

Tarraleah Redevelopment Project Update



Issue 3 | June 2026

This issue covers the project's progress, feedback from our drop-in sessions, next steps in approvals, and the latest update on the upgrade works at Lake King William.

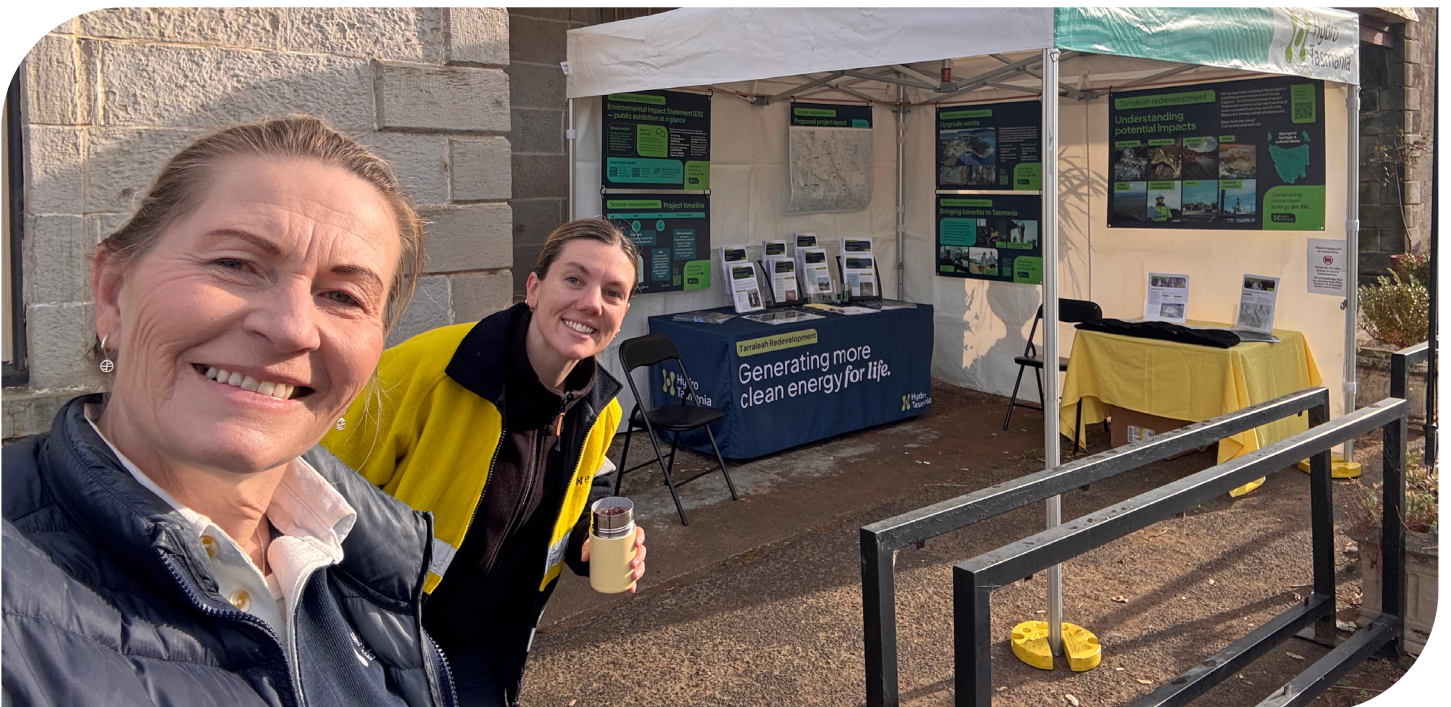
Reimagining Tarraleah's future

The Tarraleah hydropower scheme has been producing reliable energy for more than 85 years and remains an important part of Tasmania's energy system. However, it's ageing and we need to plan for what comes next.

We're proposing a full redevelopment, which includes new pressurised pipes and tunnels linking Lake King William to a new,

higher-capacity power station next to the existing one. The original power station will remain in place but will no longer be used.

Redevelopment will deliver more energy to meet expected growth in demand, address the risks posed by ageing assets, and increase revenue and value for Tasmania.



Gina and Holly in Hamilton ready to chat with locals!

Talking with the community

The project's Environmental Impact Statement (EIS) and Development Application (DA) were on public display at the Central Highlands Council during April and May.

Our team spent time in the Central Highlands, talking with locals, answering questions and explaining how feedback could be shared. We had great conversations with over 200 community members. Hearing from locals helps us understand what matters most to the community.



Head to pages 3 and 4 for more detail on questions that came up about the project.



Marie chatting about the project in Bothwell.



Thanks for talking to us!

Thank you to everyone who spoke with us about the project. Here are some of the questions we received.



Common questions we were asked

Q What is happening with the golf course at Tarraleah?

We know the Tarraleah golf course is valued by the community. We'll continue to talk to the Tarraleah Golf Club about what the project could mean for the club.

Q What's the future of the existing Tarraleah Power Station?

