

TasNetworks Stakeholder Forum

Regulatory Investment Test for Transmission (RIT-T) Meeting Network Planning Requirements at George Town

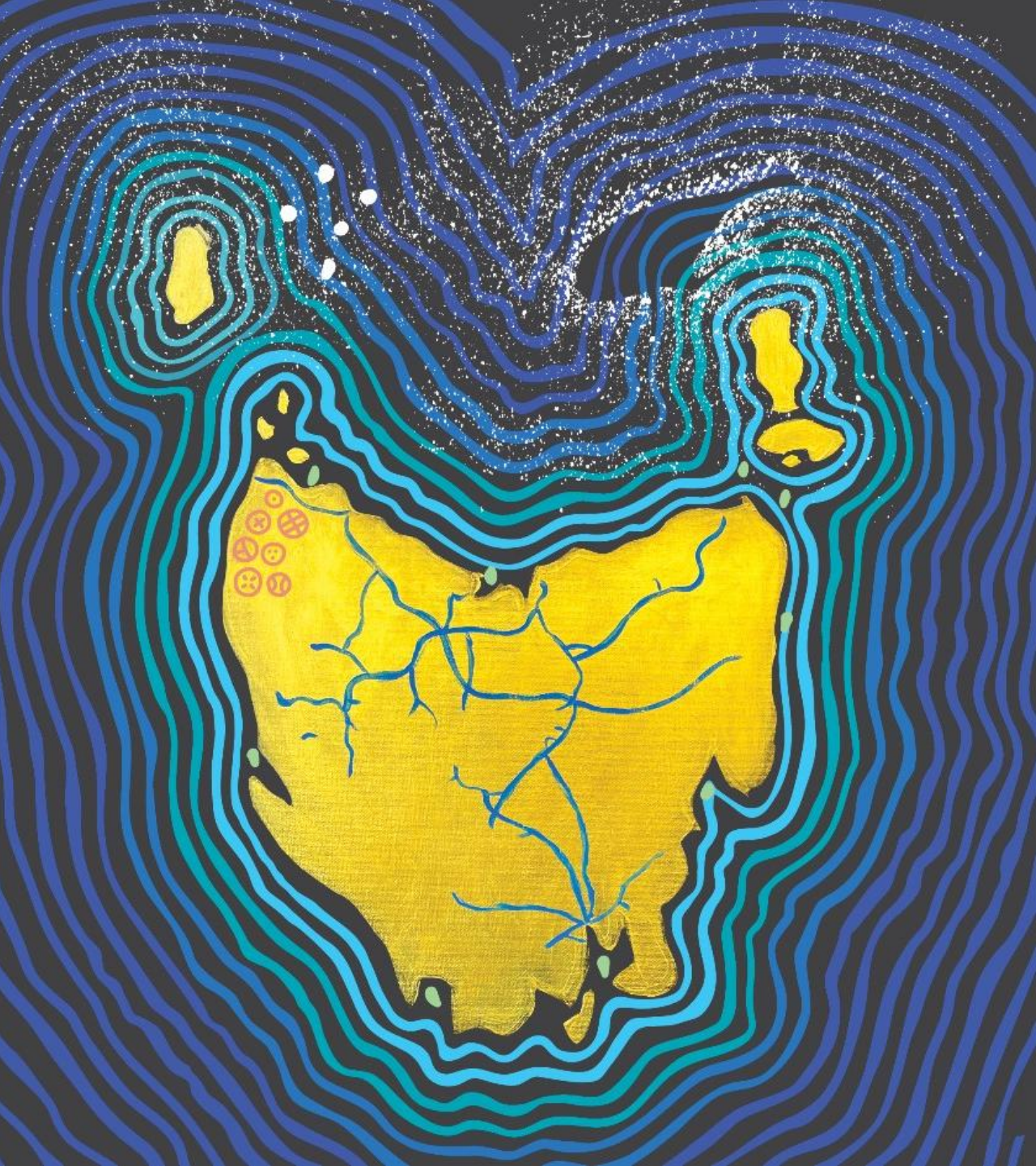
Nils Blichfeldt
Principal Network Planning Engineer

Matthew Clarke
Leader Large Regulated Investment

29 June 2026

Public





TasNetworks acknowledges the palawa (Tasmanian Aboriginal community) as the original owners and custodians of lutruwita (Tasmania). TasNetworks, acknowledges the palawa have maintained their spiritual and cultural connection to the land and water. We pay respect to Elders past and present and all Aboriginal and Torres Strait Islander peoples here with us today.

