December 2013

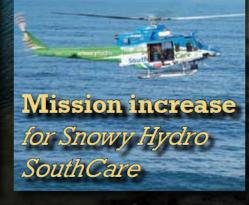
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<u>offorundate</u> months....

Also in this edition:

Inspecting tunnels with an underwater vehicle





ISSUE 23

ADUSY FIRST SET MODIAS

CEO, Paul Broad, gives us an update on what has been happening in his first six months in the role...

My first six months as CEO have been very busy to say the least, but on the whole they have been very enjoyable.

Meeting the people of Snowy Hydro has been a highlight. The work our people do to maintain and upgrade the Snowy Mountains Scheme, our gas-fired assets in Victoria and the ongoing growth in Red Energy is critical to our success.

At the moment we have a number of innovative and exciting projects happening here at Snowy Hydro. A great example is the introduction of an unmanned submarine equipped with sonar technology to inspect the condition of our unlined tunnels, which you can read about further in this newsletter. We have also introduced new web-based technology to enhance communications across the business, making it easier for employees to stay informed about what is happening. Soon, we will be commencing a project to upgrade our operations and controls systems, which we use to operate the Scheme and our gas-fired assets.

This project will look at how we can best use new technology to enhance our operations and I think it will change the nature of our business like never before. We will also be looking at how we can better attract and retain employees and develop the skills of our people to ensure we have technical experts and leaders ready to take on future challenges.

It was eye opening to spend some time with our energy traders in Sydney and with the Controllers in our Snowy Mountains Control Centre in Cooma, which is the real hub of our operations. I now have a much better understanding of how we manage the Scheme and dispatch electricity whilst managing our Snowy Water Licence obligations and the everchanging demands of the National Electricity Market.

My priority is to ensure that Snowy Hydro remains competitive and able to respond in a changing market.

I have enjoyed getting out and about in the Snowy Mountains. Since starting in June I have met with the Mayors of our four local shire councils and hosted networking evenings with the Snowy Hydro Board members and many of our community leaders, it is pleasing to see these relationships continue to grow. I have also joined the Board of Snowy Hydro SouthCare.

As CEO, I am accountable for building and sustaining a successful Snowy Hydro over the long term. My role is to ensure that Snowy Hydro has the right systems and structures in place in order to best meet the uncertainties now evolving within the National Electricity Market, as well as directing resources to our key functional areas in the most efficient manner.

Developing a comprehensive understanding of business operations over the last six months has helped me identify opportunities where we can continue to improve and grow.

I have recently introduced a new Executive structure, appointing Ken Lister to the new role of Chief Operating Officer. Ken has the depth of expertise and experience required to take on such a senior role and is well known to many in the community. His knowledge of the Scheme is second to none and his approach to work, his colleagues and employees are a great demonstration of our Corporate Values. I have also appointed David Hogan as General Manager Corporate Affairs and Community Relations, joining the Executive team, as in my view, our relationships with our local communities and stakeholders is core business.

My priority is to ensure that Snowy Hydro remains competitive and able to respond in a changing market. This means having people with the skills we need for the next decade.

We work hard to recruit and retain highly skilled employees and we pay competitively to ensure we have the people and the skills needed to run the business and operate the Scheme safely. Interestingly, our highest turnover, although still below industry averages, is with those employees who have been with us less than five years. This is something I am hoping to address specifically in the coming years. I have said before that electricity and water are in my blood. I am passionate about this industry and these are exciting times at Snowy Hydro.

We have a strong, refreshed Executive team and the business is in good shape. We are planning for a future that will see the growth of Red Energy, the continuation of our Scheme Modernisation program and investment in new technology across all areas of the business.

As always, community support for a successful Snowy Hydro remains very important. I look forward to spending more time in the Snowy Mountains during the festival season. You may even see me with a paddle in hand at the Lake Jindabyne Flowing Festival in February; or perhaps at TumbaFest in Tumbarumba, Cooma Show or the Tumut Festival of the Falling Leaf.

I wish you and your loved ones a safe and happy holiday season and again I thank you for your interest in Snowy Hydro and the support you show to our employees and their families across all the communities in which we operate. I very much appreciate it and the very kind welcome I have received since starting with this great company.



Snowy Hydro Chairman, Bruce Hogan, Mayor of Snowy River Shire Council, John Cahill and Snowy Hydro CEO, Paul Broad, at one of the recent networking evenings.

