

Business Northwest wholeheartedly endorses the *Tasmanian Renewable Energy Action Plan*.

We have the finest wind and water resources in the nation (possibly in the world) and should be taking advantage of these to support other regions of Australia plus generate wealth and opportunities for Tasmania. 26% of the nations water under storage is held in Tasmania and secured by a well managed hydro scheme.

Our hydro activities commenced over a century ago and provided significant assets that continue to support our economy. We liken the current system to Renewable Energy V1.0 and the proposed infrastructure developments for the future as RE V2.0. Leveraging the existing hydro assets means we can develop pumped hydro to produce electricity at a lower price than Snowy 2.0 which gives us a substantial advantage selling into the Melbourne market.

Cheap hydro energy enabled Tasmania to attract industries such as APPM, Tioxide, Comalco, etc in the mid-1900s. Likewise, RE V2.0 can be used to incentivise major manufacturers to establish plants in Tasmania; whilst higher labour rates prevent us from being competitive in mass item manufacturing, lower power costs are a real incentive for businesses, especially as these costs escalate on mainland Australia.

The economic benefits of the first pumped hydro site are outstanding with the forecast of over \$7 billion flowing into our economy. Not only do we have three short listed sites under consideration, but 11 others identified which means we could ultimately be developing additional facilities for the next 50 years.

Current and proposed windpower schemes in NW Tasmania will provide energy for the NEM and also “fuel” for the pumped hydro systems and secure our place as the *Battery of the Nation*.

Our future is heavily predicated on the completion of the *Marinus* link and subsequent links being developed over the next 20-30 years to match the demand of ever growing population in Melbourne and satellite cities in Victoria, plus grid stability support for South Australia. *Marinus* is nationally significant infrastructure and should be treated (and funded) like Highway 1. Hydro Tasmania would be charged a fee to use the link and that would be factored into the price it charges for the electricity it exports.

The future dividends that the Tasmanian government will receive from the sale of energy to the mainland should ensure the standard of living in Tasmania is raised significantly and we can enjoy improved education, medical and support services whilst providing better jobs and reducing our unemployment rate.

One of our major concerns is the workforce requirements of these projects. We have an aging population (and workforce) and will struggle to meet the requirements of major infrastructure projects in the pipeline. Students need to be made aware of the vast potential for employment from these projects so we can retain them in the region and not suffer the “brain drain” that currently depletes our workforce. Likewise, we need to be doing more to attract workers (and their families) to relocate to the region rather than using Fly In Fly Out (FIFO) workers that don’t build communities and just add to project costs.

We completely endorse the *Tasmanian Renewable Hydrogen Action Plan* and the establishment of a hydrogen production facility in the region as it will generate jobs and valuable export revenue. The siting of such a facility should be in the Hampshire area – possibly on harvested land from the forestry industry and be close to reliable electricity and water resources and existing rail facilities to provide ready access to Burnie Port. Tasmania will be in the enviable position of providing the greenest of “green hydrogen” in the world.

Using green hydrogen Tasmania is ideally placed to produce “green steel”. We should exploit our totally renewable status and leverage our iron ore resources once hydrogen production is commenced. Not only would a green steel mill provide direct jobs, but steel fabrication companies could establish their own facilities in NW Tasmania. Again, proximity to Burnie Port is crucial. Imagine local iron ore being mined and transported by electric mining vehicles (manufactured by Elphinstone Ltd) to a mill producing green steel then being railed to the port by an electric locomotive.

We recommend the establishment of a renewable energy Centre of Excellence associated with the UTAS Cradle Coast campus. Perhaps if the contentious relocation of the Supreme Court to the Mooreville Road site does not occur that site could be used for a CoE. Burnie is the hub for the region which has the highest and most varied concentration of RE projects so is the logical location for such a facility.

Tasmania has been seen as the “red haired stepchild” of Australia for some time; an aging, less educated, unhealthy population receiving a disproportionate share of GST. The adoption of *The Tasmanian Renewable Energy Action Plan* will turbo charge our economy, attract skilled workers with families and provide enormous socio-economic benefits in healthcare, employment and education.

Business Northwest urges all politicians to support this being legislated as soon as possible.

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