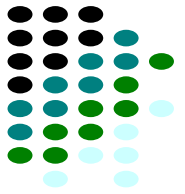


2009 Exploration Group Forum

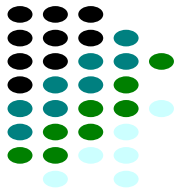


Tasmania's Energy Outlook including opportunities and challenges

Vince Hawksworth
Chief Executive Officer

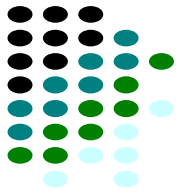
May 2009

Overview of Presentation



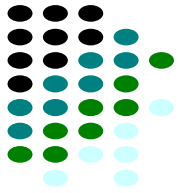
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Introduction to Hydro Tasmania



- Australia's largest renewable energy generator:
 - 8,700 GWh pa hydro generation in Tasmania
 - 50% owner of Roaring 40s, 206 MW in Australia
- 300+ strong consulting business, in Tasmania, Victoria, India – majority of revenue external
- 51% share in Momentum Energy – accredited GreenPower electricity retailer in Victoria
- Recently announced intention to become carbon neutral by 2012

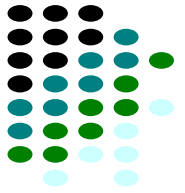




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Supply in Tasmania



Hydro Tasmania

- low inflows have led Hydro Tasmania to revise annual production to a level of 8,700GWh

Roaring 40s

- 140 MW Woolnorth Wind Farm

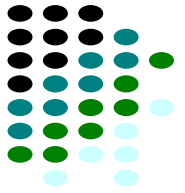
Aurora Energy Tamar Valley

- 210 MW Mitsubishi combined cycle gas unit - expected to be operational by mid to end Sept 2009
- 60MW Rolls Royce unit (1 April 2009)
- 3x40MW FT8 turbines (remaining turbine mid June).



