



ANNUAL REPORT *SNAPSHOT* 2012





## WE VALUE:

### **SAFETY**

Protecting the health and well-being of ourselves, contractors and the general public to achieve zero harm.

### **INTEGRITY**

Engendering trust through open, honest and ethical behaviours.

### **TEAMWORK**

Working together for a common purpose, achieving our goals in a supportive, respectful and enthusiastic manner.

### **COMMITMENT**

Leading by example, continually improving, accountable for our actions and carrying them out with passion and purpose.

### **COMMUNICATION**

Engaging in an open, positive and constructive way to obtain better individual and business outcomes.

SAFETY

INTEGRITY

TEAMWORK

COMMITMENT

COMMUNICATION



# 2012

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### DIRECTOR'S REPORT

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## Unique operating environment

The Northern Territory's vast landscape stretches from the tropical savannah in the north to the deserts of Central Australia. The north shares a monsoonal climate with its Asian neighbours and experiences torrential seasonal rains, floods and the threat of cyclones from October to May each year. The wet season is an inherently challenging time for our customers and staff.

In Central Australia, the desert summers bring scorching temperatures while in winter the mercury frequently dips below freezing, creating a demanding work environment.

The Corporation services four major regional areas, including the capital city of Darwin, 20 major Indigenous communities known as Territory Growth Towns, 52 remote communities and a range of outstations.

We have over 1000 staff living and working throughout the Northern Territory. We also employ 155 relief and full time Essential Services Operators who live in remote Indigenous communities and are supported by the Corporation's Darwin-based Remote Operations team.



## Chairman's report

This report outlines the milestones achieved in the implementation of the billion-dollar infrastructure investment program which Power and Water commenced in 2008/9. This is the largest upgrade of the Northern Territory's electricity, water, and sewerage assets ever undertaken. Capital investment this year totalled \$228 million. Major projects included commissioning of a new unit at Weddell Power Station, construction of Woolner Zone Substation and the closure of the Larrakeyah outfall. Further progress was made on other projects which are part of the infrastructure upgrade.

The financial results for the year record a loss of \$0.8 million, compared to last year's loss of \$23.9 million. This improvement was largely as a result of the debt to equity swap negotiated with government as well as some tariff increases. The Corporation's financial sustainability remains a priority concern for the Board, and operational expenditure is constantly under review.

While delivery of the capital program and asset maintenance have been a focus of Power and Water Corporation's activities, the Corporation has also continued its work in other parts of its portfolio of responsibilities.

Water is a precious resource and Territorians currently use over twice as much water per person than other Australians. Conservation initiatives have been introduced in both urban centres and remote communities with the aim of reducing water use by 20 per cent by 2015. The Alice Water Smart plan of which Power and Water Corporation is a lead consortium member is working with our Central Australian customers with the aim of saving 1600 ML a year.

Power and Water Corporation continues to focus on environmental sustainability with more than 90 per cent of the Territory's electricity generated from natural gas and a program for replacement of diesel in remote communities. The 5MW power station under construction at Wadeye will extend gas fuelled electricity to the township and its neighbours. This year the Corporation saw a significant step towards its renewable energy goals with the integration of Uterne, a 1 MW solar system, into the Alice Springs electricity grid. We have a 20-year power purchase agreement for this green energy.

Power and Water is unique in the Australian utility sector as it delivers electricity, water and sewerage services. To meet the challenges, the Corporation continues to invest in the training and development of its people and the systems and organisational framework to support them. It has been pleasing to note that surveys indicate a high level of staff satisfaction in response.



Judith King

I thank our Directors for their contributions and particularly their work in the Board Committees, where their expertise and experience assists the management team. I would like to thank our Managing Director Andrew Macrides for his continued leadership and the management team and employees who are the backbone of the organisation.

*Judith King*

## Managing Director's report

Providing essential services to a small, geographically dispersed customer base and in the environment we live in creates unique financial challenges for the business.

As such, financial sustainability remains at the forefront of the many challenges facing the Corporation. We have and will continue to critically examine processes to drive efficiencies into our operations and take costs out of our business without compromising safety, service delivery or our legal obligations.

While some assistance has been provided by Government, our owner, by way of equity injections, capital contributions, tariff increases and dividend holidays, long term financial sustainability can only be achieved by balancing cost efficiency and prudent and efficient capital investment decisions with ongoing revenue structures that provide greater certainty. We will continue to work with our owner to achieve this balance.

Nearly four years into a major infrastructure investment program the momentum for change in Power and Water has continued.

We have changed the way we work, instituting rigorous maintenance regimes, upgrading and refurbishing equipment, recruiting and training specialist staff and most importantly planning for future growth by investing in new assets.

The Corporation's ability to deliver change relies on its people. We have invested significantly in equipping our staff with the skills and tools needed to meet the challenge, and to do so safely.

Like many major employers in the Territory, we have fierce competition for skilled and experienced staff. We firmly believe that "growing our own" will help overcome these challenges and ensure staff retention.

We have 116 apprentices and a number of graduate trainees in programs, providing solid local training with ongoing career opportunities. We also manage and train more than 155 full time and relief Essential Services Operators, keeping power, water and sewerage services running in 72 remote communities.

It has been another solid year for the Corporation which saw \$228m invested in new assets and our repairs and maintenance spend increased by over 26 per cent to \$88.2m.

