

SNOWY 2.0 DOESN'T STACK UP

Irreparable damage to the precious alpine landscapes of Kosciuszko National Park is reason enough to reject Snowy 2.0, let alone untenable costs, inappropriate taxpayer subsidisation, dubious renewable energy claims and complete lack of transparency.

Snowy Hydro has failed to demonstrate that Snowy 2.0 is the best option for the nation's electricity storage needs. **SNOWY 2.0 JUST DOESN'T STACK UP.**



ENVIRONMENTALLY DESTRUCTIVE

DAMAGING IMPACTS ON KOSCIUSZKO NATIONAL PARK. It is totally inappropriate for construction works of such magnitude and environmental impact to be permitted within one of the most significant natural landscapes in Australia, with its delicate alpine and sub-alpine environments. Snowy 2.0 will permanently impact 10,000 ha of Kosciuszko National Park.

LAND CLEARING. Impacts include clearing a 10 km-long, 120 m-wide easement swarth through Kosciuszko National Park for two side-by-side 330 kV transmission lines; building and upgrading 100 km of roads and tracks; and clearing 400 ha at Lob's Hole along an 8 km stretch of the Yarrangobilly River for an accommodation camp, construction site and rock dump.

DUMPING EXCAVATED ROCK IN RESERVOIRS. 14,000,000 cubic metres of excavated rock, some with naturally occurring asbestos and/or acidic, will be dumped in the Park - enough to cover a football field to a height of 3 km. Unbelievably, 8,000,000 m³ will be dumped in Talbingo and Tantangara Reservoirs.

INVASIVE SPECIES PROLIFERATION. Pest species (including Redfin Perch, a voracious predator and Class 1 Noxious Fish), will be transported from Talbingo up to Tantangara Reservoir and thence throughout the Snowy Scheme and downstream rivers.

PREMATURE APPROVAL. The project has been approved and construction has commenced before the EIS's for the Main Works and transmission lines have been assessed, totally disregarding the environmental assessment process.

UNECONOMIC

FLAWED BUSINESS CASE. Six weeks after the Business Case was approved by the Government, the cost estimate (of \$3.8) was eclipsed by the first major contract to be signed (at \$5.1 billion).

COSTS SOAR. The final cost, including transmission lines, could be as high as \$10 billion - i.e. 500% higher than the original estimate of \$2 billion! This staggering amount exceeds the value of the whole of Snowy Hydro (\$7.8 billion).

ECONOMICALLY UNVIABLE. Snowy 2.0 could not cover the interest on its debt, let alone make a profit. The economics simply don't stack up.

SUBSIDY. Taxpayers shouldn't have to provide Snowy 2.0 with a \$1.38 billion subsidy.

ELECTRICITY COST REDUCTIONS? No information is provided to support the claim that Snowy 2.0 will reduce electricity prices.

OVERLY OPTIMISTIC TIMING. The estimated construction time has more than doubled since Snowy 2.0 was first announced, from 2021 to 2027.

MINIMAL PAYMENT FOR USE OF KOSCIUSZKO. Snowy 2.0 proposes to only make minimal payments for use of Kosciuszko National Park during construction and operation - another inappropriate subsidy and unfair advantage compared to Snowy 2.0's competitors!

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RENEWABLE ENERGY?

COAL-FIRED GENERATION. Snowy 2.0 is being promoted as a 'green battery' for renewable energy. Yet, for at least the next decade or so, most of Snowy 2.0's pumping electricity will come from coal-fired generators. Perversely, this will result in increased emissions.

NET LOSSES (40%). Snowy 2.0 will consume more energy than it generates. For every 100 units of electricity used to pump water up to Tantangara Reservoir, only around 70 units of electricity will be retrieved when the water flows back down through the turbine generators to Talbingo Reservoir.

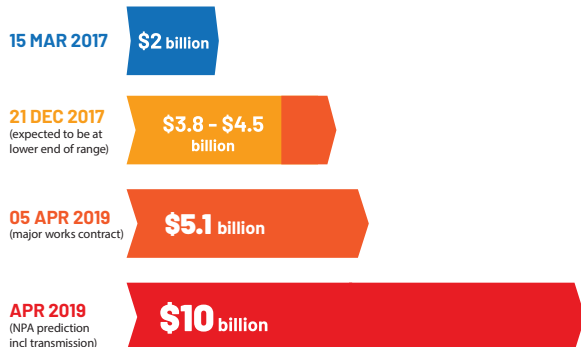
As well as having a 'round-trip' loss of 30% within the pumping / power cycle, there are also losses in transmitting electricity to and from Snowy 2.0 of typically 5% each way. So, for every 100 units of electricity purchased by Snowy 2.0, it will deliver only about 60 units.

LACK OF TRANSPARENCY

NO PUBLIC SCRUTINY OF THE BUSINESS CASE. Snowy Hydro is a Commonwealth Government Corporation. All Australians bear the liabilities of this risky project, including a \$1.38 billion taxpayer subsidy. Electricity consumers and taxpayers need to know whether the project is financially viable and the claimed benefits are deliverable. Snowy Hydro has not released its Business Case or any financial information.

FLAWED PROCESS. The staged approach to the financial and environmental assessment, along with the limited release of information, means that neither the Government nor the public can comprehensively assess the entire project. The transmission lines EIS has yet to be released.

LACK OF RIGOROUS REVIEW. The Government's review of Snowy 2.0's Business Case was based primarily on advice from Snowy Hydro. The Government needs expert advice, independent of Snowy Hydro, on the environmental, economic and engineering impacts of the project.



Ever-increasing Capital Cost Estimates

NPA has endeavoured to ensure that all assertions are factually correct in the absence of key information including the Business Case.

BETTER ALTERNATIVES

IS SNOWY 2.0 THE BEST OPTION? Snowy Hydro has focused totally on the 'Snowy 2.0' project. No information has been provided on why Snowy 2.0 is the best option. Alternative pumped storage options exist – even Snowy Hydro has made references to the future use of other sites. Alarming, no substantive analysis of alternatives was included in the EIS, despite a legal requirement to do so.

There are alternatives involving less construction, cost, risk, transmission and environmental impact.

BROADER ALTERNATIVES NOT REVIEWED. Many other pumped storage opportunities have been identified in NSW, with a combined capacity considerably greater than Snowy 2.0. Before committing to Snowy 2.0 and providing a \$1.38 billion subsidy, it was incumbent on the Government to review all storage options, including other pumped hydro, batteries and demand response.

There is no need to cut corners on the pretext that Snowy 2.0 is the only option for electricity storage and must be urgently constructed.

SNOWY 2.0 MUST BE STOPPED

Recent revelations on the cost and environmental damage of Snowy 2.0 confirm it just doesn't stack up. The Commonwealth Government should revoke approval of the Business Case, due to its significantly underestimated costs and overstated benefits to the Australian public. And the NSW Minister for Planning should refuse approval for the EIS due to the overwhelming damage to Kosciuszko National Park.

FULL PAPER. This summary outlines key issues from an NPA Paper on the Snowy 2.0 Business Case.

NPA is not opposed to pumped storage schemes. There is no question that additional electricity storage capacity is needed as renewable generation expands. However, this doesn't mean that pumped storage schemes require any less scrutiny than other large-scale construction projects, especially when located in one of the most precious and delicate parts of our nation.

NPA contends that the case for Snowy 2.0 doesn't stack up. It will trash Kosciuszko National Park, is totally uneconomic, is not a 'green battery' and will not deliver its claimed benefits. There are many better alternatives.

Snowy 2.0 is the wrong project in the wrong place!