The community has told us that the existing power station is important to them. It will be retained if redevelopment goes ahead. When the time comes, it will be carefully decommissioned in consultation with Heritage Tasmania. We've captured ideas from the community during our recent engagement about the station's future.

Q Will 14 Mile Road be sealed??

We are not planning to seal 14 Mile Road.

Q Will water levels change in Lake King William?

We've done detailed water modelling, including looking at flows in the River Derwent and water levels across the scheme's storages. This shows that the current operating range for Lake King William and other storages will stay the same.

Q Will operation of the new power station impact water levels downstream?

Our studies show there won't be any significant changes to water levels downstream. However, operation of the new scheme may mean fewer and smaller natural spill events from Clark Dam. To balance this, we've planned controlled water releases to maintain existing flow patterns in the River Derwent. This is outlined in the EIS.

Q Would construction have impacts on Wayatinah Lagoon?

Construction impacts on Wayatinah Lagoon are expected to be minimal and unlikely to be detected.



Q Will fishing be impacted during construction?

Some roads will be closed during construction, such as Butlers Gorge Road. That means access to fishing locations will be temporarily impacted.

After construction, public access to lakes in the Tarraleah scheme will stay the same, including for fishing and boating. For safety reasons, there will be a new exclusion zone around the new Lake King William intake.

Q What opportunities are there for local communities to benefit?

We will create a community benefit sharing program if the project goes ahead. This will be developed in consultation with the community. The goal is to support long-term, meaningful benefits so the community can share in the project's success.

Q Will there be jobs for locals and how do we register for them?

The project will create around 250 jobs during construction. Our main contractor will be required to create opportunities for local jobs and businesses, including work for subcontractors, local suppliers, service providers, and roles at the workforce accommodation facility.

We'll keep the community informed about these opportunities.



Welcoming your local council to site

We recently hosted the Central Highlands Council Mayor, Councillors and staff for a site visit to Tarraleah. They toured key locations related to the proposed redevelopment, such as Lake King William, the Tarraleah Village and the power station. A highlight was Lake King William, which is the third largest water storage in Tasmania.

Council members valued meeting with Hydro Tasmania staff, learning more about the project and discussed the benefits it can bring to the region.




Pictured right: Central Highlands Council Mayor Loueen Triffitt on the shores of Lake King William. Photo by: Robert L. Cassidy, Bothwell

Pictured below: Council staff inside the iconic power station control room.



Approvals progress at a glance

The project needs approvals from local, state and Australian Government authorities. We'll keep you updated as things progress.

Level of Government	What this approval is about	Who is assessing it	Current status
Local 	<i>Development Application</i> – assessing the project against the Planning Scheme.	Central Highlands Council	Public exhibition has closed. Once EPA approval is received, the EIS and DA go before Central Highlands Council for a decision. We expect this will happen closer to the end of the year.
State 	<i>Environmental Impact Statement (EIS)</i> – looks at how the project could affect the environment, people and the local community, and how impacts will be managed.	Environment Protection Authority (EPA) Tasmania	Public exhibition has closed. We're reviewing a small number of submissions on the EIS and drafting a response to the EPA for their determination later this year.
Australian Government 	<i>Environmental referral</i> – considers impacts on nationally important environmental matters under federal law.	Department of Climate Change, Energy, the Environment and Water (DCCEEW)	<p>The project requires a full environmental assessment (called a “controlled action”). This will be done using preliminary documentation, which is the initial referral and additional information we've been asked to provide.</p> <p>Once the Department is satisfied with our information, we will publish the documents on our website so the community can read them and provide feedback.</p>

Update on the upgrades!

We're putting the finishing touches on a new 950-metre connection tunnel at Lake King William. The tunnel is an important part of our upgrade works, supported by Federal Government funding.

The tunnel will connect a new intake at Lake King William to future infrastructure that will carry water to the new Tarraleah Power Station.

Butlers Gorge Road will remain closed from the Lyell Highway turnoff until mid-July. The public are unable to access Mossy Marsh Dam, Clark Dam, the lookout, boat ramp and campground until the road reopens.

Please check our website or social media for updates on when the road will reopen.



Future project opportunities

Our projects can provide opportunities for suitably qualified and experienced local suppliers, contractors, subcontractors, consultants and service providers.

We're committed to supporting Tasmanian businesses, including palawa businesses.

We work closely with the Industry Capability Network (ICN) Tasmania to help connect local businesses with project opportunities.

We encourage businesses to register with ICN Tasmania and set up a company profile so you're ready for future work opportunities.

Register your business (the basic package is free): icn.org.au/icn-tas



Visit the Tarraleah project page:
gateway.icn.org.au/projects/17494



Want to know more about the project?



Visit the new Tarraleah Village display

Call in for a coffee and check out the display. You can browse through lots of information on what's proposed for Tarraleah.



Visit our project web page

You'll find the latest information on the project. You can also ask us a question!

What's coming up?



Decision outcome for our EIS and DA application.

Hamilton is celebrating 200 years on 10 October! We're looking forward to joining the celebrations, chatting with locals, and recognising this great milestone for the community.



Get in touch with us!

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