Inspecting trans-mountain tunnels with a high tech unmanned submarine...



An innovative, unmanned submarine that uses sonar technology is being used by Snowy Hydro to monitor the condition of six trans-mountain tunnels across the Snowy Scheme. Chief Operating Officer, **Ken Lister**, has the details...

Snowy Scheme tunnels transfer water from east to the west of the dividing range. Inspecting these tunnels in the past was a massive operation, requiring the tunnels to be drained of water, essentially shutting down part of the Snowy Scheme and several power stations for up to a month. Indeed, draining the tunnels induced some rock falls due to the change in pressure. Replacing this conventional 'de-watering' process with remotely operated sonar technology has been highly successful.

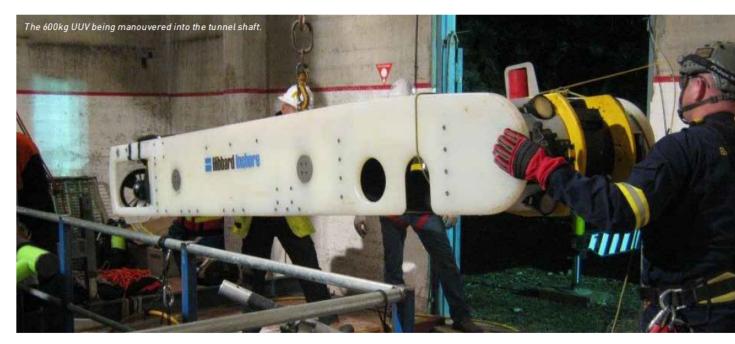
The new high-tech device known as an 'unmanned underwater vehicle' (UUV) is being used to inspect the tunnel's conditions. Using multi-beam sonar technology, the UUV produces an image of the unlined tunnel wall as it is 'swims' through the tunnel.

The UUV is almost four metres in length, nearly a metre wide, and weighs over 600kg. It is inserted into each tunnel by local crane contractors, Cooma Cranes, and is remotely guided along a distance of up to 12 kilometres over a 10 hour period.

Each tunnel inspection can take up to 18 hours to complete and although that may seem like a lengthy process, it is still significantly less than the time it would take to de-water the tunnel and conduct the inspection. The images produced are assessed by geotechnical experts to gain an understanding of the condition of each tunnel and identify any areas which may require further investigation. At this stage of the project, with four of the six tunnels completed, initial indicators are that the tunnels appear to be in sound condition.

What has also been critical to the success of this project is the number of local service providers that have assisted; Cooma Cranes, Roddy Engineering Tumut, Crowe Engineering, Burchall Transport & Recycling and Intact Electrical.

The use of the UUV for tunnel inspections now means that it can be done more frequently, more safely and without the need to shut down power stations or drain the tunnel. The information gained will also be useful for comparing future tunnel inspections. This multimillion dollar investment is a great outcome for the business, for the safety of our people and contractors and is part of our wider program of Scheme upgrades and ongoing maintenance. The information gained provides greater confidence in the current condition of the tunnel and its future reliability.



WATER REPORT 2012-2013



The 2012-13 Snowy Hydro Water Report is now available and this year the Water Report takes on a whole new format. Manager, Water & Environment, **Andrew Nolan**, explains why...



The latest Snowy Hydro Water Report for the 2012-13 water year is now available right across the Snowy Mountains region, as well as downloadable from our website.

We have taken your feedback from our community surveys to improve Snowy Hydro's Water Report and in turn aim to improve your understanding of the water operations of the Snowy Scheme.

The new report more clearly demonstrates the broader context around the interrelated facets of Snowy Scheme, its water operations and includes more information about public use and management of the foreshores of the lakes

As with previous reports, there is the usual detailed analysis of the water data for the year and this has been independently audited prior to publication. The report also includes a number of interesting facts to further improve community understanding. This includes information about the water content of snow, variations in water run-off and the operations of our main storages of Tantangara, Eucumbene and Jindabyne.

We have also included even more information around water ownership.

