

Final Decision

Powerlink's Designated Network Asset Access Policy for MacIntyre DNA

April 2024

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Inquiries about this publication should be addressed to:

Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601
Tel: 1300 585 165

AER reference: AER1615747

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1 Purpose

On 1 December 2023, Powerlink (ACN 078 849 233) submitted its Designated Network Asset Access Policy for the MacIntyre 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. A copy of the approved access policy 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 don't 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 DNA owned by Powerlink is comprised of:

- the 330kV Tummaville Switching Station

- the 330kV MacIntyre Intermediate Switching Station
- the 330kV transmission line between Tummaville Switching Station and MacIntyre Intermediate Switching Station
- cut-in-works and related assets.

2 AER's decision

2.1 Legal framework

Under 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 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 1 December 2023, Powerlink (ACN 078 849 233) submitted its Designated Network Asset Access Policy for MacIntyre DNA for AER approval.

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

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

We assessed Powerlink's proposed access policy against a framework based on the requirements of 5.2A.8 of the NER.

In undertaking our assessment we came to the initial view that some required information was missing. As permitted under the NER, we requested that Powerlink submit an updated and complete document, which resulted in the 'clock being stopped' on the assessment. Powerlink subsequently provided an updated document so that we could complete our assessment process.

Table 1 provides an overview of the broad categories against which we assessed Powerlink's MacIntyre 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 MacIntyre DNA Access Policy

Category and corresponding NER references	Where addressed in Powerlink’s access policy
<ul style="list-style-type: none"> Information requirements: description of the asset, capacity and other limitations 5.2A.8(b1) (1); 5.2A.8(b1) (2) 	<ul style="list-style-type: none"> Clause 1, Items 3, 4, 5, 7, 8 (p4) Appendix A – Description of Route of MacIntyre DNA (p22) Appendix B – Tenure Arrangements for the MacIntyre DNA (p23) Appendix C – Description of main components of MacIntyre DNA (p24-25) Appendix D – Network Limitations (p26-28)
<ul style="list-style-type: none"> Consistency with the schedule 5.12 in respect of costs, revenues, contractual rights and obligations 5.2A.8(b1) (3) 	<ul style="list-style-type: none"> Clause 1, Item 9 (p4) Clause 5 (p6) Appendix E – Key terms which apply to the provision of DNA Services (p29-30) Appendix H – Negotiating Principles for DNA Services (p44-45)
<ul style="list-style-type: none"> Information and requirements regarding pricing, cost sharing, timeframes and good faith negotiations 5.2A.8(b1) (4), 5.2A.8(b1) (5), 5.2A.8 (b2), 5.2A.8 (b3), 5.2A.8 (b4) 	<p>5.2A.8(b1) (4)</p> <ul style="list-style-type: none"> Clause 1, Item 10 (p4) Clause 4.3 (p6) Clause 5 (p6) Appendix F – Pricing Methodology (p31-40) <p>5.2A.8(b1) (5)</p> <ul style="list-style-type: none"> Clause 1, Item 11 (p4) Clause 5 (p6) Appendix G – DNA Access Process (p41-43) Clause 8.1 (p8) <p>5.2A.8 (b2)</p> <ul style="list-style-type: none"> Clause 1, Item 10 (p4) Clause 4.3 (p6) Clause 5 (p6) Appendix F – Pricing Methodology, F1.8 (p31) <p>5.2A.8 (b3)</p> <ul style="list-style-type: none"> Clause 4.2 (p6) <p>5.2A.8 (b4)</p> <ul style="list-style-type: none"> Clause 4.3 (p6)
<ul style="list-style-type: none"> Availability of commercial arbitration. 5.2A.8(b1) (6) 	<ul style="list-style-type: none"> Clause 1, Item 12 (p4) Clause 6 (p6)

2.3 Consultation

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

We decided not to consult on Powerlink's DNA access policy because:

- the proposed MacIntyre DNA foundation customers had input into the development of Powerlink's DNA Access policy

However, in future DNA access policy assessments, there may be cases (such as for a 'significant' designated network asset in terms of its length or other features) where we may determine consultation is beneficial.

2.4 Conclusion

In accordance with clause 5.2A.8(f) of the National Energy Rules, on 4 April 2024 we decided to approve Powerlink's access policy.