Housekeeping

- The webinar will be recorded for internal note taking purposes.
- The slide pack will be available for download after the Webinar from TasNetworks webpage.
- We prefer participants use the online chat to post questions. Our session moderator will manage specific Q&A at appropriate points in the presentation.
- An open Q&A will occur at the end. Please raise your 'virtual hand' to alert the session moderator that you wish to speak.
- We value all respectful contributions to today's discussions.

Objective

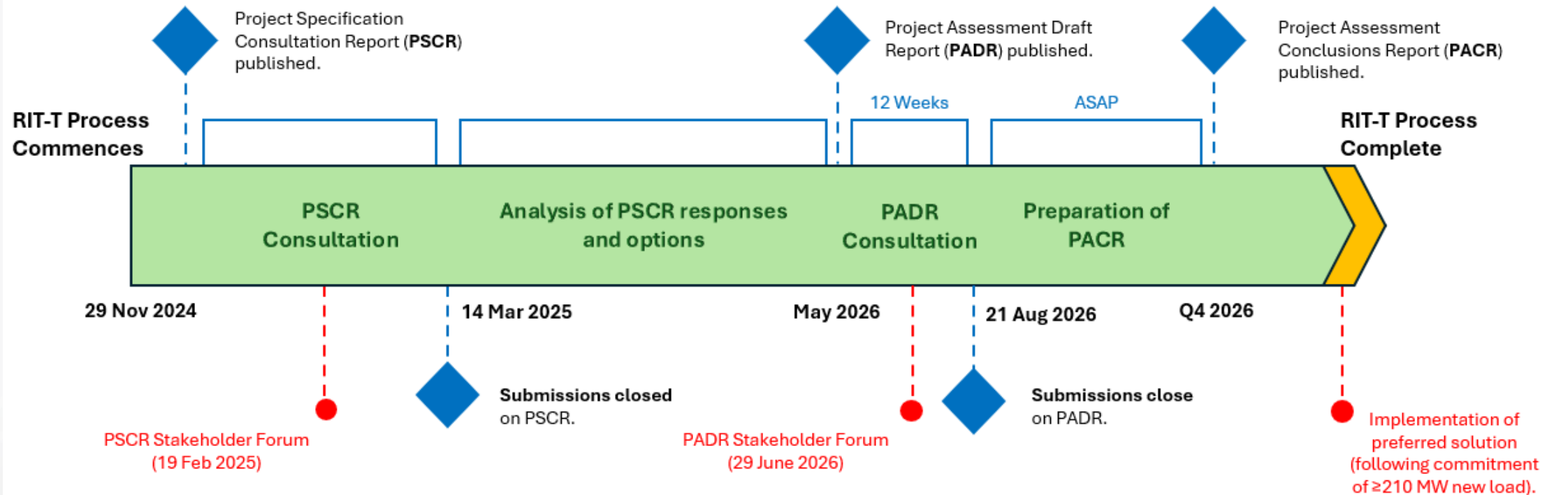
Provide stakeholders with an understanding of why we are looking to invest in the George Town area and to encourage engagement with our Regulatory Investment Test for Transmission (RIT-T) process.



Agenda

- Overview of the RIT-T process – Matt
- Background on the George Town network – Nils
- Identified need – Nils
- Proposed solution – Matt
- Draft economic assessment – Matt
- Next steps – Matt
- Recap – Matt
- Open Q&A – Andrew

Overview of the RIT-T process



What are we seeking from you?