Managing the Corporation's \$2.2b in assets and delivering services to more than 85,000 customers spread over 1.3 million square kilometres requires a dedicated workforce and I take this opportunity to recognise the Corporation's staff across the wide range of services we offer - and thank each of them for the part they play in delivering the vital services we provide to our customers.



Andrew Macrides

- ▶ Two new Rolls Royce turbines were installed at Channel Island Power Station, increasing the capacity of the Darwin-Katherine power supply by 90MW (megawatt) and helping achieve overall carbon emissions reductions. They will also allow for mid-life maintenance and refurbishment of older units at Darwin's biggest power station.
- ▶ We extended our work on gas generation to the remote community of Wadeye, where in 2013 a new 5MW power station will be fuelled solely on gas from the Blacktip gas field located in the Joseph Bonaparte Gulf, off the north-west coast.
- ▶ A major tunnelling project through the Darwin CBD helped divert untreated wastewater to the Ludmilla Wastewater Treatment Plant. The last untreated wastewater outfall into Darwin Harbour was closed on 31 May.
- ▶ Our staff joined forces with members of some of the Northern Territory's most remote communities under its Community Water Planning program. This unique partnership is finding new water sources and identifying water saving opportunities.
- ▶ We integrated Uterne, a new 1MW solar system, into the Alice Springs electricity grid.
- ▶ We opened the Trevor Allwright Training Centre at the 19 Mile depot providing a unique training centre for our personnel.

## YEAR AT A GLANCE



**OUTLOOK  
FOR 2012-13**

**GENERATION**

**WORKS AT CHANNEL ISLAND POWER STATION RELIABILITY**

- ▶ Continue life-extension works to generation sets 1 to 6.
- ▶ Investigate and remediate the associated plant and equipment to ensure the reliability of the total generation facility is equal to the life extension investment in generation sets 1 to 6.

**WORKS AT WEDDELL POWER STATION**

- ▶ Generation Set 3 will be commissioned for service in 2012-13.

**WORKS AT TENNANT CREEK POWER STATION**

- ▶ The augmentation process will be completed in 2012-13, in particular the engine replacement of Set 15 at 30,000 hours.



**NETWORKS**

- ▶ Complete construction of the replacement Snell Street Zone Substation (Woolner Zone Substation), City Zone Substation and Leanyer Zone Substation.
- ▶ Replace or upgrade the Berrimah Zone Substation, Humpty Doo Zone Substation and McMinns Zone Substation.
- ▶ Complete the installation of second transformer, 11kV bus section 2 and 66kV transmission ring at Frances Bay Zone Substation.
- ▶ Various projects to cater for increased demand in the greater Darwin region.

**SEWERAGE SERVICES**

- ▶ Upgrades to wastewater treatment and outfall facilities in the Darwin region.
- ▶ The Borroloola Sewerage Scheme is initiated for the design and construction of a fully reticulated sewerage system.
- ▶ The Katherine Wastewater Treatment Plant will be upgraded.



**WATER SERVICES**

- ▶ Planning work on Manton Dam recommissioning and associated works.
- ▶ Palmerston augmentation will include new pumping and transmission infrastructure and new water tanks to service significant growth in the Palmerston region.
- ▶ Berrimah and northern suburbs of Darwin water strategy will include transmission infrastructure and water tanks to service the development planned for the northern suburbs.
- ▶ The water main replacement project across the NT.

**OTHER MAJOR INVESTMENTS**

- ▶ Ben Hammond Complex redevelopment ensuring the facility continues to meet operational needs.
- ▶ Augmentation of corporate support facilities in Alice Springs will include an upgrade to office accommodation, workshop facilities, warehouse and other storage facilities, security, car parking, training facilities and site amenities to meet building codes.
- ▶ The implementation of the Maximo and ESRI integrated asset system will be completed and ready for use in 2012.
- ▶ The upgrade of the Victoria Highway complex in Katherine includes general and major site upgrades.



At Power and Water Corporation we value:

LEADING BY EXAMPLE, CONTINUALLY IMPROVING, BEING ACCOUNTABLE FOR OUR ACTIONS AND CARRYING THEM OUT WITH PASSION AND PURPOSE

OUR CORPORATION'S CUSTOMER CHARTER COMMITS TO SERVICE DELIVERY LEVELS IN EVERY AREA OF THE BUSINESS. WE ALSO COMMIT TO OPEN AND HONEST COMMUNICATION WITH OUR CUSTOMERS

## SERVICING OUR CUSTOMERS

The Corporation works to provide increasingly reliable electricity, water and sewerage services to its customers.

