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Tasmanian Government **Media Release**

18 October 2022

Guy Barnett, Minister for Energy and Renewables

New future for Basslink

The Tasmanian Government welcomes today's announcement by APA Group that it has entered into a Deed of Company Arrangement in relation to the acquisition of Basslink Pty Ltd (BPL) for \$773 million.

The Receivers announced that APA was their preferred bidder on 7 September 2022, and since then the Tasmanian Government and Hydro Tasmania have negotiated with APA to see a sale that achieves the State's objectives.

APA's purchase of BPL will deliver a very good result for the State and secures the outcomes from the 2020 Arbitration, which found in favour of the State and Hydro Tasmania. It will see:

- the State recovering all monies owed to it by BPL arising from the Arbitration – around \$50 million; Hydro Tasmania recovering all monies owed to it following the arbitration;
- a settlement of all outstanding legal disputes between BPL, BPL's lenders and the State and Hydro Tasmania, including a financial settlement in relation to disputed amounts owed to Hydro Tasmania following termination of the Basslink Services Agreement earlier this year;
- technical improvements to Basslink, including implementation of the mitigating actions arising from the 2020 Arbitration;
- Basslink ownership and operations transitioning to a well-resourced and robust Australian infrastructure business; and

- Basslink being placed on a sustainable commercial basis that provides confidence that it will remain a key element of Tasmania's energy security arrangements.

The Government took a strong stance in November last year and we make no apologies for fighting hard to protect the interests of Tasmanians through progressing our legal rights and we are very pleased with the outcome announced today.

The outcomes we have delivered for Tasmania through the steps taken over the past year will see Basslink move to a sustainable footing and continue to play an important role in energy security, as well as providing trading opportunities for Hydro Tasmania.

It is expected that APA's purchase of Basslink will be completed in the coming days.

The Tasmanian Government welcomes APA's purchase of Basslink. Having a long-term partner of APA's standing for one of Tasmania's key pieces of economic infrastructure is a great outcome for the State.