

Minister for Energy and Renewables
 Minister for Parks and Heritage
 Minister for Sport



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15th June 2026

Hon Ruth Forrest MLC
 Chair
 Legislative Council Estimates Committee 'A'
jenny.mannering@parliament.tas.gov.au

Dear Ms Forrest

APPROPRIATION BILLS (No.1) 2026

Thank you for your letter dated 2 June 2026, requesting additional information following examination of my portfolio by the Legislative Council Select Budget Estimates Committee 'A'. Please find the requested information below for noting.

DEPARTMENT OF STATE GROWTH OUTPUT GROUP 7 - RENEWABLES, CLIMATE AND FUTURE INDUSTRIES TASMANIA 7.1 ENERGY AND RENEWABLES

1. Provide an expense and an appropriation breakdown for line item 7.1 across all areas of cost met through this output group over the forward estimates.

Energy and Renewables Portfolio
 7.1 Energy and Renewables
 Funding Reconciliation to Budget Papers

Item	2025-26 Original Budget \$'000	2025-26 Estimated Outcome \$'000	2026-27 Budget \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000	2029-30 Forward Estimate \$'000
Revenue						
Appropriation	25 050	20 970	17 978	7 893	5 106	4 660
Budget Rollovers	220	220
Australian Government	730	730	714
Other	697	697	555	697	697	697
	26 697	21 887	19 263	9 304	5 803	5 357
Expense						
Employee benefits	9 147	8 417	7 492	5 949	2 788	2 825
Depreciation and amortisation	73	73	73	73	73	73
Supplies and consumables	2 060	2 060	1 896	1 866	1 941	1 964
Grants and subsidies	15 382	11 302	9 767	3 157	2 587	1 407
Other expenses	35	35	35	(1 741)	(1 586)	(912)
Table 11.3 Total Expenses by Portfolio and Output	26 697	21 887	19 263	9 304	5 803	5 357

Notes:

For the purposes of the 2026-27 Budget Papers, operational efficiency allocations for the Forward Estimates have been provisionally reflected against the Department's existing output structure, pending completion of machinery of Government transition arrangements.

2. What costs or factors flow into the Administrative Parameter Adjustments for State growth referenced on p. 127 Budget Paper 1 in the Policy and Parameter Statement and please provide a breakdown of the \$80.7million for 2026/27, the \$29 million for 2027 /28 and the \$53.6 million for 2028/29 financial years.

Please see the table below for Administrative Parameter Adjustments for the Department of State Growth.

Administration Parameter Adjustments					
<i>By Category</i>					
	2025-26	2026-27	2027-28	2028-29	Comment
Reprofile of existing funding	(\$85,994)	\$51,878	\$18,922	\$10,511	Reprofile of existing funding - net \$0 over the Forward Estimates and beyond
Indexation	\$0	\$223	(\$842)	(\$2,318)	
Australian Government Funding expenditure estimates	\$3,021	\$16,557	\$3,278	\$22,112	Update to expenditure estimates for Australian Government Funding
Retained Revenue - Expenditure updates	\$3,401	\$15,001	\$12,001	\$16,001	Update to retained revenue and expenditure consistent with current actual results
Treasury Whole of Government Eliminations	\$1,609	(\$3,417)	(\$3,568)	\$7,637	Removing transactions between government entities to ensure they aren't double counted in Whole of Government reporting
Accrual and other updates	\$0	\$500	(\$300)	(\$300)	Statement of Financial Position estimates updates
	(\$77,963)	\$80,742	\$29,491	\$53,643	
Administrative Parameter Adjustments	-78	80.7	29.5	53.6	Total parameter adjustments as show in Budget Paper1

3. Was modelling undertaken before the approval of Marinus of:

- a. **directional pools;**
- b. **residue allocation;**
- c. **the importer-favoured rule undertaken; and/or**
- d. **expected northward and southward pool values over the life of Marinus?**

If so, please provide copies of the relevant modelling outcomes.

Hydro Tasmania modelling

Modelling provided by Hydro Tasmania used PLEXOS, which optimises interconnector flows based on market supply and demand dynamics, prices, constraints and other market conditions.

