

Northern Midlands Council Briefing Statement

Urgent need for upgrading of the TasNetworks network that supports the Launceston Airport and TRANSlink precincts

February 2024

ISSUE

This brief states the compelling case for the immediate funding of an upgrade to the TasNetworks Electricity Network to enable the further expansion of the TRANSlink Precinct, and further developments at the Launceston Airport.

If growth across these precincts mirrors what has already occurred at TRANSlink the lack of a suitable network supply puts at risk future investment worth billions of dollars and the thousands of jobs it would bring to Northern Tasmania.

The current network is almost at full capacity, and without this upgrade, no new high-energy usage businesses or existing businesses wishing to expand in the TRANSlink/Airport Precincts, will have access to the electricity they need.



BACKGROUND

The TRANSlink Commercial, Industrial and Logistics Precinct has aptly been described as the 'Jewel in the Northern Midlands Crown.' The aim of this proposal is to ensure that 'jewel' doesn't lose its sparkle.

The TRANSlink Precinct has grown from a small nucleus of low-key business developments in the late 1980s to a thriving business estate, currently home base to more than 100 businesses, employing a total workforce in excess of 1,500 (not including the businesses and workforce in the Launceston Airport Precinct).

The State Government's 2018 TRANSlink Prospectus, prepared by the Coordinator-General's Office states:

The Precinct covers over 350 hectares of land and currently has around 60 hectares of flat, shovel ready, vacant parcels for new commercial and industrial-type businesses. An additional 90 hectares is earmarked for future development, and a further 130 hectares are potentially available – pending examination of land use and demand requirements.

Launceston Airport also has landside areas of around 7.5 hectares for business development.

Electricity supply is available to all land titles in the Precinct with a 22kV distribution line from the Hadspen Substation. There is a backup supply vis a 22kV feeder from the Norwood Substation.

The above may have been the case in 2018: however, due to substantial growth and with the proposed Launceston Airport Precinct Plan being finalised, it certainly is not in 2024. The Precinct is not 'shovel ready' to welcome new businesses,



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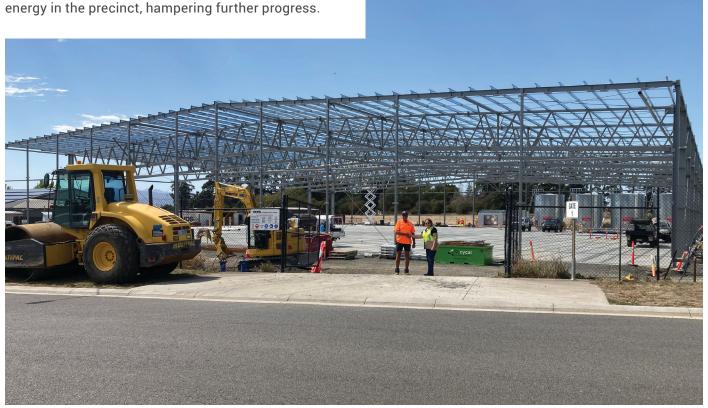
due to concerns regarding the adequacy of the electricity supply to support further growth, nor is there currently electricity supply available to all land titles in the Precinct.

TRANSlink Industrial Pty Ltd is currently developing a new subdivision in the Precinct, with one buyer, Metroll, requiring 6,000 amps per phase. The company has been told by TasNetworks that they can have about a third of their demand now, and will need to wait two-three years for their full capacity to be available; and that would only be the case, if TasNetwork could find the substantial funds required to build a new high voltage feeder from Hadspen or Norwood (It is estimated a feeder from the Norwood Substation to the TRANSlink Precinct in 2026-2027 would cost \$11.5 million excluding GST).

Metroll is just one of many potential new businesses for the Precinct.

Countrywide Hydrogen Pty Ltd, in conjunction with the Launceston Airport, has undertaken pre-feasibility work on a Hydrogen production and refuelling site, supported by a solar farm, proposed to be established on the airport precinct. However, there is not sufficient energy in the precinct, hampering further progress. Our Council has received an Australian Government grant of \$5 million to fund a feasibility study and business case for a TRANSlink Intermodal Facility, and a further \$30 million to deliver enabling infrastructure to the intermodal facility site, once the feasibility study and business case have been successfully completed. This facility will require substantial amounts of energy.

Australian Pacific Airports Corporation (APAC) is currently finalising a Launceston Airport Precinct Plan, that includes the attraction and development of new businesses, including the above mentioned Hydrogen Project. The establishment of a Hydrogen facility in the precinct will enable heavy vehicles running on renewable hydrogen to refuel, close to distribution centres and importantly, will assist the State to meet its emission aims for the heavy transport sector. As more businesses switch to hydrogen-fuelled heavy vehicles, the project will enable Tasmania to maintain its current Net Zero status, and contribute to the international vision of achieving net zero emissions across the world.





THE WAY FORWARD

In the foreword to the 2018 TRANSlink Prospectus, the Hon. Michael Ferguson, Minister for State Growth, states:

"The Tasmanian Government is committed to creating jobs and economic opportunities around the state, and we welcome the opportunity to hear your proposals and to discuss the opportunities that the Launceston Airport TRANSlink Precinct has to offer."

Sadly, these fine words now have to be qualified with the addition of the following:

"..... once the TasNetworks Energy Network to the Precinct has been upgraded to enable future businesses to access power".

It is estimated the planning, design and approvals for the new high voltage feeder could take at least 12 months, and the actual construction, 24 months.

Funding MUST be committed NOW if:

- The TRANSlink Precinct is to regain its sparkling jewel status;
- the Coordinator-General's Office claim of the Precinct being 'shovel ready' can again ring true;
- Minister Ferguson's commitment to creating jobs and opportunities in the TRANSlink Precinct is able to be substantiated; and
- the North of the State is to realise the full potential of the TRANSlink and Launceston Airport Precinct's vision of hosting the premier industrial intermodal site in Tasmania.







We welcome enquiries and news of funding commitments:



Mayor Mary Knowles OAM

Mobile: 0408 766 625

Email: mary.knowles@nmc.tas.gov.au



Ian Goninon Chair, Northern Midlands Business Association

Mobile: 0409 700 099



Des Jennings

General Manager, Northern Midlands Council

Mobile: 0417 848 627

Email: des.jennings@nmc.tas.gov.au



Northern Midlands Council

Street address

13 Smith Street, Longford TAS 7301 Postal address

PO Box 156, Longford TAS 7301 Tel: (03) 6397 7303 | Fax: (03) 6397 7331

Email: council@nmc.tas.gov.au www.northernmidlands.tas.gov.au