

Adrian Christian

Chief Executive Officer

Secretariat, Electricity Industry Expert Panel

Hi Adrian

I am writing to provide feedback to the *Statement of Approach* released in December by the Electricity Supply Industry Expert Panel.

Having carefully read the document several times, I am concerned about the nature of its acknowledgement of Term of Reference #7. This ToR refers to the development of a Tasmanian Energy Strategy and concludes noting the need for Tasmania to have long term energy sustainability and security.

On page 8 of the *Statement of Approach*, the section *Looking Forward* refers to this Term of Reference, but I consider it does so with insufficient detail and it does not appear to be attaching the importance to it that I believe it should.

I think it extremely important that the Panel make a substantial strategic analysis of both the supply- and demand-side issues of the generation and supply of electricity in Tasmania, including:

- the implications and consequences of climate change in terms of water inflows into the hydro generation system
- the implications and consequences of climate change in terms of the pending price on carbon
- the implications and consequences of the looming significant increases in the cost of oil/petrol
- the implications and consequences of a possible substantial increase in the population of Tasmania
- the benefits and disadvantages of having one extremely large consumer of electricity such as Rio Tinto in the electricity market in Tasmania
- the benefits and disadvantages of having ‘distributed generation’ as part of a smart electricity network in Tasmania
- the need (or otherwise) for more ‘Basslinks’.

It is my view when reading the *Statement of Approach* that there seems to be perhaps too much focus on issues of governance etc and not enough on these ‘big picture’, more future-focused issues.

I trust that the reference in Phase 2 of the Review Road Map on page 13 to 'interest (sic) parties' does imply that individuals will be recognised and valued as part of the consultation process. I invite the Panel to consider that it might be useful if, as part of Phase 3, there be a workshop for interested individuals and others who are not classified as 'key stakeholders'. It may be that the nature of the public submissions generated following the Public Forums in Phase 2 will demonstrate the value of and interest in such a workshop.

I am also concerned that there does not appear to be a high level of technical electricity industry expertise associated with the Panel; the focus seems to be more on the regulatory and economic aspects of the electricity industry. The generation and distribution of electricity is extremely complex technically and I hope that skilled technical advisers (with good communication skills) will be available to assist in the understanding of that complexity, possibly even at the public forums. No doubt the Panel is already considering the possibility of having a skilled communicator participate in the Public Forums to explain the National Energy Market to the attendees.

Now that I have retired from my position as the CEO of the Teachers Registration Board, I am able to participate and pay more attention to matters that are of great interest and concern to me as a Tasmanian citizen and I look forward to closely watching and contributing to the work of the Panel.

Cheers

Penny

Penny Cocker