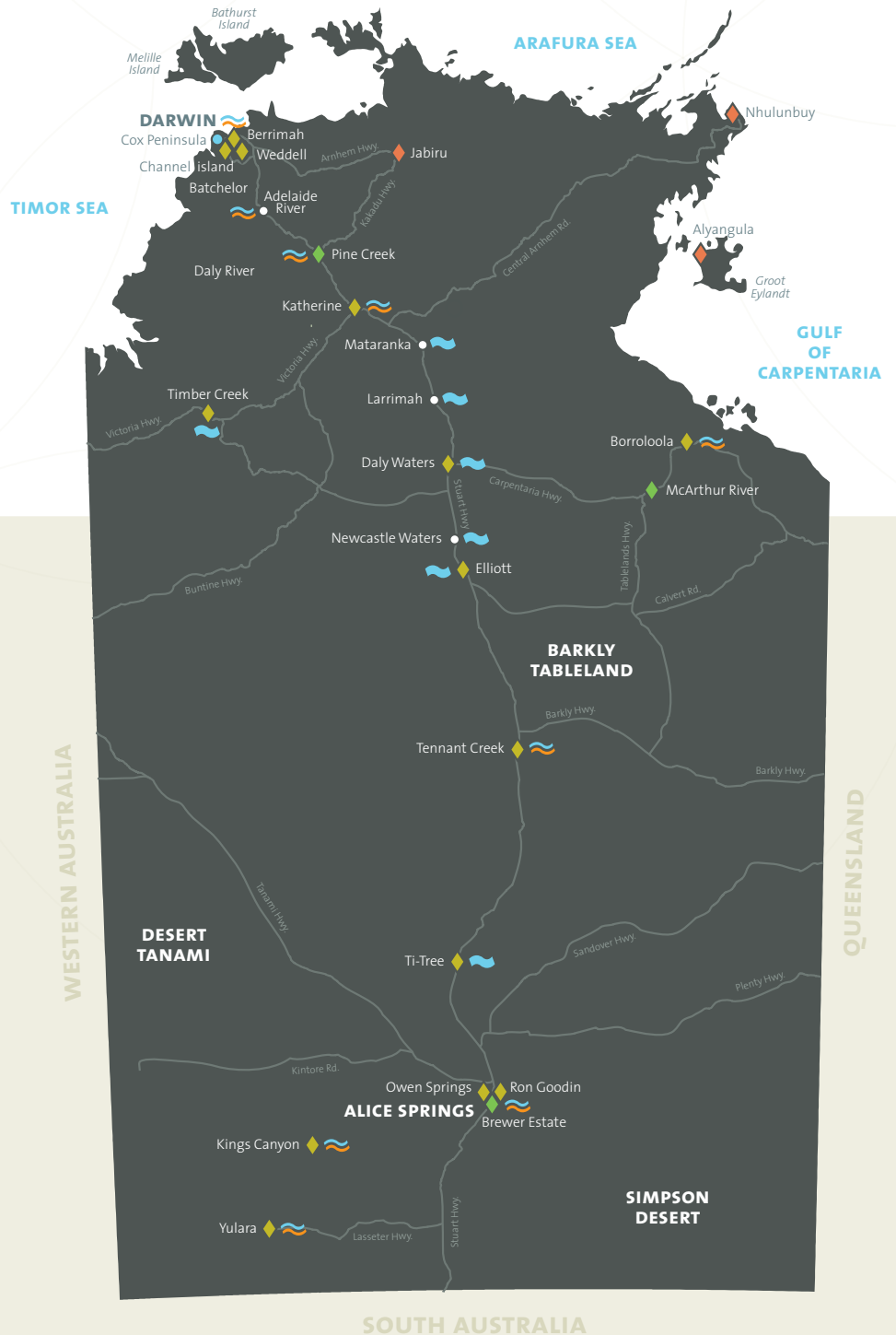
We own and operate \$1 billion worth of infrastructure spread right across the Northern Territory.

This includes more than 8,000 kilometres of power lines, 2,000 kilometres of water mains, 1,000 kilometres of sewer mains and servicing more than 85,000 customers. We are contracted to maintain more than 22,000 streetlights.

Our current five-year \$1.8 billion infrastructure investment program extends across these networks, power stations, water and sewerage services.

