

Final Decision

Powerlink's Designated Network Asset Access
Policy for Western Downs DNA

February 2025

© Commonwealth of Australia 2025

This work is copyright. In addition to any use permitted under the *Copyright Act 1968* all material contained within this work is provided under a Creative Commons Attributions 4.0 Australia licence with the exception of:

- the Commonwealth Coat of Arms
- the ACCC and AER logos
- any illustration diagram, photograph or graphic over which the Australian Competition and Consumer Commission does not hold copyright but which may be part of or contained within this publication.

The details of the relevant licence conditions are available on the Creative Commons website as is the full legal code for the CC BY 4.0 AU licence.

Important notice

The information in this publication is for general guidance only. It does not constitute legal or other professional advice. You should seek legal advice or other professional advice in relation to your particular circumstances.

The AER has made every reasonable effort to provide current and accurate information, but it does not warrant or make any guarantees about the accuracy, currency or completeness of information in this publication.

Parties who wish to re-publish or otherwise use the information in this publication should check the information for currency and accuracy prior to publication.

Inquiries about this publication should be addressed to:

Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601
Email: aerinquiry@ aer.gov.au
Tel: 1300 585 165

Contents

1	Purpose	1
1.1	Background	1
2	AER’s decision	3
2.1	Legal framework	3
2.2	AER assessment	3
2.3	Consultation	5
2.4	Conclusion	5
	Glossary	6

1 Purpose

On 14 November 2024, Powerlink (ACN 078 849 233) submitted its Designated Network Asset Access Policy for the Western Downs DNA to us for approval.

Our final decision is to approve the access policy. This decision document sets out our assessment leading to the approval of the access policy.

Copies of approved access policies can be found on our [website](#).

1.1 Background

Privately owned and operated extension lines are commonly required to connect generators and large energy customers to the shared transmission network. These extension lines from generation sources and energy customers to the transmission network are broadly described as connection assets.

‘Designated network assets’ (DNA) are a type of connection asset. The definition of a designated network asset in Chapter 10 of the National Electricity Rules (NER) is as follows:

The apparatus, plant and equipment that:

- (a) are used from the *boundary point* to convey, and control the conveyance of, electricity, for an *identified user group*
- (b) are for the exclusive use of the *identified user group* and may be owned by different persons within that *identified user group*
- (c) include power lines that have a route length of:
 - (1) 30 kilometres or more, or
 - (2) less than 30 kilometres where the owner of those assets has entered into a *network operating agreement* in respect of those assets.

The NER, at Chapter 11 clause 11.139.4, allows connecting parties to treat transmission infrastructure as a DNA, even if it would not be classified as a DNA and ‘opt in’ to the DNA framework.

The NER creates a third-party access regime designed to protect DNA owners and access seekers to their network. As part of this access regime, the asset owner is required to develop and publish a DNA access policy, based on the negotiating principles for DNAs. The access policy must be approved by the AER.

DNA access policies provide essential information to access seekers and we will seek further information from asset owners where we do not consider that a policy meets the minimum NER requirements.

Information requests will have the effect of ‘stopping the clock’ until the relevant changes to the access policy are made and submitted to us. DNA owners must address the requirements in the NER in order for us to approve their policies.

The Western Downs DNA owned by Powerlink is comprised of:

- **DNA Component 1**, made up of 48.5km of 275kV double circuit transmission line between Halys Substation to the Diamondy Switching Station and associated easements; and
- **DNA Component 2**, made up of the 275kV Diamondy Switching Station and associated access easement.

2 AER’s decision

2.1 Legal framework

Under clause 5.2A.8(f) of the NER, we must, within 60 business days of receiving a DNA access policy, approve the policy (or a variation of the policy) if we are reasonably satisfied that it complies with the relevant requirements outlined in clause 5.2A.8 of the NER.

Under clause 5.2A.8(o) Schedule 2 of the NER we must publish a [register](#) of DNAs, the identity of DNA owners and a copy of each DNA owner’s access policy. This provides a source of information for access seekers on all DNAs.

2.2 AER assessment

On 14 November 2024, Powerlink (ACN 078 849 233) submitted its Designated Network Asset Access Policy for the Western Downs DNA for AER approval.

The AER’s role in approving access policies is limited to assessing whether DNA access policies comply with clause 5.2A.8 of the NER.

