

Monday, 12 September 2016

Energy Security Task Force Secretariat

Department of State Growth

Via email: energysecuritytaskforce@stategrowth.tas.gov.au

Dear sir/madam,

RE: Submission to the Taskforce Consultation Paper

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 with interests in solar, wind, energy efficiency, hydro, bioenergy, energy storage, geothermal and marine along with more than 4,000 solar installers. We are committed to accelerating the transformation of Australia's energy system to one that is smarter and cleaner.

There is no doubt that renewable energy plays a critical role in supporting Tasmania's energy security. While the predominance of hydroelectricity has maintained the state's supply the capability of new entrant generators to supplement the state's water storages should not be overlooked.

The low rainfall events of this year are a clear indication of the state's exposure to a changing climate going forward. Although the extended outage on Basslink was the first time this has occurred, cables generally have a guarantee of 25 years. While the life expectancy may be 40 years this is reduced by the extent of time that they are operated at the upper end of their capacities. This indicates that future planning for water storages should be taking account of another extended outage of the cable as has just been experienced.

Large scale solar and wind generation and even distributed solar have a role to play here. Energy generated within Tasmania from these sources is energy that does not need to be drawn from the state's water storages. Without pre-determining market conditions and how the hydro storages are used, the introduction of supply from other renewables will provide the capability to manage prolonged dry spells in the absence of Basslink. As a result the expansion of Tasmania's wind and solar generation capacity simply makes sense from an energy security perspective.

While there are integration challenges in Tasmania, the prevalence of flexible hydro generation sources places the state in the enviable position of being readily capable of managing variable wind and solar energy sources on a system-wide basis. The integration challenges largely lie within the state's transmission infrastructure. In addition, it is likely that these constraints would also apply to any expansion of interconnection with Victoria. For example, should an interconnector be constructed with a view to attract investment in wind generation in Tasmania, the shared benefit of economic development and supply reliability

would require a commensurate upgrade of Tasmania's transmission infrastructure to accommodate the new generation.

Given that a reliable transmission system will be critical to energy security the sustainability of the current system should be investigated with the goal to enable the increased growth in diversity in the state's energy sources. The state should start planning for this by investigating and alleviating transmission constraints in the short term.

In closing the CEC recommends that the Taskforce consider the expansion of new large scale and distributed renewable energy sources as a contributor to Tasmania's energy security, rather than limiting this opportunity to being related to a second interconnector. The Tasmanian government should be looking to these short-term opportunities to boost economic development, growth and energy security by increasing the diversity of its energy supply through enabling further growth in large scale renewables.

Please contact the undersigned for any queries regarding this submission.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Butler".

Tom Butler

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