Inter-Regional Settlement Residues (IRSRs) between Victoria and Tasmania arises where there is price separation between the two regions and varies depending on market conditions, interconnector flows and regional price outcomes. For the modelling provided by Hydro Tasmania for the Project Marinus Whole-of-State Business Case (WOSBC) scenarios, it was assumed that there would be limited or no price separation and, therefore, no material IRSR value. On this basis, the associated IRSR values were estimated to be close to \$0 from Hydro Tasmania's perspective following commissioning of Marinus Stage 1.

The specific mechanisms such as directional pools, residue allocation, the importer-favoured rule, and northward/southward pool values, were not modelled by Hydro Tasmania as prescribed rules or allocation frameworks. Northward and southward flows were outputs of the market optimisation, not inputs. No importer-favoured rule was applied to direct flows or allocate value within the modelling. Rather, interconnector flows were determined by the modelled market conditions and optimisation process.

Department of Treasury and Finance commissioned modelling

A range of modelling activities were undertaken to assist Treasury in forming its advice contained in the WoSBC. Some of this work provided insights that partially go to the topics raised but were highly dependent on the context, assumptions and scenarios that were used. The following information has been provided by the Department of Treasury and Finance.

Treasury worked with Deloitte to examine the outputs from Deloitte's PLEXOS-based NEM model, aiming to understand the robustness of Hydro Tasmania's revenue model assumptions and results.

As part of this internal-to-Treasury work, IRSRs were modelled with an assumption that Hydro Tasmania captured these revenues at a hypothetical auction cost of 75 per cent of the IRSR value (IRSR cost was based on the Basslink Conversion Application, Consultation Paper, AER, August 2024). Hydro Tasmania's wholesale trading revenue was modelled to far exceed its net IRSR revenues.

This modelling work was used solely by Treasury for the purposes of interrogating the reasonableness of Hydro Tasmania's revenue models - it was not used to infer customer transmission cost impacts.

The WoSBC noted that obtaining firm estimates of the value of IRSRs in future decades was challenging as they are determined by highly volatile spot wholesale price differentials which cannot be reliably estimated. The NEM modelling by Deloitte also found that Marinus Link's primary direction of flow, on average, was from Tasmania to Victoria and therefore, for the purposes of estimating Tasmanian transmission charges, the WoSBC did not include the potential benefit of southward flow IRSRs.

The WoSBC further noted that Tasmania may benefit from higher export related charges (MLECs) which would also reduce local transmission costs but these effects were uncertain, so were similarly not incorporated. The WoSBC also highlighted that the share of flows between Basslink and Marinus Link are challenging to model with any confidence. In addition, at the time of preparing the WoSBC, the draft decision from the AER was not to accept Basslink's application to convert its market network service to a prescribed transmission service, so IRSRs were not applicable to Basslink in this circumstance.

The Project Marinus business case was found not to be dependent on IRSRs revenues.

Questions regarding the WoSBC are a matter for the Treasury portfolio.

4. Exactly how much Federal funding from ARENA, CEFC and other Federal programmes has been allocated to Tasmania for Marinus link/NW Transmission Lines and Battery of the Nation Since 2017.

Project/ component	Origin of funding	Grant/loan	Amount received	Start Date	Date completed	Source
Battery of the Nation	Australian Renewable Energy Agency (ARENA)	Grant	\$500,000	1 July 2017	31 January 2018	ARENA
Battery of the Nation – A concept study of Tasmanian pumped hydro	ARENA	Grant	\$300,000	28 August 2017	31 January 2018	ARENA
Tasmanian Pumped Hydro Energy Storage Opportunities Stage 2	ARENA	Grant	\$700,000	1 February 2018	29 October 2019	ARENA
Repurposing the Tarraleah Hydropower Scheme	ARENA	Grant	\$2.5 million	18 June 2018	28 February 2021	ARENA