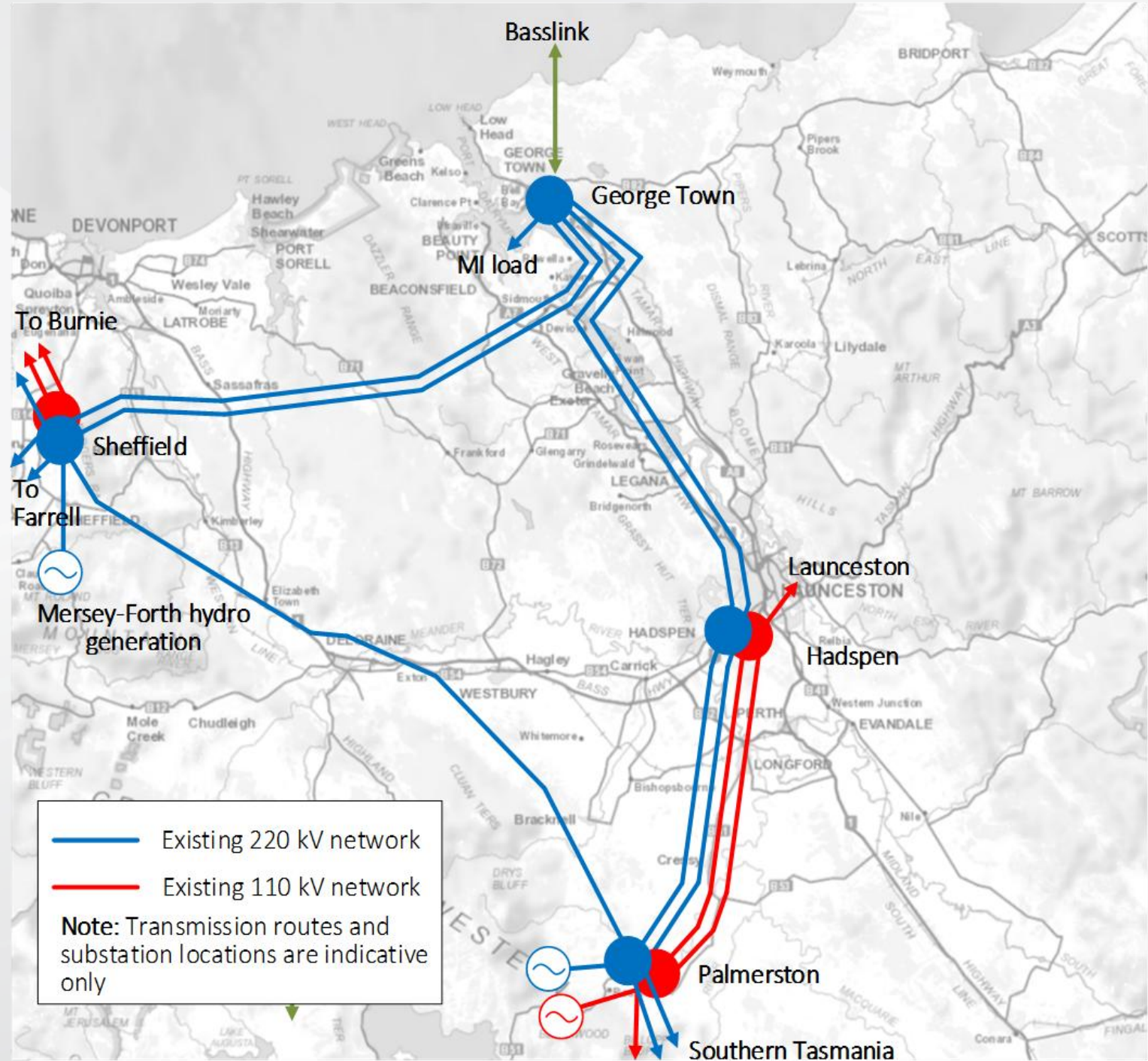
- Feedback on the Project Assessment Draft Report (PADR) which will be considered in the next stage of the RIT-T process.
- Submissions from interested providers of non-network services that could potentially avoid or defer the need for network investment.

