

6 November 2000



Mr Terry Miller  
Manager Regulatory Affairs  
Powerlink Queensland  
PO Box 1193  
VIRGINIA QLD 4014

Dear Terry

**COMMENTS ARISING FROM POWERLINK FORUM  
THURSDAY 2 NOVEMBER 2000**

Thank you for the opportunity to attend the Powerlink Forum on Thursday, 2 November 2000, covering public consultation on issues relating to the ACCC's Revenue Cap Determination. Chris, Kevin and I appreciated the information provided at the Forum.

In particular, we support Powerlink's endeavours to further debate on issues relating to contracts with generators as an alternative to network investment. This is an issue that affects both transmission and distribution Network Service Providers equally. It is crucial that NSPs are able to properly evaluate such alternatives and have appropriate incentives to ensure these points are considered equally with network investment. Powerlink's suggested approach of including a line in the operating budget which effectively enables a direct pass through of actual costs seems to be a good starting point.

On forecasting capital expenditure, the Discussion Paper incorporates an overview of the planning process in Section 3.4 and Figure 1. Confirming our phone conversation, I request that this section be modified to explicitly reference that options for distribution network investment by the local DNSP is an integral part of ensuring the overall least cost augmentation decision.

Should you wish to discuss any matters in more detail, please do not hesitate to contact either Chris Arnold or myself.

Yours sincerely

  
Peter Price

NETWORK PLANNING MANAGER



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Reference NPM131-00

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