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17th October 2025

Mr Craig Garland MP
Independent Member for Braddon
Via haprocedure@parliament.tas.gov.au

Dear Mr Garland

I am writing in response to a question raised in Parliament on 11 September 2025 on behalf of your constituent Joan in relation to the taking of a Final Investment Decision on Project Marinus under caretaker conventions. Thank you for raising this important matter with me.

The Tasmanian Government announced on 1 August 2025 that it had taken a positive Final Investment Decision (FID) on Project Marinus, as had the other two shareholders in Marinus Link Pty Ltd (MLPL). Due to previous commitments made to keep the option of the project open, the FID had to occur to allow MLPL to make a decision on the issuance of the cable and converter notices to proceed which was already (prior to FID) contractually required by the end of August 2025.

To provide sufficient lead time following the FID to allow for MLPL financial close processes to occur with the Clean Energy Finance Corporation, which also included the execution of further documentation by shareholders in MLPL, the FID could not be any later. Without FID in late July, Marinus Link risked losing access to critical equipment, causing major delays or jeopardising the Project's future. This requirement was communicated to the public before it was known there would be an election:

<https://www.premier.tas.gov.au/latest-news/2025/may/next-step-towards-project-marinus-final-investment-decision>

To support this major strategic and financial decision for the State, an Energy Executive Steering Committee (the Secretaries of the Department of State Growth, Treasury and Finance, Premier and Cabinet, Natural Resources and Environment, and the Crown Solicitor) developed and oversaw the approach to making a FID during the caretaker period. An independent Expert Advisory Panel was also established, chaired by Dr Kerry Schott, to provide an additional layer of scrutiny and assurance. It was recognised that delaying the decision would effectively mean not proceeding, with significant consequences for any future government.

I am advised that caretaker conventions were adhered to. The Opposition and other Members of both Houses of Parliament were formally briefed and provided with confidential access to unredacted FID documentation.

The Shareholder Agreement, first entered into on 22 March 2024, affords the option for Tasmania to sell its shareholding in the project once it is commissioned. While our government has no intention

of taking up this option unless it could be shown it would deliver benefits for Tasmania, that option has remained in the Shareholder Agreement following FID.

The business case assessment, and related analysis, of Project Marinus has been made available on the Marinus Link Pty Ltd website. The Whole of State Business Case and the FID assessment have also been made public in suitably redacted form on websites of the relevant government departments, and regulatory submissions on the website of the Australian Energy Regulator website. This has ensured information is available to the public on this important project:

<https://www.marinuslink.com.au/economic-analysis/>

https://www.recfit.tas.gov.au/what_is_recfit/major_investment_projects/project_marinus

<https://www.treasury.tas.gov.au/government-businesses/strategic-reviews/project-marinus-whole-of-state-business-case>

<https://www.aer.gov.au/industry/registers/determinations/marinus-link-intending-transmission-network-application>

In conclusion, I'd like to reiterate that the Tasmanian Government was consistent in its view that a positive FID would only be taken if the arrangements stacked up for Tasmania. The Tasmanian Government was able to renegotiate terms with the Commonwealth that means there will be no further funding contributions required from the Tasmanian Government for the construction of Stage 1 of Marinus Link. This ensures that Tasmania secures the benefits of Marinus Link, and keeping a seat at the table, whilst minimising the State's exposure to additional financial risk as a shareholder. Grant funding from the Commonwealth of \$346 million was also secured for TasNetworks, which will be reflected in an annual reduction off transmission charges across Tasmanian customers of around \$15 million.

I am confident Project Marinus will deliver long-term economic and energy security benefits for Tasmania. It will support new investment in renewable energy generation, help stabilise the National Electricity Market and ensure Tasmania can maximise the value of its hydro-electric resources. The project is also expected to generate billions in additional economic activity and support thousands of jobs. Marinus Link can unlock new opportunities for advanced manufacturing, support emerging industries like green hydrogen and ensure Tasmanians continue to benefit from affordable, reliable and renewable electricity in the decades ahead.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Nick Duigan', with a long horizontal line extending to the right.

Hon Nick Duigan MLC
Minister for Energy and Renewables