It is very important that our communities, stakeholders and lake users understand that Snowy Hydro does not own any water that is stored and released from the Snowy Scheme. Those that have an entitlement to releases from the Scheme own all water in the Snowy Scheme. These parties include the states of NSW and Victoria, irrigators from those states, downstream town water supplies and of course the environment. A snapshot of where the Scheme's water storages sit, as covered in the report, is that Snowy Scheme Inflows for 2012-13 were 2,188 gigalitres (GL) which is about 78% of long term average of around 2,800GL.

Snowy Scheme active storage decreased 757GL to 2,296GL, which is 43.4% active capacity of the Snowy Scheme.

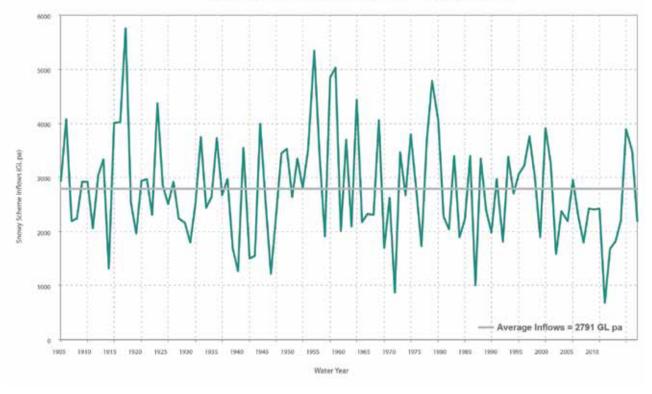
For more interesting facts and to further understand water operations of the Snowy Scheme, grab a copy of the Snowy Hydro Water Report from one of the following: • go to www.snowyhydro.com.au to download a copy; or

Collect a copy from:

- the Snowy Hydro Discovery Centre in Cooma;
- Murray 1 Visitors Centre near Khancoban;
- Cabramurra General Store & Coffee Shop;
- your nearest lake side operator; or
- one of the regional visitors centres.

To go on Snowy Hydro's Water Report mailing list please email you postal details to:

communityfeedback@snowyhydro.com.au



SNOWY SCHEME INFLOWS FROM MAY 1905 TO APR 2013

Did you know that water storage levels are often referred to in different measurements, being active storage and gross storage?

Active storage is the water that generally can be accessed by either pumping or through release via dams or through power stations. Gross storage is the total amount of water behind the dam wall including the water that cannot be accessed due to the design of the Snowy Scheme infrastructure.

For example, Lake Jindabyne could experience a 0% active storage, but the lake level itself would then be at approximately 44%. Therefore, for the purposes of Snowy Hydro business operations active storage is the most common term used. However, externally you will be more familiar with gross storage and that is what we update weekly on our lake levels calculator on our website.

Keeping Upper Nurray Landholders up to date...



Snowy Hydro is committed to keeping local stakeholders informed and up to date on what is happening in their area, with the aim of improving mutual understanding. Area Manager, Murray, **Gary Blanch**, outlines some recent efforts to impove communication with residents along the Upper Murray...

We place great emphasis on ensuring we work closely with all stakeholders and the communities that that exist around the Snowy Scheme and downstream from our water releases. One area we have been working closely with this year is the Upper Murray region regarding the release of water from Khancoban Pondage.

Over recent months, some of the senior management team have been meeting with landholders from Khancoban to Jingellic on the Upper Murray River to improve mutual understanding of the operations of the Snowy Scheme, our Water licence obligations, the various agencies accountable for river management and also detailing the flood notification processes in which we play a part.

More than 100 landholders and land managers on the Upper Murray were invited to attend one of five information sessions at Khancoban. These sessions ran for about two hours and over 50 farmers and riverside residents attended.

We discussed in detail the challenges of the catchment, the limited storage capacity in Khancoban pondage due to its small size and some of the causes of riverbank erosion. We presented a wide variety of scientific data and analysis along with all the data from releases during recent flood events to clear up any remaining misconceptions.

The data showed there would have been 8 additional floods into the Upper Murray had it not been for careful management of releases, storages and diversions in the lead up to and during these extreme wet events.

We will also be making representations to various other agencies including the NSW Office of Water and the Bureau of Meteorology on behalf of local landholders to improve flood notification processes where possible. We will also be talking with them about potential solutions to improve flood and river height awareness downstream of the Snowy Scheme such as the installation of an additional stream gauge on the River Murray and better access to real-time data.

