Powerlink 2027-32
Revenue Proposal

Revenue Proposal Reference Group Meeting

August 2026

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
Base year result
CQ synchronous condensers
Contingent project modelling
Any other business
Forward looking agenda

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

Inform Consult Involve Collaborate

Base year result (2025/26)

Revenue Proposal

$million, nominal

Total base year opex	311.3
Less base year adj.	(6.1)
Adjusted base year	305.2
Forecast 27-32 opex	**1,810.2**

Excluding debt raising ($million, real 2026/27)

Revealed cost (unaudited)

$million, nominal

Total base year opex	322.4
Less proposed base year adj.	(16.1)
Adjusted base year	306.3
Forecast(1) 27-32 opex	**1,810.4**

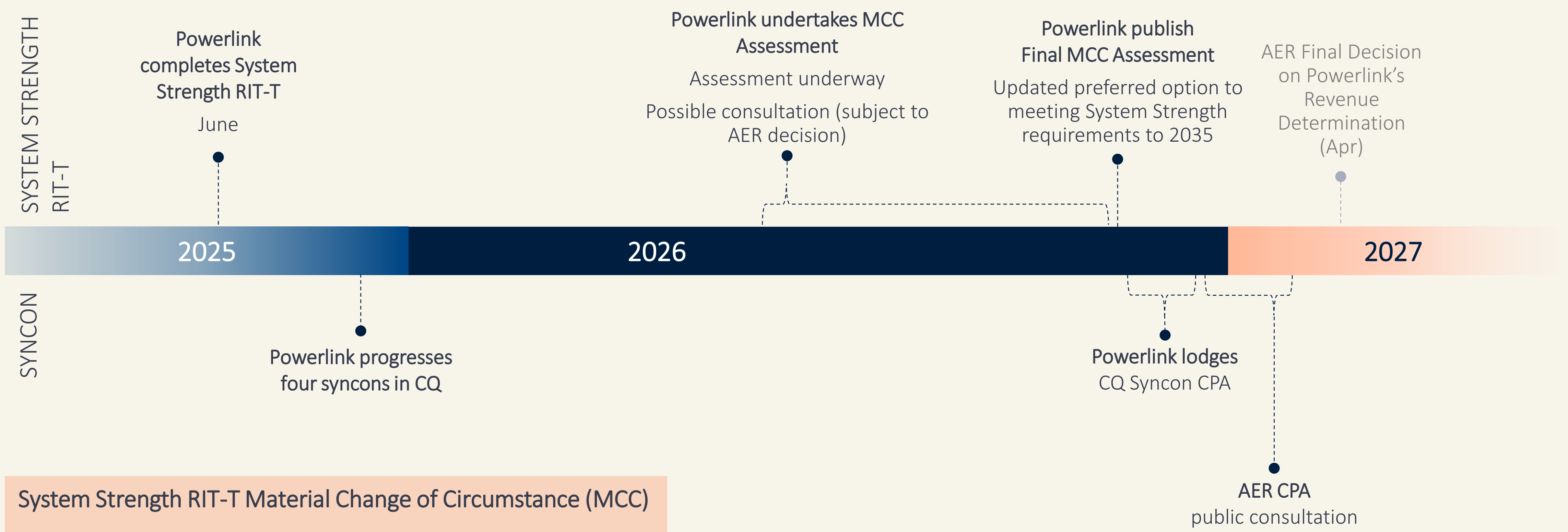
Excluding debt raising ($million, real 2026/27)

(1) The updated forecast reflects the revealed costs with no other changes made for a like for like comparison. This does not represent our Revised Revenue Proposal.

HoustonKemp has concluded that:

*Powerlink's current benchmarking results appear to better support a conclusion that its 2025/26 opex is **not materially inefficient.***

System Strength RIT-T



System Strength RIT-T Material Change of Circumstance (MCC)

The RIT-T process includes an MCC process, which requires Powerlink to update analysis based on changed circumstances ensuring currency of the preferred solution to 2035.

Capex update: system strength

1 Additional services required

A service is required by 2031, question is whether a credible non-network option can meet it in time, and how we manage cost recovery risk.

2 Investment decision window is narrowing

Synchronous condensers have a 4–5-year lead time, and a contract must be entered into early 2027 to secure the critical path to meet the 2031 need.

3 Market options continue to be tested

Market engagement has been extensive and ongoing but has not yet identified an option that can be relied on for the required timing, though we are hopeful.

4 Seeking clarity on recovery pathway

Given it may be not be 'sufficiently uncertain', engaging with the AER on appropriate approach to cost recovery, particularly if a non network solution cannot be confirmed in time.

Modelling potential impacts of contingent projects

Following engagement at the July RPRG meeting, Powerlink circulated a proposal to enhance the modelling of indicative price impacts of potential projects outside the revenue determination process

This proposal included the Gladstone (PTI) project and System Strength CPA 2026, already modelled in Appendix 10.01 of January’s Revenue Proposal, and added the contingent projects Brisbane Area 275kV Reinforcement, CQNQ Stage 1 and Central Queensland System Strength.

RPRG agreed the approach is reasonable and Powerlink have now modelled the impacts.

Contingent project impact modelling

	Capex in 2027-32 Period ($million, real 2026/27)	MAR in 2027-32 Period ($million, nominal)	Residential Price Impact in 2032 ($, nominal)
Included in Revenue Proposal	2,499	5,710	39.9
plus System Strength CPA	685	476	26.5
plus Gladstone PTI	1,615	479	26.1
plus CQNQ	229	15	0.9
plus Brisbane Reinforcement	58	2	0.0
plus CQ System Strength	43	1	0.1
Total	**5,129**	**6,683**	**93.5**

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

Lodge RRP (Dec)

Submissions close on RRP (Jan)

Final Decision (Apr)

2024 | 2025 | 2026 | 2027

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

RPRG (Aug)
Base year result, capex update,
Gladstone PTI
(conditional on govt. direction)

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

RPRG (Nov)
Overview of Revised Revenue Proposal, including updated price impact modelling

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