



**17 October 2018**

**Guy Barnett, Minister for Energy**

# **Hydro Tasmania's Annual Report for 2017-18**

The Hydro Tasmania 2018 Annual Report confirms the strength and confidence in the state's energy industry under the Hodgman Liberal Government.

Hydro are progressing important projects which have the potential to deliver thousands of jobs and generate billions in investment in Tasmania.

This includes work on Battery of the Nation, identifying 14 pumped hydro storage opportunities and investigating a \$500 million upgrade of the Tarraleah Power Station.

These exciting projects are in addition to the work already undertaken by Hydro in continuing to deliver low cost, secure and reliable energy for the state.

Hydro's underlying result for 2017-18 was above budget at \$169.7 million.

This result was achieved whilst Hydro supported the Government's initiative to cap Tasmanian's regulated power prices to no more than inflation, protecting our state from the crippling power prices experienced on the mainland.

And, it's been achieved while maintaining an extremely healthy energy security position, with dam levels at 47.5 per cent this week – well above prudent management levels.

This strong position means a dividend of \$80 million will be paid in the 2017-18 financial year, an increase of \$12.3 million from what was projected in the State Budget.

The better than expected returns from Hydro will assist the Government to continue investing in essential services and funding the additional demands arising in Health – such as the \$9 million mental health commitment Minister Ferguson announced yesterday.

Hydro Tasmania continues to play a pivotal role in the Tasmanian and the national energy market delivering low cost, reliable, clean energy.

Aurora has also played an important role, with their Annual Report confirming a \$23.3 million dollar return to the Government – slightly below the budget forecast due to Aurora funding the Special Energy Bonus which helped tens of thousands of Tasmanians with their energy bills.

We are very proud of our energy businesses who work in a very dynamic and challenging industry, and I look forward to working with both to progress the Hodgman Liberal Government's Tasmania-First Energy policy into the future.