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Mr Sean Terry
Acting Executive Director, Energy
Department of State Growth
GPO Box 536
Hobart TAS 7001

Dear Mr Terry

Draft Tasmanian Renewable Hydrogen Action Plan

TasNetworks welcomes the opportunity to make a submission to the Department of State Growth concerning the Draft Tasmanian Renewable Hydrogen Action Plan (**Plan**).

As the Transmission Network Service Provider, Distribution Network Service Provider, Jurisdictional Planner and proponent assessing the business case for Marinus Link, TasNetworks is focused on delivering safe and reliable electricity network services while achieving the lowest sustainable prices for Tasmanian customers. This requires the management and development of the Tasmanian power system to be undertaken in a prudent, safe and efficient manner.

TasNetworks understands the importance of working with the community to find better ways to deliver energy to our customers. We are committed to engaging with and working with our customers about our activities and plans to create a better tomorrow. For example, TasNetworks is working with our agricultural customers to better understand their energy needs and explore opportunities to maximise the use of the network as they increasingly invest in new technology. Using a co-design approach, TasNetworks will work with the farming community to develop innovative solutions that deliver improved outcomes for all customers.

Similarly, TasNetworks has committed to financially support a proposed Industrial Transformation Training Centre in Low Carbon Energy Futures for Tasmania, led by the University of Tasmania. The vision for the proposed interdisciplinary Training Centre is to establish a world-class educational capability to train a cohort of graduates with multi-disciplinary skills required to facilitate the transition to a low-carbon energy future for Tasmania. One of the key research themes is Renewable Hydrogen.

TasNetworks recognises that the development of any new electricity consuming industry in Tasmania benefits the whole community since the greater the load transferred across the network the more the fixed costs of the network, which are the majority of the costs, can be shared between customers. This sharing of costs helps TasNetworks play its part in achieving the lowest sustainable electricity prices for Tasmanian customers. Therefore, TasNetworks is supportive of any increase in demand on the network arising from the development of a green hydrogen industry in Tasmania.

An increase in load has additional benefits to TasNetworks' customers. With the increasing challenges posed by the introduction of variable asynchronous generation (mostly wind and solar generation) into the national grid, any load that has the ability to adjust its demand will be able to assist in managing network stability and reliability. For example, the participation of green hydrogen proponents in Frequency Control Ancillary markets using flexible technology would support the overall stability of the network, thereby increasing the hosting capability for asynchronous generation in Tasmania. This would serve to benefit renewable energy that can be unlocked by future interconnectors such as Marinus Link.

As the Jurisdictional Planner for Tasmania, TasNetworks works collaboratively with new customers to assess how to best integrate these sites into the power system to maximise network utilisation. Hence, TasNetworks agrees with action item number 6 of the Plan, that TasNetworks be comprehensively involved in exploring options for minimising costs related to local infrastructure build requirements.

Thank you for the invitation to work together in shaping the future of the renewable hydrogen industry in Tasmania, and by extension the Tasmanian economy. If you have any further questions, please do not hesitate to contact Natalie Kent.

Yours sincerely

Tim Astley

NEM Strategy and Compliance Team Leader