



Powerlink Queensland

# Annual Report and Financial Statements 2023/24



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## Acknowledgement of Country

Powerlink acknowledges the Traditional Owners and their custodianship of the lands and waters of Queensland and in particular, the lands on which we operate. We pay our respect to their Ancestors, Elders and knowledge holders and recognise their deep history and ongoing connection to Country.

## Reporting

This Annual Report has been prepared in accordance with the provisions of the *Government Owned Corporations Act 1993* (Qld), incorporating aspects of the *Financial Accountability Act 2009* (Qld) and the *Corporations Act 2001* (Cth), and is presented to the Legislative Assembly of Queensland. It contains Powerlink's Financial Report for 2023/24. Powerlink is the trading name of Queensland Electricity Transmission Corporation Limited. ABN 82 078 849 233

# Our profile

## Purpose

Connecting Queenslanders to a world-class energy future.

## Values and behaviours

Accountability • Customer • Teamwork • Safety

## Powerlink profile

Powerlink Queensland (Powerlink) is a leading Australian provider of high voltage electricity transmission network services, combining innovation with insight to deliver safe, cost-effective and reliable solutions.

We are a Government Owned Corporation (GOC) that owns, develops, operates and maintains the high voltage electricity transmission network in Queensland. Our network extends 1,700 kilometres (km) from Cairns to the New South Wales (NSW) border and comprises 15,449 circuit km of transmission lines and 152 substations.

Through our unique central position in the power system, we are guiding the market to help influence the energy system of the future – one that effectively balances customer needs, while transforming to a lower carbon future comprising a diverse array of generation and storage technologies including large-scale wind and solar developments, batteries, pumped hydro and gas turbines.

Powerlink’s network serves as the platform for the provision of energy services while maintaining a sharp focus on safety, affordability and reliability of supply for our customers.

As well as connecting large generators to end-use customers through the distribution networks owned by Energex and Ergon Energy (part of the Energy Queensland Group), and Essential Energy (in northern NSW), we also provide electricity directly to large industrial customers such as rail companies, mines and mineral processing facilities.

As a Transmission Network Service Provider (TNSP), we link to the National Electricity Market (NEM) via the Queensland/NSW Interconnector (QNI) transmission line. Most of Powerlink’s network is regulated by the Australian Energy Regulator (AER) under the National Electricity Law and the National Electricity Rules (NER).

## Strategic objectives in action

Powerlink is focused on four strategic objectives to deliver on our purpose of connecting Queenslanders to a world-class energy future:

- 1. Be the renewable SuperGrid:** We are working to connect large-scale renewable energy projects to the grid, to create Renewable Energy Zones and to ensure our transmission network can host new sources of renewable energy.
- 2. Guide the market:** We are guiding industry and governments in how to navigate the energy transition to deliver the best outcomes for Queenslanders.
- 3. Drive value for customers:** We want to keep electricity costs as low as possible for the people of Queensland by innovating and operating efficiently.
- 4. Unleash our potential:** In a complex and uncertain environment, we need to get the best from our people by empowering our staff and working collaboratively.



# This year's highlights

- We delivered a Net Profit After Tax (NPAT) of \$50.2 million which was \$21.4 million lower than target.
- Queensland reached a new record electricity maximum demand of 11,005 megawatts (MW) on 22 January 2024, representing an unprecedented 9.3 per cent jump year-on-year. Despite record-breaking temperatures over summer, our network continued operating safely and performed well in extreme conditions.
- Powerlink supported development of Queensland's Renewable Energy Zone (REZ) Roadmap, released in March 2024 and to be updated biennially, which outlines the 12 REZs that are proposed to be connected to the Queensland SuperGrid. This Roadmap is a critical component of Queensland's strategy to enable the connection of 25 gigawatts (GW) of new and existing renewable energy generation needed to meet future demand and meet legislated renewable energy and emissions reduction targets.
- At the end of 2023/24, 8,425MW of renewable generation and storage projects were committed and completed in Queensland – 41 projects in total for the State. This significant progress underscores our commitment to expanding renewable energy sources and supporting sustainable development.
- Powerlink established a Major Projects Division to oversee multi-billion-dollar network investment projects. This new division is developing new capabilities, systems and processes essential to support the scale of expected projects. The division also houses dedicated teams for each of the mega projects, such as CopperString 2032, and the individual SuperGrid projects to further focus and strengthen project management.
- The Queensland Government approved a \$1.3 billion delivery launch package in October 2023 to continue the development of the CopperString 2032 project. This approval is crucial for the continued development and implementation of this major infrastructure initiative, which is intended to connect the North West Minerals Province (NWMP) and new renewable generation sources to the National Electricity Market (NEM).
- The *Energy (Renewable Transformation and Jobs) Act 2024* (Qld) was passed in April 2024, supporting the next steps in delivering the Queensland Energy and Jobs Plan (QEJP).
- Powerlink hosted its annual Transmission Network Forum in November 2023. The record attendance of more than 450 participants, both in-person and online, reflected growing interest and engagement in the energy sector.
- Powerlink identified final corridors for Stage 1 of the Supergrid developments outlined in the QEJP, from Halys (near Kingaroy) to Woorooga (near Gympie). This project will also serve to connect the proposed Borumba Pumped Hydro Project.
- In 2023/24, we refined our leading measurement of Health, Safety and Environment (HSE) performance and implemented proactive, risk-focused HSE tools to ensure our controls and incident response meet the needs of our complex and changing work.
- LinkedIn recognised Powerlink as one of Australia's top employers to work for, ranking us 18th in the top 25 organisations. This accolade is linked to the success of our new employee value proposition (EVP).
- Our fourth annual employee engagement survey resulted in our highest-ever overall engagement score of 80 per cent, a four-point increase from 2023.
- We were granted early access to the Microsoft Copilot artificial intelligence (AI) platform, including Microsoft Copilot for Security. Our high adoption rate and productivity gains have drawn global attention, with organisations worldwide adopting our unique rollout method.
- Powerlink's Innovation Hub and Operational Technology Test and Development Centre opened in February 2024 to foster operational innovation.



*Powerlink Landholder Relations and Project Engagement Team members with a landholder from our Wambo Wind Farm Connection Project.*

## Customer and community highlights

- The rollout of the SuperGrid Landholder Payment Framework from July 2023 has significantly boosted payments to landholders who host or are adjacent to new transmission infrastructure.
- Powerlink introduced the Transmission Easement Engagement Process in August 2023. Co-designed with key stakeholders, it outlines how we engage with communities and other stakeholders as we develop, construct, operate and maintain our transmission network.
- In partnership with our subsidiary Queensland Capacity Network (QCN), Powerlink launched the SuperGrid Telecommunications Program to improve access to high-speed internet and mobile phone coverage.
- In recognition of the critical role the State Emergency Service (SES) plays in keeping Queenslanders safe, we doubled our sponsorship funding commitment to \$100,000.
- Powerlink partnered with the Queensland Farmers' Federation to fund an Energy Engagement and Education Advisor to link the agricultural and energy sectors.
- We maintained our funding commitment to Uniting to support their programs for customers in financial hardship or facing extreme vulnerabilities, and continued our support of Foodbank Queensland to provide support for Queensland families.
- We engaged with our Customer Panel and formed an expert panel focused on the Priority Transmission Investment (PTI) engagement model.
- Our interim SuperGrid Training Centre and Transmission Hubs in Gladstone and Townsville gave Powerlink an on-the-ground regional presence in 2023/24.
- Our Innovate Reconciliation Action Plan was endorsed by Reconciliation Australia.
- Powerlink supported the restoration of telecommunications services to flood-affected north Queensland communities via our partnership with QCN.
- In December 2023, in partnership with Energy Queensland and the Electrical Trades Union, we initiated Operation Energise in the Far North Queensland region to assist local residents and businesses impacted by Tropical Cyclone Jasper.



*Powerlink plays a pivotal role in delivering on the Queensland Energy and Jobs Plan and the State's transformation to a new energy future.*

## Financial overview

Powerlink reported a Net Profit After Tax (NPAT) of \$50.2 million which was \$21.4 million below the Statement of Corporate Intent (SCI) target of \$71.6 million.

Powerlink's financial outcome demonstrates a strong business execution in the context of progressing towards a sustainable energy future.

Key SCI performance metrics are reported on page 4 (summary of Statement of Corporate Intent 2023/24 table).

### **Powerlink business performance**

Total revenue for 2023/24 was \$1,168.1 million which included \$178.8 million from other revenue streams encompassing interest revenue and customer works services related to connection enquiries, applications and early works.

The controllable operating expenses for 2023/24 were \$332.3 million, which is 17 percent above forecast. This includes an increase for employee leave entitlements in line with the new Enterprise Agreement effective 1 March 2024.

Cost inflation within the transmission industry has continued to impact both operating and capital expenditure throughout 2023/24. Powerlink maintains a strategic focus on delivering value for consumers, customers, communities and the shareholders, with particular attention to mitigating the impacts of current industry inflation. This commitment involves ongoing enhancements in workforce productivity, supply chain optimisation, and implementing innovative techniques to reduce costs in maintenance and construction.

### **Capital investment**

In 2023/24, Powerlink's capital expenditure totalled \$922.9 million, slightly below the \$958.6 million SCI target. This spending included \$175.4 million for the CopperString 2032 project.

### **Borrowings**

In the fiscal year 2023/24, Powerlink increased its debt financing to \$5.7 billion, up from \$5.2 billion in 2022/23. The increase in debt was specifically designated to finance new Non-Regulated Connection investments.

### **Dividends**

Powerlink has made provision for a final dividend for the 2023/24 fiscal year at \$50.2 million, equating to 100% of Net Profit After Tax (NPAT). Powerlink paid a special dividend of \$70 million in the 2023/24 financial year.

# Summary of Statement of Corporate Intent 2023/24

Powerlink's Statement of Corporate Intent (SCI) for 2023/24, as agreed with Shareholding Ministers, details Powerlink's performance targets, priorities and strategies. The following table sets out the key financial and non-financial indicators in the SCI and Powerlink's performance against them. Further details on performance outcomes are provided throughout the report.

Objectives	2023/24 Performance targets	2023/24 Performance outcomes	2023/24 Performance favourability
<b>Meet financial targets</b>			
Achieve specified financial performance			
Earnings Before Interest and Tax (EBIT) <sup>1</sup>	\$309.4 million	\$263.8 million	●
Net Profit After Tax (NPAT)	\$71.6 million	\$50.2 million	●
Adjusted Net Debt/Regulated Assets Ratio <sup>2</sup>	81.7%	84.5%	○
Net Debt / Regulated Assets Ratio		71.6%	
Adjusted Net Debt/Fixed Assets <sup>3</sup>	63.9%	64.3%	○
Net Debt / Fixed Assets		54.5%	
Funds From Operations on Adjusted Net Debt <sup>4</sup>	>7.9%	7.2%	●
Funds From Operations on Net Debt		8.5%	
<b>Deliver shareholder value</b>			
Deliver targeted dividends and returns to shareholders			
Return on Assets <sup>5</sup>	3.2%	2.6%	●
Distribution Yield	3.4%	5.9%	●
Distribution Cash Coverage <sup>6</sup>	2.6 times	1.6 times	●
Dividend (Paid and Provided) <sup>7</sup>	\$71.6 million	\$120.2 million	●
<b>Deliver our capital works program</b>			
Develop the Queensland transmission grid to maintain reliability and meet customer requirements			
Capital Expenditure	\$958.6 million	\$922.9 million	N/A
<b>Meet non-financial targets</b>			
Achieve specified safety performance			
Health & Safety Assurance & Learning – Delivery against plan <sup>8</sup>	85%	118%	●
Compliant with relevant environmental legislation			
Number of major, extreme or catastrophic environmental incidents	0	0	●
Achieve cost efficiency performance targets			
Controllable operating cost/depreciated asset value <sup>9</sup>	3.0%	3.4%	●
Achieve network performance targets			
System reliability parameters			
- Events in excess of 0.05 system minutes	Not more than 3	1	●
- Events in excess of 0.40 system minutes	Not more than 1	1	●
Increase Queensland Capacity Network Pty Ltd (QCN Fibre) contracted capacity			
Increase in total contracted capacity	>12.0%	23.4%	●

**Legend:** ● Favourable to target ○ Within range (e.g. 5%) of target ● Unfavourable (e.g. outside 5% of target)

<sup>1</sup> The SCI EBIT includes an adjustment for finance charges, interest revenue and the AASB15 Upfront Payment Revenue.

<sup>2</sup> Adjusted Net Debt / Regulated Assets – below target due to lower spend on non-network and the reclassification of specific projects from regulated to transformation.

<sup>3</sup> Adjusted Net Debt to Fixed Assets – the SCI target has been restated to exclude intangible assets from the fixed asset base.

<sup>4</sup> Funds from Operations on Adjusted Net Debt – below target, driven by lower actual EBITDA results.

<sup>5</sup> Return on Assets – below target, driven by lower actual EBIT results.

<sup>6</sup> Distribution Cash Coverage – The FY23 special dividend of \$70 million was provided and paid in FY24.

<sup>7</sup> Dividends include the payment of a \$70 million Special Dividend in 2023/24 and the provision of an Ordinary Dividend of \$50.2 million which is 100% of NPAT.

<sup>8</sup> Monitors progress against a defined set of health and safety assurance and learning activities for the financial year.

<sup>9</sup> Controllable operating cost/depreciated asset value – did not achieve the target due to the increased employee entitlements included in controllable opex.

## Chair's message



### Maintaining our resolve in a challenging year for energy networks.

In 2023/24, Powerlink continued to enable the energy transformation to deliver Queensland's targets of reaching 50 per cent renewables by 2030, 70 per cent by 2032 and 80 per cent by 2035.

