

At a glance

Basslink revenue proposal

2025-30



Basslink Pty Ltd has prepared its 2025-30 revenue proposal for Basslink which also includes an application to the Australian Energy Regulator (AER) to convert Basslink to a regulated transmission asset. If the conversion is approved, Basslink will earn revenues regulated by the AER instead of through market mechanisms. We undertook engagement with consumers and stakeholders to understand their views and ensure their preferences were reflected in our revenue proposal. We have focussed our stakeholder engagement on **five priority issues**.

Priority 1

Affordability



\$8

Per year bill impact
for Tasmanian
residential consumers

\$11

Per year bill impact
for Victorian
residential consumers

\$831M

proposed opening regulatory asset base,
significantly below alternative estimates.
This helps lower the cost of Basslink to
consumers over the long term

About Basslink

The Basslink Interconnector (Basslink) is a 370km cable which is mainly undersea and is currently the only electricity transmission link between Tasmania and the rest of Australia. Basslink stretches from George Town in northeast Tasmania across the Bass Strait and then connects to the Victorian transmission network near Traralgon. Basslink essentially operates like a two-way highway for electricity to be sent between Tasmania and Victoria.



Priority 2

Reliability

84%

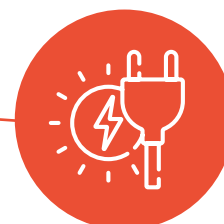
Of surveyed consumers rated
having greater reliability for
the future as something they
strongly support

\$74M

Capital expenditure over 2025
to 2030 to ensure high levels of
reliability into the future

\$37M

Average operating expenditure
per year to maintain the safety,
security and reliability of Basslink



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Priority 3

Insurance

 **Higher**
level of premium

 **Lower**
level of risk
to consumers

A higher premium, with lower risks to consumers, is proposed to avoid potential bill shocks to consumers in the future if damage occurs



Priority 5

Cost sharing

Consumers expressed a consistent preference for an approach to sharing the costs of Basslink based on the size of the market - mainly due to it being considered the fairest approach. This results in the most comparable bill impacts for Victorian and Tasmanian consumers.



Priority 4



Capital expenditure

~70%

Of consumers support the \$44M replacement of the control and protection system in 2025-2030 to avoid the potential negative impacts of increased unreliability

Benefits of the revenue proposal



Reliability and security of energy supply



Supports the transition to a renewable energy future



Certainty of costs and revenues and how they impact consumer bills



Better alignment of consumer and business interests



Regulatory conversion benefits outweigh costs