Powerlink 2027-32
Revenue Proposal

Revenue Proposal Reference Group Meeting

July 2026

Powerlink QUEENSLAND

Powerlink acknowledges the Traditional Owners and their custodianship of the lands and waters of Queensland and in particular the lands on which we operate.

We pay our respect to their Ancestors, Elders and knowledge holders and recognise their deep history and ongoing connection to Country.

Information

Dear reader

We publish information in connection with our customer panel and its sub-committees on our website, for information purposes only.

While we make every effort to make sure the information regarding our customer panel and its sub-committees is informative, this information may reflect works in progress and may be updated or amended from time to time.

You should not rely on the information as a substitute for obtaining your own detailed independent advice.

The information does not constitute legal, regulatory or business advice, and we do not guarantee its accuracy, suitability, fitness for purpose, reliability or completeness.

Information regarding our customer panel may include the views or recommendations of third parties and does not necessarily reflect the views of Powerlink Queensland or indicate a commitment by us to a particular course of action.

Thank you

Agenda

Item	Duration
Stakeholder submissions on our Revenue Proposal	5 minutes
Update on engagement with the AER	5 minutes
Overview of contingent projects	10 minutes
Contingent Projects representation options	30 minutes
Forward looking agenda	10 minutes

***Reminder:** this meeting will be recorded and transcribed to assist with record keeping.*

Inform Consult Involve Collaborate

Revenue Proposal submissions

Six submissions received:

- Revenue Proposal Reference Group
- Consumer Challenge Panel (CCP34)
- Aurizon
- Australia Pacific LNG
- Queensland Farmers Federation
- Queensland Resources Council Rail Working Group

Submission themes:

- Broad support for the engagement process
- Importance of AER's role in reviewing expenditure forecasts in greater detail
- Affordability and price predictability
- Increase in expenditure forecasts, workforce expansion, deliverability and pricing methodology.

Update on engagement with the AER

Key themes

CAPEX

- Contingent projects
- Replacement capex
- Deliverability
- Cyber and physical security
- IT and OT expenditure
- Fleet and property
- Easements
- Capex model

OPEX

- Base year
- Productivity
- Step changes
- AEMO fees
- Trend

Recap - the role of contingent projects

Contingent projects:

large projects with uncertain timing – while the ‘trigger’ is probable within the regulatory period, the solution and timing of expenditure is not certain.

Triggers must be verifiable and:

- make the project necessary if they occur
- be location specific, not system wide
- be defined so that their occurrence alone enables an application to recover costs
- be probable within the period, but not certain enough to include upfront in a revenue proposal.

What this means in practice

Even though triggers must be **probable**, it is **not possible to predict** which will occur or when. Scope, timing and cost only become clearer through regulatory processes. If approved triggers occur, the AER assesses more mature scope and costs and decides what can be recovered.

Integrated System Plan

What is the Integrated System Plan (ISP)?

A biennial whole-of-system view of the lowest-cost pathway to developing the electricity system.

Lowest cost pathway

All projects in the plan are expected to deliver net market benefits, meaning they contribute to lower overall system costs.

What is an ‘actionable’ project?

AEMO identifies ‘actionable’ ISP projects where progressing them now is expected to maximise consumer benefits

Under the National Electricity Rules, Powerlink must undertake a Regulatory Investment Test for Transmission (RIT-T) for actionable projects in Queensland within 2 years.

‘Future’ projects

These projects also deliver net benefits to consumers, but AEMO considers there is time to confirm their need in a later ISP.

Update on contingent projects

Changes	Details
2 projects removed	1. **Southern Queensland System Strength:** reduced probability of trigger event in regulatory period 2. **Brisbane Area Transfer Capacity:** overlaps with an actionable ISP project 'Brisbane Area 275kV Reinforcement'
3 projects rescoped	1. **Central Queensland System Strength:** a single synchronous condenser is a more likely solution to address the shortfall defined in the revised trigger event proposed 2. **Central Queensland to North Queensland Augmentation:** Stanwell and Broadsound scope removed as now covered by actionable ISP project 3. **Northern Bowen Basin Reinforcement:** updated demand data makes smaller-scale solution more likely.
All 7 remaining project triggers refined	To sharpen alignment with the Rules requirement for triggers that are specific, objectively verifiable and tied to a defined location on the network.

