



15 February 2024

Anna Collyer
Chair
Australian Energy Market Commission

Lodged online: www.aemc.gov.au

Dear Ms Collyer,

Resetting Powerlink's system strength unit prices – Consultation Paper

Origin Energy Limited (Origin) welcomes the opportunity to provide comments on the Australian Energy Market Commission's (AEMC) Consultation Paper on the request from Powerlink to reset its system strength unit prices (SSUP).

Origin supports Powerlink's request to reset its SSUP to reflect improved cost estimates. While we recognise the importance of regulatory certainty / stability, in this instance we agree that allowing Powerlink to reset its SSUP during a system strength charging period will assist connection proponents in making the most efficient choice between paying the strength charge or self-remediating. We provide feedback on two elements of the indicative rule drafting below.

- Proposed cl. 11.164.2(b) states that a Network Service Provider (NSP) must notify applicants with in-progress connection enquiries that there may be a change in Powerlink's SSUP as soon as practicable. We recommend also requiring that NSPs notify applicants of the revised value of the relevant SSUP, and within a defined timeframe (such as within 20 business days). These changes would support transparency and ensure information is communicated in a timely manner to connection applicants.
- Proposed cl. 11.164.3(b) states that a connection applicant must notify the relevant NSP within 20 business days after the effective date if it has changed its decision to pay the system strength charge or self-remediate. However, an NSP can take 10 business days to notify a connection applicant of the opportunity to change its decision (Cl. 11.164.3(c)). This means that in practice, an applicant may only have 10 business days to decide whether to change its decision. We therefore recommend increasing the timeframe under cl. 11.164.3(b) to provide applicants with sufficient time to reassess their financial models and commercial arrangements where the SSUP is revised.

If you wish to discuss any aspect of this submission further, please contact Thomas Lozanov at thomas.lozanov@originenergy.com.au.

Yours Sincerely,

A handwritten signature in black ink that reads "S Cole".

Shaun Cole
Group Manger, Regulatory Policy