31 January 2025

JOINT SELECT COMMITTEE ON ENERGY MATTERS – QUESTIONS ON NOTICE

Request from the Honourable Ruth Forrest and Ms. Janie Finlay MP

In late 2023, Marinus Link Pty Ltd (MLPL) engaged independent global consulting firm, FTI Consulting LLP (FTI), to consider the impact that Project Marinus is expected to have on customers in Tasmania and across the wider National Electricity Market (NEM).

FTI's analysis of customer benefits is based on market modelling using inputs, assumptions and policy scenario settings that are broadly consistent with the Australian Energy Market Operator (AEMO) 2023 Inputs, Scenarios and Assumptions Report (ISAR), focussing on the Step Change scenario.

Over the course of the 2031-2050 study period, FTI's analysis indicates that stage one of Marinus Link alone is expected to reduce the wholesale energy component of a typical Tasmanian residential consumer by $93 on average.

FTI has also provided annualised wholesale energy price reductions from 2031 – 2050, provided in table 1 below.

Table 1 *– Marinus Link cable 1 - wholesale price reduction for a typical Tasmanian household (real $2023)*

Year	Cable 1 – wholesale price reduction for a typical Tasmanian household (real $2023)
2031	$94
2032	$43
2033	$84
2034	$59
2035	$32
2036	$72
2037	$76
2038	$84
2039	$88
2040	$91
2041	$93
2042	$97
2043	$155
2044	$163
2045	$69
2046	$107
2047	$91
2048	$135
2049	$86
2050	$154

Subsequent to MLPL's appearance at the Joint Select Committee hearing on 28 October 2024, MLPL submitted its latest submission to the Australian Energy Regulator (AER) in December 2024. This submission relates to the costs of constructing the Marinus Link project, the details of which were made publicly available via media release on 20 December 2024, *Marinus Link construction costs undergo independent regulator assessment* and are included here for the Committee.

Using publicly available revenue calculations and networks cost data provided by TasNetworks, for the benefit of the Committee MLPL can also indicate the total expected cost impacts on a typical Tasmanian residential household for the years 2031 – 2035 resultant from Marinus Link cable one in the below table.

***Table 2** – Marinus Link cable 1 – cost impact on a typical Tasmanian household* (real $2023)*
**Note that the network cost impact does not include any impacts from the construction of the North West Transmission Developments (NWTD).*

Year	Cable 1 – cost impact on a typical Tasmanian household (real $2023)
2031	$45 saving
2032	$4 increase
2033	$36 saving
2034	$10 saving
2035	$19 increase

Consistent with the wholesale cost reduction data provided in table 1, it is expected that the most significant savings resultant from Marinus Link are realised in later years.

Overall and across the period 2031 - 2050, a typical Tasmanian household will save on average between $25 and $32 every year, which includes expected cost impacts (as at November 2023) from the construction of the North West Transmission Developments (NWTD).

Request from Mr. Craig Garland MP

The construction and operations of Marinus Link and associated network augmentation, coupled with induced investment is expected to support over 1,400 additional jobs per year at peak construction across a wide range of industries, education levels and occupations.

An indirect job can be expressed as a job that exists to produce the goods and services needed by workers with direct jobs - for example, the production of raw materials required for the project. An induced job can be described as a job that is supported by additional personal spending - for example, a local eatery that supplies food and drink for workers.

Marinus Link Pty Ltd (MLPL) continues to work closely with a number of Tasmanian organisations to support the development of a skilled renewable energy workforce, including TasTafe, UTAS, TCCI, Business Northwest, Beacon Foundation, The Energy Charter, Kinaway Chamber of Industry, CEDA and the Industry Capability Network to name a few.

The construction and operations phase of Marinus Link will directly support a range of roles for workers physically involved in the building and installation process.

These include:

- carpenters
- plumbers
- welders
- metal workers, and
- support workers.

Marinus Link will also stimulate a range of indirect jobs during design, construction and operation. These include:

- cost estimators
- engineers
- financial advisors
- technicians
- construction managers
- surveyors, architects
- safety, and
- incident support staff.

Core jobs in the operations phase include:

- safety and incident support staff
- operations and maintenance managers
- plumbers
- welders and other maintenance staff
- corporate and financial staff, and
- asset managers.

MLPL has also produced a Jobs Guide document providing general information about the types of roles that may become available as part of the Marinus Link project which is available on the MLPL website.