New load at George Town

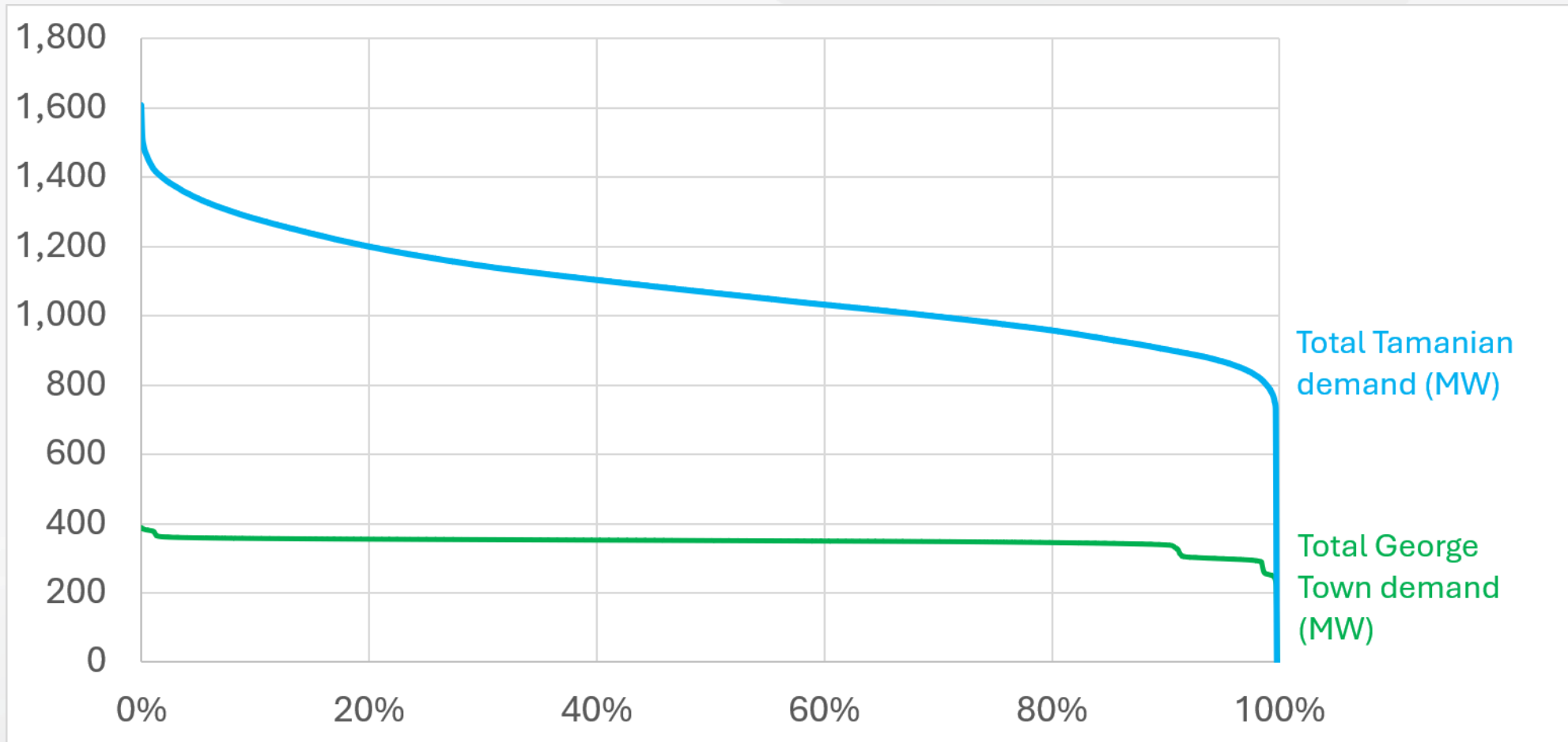
- The Australian and Tasmanian Governments have agreed to develop Bell Bay as one of Australia's first Hydrogen Hubs (known as the Tasmanian Green Hydrogen Hub (TGHH)).
- In response, TasNetworks has received connection enquires from proponents seeking to establish hydrogen production facilities in Bell Bay. TasNetworks has similarly received interest from other large load proponents, including data centres.
- In 2025, Bell Bay Power Fuels was selected as a TGHH Provisional Proponent to deliver a green methanol project at Bell Bay that would utilise a 300 MW water electrolysis facility.

