

WELCOME

NWTD STAKEHOLDER LIASION GROUP: MEETING 14

21 November 2022

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Today

- Welcome and Acknowledgement of Country
- Round robin
- NWTD update
- Updated project costs and network pricing
- Community Benefits Sharing Program – applications and assessments

ROUND ROBIN

NWTD UPDATE

PROJECT & ENGAGEMENT NEWS



Staged delivery approach

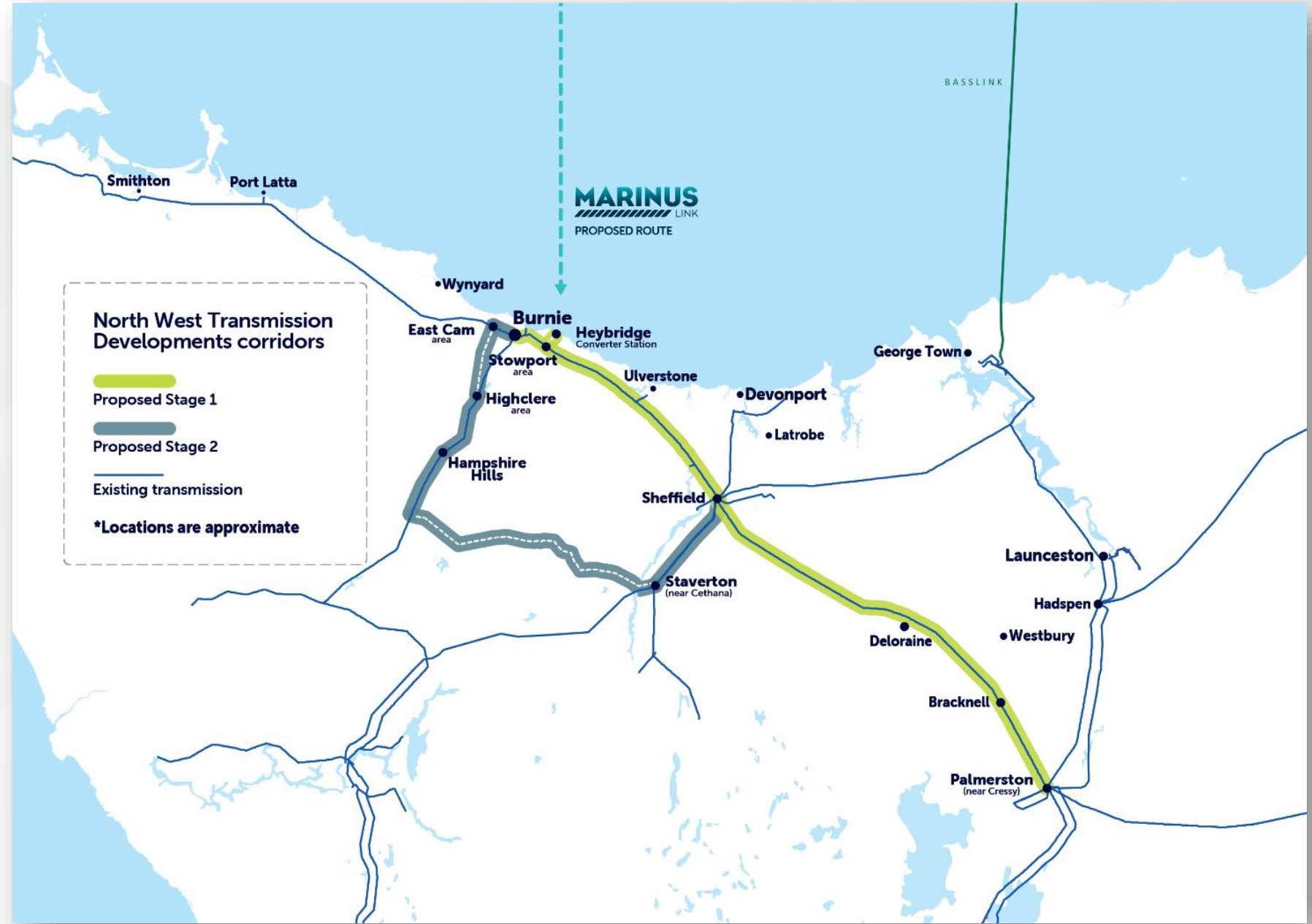
NWTD will be delivered in two stages to align with Marinus Link stages 1 and 2:

NWTD Stage 1

Palmerston (Cressy) to Burnie via Sheffield, Heybridge

NWTD Stage 2

Sheffield to Burnie via Staverton, Hampshire, East Cam.