Basslink

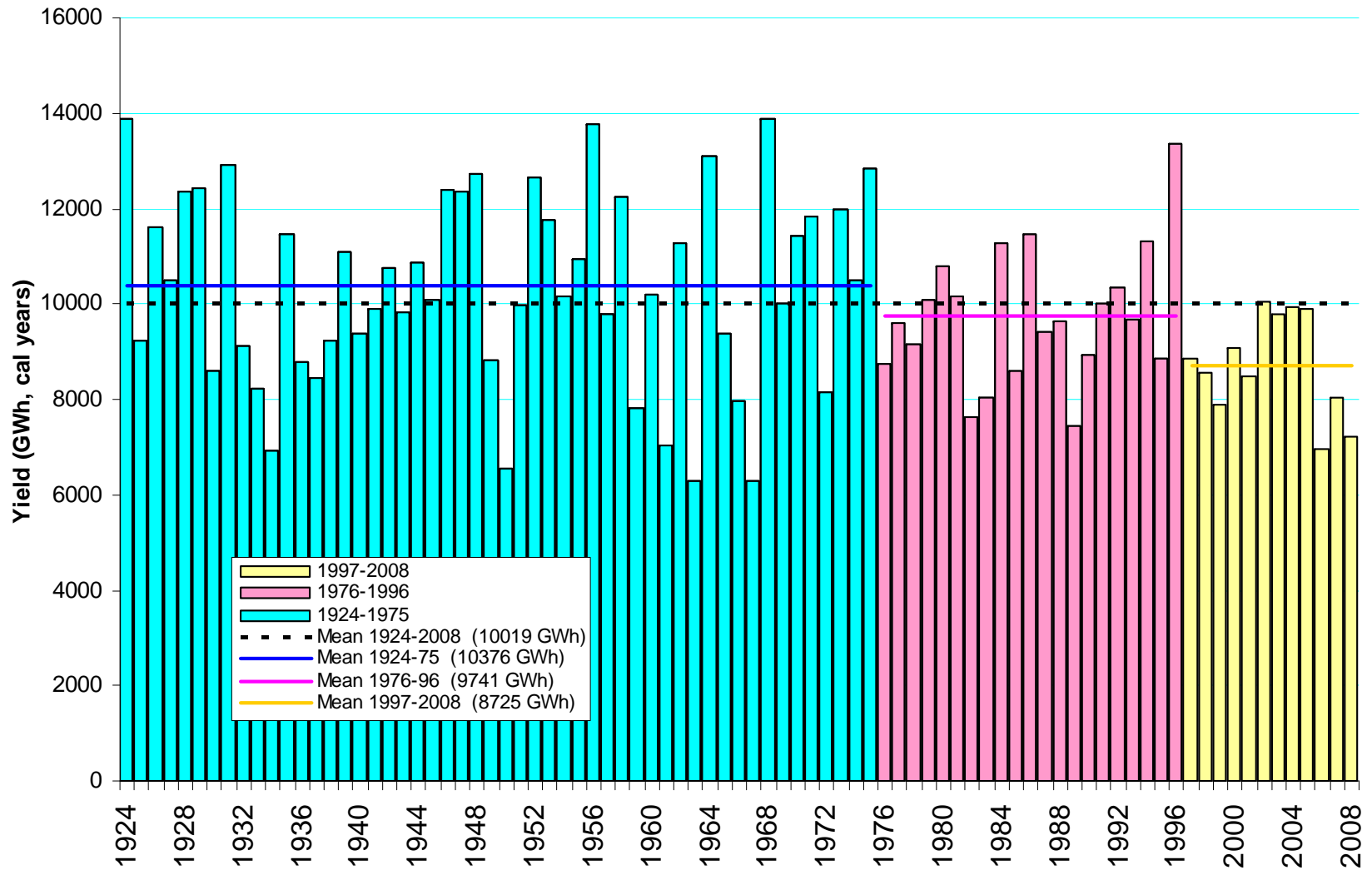
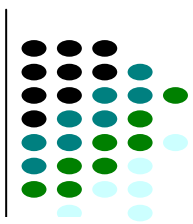
- Import capacity of 480MW



