

January 2026

# Powerlink 2027-32 Revenue Proposal

## Project Pack

### Substation Site and Transmission Line Easement Acquisition Programme



*Project Status: Unapproved*

## Network Requirement

Before Powerlink can construct new electricity transmission network assets we must first acquire certain rights over the land that will host the infrastructure. This includes both the legal right to have access to the land and planning approval to construct the substations and transmission lines that comprise the network. Powerlink typically purchases land outright for substation sites and acquires easements over land owned by third parties to construct transmission lines.

It is important that Powerlink acquire new substation sites and transmission line easements in sufficient time to be able to efficiently deliver the required new infrastructure. If Powerlink has to adopt compressed construction schedules to meet emerging network investment needs due to delays in site and easement acquisition this will lead to overall increased costs to electricity consumers. The expectations of landholders and stakeholder groups with respect to engagement and consultation on future land uses is growing. This means it is important that the process for acquiring new transmission network land assets commences with sufficient time to undertake meaningful engagement and consultation. By meaningfully engaging with existing landholders, traditional owner groups and community stakeholders Powerlink considers it is able to minimise the overall cost to electricity consumers of the development of new electricity transmission network assets.

Powerlink has identified five significant future network development needs for the provision of prescribed transmission services where new substation sites and/or transmission line easements are required. Based on current forecasts the investment in construction activities will need to commence in the early to mid 2030's, if not otherwise triggered through one of the proposed contingent projects. To be able to propose efficient network investment options to meet these prescribed transmission service needs Powerlink considers it necessary to commence the acquisition of these future sites and easements during the 2027 – 32 regulatory control period.

## Load driven

Two future investment needs are driven by forecast demand growth on the Energy Queensland network – one at Southern Cairns in Far North Queensland and one at South Logan in South East Queensland. Joint planning has identified the need for additional transmission supply into these areas as the existing distribution network is nearing its capacity.

The forecast network need date for each project is beyond 2032, and neither the Southern Cairns nor South Logan project will commence construction during the 2027 – 32 regulatory control period. However, works to secure the substation sites and easements will need to commence within the period to meet the anticipated need dates. As the additional load is included within our central forecast, the identified need for investment is considered reasonably firm.

The assessment of options to meet the identified need for both projects will be subject to a future Regulatory Investment Test for Transmission (RIT-T). While there is no Rules requirement to undertake a RIT-T for easement acquisition projects, the cost of the easement acquisition will be included in future options cost analysis under the RIT-T.

### Market Benefits – Contingent Projects

Three future investment needs are not load driven to meet reliability of supply requirements but are expected to deliver net benefits to those that produce, consume and transport electricity in the market. Importantly, two of these easement acquisition projects also support future network reinvestment to address emerging end of life needs for existing transmission assets. That is, the additional easements will be needed even if the proposed contingent projects are not triggered during the 2027 – 32 regulatory control period.

Given the route length and likely time required to procure a number of these easements it is necessary to commence easement acquisition prior to the contingent project trigger occurring. This is essential not only to realise market benefits through timely delivery of a contingent project but also to ensure that credible options exist for future asset renewal or capacity upgrades. Conscious of the delivery timeframe, the emerging end of life needs and the solid evidence available to support the likelihood of market benefits ultimately being supported by a RIT-T, easements to support three market driven contingent projects (Nebo to Bouldercombe, Reid River Third Circuit and Calliope River to Wurdong) are included in the capital expenditure forecast.

### Cost and Timing

The estimated cost of the identified substation site and easement acquisition projects is set out in Table 1 below:

Project	Estimated cost (Real, 2025/26)	Target commissioning date
CP.03077 – Southern Cairns Area Substation Site Acquisition	\$25.4 million	2033
CP.03162 – Reid River Third Circuit Cut-In Easement Acquisition	\$29.0 million	2030
CP.03163 – Calliope River to Wurdong Easement Acquisition	\$48.3 million	2030
CP.03164 – Nebo to Bouldercombe Easement Acquisition	\$188.4 million	2033
CP.03210 – South Logan Area Substation Site Acquisition	\$122.4 million	2033
<b>Substation Site and Transmission Line Easement Acquisition Programme - Total</b>	<b>\$413.5 million</b>	

### Documents in Substation Site and Transmission Line Easement Acquisition Programme Project Pack

*Documents available to AER on request.*