

Ref: KS:CU

27 July 2005

Mr Paul Martin
Manager Grid Planning
Powerlink Qld

Dear Mr Martin

Re: Timing of Works at Molendinar

Thank you for the opportunity to comment on the Powerlink Annual Planning Report - 2005.

At a recent joint planning meeting attended by Powerlink representatives held on 19 July 2005, future supply issues in the region bounded by Lismore in the south and South East Queensland in the north were discussed. As participants in the planning process, Powerlink, Transgrid, Energex and Country Energy have agreed that treating this area as a single planning region is consistent with the National Electricity Rules and allows innovative market solutions to be developed for present and emerging network constraints. It was also agreed that an 'n-1' reliability standard would be applied to this planning region with a Probability of Exceedance of 50%.

At the meeting, it was identified that the works that Powerlink is proposing to undertake at Molendinar to meet its local Gold Coast supply requirements could have added benefits in addressing future needs in the broader Northern NSW/South East Queensland planning region. Because of this, **Country Energy would like to request a review of the timing of work at Molendinar which may bring about significant improvements in the security of supply to Country Energy's customers** in the greater Lismore area. The security of supply in the greater Lismore area does not comply with the agreed planning criteria (above) and, when Transgrid's 330kV line (89) between Armidale and Lismore is out of service, there can be a significant thermal constraint on Transgrid's alternate supply via the 132kV circuit (966).

Country Energy believes that, by bringing forward the network augmentation identified for Molendinar in Powerlink's Annual Planning Report - 2005, supply can be made available to the Lismore area via Directlink as an alternative to augmentation of the TransGrid network. More particularly, section 6.5.8 of Powerlink's Annual Planning Report - 2005 identifies the installation of a second transformer at Molendinar by October 2007 and **Country Energy would like to propose that this work, and the installation of an automatic transformer changeover scheme is brought forward.** It is understood that, should Powerlink agree to Country Energy's proposal, this work could not be carried out until after the summer 2005/06 peak period.

Your early advice regarding Country Energy's request to review the timing of works to be carried out at Molendinar would be much appreciated.

Country Energy is also interested in pursuing other contingency solutions that may reduce the risk for summer 05/06. We look forward to discussing these solutions with Powerlink representatives at the next joint planning meeting to be held on 28 July 2005.

Yours sincerely



Ken Stonestreet
Group General Manager – Networks & Infrastructure