Powerlink 2027-32
Revenue Proposal

Revenue Proposal Reference Group Meeting



October 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.



Agenda

Item		
AER Draft Decision	2.00 – 2.10	
Capex update	2.10 – 2.40	
Opex update	2.40 – 3.00	
RPRG perspectives and questions	3.00 – 4.00	
RPRG submission	4.15 – 4.30	
Forward looking agenda	4.30 – 5.00	

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

AER Draft Decision

The AER is not yet satisfied that our Revenue Proposal is prudent and efficient and is seeking further evidence to substantiate expenditure increases in both our capex and opex forecasts

Powerlink Revenue Proposal

Capex:	$2,499.5 million
Opex:	$1,810.2 million
Revenue:	$5,710.2 million
Price:	5% increase pa (of transmission component)

AER Draft Decision

Capex:	$1,140.0 million
Opex:	$1,563.5 million
Revenue:	$5,694.1 million
Prices:	5% increase pa (of transmission component)

Revised Revenue Proposal – Capex

Reinvestment – lines

Additional supporting information to support need for underground cable to replace Woree - Kamerunga

Demonstration of prudent application of Asset Reinvestment Review for refit

Security / Compliance

Site specific risk assessments (all C3 and C2 sites) with independent comparator assessment (5 sites)

Independent validation of costs

Other

Review and verification of scope, cost and benefit of FGOT program progressing with Cutler Merz support

Additional justification for second spare transformer

Business IT

Review and verification of scope, cost and benefit of IT program, including separation of requirements into compliance and good practice

Revised Revenue Proposal – Capex

Under review

Treatment of strategic easements

Assumptions for replacement of secondary systems

Other issues under consideration

Alignment of capital expenditure at traction supply connection sites to customer investment plan

Virginia Uplift project scope and cost.

Action 16.2

The need for a fifth system strength service within the 2027-32 period is looking less likely.

We will not include a fifth synchronous condenser in our Revised Revenue Proposal.

Revised Revenue Proposal – Opex

Base year

Investigating options for alternative base year and providing additional justification for efficiency of the expenditure

Growth drivers

Enterprise agreement benchmarking

Detailed FTE growth justification

Detailed complexity growth justification

IT investment program

Further justification to support cyber security obligations

Evidence of options analysis and benefits

Productivity

Additional detail on productivity savings to support increases

Revised Revenue Proposal – Opex

Proposed positions

- Include 2024/25 (year 3) as the base year for efficient, recurring costs
- Review and revise costing of security uplift step change, with additional supporting information
- Review and revise costing of cloud services step change, with additional supporting information provided in context of Business IT
- Accept AER position regarding overnight monitoring step change
- Accept AER position regarding AEMO participant fees
- Accept changes to trend, but update for most recent information available.

Finalisation of positions

We will certify revised key inputs and assumptions by the Powerlink Board in November

Seeking to reflect changes to operating environment (but one-way only)

Need to consider the Revised Revenue Proposal as an overall package – and specifically capex / opex trade-offs

RPRG perspectives and questions

Summarise RPRG initial thoughts / concerns and consideration of stated analysis gaps

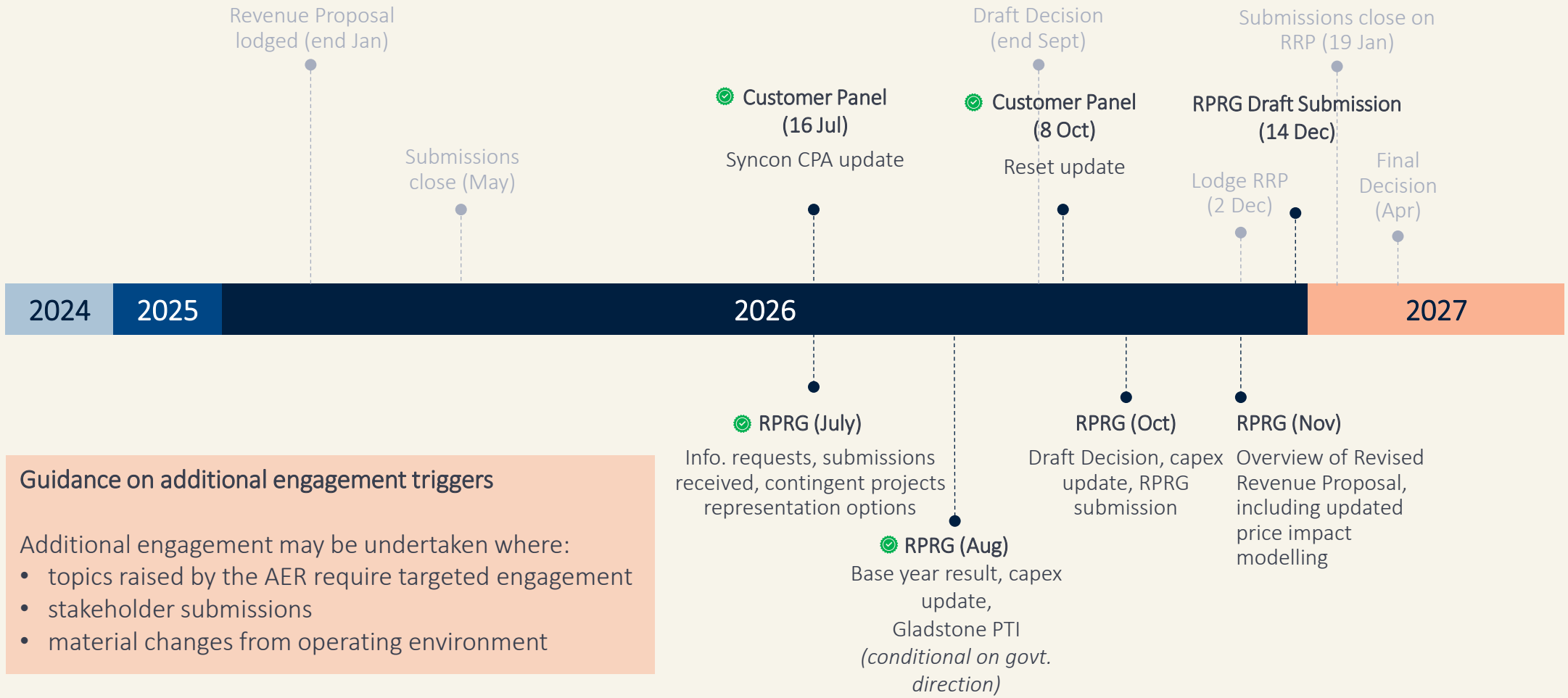
Opportunity for RPRG to ask questions of AER subject matter experts.

RPRG November Meeting

- Deliverability assessment, incl. risk / sensitivity assessment
- Other areas?

Format of meeting?

Forward engagement schedule



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

Next steps

How to participate in the consultation process

- Attend AER's Pre-Determination Conference on 22 October 2026
- Provide input to the RPRG draft submission. They will circulate on 14 December 2026
- Make a submission directly to the AER

Making a submission

- Provide views on RPRG's draft Submission by 13 January 2027
- Provide your own submission to the AER by 19 January 2027.