3 June 2014

0-06-14. To Stoward Bell V

eceived in mail.

Level 22 530 Collins Street Melbourne VIC 3000

GPO Box 2008 Melbourne VIC 3001

1300 858724 03 9609 8080

Mr Garry Mulherin / Executive Manager Investment & Planning Powerlink Queensland

PO Box 1193

VIRGINIA QLD 4014

Dear Mr Mulherin

RE: Development of the Queensland- New South Wales Interconnector

Thank you for your letter informing us that Powerlink does not intend to proceed with an upgrade of the Queensland-New South Wales Interconnector (QNI).

At this stage we have no further comments to provide and do not intend to provide a submission to your public consultation process.

We will continue to work together with you to identify future upgrades to the transmission system as well as options to address any emerging limitations through the development of the National Transmission Network Development Plan (NTNDP).

As you are aware, AEMO has been tasked by the Australian Energy Regulator (AER) with endorsing Powerlink's proposed network capability incentive parameter action plan (NCIPAP) ahead of your revenue reset expected in early 2016. The NCIPAP provides the opportunity for our teams to work collaboratively on innovative, low-cost, high-value solutions to address any emerging transmission limitations. Through that process we can also consider options to address potential inter-regional limitations. We will be in contact with you shortly to commence the NCIPAP process.

If you have any questions please contact Louis Tirpcou, Group Manager Planning, on (03) 9609 8415.

Yours sincerely

Mike Cleary

Chief Operating Officer

