TALKING POINT

Press pause

Once we hit send on Project Marinus, there's no turning back, so first consider the effects on Tasmania, writes **Jack Gilding**

THERE is a palpable enthusiasm for a rebirth of the energy sector in Tasmania.

Major players talk of a new development era and a generational opportunity.

Many of these people were at the Tasmanian Energy Development Conference in Devonport last month.

Industry figures see opportunities in Tasmania's excellent potential for wind farms and the ability of the hydro system to provide the 'firming' necessary to turn variable wind and solar generation into dispatchable renewables.

Key to realising this potential is Project Marinus, a TasNetworks led initiative to investigate a new undersea interconnector to Victoria with more than double the capacity of the existing Basslink cable. This extra connection has many claimed benefits including:

INCREASING Tasmania's energy security.

ALLOWING additional wind farm development in Tasmania.

REDUCING greenhouse gas emissions on the mainland by contributing to stability of the national grid as wind and solar replace coal power.

CREATING JOBS in Tasmania building and operating the various infrastructure projects.

ALLOWING Hydro Tasmania to increase exports to Victoria at time of high prices through less constrained interconnection and the construction of pumped hydro to augment the existing hydro schemes.

EXPORTING skills and technology based on demonstrated Tasmanian expertise in managing a rapid transition away from fossil fuels.

> The potential for the development costs and risks to be disproportionately allocated to Tasmanian electricity customers has been acknowledged

At the conference there was much talk of social licence and the need to ensure Tasmanian consumers benefit. It was assumed the costs of these developments should be met by the beneficiaries (who are mainly mainland electricity customers) rather than Tasmanian consumers.

One of the challenges in public understanding of this proposed future is that it is not one single proposal but rather a collection of projects with different proponents, different economics, different funding models and different timelines. TasNetworks is investigating the Marinus link. Hydro Tasmania is investigating both upgrades to the existing hydro scheme and potential pumped hydro sites. Private wind and solar farm developers are each proposing their own projects across the north of the state.

A significant part of the cost and impact of these proposals is the high voltage transmission lines necessary to connect new generation to the existing grid, and to strengthen the existing grid so that energy can be transferred to and from the undersea cable.

While the upside benefits of these developments are being spruiked, there is less information on the potential downsides. The potential for the development costs and risks to be disproportionately allocated to Tasmanian electricity customers has been acknowledged.

But some of the other potential downsides require much more detail and discussion. These include:

BOOM AND BUST development cycle that favours imported labour rather than the development of skills and expertise in the Tasmanian workforce.

ANY SUDDEN boost in economic activity that is not well managed can drive up rental prices and create additional housing shortages.

TRANSMISSION LINE construction is already proving controversial, with some residents along the proposed route of the new private transmission line to connect the Robbins Island wind farm to Sheffield protesting outside the conference venue.

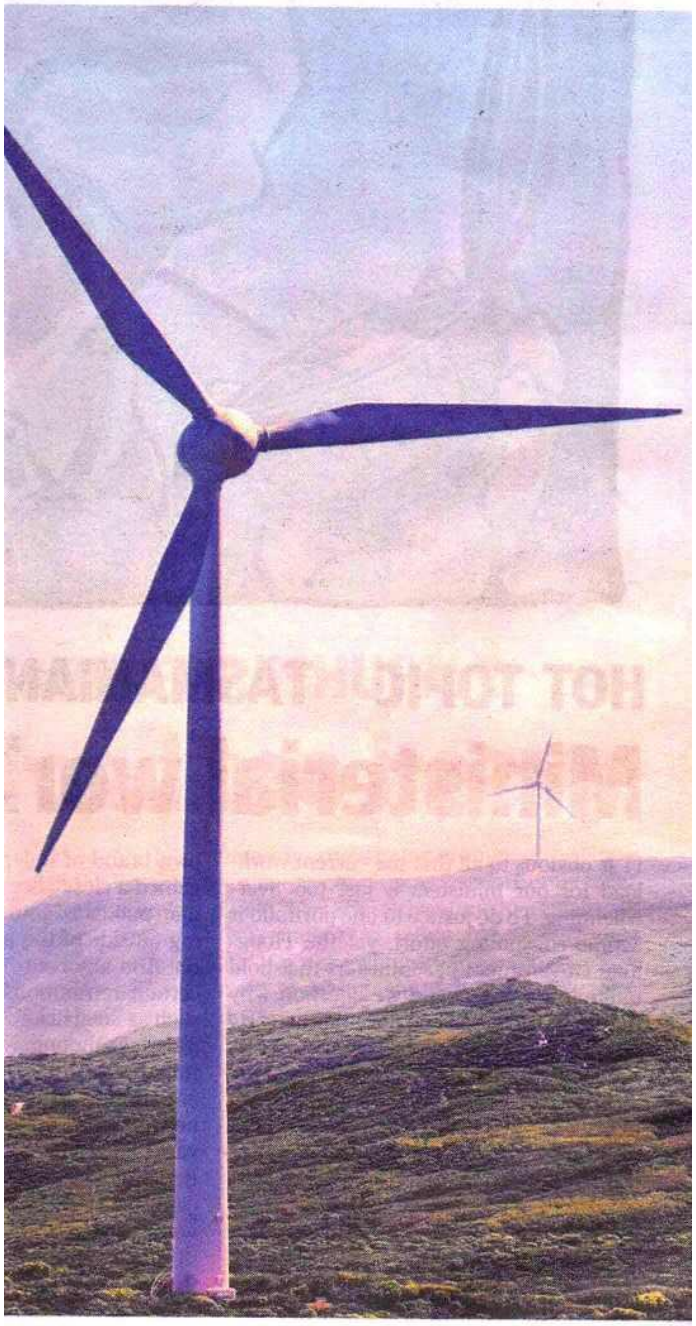
SOME ENVIRONMENTAL impacts from construction of pumped hydro projects even though no new on-river dams are proposed.

EXISTING WATER releases will become more variable as the existing hydro system is repurposed from mainly meeting Tasmanian demand to filling the peaks and troughs of Victorian demand.

To date the construction of wind farms has been less controversial in Tasmania than in other locations but this may change with more and bigger wind farms being proposed. Some of these wind farms will be closer to populated areas than the existing Musselroe and Woolnorth farms.

As well as needing more information on the impacts of

before



proposed developments, we need a better description of a development path that focuses just on Tasmania's needs for affordable and secure electricity supply. A more modest development of wind and solar projects beyond the completion of Granville Harbour and Cattle Hill wind farms would meet Tasmanian needs. It would allow us to be more than 100 per cent self-sufficient in renewable energy, export more than we import on Basslink, retire or keep just for emergency use the Tamar Valley gas fired power station,

TALKING POINT

powering up

IMPACT: Wind farms have been less controversial in Tasmania, but that could change with bigger projects. Picture: ISTOCK

keep downward pressure on energy prices and build up our dam levels for increased energy security.

These contrasting scenarios of a new era of hydro-industrialisation with greater interaction with the mainland electricity market, versus a more self-sufficient and smaller scale development process, need to be understood and debated by the Tasmanian public. The potential economic rewards of the big development future are greater, but so are the risks and environmental impacts.

It will be a year or two before the Project Marinus investigation gets to the point of investment decision. If this project goes ahead it will be virtually impossible (and economically wasteful) to hold back the other resulting developments. We need to use this time to consult widely with all sectors of Tasmanian society to reach some level of consensus on the desirable future for all Tasmanians.

Jack Gilding is the executive officer of the Tasmanian Renewable Energy Alliance.