

15 December 2006

Community Service Announcement

Water Releases to Swampy Plains River from Khancoban Pondage

Much of this country and in particular south eastern Australia is suffering from the effects of severe drought. Livelihoods are at stake and rural communities are being significantly impacted.

We must recognise and accept that the Snowy Scheme is not immune from the effects of this severe drought. The current drought sequence is now longer than the previous worst dry sequence – from 1936 to 1946. Inflows during the months of October and November were significantly below the previous lowest ever minimums – minimums recorded over 101 years - and were worse than could have been anticipated.

The water storage levels of the Snowy Scheme are also suffering. We are at our lowest December water level since the Snowy Scheme was completed in 1973, at around only 17% of active storage capacity.

Achieving the balance that the Snowy Scheme has traditionally achieved between the sometimes competing demands for water for electricity requirements and water for irrigation, town water supplies and for environmental flows is now acutely problematic. Snowy Hydro continues to find ways to meet these demands as best it can. With current inflows it is not possible to adequately satisfy all user and stakeholder needs, the Snowy Scheme is now operating well outside its design parameters.

If inflows do not improve, the situation can only further deteriorate.

Our main water storage source, Lake Eucumbene is at its lowest level since construction. As a precautionary measure, water gathered and collected at Lake Eucumbene has largely been transferred to our head ponds such as Geehi Reservoir.

Snowy Hydro anticipates that by late next week we will need to substantially reduce the level of water releases into the Swampy Plains River from Khancoban Pondage. We expect that around next Thursday 21st December water releases from Khancoban Pondage into the Swampy Plains River will be reduced to around 20% of their current level. This reduction of water releases into the Swampy Plains River will slow the lowering of Khancoban Pondage water levels.

Over the next week, it is expected that water levels in Khancoban Pondage will drop by a further 2 metres.

We are making this announcement now to give those residents downstream of Khancoban Dam adequate time to take whatever precautions are necessary to relocate pumps and water extraction equipment.

Residents and lake users are advised to take extra care and be aware of visual and submerged obstacles, sandbanks and navigational hazards if they choose to use the Pondage for recreational uses.

Snowy Hydro is sensitive to the difficulties that this major drought is creating for all Australians and it is doing everything possible to balance the needs of all those who rely on the Snowy Scheme.

Up to date information on Snowy Scheme water levels can be found on the Snowy Hydro web page at www.snowyhydro.com.au