



Tasmanian Government

Media Release

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Securing Tasmania's renewable energy future through historic partnership

Tasmania has a once-in-a-generation opportunity to take advantage of our nation's transition to renewable energy and today we have taken a historic step putting us at the forefront of delivering affordable, reliable, and clean energy for decades to come.

On the back of more than 100 years of our hydropower history, we are now unlocking the next wave of renewable energy development in Tasmania, driving job creation and future economic growth.

The Tasmanian Government has signed a Partnership with the Australian Government under its Rewiring the Nation initiative to take the next steps in a Tasmanian energy package comprising of Marinus Link, the North West Transmission Development and Battery of the Nation.

This partnership provides confidence for the project and a clear pathway for Marinus Link to Final Investment Decision in late 2024, by addressing critical matters relating to project's future including how the project will be funded.

Importantly, equitable cost sharing arrangements between the Commonwealth, Tasmania and Victoria have been agreed, meaning that Tasmanian consumers will only pay their fair share.

This low-cost financing from Rewiring the Nation will reduce the annual cost of Project Marinus for electricity customers by up to half. By working together, we have been able to achieve a solution that will see, once Marinus Link is built, Tasmanian customers to pay no more than 15 per cent of estimated total project costs across both the Marinus Link and North-West Transmission Developments.

This will ensure their electricity bills will be lower than they otherwise would be in a world without Marinus Link while also complementing our green Hydrogen plans.

We also agreed arrangements for the shared ownership of the Marinus Link interconnector and additional Commonwealth support to progress the Battery of the Nation projects, including the Tarraleah Power Station redevelopment and pumped hydro at Lake Cethana.

Importantly, Tasmania will retain 100 per cent ownership of the North West Transmission Developments and Battery of the Nation projects, however the State will benefit from concessional finance arrangements that help reduce the cost of these developments and keep downward pressure on power prices.

With Marinus Link and Battery of the Nation, Tasmania will be well placed to provide affordable, reliable and clean energy while strengthening Tasmania's energy security and further growing on-island energy use.

Marinus Link is crucial to deliver Tasmania's 200 per cent renewable energy target by supercharging Hydro Tasmania and renewable energy development. Marinus Link is a critical enabler for green hydrogen and other energy intensive industries being established in the State and the further expansion of our existing industrial load.

Tasmania is now developing a renewable economy which should be one of the defining features of our State's economy for decades to come.

Marinus Link means more jobs for Tasmanians, attracting billions of dollars of investment in regional areas of Tasmania, including 1400 jobs in Tasmania and more than \$7 billion in additional economic activity to the State.

More than 600 direct jobs will be supported through Battery of the Nation projects, with hundreds more direct and indirect jobs created through unlocking increased investment. This Partnership also cements Tasmania as the base for Marinus Link.

It will deliver reductions of at least 140 million tonnes of CO₂ by 2050, the equivalent of taking a million cars off the road and there will also be telecommunications benefits, with Marinus Link carrying 150 times the existing Bass Strait capacity.

The Project will still need to pass a Final Investment Decision in late 2024, but the design and approvals phase of Project Marinus continues at pace as other elements of the Project, like securing Federal and State planning and environmental approvals and conducting tender processes, are progressed.

What today's announcement means is increased confidence for developers about their investment decisions, the potential to grow the supply of affordable, reliable and clean energy and paving the way

for the inter-generational infrastructure to drive our economy and secure Tasmania's future.

The Tasmanian Liberal Government has long championed this inter-generational infrastructure that will be transformative for Tasmania in term of jobs, economic opportunity and the environment and it appreciates the support of the Federal Labor Government, which is in complete contrast to the continued opposition to this project from a visionless Tasmanian Labor.