Key Milestones

Milestone	Estimated Commencement Date
Community Engagement – Pre DA/EIS* Lodgement	Q1 2024
Feedback loop (AEMO)	Q1 2024
Lodge DA/EIS with Tasmanian Planning Commission	Q2 2024
Appointment of Head Contractor – Design / Procurement	Q2 2024
Submission of Contingent Project Application	Q2 2024
Financial Investment Decision (FID)	Q4 2024
Appointment of Head Contractor - Construction	2024/2025

* Development Application and Environmental Impact Statement

UPDATED PROJECT COSTS

Presenter: Tino Gerali, Project Services Lead



NWTD cost estimate at September 2023

AEMO NWTD Cost Estimate \$ billion, September 2023	Stage 1	Stage 1 & 2
Transfer Capacity (MW)	750 MW	1500 MW
NWTD Cost Estimate	0.95	1.475

- Base date of all NWTD estimates is September 2023
- Class 3 estimate: -15%/+30%
- Excludes GST, operational expenditure requirements

Marinus Link and NWTD cost breakdown

Stage One

- One 750MW Marinus Link cable (cost \$2.8 billion);
- NWTD transmission upgrades between Palmerston-Sheffield-Heybridge, Stowport to Burnie (cost \$950 million);
- Total cost - \$3.8 billion;
- Final Investment Decision in December 2024.

Stage Two (upon confirmation of second Marinus cable)

- Second 750MW Marinus Link cable (cost \$2.3 billion);
- The remainder of NWTD, which includes the section between Staverton to Hampshire Hills (cost \$550 million);
- Total cost - \$2.8 billion.

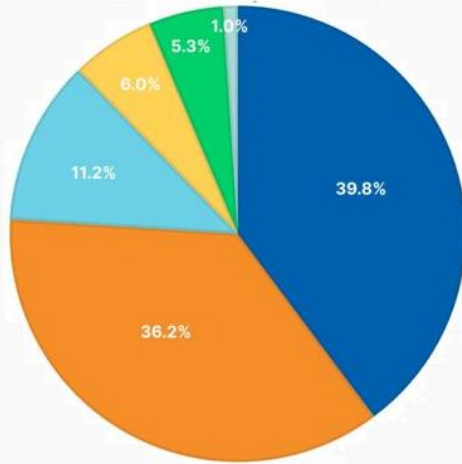
NETWORK PRICING OUTCOMES

Presenter: Chantal Hopwood, Head of Regulation



Network pricing overview

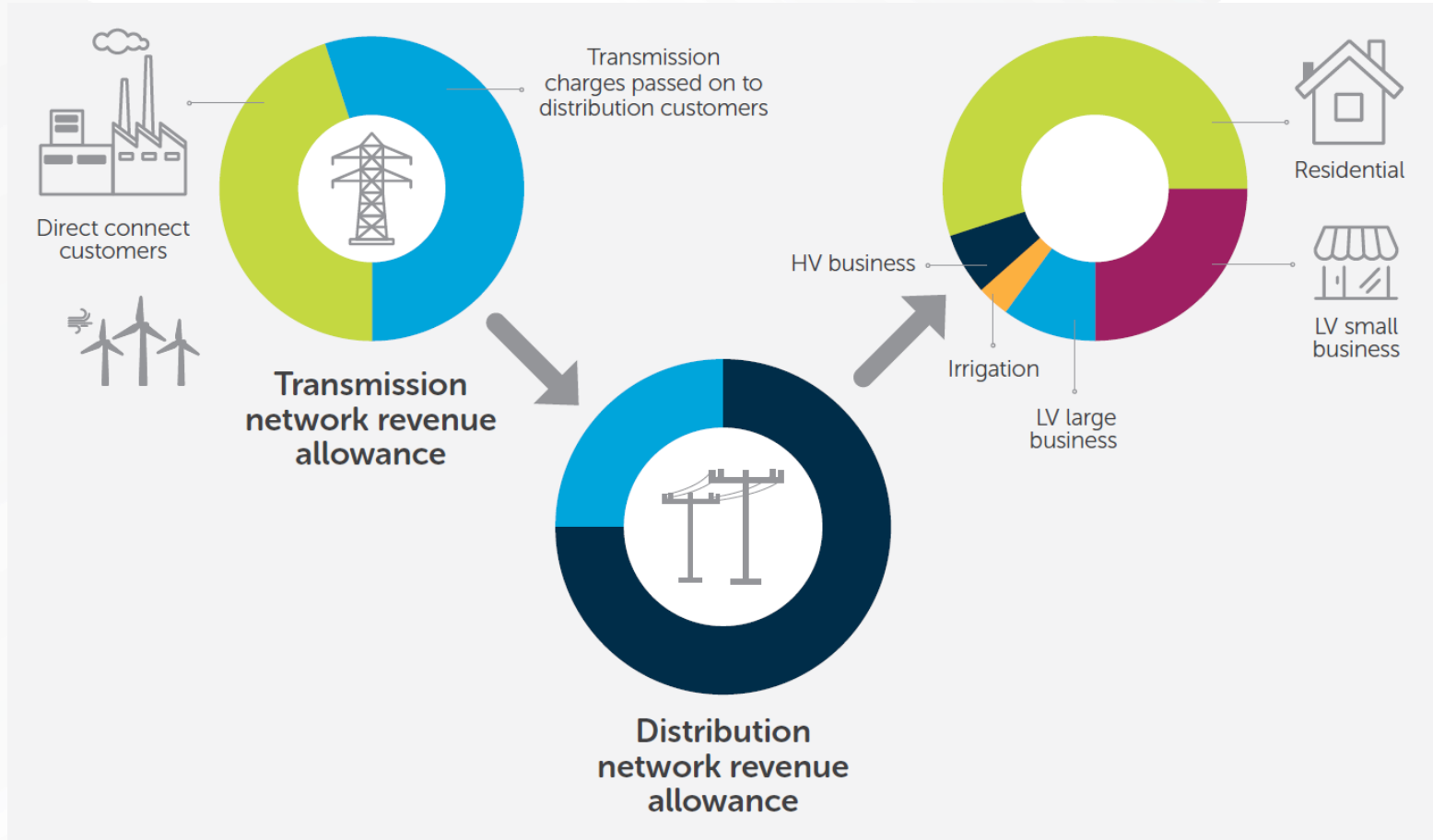
Typical electricity cost breakdown July 2023*