The riverbank stabilisation works carried out by the NSW Office of Water and financially supported by Snowy Hydro was a key topic of discussion. Landholders gave us valuable feedback to allow that team to focus on the high priority areas that require further works.

We would like to thank all landholders who took the time to meet with us personally in an effort to improve mutual understanding. We would also like to acknowledge the outstanding work done by Mark Auchinleck and Bruce Saxton on the Upper Murray in assisting in coordinating the briefing sessions for local landholders.

So successful were these sessions that they will now be an annual event between Snowy Hydro and Upper Murray Landholders.

If you live or have property on the Upper Murray and couldn't attend one of the information sessions, drop us an email at:

uppermurrayfeedback@snowyhydro.com.au

Further information can be found via

- Automated recorded messages of flow rates from Khancoban Pondage 02 6453 2098
- NSW Office of Water www.water.nsw.gov.au
- Snowy Hydro www.snowyhydro.com.au
- Bureau of Meteorology www.bom.gov.au
- SES Updates and flood warnings www.ses.nsw.gov.au and www.ses.vic.gov.au

Briefings to landholders along the Upper Murray will now be an annual event.

Showy Mountains Frould Festival

ROUTICKUP

TROUT

Snowy Hydro was pleased to again support the Snowy Mountains Trout Festival in its 40th year. General Manager, Corporate Affairs & Community Relations, **David Hogan**, gives a run down of the event and tells us who the winners were...

This years 40th annual Yamaha / Freshwater Fishing Snowy Mountains Trout Festival was run from Saturday the 2nd of November to Friday the 8th of November 2013 with more than 700 anglers fishing across the mountains, particularly around Lakes Jindabyne and Eucumbene.

monry Mountains

FESTIVAL 2013

As an avid angler, I also took the opportunity to participate in this 40th Anniversary event and was fishing with local Cooma angler Heinz Kunath on the opening day when we trolled up the largest brown trout for day one at 2.7kgs. This was one of seven we caught in a little over three hours fishing on the Saturday morning in Lake Eucumbene.

Snowy Hydro is the sponsor of the largest Brown Trout and until angler Sterling Meredith weighed 2.86kg fish weighed in at Snowy Mountains Sports in Jindabyne we faced the prospect of having to present the prize to my fishing companion so well done to Sterling. All anglers went into the draw for the major prize, a \$15,000 boat, motor and trailer package sponsored by Riverina Marine Centre. This was won by Sharon Tailby who registered at SMS Jindabyne. Well done to Sharon.

Snowy Hydro is pleased to support the festival, which brings hundreds of anglers to fish the lakes and streams of the Snowy Mountains bringing significant economic benefit to our local communities and supporting the lakeside caravan parks and accommodation operators.

Well done to Col Sinclair from the Adaminaby Angler and the organising committee for running such an outstanding event for the region. We look forward to supporting the Snowy Mountains trout festival in 2014.

and the winners were...

| LARGEST TROUT OVERALL - Sponsored by Snowy Hydro | | | | |
|--|---|--|--|--|
| Sterling Meredith - weighing 2860g | Registered at SMS Jindabyne | | | |
| TROLLING CATEGORY - Sponsored by JM Gillies & BCF Canberra | | | | |
| LARGEST BROWN | LARGEST RAINBOW | | | |
| Sterling Meredith - weighing 2860g Registered at SMS Jindabyne | Grant Thatcher - weighing 1415g Registered at Adaminaby Angler | | | |
| SPINNING CATEGORY - Sponsored by Shimano 8 | & BCF Canberra | | | |
| LARGEST BROWN | LARGEST RAINBOW | | | |
| Max Filmer - weighing 2298g Registered at Buckenderra Holiday Village | Matthew Caldwell - weighing 1499g Registered at SMS Jindabyne | | | |
| BAIT CATEGORY - Sponsored by Pure Fishing, B | erkley & BCF Canberra | | | |
| LARGEST BROWN | LARGEST RAINBOW | | | |
| Simon Freebody - weighing 2842g Registered at Braemar Bay Caravan Park | Mark Linstead - weighing 1180g Registered at Buckenderra Holiday Village | | | |
| FLY FISHING CATEGORY - Sponsored by EJ Todo | & BCF Canberra | | | |
| LARGEST BROWN | LARGEST RAINBOW | | | |
| Josh Staples - weighing 2434g Registered at Buckenderra Holiday Village | Ben D-Helin - weighing 1112g Registered at SMS Jindabyne | | | |
| JUNIOR CATEGORY - Sponsored by Clarksons, V | ision & BCF Canberra | | | |
| LARGEST BROWN | LARGEST RAINBOW | | | |
| Arnika Karhapaa - weighing 2480g Registered at Rainbow Pines Tourist Park | Chloe Lawrensen - weighing 1058g Registered at SMS Jindabyne | | | |
| CLUB TEAM CATEGORY | | | | |
| LARGEST BROWN | LARGEST RAINBOW | | | |
| Eucumbene Units - weighing 2482g | Eucumbene Units - weighing 1415g | | | |
| 40CM FISH DRAW | SECRET WEIGHT DRAW OF \$1000.00 | | | |
| Thomas Davis - Registered at SMS Jindabyne | Snowy Army SMS | | | |
| SECRET WEIGHT DRAW OF \$300.00 | SECRET WEIGHT DRAW OF \$100.00 | | | |
| Rainbow Pines | Braemar Team Shirley | | | |



