

31 July 2020

The Hon. Ivan Dean MLC  
Chair  
Public Accounts Committee  
Legislative Council, Parliament House, HOBART 7000

Email: [pac@parliament.tas.gov.au](mailto:pac@parliament.tas.gov.au)

Dear Mr Dean

### **Invitation to make a written submission**

Thank you for the invitation to participate in the Inquiry into the Government's financial response to the COVID-19 pandemic.

Hydro Tasmania has noted the Terms of Reference for this Inquiry, and in particular item 3 – *“the impact, progress and outcome of the Government's economic recovery plan for Tasmania”*. I am pleased to advise that we have been working with the Tasmania Government on potential economic recovery opportunities.

Hydro Tasmania, in collaboration with the Tasmanian Government, is progressing the Battery of the Nation initiative. This initiative could see a significant expansion in the state's hydropower capacity through optimising existing assets and building new pumped hydro. Battery of the Nation will be an important contributor to the state's 2040 renewable energy target and is recognised in the Draft Tasmanian Renewable Energy Action plan as an engine for the state's future economic prosperity.

Battery of the Nation is a project of national significance, which together with the proposed new interconnector, Marinus Link, will form a critical input into the future security, affordability and stability of Australia's electricity grid as it transitions to a greater penetration of variable renewable energy.

In the short-term, investigations into our most promising pumped hydro sites are continuing, supporting the regional economy and our Tasmanian suppliers and contractors. Approval of the state's first pumped hydro development alongside more interconnection will mean a huge injection of investment and jobs to Tasmania, which reinforces the need to keep progressing Battery of the Nation and Marinus Link. Hydro Tasmania is also exploring opportunities to accelerate parts of its capital expenditure program, to help provide opportunities for Tasmanians. For example, the potential acceleration of work on the Tarraleah hydropower scheme.

Renewable energy projects can underpin Australia's economic recovery from COVID-19 through employment and investment opportunities. Through Battery of the Nation and Marinus Link, Tasmania is well positioned to make a significant contribution to economic and social recovery plans, both locally and nationally.

Modelling undertaken by TasNetworks shows up to \$7.1 billion could be injected into the Tasmanian economy, through Marinus Link and the renewable energy development it unlocks (pumped hydro, wind and solar). The modelling also shows that at peak construction, Marinus Link creates up to 1400 direct and indirect jobs in Tasmania, and that other renewable energy investment creates an estimated 2350 jobs over the life of those projects.

If the committee requires any specific input from Hydro Tasmania, please contact El Inglis, Government Relations Manager (62 402 280 or [Eleanor.inglis@hydro.com.au](mailto:Eleanor.inglis@hydro.com.au)).

Yours sincerely



Steve Davy  
Chief Executive Officer