

Hydro Tasmania

BACKGROUND

Climate change has strategic implications for Hydro Tasmania. The business sees itself as part of the solution because it generates renewable energy. On the other hand, changes to climatic conditions present risks to its operations because rainfall patterns are changing.

Hydro Tasmania's vision is to be Australia's leading clean energy business. Its Sustainability Code recognises that climate change has significant implications for its business, and it is committed to being part of a sustainable solution.

Hydro Tasmania believes these strategic commitments, and the very nature of its business, make it well-placed to play a leadership role in understanding and managing the influences of climate change.



Lake Burbury



CASE STUDY : ACTION ON CLIMATE CHANGE

CLIMATE CHANGE IMPACTS ON HYDRO TASMANIA

The effects of climate variation have seen a major drop in catchment inflows in Tasmania over the last 12 years. The years 2006 to 2008 were the driest three-year period on record. Hydro Tasmania's estimate of annual energy yield was progressively downgraded during these drought years from 10 000 GWh per annum to its current value of 8700 GWh per annum. This value is a conservative estimate of the likely average yield for the next few decades and is the value used for all of Hydro Tasmania's long-term planning purposes. As well as lower lake levels, Tasmania's recent drought conditions also affected environment and recreational considerations.

The business is continually preparing for, and adapting to, the changing climate using not only historical hydrological data, but also projected modelling from research, including the Tasmanian Sustainable Yields project and, more recently the Climate Futures for Tasmania project. The data indicates that variable catchment inflows may affect Hydro Tasmania's hydro-generating ability, and some assets may require alterations to cope with projected variable water availability.

HYDRO TASMANIA'S CLIMATE CHANGE RESPONSE

In order to understand the likely effects of climate change, Hydro Tasmania has sponsored and been actively involved in the Climate Futures for Tasmania project. The outcomes from this research are helping the business to understand what will be happening to water inflows. Hydro Tasmania is using this information to manage risks to long-term storage yields and environmental impacts.

Climate change strategy

In 2007, Hydro Tasmania developed a climate change strategy. The strategy aimed to better position the business to capitalise on opportunities and risks presented by climate change while enabling it to play a key role in advocating for action.

The climate change strategy is currently under review to ensure it reflects opportunities, risks and adaptation approaches relevant to Hydro Tasmania's growing business, customer needs and the changing climate.

Other actions being implemented by Hydro Tasmania are listed below.

Energy and emissions management

Hydro Tasmania has measured and managed greenhouse gas emissions and energy use throughout the business since 2007. Energy and emissions management has included setting and achieving various energy, emission and cost-reduction targets in areas such as vehicle fuel use, standard hire car requirements of small vehicles unless an alternative is approved, electricity use, waste reduction and recycling increases.

Over the last four years, changes to the composition of Hydro Tasmania's vehicle fleet have resulted in a downward trend in vehicle fuel use.

Energy and emissions data is externally audited and verified and submitted in accordance with National Greenhouse and Energy Scheme requirements.



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In 2012, Hydro Tasmania will comply with the *Energy Efficiency Opportunities (EEO) Act*.

Internal sustainability actions

A group of Hydro Tasmania champions, keen to implement and achieve sustainability initiatives, has instigated the following achievements: kitchen food compost bins, paper reduction targets, lunch time information sessions, video conference facilities, support of initiatives such as Ride to Work Day and Clean Up Australia Day.

Entura: carbon neutral consulting services

Entura is a carbon neutral business, having purchased emission offsets since the 2007-2008 financial year. It intends to maintain this position by working to minimise emissions particularly from commercial flights, through increasing its use of telephone and video conferencing and technology such as Web-ex. Being carbon neutral supports the delivery of Entura's brand promise and its renewable energy, climate change and environmental services.

King Island Renewable Energy Development Program

With a grant contribution from the Australian Government the project aims to reduce King islands' emissions and reliance on mineral diesel generation and enabling greater use of renewable energy.

<http://www.kingislandrenewableenergy.com.au/project-information/overview>

Asset risk assessment

Asset reviews assessing risks due to extreme weather events such as flash flooding.

Carbon offset opportunities

Hydro Tasmania is investigating the revegetation of suitable land to provide carbon offset benefits. Opportunities to improve biodiversity values at the sites are also being investigated.

FURTHER INFORMATION

You can find out more about how Hydro Tasmania is taking action on climate change at

www.hydro.com.au/environment/climate-change or by

contacting Nicole Sherriff on 03 6230 5266.