*This cost breakdown applies only to regulated standing offer electricity prices.

- 39.8% Generation:** of your bill goes to the cost of generating your power. In Tassie that's mainly from the local hydro and also a little from the mainland.
- 36.2% Network:** is for maintaining the network poles and wires which get the electricity to your home (to ensure you have reliable electricity)
- 11.2% Retail:** is used to provide service and support to Aurora customers as well as the general running of Aurora Energy which includes our 200+ Tasmanian workforce.
- 6.0% Renewable Energy Certificates:** is for renewable energy certificates. Australia's Renewable Energy Target (RET), requires energy retailers to purchase a set amount of certificates each year.
- 5.3% Metering:** is to maintain and read your electricity meters.
- 1.0% Market Charges:** for the fees everyone pays to be part of the National Electricity Market (NEM). (The NEM is one of the largest interconnected power systems in the world, its aim is to make sure electricity is available when it's needed)

*This cost breakdown applies to normal household and small business electricity rates, which are known as Regulated Standing Offer electricity prices.



COMMUNITY BENEFITS SHARING PROGRAM

SLG feedback on the proposed Governance elements of the Program



Recap

- **\$10M** for initiatives providing benefits to communities in the six local government areas affected by the North West Transmission Developments (NWTD).
- Expected to operate from **1 January 2025 until 31 December 2029**, or until such time as the financial investment has been expended.



Developing a community benefits sharing program is part of TasNetworks' commitment to ensuring an ongoing and sustainable positive legacy for communities in North West Tasmania.

Application process

There will be two funding application rounds per year:

Round one (Q1/2) – tier one and tier two applications will be fully assessed for funding.

Proposed initiatives under tier three and tier four will undergo an initial review to confirm their eligibility for consideration in round two and the application requirements that will apply.

Round two (Q3/4) – new tier one and two applications and previously confirmed tier three and four applications will be fully assessed for funding.

Each application round will be open for six weeks, during which time potential applicants can seek guidance from TasNetworks about their application and required content.

Discussion

Application and assessment process

- What information is critical for an effective assessment process, what should applicants be asked to provide in support of their applications?
- Key questions the assessment panel should be asking themselves when assessing applications?

Funding tiers

Tier one

Focused on initiatives proposed to encourage a sense of community, particularly amongst young people, encourage innovation and support testing of new ideas

Start-ups considered under this tier

'Micro-funding'
less than \$5,000

Tier two

Focused on delivery of local initiatives/single site/location initiatives, and the further development and testing of innovative initiatives to address community disadvantage

Must demonstrate at least two of the four core values

Funding \$5,000 - \$50,000

Tier three

Focused on benefits in multiple locations within the six affected LGAs and/or those with a staged delivery approach that require a longer timeframe over multiple years

Must demonstrate each of the four core values

Funding \$50,000 - \$250,000

Tier three

Focused on addressing significant systemic issues affecting identified communities within the six local government areas affected by the NWTD

Must demonstrate each of the four core values

Funding beyond \$250,000 +
Up to or exceeding \$500,000

All amounts are excluding GST

Discussion

Monitoring and reporting

- What should successful applicants be asked to regularly report back about?
- How rigorously should the higher tiers be monitored, and what form should that monitoring take?

Discussion

Capacity building and training

- Which community organisations and groups would you recommend be included in capacity building and training about the CBSP?

Next meeting:

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