

MURRAYLINK - AER PUBLIC FORUM – DRAFT DECISION

Presentation by Murraylink

12/10/2022

ACKNOWLEDGEMENT OF COUNTRY

We begin today by acknowledging the Traditional Custodians of the land on which we meet today, and pay our respects to their Elders past and present. We extend that respect to Aboriginal and Torres Strait Islander peoples here today.

TOPICS FOR CONSULTATION PRIOR TO REVISED PROPOSAL

- Obsolete Insulated Gate Bipolar Transistors (IGBTs)
- Insurance Premiums
- Security of Critical Infrastructure
- Value of Murraylink

OBSOLETE IGBTs

- Shortly before submitting our Proposal Hitachi informed us that they would no longer be producing IGBTs
- In conjunction with our stakeholders we commenced a work stream to identify the best option for resolving the problem.
- We presented preliminary results of modelling we had engaged Oakley Greenwood to undertake in September.
- This modelling work is ongoing. Oakley Greenwood are present further findings today as they have progressed their modelling.
- We will host a workshop this month after the draft report from Oakley Greenwood has been completed.

INSURANCE PREMIUMS

- Like many Utilities in Australia and internationally, Murraylink is experiencing increasing insurance premiums
 - It is a side affect of the somewhat cyclical nature of the insurance market.
- We have engaged Marsh, insurance brokers and insurance experts, to forecast insurance for the period of the next transmission determination.
- The report will be provided and discussed with stakeholders prior to the revised proposal

SECURITY OF CRITICAL INFRASTRUCTURE (SOC)

- The Security of Critical Infrastructure Act applies to Murraylink
- APA has been reviewing the required ongoing expenditure to be consistent with its obligations under the Act
- There has been some modification to forecast expenditure for these purposes since Murraylink submitted its proposal

VALUE OF MURRAYLINK TO THE NEM

- The question has been raised as to the purpose and benefits of Murraylink
- AEMO has informed Murraylink and the AER of how it uses Murraylink. This letter will be made publicly available
 - Basically it uses Murraylink at higher demand times, to increase flows across the Heywood interconnector and as insurance for other network and generator failures.
- We have engaged Houston Kemp to quantify, to the extent possible, the net market benefits of Murraylink. This work has commenced and the results will be shared with stakeholders prior to submission of the revised proposal.

FEEDBACK

APA Welcome any feedback on the request for proposal.
Stakeholders should not limit themselves to the issues raised in this presentation.

Feedback can be provided via

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