We have undertaken a review of Powerlink’s Western Downs DNA access policy in accordance with the NER, so that we can be reasonably satisfied that it complies with the requirements of the NER.

In assessing the policy, we noticed that the Western Downs DNA website was referenced throughout, but was unable to be accessed. Considering this would likely be an important source of information for access seekers, as permitted under the NER we contacted Powerlink requesting a copy of what the Western Downs DNA website would look like once it was online. This resulted in the ‘clock being stopped’ on the assessment timeline. Powerlink provided the requested information so we could complete our assessment process.

We assessed the Western Downs DNA access policy against a framework based on the requirements of clause 5.2A.8 of the NER.

Table 1 provides an overview of the broad categories against which we assessed Powerlink’s Western Downs DNA access policy. Although our assessment was in greater detail, Table 1 provides an overview of the nature of the assessment.

Table 1: AER assessment of Powerlink’s Western Downs DNA Access Policy

Category and corresponding NER references	Where addressed in the Western Downs access policy
<ul style="list-style-type: none"> Information requirements: description of the asset, capacity and other limitations Clauses 5.2A.8(b1) (1); 5.2A.8(b1) (2) 	<ul style="list-style-type: none"> Clause 1, items 3, 4, 5, 7 and 8 (p.4) Appendix A – Description of Route of Western Downs DNA (p.20) Appendix B – Tenure Arrangements for the Western Downs DNA (p.21) Appendix C – Description of main components of the Western Downs DNA (pp.22-23) Appendix D – Limitations relating to the Western Downs DNA (pp.24-26)
<ul style="list-style-type: none"> Consistency with the schedule 5.12 in respect of costs, revenues, contractual rights and obligations Clause 5.2A.8(b1) (3) 	<ul style="list-style-type: none"> Clause 1, Item 9 (p.4) Clause 5 (p.6) Appendix E – Key terms which apply to the provision of DNA Services (pp.27-28) Appendix H – Negotiating Principles for DNA Services (pp.36-37)
<ul style="list-style-type: none"> Information and requirements regarding pricing, cost sharing, timeframes and good faith negotiations Clauses 5.2A.8(b1) (4), 5.2A.8(b1) (5), 5.2A.8 (b2), 5.2A.8 (b3), 5.2A.8 (b4) 	<p>Clause 5.2A.8(b1) (4)</p> <ul style="list-style-type: none"> Clause 1, Item 10 (p.4) Clause 4.3 (p.6) Clause 5 (p.6) Appendix F – Pricing Methodology (pp.29-33) <p>Clause 5.2A.8(b1) (5)</p> <ul style="list-style-type: none"> Clause 1, Item 11 (p.4) Clause 5 (p.6) Clause 8.1 (p.8) Appendix G – DNA Access Process (pp.34-35) <p>Clause 5.2A.8 (b2)</p> <ul style="list-style-type: none"> Not applicable <p>Clause 5.2A.8 (b3)</p> <ul style="list-style-type: none"> Clause 4.2 (p.6) Appendix H – Negotiating Principles for DNA Services (pp.36-37) <p>5.2A.8 (b4)</p> <ul style="list-style-type: none"> Clause 4.3 (p.6) Appendix F – Pricing Methodology (pp.29-33)
<ul style="list-style-type: none"> Availability of commercial arbitration. Clause 5.2A.8(b1) (6) 	<ul style="list-style-type: none"> Clause 1, Item 12 (p.5) Clause 6 (p.6)

2.3 Consultation

Under clause 5.2A.8(h) of the NER, we may decide to consult on a DNA access policy.

To assist our decision on this matter, as permitted under the NER, we sent Powerlink information requests seeking further information on Powerlink’s engagement with its foundation parties and with potential future access seekers. Each information request ‘stopped the clock’ on the assessment timeline.

We were satisfied with Powerlink’s responses and decided not to consult on Powerlink’s Western Downs DNA access policy because the proposed Western Downs DNA foundation parties:

- were involved in the development of the Western Downs DNA access policy; and
- are likely to also be future access seekers.

However, in future DNA access policy assessments, there may be cases where we may determine consultation is beneficial.

2.4 Conclusion

In accordance with clause 5.2A.8(f) of the NER, on 26 February 2025 we decided to approve Powerlink’s Western Downs DNA access policy.

Glossary

Term	Definition
DNA	Designated Network Asset
NER/the Rules	National Electricity Rules
