

# 2018 EUAA Annual Conference

1 November 2018



# Our network supports



**20%**

of Australia's population



**229**

hospitals



**40%**

of Australia's LNG export



**1737**

schools



**18.2%**

of Australia's GDP



**20%**

of Australia's jobs



**5**

major export ports



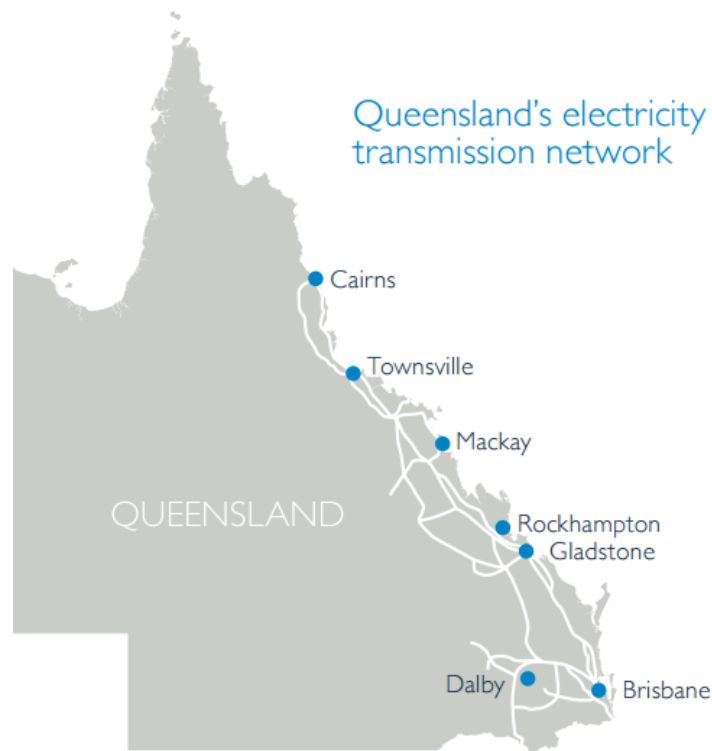
**1.98M**

homes



**1600MW**

of committed renewable  
generation

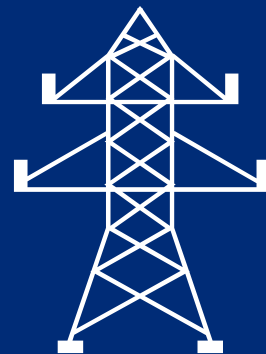


# Customer focus

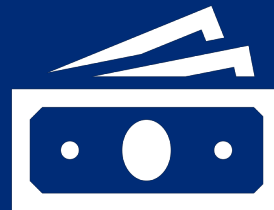


Customers want  
**secure and reliable electricity  
supply at an affordable price**

We are focused on  
**delivering our part of  
electricity supply as cost  
effectively as possible**