Overview of the George Town Transmission Network

- George Town is located in the northeast of Tasmania, approximately 50km from Launceston.
- The substation is located slightly outside of the George Town township and in close proximity to Bell Bay.
- The network in the region consists of 220 kilovolt (kV) and 110 kV transmission lines, connecting Palmerston, Sheffield and George Town.



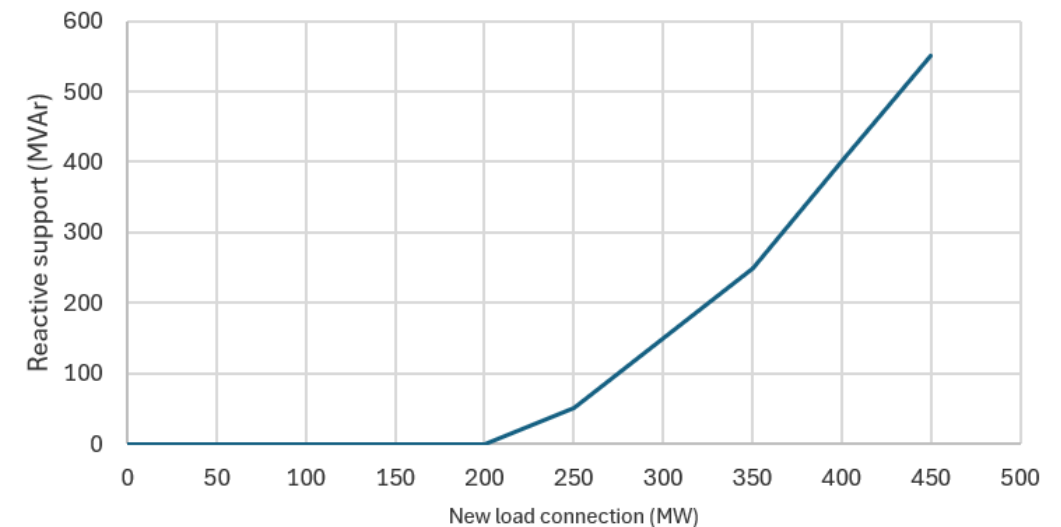
Overview of the George Town: Annual demand profile (Megawatts)



