

Minister for Energy and Renewables  
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17 April 2026

Hon Ruth Forrest MLC  
Chair  
Joint Select Committee on Energy Matters  
Email: [energymatters@parliament.tas.gov.au](mailto:energymatters@parliament.tas.gov.au)

**Questions arising from 20 March 2026 public hearing of the Joint Select Committee on Energy Matters**

Dear Ms Forrest, I refer to your letter of 1 April 2026 on the above matter and provide the requested answers to the questions posed by the Committee. Thank you for granting additional time for the government to respond to these important questions.

**Question**

- 1. Could you please provide information about the process when considering the security of the fuel (petrol and diesel) supply in Tasmania with reference to the different levels within the Liquid Fuel Emergency Response Plan? At what point would you make decisions, or do you already make decisions, about the priority of distribution of fuel between domestic and industrial/commercial distribution of our on-island fuel stores?**

**Answer**

There are both national and state-level powers that can be applied in a liquid fuel emergency.

The Australian Minister for Climate Change and Energy has powers under the *Liquid Fuel Emergency Act 1984* during a proclaimed emergency declaration, including supply restriction and rationing across Australia and its territories.

The Tasmanian Minister for Energy and Renewables has powers under the *Petroleum Products Emergency Act 1994* (PPEA) during a proclaimed emergency declaration, including supply restriction and rationing in Tasmania. Such a proclamation can be made by the Governor if there is, or is likely to be, an emergency that has caused or is likely to cause shortages of petroleum products within Tasmania. This pre-condition has not been met.

The PPEA is supported by the Tasmanian Emergency Management Arrangements by way of the Liquid Fuel Supply Emergency Sub-Plan and Standard Operating Procedure. There are no pre-determined quantitative measures that would automatically trigger the determination of a fuel emergency in Tasmania. These will always be matters of judgement, having particular regard to the outlook for fuel resupplies to the five Tasmanian fuel terminals, and the forecast fuel demand needs over the short-medium term. Currently, our fuel supply remains secure, with all five fuel terminals being restocked on schedule.

As noted above, the triggering of an emergency declaration would be on the basis of the Governor being satisfied that there is, or is likely to be, a shortage of petroleum products within the State. In relation to the setting of relative priorities between fuel users in an emergency situation (should one materialise), this would be on the basis of contemporary assessments of the consequences for sectors of the economy and community from have access to less-than-the-usual level of fuel. The principal objective of any prioritisation exercise would be to manage fuel stock levels within the State between resupply periods.

Whilst our current fuel situation is secure, we are undertaking proactive work across government in preparation for if the potential development of an emergency situation. This is being coordinated through the emergency management framework and the established Incident Management Team (IMT) in the Department of State Growth. The government is working closely with industry sectors to understand fuel needs, and the varying intensity of consequences for a reduction in normal fuel supply levels.

**2. How many MW of committed/financially closed projects exist today toward the 800 MW target, and what is the year-by-year schedule to 2034?**

**Answer**

As of 2 April 2026, there are no new Tasmanian generation projects that have reached Final Investment Decision (FID). The present pipeline of renewable energy projects has over 5GW of new Variable Renewable Energy (VRE) projects. While the state has a strong pipeline of interest in developing new renewables and a number of projects are targeting FID in the next 12-24 months, the “schedule” will be largely determined by those projects that can negotiate Power Purchase Agreements (PPA) with Hydro Tasmania, agree offtakes with other significant loads or retailers and/or gain support under the Australian Government’s Capacity Investment Scheme (CIS).

The commitment of Stage 1 of Project Marinus in 2025 has helped the investment case certainty for new renewable projects. We have also seen good developments recently through Hydro Tasmania’s Expression of Interest (EOI) process for new supply and renewable energy projects and the Australian Government’s Capacity Investment Scheme (CIS). I expect further outcomes from both programs in 2026 and am hopeful they will support more renewable projects.

**3. What is the Government’s plan to ensure that 800 MW is delivered on time, and what is the estimated cost of intervention if the market does not deliver**

**Answer**

The Tasmanian Government’s principal policy mechanism to deliver new generation is via Hydro’s contracting and market engagement framework. This is consistent with the revised Ministerial Charter for Hydro Tasmania and our election commitments, which included Hydro Tasmania bringing on 500MW of new renewables prior to Marinus’ commissioning. This will support achievement of the Tasmanian Renewable Energy Target.

As mentioned above, Hydro Tasmania’s EOI process is ongoing and is expected to be concluded in mid-2026 which is considered on track and on time to support Marinus Link. The Australian Government’s CIS is another avenue to support new generation and storage projects in Tasmania. The Case Management service in ReCFIT also actively supports new generation projects, including assistance to help secure Australian Government funding under programs such as the CIS and the proposed changes under the NEM review, including the national Electricity Services Entry

Mechanism which will provide financial support to VRE proponents. Combined, these programs could provide significant support to help bring on new VRE, and as such there is no other intervention currently planned.

**4. Does the Tasmanian Government intend to cap supported renewable generation development at 800 MW, or change Hydro Tasmania's market role to accommodate more?**

**Answer**

There is no intention or plan to cap generation at 800MW, or to change Hydro Tasmania's market role, or to prevent private sector VRE projects proceeding. Hydro will consider new generation proposals through its EOI process on a commercial basis and consistent with its Ministerial Charter.

The National Electricity Market is going through a period of unprecedented change and Tasmania is in a unique position where it can benefit from the transition, utilising increased interconnection with the mainland afforded by Project Marinus. The 800MW has been modelled by Hydro as a 'least regret' amount of new generation that Hydro Tasmania can support to maximise the benefits of Project Marinus while maintaining on-island demand.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Nick Duigan', with a long horizontal flourish extending to the right.

Hon Nick Duigan MLC  
**Minister for Energy and Renewables**