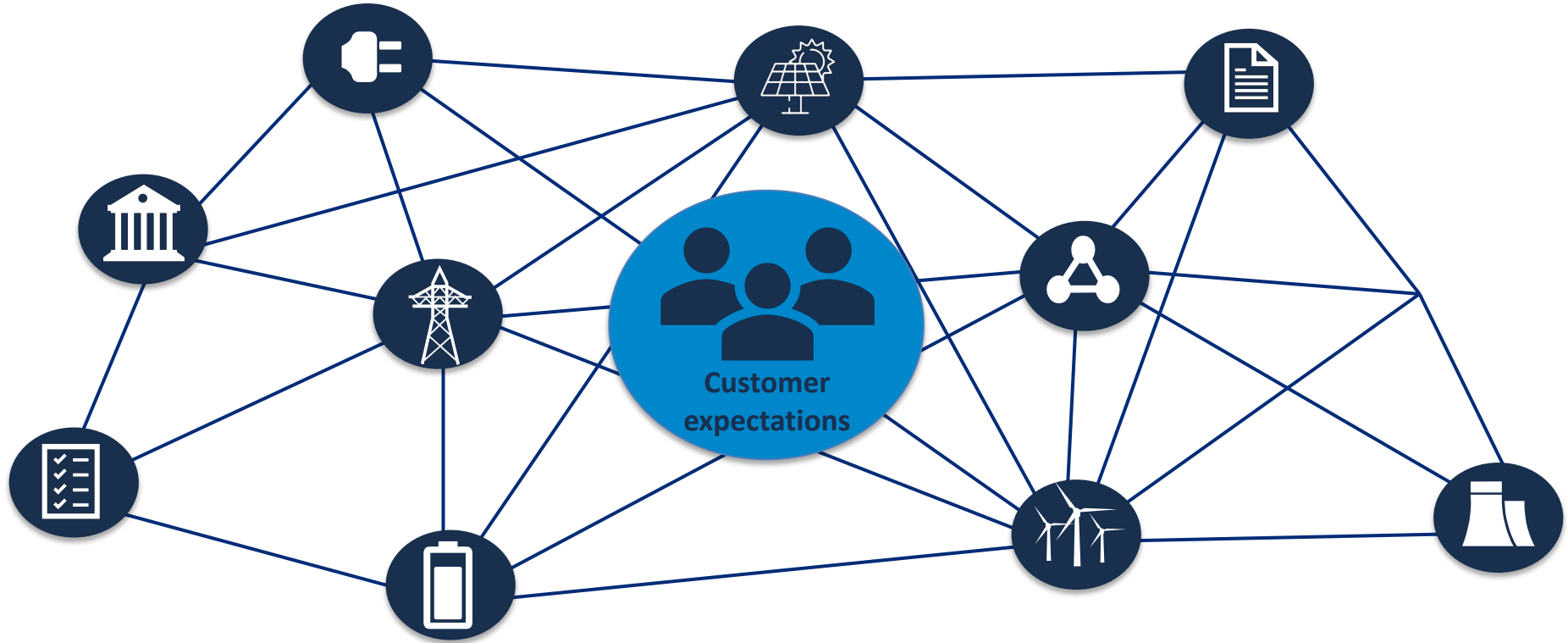


In the past year,  
electricity  
transmission  
charges  
reduced by  
a third on average



An annual saving  
of between  
**\$23 to \$38**  
for the average  
Queensland residential  
household

# Industry outlook



**Disruption across almost every element of the value chain**

# Our role is changing

## Council of Australian Governments (COAG) Energy Council

Sets policy direction

### Energy Security Board (ESB)

Advises COAG on National Electricity Market reform



#### Australian Energy Market Commission (AEMC)

A statutory commission responsible for developing the rules for the National Electricity Market and for market development

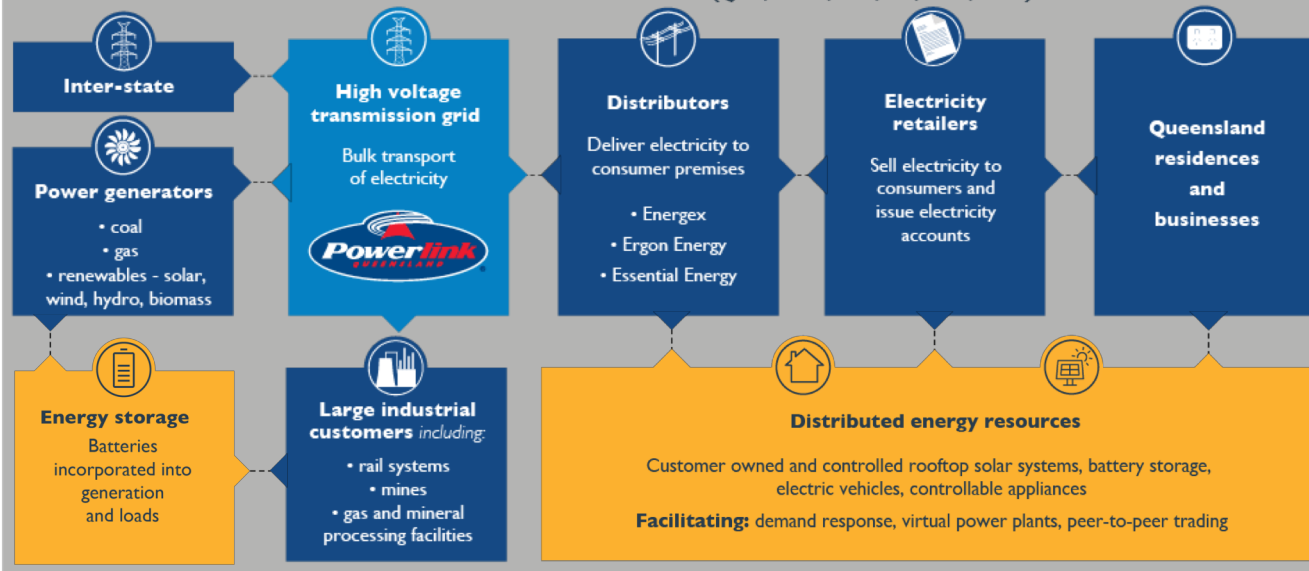
#### Australian Energy Market Operator (AEMO)

