

Essential Services Commission Victoria
Level 8, 570 Bourke Street
Melbourne VIC 3000
Submitted via email

6 Sept 2023

**Marinus Link's response to public submissions to the Essential Services Commission Victoria on
Marinus Link's Electricity Transmission Licence Application.**

Marinus Link Pty Ltd (MLPL) thanks the Essential Services Commission Victoria (ESC) for the opportunity to provide a combined response to the public submissions that have been received in relation to Marinus Link's Electricity Transmission Licence Application (TL).

The ESC's public consultation on our application resulted in ten (10) submissions from interested stakeholders.

In summary, the submissions raise broad concerns about Australia's renewable energy transition and its reliant projects (solar/wind/storage/transmission), with some providing a direct reference to Marinus Link.

Several of the submissions received do not explicitly outline concerns around Marinus Link, rather that Marinus Link is part of a suite of projects that need to be considered in relation to climate change, energy security, economics, health and safety and the efficacy of renewable energy as a broad solution.

The following information is a combined response to the public submissions, focusing on four overarching themes relating to Victoria's Gippsland region. These include:

- Project necessity;
- Economic benefits;
- Environmental concerns, and;
- Community impact and engagement.

We welcome any questions related to our below responses.

Project necessity

MLPL 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 the builder, owner and operator of Tasmania's transmission and distribution electricity networks.

MLPL is the proponent of Marinus Link, a proposed high voltage direct current (HVDC) 1500 megawatt (MW) capacity undersea and underground electricity and telecommunications interconnector to further link Tasmania and Victoria as part of Australia's future electricity grid.

We plan to build the increased transmission capacity in two 750 MW stages.

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).

Marinus Link together with the NWTD are included as a “fully actionable project” that should “progress as urgently as possible” in the Australian Energy Market Operator’s (AEMO) 2022 Integrated System Plan (ISP) and together have passed the Regulatory Investment Test for Transmission (RIT-T).

Both the ISP and RIT-T analysis illustrate that Marinus Link and the NWTD are a critical part of delivering Australia’s clean energy future at lowest cost.

We also welcome the decision by the country’s Energy Ministers to qualify Marinus Link as a *transmission project of national significance*, together only with VNI West/Kerang Link and Hume Link.

Following recent government funding agreements, we aim to have Marinus Link delivered and in service at the earliest possible time while still seeing a value for money and lowest cost outcome.

Marinus Link will play a key role in supporting stability, reliability and energy affordability across Victoria and the broader National Electricity Market (NEM), as the market evolves from centralised coal-fired power generation, to a highly diverse system dominated by variable renewable energy and distributed energy resources, requiring storage and dispatchable capacity.

As the country transitions away from fossil fuel, it is clear there will be gaps in the energy market.

Marinus Link is a critical project for Gippsland’s Renewable Energy Zone and will help fill those gaps when the wind stops blowing, the sun isn’t shining, or when the short-term capacity of batteries require recharge. Importantly, it can also be delivered for days on end.

Economic benefits

Marinus Link delivers significant net energy market benefits to electricity consumers and supports significant regional economic opportunities to Victoria.

The role of Marinus Link in the transitioning energy market was reinforced in AEMO’s 2022 ISP which found that Marinus Link contributes \$4.5 billion in net energy market benefits to the NEM.

AEMO’s independent modelling and analysis supports Marinus Link’s role in enabling a cost-effective solution to the step change transition.

Marinus Link will stimulate economic growth, create significant jobs, and build skills and workforce capabilities in the Gippsland region of Victoria. Our modelling shows:

- \$1.5 billion in economic stimulus in the form of increased employment and economic value added to regional Victorian communities (namely South Gippsland and the Latrobe Valley);
- and
- 1,674 direct and indirect jobs at peak construction (approximately between 2027 and 2029), including a range of roles in the project management, engineering, civil construction, science, trades, and professional services sectors.

Also, Marinus Link can support Victoria’s workforce participation by fostering the development of skills related to the energy industry as it transitions from coal-fired power generation to a greater mix of renewables and dispatchable capacity by 2035.

Marinus Link is committed to working with local businesses and its First Peoples, to ensure participation and positive returns are realised.

Environmental concerns

Marinus Link will support Australia to meet its emissions reductions target by saving up to 140 million tonnes of CO2 equivalent by 2050, equal to taking approximately 1 million diesel/petrol cars off the road.

Australia continues to experience a range of natural disasters, fires, floods and periods of extreme weather, which can be symptoms of our planet continuing to warm.

Marinus Link and the clean energy it unlocks have a role to play in helping to address the global climate challenge and its local impacts.

If we do not build Marinus Link, more gas-fired generation will be used to balance growing levels of variable wind and solar generation.

With Marinus Link, we instead use clean hydro and pumped hydro to balance variable renewables.

MLPL has also carried out extensive desktop and field-based land use, geotechnical, environmental, ecological and social surveys, and has referred the project to all three relevant jurisdictions as part of the comprehensive environmental effects and impact assessment process (including land use planning and coastal and marine consenting).

Community impact and engagement

MLPL is working with the community and has established the Gippsland Stakeholder Liaison Group (GSLG). The GSLG is made up of key local stakeholders representing organisations in South Gippsland and the Latrobe Valley and is chaired by an independent local resident.

MLPL will work with the GSLG and communities each organisation represent, to maximise the benefits of the project, including local economic development plans and a local benefit sharing approach, which is currently being developed.

The project's dedicated land agents have been working closely with landowners since late 2019 and the engagement team continues to promote awareness and understanding, working with communities along the alignment, through participation at various events, markets, webinars, drop-in and information sessions.

MLPL works closely with tertiary and training institutions, and the Victorian Skills Authority to understand and plan for the future workforce required to build, operate and maintain Marinus Link. This includes actively recruiting the future workforce via participation at careers expos and job fairs.

MLPL is a member of the Industry Capability Network (ICN), the Committee for Gippsland, GROW Gippsland and Social Traders, and is working in partnership to register and empower local businesses and suppliers who have the potential to work on our major project.

The project understands the critical importance of input and guidance from Traditional Owners, and has recently appointed Aboriginal Engagement Advisors to the project team to ensure we continue to respect Country and to provide ongoing opportunities for First Peoples as part of Marinus Link. In Gippsland we have initiated the First Peoples Advisory Group and have commenced the development of our First Peoples Participation Plan and First Peoples Commitment Strategy, both which are driven from our First Peoples Engagement Plan.

We hope you find our response informative and our input useful, and we look forward to working with the Victorian Government in making Marinius Link part of the success story of Victoria's future clean energy transition.

Kind regards

DocuSigned by:

Caroline Wykamp

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Caroline Wykamp

CEO

Marinius Link Pty Ltd