# NT generation, power networks and electricity retail locations, water supply and sewerage service areas

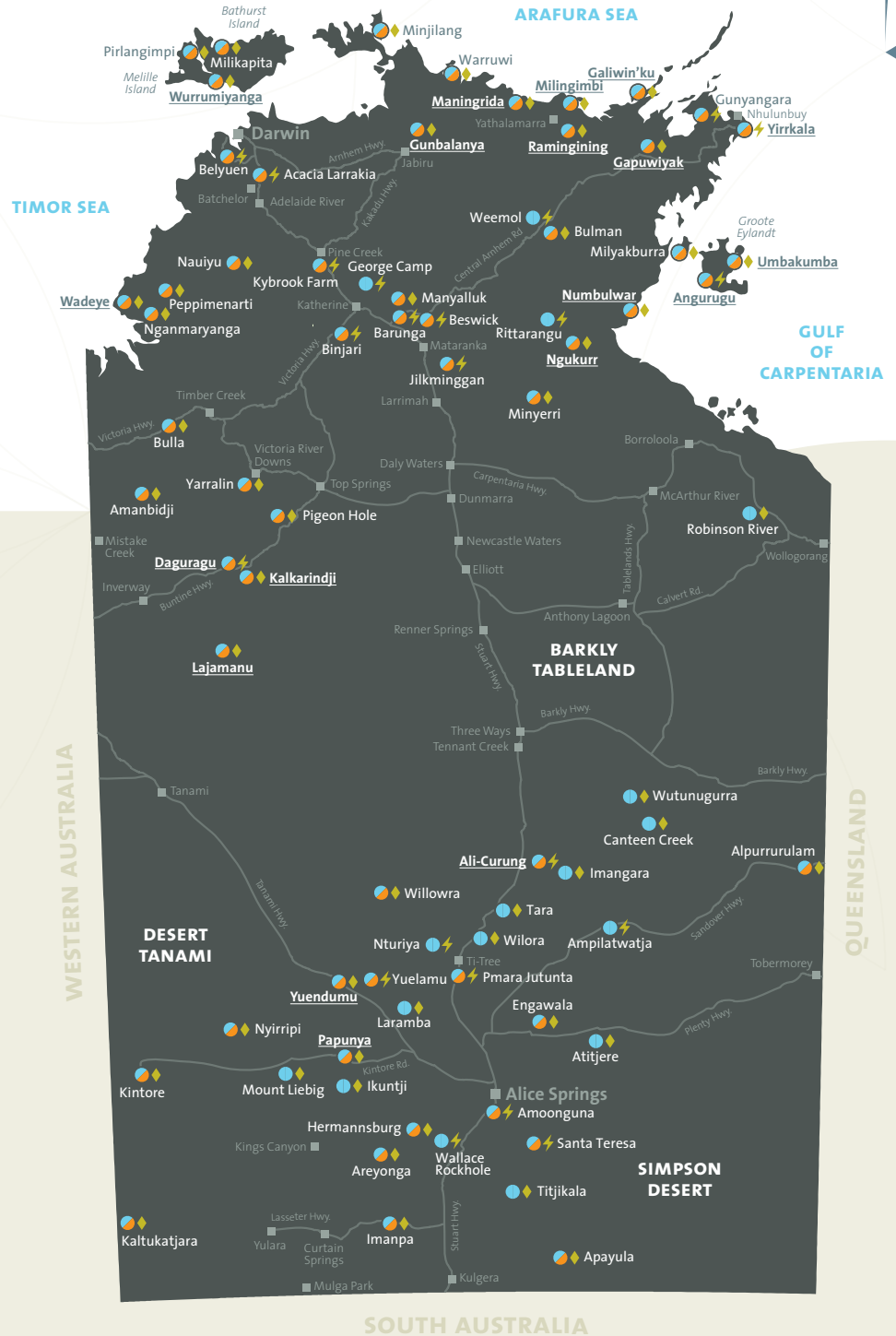
- ◆ Power station  
*Power and Water Corporation*
- ◆ Power station  
*Power purchase agreement*
- ◆ Retail agreement only
- ~ Water supply licence area  
*Restricted services area*
- ~ Water supply and sewerage  
*Service licence area*
- Water supply licence area

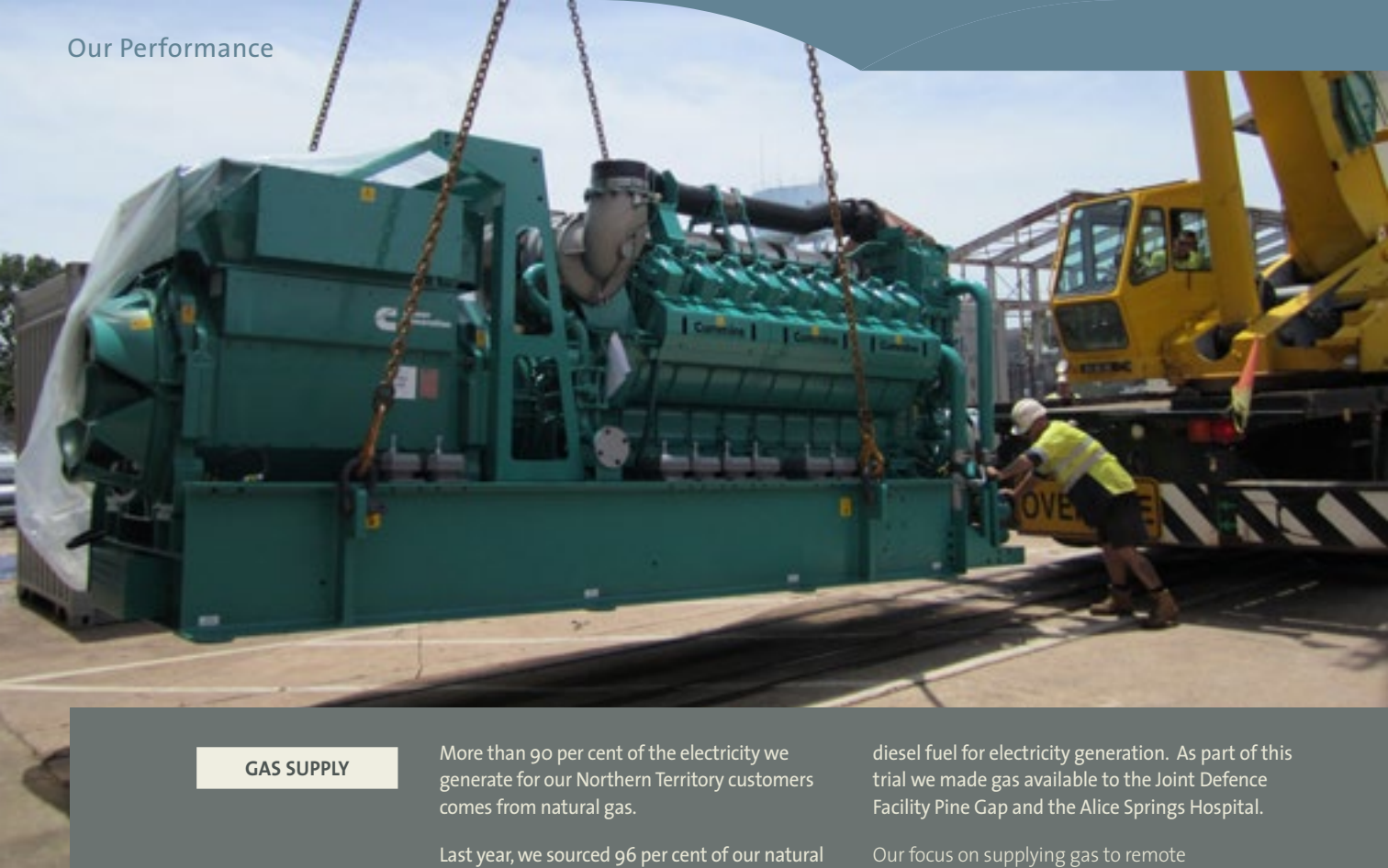


# Indigenous communities power, water and sewerage services

- Water supply
- ● Water supply and sewerage services
- ◆ Power station
- ⚡ Transmitted power supply

