



Ref. A5415651

13 February 2024

Ms Nomiky Panayiotakis  
Senior Adviser  
Australian Energy Market Commission  
Level 15, 60 Castlereagh Street  
SYDNEY NSW 2000

Sent via email

Dear Ms Panayiotakis,

**REF ERC0382 - Resetting Powerlink's System Strength Unit Prices - Consultation Paper**

Powerlink Queensland (Powerlink) welcomes the opportunity to provide feedback on the Australian Energy Market Commission's (AEMC's) Consultation Paper (January 2024) on Powerlink's Rule change proposal to reset its System Strength Unit Prices (SSUP).

By allowing a one off reset of our SSUPs to be published no later than 14 April 2024, this will facilitate the timely implementation of the Rule change and, ultimately, better enable a lower carbon future for Queensland. We also appreciate the AEMC's proposal to expedite the Rule change process on the basis that Powerlink's request is considered non-controversial.

Powerlink broadly supports the AEMC's Rules drafting. However, we provide some minor drafting amendments for the AEMC's consideration in the Attachment. In particular, we consider that the Rules should provide connection proponents with 20 business days to change their election from the date the revised SSUPs are published, rather than from the commencement date of the Rule. This will give proponents reasonable time to consider the revised SSUPs in forming their decision.

We note that the AEMC's Final Rule Determination on the Calculation of System Strength Quantity (SSQ) is scheduled to be released on 29 February<sup>1</sup>. To ensure consistency between determinations, we consider that the AEMC's SSUP Determination should allow for the revised prices to be informed by and published after completion of its SSQ Determination.

If you have any questions in relation to this submission, please contact Sally Taylor.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Jennifer Harris".

Jennifer Harris  
**General Manager, Network Regulation**

Enquiries: Sally Taylor, Manager Pricing and Billing, [sally.taylor@powerlink.com.au](mailto:sally.taylor@powerlink.com.au)

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<sup>1</sup> AEMC Calculation of System Strength Quantity, January 2024

**Attachment: Proposed Rules Drafting Amendments**

|                          | <i>Current</i>   | <i>Proposal</i>  |
|--------------------------|--|--|
| <b>Clause 8A.16.1</b>    | <b>revised system strength unit price</b> for a <i>system strength node</i> on Powerlink's <i>transmission network</i> means a <i>system strength unit price</i> determined and published in accordance with clause 8A.16.3(b).  | Amend the definition of revised system strength unit price so that it reads:<br><br><b>revised system strength unit price</b> for a <i>system strength node</i> on Powerlink's <i>transmission network</i> <u>has the meaning given to it in means a system strength unit price determined and published in accordance with clause 8A.16.3(b).</u>   |
| <b>Clause 8A.16.2</b>    | <ul style="list-style-type: none"> <li>a) Clause 8A.16.3(b) of this participant derogation expires at the end of the revision period.</li> <li>b) The other provisions of this participant derogation expire at the end of Powerlink's current system strength charging period.</li> <li>c) Despite paragraphs (a) and (b), if Powerlink determines and publishes a revised system strength unit price for a system strength node in accordance with clause 8A.16.3(b), it applies for the purposes of determining system strength charges in respect of that system strength node for the remainder of Powerlink's current system strength charging period in accordance with clause 8A.16.3(d).</li> </ul> | <p>References to '<b>Powerlink's</b> current system strength charging period' may cause confusion.</p> <p>Suggest the defined term be amended to 'current system strength charging period', as it is used throughout the rule.</p> <p>Propose the defined term be as follows:<br/><br/><b>Powerlink's current system strength charging period</b> means the period commencing 1 July 2023 and ending on 30 June 2028.</p>  |
| <b>Clause 8A.16.3(b)</b> | Despite clause 6A.23.5(f), Powerlink may, during the revision period, determine and publish a <i>system strength unit price</i> for any of the <i>system strength nodes</i> on its <i>transmission network</i> that is lower than the <i>system strength unit price</i> for that <i>system strength node</i> for Powerlink's current system strength charging period published by Powerlink in March 2023 in accordance with clause 6A.24.2(d).  | <p>Suggest making clear the SSUP that is published in accordance with this clause is a 'revised' SSUP and this is a one-off re-price.</p> <p>Proposed drafting is below:</p> <ul style="list-style-type: none"> <li>b) Despite clause 6A.23.5(f), Powerlink may, during the revision period, determine and publish a one-off revised <i>system strength unit price</i> for any of the <i>system strength nodes</i> on its <i>transmission network</i> (<b>revised system strength unit price</b>). The revised system strength unit price must be lower than the initial <i>system strength unit price</i> for that <i>system strength node</i> determined and published by Powerlink on 15 March 2023 in accordance with clause 6A.24.2(d), that was to apply for the current system strength charging period.</li> </ul> |

|                           | <i>Current</i>  | <i>Proposal</i>  |
|---------------------------|---|--|
| <b>Clause 11.164.3(b)</b> | Despite anything to the contrary in clause 5.3.4B(b1), the <i>Connection Applicant</i> may change its election under that clause by notice to the relevant <i>Network Service Provider</i> under this clause within 20 <i>business days</i> after the effective date. The new election cannot be revoked. | Suggest the draft Rule change be amended to allow a Connection Applicant a period of 20 business days from the date the revised SSUPs are published.<br><br>Without this change, a Connection Applicant may only have 1 business day to consider the revised SSUPs and change its system strength election if the revised system strength unit price is published at the end of the revision period. |