

Our Ref: S2007/180
Contact Officer: Robert Millar
Contact Phone: (02) 9230 9134

13 December 2007

Ms Merryn York
Manager, Network Strategy and Performance
Powerlink Queensland
PO Box 1193
Virginia QLD 4014

Dear Ms York 


I am writing to advise you of the outcome of the AER's consideration of the South Pine to Sandgate contingent project (undergrounding) application.

The AER has considered this matter and has decided that Powerlink has sufficiently demonstrated that it meets the requirements in clause 11.6.12(f) of the *National Electricity Rules* and the 2007–2012 Powerlink revenue determination. Accordingly, the AER conditionally approves the application subject to Powerlink formally notifying it that planning approval has been received from the Department of Mines and Energy (The AER will advise the Minister for Mines and Energy separately of its decision). Upon receipt of planning approval the AER will notify Powerlink that an adjustment may be made to its revenue determination to take account of this contingent project.

A statement of reasons, which will be placed on the AER website, is also attached for your information.

Should you have any queries on this matter, please contact Robert Millar on (02) 9230 9134.

Yours sincerely


Mike Buckley
General Manager
Network Regulation North Branch