Remote Community  
Territory Growth Town





#### GAS SUPPLY

More than 90 per cent of the electricity we generate for our Northern Territory customers comes from natural gas.

Last year, we sourced 96 per cent of our natural gas requirements from Eni Australia BV's Blacktip gas field in the Joseph Bonaparte Gulf, which lies on the north-west coast. The balance of the gas was secured from the Palm Valley field, though the contract with the Palm Valley Producers has now expired.

Contingency gas supply came from Darwin LNG and during 2011-12 we consumed 165 terajoules (TJ) from this source during supply interruptions.

Additional detailed negotiations to provide back-up gas supplies are continuing with Inpex.

During 2011-12 we continued to look at opportunities to use natural gas in place of

diesel fuel for electricity generation. As part of this trial we made gas available to the Joint Defence Facility Pine Gap and the Alice Springs Hospital.

Our focus on supplying gas to remote communities will see a gas spur pipeline to a new 5MW gas-fired power station built near Wadeye, starting in mid-2013.

This power station will be the main source of electricity supply for the nearby communities of Nganmaryanga (Palumpa) and Peppimenarti.

The Corporation also markets gas to a range of other customers including mining, manufacturing and pastoral industries.



**WATER AND SEWERAGE**

## Water for the future

Managing the Top End's future water needs is a priority. Darwin River Dam and the McMinns and Howard East borefields currently supply water to Darwin, Palmerston and the surrounding rural area.

The Darwin Region Water Supply Strategy is designed to achieve sustainable urban water management by adopting a range of measures that focus on:

- securing water supplies
- reducing water demand
- balancing water supply and demand increases as a result of growth
- supplying water in a financially and environmentally responsible manner

We currently draw about 35 000ML of water per year from the reservoir. A review of the sustainable yield of Darwin River Dam was

completed in 2011, indicating that based on current consumption, the potential impacts of climate change and projected growth for Darwin, the region's water supply capacity may need to be increased within the next five years.

Darwin River Dam water is not treated and risks to the quality of supply include fire in the catchment area, aquatic weeds and low water levels. Although the dam fills most years, about 65 per cent of available water is lost each year through evaporation.

Water resource expansion projects typically have long lead times and as part of prudent planning, the Corporation is investigating future water sources. We have a tentative target of 2017 to return Manton Dam to service. The Corporation holds a licence to extract 7300ML per year from Manton Dam, but has not used it for a number of years because of infrastructure constraints and water quality issues, including recreational activities on the dam. The total cost of returning Manton Dam to service is estimated to be \$150 million.



### SAVING WATER

Territorians use excessive amounts of water. Typical household consumption is more than double that of elsewhere in Australia. The Power and Water Corporation will continue to focus on educating the community about water management through a range of innovative conservation initiatives in major urban centres and across remote communities, aiming to reduce water consumption by 20 per cent by 2015 and 30 per cent by 2020.

The Alice Water Smart plan was established to drive smarter, more efficient use of water in local homes, businesses, parks and gardens in Alice Springs. The plan is using education, audits and infrastructure development to cut water use by 1600 million litres per year. In 12 months, 882 million litres of water savings have been achieved or identified.



The Leak Detection Van, based in Darwin and Alice Springs, is another way we are actively seeking out and repairing leaking pipes and valves to save water. The van is equipped with highly sensitive listening probes that help identify underground leaks that can't be detected on the surface.

The ability to establish the location and magnitude of leaking pipes has dramatically reduced the annual cost of repairs and maintenance across the mains network and more importantly, saved precious water.



### SEWERAGE

#### Larrakeyah outfall closure

Major works to divert the Larrakeyah sewage outfall to the Ludmilla wastewater treatment plant were completed in 2012.

The four-year program of works supported the Corporation's focus on improving water quality in Darwin Harbour by stopping untreated sewage from entering the water from the Larrakeyah outfall.

The project was a major engineering feat, with diversion work carried out under Darwin's CBD and construction of rising mains and pumping stations throughout city suburbs.

A simultaneous upgrade of the Ludmilla Wastewater Treatment Plant will better cater for wet season flows and provide for population growth to 2030.

The works are part of our broader Darwin sewerage treatment strategy that aims to:

- provide capacity for a growing population and industry base
- improve the performance of the region's wastewater treatment and disposal facilities
- reduce potential impacts on the environment from sewerage operations.

The most significant sewage treatment projects involve the investment of a further \$53 million to complete the upgrades at Ludmilla Wastewater Treatment Plant and extend the East Point Outfall, \$7 million to upgrade the Katherine Waste Stabilisation Ponds and \$38 million to upgrade the Leanyer/Sanderson treatment plant. Other upgrades are under way or planned for Palmerston, East Arm, Katherine, Borroloola and Alice Springs



### Connecting with Twitter

We are capitalising on social media as a way to help keep our customers connected, informed and, most importantly, safe during a crisis.

