarter ended 30 Sept 2006	\$ 69.43 MWh
Quarter ended 30 Sept 2005	\$ 77.58 MWh

Electricity Customer Numbers

Quarter ended 30 Sept 2006	514,000
Quarter ended 30 Sept 2005	513,000

Gas Used in Internal Generation

Quarter ended 30 Sept 2006	12.8 PJ
Quarter ended 30 Sept 2005	13.8 PJ

Retail Gas Sales

Quarter ended 30 Sept 2006	1.6 PJ
Quarter ended 30 Sept 2005	2.6 PJ

Wholesale Gas Sales

Quarter ended 30 Sept 2006	1.4 PJ
Quarter ended 30 Sept 2005	3.1 PJ

Gas Customer Numbers

Quarter ended 30 Sept 2006	78,000
Quarter ended 30 Sept 2005	83,000

¹ This price excludes contracts for differences

Approved for Release

David Baldwin
Chief Executive