Operates the National Electricity Market and manages power system security

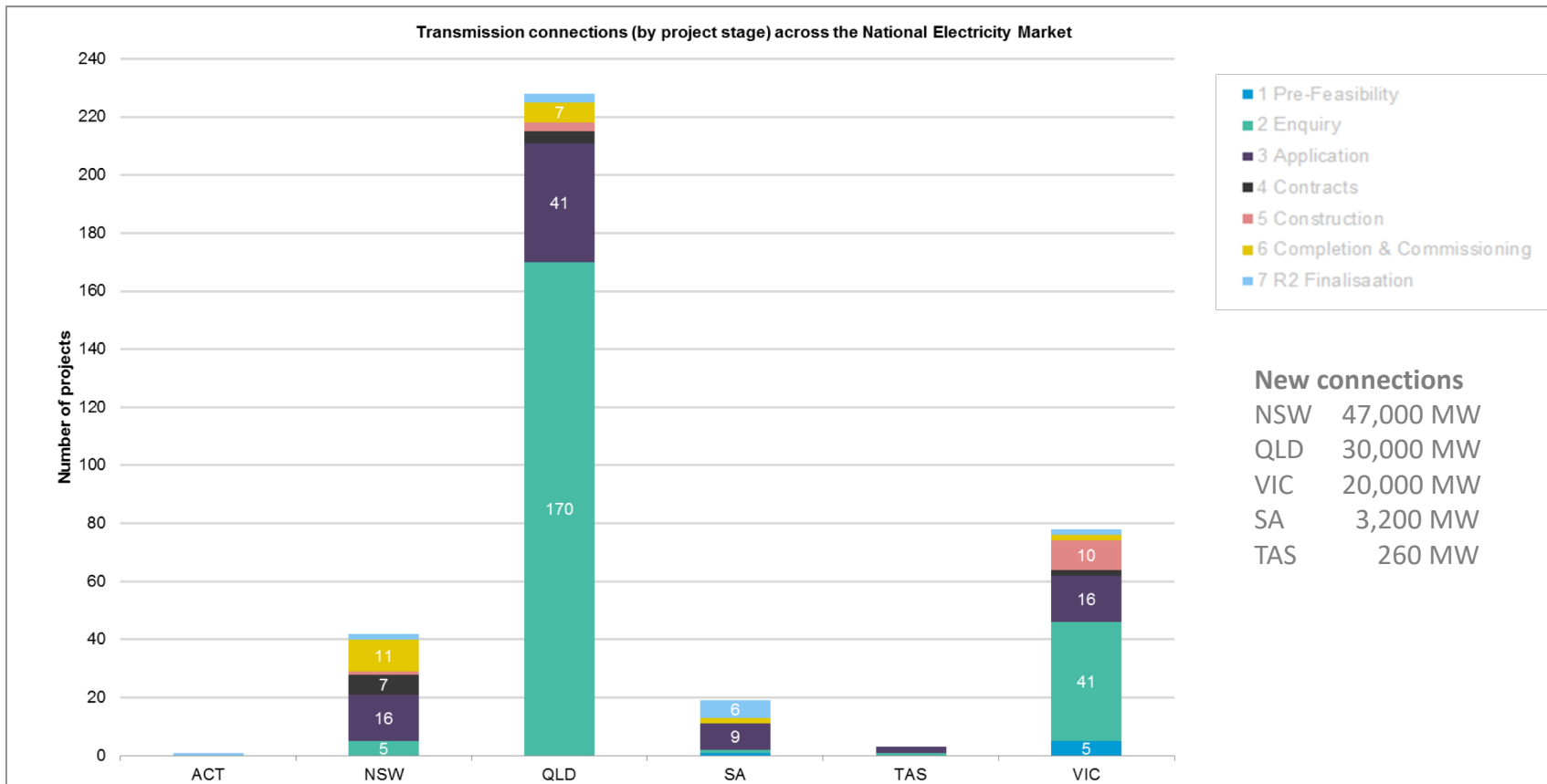
#### Australian Energy Regulator (AER)

Administers the National Electricity Rules and makes regulated revenue determinations for monopoly networks