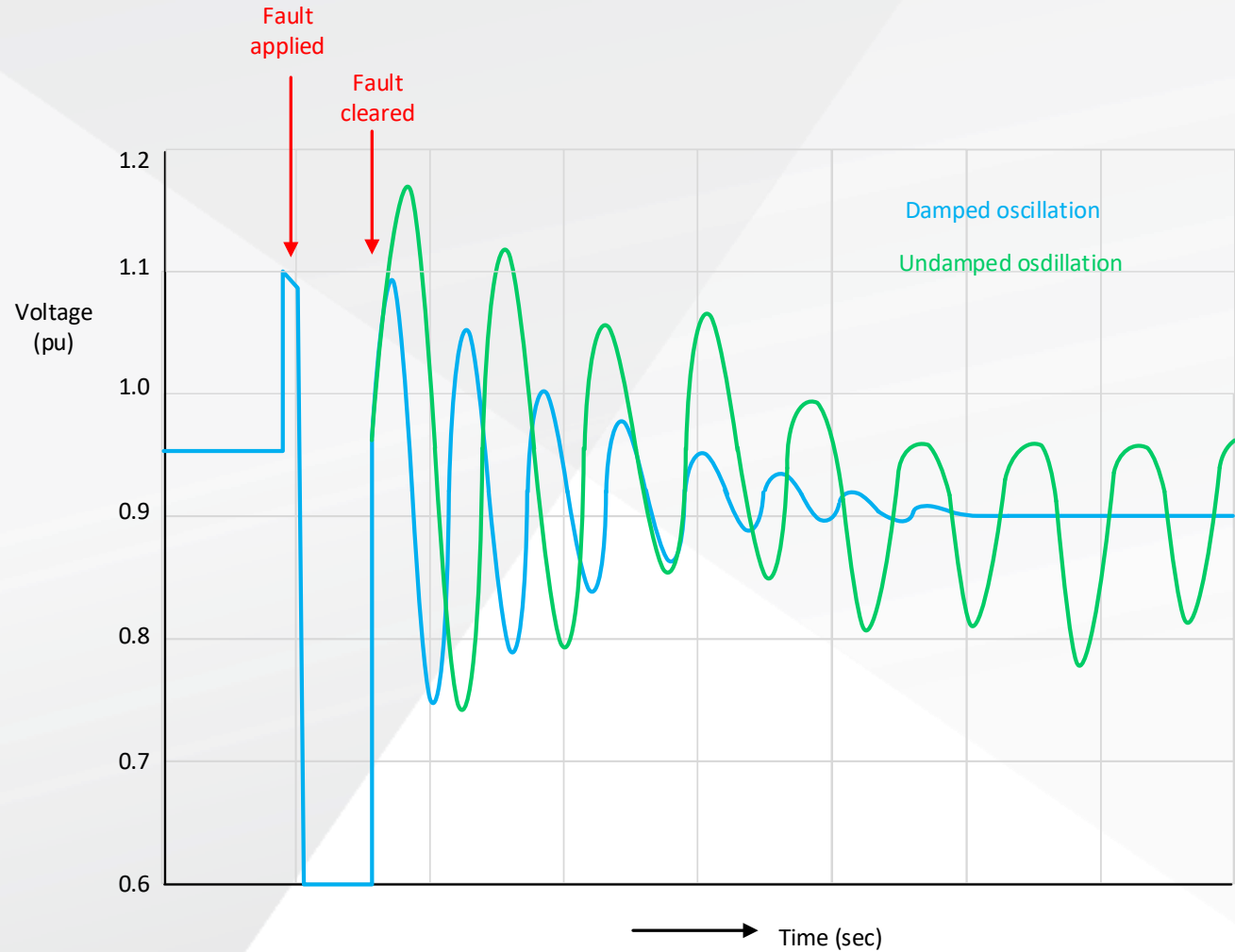
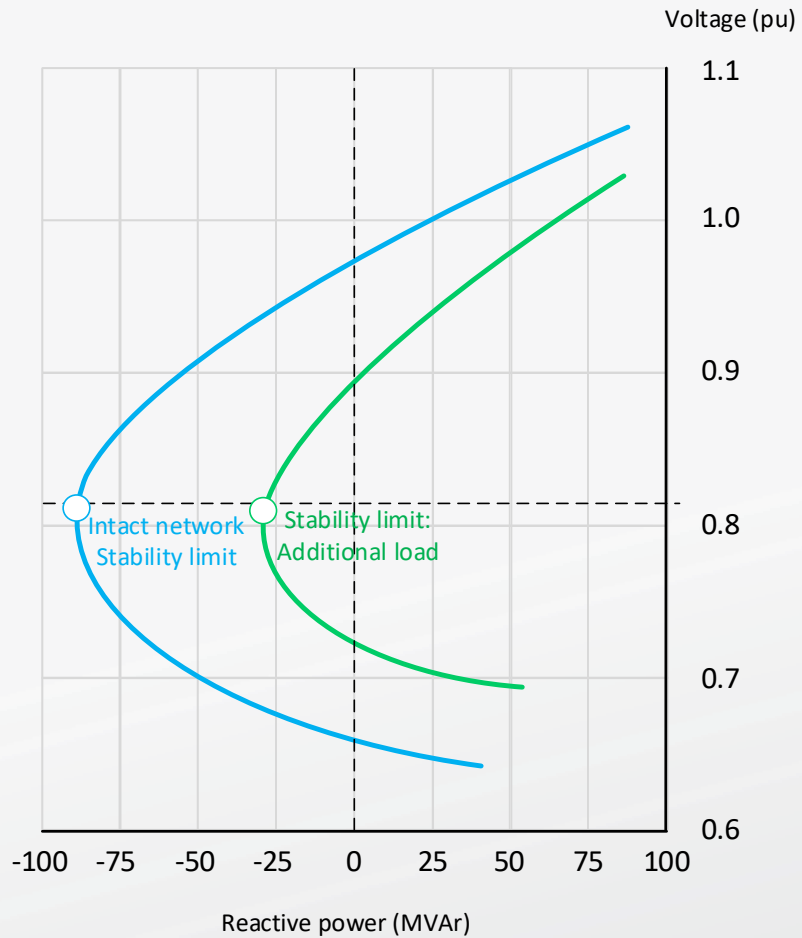
Identified need: network issues from new load at George Town