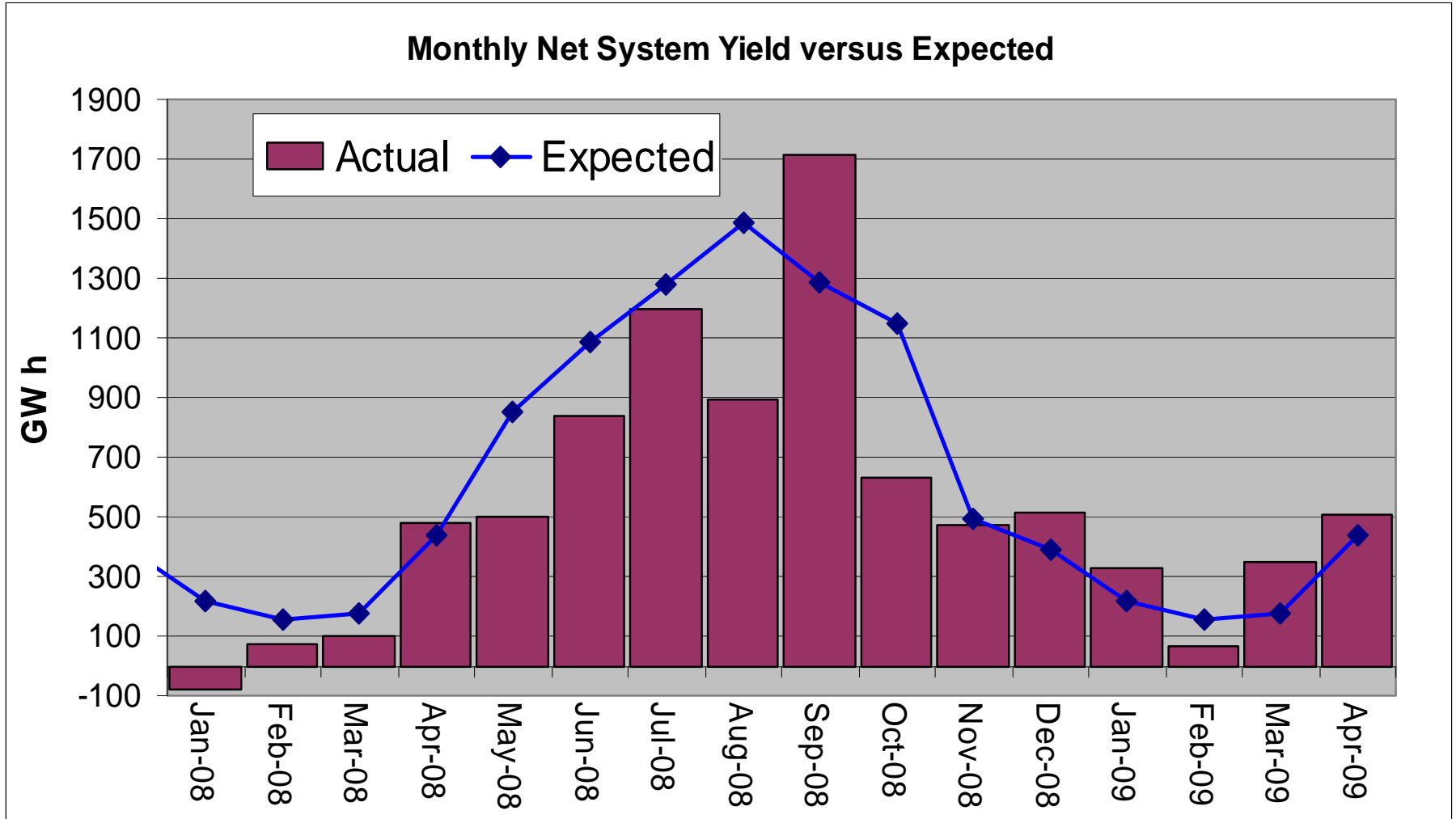
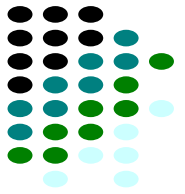
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Inflow Variability

