

CEDA State of the State Tasmania

Welcome and acknowledgements

- Good afternoon. It's great to be here at CEDA's Tasmania State of the State event as one of the key sponsors.
- I want to begin by acknowledging the Traditional Owners and Custodians of the land on which we meet – the Muwinina and Palawa peoples – and I pay my respects to their Elders past, present and emerging.
- I would also like to acknowledge our keynote speaker, the Premier – the Honourable Jeremy Rockliff, and thank Melinda and the CEDA team for once again bringing together an excellent group of senior corporate stakeholders and members of government.

Who is APA?

- So, who is APA and why are we here today?
- APA is a leading Australian energy infrastructure business with a \$22 billion portfolio of assets, delivering essential energy services across all of Australia.
- I emphasise the word 'all', because this time last year we couldn't say that; but following our acquisition of Basslink in the second half of last year, we are now a proud part of the Tasmanian community.
- But while we are new to Tasmania we aren't new to energy infrastructure.
- For decades we have owned, operated and maintained some of Australia's most important energy infrastructure.
- We are a major owner and operator of solar farms and wind farms.

- As an example, earlier this year we commissioned Australia's largest off-grid solar farm in the remote community of Mount Isa.
- We own and operate a number of Australia's most critical electricity transmission interconnectors. We own and operate some of the nation's most efficient gas fired power generators, which play a key role in firming renewable power generators when the sun's not shining, and the wind isn't blowing. And we own over 15,000 kilometres of gas pipelines which deliver energy to families and industry across every corner of Australia.
- As a result of this experience, we know the importance of energy infrastructure... and we know the importance of Basslink to Tasmania.
- Our focus is on ensuring the lights stay on – at our schools, our hospitals and in our homes... and that this is done in an efficient and affordable way, supporting jobs, manufacturing, industry and economic prosperity more generally.
- As an Australian company listed on the ASX, not only do our investments support communities and businesses by providing safe, reliable, affordable, and low emissions energy; but with millions of Australians as our shareholders – either directly or through their super funds – what we do and how we do it has a broad economic impact.
- In short, we can bring energy infrastructure to market, fund it ourselves, and allow our government partners to make sure their money is delivering the schools and hospitals and communities need.

APA's focus in Tasmania

- Basslink has been providing essential electricity services to both Tasmania and Victoria for more than 17 years.
- On average, around half of the energy flowing along Basslink goes from Tasmania to Victoria and the other half in the other direction – a win-win for both States.
- As a two-way 'electricity' highway, Basslink does three really important things for Tasmania.
- First – it provides energy security by providing access to additional sources of generation from outside the state. This is so important for homes and businesses to know that no matter what, there will be power available when they flick that switch.
- Second – it provides Tasmania with electricity from the mainland when it's cheap – when the sun is shining on the mainland and there is excess solar power available outside of Tasmania, Basslink brings it here.
- Third - Basslink provides the connection through which Tasmania can realise its ambitions to be a leader in providing renewable energy to the rest of Australia. I'll come back to this in a minute.
- APA is really proud to be the new owners and operators of Basslink. We are firmly focused on keeping the lights on and we will continue to look at what we need to do to make sure Basslink remains secure and stable for Tasmanians.

Future of transmission as we transition

- Expanding and maintaining a robust, secure transmission network across Australia is one of the most significant challenges facing our country as we decarbonise the energy network.

- The fastest way for our economy to decarbonise is through the continued, accelerated exit of coal generation, and the accelerated ramp up of renewable power.
- APA's strategy is to be a partner of choice in delivering infrastructure solutions for the energy transition, and Basslink is a great example of how we're executing on this.
- The State Government has made it clear that it believes Tasmania is uniquely placed to help lead Australia through its energy transition. I personally believe this too.
- And Tasmania's credentials in renewable generation speak for themselves.
- I commend the Government on their legislated target – to increase the State's renewable energy output by 200 per cent by 2040. I'm sure everyone in the room today joins with you Premier in support of this ambition to supply reliable, affordable and clean energy across Tasmania and to other parts of the nation as we transition to a low carbon future.
- But to reach these targets, significant investment is required in renewable energy infrastructure including generation, storage, and transmission.
- Battery of the Nation will undoubtedly play a critical role in this. And we need significantly more electricity transmission connecting Tasmania with the mainland. In fact, to achieve the government's ambitions, Tasmania will need around 3 to 4 times the amount of interconnector transmission than that currently served by Basslink, to ensure we can continue to have low cost, reliable and low emissions energy flowing to and from Tasmania.

- APA is committed to working with the Tasmanian government and our communities to realise the 200 per cent renewables ambition.
- These projects are needed to ensure energy security into the future; while helping to put downward pressure on power prices by allowing Tasmania to import even more cheap green energy when it's available, and export even more stored energy when prices are high.

Conclusion – potential we see in Tasmania

- In closing, we see so much great potential in Tasmania, which is why we decided to invest in Basslink.
- But for Tasmania, and our country, to continue on a positive trajectory, it is crucial that governments maintain the right policies and regulatory frameworks to promote the necessary investment required to achieve our nation's energy ambitions.
- And we need the support of our communities.
- We're really excited about the credibility of Tasmania's ambition, and we believe it has an extremely bright future.
- With that, I would like to formally introduce the Premier, the Honourable Jeremy Rockliff, and invite him to the stage to speak more about his vision for the future of this great state.