



13 February 2026

Nicola Falcon
Executive General Manager System Design
Australian Energy Market Operator
Level 12, 171 Collins Street
Melbourne VIC 300

By email: ISP@aemo.com.au

Dear Nicola,

**Powerlink Queensland Submission
Draft 2026 Integrated System Plan**

Powerlink Queensland (Powerlink) welcomes the opportunity to provide feedback on the Australian Energy Market Operator's (AEMO) Draft 2026 Integrated System Plan (ISP) and recognises its importance in helping to shape forecast and planning outcomes of the National Electricity Market (NEM).

Powerlink is working closely with AEMO to improve alignment of assumptions and outcomes between national planning from the ISP and jurisdictional planning from the Queensland Energy Roadmap (Roadmap) with updated information and understanding of these drivers.

Powerlink supports an iterative joint planning approach with AEMO, enabling both parties to respond effectively to emerging outcomes and changes as inputs are refined. An iterative process helps ensure the ISP remains relevant and captures the benefits of ongoing learning from the outcomes of early modelling, including where network options or associated inputs may need adjustment. It is also crucial that the ISP can adopt material changes in the market and policy environment, such as the Roadmap that was released in October 2025.

Powerlink provides the attached formal response to the Draft 2026 ISP to ensure transparency regarding the key matters being discussed with AEMO through joint planning.

If you have any questions in relation to this submission or would like to meet with Powerlink to discuss this matter further, please contact Joe Hemingway.

Yours sincerely

A handwritten signature in blue ink, appearing to read "D. Andersen", with a long horizontal flourish extending to the right.

Daniel Andersen

A/Executive General Manager, Operations and Planning

Enquiries: Joe Hemingway, Senior Network Strategist – joe.hemingway@powerlink.com.au

Transmission augmentation between Central Queensland and Northern Queensland

Powerlink has provided updates to AEMO, via joint planning, on the flow path between Central Queensland (CQ) and Northern Queensland (NQ). Importantly:

1. A network option to efficiently increase capacity to allow new generation in NQ including the North-West region around Flinders (known in the ISP as the North Qld Clean Energy Hub) to be delivered to the main load centres in CQ and Southern Queensland (SQ). This option involves bringing forward asset replacement works that would otherwise need to occur. While this option was included in the 2025 Electricity Network Options Report (ENOR) as Option 4, it was modelled in the Draft 2026 ISP as a standalone option without the consideration of the asset replacement cost savings.
2. Further analysis conducted by Powerlink, since the 2025 ENOR, on the southerly (reverse direction) CQ-NQ transfer capability has identified transient stability limitations that would be the dominant constraints limiting the flow path below thermal limitations.

For both updates, Powerlink and AEMO are working on the appropriate inputs and treatment for the next stage of modelling in the Final 2026 ISP.

Transmission augmentation between Southern Queensland and Central Queensland

Outcomes from the Roadmap identify that more targeted augmentations can more efficiently enable generation development in South-West Queensland avoiding the 500kV augmentation between SQ and CQ as shown in the Draft 2026 ISP.

Powerlink is working with AEMO to better reflect updated input conditions, including a limitation into northern Brisbane, which Powerlink now considers important for the ISP to reflect in its modelling.

Transmission augmentation between Northern New South Wales and Southern Queensland

Powerlink is in active discussions with AEMO and Transgrid on the insights from the Draft 2026 ISP modelling and the actionability status of augmentation on the Queensland – New South Wales Interconnector (QNI Connect), which the Draft 2026 ISP identified requires ongoing analysis. From these discussions, Powerlink seeks to:

- Gain a deeper understanding of the value drivers of the project, ensuring that Powerlink and Transgrid can leverage those insights on any further work on the QNI Connect regulatory investment test for transmission (RIT-T) process. For example, a deeper understanding of the value drivers can help appropriately refine transmission options that target maximising net market benefits for electricity customers. A deeper understanding of the sensitivities of market benefits to future conditions can help refine modelling approaches designed to stress-test the robustness of the investment.
- Test market benefits that have a particular focus on how Queensland coal-fired generators operate into the future, and that the modelling does not assume infeasible operating characteristics.
- Ensure that QNI Connect remains actionable only if it is valuable to electricity customers and the investment is low regrets against uncertain future system conditions.