Battery of the Nation – Future State NEM Analysis Stage 1	ARENA	Grant	\$500,000	1 November 2018	2 March 2018	ARENA
Project Marinus: Further Bass Strait Interconnection	ARENA	Grant	\$10 million	4 Sep 2018	30 Jan 2020	ARENA
Project Agreement on Marinus Link	Commonwealth	FFA Grant	\$56 million	28 March 2019	30 June 2020	FFA
Battery of the Nation – Future State NEM Analysis Stage 2	ARENA	Grant	\$500,000	19 July 2019	28 November 2019	ARENA
Delivery of Project Marinus (Marinus Link and NWTD)	Commonwealth	FFA Grant	\$75 million	3 April 2022	June 2025	FFA
Delivery of Tarraleah redevelopment upgrade works	Commonwealth	FFA Grant	\$65 million	3 April 2022	In progress	FFA
Tasmanian network cost reductions (incorporated in the above agreement)	Commonwealth	FFA Grant	\$346 million	Announced 1 Aug 2025	30 July 2029	FFA
CEFC concessional debt financing for Marinus Link Pty Ltd	Clean Energy Finance Corporation (CEFC)	Loan	\$3.8 billion (loan facility)	3 September 2025	In progress	CEFC
CEFC concessional debt financing for TasNetworks	CEFC	Loan	\$1.2 billion (loan facility)	6 May 2026	In progress	CEFC

Note that equity contributions from shareholding governments are not included in the above.

5. Please provide a copy of the correspondence to fuel companies requesting information on fuel supply.

Attached is a copy of the letter to fuel companies shipping and operating import terminals in Tasmania (with personal information redacted) sent by the Director of Energy Planning on 18 March 2026. It should be noted that at the time of passing amendments to the *Energy Coordination and Planning Act 1995* and the *Petroleum Products Emergency Act 1994* not all fuel companies had responded to the request from the Director of Energy Planning. Since the passing of those amendments there has been full compliance with the request, and the Director of Energy Planning has been receiving the requisite information on a weekly basis. This has ensured Tasmania has a much greater visibility of its fuel stocks (for all types) and is important for forward planning. The Acting Minister for Energy and Renewables sent a similar request on 27 March 2026 (refer attached letter).

Also attached is a further letter to VIVA Energy I sent on 16 April 2026, following the fire at the Geelong terminal, requesting confirmation Tasmanian supply would not be impacted as a result of the fire.

6. Please provide the list of 12 TasNetworks directly connected customers.

There are 12 direct connect Transmission customers which include Tasmania's four Major Industrials (Bell Bay Aluminium, Nyrstar, Liberty Bell Bay and Boyer Paper Mill), as well as Copper Mines Tasmania, Grange Resources, Forico, Hellyer Gold Mines, Minerals and Metal Group, Timberlink Australia, Firmus Infrastructure, and TasWater.

Yours sincerely

A handwritten signature in black ink, appearing to read 'ND', with a long horizontal flourish extending to the right.

Hon Nick Duigan MLC
Minister for Energy and Renewables

Renewables, Climate and Future Industries Tasmania

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Phone 1800 030 688 Fax (03) 6233 5800
Email info@stategrowth.tas.gov.au Web www.recfit.tas.gov.au
Your Ref: / Our Ref:



[REDACTED]
[REDACTED]
[REDACTED]
Email: [REDACTED]

Dear [REDACTED]

I am writing to you in relation to the provision of information on terminal fuel stock levels and fuel in transit to Tasmania.

The desire of governments right across Australia to have insights into liquid fuel demand, inventory levels and resupply arrangements in the context of the current Middle East situation is readily understandable.

In the absence of such information, planning for consequence management of fuel shortages is under-informed. Governments cannot afford to be flat-footed in being able to respond to a rapidly changing situation. While the current situation of inbound fuels to Australia is secure, the Tasmanian Government is necessarily preparing for an extended disruption to 'business as usual' supply arrangements.

The current fuel supply situation is challenging for fuel users, the supply industry, and government. The level of cooperation between governments and industry during March 2026 has been both good and welcome. I am mindful that it is in times of stress that our officer-level relationships become tested, and at the same time, become even more important.

The working relationships we have with the liquid fuel industry on the ground in Tasmania have always been productive, and warrant protection as we move forward through the next few weeks, and potentially months, while the Middle East situation normalise.

Accordingly, rather than relying on individuals acting on their own initiative in keeping information lines open, I consider it in the interests of both governments and industry to operate under more formalised arrangements for the time being. This will reduce the risk of potential misalignment between local management and the corporate management of [REDACTED] in meeting Tasmania's emerging information needs and will ensure transparency between the State and [REDACTED] on the specific nature of the information that is required.

