



Media Release

2 November 2007

Tarong brings fourth unit back online for summer

Tarong Energy today received a revised Public Interest Direction which will enable Tarong Power Station to bring a fourth unit back online to meet high electricity demand over the upcoming summer.

The Public Interest Direction also enables Tarong Power Station to:

- To draw the same amount of water from the Wivenhoe system as an equal replacement for water provided from Tarong Power Station's sole water source, Lake Boondooma, to meet water shortages in some South Burnett local shires;
- To use water which will previously have been used by the Western Corridor Recycled Water Project for the purpose of testing and commissioning, and which would otherwise need to be disposed of due to its non-potable quality and;
- Provides up to 1,500 mega litres for a fourth unit online at Tarong Power Station to operate in readiness to meet high electricity demand from 1 December 2007 to 31 March 2008.

Under Tarong Power Station's reduced generation plan, the Corporation planned to operate three units for the upcoming summer through to 31 March 2008. The activation of the fourth unit will not have an impact on its water reserves at Lake Boondooma which is at 11 per cent capacity.

The generation reduction plan, initiated in 1 January 2007, was designed to be adaptable and to be reviewed and updated on an ongoing basis, taking into account rainfall, changes in water usage, evaporation rate and water quality, and having regard to generation requirements for reliable electricity supply in SEQ.

Water conservation has always been a priority for Tarong Power Station and it has a strong track-record in this regard, having over the past 18 months implemented a number of water saving initiatives which has reduced water consumption by 55 mega litres a day.

ENDS

Background

Tarong Energy is one of Queensland's most significant power generators, with the capacity to deliver 18 per cent of the State's power needs.

Established in July 1997 and owned by the Queensland Government, Tarong Energy is the owner and operator of Tarong Power Station (coal fired) and Wivenhoe Power Station (pumped storage hydro), and is part owner of the Tarong North Power Station (coal fired).

The Corporation is an active competitor in the National Electricity Market (NEM). The Corporation sells electricity into the NEM spot market pool and provides ancillary services to the National Electricity Market Management Company (NEMMCO) through Tarong and Wivenhoe Power Stations to ensure the secure and reliable supply of electricity throughout Queensland.

Tarong Energy employs more than 400 people at its generating sites at Nanango and Wivenhoe Dam and in its Brisbane office.

Media Contact

Ian McGoldrick

Phone: 07 3228 4550 or 0438 753 504

Email: ian.mcgoldrick@tarongenergy.com.au

Jay Merritt

Phone: 07 3228 4121 or 0437 830 578

Email: jay.merritt@tarongenergy.com.au