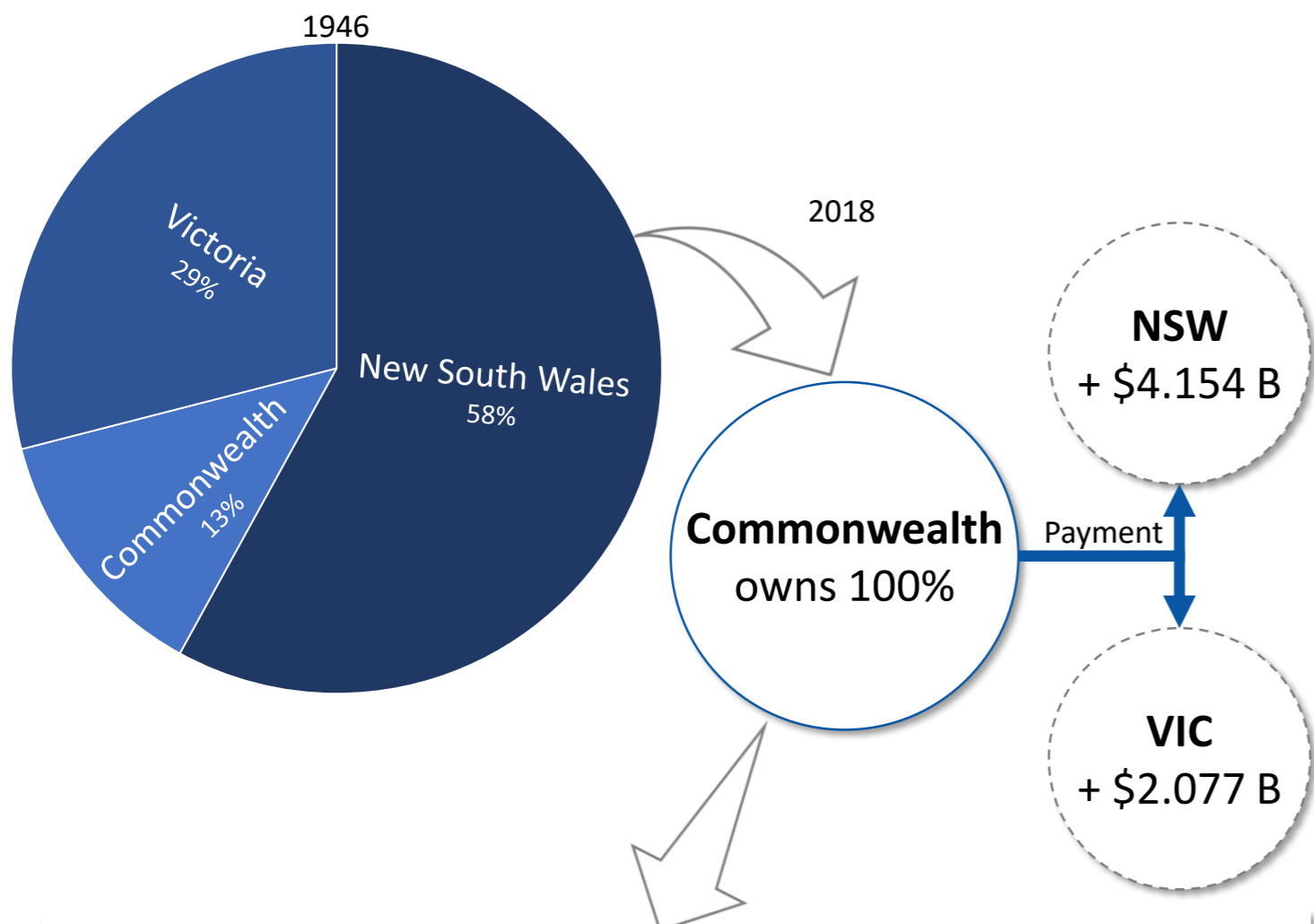


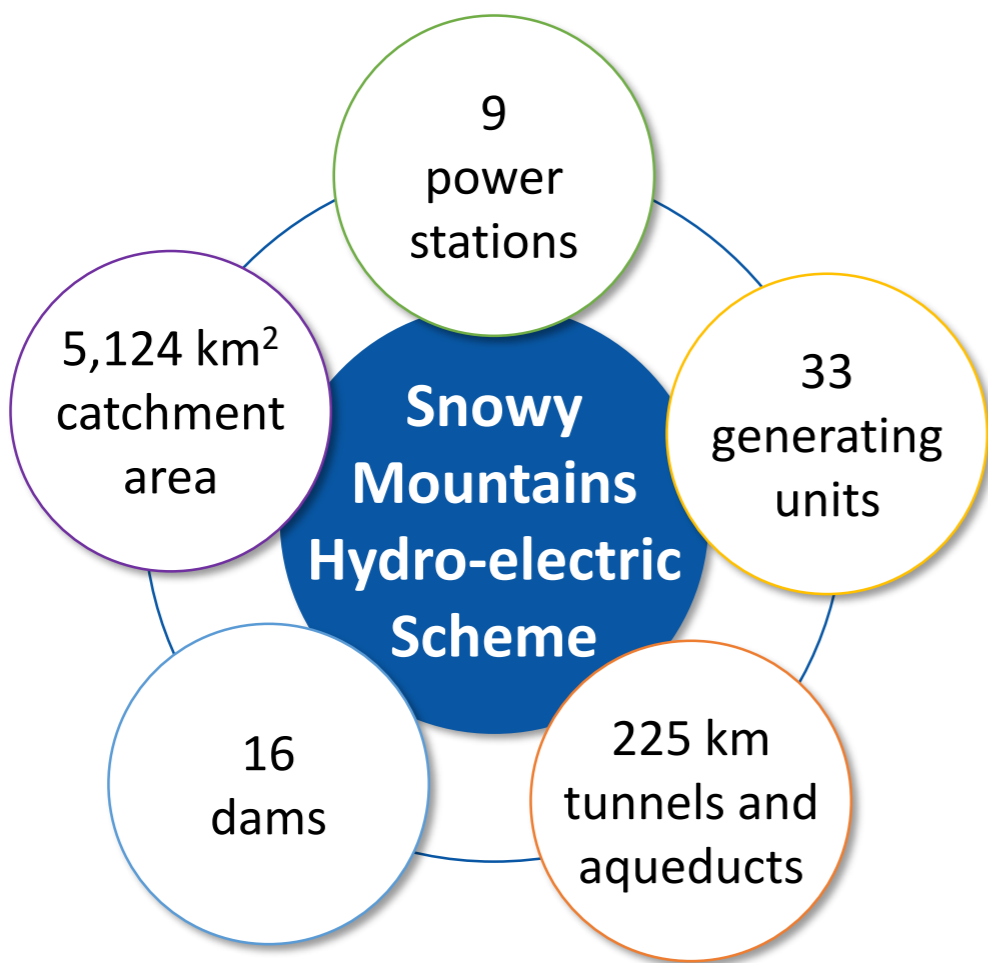
Snowy Hydro – Presently

Ownership

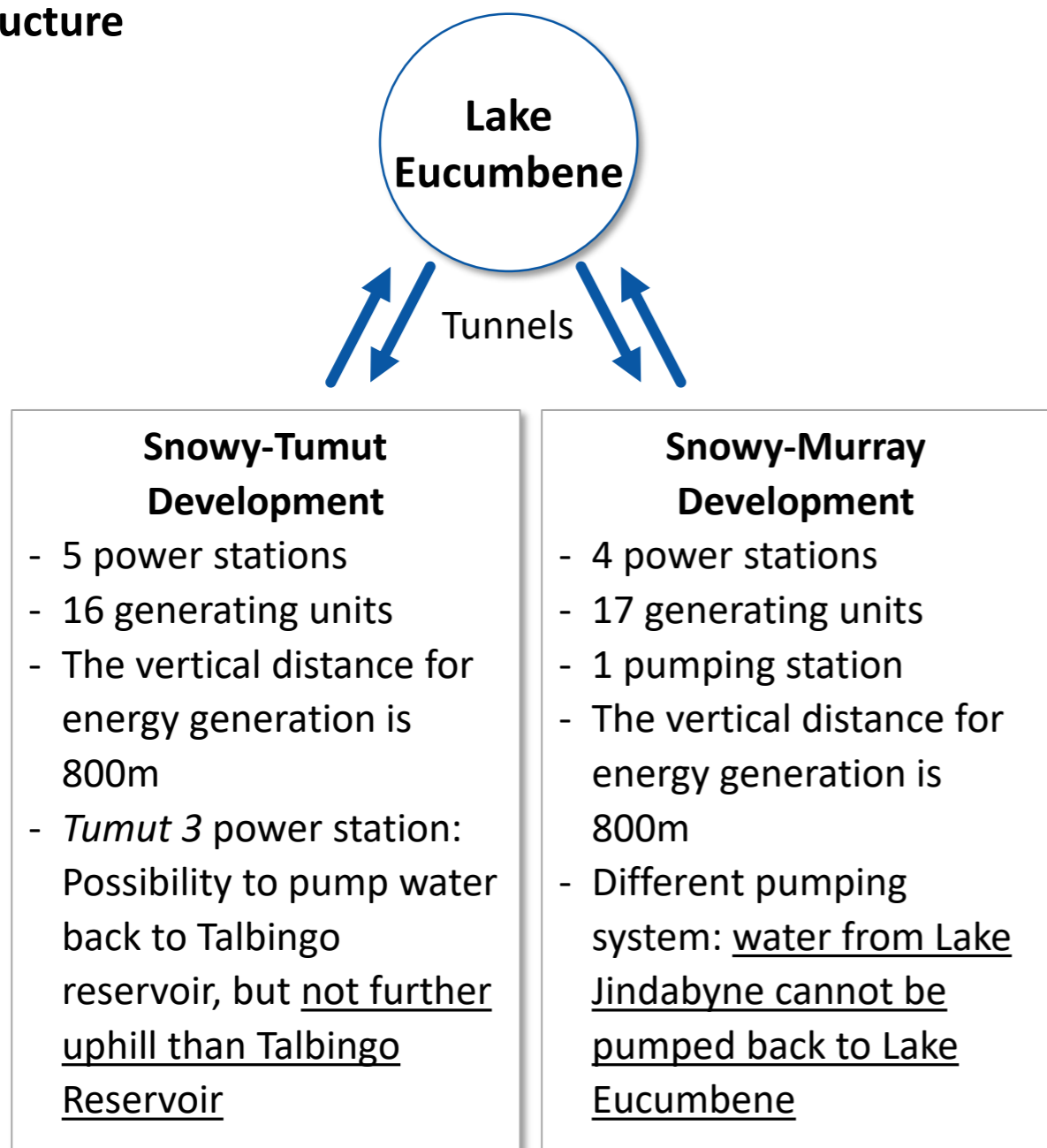


Snowy Mountains Hydro-Electric Authority was corporatised under the *Snowy Hydro Corporatisation Act 1997*. The Snowy Water Licence was issued in 2002 under the Corporatisation Act and is administered by New South Wales (Department of Industry – Lands & Water).