Energy is fundamental to the Queensland economy and renewable energy is underpinning a lower carbon future for our State. The Queensland Energy and Jobs Plan (QEJP) provides a blueprint for connecting Queenslanders to a world-class energy future, with 2023/24 a year of significant milestones. In the 12 months since the QEJP's launch, connection enquiries have grown from 8,500 megawatts (MW) to 35,000MW, reflecting a policy environment that has provided more certainty to the investor market.

The *Energy (Renewable Transformation and Jobs) Act 2024* (Qld) passed in April 2024, legislating for renewable energy and enabling the next steps in implementing the QEJP. One outcome is the expected appointment of Powerlink as the Queensland Renewable Energy Zone (REZ) Delivery Body and the Queensland REZ Transmission Network Service Provider – important new roles to drive the delivery of REZs in Queensland. Our market-led REZ model takes a different approach to other states, which is designed to keep downward pressure on electricity prices.

Despite weather and supply chain challenges, we continued to progress work on the Queensland SuperGrid backbone.

The Queensland Government approved a \$1.3 billion delivery launch package in October 2023 to progress the design of and commence early works for the CopperString 2032 project. Working with landholders, Traditional Owner groups, the community and other stakeholders, we have made progress in finalising the transmission corridors and the high-level design to connect Queensland Hydro's Borumba Pumped Hydro Project.

Powerlink worked closely with the Queensland Government on developing the engagement framework and processes for Priority Transmission Investments – a new investment pathway which recognises the step change in transmission network capacity required for the energy transformation.

We remain acutely aware of the cost-of-living pressures being experienced by Queenslanders. We are committed to minimise costs while maximising benefits in the delivery of Queensland's energy system transformation. As we manage technical and procurement complexities, it is the more than five million Queenslanders and 241,000 businesses we serve who remain at the heart of the energy transformation. We continued our support of programs such as Uniting's Energy Support Program and Foodbank Queensland to provide support for Queensland families in financial hardship.

Our support for Queenslanders extends to all the communities where our existing transmission infrastructure and new projects are located. Building trust with these Queensland communities and involving them in our projects are important aspects of providing access to renewable energy. We are working to ensure we engage effectively, and that our community investment approach leaves lasting, meaningful benefits.

This year, we completed Queensland's largest community sentiment research project on renewable energy development. The insights from this research are helping to improve our engagement frameworks and processes, as well as, our day-to-day interactions with landholders and community members.

We are proud to have launched the SuperGrid Landholder Payment Framework, which boosts payments to landholders hosting our infrastructure and, in an Australian first, offers payments to adjacent landholders. We also partnered with Queensland Farmers' Federation to fund an Energy Engagement and Education Advisor. This role will act as a key link between the energy and agriculture sectors.

In May 2024 the Board participated in a site visit to the Gladstone region to understand the magnitude of some of Powerlink's SuperGrid projects and to meet with local stakeholders.

Powerlink will continue to work with stakeholders and the community to deliver a world-class energy future for Queensland, maintaining our resolve in a challenging period for the sector. While our four strategic business objectives remain the same (Be the renewable SuperGrid, Guide the market, Drive value for customers, and Unleash our potential) the environment in which we are delivering them is evolving rapidly. The size and complexity of the challenge is unprecedented, and as the scale of projects becomes larger, it is more important for us to be transparent and meaningful in engagement with our growing cohort of stakeholders and the communities in which we work.

Powerlink reported a Net Profit After Tax (NPAT) of \$50.2 million which was \$21.4 million below the SCl target of \$71.6 million.

Powerlink's dividend policy is to distribute 100 per cent of the Net Profit After Tax, which was \$50.2 million for 2023/24.

Shaping our new energy future includes strengthening our Board's role in strategic engagement opportunities with key stakeholders, while monitoring performance and maintaining an appropriate oversight of risk in a complex market.

During the year, I welcomed the appointment of three new non-executive Board Directors: Kate Drews (Regional Head Australia and New Zealand for the Surbana Jurong Group), Amanda Yeates (CEO of SunCentral) and Dr Prins Ralston (former CEO of Townsville City Council). These appointments have maintained a 50/50 Board gender split in line with our diversity, equity and inclusion goals. I also look forward to welcoming a new non-executive Director, Jenny Hill (former Mayor of Townsville), to the Board in the coming year.

I would like to thank all Board members for their ongoing contribution to guiding Powerlink through a critical period of growth and change as we deliver a once-in-a-lifetime energy transformation.

On behalf of the Board, I'd like to thank all of Powerlink's people for their steadfast commitment to working for Queenslanders. It is through their dedication and expertise that Powerlink is well positioned to shape and deliver Queensland's future energy system.

KATHY HIRSCHFELD AM  
CHAIR



# Chief Executive's review



**Powerlink's workforce is rapidly evolving to keep Queenslanders connected and deliver our state's energy transformation.**

As the pace of change accelerates, Powerlink's people are critical to transforming our energy future. We

have experienced significant organisational growth in 2023/24 as we add capacity and capability to build the infrastructure needed for the transformation. We established a Major Projects Division this year to support delivery of the Queensland Energy and Jobs Plan and the increasing number of mega projects being initiated at an unprecedented scale. The 34 per cent growth in headcount year-on-year reflects our investment in Queensland's energy future and in building our regional presence.

To sustain our momentum, we must recruit, develop and retain experts in a highly competitive market. In 2023/24, we continued to position Powerlink as a global employer of choice, offering broad opportunities not limited to the electricity industry by rolling out our employee value proposition (EVP). Our EVP campaign, 'Every possibility starts with you', has significantly boosted our talent pipeline, including a 51 per cent increase in visitors to Powerlink job advertisements and a 215 per cent rise in all job applications.

It is a testament to our people that through this growth, in April 2024, we were recognised for the first time by LinkedIn as one of Australia's Top 25 employers to work for. We also achieved our highest ever engagement score of 80 per cent in our fourth annual employee engagement survey – putting Powerlink well inside the top 25 per cent of companies of a similar size in Australia.

As we grow, it is important that Powerlink's people feel included and safe to bring their whole selves to work. We set ambitious targets for workforce diversity, equity and inclusion (DEI), and it is noteworthy that in 2023/24, we have achieved 31.2 per cent female leadership against our FY target of 32 per cent.

During the year, we refined our leading measurement of Health, Safety and Environment (HSE) performance and implemented new tools to ensure our controls and incident response meets the needs of our changing work environment

Powerlink has further expanded its regional presence with projects across Queensland. Our interim SuperGrid Training Centre and Transmission Hubs in Gladstone and Townsville helped build our presence in these communities. Together with our key delivery teams across the state, we aim to be a visible and contributing member of the local community. Throughout the energy transformation, we must ensure that regional communities across Queensland gain the greatest benefit in the form of both direct investment and economic opportunities.

Supply chain constraints are a key issue for energy system operators worldwide as the global energy transformation makes high voltage equipment harder to secure with higher costs and longer lead times. For example, since 2020 the lead time for 275 kilovolt (kV) transformers has increased from 1.5 to 3.5 years with unit cost up 62 per cent. Strong relationships with our key suppliers and contractors, and innovative procurement strategies are essential to ensure we continue to deliver our projects in a timely and cost-effective manner.

Despite a challenging environment for project delivery, Powerlink has achieved some significant milestones over the past 12 months.

Work to progress delivery of Powerlink's first mega project, CopperString 2032, is well underway. There has been significant focus on stakeholder engagement along the 840km corridor, including industry briefings, forums, local supplier roadshows and community information drop-in sessions throughout the year. Central to these activities is our objective to maximise opportunities for regional communities, and for local and Indigenous suppliers to meaningfully participate in the project.

Powerlink completed construction work on the transmission infrastructure to connect the 923MW MacIntyre Wind Farm, which will be the largest onshore wind farm in the southern hemisphere once complete. The project forms part of the Southern Downs Renewable Energy Zone (REZ), which is Queensland's second REZ.

We continue to progress connection works for the 252MW Wambo Wind Farm, which will be part of Queensland's third REZ, the Western Downs REZ. Around 90 per cent of the 122 tower foundations have been completed, and more than half the transmission towers are assembled. Transmission line stringing is 40 per cent complete.

Significant progress has been made on the Genex Kidston Connection Project with more than 90 per cent of the 348 tower foundations completed, and 40 per cent of towers assembled and erected along the 186km route. To maintain and grow a world-class network, it is necessary that we embrace innovation across our whole organisation, including new technologies and adapting existing technologies for new purposes. On the Genex Kidston project, approximately one third of the line stringing completed to date was performed by drone, with commensurate productivity improvement and safety risk reduction.

Powerlink has established a truly world-class IT platform that includes productive partnerships with SAP and Microsoft. Powerlink was one of 600 companies worldwide offered early access to the Microsoft Copilot artificial intelligence (AI) platform. During the Early Access Program, Powerlink was ranked in the top three for implementation and use across Australia and New Zealand. We have become a significant reference site, with global organisations adopting our unique rollout method. A key benefit of this platform for the continued growth of our cyber security maturity is Copilot for Security, which improves cyber security outcomes at machine speed and scale.

Our Innovate Reconciliation Action Plan was endorsed this year by Reconciliation Australia. From 2023/24, we began to strategically develop and embed cultural responsiveness into our core business. Our initiatives include a Reconciliation and First Nations Cultural Capability Program to engage our senior leaders and key stakeholders in the importance and advantages of First Nations cultural diversity.

Thank you to Powerlink's people for their extraordinary skill, agility and ongoing commitment to Queensland's energy future. It is through their effort and commitment that we will continue to deliver for the Queenslanders we serve.

PROF. PAUL SIMSHAUSER AM  
CHIEF EXECUTIVE

# Board of Directors



## Kathy Hirschfeld AM

Chair (Appointed 2018) *BE, Hon.DEng Qld, HonFIEAus, FTSE, FIChemE, FAICD*

Kathy has extensive experience on ASX, NYSE, private company and government boards and brings to her board roles corporate and commercial experience as a CEO of a complex manufacturing business. In addition, Kathy has expertise in operational risk management, safety and corporate governance.

Kathy is a chemical engineer with 20 years' experience with BP in oil refining, logistics and exploration in Australia, the UK and Turkey. Kathy was also a Logistics Officer in the Australian Army Reserve. She is currently a director of Central Petroleum Ltd and Sims Limited.

Kathy was appointed a Member of the Order of Australia in 2019 for her significant contribution to engineering, women and business. In 2023 she was awarded an Honorary Doctorate in Engineering by the University of Queensland.

Kathy is passionate about improving the representation of women in leadership and engineering and in 2015 was named one of Australia's AFR/Westpac 100 Women of Influence. In 2014, she was the ninth woman recognised by Engineers Australia as an Honorary Fellow. Kathy is a member of the Powerlink Board's Audit, Risk and Compliance Committee, the People, Safety and Environment Committee and the CopperString 2032 Project Committee.



## Alan Millis

Director (Appointed 2015) *BE (Hons), MEngSc, BEcon, DipCompSc, GAICD*

Alan has more than 40 years' experience in the energy sector and has held management roles covering corporatisation of the Queensland's energy sector Government Owned Corporations, general energy policy, development of the national energy markets, energy market trading and risk management.

He has held a number of senior executive roles in the electricity industry and in government, including as Deputy Director-General within the Queensland Government departments responsible for energy, and as the Queensland Energy Regulator.

Alan has a detailed knowledge of the operational and regulatory environment of the Queensland and national electricity sectors and the issues they face going forward.

Alan is the Chair of the Powerlink Board's Audit, Risk and Compliance Committee and a member of the CopperString 2032 Project Committee.



## Joanna Brand

Director (Appointed 2022) *BA, JD, MBA (Executive), GAICD*

Joanna has more than 25 years' of governance, legal and executive experience, with a record of delivering growth through developing and executing strategy, capital raisings, commercial negotiations, M&A and project management, predominantly in the infrastructure and energy and resources industries.

Joanna is currently an Energy and Infrastructure lawyer with Law Squared, and has previously held roles including Acting General Counsel for Senex Energy and General Counsel and Company Secretary for Iris Energy, Epic Energy, ME Bank and Billabong International. She has also worked for Qantas as the Chief Legal Counsel of Jetstar Airways and on projects including QCLNG and PNG LNG.

Joanna was previously on the Board of Powerlink from 2015-2016 and is currently Deputy Chair of the Melbourne Writers Festival.

Joanna is the Chair of the Powerlink Board's People, Safety and Environment Committee, and a member of the CopperString 2032 Project Committee and the Mega Projects Committee.



## Kevin Hegarty OAM

Director (Appointed 2020) *BBus(Dist), MAICD*

Kevin had a 22-year career within Queensland Health, 17 years of which he was a Health Service Chief Executive. This included accountability for the development of the \$1.87B Sunshine Coast University Hospital.

Prior to his health sector career, Kevin had 14 years in the electricity supply sector commencing in 1981 with the transmission areas of both the Queensland Electricity Generating Board and Queensland Electricity Commission and finally Capricornia Electricity.

Following his retirement from fulltime employment in June 2017, Kevin conducted his own consultancy practice that included clients within the health, education and infrastructure sectors. He ceased this activity in 2024 to focus on board activities.

For three years until June 2021, Kevin served as a Board member of the Queensland Government's then infrastructure body, Building Queensland.

Kevin was awarded the Medal of the Order of Australia (OAM) in the General Division in the Australia Day 2019 Honours List for service to public health administration.

He is a member of the Powerlink Board's Audit, Risk and Compliance Committee, the People, Safety and Environment Committee and the CopperString 2032 Project Committee.



## Wayne Collins

Director (Appointed 2020) *BE (Elect), BBus, MIEAust, GAICD*

Wayne has 43 years of experience in the power and mining industries. Prior to his retirement in June 2020, Wayne led TransAlta Corporation's global mining activity and power generation operations across all fuel types. TransAlta is a publicly traded international power business based in Calgary, Canada.

