

Minister for Energy and Renewables
Minister for Parks
Minister for Heritage
Minister for Small Business

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13 February 2024

[REDACTED]
[REDACTED]

Dr Kris Funston
Executive General Manager
Australian Energy Regulator
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Dear Dr Funston

Baslink – Determination 2025-30

The Tasmanian Government welcomes APA's ownership of Baslink, and its application to progress Baslink's conversion to a regulated status.

In the Tasmanian Government's view, the future of Baslink, and therefore Tasmania, will be well-served because of this transparent regulatory process, bringing Baslink in line with all other interconnectors in the National Electricity Market (NEM) as a regulated asset.

Baslink's transition to a regulated asset would bring surety to the sustainable flow of electricity between Tasmania and Victoria. Regulation provides an open, transparent process for driving those outcomes, and enables all interested parties to provide their perspectives.

Tasmania has always wanted Baslink's owner to operate the interconnector efficiently and effectively and to continue to invest in the asset to ensure its ongoing sustainable operations. The previous arrangements, which were founded upon commercial agreements between the asset owner and Hydro Tasmania, have demonstrated shortcomings. Economic regulation by the AER, through transparent and open processes, provides the path to ensure these outcomes are delivered in the long-term interests of Tasmanian energy consumers, as well as customers in the NEM more widely.

The Tasmanian Government is committed to ensuring equitable access to reliable, renewable, and affordable electricity, and I believe these matters are also important to Victorian customers. This is the perspective I have used in formulating the attached submission on the proposed regulation of Baslink on behalf of the Tasmanian Government.

Should you have any questions, please contact [REDACTED].

Yours sincerely

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Hon Nick Duigan MLC
Minister for Energy and Renewables
Attachment 1 – Submission