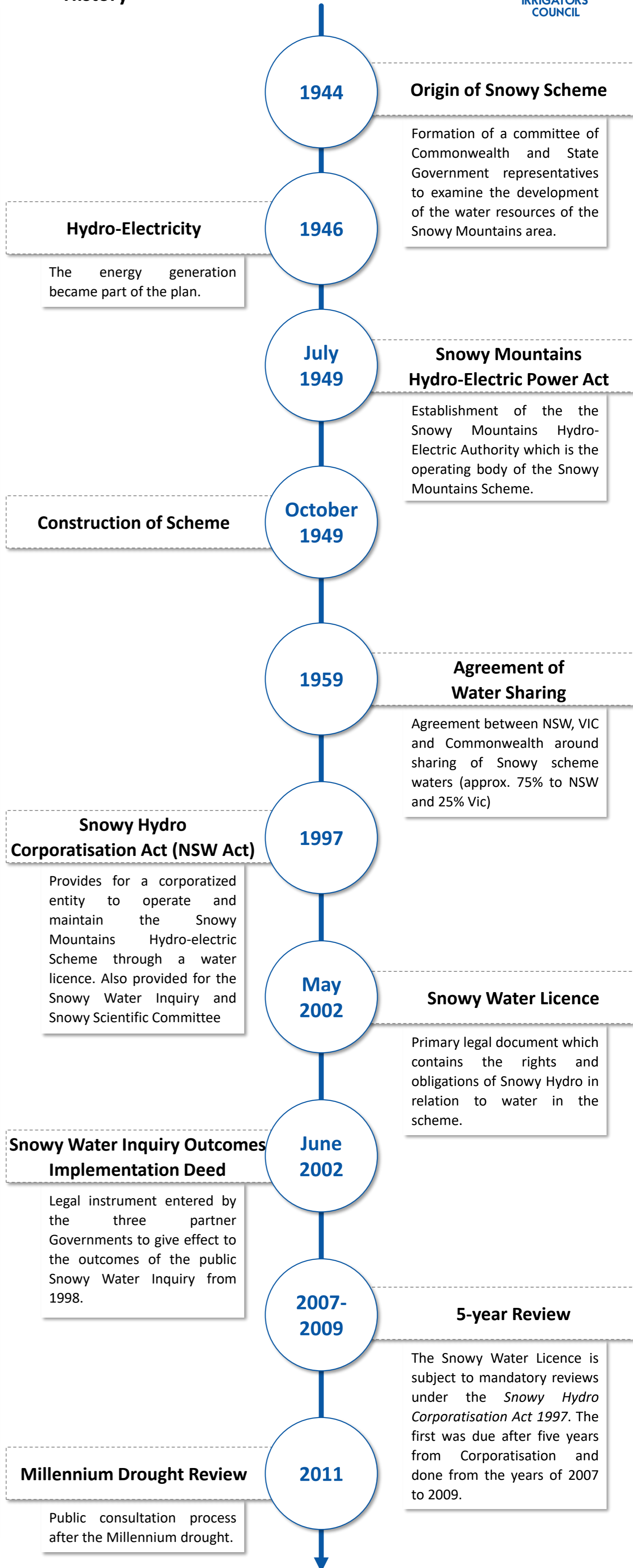
The NSW Government stated that the sale of the Snowy Mountains Hydro-electric Scheme **will not influence the operation of the Snowy Water Licence or the outcomes of the ten-year mandatory review¹**