To this end, the *Energy Co-ordination and Planning Act 1995* (the Act) provides me, as the Director of Energy Planning, powers to require information to be provided. I have attached a copy of Part 3 of the Act for information.

I am writing to each terminal owner, pursuant to section 9 of the Act, requesting the following information, on a weekly basis, until further notice:

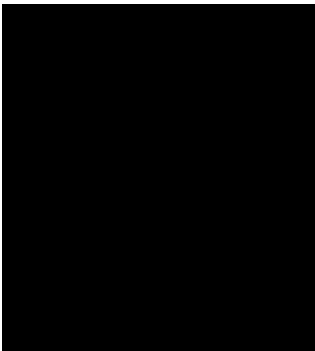
- terminal capacity details for Diesel, ULP (all grades) and Jet (if applicable);
- stocks of diesel, ULP (all grades) and Jet (if applicable) as at the reporting date measured in ML and also days supply (under normal demand conditions);
- the name of the next vessel due to your terminal (if available at date of reporting)
- the next scheduled delivery date
- the volume (in ML) of each grade of fuel destined for your terminal on the next shipment.

I understand that you may have also received a request for similar information from the Commonwealth. I have not yet seen the details of this request, but I am happy to work with you to align our information requirements to avoid duplication.

It is my intention to treat the information as commercial-in-confidence. I have reporting obligations within Government, and my public reporting requirements may change as the situation unfolds, however it is my intention to uphold the commercial-in-confidence nature of the information provided pursuant to this information requirement.

If you would like to clarify the items requested please feel free to contact me on [REDACTED] or [REDACTED].

Yours sincerely



Sean Terry
Director of Energy Planning

18 March 2026

Attachment: Part 3 Energy Co-ordination and Planning Act 1995

PART 3 - Obtaining of Information by Director

9. Director may require information to be given

- (1) The Director may request a person to give prescribed information to the Director, including information by way of periodical returns at specified times, if—
 - (a) the information is required to enable the Director to perform his or her functions; and
 - (b) the Director has reasonable grounds for believing that the person is able to give the information.
- (2) The request must —
 - (a) be made by written notice given to the person; and
 - (b) specify the time before which the information is to be given.
- (3) The information must be given —
 - (a) in writing; and
 - (b) before the time specified in the request.
- (4) In this section, *prescribed information*, in relation to a person, means information as to all or any of the following:
 - (a) the quantity, quality, service or supply of any energy held or required by the person in the State, or imported into the State by the person;
 - (b) facilities available to, or held by, the person for storing or distributing energy;
 - (c) any works, plant, equipment, apparatus or process that consumes energy and that is used by or available to the person.

10. Trade secrets

- (1) Where a request is made under [section 9](#) a person may object to complying with it on the ground that it will result in the disclosure of a trade secret.
- (2) An objection must be made in writing served on the Minister within 7 days after the request is received.
- (3) The Minister may by notice in writing exempt the objector from the obligation to comply with the request either in whole or in part.
- (4) For the purposes of this section, *trade secret* means any knowledge or information relating to technology, marketing, energy or energy resources or reserves, or as to the business of the person objecting, that might reasonably be expected to adversely affect the business or interests of that person if disclosed to any other person.

11. Obligation to comply with request

- (1) Subject to [section 10](#) , a person must not, without reasonable excuse, fail to comply with a request under [section 9](#) .
Penalty: In the case of —
 - (a) a body corporate, a fine not exceeding 200 penalty units; and
 - (b) a natural person, a fine not exceeding 50 penalty units.
- (2) A person must not give false or misleading information in response to a request under [section 9](#) .
Penalty: In the case of —
 - (a) a body corporate, a fine not exceeding 200 penalty units; and
 - (b) a natural person, a fine not exceeding 50 penalty units.

Deputy Premier
Attorney-General
Minister for Justice, Corrections and Rehabilitation
Minister for Small Business, Trade and Consumer Affairs

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Email Barnett.correspondence@dpac.tas.gov.au



27 March 2026

[REDACTED]
[REDACTED]
[REDACTED]

By email: [REDACTED]

NOTICE
REQUIREMENT TO PROVIDE INFORMATION
Section 17 *Petroleum Products Emergency Act 1994*

Dear [REDACTED]

I am writing in relation to the provision of information on terminal fuel stock levels and fuel in transit to Tasmania.

