

MARINUS LINK BUSINESS CASE OUTLINES COST IN SOLVING OUR FUTURE ENERGY CHALLENGES

The Energy Users' Association of Australia (EUAA) welcomes the release of the business case for Marinus Link, the proposed new inter-connector between Victoria and Tasmania.

“As increasing volumes of variable renewable energy enters our electricity system, we will need ways to firm that generation with flexible resources such as hydro,” said EUAA Chief Executive Officer, Andrew Richards.

“Project Marinus provides an opportunity to access the hydro assets in Tasmania and firm renewables but there will be a cost. As with all aspects of our energy transition, it is critical that we find ways to equitably share these costs between all parties who benefit. We welcome the release of the business case for Project Marinus.”

The EUAA represents large energy users who produce essential goods and services used in the Australian community every day including food, building materials, paper, plastics and raw materials. These companies, like residential consumers, are under increasing pressure from rising energy bills.

“It is imperative that our electricity markets operate in line with the National Electricity Objective, meaning in the long-term interests of consumers,” added Mr Andrew Richards.

“Marinus Link is a great example where both federal and state governments have shown their support for this project which will deliver up to 1500MW of new capacity, and complement increasing wind and solar in our electricity system.

As the transformation of electricity markets continues at pace, projects that provide flexible support and inertia are essential to the stability and reliability of the system. But consumers should not be expected to foot the entire bill.”

While in the past energy consumers have footed the bill for changes to our energy networks, the privatisation of our electricity systems has seen the profits from companies generating and connecting to our electricity network remain with private companies rather than going back into the community. The EUAA has been urging that costs therefore should be shared equitably across all parties.

Many large energy users, some of whom have energy costs of \$1 million per day, are seeking solutions to rising energy costs and have invested billions into energy efficiency, system upgrades, energy storage, renewable energy, demand response and many other measures with the aim of reducing energy consumption and costs.

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