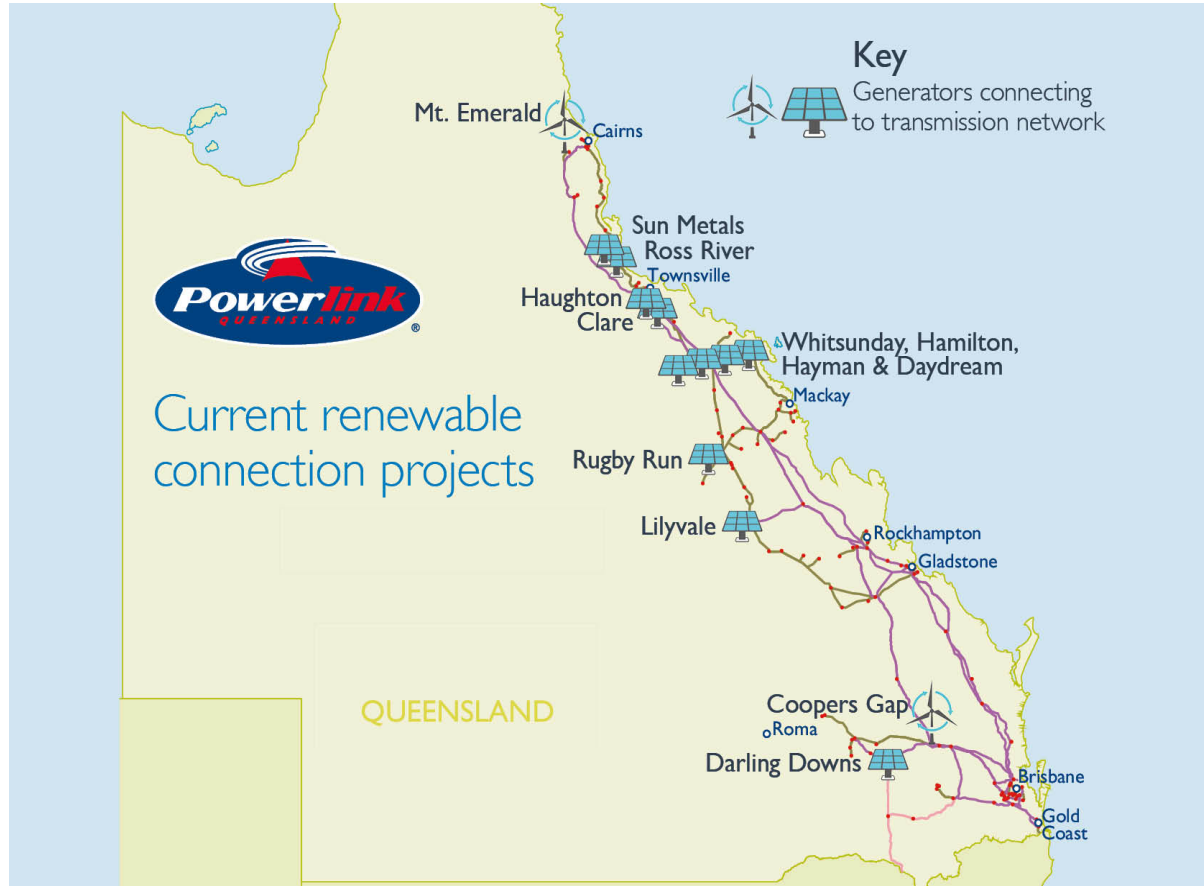
### NATIONAL ELECTRICITY MARKET (QLD, NSW, VIC, SA, TAS, ACT)



# Renewables drive



# Committed connection projects



# AEMO Integrated System Plan (ISP)



First ISP - important step forward in integrated planning of transmission and generation in the NEM

Road map for future network planning - coordinated investments in transmission and interconnector capacity

## **Other key findings:**

- Provides for electricity from new generation replacing retiring coal-fired plant to be better shared across the NEM
- Renewables need to be supported by transmission and storage
- Distributed energy resources increasingly important to power system
- Recommended augmentations, including investment to provide additional transfer capacity between NSW and Qld via interconnector
- Renewable Energy Zones (REZ) concept developed by Powerlink and now included in ISP



# Interconnector (QNI) investment



- Powerlink and TransGrid investigating options for providing additional transfer capacity - key national transmission priority in ISP
- Commenced Regulatory Investment Test for Transmission (RIT-T) process
- Further details on investment options to be released as part of this process
- Project Specification Consultation Report expected to be out in December 2018



# Where to now for National Energy Guarantee (NEG)?



Main outcomes of October Council of Australian Governments (COAG) meeting:

1. Energy Security Board (ESB) would cease work on NEG
2. ESB to develop draft bill for Retailer Reliability Obligation
3. Australian Energy Regulator to develop a reference price, with goal for it to be in place by 1 July 2019

More discussions at December COAG

# How is Powerlink responding?



- Delivering a safe, cost-effective and reliable transmission network
- Ongoing customer input
- Greater clarity on investment decisions
- Implementing outcomes from reviews and regulatory changes
- Adapted approach for RIT-T process providing additional information





# Network vision



- Currently developing a 30 year network vision
- Transmission network is a critical platform to keep economy moving
- Vision focused on navigating industry transformation in the shift to a low carbon future



Thank you