In his previous role as Chief Operating Officer for Stanwell Corporation Ltd (Queensland), he was responsible for a fleet comprising coal, gas and hydro power generation and a large open cut coal mine.

His career has predominantly been in power plant operations and maintenance but also included a period developing and building new utility scale renewable power plants.

He also spent more than 20 years working in associated energy commodity markets (power, coal, gas, liquid fuel).

Wayne is the Chair of the Powerlink Board's CopperString 2032 Project Committee, and a member of the Audit, Risk and Compliance Committee and the Mega Projects Committee.



## Kate Drews

Director (Appointed 2023) *BA (Politics and History), MCom (Industrial Relations and Organisational Behaviour), GAICD, ComplEAust*

Kate has more than 25 years' experience in the property, energy and infrastructure sectors.

She has considerable experience delivering complex infrastructure for public and private sector clients. Throughout her career, Kate has been involved in the delivery of projects totalling over \$3 billion across various sectors including property, energy, transport, Defence, aviation and justice. She is passionate about the energy transition, circular economy and equity, diversity and inclusion.

Kate is the Regional Head Australia and New Zealand (ANZ) for the Surbana Jurong (SJ) Group, a global urban, infrastructure and managed services consulting firm with over 70 years in successful project delivery. She chairs the SJ Global Council of Excellence for Sustainability and is an Executive Director of SMEC Australia. In 2023 Kate became a Companion of Engineers Australia, recognising her contributions to the industry over the last 30 years. Additionally, Kate is the President of the Queensland Military Historical Society and a member of the Healthy Land and Water Risk and Audit Committee, as well as the Queensland Veterans Reference Group.

Kate is a member of the Powerlink Board's CopperString 2032 Project Committee, the People, Safety and Environment Committee and the Mega Projects Committee.



## Amanda Yeates

Director (Appointed 2023) *BEng, FIEAust, RPEQ, MAICD, Adjunct Fellow - University of Sunshine Coast*

Amanda is an experienced and contemporary leader with strong business, policy, financial, strategic, and political acumen. She has a keen interest in the role of 'for purpose' infrastructure in inclusivity, economic vibrancy and shaping local communities. Amanda also has extensive experience in leadership of major public infrastructure programs.

Amanda is currently the CEO of SunCentral, leading the development of Australia's largest greenfield CBD development, the Maroochydore City Centre. Amanda is also Chair, Australian Institute of Company Directors Sunshine Coast; Co-Chair, University of the Sunshine Coast Engineering Industry Advisory Committee and Board Director, Wishlist (Sunshine Coast Health Foundation).

She is also the Chair of the Powerlink Board's Mega Projects Committee and a member of the Board's Audit, Risk and Compliance Committee and CopperString 2032 Project Committee.



## Dr Prins Ralston

Director (Appointed 2023) *DJS, LLM, LLB, BBus (Acc), BBus (COMP), FCPA, FAICD, FACS, Adjunct Professor James Cook University*

Dr Prins Ralston has a career spanning over three decades as an Executive and Board Director and offers significant expertise in navigating critical strategic, policy, organisational design, capability building, large project delivery and leadership challenges.

Prins has held roles such as Chief Executive Officer of international companies, Partner at top tier legal firms, Principal at the Nous Consulting Group and most recently as the CEO of the Townsville Local Government.

Prins was a Board member of the Gladstone Ports Corporation, a Queensland Government-owned entity, for three years until 2023.

Prins is a member of the Powerlink Board's CopperString 2032 Project Committee, Mega Projects Committee and People, Safety and Environment Committee.

# Executive Team



## Paul Simshauser AM

Chief Executive *BEcon, BCom, MCom, PhD (Econ), FAICD, FCPA*

Prof. Paul Simshauser AM brings to Powerlink more than 25 years' experience in the energy industry across the public and private sectors with extensive experience in system planning, generation, retail, networks, energy policy and public administration.

Paul's previous roles include Director-General of the Queensland Department of Energy & Water Supply, EGM Energy Markets at Infigen Energy and Chief Economist at AGL Energy Ltd.

Paul holds a PhD in Economics and a Masters Degree in Finance and is a Professor of Economics at Griffith University's Centre for Applied Energy Economics and Policy Research.

He was awarded a Member of the Order of Australia in 2019 for significant contribution to the energy industry through executive roles and applied economics and policy research.



## Darryl Rowell

Chief Financial Officer *FCPA, MBA, BCA*

Darryl is an experienced executive in both Australia and New Zealand with a background in both private and public sectors, including the energy industry.

Prior to joining Powerlink, Darryl was the Chief Financial Officer at Queensland Urban Utilities.

Darryl also recently led CleanCo Queensland as Interim Chief Executive Officer for seven months. At Powerlink, Darryl manages all finance, tax, treasury, investment analysis, contract management, internal audit, insurance, network regulation, and legal, business and risk services.



## Jacqui Bridge

Executive General Manager Energy Futures *BEng (Hons) GAICD FIEAust CPEng EngExec*

Jacqui has more than 20 years of experience in the energy sector and brings a detailed understanding of the electricity supply chain, regulation and energy markets.

Her energy consulting career included working with electricity, gas and water utilities throughout the Australia Pacific region.

As Executive General Manager Energy Futures at Powerlink Queensland, Jacqui engages with a range of stakeholders to understand customer needs and influence the development of policy and regulatory frameworks for the future power system.

Jacqui is responsible for leading Powerlink's corporate strategy, energy regulation, energy markets and energy policy functions.



## Gary Edwards

Chief Operating Officer *BBus, AssocDipElecEng*

Gary is an experienced senior leader with more than 35 years' experience in technical and leadership roles within the energy industry.

Gary is responsible for delivering Powerlink's state-wide operations including 24/7 real time operations, all field maintenance, telecommunication services, operational technology, and laboratory and warehousing services.



## Leigh Pickering

Executive General Manager People and Corporate Services *BEcon, GAICD*

Leigh is an experienced senior executive who has held a range of roles at the federal and state level including in the finance, education and transport sectors. She has extensive experience delivering on transformational activities and innovation.

At Powerlink, Leigh leads the people and culture, business information technology, communications and customer engagement, and health, safety and environment functions.



## Stewart Bell

Executive General Manager Network and Business Development *BEng (Hons), PhD (electrical), MBA, CEng, FIET, RPEQ, GAICD*

Stewart is an experienced executive with more than 30 years in the electricity industry. He has held senior management roles across Powerlink, including operations, procurement, network regulation, project design and delivery, asset management and network planning.

Stewart is currently responsible for leading Powerlink's business development, network portfolio and network planning functions. His team has enabled the connection of over 8,000MW of renewable generation and storage projects which are operational or under construction in Queensland.

Stewart is also:

- Non-executive Director, International Council on Large Electric Systems (CIGRE) Australia
- Member of the Electric Power Research Institute (EPRI) Transmission Sector Council
- Member of the Australia Energy Market Operator (AEMO) Executive Joint Planning Committee
- Panel Member, Reliability Panel, Australian Energy Market Commission (AEMC).



## Ian Lowry

Executive General Manager Major Projects *Bachelor Engineering - Electrical (Hons); Graduate Diploma Business, GAICD*

Ian is an experienced senior leader and power systems engineer with an extensive background in the electricity transmission industry, spanning over two decades.

Ian has diverse experience across the many facets of the sector, including asset management and investment planning, customer account management, project development, stakeholder engagement, field operations, and capital program delivery and management.

He leads Powerlink's Major Projects Division which is responsible for developing the transmission network in Queensland, supporting the delivery of the Queensland Energy and Jobs Plan and SuperGrid Infrastructure Blueprint.

Ian is passionate about fostering strong relationships between Powerlink and landholders, Traditional Owners, communities and other key stakeholders. His current focus is on delivering new transmission infrastructure in a way that supports resilient regional communities, drives positive economic development, and facilitates the decarbonisation of the energy sector and broader economy.



## Sarah Huang

Acting Executive General Manager Delivery and Technical Services *BEng (Electrical), MEngS (Power System)*

Sarah is an electrical engineer and experienced leader in the electricity transmission industry, with more than 25 years' professional experience in Australia and overseas. She has gained diverse electrical engineering design knowledge across the private and public sectors, and developed her leadership while progressing through frontline to senior leadership positions.

Sarah is currently Acting EGM Delivery and Technical Services where she is responsible for leading Powerlink's community and delivery services, design solutions and infrastructure delivery functions.

Sarah also represents Powerlink as a Board Director for Australian Power Institute (API).

# Delivering the Queensland Energy and Jobs Plan

In 2023/24, we continued delivering the transmission aspects of the Queensland Energy and Jobs Plan (QEJP), specifically focused on three key elements: the SuperGrid backbone, Renewable Energy Zones (REZs) and the CopperString 2032 project.

To support the delivery of the QEJP, the *Energy (Renewable Transformation and Jobs) Act 2024* (Qld) was passed on 18 April 2024. The Act is an important step, legislating renewable energy targets and setting the framework for the Priority Transmission Investment (PTI) – a new State-based planning and investments framework. The PTI framework supports the development of new transmission projects in a manner that facilitates the renewables transition and outlines how Powerlink will recover costs. In addition, the Act provides for the establishment of a REZ Delivery Body, a position to which Powerlink is expected to be appointed.

As part of the QEJP, the Queensland Energy System Advisory Board will be established in FY25. This independent technical advisory board is a team of seven leading energy experts, including Powerlink Chief Executive, Paul Simshauser AM. The Advisory Board will provide advice and recommendations as part of the Queensland SuperGrid Infrastructure Blueprint update process and deliver an annual progress statement on Queensland's renewable energy targets and delivery of the SuperGrid.

Using industry expertise to make the best decisions for our network and our customers is a critical part of delivering the QEJP. We have continued to engage our Customer Panel and established a Centre of Excellence for Market Modelling to consolidate customer and industry input to feed into the 2025 update of the Queensland SuperGrid Infrastructure Blueprint.

We are proud of the significant progress that has been made in these important areas of the energy transformation. We remain committed to working closely with stakeholders, customers, contractors, landholders and communities to drive positive social performance and provide lasting benefits for communities.

## Building capacity and capability

Powerlink is committed to growing the capacity and capability of our people and the partners who support us. To deliver the QEJP, we have grown our workforce by 34 per cent since this time last year, with more apprentices, trainees and graduates employed than ever before. We have worked to position Powerlink as a global employer of choice with an attractive employee value proposition (EVP). We have delivered proactive recruitment and industry awareness activities, which have increased the number, diversity and quality of applicants wanting to work with us, and we have been recognised by LinkedIn as one of Australia's top employers to work for.

The growth in our workforce has included the establishment of key project delivery positions in the regions to better support our customers and create an ongoing presence

in the communities in which we operate. Our interim hubs in Gladstone and Townsville gave Powerlink an on-ground regional presence in 2023/24, which enhanced community access to our team and offered us valuable insights into unique community needs and expectations.

The scale and complexity of the new transmission projects needed to deliver the SuperGrid and projects like CopperString 2032 are larger than projects historically undertaken by Powerlink. In recognition of this, we have established a Major Projects Division. The new division is developing an integrated strategic plan for major projects (ISPMP) to prepare Powerlink across workforce, systems and capability domains to deliver world-class mega projects. We expect to make good progress in beginning to execute this plan and on securing the resources needed to support parallel development and delivery of a portfolio of mega projects.

## Our current projects

Powerlink is working closely with landholders, Traditional Owner groups, communities and other stakeholders as we deliver projects critical to Queensland's energy future. Our project progress has been strong, despite several being heavily impacted by extreme weather conditions.

We have committed projects and/or connection and access agreements for more than two gigawatts (GW) of wind, solar and batteries to connect to our network. We have a solid pipeline of 59GW in the enquiry and application stage, with a record-breaking number of applications received in 2023/24. In this financial year, we completed and commissioned 300MW of new connections.

We commenced early community engagement, ecological studies and targeted landholder engagement for Gladstone's grid reinforcement. The initial stages of this program include the reinforcement of the existing transmission network between Calvale and Gladstone, which is critical to enable ongoing, reliable supply to the Gladstone region. Early works have been approved to facilitate continued easement acquisitions, detailed design, procurement of long-lead electrical equipment and engagement of construction partners.

Final corridors were established for the transmission connections for the Borumba Pumped Hydro Project after more than two years of community engagement. Powerlink is currently engaging with landholders to negotiate the final 70-metre transmission easement alignment.

Delivery of the Kidston Clean Energy Hub Project in North Queensland was challenged by a severe wet season, including two cyclones. We worked closely with our contractors to meet customer needs and find innovative ways to stay on track for connection works. The Guybal Munjan Switching Station was completed in December 2023, with the Aurumfield Switching Station expected to be completed in late 2024.

The 275kV Northern Region Program, part of the Far North Queensland Renewable Energy Zone (REZ), was also challenged by wet weather. We changed our way of working to allow for electrical and essential civil works and to enable early benefits for customers. Works are now complete at the Woree, Ross, Yabulu South and Tully substations to improve network resilience, manage system strength and unlock an additional 500MW of renewable capacity.

The 923MW MacIntyre Wind Farm, the largest onshore wind farm in the southern hemisphere, was energised in December 2023. This forms part of Queensland's second REZ: the Southern Downs REZ.

We continue to progress connection works for the 252MW Wambo Wind Farm, which will be part of Queensland's third REZ: the Western Downs REZ.

### CopperString 2032

The CopperString 2032 project has seen significant progress this year, with a dedicated leadership and project delivery team appointed to deliver Powerlink's first mega project.

