Snowy Hydro Limited

Snowy Scheme Water Storages Update

20 April 2007

Q) Why are the Snowy Scheme water storages so low?

A) Much of this country and in particular south eastern Australia is suffering from the effects of the major drought sequence that has been occurring since 1996. Like all water storages across south-east Australia, the water storage levels of the Snowy Scheme are not immune and are also suffering.

Some facts on the current drought and its impact on Snowy Scheme storages are:

- The current drought sequence is now longer than the previous worst dry sequence which occurred from 1936 to 1946;
- Snowy Scheme water storage levels are currently at their lowest April level since the Snowy Scheme was completed in 1973;
- Our main water storage, Lake Eucumbene is at its lowest level since construction;
- Water inflows are only around 30% of long term average;
- Water inflows during the last 11 months were significantly below the previous lowest ever minimums minimums recorded over 101 years and were worse than could have been anticipated;
- The impact of the current drought on Snowy Scheme storages has resulted in the Snowy Water Licence dry inflow sequence provisions being activated.

Because of the extremely low water inflow pattern over the last 10 years, water levels in Snowy Scheme storages have steadily decreased since 1997 and are currently around 10% of active capacity.

Q) What are the expected future water levels for Lake Jindabyne?

A) It is difficult to predict the extent or length of the current drought sequence that is affecting Snowy Scheme water storage levels. Unfortunately, under these difficult drought conditions water levels at all Snowy Scheme storages have continued to drop and will continue to drop, if the drought lasts.

Water levels in Snowy Scheme storages are dependent on a number of factors including the amount of water inflows from rain or snow (in winter) and the demand for water for farms, townships, electricity and the environment.

In order to meet the needs of all Snowy water stakeholders including environmental releases and if the current drought conditions continue, then it is likely that by mid to late May 2007, Lake Jindabyne water levels will drop 1.1m to Minimum Operating Level (MOL) at around RL 896.1 metres.

In addition, it is possible but not yet probable, Lake Jindabyne will drop up to a further 1.5m below MOL to around RL 894.6 metres by late June / early July 2007. The likelihood of Lake Jindabyne going 1.5m below MOL increases if there is no significant inflows from rainfall and noting that environmental flows into the Snowy River are assumed to continue.

As the Lake level drops, substantial extra foreshore is likely to be exposed, probably in excess of 5 metres if the Lake reaches 1.5m below MOL.

With no forecast improvement to water inflows in the foreseeable future Snowy Hydro must act prudently to ensure that the water which remains in the Snowy Scheme is used in a balanced way for all stakeholders and that water is conserved for this coming winter and next summer.

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In order to meet the needs of all Snowy water stakeholders including environmental releases and if the current drought conditions continue, then it is likely that by end of April 2007, Lake Eucumbene water levels will drop 0.5m to around RL 1122.0 metres.

In addition, should the severe drought conditions and low inflow pattern continue, it is possible but not yet probable, Lake Eucumbene will drop up to a further 5.5m to around Minimum Operating Level (MOL) at RL 1116.5 metres by late July / early August 2007.

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Q) How can we get up to date information on lake levels and water releases from Snowy Scheme dams?

A) Snowy Hydro has established a website based water resources information service so that the public have access to up to date information on water resources data relating to the Snowy Mountains Scheme.

The new service can be accessed via the homepage on the Snowy Hydro website at <u>www.snowyhydro.com.au</u>. It provides up to date information on lake levels, snow depths, Snowy Scheme inflows and releases into local rivers including the volume of environmental releases into the Snowy River from Jindabyne Dam.