

TransGrid's Far North NSW Project Update

May 2009

For Your Information

This project update provides the community with further information on the current stage of TransGrid's Far North NSW project.

Should you require any information in addition to this update, we encourage members of the community to contact TransGrid using the details provided.

Who is TransGrid?

TransGrid is the owner, operator and manager of the largest high voltage transmission network in Australia, connecting generators, distributors and major end users in New South Wales.

The transmission network is connected to Queensland and Victoria providing a robust electricity system that enables interstate energy trading.

Electricity is transported by TransGrid across the state via 12,500 kilometres of high voltage transmission lines. These power lines are supported by around 36,000 structures.

TransGrid is committed to providing a safe, reliable, efficient and environmentally responsible high voltage electricity service to our customers and the community.

Background to the Project

TransGrid constantly monitors the demand for electricity in NSW and has some of the nation's best planners who constantly forecast future electricity demand.

The population of Far North NSW is expected to grow by at least 23 per cent, or around 60,000 people by 2031. Consequently, peak demand for electricity in the region is expected to grow by more than 40 per cent over the next 10 years, which is significantly higher than the NSW average.

TransGrid's high voltage electricity transmission network is capable of supplying Far North NSW, however progressive increases in consumer demand has meant that upgrades and additions to the existing electricity transmission network are necessary to maintain system reliability for consumers.

TransGrid has undertaken a detailed assessment of the options available to meet the region's electricity reliability needs. This analysis considered both network (transmission line) solutions and non network alternatives (such as demand management).

The Final Report on this assessment is available on TransGrid's website: <http://www.transgrid.com.au>.

The Far North NSW Project

To meet increasing demand, TransGrid has announced plans to invest \$227 million into the electricity network in Far North NSW.

TransGrid is proposing to construct a 215km 330kV electrical link between TransGrid's existing substations near Bonshaw and Lismore.

TransGrid's plans include:

- the upgrade and replacement of the existing transmission line between Tenterfield and Lismore
- a new transmission line between our substation near Bonshaw and Tenterfield

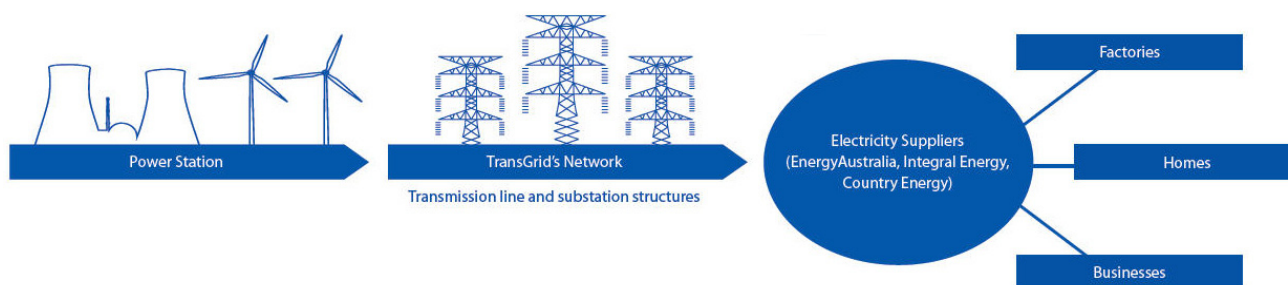


Diagram: Where TransGrid fits in the electricity delivery process



TransGrid's Far North NSW Project Update

What's the Current Status of the Project?

TransGrid has commenced preliminary work on detailed field and environmental studies within a 1-2km wide study area between Bonshaw and Tenterfield.

These studies will assist in determining the location of a 60m wide easement necessary for the transmission line.

At the conclusion of the preliminary environmental studies, TransGrid will be in a better position to provide more detailed information about the proposed project.

Bonshaw-Tenterfield Study Area

The current study area between Bonshaw and Tenterfield was selected based on detailed feasibility studies, which considered factors such as:

- national parks
- state forests
- aboriginal and non-aboriginal heritage sites
- steep slopes and drainage lines
- the location of airstrips
- threatened and endangered ecological communities

Various maps of the selected study area and factors considered so far can now be obtained from your local council chambers or downloaded from TransGrid's website.

Preferred Transmission Line Route

A preferred location for the 60m wide easement for the new transmission line between Bonshaw and Tenterfield has not been established.

The final results of the environmental studies currently taking place will assist us in determining a preferred route for the transmission line.

TransGrid would like to reassure the community that when planning a preferred route for the proposed transmission line, the proximity of any residential dwellings is taken into account and we place a high priority on maintaining appropriate buffer zones and clearances.

TransGrid would also like to clarify that when easements are established, houses, buildings and other substantial structures are located **outside** the easement area.

Once concluded, the preferred route of the transmission line will take into account both environmental and social considerations, as well as the cost of infrastructure.

The preferred route will be the route that establishes the best balance between these factors.

Landholder Notification

TransGrid has contacted landholders directly that are located within the current study area of the transmission line project.

Should you wish to clarify whether or not you reside in the study area, please contact TransGrid using the project hotline 1800 857 300.