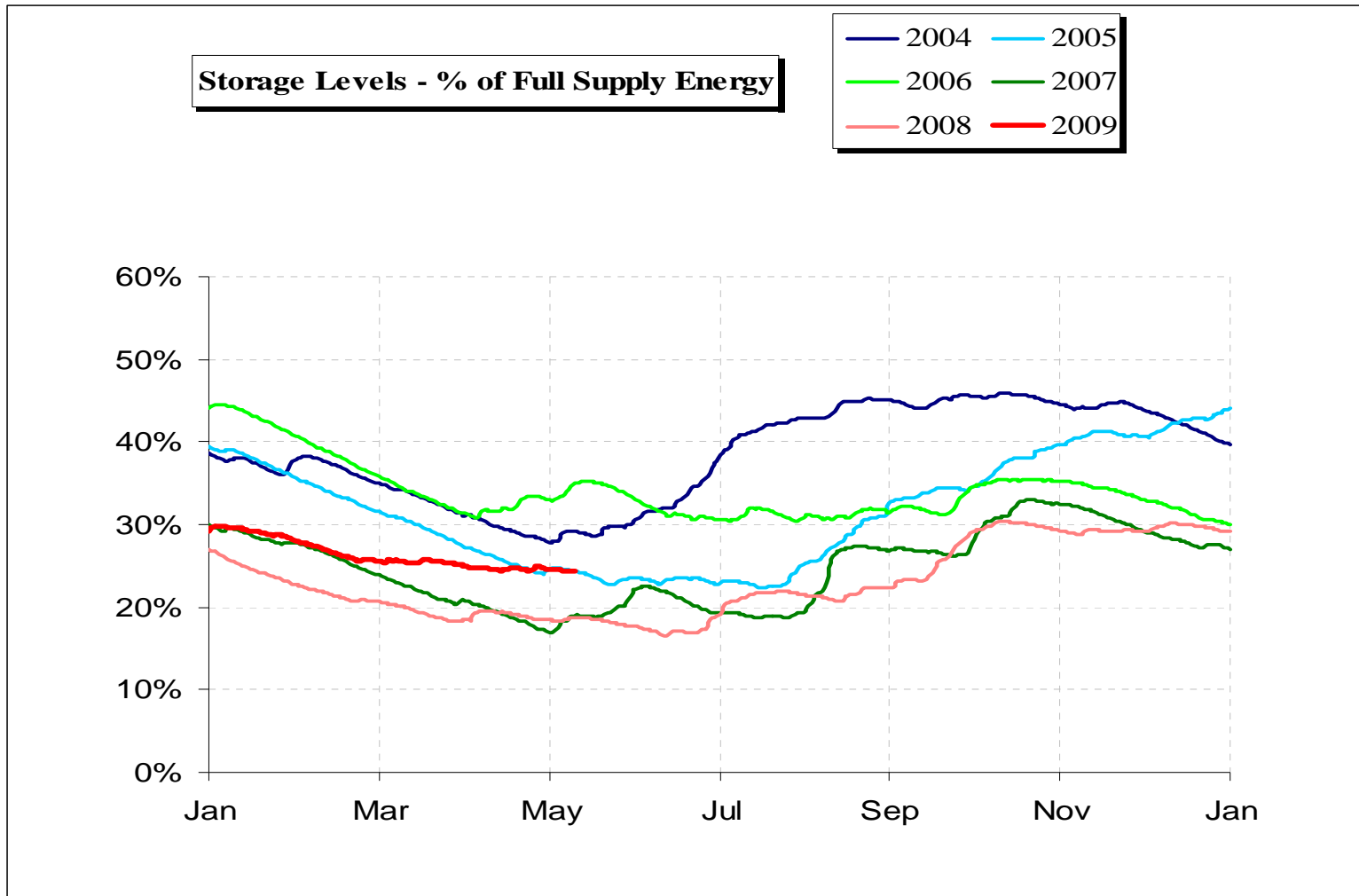


Yields for Past Year

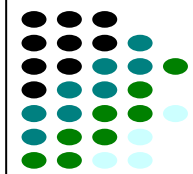




Storage Levels



Energy in Storage

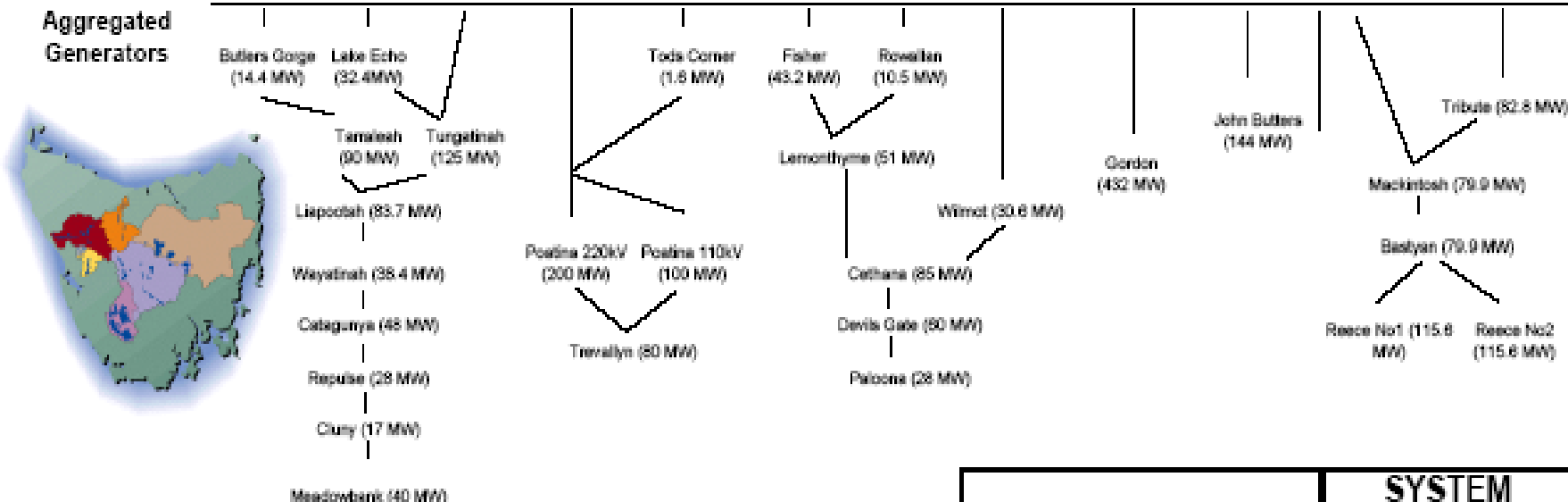


as at 11/05/2009



Power Schemes Storages

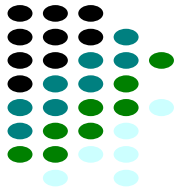
	Derwent			South Esk		Mersey Forth			Gordon	King	Anthony Pieman	
Head Water Storages	Lake St. Clair Lake King William	Lake Echo Tungatimah Pond	Bronte Lagoon Laughing Jack Lagoon	Lake Augusta Great Lake	Arthurs Lake	Lake Mackenzie Lake Rowellan	Lake Rowellan Lake Gardner *	Lake Pedder Lake Gordon	Lake Burbury **	Lake Murchison Lake Mackintosh	Lake Pimsoil *	
Current GWh Energy in Storage ***	358	250	33	1287	214	7	38	4	1046	118	72	18
