



## Consultation Paper Submission Summary

On 3 August 2016, the Tasmanian Energy Security Taskforce released a Consultation Paper to assist its examination of energy security by encouraging the views of stakeholders interested in the energy supply security challenges for Tasmania. The submission period for our Consultation Paper closed on 9 September 2016, with a few extensions granted on request.

The Taskforce would like to thank all organisation and individuals who prepared submissions. We received a total of 32 submissions (4 confidential), from a broad range of stakeholders including small and large business customers, individual residential customers, peak-body organisations, energy sector participants, consumer advocates and more. The non-confidential submissions can be viewed at

[http://www.stategrowth.tas.gov.au/tasmanian\\_energy\\_security\\_taskforce/consultation\\_paper](http://www.stategrowth.tas.gov.au/tasmanian_energy_security_taskforce/consultation_paper).

Across the submissions there has been useful insights and consistent messages against the key themes of the Paper. The Taskforce has published on its website a summary of the key messages it heard from stakeholders through the submissions, which can be accessed via this link:

[http://www.stategrowth.tas.gov.au/data/assets/pdf\\_file/0018/140265/Consultation\\_Paper\\_Submissions\\_Summary.pdf](http://www.stategrowth.tas.gov.au/data/assets/pdf_file/0018/140265/Consultation_Paper_Submissions_Summary.pdf).

The following messages are noted as the most consistent and pertinent (despite some level of crossover and diversity):

- energy security for Tasmania is likely to be best served through use of the current generation assets and supporting infrastructure;
- Tasmania requires a diverse mix of energy generation and security measures which if enhanced should focus on greater diversification;
- any energy security solution should be enacted on a least cost basis with high regard for the flow-on effects to both large and small customers;
- a more conservative approach to water management is seen by many to be the most cost-effective and logical choice for an energy security solution;
- the Tasmanian Government has a role to play in guiding any new approach to water management and energy security oversight more broadly;
- there can be better communication and transparency on Tasmania's energy security;
- a second interconnector presents high risks to Tasmania due to uncertainty of the future generation mix in mainland National Electricity Market (NEM) jurisdictions and the potential cost burden for Tasmanians, however, potential benefits were also identified by some;
- natural gas generation has a role to play in supporting Tasmania during an energy security event;
- greater demand management opportunities and choices should be facilitated and provided to customers, large and small;
- renewable energy generation is a core feature of the Tasmanian generation mix and adding new capacity could assist in managing energy security challenges over the long term, but needs to be balanced against the cost of doing so; and
- Tasmania's climate is changing with altered weather patterns increasing the difficulty of predicting future rainfall and wind patterns.

## Taskforce Activities

During the past month, the Taskforce has been actively meeting with stakeholders and this has provided important information and context additional to what the Taskforce has learnt through the Consultation Paper process. The Taskforce appreciates the time and input that stakeholders have put into these meetings.

The Taskforce has also been progressing the development of its Interim Report. An expert consultant, Oakley Greenwood, has been engaged to assist the Taskforce work through the challenges facing the Tasmanian gas market in the context of overall energy security.

Boston Consulting Group (BCG) continued to assist the Taskforce in a strategic advisory role and facilitated a second workshop for the Taskforce on 5 October. The two workshop's that BCG has held with the Taskforce has now provided the Taskforce with a clear approach to its Interim and Final Reports.

## Hydro Tasmania Tour

Hydro Tasmania hosted the Taskforce on a tour of some of its key generation assets in early October. This was an opportunity for Taskforce members to see firsthand how Tasmania's hydro-electric system operates. The tour went to Tarraleah, Tungatinah and Gordon Power Stations. The Taskforce was accompanied by senior managers from Hydro Tasmania and onsite staff who explained the operation of these power stations within the hydro system.

The Taskforce is grateful to Hydro Tasmania and those workers who were involved in organising and leading the tour.

## What's on the horizon?

We will be focussing our efforts over the next month on developing a draft of the Interim Report. In support of this, we will be:

- continuing to engage with interested stakeholders to ensure all relevant information and evidence is considered;
- holding a workshop in early November to review a working draft of the Interim Report; and
- preparing to deliver the Interim Report to the Minister in early December.

## Contact Us

To contact the Taskforce please direct all correspondence to:

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1. Tasmanian Energy Security Taskforce and Secretariat with Hydro Tasmania representatives at Tarraleah Power Station