- Additional reactive power support is required to maintain network stability, which if left unaddressed, could result in a black system following an asset failure.
- Under existing operating conditions, a constraint is applied to Basslink export to maintain acceptable voltage stability at George Town. Following the connection of sufficient new load, without intervention, these constraints will severely limit Basslink export and may introduce other network operating issues.
- The technical trigger is identified at the loading level where:
 - 1) The combined total demand at George Town is capable of equalling, or exceeding 60% of the state total, and
 - 2) Fully constraining Basslink export is insufficient to manage voltage stability.
- This is approximately 210 MW of additional load, relative to 2022 load levels.

Minimum reactive support requirements for George Town with new load and Basslink export fully constrained



Voltage stability



Proposed solution: George Town Network Upgrade project

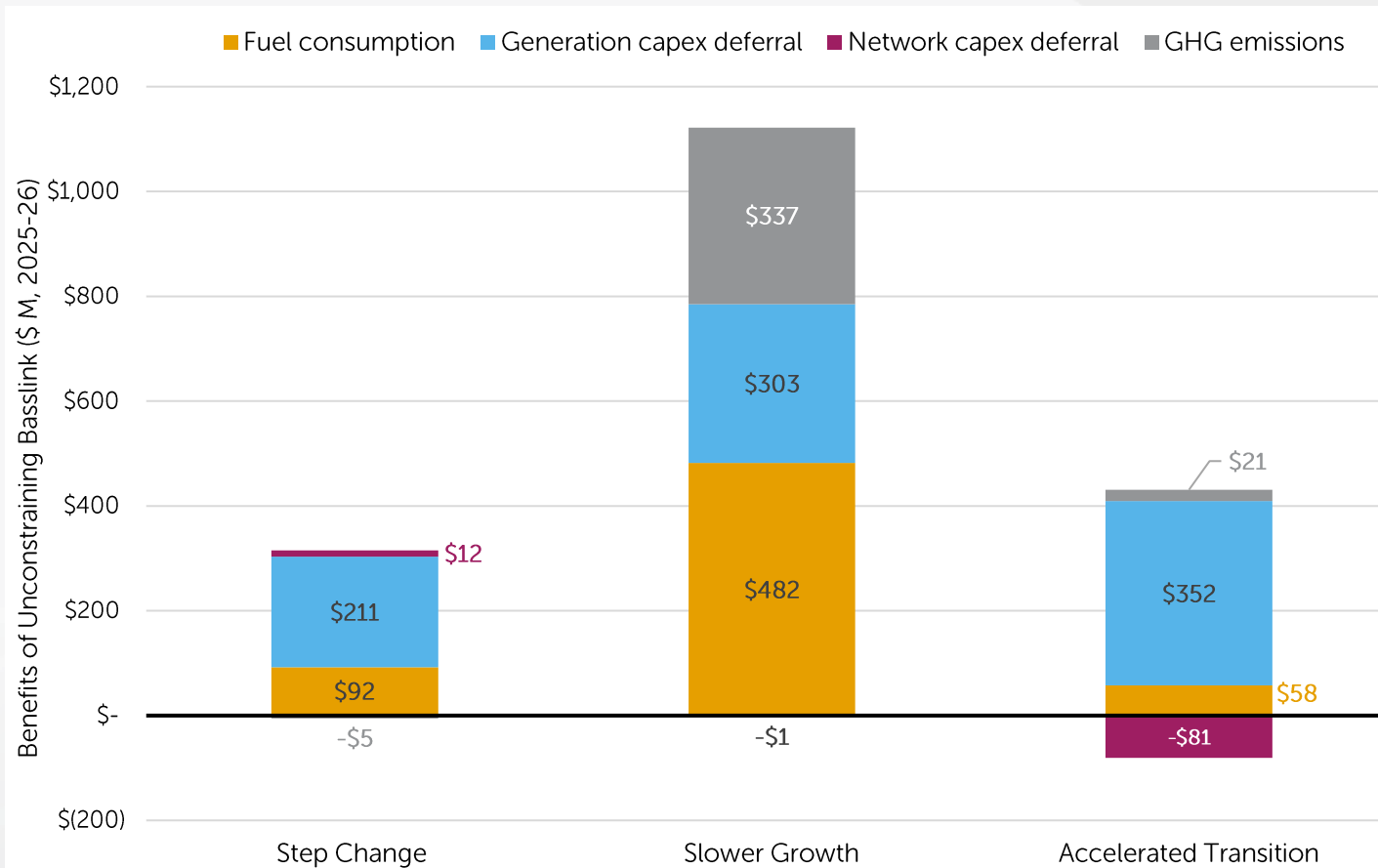
- TasNetworks has considered a single credible option in the PADR that will provide 550 MVAR of reactive support. This is considered sufficient to enable full unconstrained Basslink export following the connection of 300 MW of new load.
- The single credible options reflects the George Town Network Upgrade project that was approved as a contingent project through TasNetworks' 2024-2029 Australian Energy Regulator (AER) Revenue Reset process.
- Delivery of the option would involve:
 - Installation of +250 MVAR of capacitor banks and two +/-150 MVAR static synchronous compensators; and
 - Reconfiguration of the existing George Town 220 kV substation and construction of a new substation to house the reactive support.
- The estimated cost of this solution is \$370.6 million (\$, 2024-25).
- Following the commitment of new load, TasNetworks will endeavour to explore opportunities with the proponent to optimise the solution. This may include reducing the footprint of the solution by utilising existing or planned infrastructure, therefore reducing the scale of investment required by TasNetworks to address the identified need.

Approach to economic assessment

- The market benefits of network investment have been assessed for the credible option by analysing the Australian Energy Market Operator's (AEMO) draft 2026 Integrated System Plan (ISP) scenarios with and without (i.e. base case) the option.
- The credible option was modelled by assuming Basslink was able to export fully unconstrained.
- The base case was modelled by assuming Basslink export was fully constrained, as this is what would be required to maintain network integrity in the absence of installing reactive support following the connection of 300 MW of new load.
- The PLEXOS energy market simulation model was used to quantify the impacts on the wholesale market of the credible option and used the AEMO draft 2026 ISP database as the basis for the simulations, adjusted as required to reflect the credible option.