To advance the construction of CopperString 2032, the Queensland Government approved a \$1.3 billion delivery launch package, underpinned by \$1.0 billion in equity funding support in October 2023. This commitment enabled the establishment of a 200-strong project team (part of the new Major Projects division), significant progress on planning and environment approvals, commissioning of all detailed design, the purchase of essential long-lead equipment, and design and procurement of workforce accommodation. More broadly, the Major Projects division has focused on a range of transformation initiatives to improve how we deliver mega projects into the future.

We have also completed significant work across the business to develop the technical scope and specifications for CopperString 2032, in particular, for the proposed 500kV transmission network component of the project.

Powerlink, alongside Queensland Government and construction partners, facilitated a series of road shows across the project corridor in late 2023. These industry briefings took place in Mount Isa, Cloncurry, Julia Creek, Richmond, Hughenden, Charters Towers, Ayr, Burdekin and Townsville and included a series of presentations aimed at local and Indigenous suppliers. Half of the more than 450 businesses registering their interest in being a CopperString 2032 supplier are regionally based. Fifty works packages were released across a range of activities and services, including engineering, construction, environmental management, logistics, haulage and communications.

In January 2024, Powerlink participated in a tour of the CopperString 2032 route hosted by the Honourable Mick de Brenni MP, Minister for Energy and Clean Economy Jobs.<sup>1</sup> The trip showcased investment opportunities in North Queensland, affirming our commitment to employ locally, and connect with regional councils and communities to ensure a positive project legacy.

Early in the new financial year, we will break ground on our Hughenden workforce accommodation – the first and largest accommodation facility constructed to support the delivery of the CopperString 2032 project. We continue to engage with the community and business sector, including potential suppliers, on development of this facility.

We also opened the CopperString 2032 Experience Centre in Townsville with the Deputy Premier to showcase the history of electricity in Queensland, the North West Minerals Province and the region's renewable energy developments. The Centre includes interactive displays and activities highlighting technological innovation.

Finally, we are planning to commence construction of the 330kV section of the CopperString 2032 project, heading west from Hughenden, in March 2025.

### Enabling hydrogen and industrial electrification

Powerlink continued to support the Queensland Government in its goal to grow the hydrogen industry, through the provision of information and expertise from within our organisation.

Decarbonising the whole power system means finding alternatives for the future to maintain reliable electricity supply going forward. Powerlink continued working with directly connected customers to better understand their decarbonisation plans to meet emissions targets and the potential impact on our network.

Powerlink completed several Connection Options Reports in 2023/24 to guide customers in Gladstone and the Northern Bowen Basin on the best way to connect new large loads to the network.

### Battery energy storage systems

Batteries will play an important role in a low emissions future, helping to match energy generation and customer demand, while boosting secure network operations.

Connection of battery energy storage systems (BESS) has seen significant growth in 2023/24, with more than 40 connection requests in the pipeline.

A new 132kV substation bay was constructed at our Bouldercombe Substation, near Rockhampton, to accommodate Genex's Bouldercombe BESS, a 50MW/100MWh battery that became fully operational at the end of 2023.

CS Energy's Greenbank BESS, a 200MW/400MWh battery project, remains on track to be fully operational by mid-2025.

<sup>1</sup> In 2023 the Honourable Mick de Brenni MP was Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement.



*The sun sets at the MacIntyre Wind Farm Connection Project near Warwick, in southern Queensland.*

## Renewable Energy Zones

A Renewable Energy Zone (REZ) is a geographic area with high quality renewable energy resources (sun and wind) in a location with connection hosting capacity in the nearby transmission network.

Declaration of an area as a REZ, with associated conditions for developing and connecting a renewable energy project, will result in more efficient, optimised placement of infrastructure, as well as coordinated community and landholder benefits. Powerlink is also seeking to coordinate development in a REZ to reduce the required investment in transmission infrastructure and to support only the required amount of renewables. By undertaking these investigations, including through mapping, Powerlink can identify and reduce impacts to community, environment, and cultural heritage.

Powerlink is expected to be appointed as the REZ Delivery Body under the *Energy (Renewable Transformation and Jobs) Act 2024* (Qld). The Act also identifies Powerlink as the Transmission Network Service Provider (TNSP) for the REZ transmission network. Once appointed as the REZ Delivery Body, this will see us take on responsibility for the planning, building and operating roles in the delivery of REZs.

In 2023/24, Powerlink worked closely with the Queensland Government on REZ Readiness Assessments (RRAs) to assess the readiness of communities to undertake the relevant development activity, including impacts on ports, roads and housing, and to inform Powerlink's recommendation to the responsible Minister for the REZ declaration process.

Queensland is currently pursuing a market-led REZ approach. This model is characterised by Powerlink working with renewable energy companies to identify projects that are of a size and maturity to drive efficient development of REZs. It is designed to capture economies of scale and to be funded predominantly by the renewable energy companies connecting to the REZ. This approach reflects our commitment to keep downward pressure on electricity prices for Queensland households and businesses.

The REZ Roadmap released in March 2024 (to be updated biennially) outlines the 12 REZs expected to be connected to Powerlink's transmission network.

This year, we continued work on three inflight REZs:

### Far North Queensland REZ

The Far North Queensland REZ enables the connection of an additional 500MW of renewable generation capacity. This completed REZ includes connecting the Kaban Green Power Hub which contains the tallest transmission towers ever constructed on our network.

### Southern Downs REZ

Powerlink's MacIntyre Switching Station was energised this year in anticipation of the commissioning of the 923MW MacIntyre Wind Farm, the first stage of the Southern Downs REZ. This project required 167 transmission towers and poles and 65 kilometres of transmission lines to connect the wind farm to Queensland's transmission network.

### Western Downs REZ

Wambo Wind Farm is the foundation customer for the Western Downs REZ, which has progressed well this year. Our commitment to engagement has led to positive community feedback on the works, which are due for energisation in late 2024.





*Aerial view of Powerlink's substation in front of wind turbines from the Coopers Gap Wind Farm.*

## SuperGrid strategy

The SuperGrid will form the transmission backbone required to successfully deliver the QEJP. In 2023/24, we continued organisation-wide planning to introduce a higher transmission voltage for Queensland, at 500kV. Our SuperGrid development priorities include network design standards and specifications for the new 500kV transmission assets, selection of transmission corridors, and early market engagement with major plant and equipment suppliers to ensure lead times do not impact the delivery of the QEJP's objectives.

In 2023/24, Powerlink worked closely with the Queensland Government on the 2025 review of the Queensland SuperGrid Infrastructure Blueprint.

### SuperGrid Telecommunications Program

The SuperGrid Telecommunications Program is a joint initiative between Powerlink and our subsidiary Queensland Capacity Network (QCN). Powerlink has worked with QCN to improve access to high-speed internet and mobile phone coverage.

The Program uses Powerlink's transmission towers and the fibre optic cable they carry to boost telecommunications services for communities in Renewable Energy Zones (REZs) and across the footprint of Queensland's SuperGrid.

Powerlink also supported the restoration of telecommunications services to flood-affected communities in North Queensland via our partnership with QCN, demonstrating the resilience of our telecommunications services in emergency conditions.

### SuperGrid Training Centre and Transmission Hubs

The SuperGrid Training Centre and Transmission Hubs are already delivering benefits for the regions.

Our Townsville interim hub is home to 39 employees, while our Gladstone interim hub has 33 employees, including six apprentices – all within field delivery and project teams. This was the first time Powerlink has run an assessment of apprentice applicants in a regional location.

Early works on the permanent Gladstone SuperGrid Training Centre and Transmission Hub will commence in 2025. The state-of-the-art indoor transmission training bay facility will be one of Australia's most advanced.

Suitable land has been identified and purchased for the permanent SuperGrid Training Centre and Transmission Hub in Townsville, with early concept designs underway.



*Powerlink Chief Executive Paul Simshauser delivers his State of the Network address at our 2023 Transmission Network Forum with record-breaking industry attendance.*

## Value for customers

### Customers are our priority

Powerlink delivers electricity to more than five million Queenslanders and 241,000 businesses – we exist to serve Queenslanders.

Cognisant of heightened cost-of-living pressures on Queensland homes and businesses, we remain committed to minimising costs while maximising benefits in the delivery of Queensland’s energy system transformation. We regularly review our portfolio of projects to ensure our delivery timeframes are achievable and provide the optimal cost outcomes for Queenslanders.

In 2023/24, we maintained our funding commitment to Uniting to support their programs for customers in financial hardship or facing extreme vulnerabilities.

We also continued our commitment to meaningfully engaging with our Customer Panel as the voice of our customers. The Panel met in July 2023, September 2023, March 2024 and May 2024. With the rapid pace of change impacting the energy system in Queensland, Powerlink has engaged the Panel to build a shared understanding of key topics such as Renewable Energy Zones (REZs) and the Priority Transmission Investment (PTI) engagement model. An expert panel has been formed to gain deeper input from panel members on how to best engage with stakeholders under the new PTI model.

Our annual Transmission Network Forum was held in November 2023, with a record attendance of more than 450 in-person and online participants. The forum included a welcome from the Honourable Mick de Brenni MP, Minister for Energy and Clean Economy Jobs. An industry panel discussed social licence to operate, and an interactive session focused on delivering a REZ to create the best outcomes for Queenslanders, local communities, developers and the transmission network.

### The Energy Charter

As a foundation signatory to the Energy Charter, Powerlink is committed to a cross-sector collaborative framework to deliver better customer outcomes.

Powerlink published its 2022/23 Energy Charter Disclosure Statement (ECDS) to provide insights into our work to ensure we are customer-centric and identify opportunities for continuous improvement.

The five priorities identified in our ECDS were:

1. Renewable Energy Zones
2. Scaling up and readying our organisation to deliver on the QEJP
3. Streamlining connections
4. SuperGrid backbone new transmission investment process and decision making (Priority Transmission Investments)
5. Better partnerships with communities in the delivery of our infrastructure.

Powerlink again co-hosted a joint Chief Executive and Senior Executive engagement with our Customer Panel and customer representatives as part of our accountability commitments under the Energy Charter.

### Connecting new generation

The pace of the energy transformation is reflected by our current pipeline. At the end of 2023/24, 8,425MW of renewable generation and storage projects – 41 projects in total – were committed and completed in Queensland. An additional 59 renewable applications were being processed, representing more than 23,570MW.

In 2023/24, 300MW of new connections were completed. Connection and access agreements were also finalised this financial year for five renewable generators and battery energy storage systems (BESS) that will add 2,154MW of generation capacity.

In seeking to accelerate new generation connections, Powerlink has reaffirmed our commitment to transparent and accessible community and stakeholder engagement with a regional focus.

We are ahead of the market with our established Generator and Customer Performance Standards processes to support network connections under the Rules.

**Renewable electricity generator and battery storage connections completed<sup>1</sup> in 2023/24**

Region	Project	Generation capacity (MW)
Southern	Chinchilla BESS	100
Southern	Western Downs BESS	200
<b>Total</b>		<b>300</b>

**Renewable electricity generator and battery storage connections committed<sup>2</sup> in 2023/24**

Region	Project	Generation capacity (MW)
Southern	Woolooga BESS	200
Southern	Greenbank BESS	200
Southern	Ulinda Park BESS	155
Central	Aldoga Solar Farm	380
Central	Broadsound Solar Farm	296
Southern	MacIntyre Wind Farm <sup>3</sup>	923
<b>Total</b>		<b>2,154</b>

<sup>1</sup> Completed - Completed projects are projects where all Powerlink works are complete. Generation may not be at full capacity as the solar or wind farm may still be under construction or commissioning.

<sup>2</sup> Committed - Committed projects are projects under a Connection Project Delivery Agreements (CPDA) or a significant Early Works Agreement.

<sup>3</sup> Powerlink's scope of works for this project have been completed. Testing and commissioning works, including AEMO registration and market integration, are being completed by customer, Acciona. Generation connection will be possible after testing and commissioning are complete.

**Managing system strength**

From 2025, Powerlink is required under the National Electricity Rules to provide a minimum fault level and to procure system strength from the market.

In March 2024, the Australian Energy Market Commission (AEMC) published a final determination and rule for a one-off reset to Powerlink's system strength unit prices (SSUPs). The final rule allows Powerlink to publish revised SSUPs that will apply from 1 July 2024 for the remaining four years of its current system strength charging period. We sought this rule change to benefit our customers, as it enables a lower unit price for system strength. It should also provide greater incentives for inverter-based resource (IBR) proponents and loads who plan to connect to our network to use Powerlink's centrally procured system strength arrangements rather than adopting individual arrangements.

We ran three system strength customer sessions to update customers on rule changes and cost calculations. By testing the market prior to the rule change, we knew we could deliver lower prices four years ahead of schedule.

Pre-empting the 2025 requirement, we are undertaking an innovative system strength project with RATCH-Australia (RATCH) to repurpose an existing gas turbine as a Hybrid Rotating Grid Stabiliser. We have entered into a System Strength Services Agreement with RATCH's Townsville Power Station for the provision of system strength services.



*Powerlink team members engaging with local communities on the Borumba Pumped Hydro Connection Project at Gympie's annual Sustainable Futures Festival.*

## Our communities

### Community engagement

Powerlink is committed to engaging respectfully, listening intently, and building trust with communities in which we operate. This year, we partnered with the Queensland Farmers' Federation to support a new full-time role to liaise between the agricultural sector and the energy industry, providing more opportunities to share information about regional projects and support engagement.

Our engagement work is guided by the Better Practice Social Licence Guideline, developed as part of the #BetterTogether initiatives through The Energy Charter. Powerlink participated in an independent accountability process to outline how it is performing against priority actions and opportunities in the Better Practice Social Licence Guideline.

We are developing a social performance framework articulating our commitment to helping achieve and maintain the sustainability of communities affected by our infrastructure and supporting their adaptability and resilience to change. Building our social performance capability allows us to respond to increasing community expectations in a rapidly evolving social and environmental context, grow internal expertise and embed social performance in our decision-making.

