



11 September 2020

Department of State Growth

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

To whom it may concern,

Tasmanian Renewable Energy Action Plan

The Launceston Chamber of Commerce (Chamber) would like to commend the Tasmanian Government for setting renewable energy targets and developing a renewable energy road map for Tasmania. The Chamber board has recently adopted a climate change policy that favours initiatives that support a reduction of carbon emissions that benefit Tasmanian business and the broader community including the creation of new enterprises and initiatives that contribute to carbon emissions reduction.

The Chamber finds that the TREAP refers to renewable energy but is largely focussed on large scale electricity generation within its own vertically integrated government business enterprises. It does little to recognise and plan for the decarbonisation of other forms of energy such as petrol, diesel, natural gas, aviation fuel, LPG and coal which are used by Tasmanian businesses.

According to the Australian Energy Update 2019 which uses data from 2017-18, renewable energy represented 42% of Tasmania's primary energy consumption with oil comprising 34%, gas 12% and coal 10%¹. The statistics show that there will be benefit to Tasmania if the community can move away from fossil fuel based fuels to renewable energy sources. This includes substituting petrol for electric vehicles, diesel for hydrogen fuel cells and natural gas and LPG for hydrogen and or biomethane.

There is very little in the TREAP that signals opportunities for Tasmanian business and the Chamber is of course most interested in initiatives that can benefit its members in Northern Tasmania. The Chamber would like to see the TREAP looking at initiatives for Tasmanian business that enable them to be more sustainable and create opportunity for operational cost reduction to increase their competitive advantage over mainland businesses. For example, the Chamber would like to see the TREAP consider incentives and initiatives that assist Tasmanian business to:

- utilise rooftop space for solar energy;
- adopt electric and hydrogen vehicles;
- source affordable green gas supply;
- invest in research and development initiatives that may lead to the development of leading-edge technology advancement of renewable energy in Tasmania;
- enable the development of circular economy initiatives such as waste to energy; and

¹ <https://www.energy.gov.au/publications/australian-energy-update-2019>



- access information, resources and capital that assists them to identify and adopt sustainable energy initiatives.

The Chamber believes that capital investment in Tasmania is critical for its ongoing economic development and success. By broadening the objectives and commitment of the TREAP to a diverse range of renewable energy sources and creating industry incentives, the Tasmanian Government is likely to increase the amount of private investment in renewable energy in Tasmania. Further, Tasmanian business are more likely to value a State that supports a diverse range of renewable energy sources in recognition that not all businesses want or are able to transition to renewable electricity as their sole source of energy.

Renewable/Green Gaseous Fuels & waste to energy

The Chamber commends the Tasmanian Government on its commitment to the development of a hydrogen industry in Tasmania. Hydrogen generation would enable the substitution of a range of greenhouse emitting fuel sources in Tasmania with the most significant impact being used as a replacement for diesel in heavy transportation (trucks, buses, ferries, ships) and as a diesel replacement in remote area power stations and as a substitute for natural gas.

The Chamber is also interested in initiatives such as the generation of biomethane from waste to energy as a direct energy source for business and as a substitute for natural gas. Both Tas Gas and Meander Valley Council are members of the Chamber and are active in looking at initiatives in this space.

The TREAP references biomass and the Chamber is interested in new enterprise opportunities for Northern Tasmania that leverage biomass as a form of renewable energy.

Our recommendations for TREAP

While the Chamber is supportive of the introduction of renewable energy targets across a range of energy sources in Tasmania, we note that Tasmanian business has a low capacity to bear transition costs. For this reason, a broader renewable energy action plan will require support from the Government to assist with infrastructure investment associated with target emissions reduction attainment.

The Chamber recommends the following inclusions and or amendment to the TREAP:

- Increase the focus of initiatives, targets and incentives around other fuel sources such as petrol, diesel, natural gas, LPG & coal that create opportunities for Tasmanian business to decarbonise.
- Recognise the importance of having a range of fuel of choices for Tasmanian industry, business and residents.
- Recognise that new industries may be attracted to Tasmania if there were a range of renewable energy options such as renewable gas.
- Commit to setting a decarbonisation goal for petrol, diesel and natural gas by 2030 that will enable Tasmanian business to reduce their carbon emissions and create new business opportunities for Tasmania.
- Commit to increase resourcing in State Growth for the development of a range of renewable energy industries.



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- Recognise the opportunity that Tasmania has with its agriculture, industry and environment to be leading in waste management, specifically in capturing fugitive emissions from organic waste for reuse in waste to energy supply chains.
- Develop incentives that will enable Tasmanian business to adopt and contribute to renewable energy targets.

Again, thank you and congratulations to the Tasmanian government on its initiative in developing the Tasmania Renewable Energy Action Plan and in seeking industry comment and participation from the community.

The Chamber and its members would welcome the opportunity to work with all levels of government to see Tasmania be leading in a range of renewable energy sources in Australia. We are particularly keen to continue to engage with the State Government in regard to Tasmania's path to a decarbonised economy and we would welcome a presentation to the Board and/or offered to our membership to this end.

Should you wish to discuss any of the issues raised in this submission, please contact David Peach at david@lcc.asn.au or via phone on 03 6331 9364.

Yours sincerely

David Peach
Executive Officer