Results

Gross market benefits by scenario



Net present value by scenario

Scenario	Weighting	NPV (25-26 \$M)
Step Change	46%	4
Slower Growth	27%	812
Accelerated Transition	27%	46
Weighted Average	N/A	234

Sensitivity analysis (on Step Change scenario)

Sensitivity	Gross benefits (25-26 \$M)	NPV (25-26 \$M)
Flexible demand	61	-260
No Marinus Link Stage 2	1,163	859

Recap of key points

- Following the connection of sufficient new load at George Town, additional reactive power support is required to avoid non-compliance with the National Electricity Rules and network planning requirements.
- TasNetworks is undertaking this RIT-T to determine which investment should be pursued to avoid this non-compliance following the commitment of ≥ 210 MW of new load to connect at the George Town substation.
- TasNetworks has identified the preferred solution in the PADR. This solution is expected to cost \$370.6 million and is forecast to deliver \$234 million in net market benefits.
- TasNetworks is now seeking feedback on the PADR. PADR submissions close on 21 August 2026 and TasNetworks remains interested in hearing from any non-network service providers.
- The PACR will be published as soon as practicable after the end of the PADR consultation period.
- Following the PACR, TasNetworks will deliver the preferred option following the commitment of ≥ 210 MW of new load at George Town and the Australian Energy Regulator's approval of prudent and efficient expenditure proposed through a Contingent Project Application.

How to respond and access more information?

- All documentation and communications related to this RIT-T, including the PADR, are available from the TasNetworks website:

[Meeting Network Planning Requirements at George Town - TasNetworks](#)

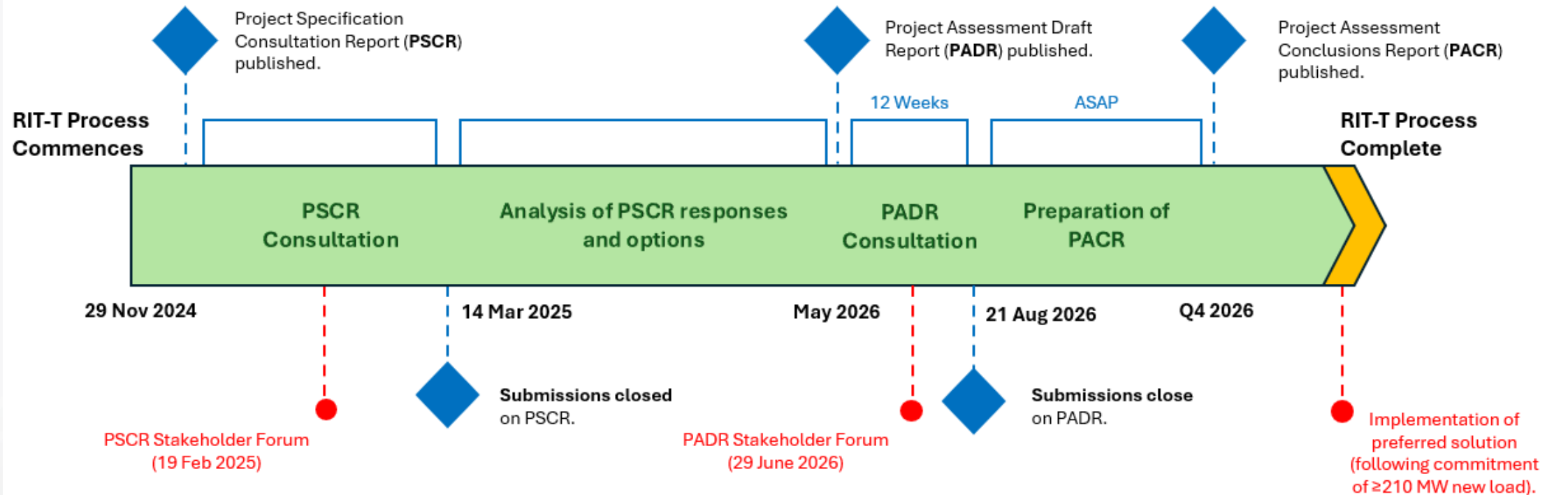
- Email submissions in relation to the PADR and non-network services that could potentially avoid or defer the need for network investment can be sent to: regulation@tasnetworks.com.au
- For any further advice on this RIT-T please contact (via the regulation email address above):

Matthew Clarke

Leader Large Regulated Investment

Tasmanian Networks

Next steps



Questions?



Thanks for attending!



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