Powerlink hosted The Energy Charter's Landholder Engagement Training in February 2024 to support our people working in regional communities and engaging with landholders about energy infrastructure in managing their health and wellbeing (and that of landholders) during challenging situations. The training included a Landholder Insights Panel, which shared stories on hosting renewable energy infrastructure and interactions with network businesses.

We were also part of the Stakeholder Reference Group that worked with the Commonwealth Government to develop the national guidelines for community engagement and benefits for transmission.

### Community partnerships

Our ongoing community partnerships bring our social commitment to life. We renewed our commitment to landholders by launching the new Project Participation and Access Allowance in February 2024, which allows eligible landholders to apply for a \$5,000 payment to recognise their participation if Powerlink needs to access their land for on-ground information.

Powerlink partnered with Rural Health Connect to offer a free professional counselling service to landholders and community members as part of the rollout of transmission corridors to support the QEJP.

This year we partnered with RSL Queensland to share opportunities with veterans and offer tailored recruitment, onboarding and support services.

### The Transmission Easement Engagement Process

Powerlink launched the Transmission Easement Engagement Process (TEEP) in August 2023. The TEEP outlines how we engage with communities and other stakeholders as we develop, operate and maintain our transmission network. It is the result of a co-design process with stakeholders – including the Local Government Association of Queensland and Queensland Farmers' Federation – based on a 2023 review of corridor selection processes from study area to final easements.

Our engagement process is built on early and meaningful engagement with landholders, Traditional Owner groups, the community and other stakeholders. Once a project need is identified, we will engage with the community through a number of stages and work collaboratively to carefully assess locations for a new transmission line easement and the potential social, environmental and economic considerations.

## Community sentiment research

For Powerlink to build and maintain its social licence to operate, we need clear insights into how we are perceived by Queensland communities. To support this, in late 2023 we carried out extensive research to gauge the sentiment of communities towards Powerlink and renewable energy development across Southern Queensland, Central Queensland and Far North Queensland.

The research indicates:

- There is community support for Queensland's renewable energy commitment and the need for new projects to achieve it. Respondents across all three regions agreed or strongly agreed that Queensland's renewable energy target was important (67 per cent), that projects in their region were important to meet these targets (55 per cent) and that renewable energy developments were necessary to tackle climate change (57 per cent).
- Powerlink must manage community expectations about the development process and its impacts; support is contingent on community trust that those completing this work will do so responsibly, considering community perspectives in key decisions.
- The main drivers of trust and acceptance for all three regions are:
  - procedural fairness: Powerlink's responsiveness to community concerns
  - distributional fairness: how fairly people feel benefits from developments are shared
  - regulation: confidence in governance (internal and regulation; more confidence = higher trust)
  - support for renewables: support for renewable energy projects in addressing climate change and achieving the Queensland Government's 50 per cent renewables target.
- Key value propositions for renewable development were:
  - creation of local jobs
  - opportunities for small local businesses
  - input into planning
  - effective management of environmental impacts.

## Undergrounding research

Powerlink supported the University of Queensland and Curtin University to undertake independent desktop reviews of global studies on the social, economic and technical aspects of underground and overhead transmission infrastructure. A comprehensive report was released in November 2023 to inform a clear and consistent approach to the consideration of underground and overhead transmission infrastructure.

## Community investment

Powerlink's community investment activities support initiatives and projects that focus on creating sustainable communities and assist with economic development, enhance community and social capacity, build resilience and create positive legacies.

The projects undertaken this year to support local communities include a 'Get up, get out and get active' mental health initiative in Hinchinbrook and a Mount Fox Range project to distribute 60 UHF radios to the community to improve road safety. We supported the Marlborough Lions Club to purchase a mobile cold room for fundraising and emergency events and funded a group of Wakka Wakka Elders from Cherbourg, Murgon and Kingaroy to attend a Native Title determination ceremony on Country in Eidsvoll.

In recognition of our goal to leave lasting project legacies, we also supported leadership and industry programs in regional areas through:

- supporting community candidates to join the annual Red Earth Leadership Program that fosters the development of emerging leaders across community, business and government sectors to effect change in their local communities
- helping the Southern Downs Industry Education Association to develop a business plan and providing advice on professional development programs.

## Sponsorship programs

This year, our sponsorship program continued support for a range of initiatives directly aligned with Powerlink's purpose, values and strategic objectives. The focus in 2023/24 was on empowering communities and supporting the more than five million Queenslanders we serve, with cost-of-living as a key priority.

After doubling our funding commitment to Uniting's Energy Support Program in 2022/23 to help support customers in financial hardship or facing extreme vulnerabilities, we were proud to maintain that support in 2023/24. We recognise that energy affordability is a key consideration for Queenslanders. The free program, delivered by Uniting's energy advisors, provides tailored advice on energy efficiency and energy literacy advice, ensuring all concessions and debt relief supports are applied and supporting people to set up affordable payment plans with their retailers. Powerlink works proactively to build awareness of the program through our communication channels. We facilitate opportunities to link Uniting with stakeholders who assist Queenslanders, including the Queensland Council of Social Service (QCOSS) and the Indigenous Consumer Assistance Network (ICAN). The program is making a real difference, creating an average annual saving of \$665 for households through better access to rebates and concessions and improved energy efficiency.

This year, Powerlink doubled its contribution to the Energising Queensland State Emergency Service (SES) Equipment Program to \$100,000 in recognition of the role of the SES in empowering communities, supporting safety and wellbeing, and reflecting the regionalisation of the Powerlink workforce. Under the renewed partnership with Powerlink and Energy Queensland, SES groups across Queensland will receive a combined \$250,000 worth of vital equipment. In 2023/24, 154 essential equipment items were delivered to 149 SES groups state-wide.

In support of Foodbank Queensland, we donated personal protective equipment (PPE), such as trousers, jackets and gloves, to staff and volunteers. Powerlink people continued to support DV Safe Phone by donating 10 second-hand phones and \$2,000 to the Queensland-based charity assisting survivors of domestic violence.

## Educational partnerships

Educational partnerships have a strong positive impact on interest in working with Powerlink. In 2023/24, we engaged with industry, tertiary and vocational partners to encourage students and others to choose a career path in the energy industry and help secure the future of our talent pipeline.

Across more than 90 events, we engaged with student groups such as the Queensland University of Technology Gender Equity in Engineering Makes Sense (QUT GEMS), industry groups like the National Association of Women in Construction, and educational programs like Girls in STEM.

We continued our support of University of Queensland Women in Engineering by hosting an annual program of activities, including their Industry Day for the next generation of energy leaders.

As a foundation sponsor, we congratulated the Country Universities Centre (CUC) Maranoa on welcoming their 500th student as part of the national CUC program. The program empowers rural and regional students to complete their education by providing technology and academic support.

## Indigenous partnerships

Powerlink partnered with Firesticks, a not-for-profit Indigenous network aiming to increase cultural burning by facilitating cultural learning pathways to fire and land management. Local Traditional Owners have delivered smoking/burning ceremonies on Powerlink project land.

This year, we also partnered with the Clontarf Foundation to support education and employment initiatives for young Aboriginal and Torres Strait Islander men.

## Reconciliation Action Plan

Powerlink's Innovate Reconciliation Action Plan (RAP) was officially endorsed by Reconciliation Australia in 2023/24. The plan will see us strategically developing and embedding cultural responsiveness across the organisation over the next two years.

Through the RAP, we implemented a Cultural Agility – Reconciliation and First Nations Cultural Capability Program to engage our senior leaders and key stakeholders in the importance and advantages of First Nations cultural diversity.

In 2023/24, we developed a cultural learning and engagement strategy and uplifted employee referral payments for under-represented groups, in line with Powerlink's strategy to increase gender equality and First Nations representation. We also launched an Acknowledgement of Country guide and engaged an Indigenous-owned supplier to streamline RAP reporting and transparency.

## Community safety

Safety is a priority for Powerlink, particularly as we manage an increasingly complex operating environment and unprecedented network growth. In 2023/24, we undertook a range of activities to influence the safe behaviour of people as they work and live around our network, including continued partnerships with Before You Dig Australia and Look Up and Live.

We appointed a dedicated advisor to design and advocate for the Powerlink Community Safety Action Plan. Guided by the plan, Powerlink continued taking the community electrical safety message to the regions at events like Beef Week in Rockhampton in May 2024 and FarmFest in Toowoomba in June 2024.



*A Powerlink vehicle parked close by a transmission tower as our team undertake final construction activities as part of delivering on the Queensland Energy and Jobs Plan.*

## A world-class network

### Operating the network

The network operating environment is becoming increasingly complex. Powerlink has looked to new technologies and different ways of working to meet these challenges and has commenced programs and initiatives to prepare for operation of the future power system.

Our Next Generation Network Operations (NGNO) program is transforming the way we operate our network, and the tools we use, to continually improve Queensland's transmission network performance and better adapt to changes in the external environment. The NGNO is a critical foundation for us to manage the network of the future. In the past year, replanning of the NGNO program has been completed. We now have a fully scheduled and costed program of work to deliver over the next three years, along with smaller upgrades being implemented on existing tools. These reflect the scale of the energy transformation we are delivering for Queensland. A core project within the NGNO program is the replacement of Powerlink's Energy Management System (EMS) with an Advanced Energy Management System (AEMS) to meet the challenges of the changing electricity operating environment. The AEMS will feature upgraded functionality to control and operate the network, forecast, and enhance visibility of operational network information.

As part of Powerlink's objective to deliver safe, reliable and cost-effective transmission services for Queenslanders, we have developed a Future Grid Operations Strategy. The strategy details a transformation program aimed at enabling the Queensland transmission network to be operationally resilient, flexible and interconnected as it transitions to a largely renewable-powered grid. As part of the strategy, from April 2024 we commenced the Real Time Network Operations Future Focus Program to support our people in managing increasing operational demands. This framework focuses on improving processes, aligning with international standards and best practices, and upgrading training materials and capability development to ensure our workforce meets the needs of the future energy network.

### Electricity demand and forecasting

Strategic planning and development of the transmission network is integral to Powerlink meeting its obligations under the National Electricity Rules (NER), the *Electricity Act 1994* (Qld) and our Transmission Authority. Our Transmission Annual Planning Report (TAPR) provides a 10-year outlook on the existing and future transmission network in Queensland, including energy and demand forecasts, committed generation, current projects, potential future transmission network investments and non-network solutions.

The 2023 TAPR forecast a mild increase in Queensland's transmission-delivered summer maximum demand at an average rate of 1.8 per cent per annum over the next 10 years. This would increase maximum demand on the network from 9,201 megawatts (MW) (weather corrected) in 2022/23 to 10,879MW in 2032/33. The TAPR also forecast a decline in minimum transmission-delivered demands in all scenarios over the 10-year period.

Queensland set a new record for operational electricity demand of 11,005MW on 22 January 2024, up from 10,070MW in 2023. This was a 9.3 per cent growth in peak demand, compared to the usual one to two per cent of annual growth. Queensland also set a new record for minimum demand of 3,387MW on 17 September 2023.

Powerlink has in the past made use of demand forecasts developed by the Australian Energy Market Operator (AEMO) for convenience and consistency of national demand forecasting. However, due to the complexity of the energy transformation, the demonstrated increase in demand and the critical need for local Queensland knowledge and capability, we are bringing demand and energy forecasting back in-house. To meet our commitments to support the delivery of the QEJP and develop the SuperGrid, we are working with our directly connected customers to develop our own data to complement AEMO forecasts. Powerlink is committed to working with Energy Queensland, AEMO and our customers to understand the impact of electrification on electricity demand and energy requirements.

Powerlink continued to support AEMO to develop the Integrated System Plan (ISP), which identifies optimal development pathways across the National Electricity Market (NEM) up to 2050. The final ISP was released in June 2024, confirming three Queensland projects:

- the Gladstone grid reinforcement to support future load
- stage two of the SuperGrid: 500kV link between central and southern Queensland
- an upgrade of the Queensland to New South Wales Interconnector (QNI) to increase the transmission capacity between the two states.

### Network performance

The complexity of our operating environment continues to increase as the energy transformation accelerates, impacting planning of outages and our approach to asset management. This year our network operated safely through floods, volatile weather and extreme conditions – an outcome we plan for and are proud of.

Minimising the impact of network outages on wholesale market prices remains a key focus in operating our network. The changing generation mix continues to challenge well-established historical operating processes and outage planning principles. In the reporting period, we have seen record breaking levels of maximum operational winter and summer demand, maximum end-user demand, and sharply declining minimum operational demand.

We have facilitated a higher than usual number of planned outages this year to enable project work across the network. We implemented robust contingency plans to reduce customer impacts, with fast restoration should an unplanned outage occur. We are proactively adapting and responding to these new network-operating complexities and working with our customers through this changing environment.

Powerlink’s network performed better than our Statement of Corporate Intent (SCI) target during 2023/24 and did not experience any unexpected loss of supply events greater than the specified thresholds (see page 4).

In 2023, we formed the Asset Management Committee and an associated reporting dashboard to streamline responsibilities and consultation requirements across our asset management portfolio. This was a key recommendation of a review into our processes conducted as part of our efforts towards first time certification against ISO55001 – Strategic Asset Management.

### Network innovation

To maintain and grow a world-class network, it is crucial that we embrace innovation across our whole organisation, including adopting new technologies and work practices and adapting existing technologies to new purposes.

We achieved a key innovation milestone, opening the Innovation Hub and Operational Technology Test and Development Centre in February 2024. The centre includes laboratories and a control room simulator to assess new operational technologies and hardware prior to deployment in the field. This is critical for the security of our network and the safety of our people.