Structure



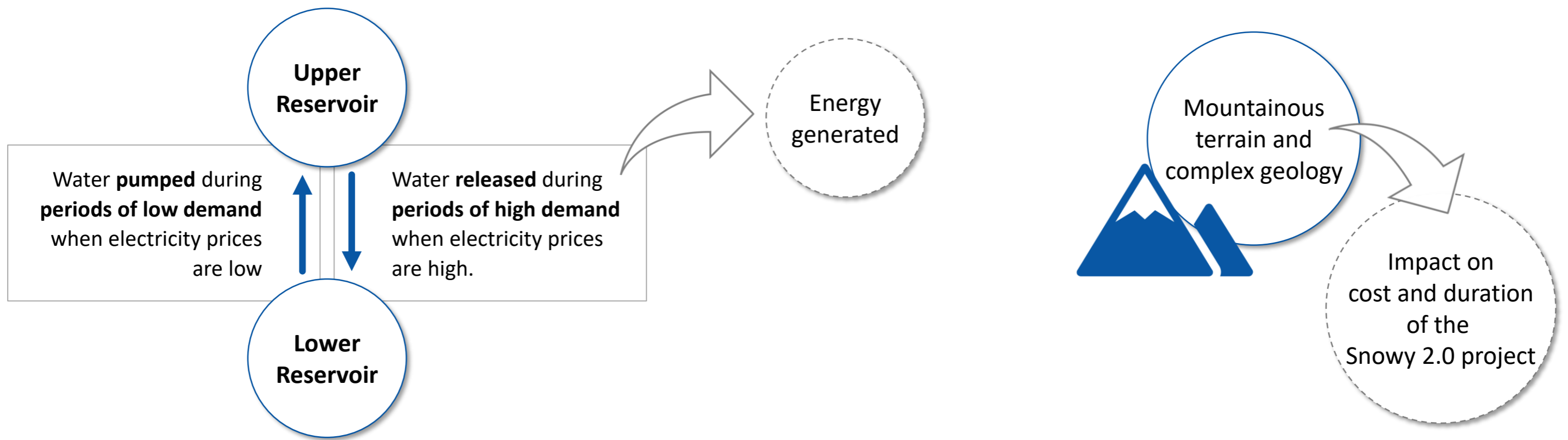
History



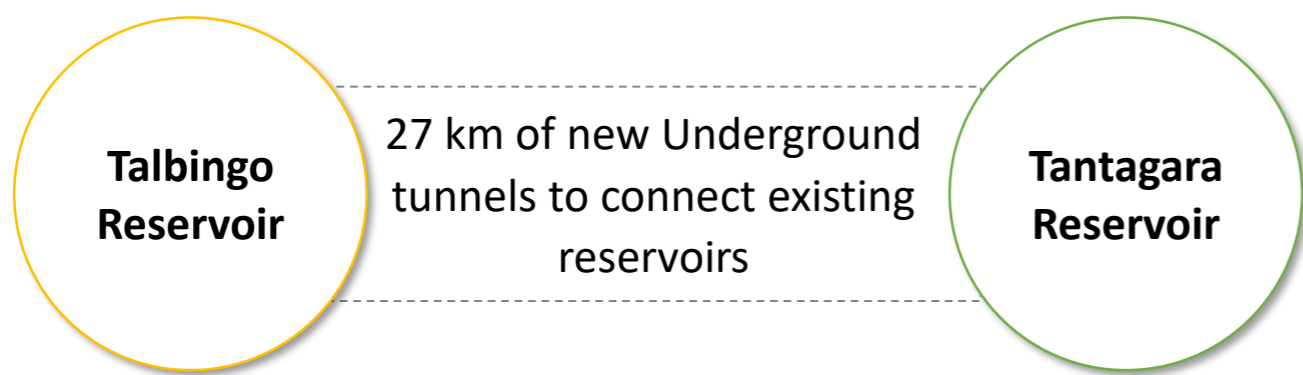
¹NSW Department of Industry, Ten Year Review of the Snowy Water Licence: Draft Report For Consultation (Sydney, 2018) [HERE]

Snowy Hydro 2.0

How does pumped hydro work?



The Core Project



No new dams are being built!

Reasons for building Snowy Hydro 2.0

- 1 Providing energy security and reliability to the National Energy Market.
- 2 Having responsive dispatchable energy generation able to adapt to changing market conditions.
- 3 Complying with emission reduction targets.

Also:

It provides Snowy Hydro Limited with the ability to expand the offer of financial contracts from future energy generation ('option contracts').

The Snowy Hydro - commonly used abbreviations

RAR

Required Annual Release

The minimum volume SHL is required to release in one year to either Snowy-Tumut Development or Snowy-Murray Development. RAR volume contributes to water allocations from the 1 July.

DISV

Dry Inflow Sequence Volume

A measure against the 'design drought' of 1936 to 1946. An increase in DISV reduces the RAR and protects the remaining water in Snowy storages.

Drought Accounts

Linked to the DISV it was introduced as a Licence amendment in 2011. They are reserves kept as ATW and can be called out if inflows reach critically low levels. Accounts in each Development are credited with water when a recovery occurs following a period when a DISV is triggered.

BTW

Below Target Water

Water in each development of the Snowy Scheme which is intended specifically to meet RAR.

ATW

Above Target Water

Water in each development of the Snowy Scheme which is either available for a particular purpose or can be released at SHL's discretion. Inflows are allocated to ATW when the volume of BTW in storage is high enough to meet future RAR requirements.

Relaxation

Intended to allow RAR to be reduced if all downstream water needs are met.