Current % of Full Storage Energy	49.6%	32.6%	29.8%	19.6%	26.9%	16.5%	32.9%	53.1%	22.3%	50.4%	41.0%	66.2%
Rise/Fall/Static over past 24 Hours	Falling	Falling	Rising	Falling	Rising	Falling	Falling	Rising	Falling	Falling	Falling	Falling



* Lake Gardner & Lake Pimsoil Energy in Storage values NOT included in total.

** Lake Burbury FSL redefined to 293GWH from 01/08/2008.

	SYSTEM
Current GWh Energy In Storage *	3504
Current % of Full Storage Energy	24.3%
Rise/Fall/Static over past 24 Hours	Falling



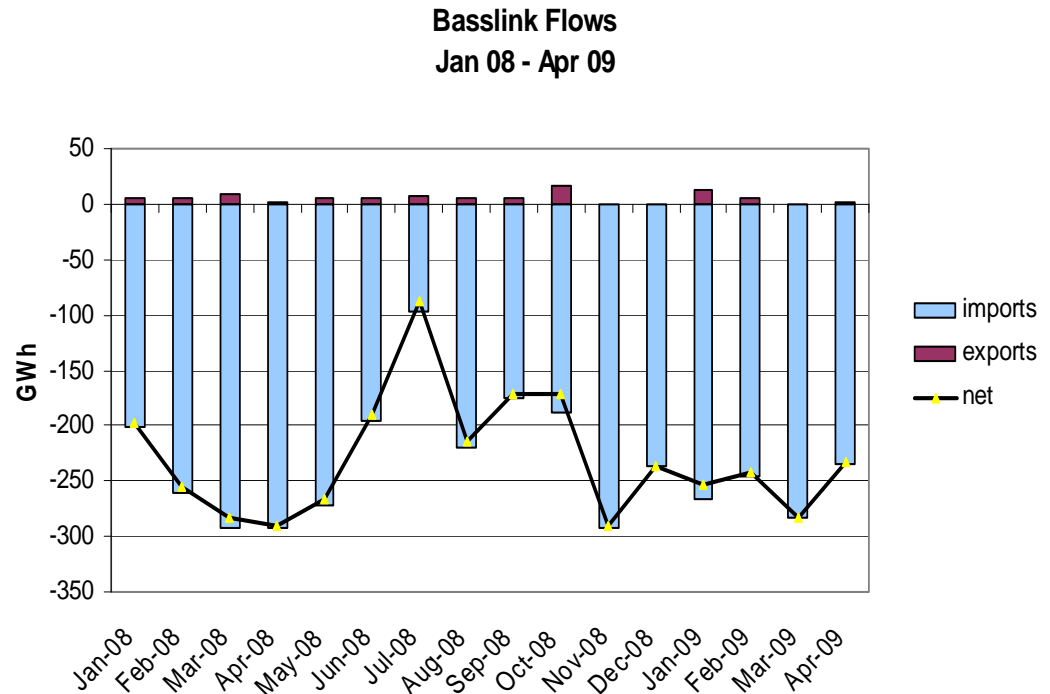
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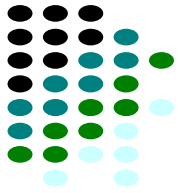
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Basslink