Contingent project representation options

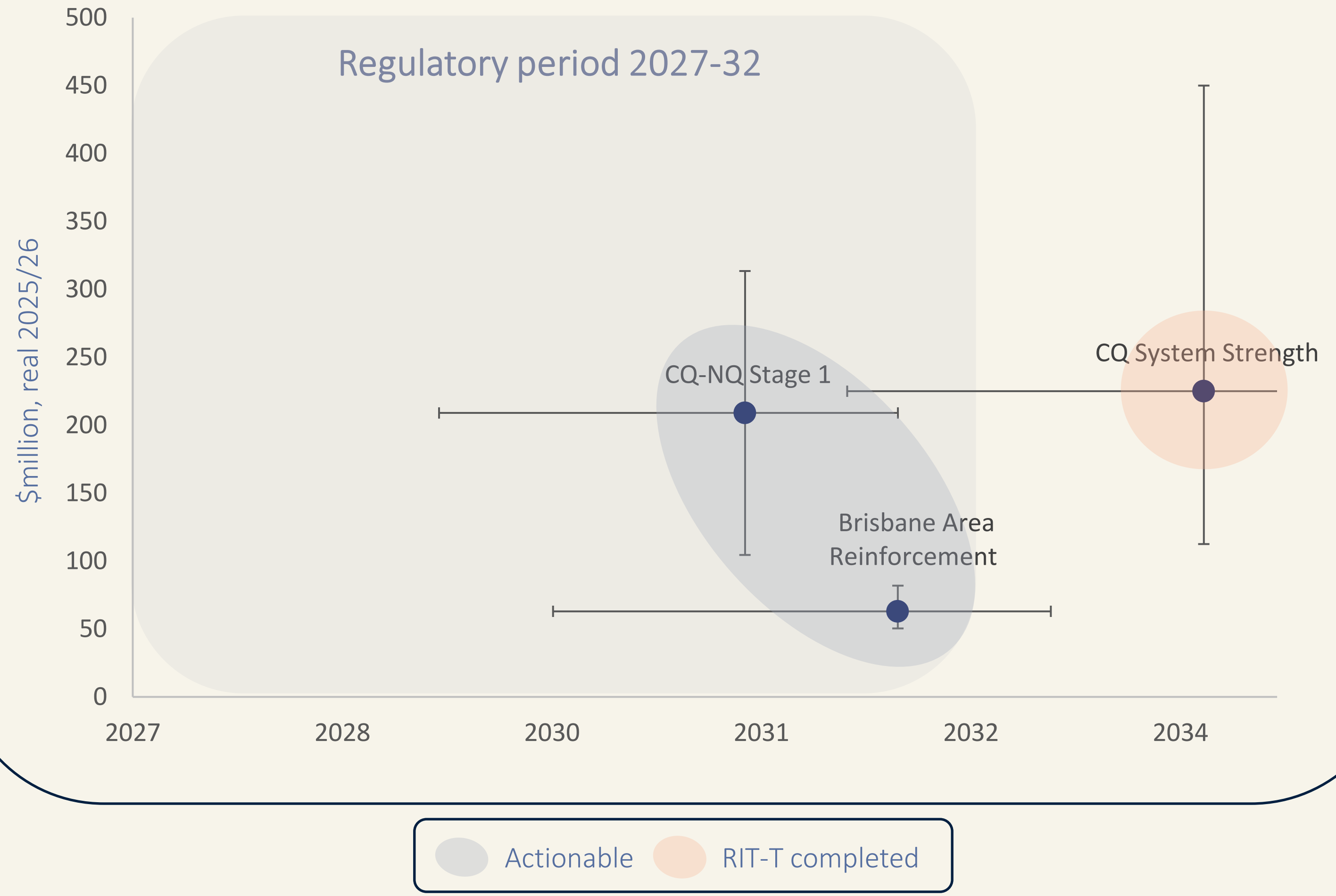
Guiding principles

1. **Make uncertainty visible**
   Show timing, cost, scope and likelihood as uncertain, with only timing becoming clearer for ‘actionable’ projects
2. **Explain what drives change**
   Highlight the events or conditions that could make assessment necessary
3. **Separate need and assessment from delivery**
   Distinguish potential need from when projects might progress to assessment
4. **Anchor to credible sources**
   Use the ISP but avoid presenting estimates as certain or precise
5. **Support clear interpretation**
   Help stakeholders understand what inclusion does and does not imply

Modelling of a sub-set of projects?

Why these projects?

- Actionable ISP projects have been shown to have net benefit to customers
- RIT-T illustrated potential need for additional synchronous condensers
- Timing and cost assumptions included in 2026 ISP for actionable ISP projects.



Forward engagement schedule

Revenue Proposal lodged (end Jan)

Submissions close (May)

Customer Panel (16 Jul)
Syncon CPA update

Draft Decision (end Sept)

Customer Panel (8 Oct)
Reset update

Submissions close on RRP (Jan)

Lodge RRP (Dec)

Final Decision (Apr)

2024 | 2025 | 2026 | 2027

RPRG (July)
Info. requests, submissions received, contingent projects representation options

RPRG (Aug)
Base year / results
Gladstone PTI
(conditional on govt. direction)
(Aug)

RPRG (Oct)
Draft Decision, capex update, price path, RPRG submission

Guidance on additional engagement triggers

Additional engagement may be undertaken where:

- topics raised by the AER require targeted engagement
- stakeholder submissions
- material changes from operating environment