



Ref.: A6131576

30 January 2026

Ms Clare Savage  
Chair  
Australian Energy Regulator  
GPO Box 520  
MELBOURNE VIC 3001

Dear Clare,

### **Powerlink's 2027-32 Revenue Proposal**

I am pleased to provide our Revenue Proposal, Proposed Pricing Methodology and supporting information for the five-year regulatory period from 1 July 2027 to 30 June 2032.

Our Revenue Proposal and supporting material have been prepared consistent with the National Electricity Rules, the Australian Energy Regulator's (AER's) Framework and Approach paper for Powerlink's 2027-32 transmission determination and the Regulatory Information Notice (RIN) issued by the AER for this process.

We retained our goal from our last revenue determination process of delivering a Revenue Proposal that is capable of acceptance by our customers, the AER and Powerlink. We consider that our Revenue Proposal, as an overall package, meets this goal.

The operating environment has changed significantly since we lodged our 2023-27 Revenue Proposal in January 2021. Unprecedented rises in transmission equipment prices due to demand far exceeding supply capacity have seen costs rising at multiples of the prevailing inflation rates. The power system is also becoming much more complex to operate due to the changing nature of generation and demand, while the cost to attract and retain skilled resources has also increased in line with demand.

It has never been more important or challenging for a network business to get the balance right between appropriate investment to ensure reliability and minimising price impacts to customers.

Powerlink's culture is built on serving Queenslanders. We have sought the views of customers in developing our Revenue Proposal. Our research shows our customers view affordability and reliability as the most important factors to consider in future network investment. This research also shows they support investment now for long term benefits in the future.

We have engaged extensively with our Customer Panel, its subset the Revenue Proposal Reference Group and other stakeholders, including the AER's Consumer Challenge Panel (CCP34) and AER staff, on all key elements of our Revenue Proposal. We have listened and acted on customer feedback, particularly around our approach and how we manage the increasing complexity of the energy system. The input we have received has genuinely influenced our Revenue Proposal, with six of 35 identified elements raised to the "empower" or "collaborate" level on the International Association for Public Participation (IAP2) Spectrum of Public Participation.

Our Revenue Proposal forecasts a total revenue requirement of \$5.7 billion (\$ nominal) for the 2027-32 regulatory period, which represents a significant increase from the current period. Under our Revenue Proposal customers will see a rise in the average transmission prices of 5.1% in each year of the next regulatory period. For average residential and small business customers, this represents an estimated rise in the first year of \$7 and \$14, respectively, based on assumed tariffs and consumption.

The increase in revenue is mainly driven by significantly higher rates of return, growth in the Regulatory Asset Base (RAB) due to increased capital expenditure, and higher operating expenditure reflecting changes in the operating environment. Our capital expenditure forecast comprises 95% bottom-up forecast of needs and expenditure that we have assessed and confirmed as necessary to maintain a safe, secure and reliable network and deliverable, based on the improvements we have made and continue to make in the delivery of our projects.

Powerlink's Board, Executive Team, and I are of the view that our Revenue Proposal demonstrates our commitment to successfully navigating an increasingly complex operating environment while managing costs without compromising on reliability or safety. We firmly believe that our Revenue Proposal strikes the right balance by ensuring we can continue to provide reliable and cost-effective transmission services today, while making prudent investment for the transmission needs of tomorrow.

In summary, we consider that our Revenue Proposal is capable of acceptance.

We look forward to the opportunity to discuss our Revenue Proposal with your Board and continuing to work with the AER, customers and other stakeholders to ensure we serve Queenslanders.

If you have any queries in relation to this matter, please do not hesitate to contact me directly, or Roger Smith, Director Revenue Reset.

Yours sincerely



Darryl Rowell  
**INTERIM CHIEF EXECUTIVE**