In 2023/24, we:

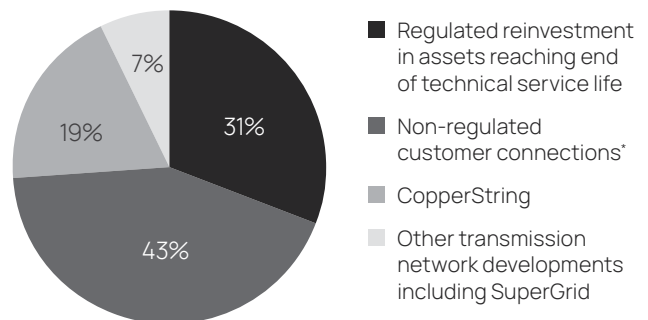
- boosted digital transformation by rolling out the first phase of the Field Delivery Optimisation (FIDO) program
- completed implementation of the 132kV phase lifter that enables work to be undertaken without compromising supply
- trialed a Boston Dynamic Robodog to boost the safety and security of equipment in geographically remote substations
- held our first 500kV Design Innovation Challenge, with eight projects across the network now under feasibility assessment
- moved to the detailed design phase of our new Oil Laboratory facility, which will increase testing capacity and technical capability
- undertook an innovative system strength project to repurpose an existing gas turbine at the Townsville Power Station as a Hybrid Rotating Grid Stabilizer
- minimised risks to the network during times of low network demand by contracting an existing generator in South East Queensland for voltage management.

### Capital works program

Powerlink’s approach to capital expenditure supports a safe, reliable and clean transmission service, delivering on our purpose of connecting Queenslanders to a world-class energy future.

Capital expenditure in 2023/24 was \$922.9 million.

#### Capital expenditure as a percentage of total network capital works 2023/24



\*The cost of non-regulated customer connections is paid for by the customer seeking the connection.



## Major regulated network projects

Major transmission developments and reinvestments (over \$10 million) completed in 2023/24	
Region	Project name
North Queensland	Strathmore 2nd 275/132kV transformer establishment
Central Queensland	Calvale & Callide B 275kV Substation secondary systems replacement
	Lilyvale 132/66kV Substation transformer replacement

Major transmission developments and reinvestments (over \$10 million) under construction in 2023/24	
Region	Project name
North Queensland	Cairns 132kV Substation secondary systems replacement
	Innisfail 132kV Substation secondary systems replacement
	Chalumbin 275kV Substation secondary systems replacement
	Eton to Alligator Creek 132kV transmission line refit
	Davies Creek to Bayview Heights 275kV transmission line refit
	Nebo 275kV Substation replacement
	Ross 275kV and 132kV Substation primary plant replacement
	Townsville South to Clare South 132kV transmission line refit
Central Queensland	Broadsound 275kV bus reactor
	Gladstone South 132kV Substation secondary systems replacement
	Kemmis 132kV Substation secondary systems replacement
	Lilyvale 132kV Substation primary plant replacement
	Wurdong 275kV Substation secondary systems replacement
Southern Queensland	Abermain 110kV Substation secondary systems replacement
	Belmont 275kV bus reactor
	Mudgeeraba 275kV Substation secondary systems replacement
	Next Generation Network Operations Advanced Energy Management System
	Palmwoods 275kV Substation secondary systems replacement
	Mt England 275kV Substation secondary systems replacement
	Tarong 275kV Substation secondary systems replacement - stage 2

## Network maintenance

Network maintenance is critical to maintaining network reliability. Powerlink uses advanced control systems to continuously monitor the operation and performance of the network and deliver a targeted maintenance program.

Our 2023/24 maintenance completion performance was 99.1 per cent.

Maintenance on transmission lines, substations and communication sites 2023/24	
<b>99.1%</b> maintenance completed	<b>\$186.8m</b> invested in maintenance

## Engaging in external regulatory consultation

This year, Powerlink contributed to a range of external regulatory consultation processes to benefit our customers and support maintaining the security of our network.

### Ring-fencing

The *Energy (Renewable Transformation and Jobs) Act 2024* (Qld) was passed in April 2024. The Act will enable the implementation of more flexible ring-fencing arrangements than apply under the National Electricity Rules, allowing Powerlink to deliver on its roles and responsibilities more cost-effectively. This was in response to ring-fencing arrangements introduced by the Australian Energy Regulator, which took effect from March 2024, changing reporting and delivery obligations for Powerlink and other Transmission Network Service Providers (TNSPs).

### Service Target Performance Incentive Scheme

A review of the Service Target Performance Incentive Scheme (STPIS) is underway, with Powerlink and other TNSPs actively contributing. We are advocating for change in areas of this scheme, particularly in relation to congestion metrics.

### System security

Inverter-based resources and renewable connections are changing how our network operates. To ensure we maintain a secure network operating within its specified technical limits, Powerlink's engagement in regulatory consultations is focused on system security, which is as important as reliability for our customers.

### System strength pricing

In March 2024, the Australian Energy Market Commission (AEMC) published a final determination and rule for a one-off reset to Powerlink's system strength unit prices (SSUPs). The final rule allows Powerlink to publish revised SSUPs that will apply from 1 July 2024 for the remaining four years of its current system strength charging period.

This rule change will result in lower system strength charges paid by connecting parties who opt to receive system strength services from Powerlink. It will send a stronger investment signal to connect in Queensland in support of a faster transition to a lower carbon future.

## Regulatory Investment Test for Transmission and other network consultations

Powerlink is required to undertake the Australian Energy Regulator’s (AER) Regulatory Investment Test for Transmission (RIT-T) when the potential capital cost of solutions to replace network assets or increase network capacity are over a \$7 million threshold. In particular, Powerlink is undertaking a RIT-T to address system strength requirements in Queensland from December 2025. This is as a result of a new obligation on Powerlink as the system strength provider for Queensland.

### RIT-T assessments completed in 2023/24

Maintaining power transfer capability and reliability of supply at Kemmis

Addressing the reliability of supply at Nebo

Addressing the secondary systems condition risks at Tangkam

Managing voltages in South East Queensland

### RIT-T consultations underway as at 30 June 2024

Addressing system strength requirements in Queensland from 2025

Addressing the secondary systems condition risks at Sumner

### Other regulated consultation processes completed in 2023/24

Request for power system security services in central, southern and broader Queensland regions

## Procurement

All procurement across Powerlink is guided by the Queensland Procurement Policy and Buy Queensland. We’re committed to ensuring our procurement processes are fair, ethical and safe. We apply all Queensland Government initiatives as far as practicable, including Modern Slavery, Local Supplier, and Aboriginal and Torres Strait Islander Supplier Engagement.

Powerlink’s approach to procurement has been significantly impacted by constraints in global supply chains over the last few years, initially due to the COVID pandemic but more recently due to dramatic increases in demand for equipment worldwide as the energy transformation gathers pace. The increased demand for equipment to support projects has made securing specialised power system equipment increasingly difficult.

We have continued this year with our ‘just-in-case’ inventory management approach to balance the likelihood of project delays with warehousing, storage and budget needs.

We have also adopted a strategy to be the buyer of choice based on:

- our approach to supplier relationship management, including direct engagement with interstate and overseas suppliers by our senior leadership team
- working with global suppliers to pre-order equipment and stock
- supporting suppliers to build assembly factories in Australia to secure our long-lead items.

This year we have also focused on construction-supplier relationship management and increasing the visibility of our pipeline of work to support supplier certainty. Following unprecedented demand across Australia, Powerlink is expanding its contractor base and construction arrangements to help ensure we can meet the construction and commissioning milestones of our projects.

## Cyber security

To deliver safe, cost-effective and reliable electricity to Queenslanders, we are focused on providing a robust cyber security program and growing our cyber security maturity.

In 2023/24, we launched an online security awareness program tailor-made for Powerlink and designed for everyone from staff to Board members. We partnered with Microsoft to gain early access to Microsoft Security CoPilot, a natural language artificial intelligence (AI) tool supporting security management, including reporting and incident response, and improving cyber security outcomes at speed and scale.

## Security of Critical Infrastructure

As a Transmission Network Service Provider, Powerlink must comply with the *Security of Critical Infrastructure Act 2018* (Cth). Powerlink has a number of strategies in development and through recent external assessments has confirmed compliance with legislative requirements for cyber security under the Act.

# Our people

The Powerlink workforce has grown strongly in 2023/24, with a 34 per cent increase in the number of full-time equivalent employees, reflecting the increased pace of work in the transmission sector. We have created a new Major Projects Division to support delivery of large-scale, transformational projects.

This growth ensures we have the skills and capacity to deliver the Queensland Energy and Jobs Plan (QEJP), meet the challenges of the energy transformation, and continue to safely deliver electricity to more than five million Queenslanders.

To meet the demands of the energy transformation, we recruit, retain and engage the best people possible. In 2023/24, we successfully rolled out our employee value proposition (EVP) to position Powerlink as a global employer of choice, offering broad opportunities not limited to the electricity industry. Our EVP has resulted in a huge uplift in employer branding using the tagline, 'Every possibility starts with you'. The campaign had a material impact on our talent pipeline, including:

- 51 per cent increase in visitors to Powerlink job advertisements
- 215 per cent increase in application rates
- 282 per cent increase in early talent applications.

As previously noted, in April 2024 Powerlink was recognised, for the first time, by LinkedIn as one of Australia's Top 25 employers to work for. This milestone reflects our ongoing commitment to our people. We continue to develop strategies to position Powerlink as an employer of choice and have centralised our recruitment function to improve the candidate experience.

Our Strategic Resourcing team is focused on the talent pipeline to improve gender, age and cultural diversity in applications and intakes. Applications for our 2024 apprentice intake were up 140 per cent on the previous year. We have nearly doubled the number of women in the program, including identified First Nations apprentices for the first time. We also had a 50/50 school leaver and mature applicant split.

In recognition of the importance of graduates to our talent pipeline, we added a new civil engineering stream to our Graduate Program. We implemented 15 recommendations from the Engineering Australia framework to improve our graduate employee experience and hired the highest number of women yet in this program in 2023/24. Our formalised Graduate Mentoring Program launched in April 2024 to above-expected demand. We are proud that the Prospel Graduate Survey found Powerlink to be the highest ranked energy/utility nationally for candidate experience and candidate career development.

## Diversity, equity and inclusion

As our workforce grows, it is critical that Powerlink people feel included and safe to bring their whole selves to work. Our Inclusion @ Powerlink program is a three-year program of work to accelerate broader diversity, equity and inclusion (DEI) progress and build a more inclusive workplace.

Updated diversity data drawn from this year's employee census helped us better understand our workforce and ensure the right strategies and programs are in place to support it. We set ambitious targets for workforce diversity, including a goal of 50 per cent women in leadership roles (currently 31.2 per cent against our FY24 target of 32 per cent) and 40 per cent across the whole workforce by 2030.

At the end of 2023/24, we have:

- reached a 4.86 per cent gender pay gap (outperforming the average set by the Workplace Gender Equality Agency)
- maintained a 50/50 gender representation on the Powerlink Board
- achieved 31 per cent of senior leadership positions held by women
- retained our status as a Work180 Endorsed Employer and recognition in the top 101 employers for women in 2024.

In 2023/24, we made and maintained targeted partnerships in support of DEI with organisations like the Diversity Council Australia, National Association for Women in Construction, and Women in Technology.

We also offered our people continued access to the online SBS Inclusion Program training, launched the Inclusion in Action program to foster an inclusive workplace, and rolled out a new leadership onboarding program to value diversity, inclusion and psychological safety in the workplace.

Diversity statistics as derived from the employee census are as follows:

Diversity Powerlink-wide	Percentage of employees
LGBTIQA+	2
People with disability	2
Aboriginal and/or Torres Strait Islander Peoples	1
Australian South Sea Islander Peoples	0
Culturally and linguistically diverse people	31

## Employee engagement

In 2024, Powerlink conducted its fourth annual employee engagement survey, with 82 per cent of employees taking the time to share their thoughts. Powerlink achieved an overall engagement score of 80 per cent, representing a four-point increase from 2023 and our highest engagement score to date. All divisions saw an uplift in employee engagement. This result puts Powerlink’s engagement well inside Australia’s top 25 per cent of companies of a similar size.

### Leadership capability

Leadership is critical to supporting our growing workforce and Queensland’s energy transformation. Our Leadership @ Powerlink framework incorporates development for future and current leaders across four types of learning: capability, diversity, high-potential, and team effectiveness.

### Women in leadership programs

We set ambitious gender equity goals for our workforce and leadership, aligned with the Queensland Government’s commitment to the international Equal by 30 campaign to accelerate equity in the clean energy sector. Powerlink delivers internal and external programs focused on building the capability of women in our workforce and preparing them for leadership roles. In 2023/24, we created dedicated spaces for connection and growth by participating in initiatives such as the Chief Executive Women (CEW) Leaders Program and the Leading Edge and Executive Ready programs from Women and Leadership Australia.

By popular demand, we expanded our Accelerate Women in Leadership program to three cohorts with 40 participants from across all divisions. Nine women have enrolled in this year’s Accelerate Mentoring Program, a 12-month mentoring relationship with a senior woman leader focused on growing and developing leadership skills.

### Executive General Manager Role Ready Program

This new program builds the capability and readiness of identified high-potential general managers for executive leadership. The program is accelerating leadership capability across the organisation and building our internal talent pool.

### Recognition program

This year, Powerlink leaders were provided with a new Recognition at Powerlink guide as part of our organisational focus on improving feedback and recognition. To encourage meaningful connection and recognition within and between teams, we launched a new organisation-wide initiative and toolkit for Connect and Celebrate Week.

## Health and wellbeing

In a period of accelerated workforce growth, we remain committed to the holistic wellbeing of our workforce and nurturing a workplace where every individual feels valued, supported, and able to thrive. We believe that healthy employees are key to a high-performance organisation.

This financial year, we have continued our focus on enhancing the health and wellbeing of our workforce through an assortment of initiatives across the spectrum of physical, mental, organisational and social health. Injury prevention programs, health assessments and free flu shots continue to be integral services we provide to our teams.

