

our profile



Live-lineworkers John Goodall (front) and Peter Milton upgrade power supplies in Devonport.

Aurora Energy Pty Ltd is a fully integrated energy and network business with complementary activities in telecommunications and energy-related technologies.

Aurora Energy is a Tasmanian Government-owned company established under the *Electricity Companies Act 1997* and incorporated under the *Corporations Act 2001*. We commenced operations on 1 July 1998 to provide services to the Tasmanian community in the areas of electricity retailing and distribution.

Over the past 11 years we have expanded our activities in Tasmania to include the provision of gas retailing services to homes and businesses, and telecommunications infrastructure services to government and large corporate customers.

We also own and operate the Tamar Valley Power Station through a subsidiary company, Aurora Energy (Tamar Valley) Pty Ltd and have recently established a Wholesale Energy Division, which forms part of a new integrated energy business.

Following the Tasmanian Government's decision to join the National Electricity Market (NEM) in 2005, our Tasmanian customers are becoming progressively eligible to choose another retailer. Aurora is now one of four companies licensed to retail electricity in Tasmania and one of three licensed to retail natural gas.

As at 1 July 2009, customers in four sectors, or tranches, are contestable.

While competition has brought challenges, it also offers opportunities to extend our retail business interstate. We hold retail electricity licences in five other States and Territories: South Australia, Victoria, New South Wales,

Queensland and the Australian Capital Territory. Our national retailing activities include sales to business customers across the NEM.

We employ 1309 people, including 87 apprentices and trainees and employees of subsidiary companies, making us one of Tasmania's largest employers.

The commercial returns we achieve for our two shareholders – the Minister for Energy and Resources and the Treasurer – are channelled into essential services for the Tasmanian community.

Our registered head office is 21 Kirksway Place in Hobart. We operate at sites around Tasmania, with four major resource centres located at Cambridge east of Hobart, at Rocherlea in the northern suburbs of Launceston and at Devonport and Burnie on the north-west coast.

They are supported by 10 response centres

in regional areas, while some personnel are also located in Ulverstone and at the former resource centre site at Moonah. We also have employees based in our trading office in Melbourne and in our National Pay As You Go office in Adelaide.

We provide a 24-hour a day service to our Tasmanian customers to ensure a safe and reliable electricity supply across an area of about 67,800 square kilometres.

Our core distribution assets, valued at \$1.090 billion, contain 15,500 km of overhead high voltage lines, 7500 km of overhead low voltage lines and 2050 km of high and low voltage underground cables; 30,000 ground and pole-mounted substations and 220,000 poles. We also own around 46,000 streetlights and maintain them on behalf of local councils.

The Tamar Valley Power Station is expected to be fully commissioned in September 2009 for a total cost of about \$360 million (further details page 23).