During 2010 we began using Twitter to support communication with our stakeholders - particularly during the wet season when outages and supply interruptions are most common and customers need quick, factual information.

Twitter has become a critical source of real-time information on unplanned outages. It allows us to post up-to-the-minute information on electricity or water supply issues and repairs in most areas.

Additionally it informs followers of planned works, retail hours and other relevant and timely messages.



@PowerWaterCorp



THE POWER AND WATER CORPORATION IS ONE OF THE TERRITORY'S LARGEST ORGANISATIONS WITH A PROUD HISTORY OF SUPPORTING OUR COMMUNITIES. WE SUPPORT THE ARTS, SPORTS, EDUCATION, ENVIRONMENT, BUSINESS AND COMMUNITY, REFLECTING THE DIVERSITY OF OUR CUSTOMERS

**SUPPORTING  
OUR  
COMMUNITY**

**Saving water with NT Thunder**

NT Thunder players have continued to use their magical mix of footy clinics and educational sessions to help spread the word about water conservation in remote communities.

As water conservation ambassadors, the squad helped promote water conservation with visits to remote communities as part of a sponsorship arrangement with the Corporation.

Children of all ages joined group sessions learning about where water comes from, how it is tested and how it gets from under the ground all the way through to household taps and importantly, how to conserve it.

This win-win partnership is raising awareness of the importance of doing simple things to reduce water use.

Expanding populations and economic growth in remote communities has seen demand for water and electricity rise sharply. We provide services to more than 30,000 people in Territory Growth Towns and 52 communities and outstations.

We are committed to reducing water and energy consumption and our work with NT Thunder is an important part of this conservation program.





SPONSORSHIPS

We partner with more than 40 community focussed organisations across the Northern Territory.

**MILLION PAWS WALK**

We are a major sponsor of the annual RSPCA Darwin Million Paws Walk, a fun morning out for any animal lover and their 'best friend'. Funds raised through walk registrations and online fundraising will go towards vital programs, services and campaigns undertaken by the RSPCA and help find the animals their 'forever' homes.



**YOUNG ACHIEVER AWARDS**

The Corporation is a proud sponsor of the Science and Engineering category of the Young Achiever Awards to honour young scientists and engineers who are responsible for many innovative ideas that benefit our community.

**TENNANT CREEK BILLY CART DERBY**

Tennant Creek Primary School held the inaugural Power and Water Billy Cart Derby in December 2011. The event gave Power and Water staff a terrific opportunity to work with the local school community and help the kids build their billy carts.

The whole community was invited to attend the event and seven staff volunteers were joined by 100 kids and their families to cheer on 18 billy cart teams. The track was designed by Wayne Green from Power and Water's Remote Operations team using the school oval's grass surface.

**CORRUGATED IRON YOUTH ARTS**

Corrugated Iron Youth Arts provide and facilitate quality performing arts experiences for the Top End's young people. It connects with a broad demographic including children, young adults and families producing high quality artistic performances, providing skills development opportunities and a positive community outlook. The Corporation is pleased to help create opportunities for youth to enrich their lives through the arts and build stronger communities through inclusion and creative aspirations.

**CHRISTMAS CHEER**

Every year dozens of staff put their hands up to hand out Christmas goodies. Staff walk the wards of public hospitals in Darwin, Katherine, Tennant Creek, Alice Springs and Nhulunbuy on Christmas Eve, sharing Christmas cheer and a hamper with those who can't spend the festive season at home.

They also pack and distribute gifts at the annual Darwin Variety Special Children's Christmas Party, which hosts hundreds of special needs children and their families.





**OUR PEOPLE  
AND OUR  
WORKPLACE**

Our vision

WE ASPIRE TO BE A LEADING UTILITY BUSINESS VALUED AND RESPECTED IN THE COMMUNITY

Our purpose

WE WILL FOCUS ON MEETING THE POWER, WATER AND SEWERAGE NEEDS OF OUR CUSTOMERS WHILE ACKNOWLEDGING THE EXPECTATIONS OF OUR SHAREHOLDERS

Our values

**SAFETY**

Protecting the health and well-being of ourselves, contractors and the general public to achieve zero harm.

**INTEGRITY**

Engendering trust through open, honest and ethical behaviours.

**COMMUNICATION**

Engaging in an open, positive and constructive way to obtain better individual and business outcomes.

**TEAMWORK**

Working together for a common purpose; achieving our goals in a supportive, respectful and enthusiastic manner.

**COMMITMENT**

Leading by example, continually improving, accountable for our actions and carrying them out with passion and purpose.

We recognise that our people are our greatest asset, so our focus is on growing our own employees through traineeships and graduate programs, and keeping our workforce safe. We have over 1000 staff living and working throughout the Northern Territory. There are also 155 relief and full time Essential Services

Operators who operate and maintain the supply systems in remote Indigenous communities through contracts with shires, councils or private contractors and are supported by Power and Water's Darwin based Remote Operations team.

## Apprentice and graduate programs

In 2011-12 the Corporation welcomed 26 new apprentices, bringing the total number to 92.