The implementation of a financial health program, which is available free to employees as part of our counselling services, has added a new dimension to how we assist in the wellbeing and productivity of our workforce.

## Psychological safety in the modern workforce

This year, we continued the SpeakSafe training and support program to promote psychological safety within our workforce. SpeakSafe fosters an environment of trust and collaboration where employees feel empowered to express themselves openly without fear of judgement. Our employee survey this year reflected a significant improvement in employee morale and mental health.

## Workforce statistics

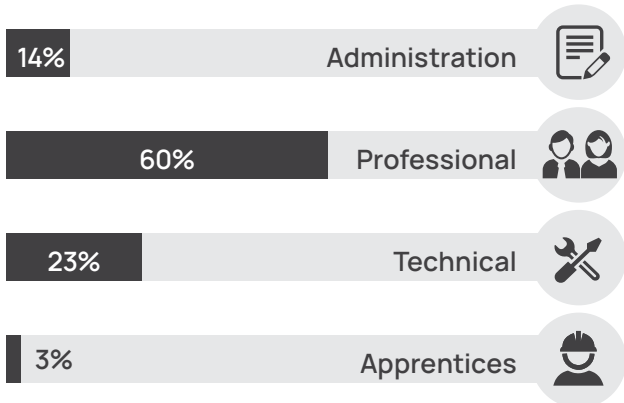
Our workforce was 1681 Full Time Equivalent Staffing as at 30 June 2024.

### Workforce demographics

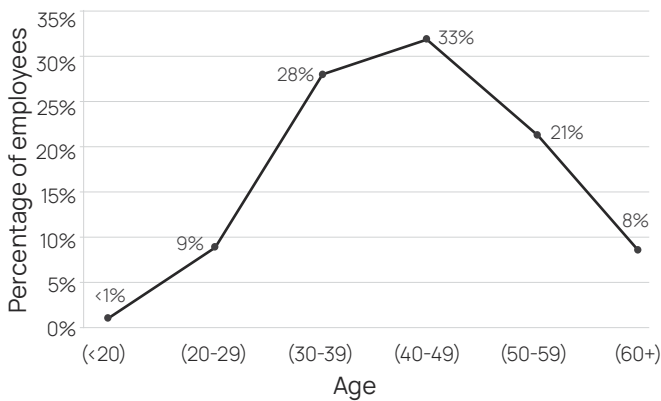
Gender profile*	
Woman	Percentage of employees
Powerlink-wide	29
Apprentices	21
Leadership	31
Executive	38
Board	50
Man	Percentage of employees
Powerlink-wide	69
Apprentices	79
Leadership	68
Executive	63
Board	50
Gender diverse	Percentage of employees
Powerlink-wide	0

\* Note that the gender profile percentages do not add to 100, reflecting that 2% preferred not to say.

### Role profile



### Age profile



### Committed and accountable for safety

Safety is central to how we work, and one of Powerlink’s corporate values. Powerlink strives to support the wellbeing of our people, customers, contractors and communities, and minimise harm to the environment where we work and operate.

Supporting the growth necessary to deliver on the QEJP and Queensland’s energy transformation calls for us to anticipate new risks and reiterate our commitment to safety. It is our responsibility to ensure the safety of our rapidly growing workforce, particularly as new technology and expanded networks come into play.

We have established Health and Safety roles to be permanently located in regional areas for the first time to better manage the safety of our workforce.

### Progressive HSE maturity

Powerlink’s Health, Safety and Environment (HSE) Strategy prioritises enhancing safety learning methodologies, fostering psychological safety, and advancing control improvements. In 2023/24, we continued to mature our HSE approach by using control performance intelligence tools to enable analysis and actionable insights.

Employee engagement was central to testing our HSE maturity, focusing on upskilling teams to identify improvements for regular operations, event response

and upcoming greenfield projects. The recent results of the 2024 employee engagement survey reflect our commitment to meeting HSE performance expectations alongside ongoing operations and future growth.

### Electrical safety

In 2023/24, our Electrical Safety Management System retained certification under the *Electrical Safety Act 2002*.

The delivery of electricity safely and reliably is core to our business. Our safety guidelines and procedures are consistent with the Energy Networks Australia National Guidelines and support the objectives of the National Electricity Network Safety Code. Our commitment to electrical safety is shared by the broader industry and Queensland communities.

As the energy transformation rolls out and we deliver on the QEJP, we continue to provide our expertise and support to the Queensland Government on the ongoing improvement of the State’s electrical safety framework. Consultation on the Final Report of the Review of Queensland’s *Electrical Safety Act 2002* ended in August 2023, with the first round of legislative amendments going to Parliament in May 2024.

Internally, Powerlink has commenced a review into its Electrical Safety Rules (known as the Green Book). It is Powerlink’s most important safety tool, and this review will ensure it remains fit-for-purpose.

### Safety performance

The Board, Executive leadership, and every member of the wider team shares our commitment to improving Health, Safety and Environment (HSE) performance across Powerlink.

In 2023/24, we refined our leading measurement of HSE performance, implementing proactive HSE risk-focused tools to ensure our controls and incident response meet the needs of our complex and changing work. We have taken a more contemporary approach to HSE assurance, underpinned by psychological safety principles. It is designed to capture feedback directly from our people and contractors to inform how our systems support their safe work delivery.

We prioritise Lead Indicators, such as Injury Reduction, Control Review, and Lessons Learned to provide more insights on organisational performance and identify areas for improvement.

Powerlink continues to integrate the latest research into our safety management practices, ensuring a holistic approach to mitigating physical, psychosocial, and community risks. In 2023/24, we used Microsoft’s artificial intelligence tool, Copilot, to analyse the narrative-based approach to control performance and, more broadly, the data coming from proactive learning activities. This process will continue to evolve as the volume and breadth of data generated provides more insight and context around where our processes are performing well and opportunities for improvement.

# Environmental, social and governance

At Powerlink, we are focused on achieving sustainable outcomes across environmental, social and governance (ESG) factors, while seeking to place downward pressure on electricity prices.

As we support the delivery of the QEJP and the SuperGrid, we are mindful of the need to achieve State renewable energy targets and Federal emissions reduction targets.

As part of managing the transition to a lower carbon future, we recognise that the continued growth of our economy is linked to responsible governance, protection of the natural environment and respect for human rights.

Our approach to these issues, and relevant metrics, are summarised below.

Issue	Key measures/initiatives/actions	Target/metric and alignment with Government targets
<b>Environment (e.g. carbon emissions, environmental impacts)</b>		
Climate	Scope 1 & 2 emissions reduction.	Assist Government to achieve 30 per cent emissions reduction below 2005 levels by 2030. <sup>1</sup>
	Monitor technology development for suitable alternatives to SF6-filled electrical equipment.	Monitor only.
	Reduction of emissions associated with energy use in corporate buildings.	Baseline data 2023/24 and 2024/25 in preparation for efficiency initiatives from 2025/26 onwards. <sup>2</sup>
Natural capital	Optimise vegetation clearing on new asset development (transmission lines) to reduce impacts on biodiversity.	Baseline data 2023/24 and 2024/25 in preparation for efficiency initiatives from 2025/26 onwards. <sup>2</sup>
<b>Social (e.g. health and safety, human capital)</b>		
Human capital	Workforce diversity	Proportion of women who permanently occupy an Executive, GM or Manager level leadership position at Powerlink. 2023/24 Target 35 per cent. <sup>2</sup>
Social	Reconciliation Action Plan implementation	Achievement of Innovate Reconciliation Action Plan deliverables. <sup>2</sup>
<b>Governance (e.g. governmental and legislative objectives, board diversity)</b>		
Financial Risk Management	Ensure that Powerlink's standalone credit risk profile is investment grade quality.	A minimum long-term standalone credit rating or opinion of BBB - as issued by Standard & Poor's or Fitch Ratings or the equivalent long-term standalone credit rating issued by Moody's Investors Service. <sup>1</sup>
Governance	Well-articulated risk appetite statements and delegated authority that support responsible, risk based and ethical decision-making.	Number of material governance failures/FY. <sup>2</sup>
	High levels of integrity and supporting behaviours and processes.	Number of CCC referrals/FY. <sup>2</sup> Per cent of complaints adequately resolved to stakeholders' expectations. <sup>4</sup> Code of Conduct training completion rate. <sup>3</sup>
	Contemporary systems of internal control as reflected in robust and effective management systems that comply with Standards (both mandatory and select voluntary obligations).	Per cent of significant and above adverse findings vs total adverse findings. <sup>3</sup> Currency per cent of management system documents.
	Assessment of insurable risks with appropriate levels of insurance fully placed and with reputable insurers.	No material gaps in cover within and across policies. <sup>2</sup> Minimum long-term standalone credit rating of participating underwriters at A- with A.M. Best and / or BBB+ with Standard and Poor's. <sup>3</sup>

1 Direct application of Queensland Government Target or Requirement.

2 Powerlink Queensland target based on Queensland Government general policy direction.

3 Other ESG practice.



Work on the easement for the Wambo Wind Farm Connection Project, which is under development near Jandowae in the Western Downs.

## Environmental management

### Vegetation management

2023/24 was the first year of a statewide 10-year vegetation management contract which saw us work in partnership with vendors and make data-driven decisions to maintain our assets.

Our proactive approach continues, with work to improve maintenance schedules and requirements through initiatives such as LiveEO satellite monitoring of vegetation and a Strategic Working Group with the Bureau of Meteorology (BOM) to leverage expertise across the field. We also delivered an Australian-first trial of traditional fire management in March 2024 in partnership with Queensland Parks and Wildlife Service, Queensland Fire and Emergency Services and neighbouring landholders. We carried out broad-scale strategic burning across 1,500 hectares in the D'Aguiar National Park to protect crucial habitat and minimise the impact of bushfires on our network and Queensland communities.

We also supported several environmentally focused events and groups, including the Queensland Environmental Law Association, Invasive Weeds Association, Pioneer Catchment Landcare, Bulimba Creek Catchment Coordination Committee and the National Renewables in Agriculture Conference.

We had no reportable serious environmental incidents in 2023/24.

### Biodiversity

As part of our commitment to the environment, Powerlink contributed to the development of the *Practice Renewables and Biodiversity: Opportunities for Collaboration Guide* led by the Energy Charter and RE-Alliance. The working group of representatives from the environmental and energy sectors developed the guide to outline the key considerations across all stages of renewable energy project delivery to ensure biodiversity is a key focus now and into the future.

## Climate change and greenhouse gas emissions

Climate change remains a strategic risk monitored by Powerlink's Board and Executive team as we play a key role in the transition to a low carbon future. In 2023/24 we continued to develop our capability and capacity to address risks and impacts, with a focus on Powerlink's efficient emissions approach across work streams.

We submitted our 2023 Annual Report to the Clean Energy Regulator under the National Greenhouse and Energy Reporting Scheme on energy and greenhouse gas emissions. An independent limited assurance audit verified the report, and we remain compliant with the *National Greenhouse and Energy Reporting Act 2007* (Cth).

Powerlink continued to facilitate connections for renewable generators and large-scale batteries throughout 2023/24, helping to reduce overall emissions. Powerlink investigated other options to reduce its carbon footprint consistent with both state and national targets, and routinely assessed existing and proposed operational facilities to ensure continued resilience to climate change risks and impacts.

In an Australian-first, Powerlink has developed a SAP-based product – Sustainability Control Tower – that automates capturing and managing data related to ESG targets, including Scope 1 and Scope 2 emissions, across the supply chain. The new solution will assist Powerlink to meet its mandatory climate-related financial reporting requirements and improve the accuracy and traceability of reporting on greenhouse gas emissions.

## Modern slavery

In 2023/24, Powerlink submitted our annual statement and met our ongoing obligations as outlined in the *Modern Slavery Act 2018* (Cth).

We established a Modern Slavery Working Group with members from across the business and we are working to review how key suppliers are assessed from a modern slavery risk perspective against current status and financial outlook.

# Corporate governance

Powerlink Queensland and its subsidiaries operate and are managed within a corporate governance framework which encompasses an appropriate degree of accountability and transparency to all stakeholders.

## Corporate governance

Powerlink Queensland is a Government Owned Corporation (GOC) under the *Government Owned Corporations Act 1993* (Qld) and is a registered public company under the *Corporations Act 2001* (Cth). The Board of Directors has overall responsibility for corporate governance of the corporation.

Directors are appointed by the Queensland Government and the Board reports to the nominated shareholding Ministers. Powerlink’s shareholding Ministers during 2023/24 were:

**Treasurer and Minister for Trade and Investment (to 17 December 2023)**

**Deputy Premier, Treasurer and Minister for Trade and Investment (from 18 December 2023)**

**Minister for Energy, Renewables and Hydrogen and Minister for Public Works and Procurement (to 17 December 2023)**

**Minister for Energy and Clean Economy Jobs (from 18 December 2023)**

The Queensland Government has published its *Corporate Governance Guidelines for Government Owned Corporations* which includes a *Code of Conduct and Conflicts of Interest Best Practice Guide for Government Owned Corporations*. The Guidelines outline the expectations of shareholding Ministers and describe a set of comprehensive corporate governance principles, and proper disclosure and reporting arrangements that are appropriate to GOCs. There were no revisions made to the Guidelines that required changes to Powerlink’s corporate governance arrangements in 2023/24. The Board has regard to the Guidelines in the overall scope and application of corporate governance within Powerlink.

Corporate governance in Powerlink is managed through a framework of policies approved by the Board and supported by standards, procedures and practices developed by management. The corporation commits to and regularly reviews these to ensure appropriate accountability and control systems are in place to achieve business outcomes and encourage and enhance sustainable business performance. This section of the Annual Report outlines Powerlink’s corporate governance arrangements and describes its reporting and disclosure practices.

