

Network Capital Projects – Project Description

(Estimated Cost is the anticipated project cashflow, with medium commissioning dates, that will be incurred in the next regulatory period. It is shown in \$2008.)

Project Title	Williamsdale Stage 2		
Project No	5564	Commissioning Date	2012
Category	Augmentation/ Easement	Estimated Cost (2009/14)	\$34.7m

The ACT Government has promulgated Network Service Criteria applying to TransGrid's network supplying the ACT. They are contained in the Australian Capital Territory Disallowable Instrument, Utilities Exemption 2006 No 1 under Utilities Act 2000. The criteria require TransGrid to provide two or more geographically separate connection points at 132 kV and to supply the ACT by 30th June 2009.

The ACT jurisdiction's reliability criteria require TransGrid to establish a second supply point for the ACT with a capacity of at least 375MVA. Provision of the second supply point (Williamsdale 330/132 kV Substation Stage 1) has commenced to comply with the 2009 criteria. These stage 1 works are identified as Project ID 9276 a.

A more onerous criteria applies from 1 July 2012 and requires TransGrid to provide a 330 kV supply, independent of Canberra 330/132 kV substation. Consequently additional stage 2 works are required. These stage 2 works are identified as Project ID 5564.

TransGrid had previously considered that due to the uncertainties associated with gaining planning and project approvals within the ACT jurisdiction for the stage 1 works at Williamsdale, the stage 2 works covered by project ID 5564 should be included as a contingent project.

Since TransGrid has lodged its Revenue proposal, many of the difficulties associated with the planning and development approvals for the stage 1 works have been resolved. TransGrid has kept the AER apprised of our progress on this matter.

TransGrid notes the comments made by the AER in its draft decision on this project and considers it appropriate that this project should now form part of the ex-ante capex. Consequently Williamsdale Stage 2 works (Project ID 5564) has now been moved from being a contingent project to being included in the ex-ante capex allowance.

An application notice has been prepared and contains a preliminary application of the regulatory test. A feasibility report FS PSR 148 Rev 0 has been prepared. The preferred option would require TransGrid to undertake the following works:

- Establishment of a new 330 kV switching station at Wallaroo (northwest of Canberra) on the route of the Yass – Canberra 330 kV transmission line no 9;
- Formation of 330 kV circuits from Yass – Wallaroo and from Wallaroo – Canberra;
- Construction of a short section (approx 3 km) of 330 kV line from Wallaroo to the route of the Canberra – Williamsdale 330 kV line;
- Connection of the new line at Wallaroo and to the Canberra – Williamsdale 330 kV

line. A section of 330 kV line from Canberra would be disconnected at this point;

- Provision of an additional 375 MVA 330/132 kV transformer at Williamsdale

The value of the TransGrid works is estimated as \$34.7M with a proposed commissioning date of June 2012.