The Corporation, its supervisors and apprentices were recognised for their outstanding achievement with the following awards:

### GROUP TRAINING NORTHERN TERRITORY AWARDS

#### Alice Springs

*Outstanding Apprentice Stage 3*  
DANIEL PEZET

*Apprentice of the Year*  
REECE DEBNEY

#### Darwin

*Outstanding Apprentice Stage 2*  
TOM SHERRELL

*Apprentice of the Year*  
BRENDAN LEE

#### Katherine

*Outstanding Apprentice Stage 2*  
PHILLIP YATES

*Trevor Allwright Initiative*  
DALE PRIME

*Apprentice of the Year*  
KATIE WILLIAMS

#### Employee recognition

*Supervisor of the Year - Katherine*  
BEN HOWARD

*Supervisor of the Year - Alice Springs*  
GAVIN KAHL

The Corporation won the Host Employer of the Year.

### GIPPS TAFE AWARDS

*Apprentice of the Year*  
STEPHEN BERTSCHI

In 2011, eight new graduates from engineering and science disciplines started in February. They joined six graduates who entered the second year of the program. The program is so successful that in 2013 graduates will also be employed within corporate and administrative roles.

**Training and development** - In 2011-12, \$5.5 million was spent on training, excluding apprenticeship programs, which is an average of \$5000 per employee.

Our training specialists work closely with line management and supervisory staff to identify training requirements and knowledge gaps. These needs are identified during employees' annual performance reviews.

This year, 98 employees accessed study assistance within the 2010-2013 Power and Water Corporation Enterprise Agreement to complete undergraduate and post-graduate courses.

More than 330 employees attended leadership and management development programs, which represents 80 per cent of staff within relevant classification groups participating in a session.

We are creating a workplace that acknowledges and recognises Indigenous culture and

opportunities, one of the priority areas of our Indigenous Employment and Career Development Strategy 2010 - 2020 (IECDs).

The Strategy is a long term commitment to Indigenous employment. It includes a range of attraction, retention, training and promotional initiatives to increase Indigenous employment opportunities at Power and Water over the next 10 years.



## Our environmental commitment

The Power and Water Corporation is increasing its commitment to sustainability in line with community attitudes and global scientific concern.

### RENEWABLE ENERGY LEGISLATIVE COMPLIANCE

In June 2009 the Australian Government introduced Renewable Energy Target (RET) legislation to achieve 20 per cent renewable energy by 2020. Each year the Corporation is required to purchase more Renewable Energy Certificates, increasing to an estimated target of 300GWh in 2020.

The Australian Government divided the RECs system into Small-scale Technology Certificates (STC) and Large-scale Generation Certificates (LGC) to encourage investment in large-scale renewable energy projects while also encouraging homeowners to install rooftop PV systems or solar hot water systems.

Power and Water met its 2011 REC obligation of 317,034 RECs, up from 93,608 in 2010. For 2012, the forecast obligation is 134,263 LGCs and 351,758 STCs. The targets are based on a calendar year rather than financial year.

## Wurrumiyanga water upgrade

Wurrumiyanga, on Bathurst Island, has a more secure water supply with the completion of a \$4.3 million upgrade.

The community, formerly known as Nguiu, is home to nearly 1500 people and has been identified as a Territory Growth Town.

A new 1.8 million litre water tank and additional bores have been installed to meet current and forecast future needs.

The larger tank increases water supply and pressure to the new homes and amenities like the AFL field - training ground for the Tiwi Bombers.

The state-of-the-art chlorination system ensures the water is safe to drink, while fluoridation has been introduced to meet levels recommended by the Northern Territory Department of Health.

The facilities are about six kilometres from the community centre, giving room for the community to grow.

Wurrumiyanga was the first of five remote Indigenous communities to take part in the Strong Teeth and Healthy Bodies program with the Corporation and the Department of Health.

Fluoridated water will also be provided in Maningrida, Wadey, Angurugu and Umbakumba.



## ALICE WATER SMART

Power and Water is a lead consortium member of the Alice Springs Water Smart program which has helped the desert town's residents save 882 million litres of water in one year.



*Inserting leak detection technology in Alice Springs*

Alice Springs in Central Australia has long been a thirsty town, with water use up to three times the national average. So far, 360 homeowners have volunteered for water efficiency consultations identifying 112 million litres in reductions.

Tourist accommodation providers have recognised 180 million litres in savings, and other businesses have identified 213 million litres more they can save.

Smart irrigation systems on Alice Springs Town Council sports grounds will measure temperature, humidity and rainfall before turning on the water, saving an estimated 80 million litres.

Meanwhile Power and Water's leak detection van has been busy making sure any leaking water mains are promptly repaired.

## AROUND THE HOUSE

With the Corporation's financial sponsorship, COOLmob has helped households identify ways to save on their power and water bills.

The group carries out home energy audits in Darwin and home water audits in Alice Springs. We provide a copy of our Green Guide, Waterwise Garden Guide and an energy-saver light bulb to help customers save.

COOLmob works with public benevolent institutions and offers sustainability talks for schools and non-profit organisations to encourage responsible use of resources.

## VIRTUAL ENERGY AUDIT + HOME WATER USE CALCULATOR

Over 17 600 people viewed the online energy audit at Power and Water's website to learn how to save electricity and water in their home or business this year.

Our Virtual Energy Audit lets customers create a virtual model of their home and estimates their power bill based on the data they input including type and amount of running time for air conditioning and pool filters.

This tool helps customers see what contributes to their power bill and how they can reduce it.

Power and Water has developed an online calculator that estimates metered water consumption based on answers to questions regarding water use in and around the home.

