

6 April 2020

Stephen Clark Technical and Economic Leader, Project Marinus PO Box 606 Moonah TAS 7009

Lodged by email: team@marinuslink.com.au

Dear Mr Clark,

The Clean Energy Council (CEC) is the peak body for the clean energy industry in Australia. We represent and work with hundreds of leading businesses operating in renewable energy and energy storage along with more than 6,500 solar and battery installers. We are committed to accelerating the transformation of Australia's energy system to one that is smarter and cleaner.

The CEC welcomes the opportunity to provide feedback on TasNetworks' Marinus Link Project Assessment Draft Report (PADR). The CEC strongly supports new transmission investment in the National Electricity Market (NEM) that demonstrates rigorously tested benefits to consumers. Australia's transmission network has simply not kept pace with the transition to a 21st century energy system and is a major concern for investors in clean energy. The lack of transmission is now one of the most critical challenges facing the transition of Australia's energy system. This underinvestment in transmission is now stifling new generation investment, constraining existing generation and resulting in increased energy security and reliability risks and higher power prices.

The rapid transformation of the generation mix in the NEM requires the complementary transformation of the transmission network to ensure reliable and secure electricity supply that is in the long-term interests of consumers. TasNetworks' analysis suggests that Marinus Link would play an important role in Australia's future energy market, alongside other key transmission investments currently under consideration. While robust and thorough scrutiny of large-scale transmission investments should occur, we believe that TasNetworks has adequately demonstrated the significant benefits that Marinus Link can deliver, alongside other interconnection investments.

The construction of Marinus Link would support significant renewable energy projects in both the Tasmanian and Victorian regions.

- I. Tasmania's Battery of the Nation project could provide significant support for Australia's energy system on a highly cost-competitive basis, through the modernisation of existing hydropower plants, the development of new pumped hydro assets, and new windfarm developments with high capacity factors. Hydro Tasmania has recently indicated that through portfolio optimisation their hydropower assets could deliver up to 400MW of increased flexible generation. Many of these projects have already made significant progress through their assessments and benefit from a large amount of pre-existing resources such as established transmission corridors.
- II. Victoria has set a bold and ambitious plan as part of their Victorian Renewable Energy Target (VRET). Developing Marinus Link to commence operation in the 2020's will

support the realisation of Victoria's VRET ambitions through creating significant transfer capabilities into the Tasmanian region and can provide access to a greater pool of potential customers for Victorian projects. In turn, Victoria will also significantly benefit from Tasmania's flexible hydropower fleet and deep storage assets.

III. It should also be noted that there is less correlation between Victorian and Tasmanian wind profiles than other regions. This will mean that Victorian and Tasmanian wind developments can operate harmoniously, and would be highly complementary, rather than act as substitutes. This will provide significant diversity benefits in the future NEM.

Meeting the considerable demand for new clean energy projects required by the Draft 2020 ISP will require the support of significant investment in transmission projects, such as Marinus Link, in order to provide secure, reliable and affordable energy to all consumers. The CEC supports the significant potential that Tasmania presents to the energy system through the storage assets that would be unlocked through Marinus Link.

Thank you for the opportunity to comment on this consultation. If you would like to discuss any of the issues raised in this submission, please contact Tom Parkinson, Policy Officer, on (03) 9929 4156 or tparkinson@cleanenergycouncil.org.au or myself, as outlined below.

Yours sincerely,

Lillian Patterson

**Director Energy Transformation** 

(03) 9929 4142

lpatterson@cleanenergycouncil.org.au