



Thursday, 1 February 2024

Inquiry into Energy Matters in Tasmania  
Inquiry Secretary  
Parliament House  
Hobart

Via email: [energymatters@parliament.tas.gov.au](mailto:energymatters@parliament.tas.gov.au)

Thank you for the opportunity to provide a submission to the Legislative Council's Inquiry into Energy Matters in Tasmania.

Clean Energy Tasmania (CET) was established in 2023 by the Tasmanian Chamber of Commerce and Industry ('the TCCI') as a subcommittee of the TCCI, to progress investment and development in clean and renewable energy in Tasmania.

CET was established to:

- be the recognised and unified voice for advocacy on Tasmanian energy matters to relevant State and Federal Government departments, regulators and other relevant organisations;
- gather information and establish a rigorous evidence base on the benefits of the clean energy industry to the community; and
- act on behalf of Tasmanian business in advocacy activities relating to energy policy formulated by government.

CET is focused on the needs of the clean energy industry, supporting existing participants and encouraging new participants to grow the sector in Tasmania. It will engage and co-operate with other energy related entities to achieve mutually beneficial outcomes.

The principal concern of CET is that Tasmania's clean energy generation capability is not keeping pace with local and national demand.

The Tasmanian Government's own data show the grid is capacity constrained with little to no headroom available in the medium term.

Further, Hydro Tasmania's CEO, Ian Brooksbank, has said that:

*"In an average year of average rainfall and average wind, we're neither importing nor exporting energy for energy security needs, so there is enough energy in the system today to satisfy existing demand."*



*"We get approached by all organisations that want a large amount of power ... they all know that hydro is the source of firming and that new variable renewable generation, predominantly wind turbines, will be the source of the energy that they need."*

Source: <https://www.theaustralian.com.au/nation/battery-state-energy-generation-warning-for-tasmania/news-story/7949395187fa8070d0bc0249acafcb70>

That the supply/demand situation in Tasmania is so finely balanced is a significant concern to CET and the business community and should be a critical priority for the Tasmanian Government. To date, we have been underwhelmed by the Government's response.

It is still unclear when the next source of renewable energy generation will come online in Tasmania.

The Tasmanian Government has made a number of announcements in regards to supporting the development of new renewable generation, and that is welcome. However, we will reserve judgement on the Government's capacity to deliver on its commitments until such time as new renewable generation sources are actually being built and coming online.

Without the addition of new renewable energy generation sources, it is difficult to see how the Tasmanian Government can achieve its long-term target of producing 200 per cent of domestic energy needs from renewable energy. In fact, without new renewable generation it might not even be possible for the Government to continue to meet its immediate aim of meeting 100 per cent of Tasmania's energy needs from renewable sources given forecast household and business load growth.

There is no doubt that Marinus Link will be essential for Tasmania's energy security, its ability to participate in the NEM and its ability to attract investment.

CET is a strong supporter of Marinus and believes that the revised agreement between the Tasmanian, Victorian and Australian Governments represents good value for Tasmanian taxpayers and a clear opportunity for the Tasmanian community to receive substantial benefits.

Currently, there are around \$10 billion worth of proposed renewable energy projects in Tasmania. Marinus Link is key to a substantial number of those proposals. The benefits to Tasmania extend beyond just the capacity to harness additional supply to help businesses expand, these projects would create significant demand for our civil construction and engineering sectors. In fact, the \$10 billion pipeline would help keep both of these sectors at or near full capacity for many years, depending on how the projects were phased. The boost to blue collar jobs across the State would be profound.



In summary, renewable energy is one of Tasmania's key competitive strengths. It is one of just a few industries where Tasmania can truly compete at a national level on an equal basis with larger jurisdictions. We must take a bold, long-term view and support additional renewable energy generation to help existing local businesses expand and new businesses to establish themselves here.

CET would welcome the opportunity to expand on our submission and give evidence at a subsequent hearing should you wish.

Yours sincerely

A large black rectangular box redacting the signature of Ian Jones.

Ian Jones

**Chair, Clean Energy Tasmania**

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