

The Hon Jeremy Rockliff MP
Premier of Tasmania
Parliament House
Hobart TAS 7000

OPEN LETTER: TURN TASMANIAN ELECTRICITY INTO TASMANIAN JOBS AND FUTURES

Dear Premier,

Tasmania's renewable electricity should do more than power the grid or generate revenue from the sale of electricity. Power generated in Tasmania should be used to improve the lives of Tasmanians, strengthen our communities and build a prosperous economic future for our state.

It should support local manufacturing, create secure and well-paid jobs, sustain Tasmanian businesses and give our young people the confidence that they can build rewarding careers right here at home.

For more than 70 years, Bell Bay Aluminium has demonstrated what can be achieved when Tasmanian electricity is transformed into Tasmanian economic opportunity.

Bell Bay Aluminium remains one of the state's largest manufacturing businesses, employing more than 550 people directly and supporting more than 1,200 indirect jobs across Tasmania.

In 2025, the smelter paid almost \$76 million in salaries, invested \$40 million in capital works and spent approximately \$262 million with around 180 Tasmanian suppliers. Its broader economic contribution has been estimated at approximately \$986 million in output.

These figures represent far more than the performance of one business. They represent wages paid to Tasmanian families, contracts awarded to Tasmanian businesses, opportunities for apprentices and graduates, and economic activity that reaches communities across the state.

Bell Bay Aluminium is ready to continue investing in Tasmania. However, a major industrial operation cannot make long-term capital decisions without long-term energy certainty. Its current electricity arrangements extend only to 31 December 2026, while negotiations continue for a new 10-year agreement.

Premier, the time has come to secure that agreement.

A fair and globally competitive 10-year power agreement would provide the certainty Bell Bay Aluminium needs to proceed with a capital works program of approximately \$40 million every year.

That investment would flow directly to Tasmanian engineering firms, fabricators, electrical contractors, construction businesses, equipment suppliers and skilled trades. It would support existing jobs while creating new opportunities for apprentices, trainees, graduates and young Tasmanians considering their future careers.

This is what it means to turn Tasmanian electricity into Tasmanian jobs, skills and futures.

A young Tasmanian should be able to look at industries such as Bell Bay Aluminium and see a clear pathway from school into an apprenticeship, a trade, engineering, technology, advanced manufacturing or business leadership.

They should not feel that they must leave Tasmania to find a challenging, secure and well-paid career.

Our state's economic ambition must be to create opportunities that allow young Tasmanians to remain here, build their careers, raise their families and contribute to the communities in which they grew up. Maintaining strong major industries is essential to achieving that goal.

There will inevitably be questions about why a major industrial customer should have a different electricity agreement from a household. The answer is straightforward: Bell Bay Aluminium does not purchase the same product or use the electricity system in the same way as a residential customer.

Bell Bay Aluminium is the only customer in Tasmania connected directly to the 220,000- high-voltage transmission network. Unlike household customers, Bell Bay Aluminium operates and maintains its own electrical infrastructure.

At around 355 megawatts, Bell Bay Aluminium is Tasmania's largest electricity consumer. It also provides unique value to the electricity system. The smelter can rapidly reduce its load when required, helping to support network reliability and stability. It also accounts for approximately 25 per cent of TasNetworks transmission related costs, reducing the amount that would otherwise need to be recovered from other customers, including households and businesses.

The economic relationship runs both ways. In 2026, approximately \$600,000 every day—or \$4.2 million every week—flows from Bell Bay Aluminium to Tasmanian Government-owned businesses and through government-related charges for electricity, transmission, ports, rail, water and taxes.

A long-term power agreement is therefore not simply a commercial matter between Hydro Tasmania and one customer. It is a decision about whether Tasmania's renewable energy advantage will be converted into jobs, investment, manufacturing, exports and opportunities for local businesses, and whether the next generation of Tasmanians will be able to build rewarding careers, raise families and create prosperous futures in their own state.

The industrial ecosystem surrounding Bell Bay demonstrates how this value multiplies.

Bell Bay Aluminium supplies around 12,000 tonnes of molten aluminium each year to Kymera at Bell Bay, where it is converted into specialised powders, pastes and granules for advanced manufacturing markets globally. Kymera, in turn, supplies product to Nyrstar in Hobart used in production of its premium zinc die-casting alloys, found in many everyday products.

One industrial operation supports another. Together, they sustain contractors, transport and logistics networks, specialist suppliers, workforce capability and further investment across Tasmania.

This industrial network also creates career pathways across a wide range of fields—from electrical and mechanical trades to engineering, automation, environmental management, logistics, finance and advanced manufacturing.

The reverse is equally true. When a major industrial operation contracts or closes, the consequences are felt far beyond its own workforce.

Procurement falls. Contractors lose work. Apprenticeship and training opportunities disappear. Freight volumes decline. Specialist skills leave the state. Young people see fewer reasons to remain in Tasmania, and regional communities lose confidence in their economic future.

That is why the future of Bell Bay Aluminium matters to all Tasmanians, not only to those employed at the smelter.

Your government has already recognised this importance. During your visit to Bell Bay Aluminium in November 2025, you and the energy minister were briefed on the capital projects and investments required over the coming decade.

The next step is to turn that recognition into long-term certainty.

Tasmanians have spent generations building a renewable electricity system that gives our state a genuine competitive advantage. That system should deliver an enduring dividend to the Tasmanian people.

The greatest return is achieved when our electricity is used to create high-value products, successful local businesses, well-paid careers and strong communities here in Tasmania.

Tasmanians have spent generations building a renewable electricity system that provides our state with a genuine competitive advantage. The greatest value from that system is realised when it supports local industry, creates secure jobs, strengthens regional communities and encourages young Tasmanians to build their futures here.

Premier, use every available lever to secure a fair and sustainable 10-year power agreement before current arrangements expire. Give Bell Bay Aluminium the certainty to invest, support workers, businesses and communities

that depend on a strong industrial economy and ensure Tasmania's renewable energy advantage continues to deliver lasting benefits to Tasmanians.

Yours sincerely

Bell Bay Advanced Manufacturing Zone
Susie Bower, Chief Executive Officer

Tasmanian Minerals, Manufacturing and Energy Council
Ray Mostogl, Chief Executive Officer

Northern Tasmania Development Corporation
Michael Bailey, Chief Executive Officer

Australian Manufacturing Workers' Union
Jacob Batt, State Secretary

Australian Workers Union – Tasmanian Branch
Ian Wakefield, Branch Secretary

Communications, Electrical, Plumbing Union – Tasmanian Branch
Chris Clark, State Secretary

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Jessica Munday, Secretary

City of Launceston
Matthew Garwood, Mayor

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Rhys Beattie, Mayor

George Town Council
Greg Kieser, Mayor

George Town Chamber of Commerce
Simone Lowe, President

Launceston Chamber of Commerce
Alina Bain, Chief Executive Officer

West Tamar Council
Christina Holmdahl, Mayor