The current fuel supply situation is challenging for fuel users, the supply industry, and government. In the context of the ongoing situation in the Middle East, it is essential Governments have timely insights into liquid fuel demand, inventory levels and resupply arrangements.

While the current situation of inbound fuels to Australia is secure, the Tasmanian Government is necessarily preparing for an extended disruption to 'business as usual' supply arrangements. It is critical we have the information needed in order to respond to a rapidly changing situation and are able to take steps, if necessary, to conserve petroleum products in the event or likely event of fuel shortages.

The working relationships we have with the liquid fuel industry on the ground in Tasmania have always been productive, and I thank you for your ongoing collaboration with Government during this time.

However, as the situation continues to evolve, it is our view that implementing more formalised information sharing arrangements will streamline processes and ensure more effective information delivery.

Under powers granted to me under s 17(1) the *Petroleum Products Emergency Act 1994*, as the Acting Minister for Energy and Renewables, I require you to provide the following information, by close of business every Wednesday (stating the date at which the information was current), until further notice:

- terminal capacity details for Diesel, ULP (all grades) and Jet (if applicable);
- stocks of diesel, ULP (all grades) and Jet (if applicable) as at the reporting date measured in ML, and also days supply (under normal demand conditions);
- the name of the next vessel due to your terminal (if available at date of reporting)
- the next scheduled delivery date
- the volume (in ML) of each grade of fuel destined for your terminal on the next shipment.

This information should be provided to the Minister for Energy and Renewables via the Director of Energy Planning, Sean Terry, sean.terry@recfit.tas.gov.au

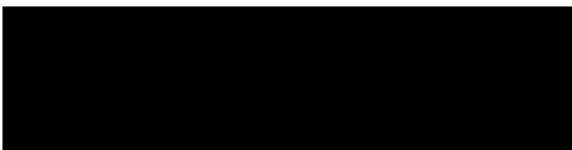
Should there be any significant changes to the above, I request that you provide these updates as soon as reasonably practicable. Importantly, please be advised more frequent reporting may be requested as the situation evolves.

I understand you may have also received a request for similar information from the Commonwealth. I encourage you to work with RecFIT in the Department of State Growth to align your reporting to the Commonwealth and to Tasmania as far as possible.

Lastly, I would like to reassure you the commercial-in-confidence nature of the information provided pursuant to this information requirement will be upheld. Please be aware that information obtained in connection with the administration of the Act receives protection under s 18.

If you would like to clarify the nature of the information required to be furnished, please feel free to contact the Director of Energy Planning, Sean Terry, on [REDACTED] or sean.terry@recfit.tas.gov.au.

Yours sincerely



Hon Guy Barnett MP

Deputy Premier

Acting for and on behalf for the **Minister for Energy and Renewables**

- Beyond the current schedule, are there likely to be impacts on fuel deliveries to Tasmania by VIVA Energy, ie anticipated deliveries for June and July 2026?
- Are there any actions that the Tasmanian Government can take to assist with, or ameliorate the impact of, the incident at the refinery in respect of fuel deliveries to Tasmania?

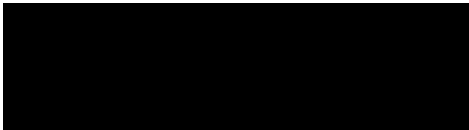
While I appreciate that a full assessment of the impact of the damage at the refinery will take time, I would appreciate a response to this request by 30 April 2026. If additional time is required to provide the information, could that request be provided by 30 April.

This information should be provided to the Minister for Energy and Renewables via the Director of Energy Planning, Sean Terry, sean.terry@recfit.tas.gov.au.

Lastly, I would like to reassure you the commercial-in-confidence nature of the information provided pursuant to this information requirement will be upheld. Please be aware that information obtained in connection with the administration of the Act receives protection under s 18.

If you would like to clarify the nature of the information required to be provided, please feel free to contact the Director of Energy Planning, Sean Terry, on [REDACTED] or sean.terry@recfit.tas.gov.au.

Yours sincerely

A large black rectangular redaction box covering the signature area.

Hon Nick Duigan MLC
Minister for Energy and Renewables