



Marinus Link Pty Ltd
PO Box 721 Hobart
Tasmania
Australia 7001

25 November 2025

Kate Symons
Board Member, Australian Energy Regulator
Level 17 Casselden, 2 Lonsdale Street
Melbourne VIC 3000

Dear Kate

Proposed publication of EMCa Report

As you know, later this week the AER is proposing to publish its supplementary Draft Decision on Marinus Link's stage 1 construction costs. On Friday 21 November, the AER provided Marinus Link Pty Ltd (**MLPL**) with a report prepared by EMCa which assesses MLPL's proposed risk allowance for Marinus Link's stage 1 construction costs.

We thank the AER for the opportunity to provide a response to this report with regard to preparing redactions prior to any public release. I am writing to you, however, because MLPL has significant concerns with the EMCa report, and its potential use by the AER, that we need to bring to your immediate attention for the benefit of all relevant parties including MLPL, the AER, and external stakeholders.

In MLPL's view, for the reasons set out below the EMCa report should not be published and cannot be relied upon by the AER to make a supplementary Draft Decision on Marinus Link's stage 1 construction costs under Chapter 6A of the National Electricity Rules.

The EMCa report concludes that MLPL has overstated the risk allowance by between 30% and 45% and that an appropriate risk allowance would be between 5-7% of the total project costs. EMCa also states that MLPL adopted a "biased" approach to estimating the risk allowance for Marinus Link's stage 1 construction costs, and we regard this as particularly concerning.

Firstly, the assertion in the EMCa report that MLPL has acted in a "biased" manner is unacceptable. MLPL engaged E3 Advisory to estimate the risk allowance for the Stage 1 construction costs. This engagement was a conscious decision by MLPL's management team and Board to engage a suitably qualified external consultant to prepare a robust risk allowance in accordance with the AER's guidance. E3 Advisory determined the risk allowance used by MLPL and its report was submitted as part of MLPL's revised Revenue Proposal. E3 Advisory's experts then attended a workshop with EMCa and the AER on 4 September 2025 in which E3 Advisory explained its approach and addressed questions raised by EMCa. The assertion that MLPL has adopted a "biased" approach to estimating the risk allowance is false.

Secondly, on a confidential basis, MLPL has asked E3 Advisory to review the EMCa report. The feedback received from E3 Advisory is that EMCa had made material factual errors in its report, based on an incorrect understanding of Marinus Link's contractual arrangements and program schedule. Further, E3 Advisory identified numerous instances where EMCa had misinterpreted or misunderstood the information provided to EMCa during the workshop or made incorrect statements regarding the information provided by E3 Advisory.



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Thirdly, from a process perspective, MLPL is very concerned that it has not been afforded any opportunity to correct the statements and conclusions presented in the EMCa report. Specifically, there has been no communication from EMCa since the workshop on 4 September 2025. Given the materiality of EMCa's findings, MLPL would have appreciated an opportunity to engage with EMCa during the 11 weeks since the workshop. The absence of such engagement has led to a factually inaccurate report.

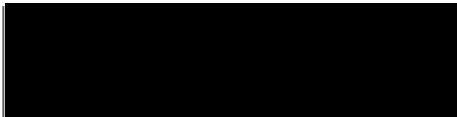
As a result of these matters above, MLPL is concerned about the unnecessary adverse implications for the credibility of both MLPL and the AER to the extent the EMCa report is made public or the AER adopts its conclusions.

MLPL is aware that addressing the deficiencies in the EMCa report may make it difficult for the AER to meet its planned timetable for its final decision regarding Marinus Link's stage 1 construction costs. Regardless, MLPL considers that the EMCa report should not be published or relied upon unless corrected, given the matters noted above and the accompanying confusion and concern that could arise for the project's key stakeholders.

In view of the materiality of our concerns, I would appreciate an indication of the AER's intended course of action at your earliest convenience. We would welcome an opportunity to meet urgently to discuss the above matters, and we provide this letter in the spirit of ensuring that the integrity of this important regulatory process is maintained.

I am copying this letter to Matt Garbutt and Kris Funston.

Yours sincerely



Prajit Parameswar
Acting Chief Executive Officer
Marinus Link Pty Ltd