

3 July 2026

Fonterra Limited

109 Fanshawe Street
Auckland, New Zealand
+64 27 279 4360



Grant Benvenuti

Manager, Market Operations
Electricity Authority
Wellington
New Zealand
(by email: marketoperations@ea.govt.nz)

Dear Grant,

Re: Notification of transfer of ownership, and Application for the Whareroa Cogeneration Plant to be classified as a Type B industrial co-generator for Code purposes

I am writing on behalf of Whareroa Cogeneration Limited ("WCL"), a wholly owned subsidiary of Fonterra Limited, to notify that on 1 August 2026 WCL will take over ownership and operation of the Whareroa Cogeneration Plant from the Whareroa Cogeneration Joint Venture, and to apply for the Whareroa Cogeneration Plant to retain its classification as a type B industrial co-generator under Schedule 13.4 of the Code under the WCL entity. The plant is an embedded co-generation station that supplies process steam and electricity to Fonterra's Whareroa manufacturing site and is connected to Transpower's network at points of connection HWA1101 and HWA1102.

The Whareroa Cogeneration Plant is currently classified as a Type B industrial co-generator under the Code, which was approved on 9 September 2019 with the following conditions:

- Compliance with Part 8: Continues to comply with voltage Part 8 Code obligations; and
- Load and generation agreements: Continues to adhere with load and generation agreements for system security during outages; and
- Grid Emergency: Complies with all dispatch instructions from the system operation under emergency conditions or to alleviate a system constraint.

It is currently owned and operated by the Whareroa Cogeneration Joint Venture, a joint venture entity between Fonterra Limited and Nova Energy Limited. Fonterra is acquiring Nova's remaining 50% interest in the plant so that it becomes wholly owned within the Fonterra group. The current Generator, Metering Equipment Provider and Line Owner status held by the JV entity, together with the associated assets, will transfer on 1 August 2026 to WCL, an existing Participant. This application is made to ensure that the Type B classification of the Whareroa Cogeneration Plant is retained by Whareroa Cogeneration Limited following that transfer, so that the plant's essential supply of steam to the Whareroa factory continues without interruption.

The Whareroa Cogeneration Plant is located within, and tightly coupled to, Fonterra's Whareroa dairy manufacturing site near Hāwera in Taranaki, one of the largest dairy processing sites in the Southern Hemisphere and a significant contributor of economic value to the Taranaki region and to New Zealand. The plant comprises four 10 MW gas turbines, each fitted with a heat recovery boiler, generating superheated steam at 42 bar(g) which is condensed in a 28MW steam turbine or let down to 35 bar(g) and 10 bar(g) for supply to the factory. Its primary purpose is to supply process steam (heat) to the dairy factory; electricity is produced as a co-product of generating that steam.

Fonterra is installing two 34 MW electric boilers at the Whareroa site as part of its decarbonisation programme. However, the combined capacity of the electric boilers (68 MW) is not sufficient to meet the site's process heat requirement, which is of the order of 95 MW, with the balance required to come from the existing Cogeneration Plant. Because the steam is generated from the exhaust heat of the gas turbines, the gas turbines must run to produce the steam that the factory

needs to operate. The gas turbines must therefore continue to operate to supply the balance of the site's heat demand with electricity being a byproduct.

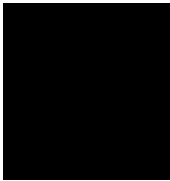
Whareroa Cogeneration Limited makes this application as the new owner, as from 1 August, on the basis that the Whareroa Cogeneration Plant meets the definition of an industrial co-generation station in Part 1 of the Code, in that it:

- b) is reliant on a co-located industrial process because—
 - i) it provides some or all of the electricity that it generates to that co-located industrial process; and
 - ii) it provides some or all of any by-product of generating electricity to that co-located industrial process; and
- c) is tightly coupled to an industrial process and cannot reduce dispatch to zero without interrupting production on site

Whareroa Cogeneration Limited will continue to comply with dispatch instructions where the System Operator has issued a formal notice as defined in Part 1 of the Code.

Thank you for considering this application. We would welcome the opportunity to provide any further information the Authority requires.

Yours Sincerely,



Jack Ballagh

Management Committee Representative – Whareroa Cogeneration Limited