



11 August, 2011

Our Reference: APLNG-MGT-CR-0073  
Your Reference: N/A

Mr Warwick Anderson  
General Manager – Network Regulation  
Australian Energy Regulator  
GPO Box 3131  
Canberra ACT 2601

### **Powerlink Revenue Proposal 2012/13 – 2016/17**

Australia Pacific LNG Pty Limited (APLNG) has recently approved a Final Investment Decision (FID) on the first phase of a two train coal seam gas (CSG) to liquefied natural gas (LNG) project in Queensland. APLNG has Australia's largest CSG reserves position and is already the country's largest producer of CSG, supplying residential and commercial customers.

The APLNG Project aims to create a world scale, long-term industry in Queensland, utilising APLNG's substantial CSG resources to produce LNG for international markets. This will generate jobs and further investment in Queensland.

The Project comprises the further development of CSG fields and the construction of gas pipelines, an LNG liquefaction plant and associated facilities to export LNG to international markets.

The availability of secure and reliable grid-connected power is an important element in APLNG's plans to develop gas processing and water treatment facilities in the Surat Basin. In particular, it allows the use of electric driven gas compression equipment which minimises the local emission, noise and physical footprints of the gas processing facilities.

APLNG has already entered into a Customer Connection and Access Agreement with Powerlink to supply the Condabri region to the south of Miles. This connection alone has an Agreed Power Transfer Capability of 289 MVA. Further network connection points are currently under consideration for other APLNG production areas in Queensland.

APLNG understands that the Australian Energy Regulator is currently considering Powerlink's proposed revenue requirements for the next five year budget period. APLNG considers it essential that the AER allow Powerlink sufficient funding to continue to develop the electricity transmission system in a way that supports further development of Queensland's resources industries in a timely and efficient manner. APLNG makes this submission in support of Powerlink's Revenue Proposal in terms of their planned transmission developments in the Surat basin.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Page Maxson', written over a white background.

**Page Maxson**  
Project Director  
Australia Pacific LNG Pty Ltd

commercial-in-confidence