- Hydro Tasmania made significant expenditure to reduce supply risk
- Basslink is primary support with up to 480 MW import
- No shortfall anticipated for this autumn (except if major plant fails)
- Major benefit has been drought mitigation
- Without Basslink and participation in the National Electricity Market, Tasmania would have faced the prospect of power rationing and potential blackouts
- Basslink helps Victoria in times of shortage (summer peaks)

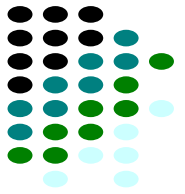




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Investment Opportunities



Roaring 40s

- leading developer of wind energy projects in Australia: includes: Woolnorth 140MW, Cathedral Rocks 66MW, Other wind farms in development - Musselroe 140MW, Waterloo 117MW.

Sale of Asian Business

- Enable Roaring 40s to focus on emerging renewable growth opportunities in Australia
- Continue to operate as a 50:50 joint venture between HT & CLP

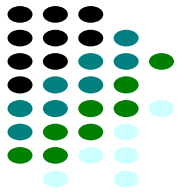


1000Gwh Project

- Aims to recover 1000 GWh of energy lost due to a reduction in inflows
- The following enhancements have been targeted:
 - catchment diversions and diversion upgrades
 - new storages - build small (relative to current) storages to act as regulating storages to capture higher inflows in winter.
 - raising existing storages
 - mini-hydro schemes
 - new power station development or redevelopment of existing power stations
- Projects include development of Lower Lake Margaret (redevelopment commenced), Duck Reach, McPartlan Pass Canal, Trevallyn Dam

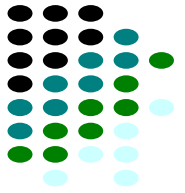


1000GWh Project example: Lake Margaret



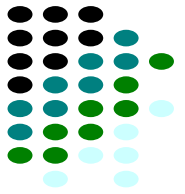
- Redevelopment of the Power Station and wooden pipeline (\$14.7 million) commenced
- Station has installed capacity of 8.6MW
- Will provide 50 GWh of energy which would power around 4000 Tasmanian homes
- Lower Lake Margaret also undergoing redevelopment
- Installed capacity of 3.2MW





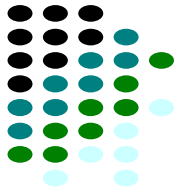
Drivers/Impediments

- Tas Supply/Demand balance
- CPRS – delayed introduction until 2011
- RET – expanded RET approved by COAG 30 April 2009
- Global Financial Crisis
 - Access to funding – debt difficult to source
 - Refinance difficult/unattainable
 - Capital constraints
 - Exchange rate impact on cost of plant/equipment



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Summary

- Supply/demand balance
- Basslink proven
- Challenging environment going forward