It shows a breakdown of water use with a comparison to the Northern Territory average. Handy and practical ideas and links help reduce water use, save money and the environment.

## HELP SAVE THE PLANET!

Power and Water's interactive education resource website [helpsavetheplanet.com.au](http://helpsavetheplanet.com.au) provides information on simple things school students can do to become more aware of the environment.

This ranges from setting the air conditioning to 24 degrees or more, identifying 'energy vampires' (also known as standby power) or turning off the tap while brushing their teeth.

**MELALEUCA  
AWARDS**

This year was the tenth annual Melaleuca Awards and the Corporation added new categories to reflect key areas of energy, water, waste and natural environment protection and enhancement

**AWARD WINNERS**

Individual Category Award

**EMMA LUPIN**

Energy Conservation Award - Small Organisation

**ALICE SPRINGS REPTILE CENTRE**

Energy Conservation Award - Large Organisation

**CHARLES DARWIN UNIVERSITY**

Natural Environment Protection and Enhancement Award

**LUDMILLA CREEK LANDCARE GROUP**

Recycling and Waste Management Award

**COLEMANS PRINTING**

Water Conservation Award

**THE PLANTSMITH**

Eco School - Environmentally Friendly Gardens Award

**ALAWA PRIMARY SCHOOL**

Cross Category Award

**ENVIRONMENT CENTRE NT & NURSERY AND GARDEN INDUSTRY NT**

Chairman's Encouragement Award

**DON DUGGAN**

**Alawa Primary School**

**Winner of Eco School - Environmentally Friendly Gardens Award**

A kitchen garden at Alawa Primary School is teaching children about the natural world and how to care for it through growing, harvesting, preparing and sharing their fresh seasonal produce.

Seeds were first planted in 2004, with the garden evolving to utilise an irrigation system and permaculture principles which reduce water wastage.

Around 400 students in grades 3 to 6, undertake weekly gardening lessons where they learn a variety of methods, such as planting seeds and making cuttings. They carry out mulching, weeding and planting while learning about seasonal produce and organic gardening.

The creation and care of the kitchen garden teaches students about the natural world and its beauty, how to care for it and how best to use their resources. It also gives children an appreciation for how easy it is to bring joy and wellbeing into everyone's life through growing, harvesting, preparing and sharing fresh, seasonal produce.





## Alice Solar City

We are a proud founding consortium member and stakeholder in the Alice Solar City which celebrates its fourth birthday in 2012.

The many significant achievements of the Solar City trial are helping the Alice Springs community create a sustainable future.

The project focuses on energy efficiency including cost reflective energy pricing, demand management, encouraging solar hot water installations and rooftop solar panels.

Other elements of the trial include a power buyback arrangement, in-house displays, smart

meter rollout, a smart living centre and the development of the Uterne 1MW solar power plant.

The program is moving into a monitoring and evaluation phase that will explore customer consumption patterns and the drivers for change. Project milestones include:

- 1MW Uterne solar power station
- 316 rooftop photovoltaic systems funded
- 770 solar hot water systems installed
- 2520 home energy efficiency surveys conducted
- CO<sub>2</sub> savings of more than 4300 tonnes per year\*

## ENVIRONMENTAL SUSTAINABILITY

There is a global focus on new and sustainable energy sources and conserving valuable water resources.

Territory 2030 Strategy's Sustainable Living sets four targets for the Corporation:

- ▶ by 2015, reduce greenhouse gas emissions intensity from Channel Island and Weddell Power Station by 10 per cent on 2009 levels
- ▶ by 2020, purchase 20 per cent of renewable energy from Northern Territory sources
- ▶ by 2020, replace diesel as the primary source of power generation in remote towns and communities - using renewable and low emission energy sources instead
- ▶ by 2015, reduce household water use by 20 per cent - and a further 10 per cent by 2020.

With the introduction of a carbon pricing regime in Australia, many customers are looking for ways to reduce energy consumption while maintaining normal business operations. Property developers are actively upgrading their properties to make them more energy efficient. The Corporation has helped its customers by providing an energy efficiency advice service to large consumers. Smaller consumers can access advice on the Corporation's website which includes a virtual energy audit tool.

Power and Water Corporation will continue to study usage in 2012-13 to assess the impact of carbon pricing under the Australian Government's 'Clean Energy Future' policy.

## Director's report

Power and Water Corporation and its controlled entities  
For the year ended 30 June 2012

### Review of operations

Summarised financial information

Consolidated

	June 2012 \$ million	June 2011 \$ million
Total revenue	680.7	752.0
Total expenses (excl impairment write-off)	(536.7)	(659.3)
Impairment write-off	(0.4)	(72.2)
<b>EBITDA</b>	<b>143.6</b>	<b>20.5</b>
Depreciation	(79.7)	(75.5)
Interest expense	(64.7)	(51.7)
Net profit/(loss) before income tax	(0.7)	(106.7)
Income tax (expense)/benefit	(0.1)	32.3
<b>Net profit/(loss) after income tax</b>	<b>(0.8)</b>	<b>(74.4)</b>
Impairment write-off	(0.4)	(72.2)
Tax effect of impairment adjustments and Northern Territory Government capital contributions	0.1	21.7
<b>Underlying net profit/(loss) after income tax</b>	<b>(0.5)</b>	<b>(23.9)</b>
Total assets	2,211.4	2,010.2
Total liabilities	1,645.9	1,485.6
<b>Total equity</b>	<b>565.5</b>	<b>524.6</b>





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