

Electric Vehicles

Though there has been a lot of work done in recent years to improve the viability of operating an electric vehicle (EV) in Tasmania, it is now time to focus on creating a regulatory and policy environment that better facilitates the transition to EVs. TCCI believes the right regulatory and policy environment would seek to enable the socio-technical transition by reducing burdens and barriers to entry, at both a private and commercial level.

Barriers to Entry

Creating the right regulatory and policy environment would encourage/result in greater distribution of the limited supply of EVs to Tasmania. A greater distribution of electric vehicles to Tasmania would not only decrease wait times between purchase and delivery but would also increase the variety of brands and models available to consumers and businesses. From a business perspective, the lack of variety for commercial electric vehicles in Tasmania (exacerbated by long wait times) can present a barrier to entry when considering the broad range of business needs.

Currently, the high cost of transitioning to EVs is the most significant barrier to entry for most consumers and businesses in Tasmania. This is made worse by the lack of an established second-hand market as it requires purchasing EVs brand-new, subsequently, from the limited variety of brands and models. Government support toward business fleets transitioning to EVs would enable a shorter-term pathway to establish a second-hand EV market for Tasmanians and, ultimately, lower the barrier to entry.

TCCI encourages the State Government to assist businesses transitioning to EVs by supporting charging infrastructure for business fleets and stimulating the purchase and lease of EVs for business operations.

State Benefits & Grid Security

An effective regulatory and policy environment would ensure that Tasmania is best positioned to capture the benefits of electric vehicles and manage the transition to increase uptake. This is especially true when considering how to understand and utilise the ability of EVs to provide active support to the electricity network to help manage network demand peaks and reduce the need for network augmentation. It is critical, however, to understand how the displacement of the transport sector's fuel source, from petroleum to the electricity network, could place a range of unprecedented demands on the grid if the transition is not effectively managed with early considerations made for the long-term.

The State Government is well positioned to benefit from the transition to EVs as it owns the vast majority of electricity supply in Tasmania. Whereby, the transition to EVs would result in the State Government absorbing various financial benefits from the fossil fuel industry.

Marinus Link and subsequent private investments in clean energy has the potential to increase these financial benefits to Tasmania by providing for the increased grid demand impacting other states, resulting from the transition to EVs. Thereby, Marinus Link and private investment would provide increased grid security for both Tasmania and the mainland.

Hydrogen Heavy-Duty Vehicles

The emergence of hydrogen heavy-duty vehicles presents a viable next step to meaningfully reduce the transport sector's emissions and meet climate obligations. With new initiatives being driven by world-leading truck manufacturers, the market potential, acknowledged by industries and governments, has enabled the shift from research & development (R&D) and trial stages to long-term transition strategies and large-scale implementation.

Transition Strategy for Hydrogen Heavy-Duty Trucks

TCCI encourages the State Government to develop an early framework and strategy that provides a consistent approach to transitioning heavy-duty vehicles from diesel to hydrogen fuel cells. The development of an early framework and strategy would streamline pathways toward an economy of scale in the longer-term and joint venture opportunities in the short term.

Climate Change Action Plan

Given the broad scope of preparing Tasmania for transitions in transport technology, TCCI recommends the State Government emphasise EVs and hydrogen heavy-duty vehicles in Tasmania's next Climate Change Action Plan.

TCCI encourages support of a transport sector-specific Emissions Reduction and Resilience Plan developed in partnership with business, industry, and government, to support innovation and implement emissions reduction opportunities through an Emissions Reduction and Resilience Transition Fund.

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