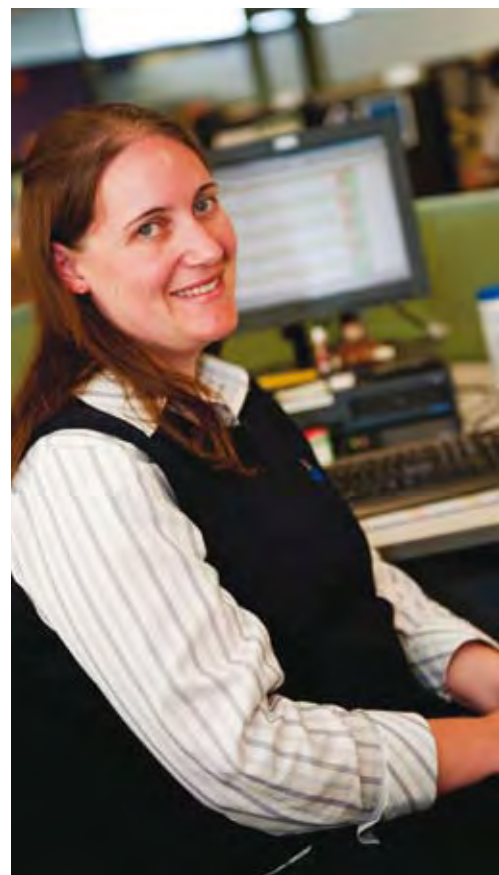
Our electricity supply

During 2008/2009, we hedged the bulk of our electricity for our Tasmanian operations from Hydro Tasmania, which generates electricity from hydro, gas and wind farm sources. This was supplemented by the import over Basslink of 2560GWh of electricity from interstate generators, up from 2300GWh the previous year.

Further diversification of energy purchasing by Aurora is occurring as we progressively commission the Tamar Valley Power Station.

There are also some small privately-owned generation units connected directly to our distribution network. These include municipal gas plants at the Hobart and Glenorchy refuse disposal centres, mini hydro generators associated with two northern irrigation schemes and a single wind turbine in the north-west.

Electricity for our interstate operations is hedged with a range of government and privately-owned mainland generators and banks.



CSC Resource Planner Erin Bonner.

Figure 2

Location of Operations

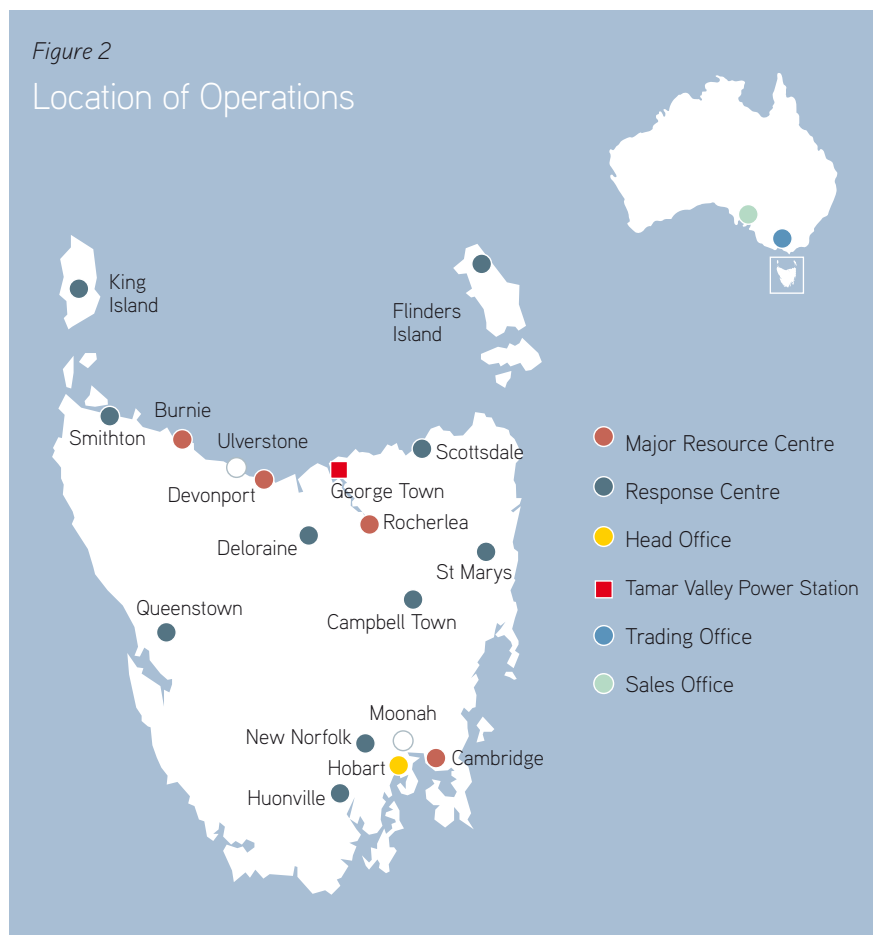


Figure 3

Tasmanian Energy Generation Mix 2008/2009

