Energy Security Taskforce

Newsletter

Edition 1: September 2016



Introducing the Energy Security Taskforce

Welcome to the first edition of the Energy Security Taskforce Newsletter. We intend to publish a newsletter on an approximately monthly basis to keep interested stakeholders informed on the Taskforce's work.

The Taskforce was established by the Minister for Energy following the events over 2015-16, which saw Tasmania experience one of the most significant energy security challenges in its history. The combined impact of two extreme events – the record low rainfall over the Spring/Summer period combined with the Basslink cable being out of service – resulted in Hydro Tasmania's water storage levels falling to historically low levels. While significant winter rainfall has relieved the situation, the Taskforce has been asked to advise Government on how it can better prepare for and mitigate against the risk of future energy security threats.

We are required to deliver an Interim Report to the Minister by the end of 2016, and a Final Report by June 2017. The Interim Report will focus on assessing Tasmania's current energy security and possible short to medium term responses, while the Final Report will focus on how Tasmania should prepare for possible medium to long term energy futures.

We have engaged Boston Consulting Group (BCG) as a strategic advisor to help the Taskforce frame how it will undertake its assessments and to provide additional insight into how the energy sector could change over the next 10-20 years.

The Taskforces activities will run in parallel with and consider the outcomes from several Tasmanian and Federal Governments reviews, such as the feasibility study of a second Tasmanian interconnector.

More information on the Taskforce and its Terms of Reference can be found at <u>www.stategrowth.tas.gov.au/tasmanian_energy_security_taskf</u> <u>orce</u>.

Taskforce Members

The Taskforce is chaired by Mr Geoff Willis, former Chairman of Aurora Energy and CEO of Hydro Tasmania. Mr Willis has extensive experience in the energy sector and was a Member of the Australian Energy Market Commission (AEMC) Reliability Panel.

Ms Sibylle Krieger is a nondirector executive and former partner with Clayton Utz. She is a lawyer with extensive energy experience in the regulatory sphere having been a member of the Independent Pricing and Regulatory Tribunal (IPART) in New South Wales for six years. Ms





Krieger is currently a non-executive director of the Australian Energy Market Operator (AEMO).

Mr Tony Concannon is currently Chair of a solar energy start-up and formerly an executive director of International Power FTSE 50 (a corporation). He is an engineer with extensive international experience in of forms energy all generation and other aspects of energy business.



Mr Concannon is an accomplished public figure having

chaired the Electricity Supply Association of Australia (ESAA) for three years.

Taskforce Activities

The Taskforce has met on four occasions and is being supported by a five person Secretariat seconded from within State Government and the Energy Sector. The Secretariat will assist the Taskforce in meeting its Terms of Reference and in developing the Interim and Final Reports.

We are approaching our work with an open view on how Tasmania's future energy security can be strengthened, and at what cost. We intend to use existing credible research and studies wherever possible.

Our focus over the past month has been on planning our work, gathering information and commencing consultation with stakeholders (including through the release of a Consultation Paper).

BCG facilitated a workshop with the Taskforce in mid August to help establish a foundational understanding of Tasmanian energy security risks and possible responses, and the framework upon which they can be assessed.

We have also met with a number of stakeholders and will continue to do so over the coming months.

Consultation Paper

On 3 August, the Taskforce released a Consultation Paper in order to seek the views of all interested stakeholders. The release of the Consultation Paper came about in recognition of the broad community concerns that arose earlier this year as dam storage levels fell and energy security became a "front and centre" issue for all Tasmanians. We decided that an early step in examining energy security would be for us to consult widely in gathering all the relevant information and knowledge.

The Consultation Paper provides a succinct outline of the key issues we will be examining and we encourage submissions on all or any part of our scope.

If energy security is important to you, your business or your interests then we would appreciate you taking the time to share your views with us. Please note that, in any submission to the Taskforce, evidence based material will generally be more valuable and more readily verifiable for our purposes.

To view the Consultation Paper and access information on providing a submission please go to <u>www.stategrowth.tas.gov.au/tasmanian_energy_securit</u> <u>y_taskforce/consultation_paper</u>. We look forward to a valuable contribution from interested stakeholders.

Submissions close on 9 September, although the Taskforce will consider short extensions on request to ensure stakeholders are able to provide their input.

What's on the horizon?

We will be focussing our efforts over the next month on a range of activities, including:

- Reviewing submissions after the submission period closes;
- Having BCG facilitate our next workshop in early October;
- Continue key stakeholder meetings; and
- Developing internal working papers which will be the basis of the content for the Interim Report.

Contact Us

To contact the Taskforce please direct all correspondence to: <u>energysecuritytaskforce@stategrowth.tas.gov.au</u>

Alternatively, you can post your enquiry to: Energy Security Taskforce c/- Department of State Growth GPO Box 536 Hobart, Tasmania, 7001