Community Information

TransGrid values the feedback from the community regarding the proposed project.

TransGrid would like to reiterate that we are in the very early stages of an important project for the region and understands the community's need for up-to-date and factual information

TransGrid is more than happy to arrange one-on-one meetings once the preliminary environmental studies have taken place in the coming weeks, when we will be in a better position to provide more detailed information to the public.

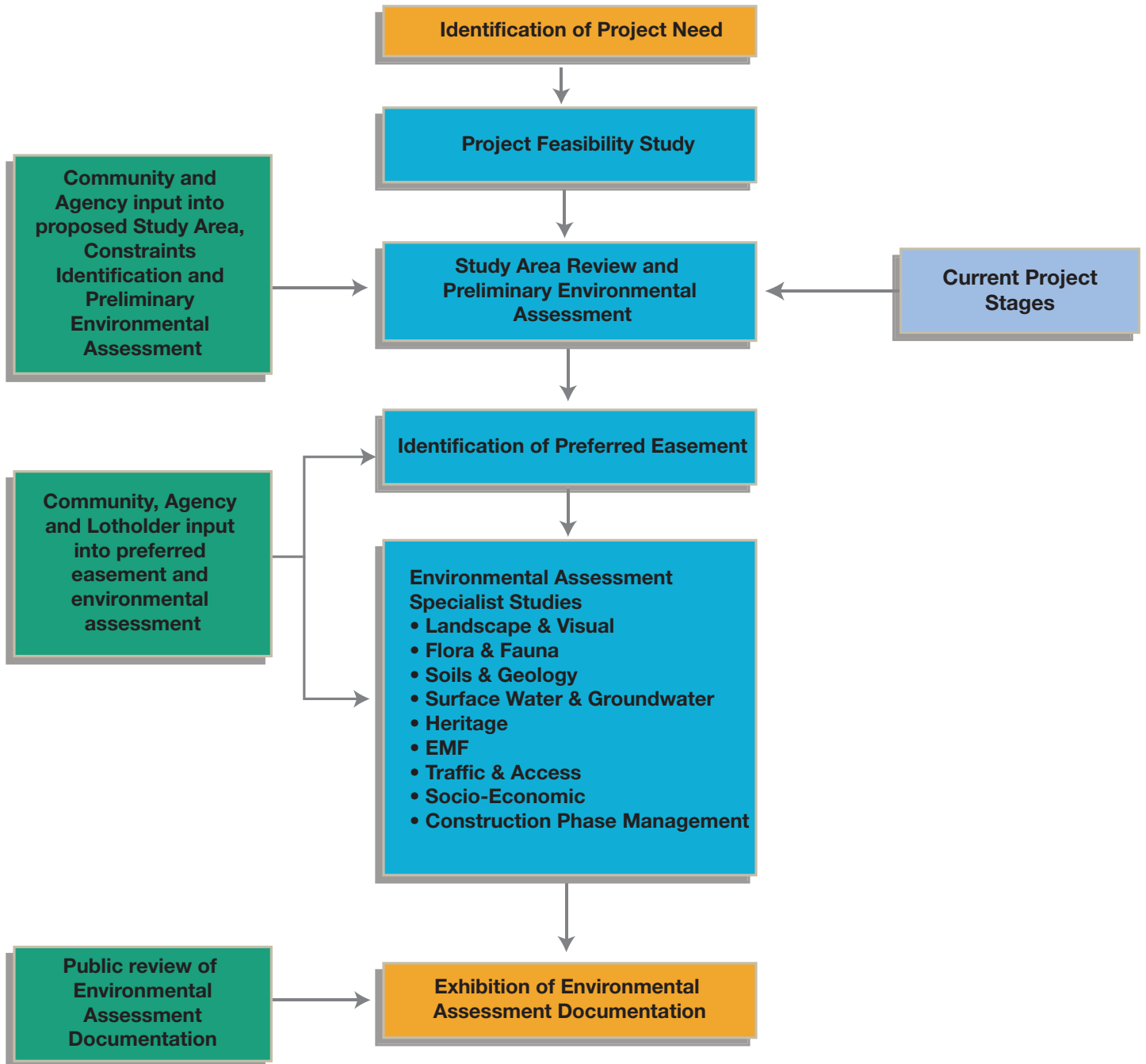
Project Timetable

The detailed Environmental Impact Statement is scheduled to be publicly exhibited in October 2009. Construction is expected to commence in August 2010.



TransGrid's Far North NSW Project Update

Environmental Assessment and Consultation Process



TransGrid's Far North NSW Project Update

For Further Information

To obtain further information on the project TransGrid encourages you to visit the recently updated Far North NSW Project page at:

http://www.transgrid.com.au/Current_Projects.htm

Alternatively, you can visit your local council chambers where detailed maps and feedback forms are currently provided.

Contact Us

For specific project questions, to register your interest or make a personal appointment, please use TransGrid's toll-free project number:

1800 857 300

Or send written enquiries or feedback to:

**Reply Paid 75999
NORTH SYDNEY
NSW 2060**

