

19 April 2022

Mr John Hamill
Executive Director
Essential Services Commission Victoria
Level 8, 570 Bourke Street
MELBOURNE VIC 3000

Dear Mr Hamill,

## **RE: Electricity Transmission Company Land Access Draft Statement of Expectations**

Marinus Link Pty Ltd appreciates the opportunity to provide a response on the Electricity Transmission Company Land Access Draft Statement of Expectations (SOE).

Marinus Link Pty Ltd is a subsidiary business of Tasmanian Networks Pty Ltd (**TasNetworks**). TasNetworks is wholly owned by the State of Tasmania and is the Tasmanian jurisdictional planner and operator of Tasmania's transmission, distribution and telecommunications network. Marinus Link Pty Ltd is the proponent of Marinus Link, a proposed high voltage direct current (**HVDC**) 1500 megawatt capacity undersea and underground electricity and telecommunications interconnector to further link Tasmania and Victoria as part of Australia's future electricity grid. The increased transmission capacity may be delivered in two 750 MW developments. Marinus Link will be supported by high voltage alternating current (**HVAC**) transmission network developments in North West Tasmania, known as the North West Transmission Developments (**NWTD**). Collectively, they are known as Project Marinus.

Marinus Link is included as a fully actionable project in Australian Energy Market Operator's (**AEMO's**) 2022 Draft Integrated System Plan (**ISP**) and has passed the Regulatory Investment Test for Transmission (**RIT-T**). Both the ISP and RIT- T analysis illustrate that the project needs to continue through design and approvals processes so that it is ready for service as soon as possible—with the current schedule being as early as 2028 for the first 750 MW and 2030 for the second 750 MW. In August 2021, Marinus Link was included in Infrastructure Victoria's 30-year strategy.

Marinus Link will play a key role in supporting stability, reliability and energy affordability across the National Electricity Market (**NEM**) as the market evolves from centralised coal-fired power generation to a highly diverse system dominated by renewable energy and distributed energy resources. Much of the Victorian transmission network was designed to deliver energy to customers in large load centres from the coal-fired generators in the Latrobe Valley. As the generation mix evolves, the transmission network needs to be modified to improve capacity, manage local congestion, and enable the benefits of significant renewable energy generation and storage resources in Victoria and in other parts of the NEM, to be efficiently developed and shared.



Marinus Link will enable Victoria to have reliable and direct access to Tasmania's existing and repurposed hydroelectric generation and long-duration energy storage. Victorian Government support in assisting the project through the design and approvals phase — such as efficient environment, planning and heritage assessments — will support the project being 'shovel-ready' by the end of 2024. This timing would allow the first 750 MW link to be delivered in 2028. With Yallourn forecast to be closed by 2028, or potentially earlier, Marinus Link can play an important role to cost-effectively support Victoria's continuing energy transition.

Our findings show that Marinus Link supports the Victorian Renewable Energy Target (VRET) of 50 percent by 2030 and Victoria's long-term target of net zero emissions by 2050. <sup>1</sup> Marinus Link supports the Victorian Government's plans to develop renewable energy zones, will contribute to Victoria's regional development through direct and indirect economic contribution, and support the transition to reliable, renewable energy in the Latrobe Valley and broader Gippsland region.

Our findings show that Marinus Link would stimulate economic growth and create significant jobs in regional Victoria, in the order of:

- \$1.5 billion in economic stimulus in the form of increased employment and economic value added to regional Victorian communities;
- Playing a key clean energy exchange role between complementary energy resources in Victoria and Tasmania, supporting the transition to reliable, renewable energy in the LatrobeValley, the broader Gippsland region and beyond;
- Providing access to cost-effective deep storage, firm dispatchable capacity to support the development of Victoria's six proposed renewable energy zones (REZ); and,
- 1,400 direct and indirect jobs at peak construction, including a range of roles in the project management, engineering, science, trades, construction and professional services sectors.

Marinus Link Pty Ltd supports the ESC approach to clarify communications, improve transparency and move to a fair and reasonable collaborative approach with landowners when using statutory rights of access (and even when seeking voluntary agreement as we are), and we also take this approach in our other dealings with landowners. This is important as we all have a position to play to ensure a continued supply of electricity for all consumers in the move to a lower emissions economy.

We would ask that you consider further clarifying a couple of aspects, including in the interactions that the Statement of Expectations will have with other related laws and processes, and for the SOE to further clarify what is not covered beyond the few things mentioned, such as route selection and disputes. MLPL notes the purpose is to provide a statement of expectations for access under s93. The application section could make it clearer that it applies to access under section 93 of the *Electricity Industries Act 2000* (Vic) and does not impact on voluntary agreements with landowners.

On the matter of clarifying the precedence of arrangements agreed with landowners, the access agreements negotiated with the landowners should take precedence over the SOE, this should also be made clear in the SOE.



We hope you find our submission informative and feedback useful.

For more information or to discuss the views expressed in this response, please contact Benjamin White - Executive Manager Stakeholder, Land & Environment, via email

Yours faithfully

BESClark

Bess Clark

Chief Executive Officer Marinus Link

<sup>&</sup>lt;sup>1</sup> Project Marinus RIT-T, June 2021 and Wholesale Pricing Report, June 2021