Raising funds for children's cancer...



When the Snowy Mountains welcomes thousands of motorcyclists in November of each year for the Snowy Ride, it can be easy to forget what the event is all about – raising money for children's cancer research. Manager, Corporate Communications, **Danielle Venables**, reminds us what Snowy Ride is about...

There is another aspect of Snowy Ride that goes on behind the scenes and behind the 3000 riders who make the annual pilgrimage to the mountains - that is the Snowy Hydro Family Weekend Program.

The Snowy Hydro Family Program is part of Snowy Ride and brings families with a child who is suffering from cancer to the Snowy Mountains for the Snowy Ride weekend. This gives families who are facing the real challenges of an ill child the opportunity to have a break and experience the best hospitality the Snowy Mountains has to offer. They get a well-earned break from hospitals and all the challenges they impose on a family.

Snowy Hydro along with NPWS and Snowy Ride organisers, particularly Brian and Dale Coyte, Jack and Di Nott and Tony and Cathy Gray established the Family Weekend Program nine years ago. For the past three years, and through our community partnership with the Snowy Ride, Snowy Hydro has donated \$100,000 per annum, 80% to children's cancer research, and the other 20% to the Family Weekend Program.

Mums and dads; brothers and sisters, the whole family of those affected and fighting the cancer battle are welcomed to the region for a few days of fun and a variety of activities to help take their mind off their illness. A great group of volunteers look after the families and work tirelessly to ensure their weekend is enjoyable, and stress free. To them we say thanks, for without their efforts the program would not happen. The importance of such a weekend is put into perspective when hearing the stories and experiences of the families, one such story is that of the Teplicanec family.

In October of 2012, they were given the devastating news that one of their five-year-old twin daughters, Emily, was diagnosed with B-Cell Acute Lymphoblastic Leukaemia.

"In one shattering instant, our lives had changed forever," said Renee Teplicanec, Emily's mother.

The Teplicanec family is one of seven families who joined the Snowy Hydro Family program this year. For the past twelve months, their home has been the Sydney Children's Hospital Randwick, where Emily has had extensive chemotherapy treatment. Experiencing all the ups and downs has been the challenge, particularly after Emily experienced an infection a week before Christmas resulting in her spending two weeks in isolation.

Emily's mum said "As much as we were upset to be having Christmas day in hospital we were together as a family and the same can't be said for Emily's doctors and nurses who were there caring for Emily and all the other children."

Because of all the research and studies conducted over the last 40 years, there is about an 85% chance of a cure for Emily's cancer. That is what the Teplicanec family holds onto today while Emily continues maintenance therapy treatment.

"In one shattering instant, our lives had changed forever"...

In addressing the Snowy Ride, Renee acknowledged all those who attended and how they have directly supported important funding for research, and the hospital, to continuing to save the lives of young children with cancer. The fight never ends as there are always children coming through the door every year and the hospitals need money to survive and continue to help these children.

"We have had such an amazing time this weekend with all the families together enjoying so many different experiences that have been offered to us. These experiences have been once in a life time opportunities and to see the smiles on all the children's and parents faces are priceless."

"It is because of your continued support of the Steven Walter Children's Cancer Foundation which helps kids just like my little Emily and makes the journey that little bit easier for all the children and their families whose lives are affected by cancer."

