



Ref. A5742452

28 January 2025

General Manager, Policy
Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

Dear Sir/Madam,

Draft Electricity Transmission Ring-fencing Guideline to Include Negotiated Transmission Services

Powerlink Queensland (Powerlink) appreciates the opportunity to make a submission in response to the Australian Energy Regulator's (AER's) Draft Electricity Transmission Ring-fencing Guideline (Version 5), which proposes to ring-fence all negotiated transmission services.

We understand the focus of the AER's proposed changes is to address the potential for discrimination during the connection process. However, we consider the AER's Draft Guideline could result in unintended consequences, in particular, on jurisdiction-specific arrangements.

Jurisdiction-specific Arrangements

As the AER is aware, Powerlink is subject to derogations from the AER's current Guideline (Version 4), which were introduced as a result of the Queensland *Energy (Renewable Transformation and Jobs) Act 2024* and the ring-fencing regulations made under the Act in April and September 2024, respectively. These resulted in targeted modifications to certain obligations under the current Guideline to enable Powerlink to efficiently facilitate the energy transition in Queensland. These arrangements were put in place to help Powerlink deliver on its various roles and responsibilities by way of its integrated, 'one-stop-shop' business model across prescribed, negotiated and non-regulated transmission services as well as other services, leveraging synergies for the benefit of customers and Queenslanders.

Given the basis upon which these arrangements were established and our engagement with the AER, we consider that the new Guideline (Version 5) should not, and understand that it will not impact Powerlink's current ring-fencing obligations.

To provide certainty to Powerlink and other stakeholders on this matter, we request that the AER amend its Draft transitional arrangements to make this clear in its Final Guideline and associated Explanatory Statement (see below).



Timing and Transitional Arrangements

The AER has proposed that transmission network service providers comply with its new Guideline within six months of commencement. From a practical implementation perspective, we recommend the AER align the compliance date for its new Guideline with the end of the annual compliance reporting period. In other words, adopt a compliance date of 31 December 2025.

Further, given Powerlink's jurisdictional ring-fencing arrangements, we also recommend the AER amend its transitional provisions to ensure that existing jurisdictional arrangements are preserved until the compliance date. This will enable any other jurisdictional matters to be addressed.

If you have any questions in relation to this submission, please contact me at [REDACTED]

Yours sincerely,



Jennifer Harris
General Manager, Network Regulation