Snowy Hydro is proud to be a long-term, major sponsor of the event and would like to thank all the communities of the Snowy Mountains for their continued support of the Snowy Ride and the Steven Walter Foundation.

In 2014 when the next Snowy Ride comes to town, take some time to think of those families who are taking a break from hospital and donate to continue the fight against children's cancer.

Who is the Steven Walter Children's Cancer Foundation?

The Steven Walter Children's Cancer Foundation (SWCCF) has been in operation since 2001, with the goal of developing a significant long term fundraising capacity to benefit childhood cancer research in Australia. 'The Snowy Ride' is a major fundraising event for the SWCCF. The aim of the Snowy Ride was to involve the motorcycle riders of Australia in raising money for research into childhood cancer and its side effects and to give the local volunteer organisations of the Snowy Mountains area the chance to raise money for their own communities. Snowy Hydro has supported the SWCCF and Snowy Ride since its inception and this year donated \$100,000 to SWCCF.



Snowy Hydro General Manager, Corporate Affairs & Community Relations, David Hogan, Steven Walter Foundation Chairman, Dr Joe Collins, and Snowy Ride Regional Coordinator, Brian Coyte.



Mission increase for Snowy Hydro SouthCare...



There is an ever-increasing need for the Snowy Hydro SouthCare Rescue Helicopter with the service recording an increase in missions during the past year. CEO of Snowy Hydro SouthCare, **Owen Finegan**, gives us the facts...

In the past year the Snowy Hydro SouthCare Rescue Helicopter has experienced another increase in missions recording 498 aero-medical retrievals and 65 road retrievals.

In the past two years helicopter missions in Southern NSW and the ACT have soared by 25%, with 448 completed last year and 372 missions performed in 2011 – an increase of 126 missions. The table below demonstrates the climb in missions, and the types of missions the helicopter performs.

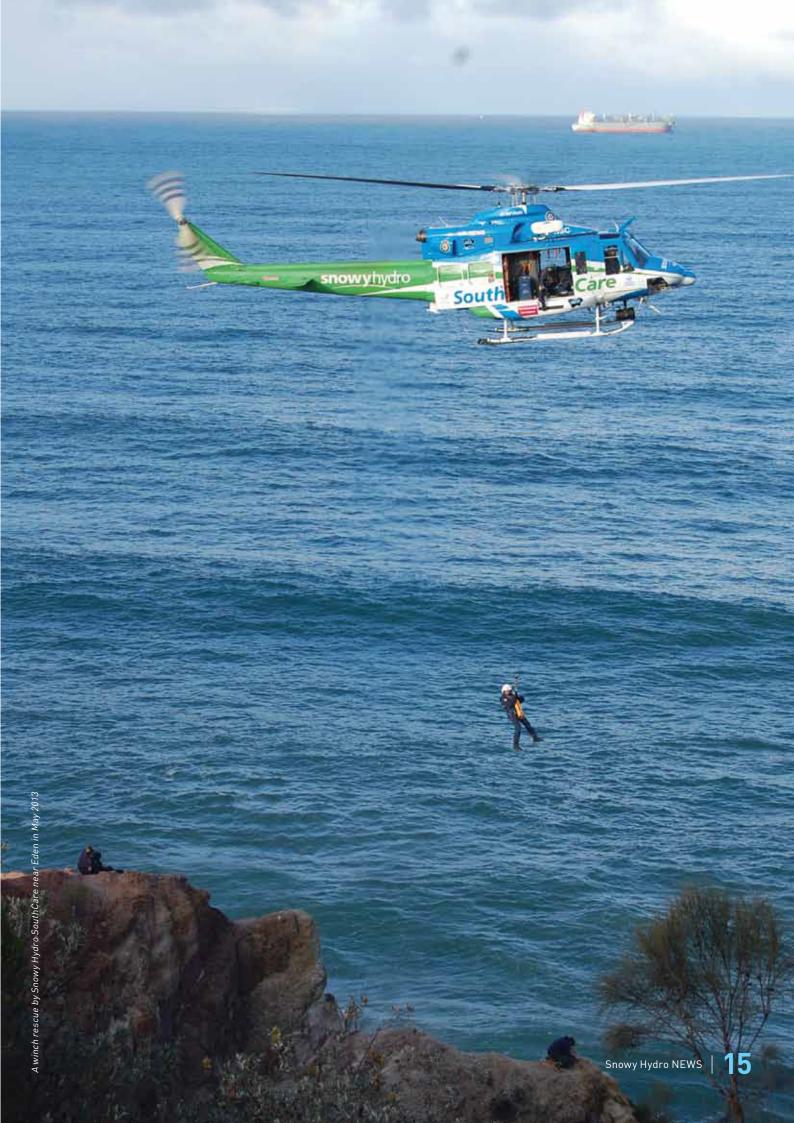
In 2013 the most frequent destination for the helicopter was the NSW South Coast, in the coastal stretch from Ulladulla to Eden 191 missions were conducted.

The helicopter also completed 80 missions to the South West area encompassing the Snowy Mountains, Cooma, Bombala, Jindabyne and the Monaro Highway. That is an average of 1 – 2 missions per week to the area. Last month the helicopter celebrated its 15th year of service since October 1st,1998. In recognition of the years of service to the community, Snowy Hydro SouthCare was awarded an Australian Medal from Government House. It is the first time a piece of machinery or equipment has been awarded such an honour. The medal came in the form of a sticker which was placed on the helicopter at a special ceremony acknowledging some of the existing crew who still work with the service.

The service continues to perform an average of two missions per day, and on the rare occasion up to five over a 24-hour period. Since 1998, Snowy Hydro SouthCare has performed over 5,400 life-changing missions. This number continues to climb.

To learn more about the Snowy Hydro SouthCare Rescue Helicopter visit www.snowyhydrosouthcare. com.au or stay in touch via social media. Twitter: @SHSChelicopter or Facebook facebook.com/ SnowyHydroSouthCare

| | Number | | Proportion | | | |
|-------------------------------------|---------|---------|------------|---------|---------|---------|
| MISSION TYPE | 2010-11 | 2011-12 | 2012-13 | 2010-11 | 2011-12 | 2012-13 |
| Primary (accident scenes) | 144 | 176 | 171 | 39% | 39% | 34% |
| Secondary (inter-facility transfer) | 216 | 265 | 308 | 58% | 59% | 62% |
| Search & Rescue | 12 | 7 | 19 | 3% | 2% | 4% |
| TOTAL | 372 | 448 | 498 | 100% | 100% | 100% |



What's on in the region...

Snowy Hydro NEWS includes a calendar of local events to help promote upcoming community initiatives and activities.

If you have an activity or event that you would like included, email us a short outline of what is happening and the date to communityfeedback@snowyhydro.com.au

December

| | 7 December | Cooma Sundowners Cup Race Day - Cooma Racecourse |
|-----|----------------|---|
| | 7 December | Snowy Hydro SouthCare Christmas Gala - www.snowyhydrosouthcare.com.au |
| ATE | 8 December | Champagne Sunday by the Lake Fundraiser - www.snowyhydrosouthcare.com.au |
| | 21 December | Stand Up for Rural Communities Comedy Night, Cooma Little Theatre |
| | 25 December | Christmas Day - Merry Christmas and safe journey to those travelling! |
| | 29-31 December | Snowy Mountains Muster, Station Resort Jindabyne - snowymountainsmuster.com |

January

| 1 January | Tumbarumba Rodeo - Tumbarumba Showgrounds |
|---------------|---|
| 7-11 January | Snowy Mountains Showjumping Festival - Station Resort, Jindabyne |
| 11 January | Tumut Cup Race Day, Tumut - www.tumutraces.com.au |
| 17-19 January | Thredbo Blues Festival - www.thredbo.com.au/thredboblues |
| 24-27 January | Irish Cultural Festival, Jindabyne - www.jindabyneirishfestival.com |

February

| | 15-16 February | Lake Jindabyne Flowing Festival - www.flowingfestival.com.au |
|---|----------------|---|
| | | |
| A | 22-23 February | Australian Cross Triathlon Championships - www.lakecrackenback.com.au |
| | | |
| | 22-23 February | Tumbafest, Tumbarumba - www.tumbafest.com.au |

Remember - if you would like your community event advertised for free in "What's on in the region" email the details to: communityfeedback@snowyhydro.com.au

snowyhydro

To give us your feedback email communityfeedback@snowyhydro.com.au or for more information go to www.snowyhydro.com.au