The Powerlink Board is responsible for the overall corporate governance of the corporation, setting the strategic direction articulated in Powerlink’s Statement of Corporate Intent (SCI) and five-year Corporate Plan.

The Board sets goals for management and establishes the policies and operational framework for the corporation. It monitors performance of the corporation, its Chief Executive and senior management through regular direct reporting and via established committees.

Details relating to Powerlink Directors, Board Committee composition and meetings in 2023/24 are set out in the Directors’ Report.

The table below sets out the balance and tenure of Board members at Powerlink as at 30 June 2024.

Board balance	Board tenure	
1 Non-Executive Chair	4-6 years	1
7 Non-Executive Directors	0-2 years	4
	2-4 years	2
	4-6 years	0
	8-10 years	1



## Powerlink corporate governance framework

### Shareholding Ministers

#### Our shareholders

Powerlink has two shareholders who hold the shares on behalf of the State of Queensland. Our shareholding Ministers as at 30 June 2024, were:

- The Honourable Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment, holding 50 per cent of the A class voting shares and 100 per cent of the B class non-voting shares.
- The Honourable Mick de Brenni MP, Minister for Energy and Clean Economy Jobs, holding 50 per cent of the A class voting shares.

### Powerlink Queensland Board

#### Key accountabilities of the Board

The Powerlink Board establishes the overall corporate governance of the corporation and is responsible for:

- setting the corporation's values and standards of conduct and ensuring that these are observed
- setting the risk appetite within which the Board expects management to operate
- providing leadership of the corporation within a framework of prudent and effective controls
- setting the corporation's direction, strategies and financial objectives, and ensuring that all necessary resources are available for the business to meet its objectives
- endorsing the Statement of Corporate Intent (SCI)
- monitoring financial outcomes and the integrity of reporting, in particular approving annual budgets and longer-term strategic and business plans
- monitoring management's performance and implementation of strategy, and ensuring appropriate processes for risk assessment, management and internal controls are in place
- ensuring an effective system of corporate governance exists
- disclosing to shareholding Ministers relevant information on the operations, financial performance and financial position of the corporation and its subsidiaries
- selection and appointment of the Chief Executive
- providing formal delegations of authority to the Chief Executive, management and other specified officers.

#### Membership and meetings

- All Directors, including the Chair, are independent, non-executive Directors appointed by the Queensland Government in accordance with the GOC Act.
- In 2023/24, the Powerlink Board held 12 formal meetings of Directors, which were supplemented with Flying Minutes. The attendance record of the Directors at meetings of the Board is presented in the Directors' Report section in the Annual Report.

### Board Committees

#### Audit, Risk and Compliance Committee

The Committee approves the corporation's annual internal audit plan, endorses the risk management profile, and provides a link between the corporation's auditors (internal and external) and the Board. The Committee meets with, and receives reports from, both the internal and external auditors. The Committee also assists the Board in the oversight of financial integrity and legal compliance.

#### People and Safety Committee

The Committee assists the Board in fulfilling its governance responsibilities and due diligence in relation to people, health and safety (which includes both personal and process safety) and the environment. This is achieved by reviewing and reporting to the Board on the People Policy and Health, Safety and Environment Policy and their application relating to organisational strategies, obligations, performance and culture.

### Executive Committees

#### Accountable to Chief Executive:

- Executive Committee for Health, Safety and Environment
- Executive Committee for Enterprise Resilience
- Executive Committee for Network Investment
- Digital Technologies Executive Committee.

### Powerlink Subsidiaries

- Harold Street Holdings Pty Ltd – act as holding company for investments made by the parent company.
- Powerlink Transmission Services Pty Ltd – act as holding company for investments made by the parent company.
- Queensland Capacity Network Pty Ltd – an entity established to operate as a data and telecommunications carrier, jointly owned with Energy Queensland Limited.
- CopperString 2.0 Electricity Transmission Corporation Pty Ltd – entity set up for the purpose of progressing a proposed transmission connection from Townsville to Mt Isa.

## Corporate Governance Guidelines for GOCs – Queensland Government

Powerlink’s corporate governance processes are consistent with the Guidelines issued by the Queensland Government. Powerlink’s corporate governance arrangements in reference to the Guidelines are:

### Principle 1: Foundations of management and oversight

The Board Charter, a summary of which is available on the Powerlink website, describes the Board’s functions and responsibilities, which are to:

- set the corporation’s values and standards of conduct and ensure that these are adhered to
- provide leadership of the corporation within a framework of prudent and effective controls which enable risks to be assessed and managed effectively
- in collaboration with management, develop and approve the corporation’s direction, strategies and financial objectives, and ensure that all necessary resources are available for the business to meet its objectives
- monitor business performance outcomes and the integrity of reporting
- monitor management’s performance and implementation of strategy
- ensure an effective system of corporate governance exists.

The Board and management work together to establish and maintain a legal and ethical environment and framework that ensures accountability.

Day-to-day management of the corporation’s affairs and the implementation of the corporate strategy and business initiatives are formally delegated by the Board to the Chief Executive and senior management, as set out in approved Delegation of Authority instruments. These delegations are reviewed as considered necessary.

The Powerlink Board undertakes an annual evaluation of the performance of the Chief Executive against pre-agreed business and individual targets. The Chief Executive evaluates the annual performance of each executive against pre-agreed business and individual targets, and submits the outcomes of the evaluation to the Board for its consideration and approval.

The Board Handbook is a key resource identifying the major reference documents that are relevant and will assist the Powerlink Directors in undertaking their roles and responsibilities. The Handbook serves as both an induction and an ongoing reference guide for Directors, and is updated annually by the Company Secretary.

New Directors attend induction sessions which provide an overview of Powerlink’s operations and policies, and information on the Board and Committee functions. The induction process assists the Directors to understand their roles and responsibilities.

### Principle 2: Structure the Board to add value

At 30 June 2024, the Board comprised eight independent non-executive Directors. All Directors are appointed by the Government in accordance with the GOC Act. During 2023/24 three new Directors were appointed: Amanda Yeates, Kate Drews and Dr Prins Ralston – while one Director – Lorraine Stephenson – completed her term of appointment.

Details of the skills and experience of each current Director are presented separately in the Board of Directors’ section of this Annual Report. The table below provides an overview of the significant strengths of the current Directors.

	Appointed to Powerlink Board	Finance and commercial	Government and stakeholder relations	Business strategy development	Corporate governance and risk management	Industry knowledge	Human resources and industrial relations
Kathy Hirschfeld AM	1 October 2018	•	•	•	•	•	•
Alan Millis	1 October 2015	•	•	•	•	•	
Wayne Collins	1 October 2020	•	•	•	•	•	•
Kevin Hegarty OAM	1 October 2020	•	•	•	•		•
Joanna Brand	13 October 2022		•	•	•		•
Amanda Yeates	1 October 2023	•	•	•	•		•
Kate Drews	1 October 2023		•	•	•	•	•
Dr Prins Ralston	7 December 2023	•	•	•	•	•	•

The Directors’ Report includes a listing of the terms of office and appointment date for each Director.

In the event of Directors requiring independent professional advice, it is provided at the expense of Powerlink. All Directors, including the Chair, continue to exercise independent judgement in the conduct of their responsibilities.

The Board continually assesses the ongoing independence of the Directors. All Directors are required to disclose any potential conflicts of interest including at the commencement of each Board meeting. Declared interests are recorded and permanently available to Board members. Conflicts declared in meetings are recorded in the minutes of the meeting.

All Directors are considered to be independent. No Directors are considered to have material supplier or customer relationships with the corporation. A pre-determined specific materiality threshold has not been

established by the Board. The Board's assessment of materiality is undertaken on a case-by-case basis taking into consideration the relevant facts and circumstances that may impact Director independence.

The Board annually reviews the individual and collective performance of the Directors and the Board, either through a self-assessment by the Directors and input from the Chief Executive and Company Secretary, or through an external expert review, to assure itself that it operates in accordance with the Board Charter in the discharge of its responsibilities. A key element in this evaluation is the consideration of the continuing education and professional development of Directors.

In addition to business operational and performance matters, the Board specifically considers at each meeting the key issues relevant to the business including health, safety and environment, stakeholder engagement, risk and corporate governance.

In addition to the 2023/24 Board meetings, the Board held a regular series of strategic planning and risk focus sessions to enable leadership to plan and respond to the rapidly evolving business environment.

The Board formally considers its information requirements on an annual basis to ensure it is receiving appropriate information to effectively carry out its responsibilities.

The Board, having completed an external evaluation for 2023/24, received feedback that it is fulfilling its role with no obvious gaps in its performance, and that there was good interaction and relations with shareholding Ministers as well as Powerlink management.

A structured internal process is in place to review and evaluate the performance of Board Committees. Each Board Committee submitted an Annual Report on its activities to the Board.

### Principle 3: Promote ethical and responsible decision-making

The Board has a Code of Conduct that guides Directors in carrying out their duties and responsibilities, sets out expected standards of behaviour, and includes policies relating to conflict of interest issues. A summary of this document is available on the Powerlink website.

The Board provides input to a Dealing in Securities Standard. The primary purpose of this standard is to mitigate the risk of inappropriate trading of shares by Powerlink employees, managers and Directors.

Each Director has a responsibility to declare any related interests, which as outlined in the Board Conflict of Interest Policy, are appropriately recorded and assessed for materiality on a case-by-case basis. Where appropriate, the Director does not participate in the Board's consideration of matters related to the interests disclosed.

All Powerlink Directors and management are expected to act with integrity and strive at all times to enhance the reputation and performance of the corporation.

### Principle 4: Safeguard integrity in financial reporting

The Board has established two Board Committees to assist in fulfilling its corporate governance responsibilities, the:

Powerlink Audit, Risk and Compliance Committee; and  
Powerlink People and Safety Committee.

These Committees have documented mandates that are reviewed on a regular basis, at least every two years. The membership of both Committees consists of non-executive Directors.

Details of Committee members at 30 June 2024 are presented below. The number of Committee meetings held during the year and attendance are presented in the Directors' Report.

Audit, Risk and Compliance Committee
Chair: Alan Millis (appointed to Committee on 1 November 2015, appointed to Committee Chair on 1 July 2016)
Members: Lorraine Stephenson (appointed 1 December 2017; finished 30 September 2023), Kathy Hirschfeld AM (appointed 1 June 2019), Kevin Hegarty OAM (appointed 1 November 2020)

The Powerlink Audit, Risk and Compliance Committee approves the corporation's annual internal audit plan, endorses the risk management profile and provides a link between the corporation's auditors (internal and external) and the Board. The Committee meets with, and receives reports from, both the internal and external auditors over the duration of the financial year.

The Committee is responsible for considering the annual statutory financial statements for subsequent consideration and approval by the Board. The Chief Executive and Chief Financial Officer are required to provide an annual declaration that the financial statements represent a true and fair view, and are in accordance with accounting standards. The processes the Chief Executive and the Chief Financial Officer have in place to support their certifications to the Board are also considered by the Committee.

The Committee also assesses and reports on issues relating to financial integrity, corporate processes for compliance with laws and regulations, codes of conduct and business risk management.

### People and Safety Committee

Chair: Wayne Collins (appointed 1 October 2020, appointed to Committee Chair in October 2022)

Members: Kathy Hirschfeld AM (appointed 1 December 2018), Joanna Brand (appointed 25 October 2022).

The Committee assists the Board in fulfilling its governance responsibilities and due diligence in relation to people, health and safety (which includes both personal and process safety) and the environment. This is to be achieved by reviewing and reporting to the Board on the People Policy and Health, Safety and Environment Policy and their application relating to organisational strategies, obligations, performance and culture.

Information on the numbers and attendees of Board and Committee meetings held during 2023/24 can be found in the Directors' Report.

#### Principle 5: Make timely and balanced disclosures

Powerlink has established processes to ensure it meets its disclosure and reporting obligations, including those to shareholding Ministers. Powerlink's reporting arrangements include the Annual Report, regulatory reports, Powerlink website and other public disclosures.

#### Principle 6: Respect the rights of shareholders

The Powerlink Board has a communication framework to promote effective communication with shareholding Ministers. The Board aims to ensure that shareholding Ministers are informed of all major developments affecting the corporation's state of affairs. This includes regular meetings with shareholding Ministers' representatives and departments, and information communicated formally through quarterly progress reports and the Annual Report.

Each year, Powerlink prepares its SCI and five-year Corporate Plan, reflecting the outcomes of a comprehensive strategic and business planning process involving the Board and the Executive. Both documents are presented to shareholding Ministers.

Quarterly progress reports on the performance against the SCI are prepared by the Board and are submitted to shareholding Ministers.

#### Principle 7: Recognise and manage risk

Risk assessment processes are inherent within Powerlink's business. Powerlink has an approved Risk Management Policy and supporting Risk Appetite Statements that provide an overall framework and structure for the management of risk within Powerlink. Management regularly reports to the Board on key business risks.

An Executive Committee structure also operates in parallel with the Board Committees to address key strategic and operational priorities. Each of these Executive Committees submits reports to the Audit, Risk and Compliance

Committee, or the People and Safety Committee, through the Chief Executive.

The Executive Committee for Health, Safety and Environment develops and directs Powerlink's health, safety and environmental management practices. The Committee develops appropriate strategic responses to health, safety and environmental issues, and ensures the management of risk and compliance with Powerlink standards and with relevant health, safety and environmental legislation.

The Executive Committee for Enterprise Resilience has governance over the development, approval and improvement of Powerlink's approaches to security management and the management of significant emergencies.

The Digital Technologies Executive Committee provides overarching governance and shapes strategic direction for digital technology, including both information technology and operational technology.

The Executive Committee for Network Investment provides strategic oversight to the proposed network investment program (regulated, non-regulated and power system transformation investments), to enhance decision transparency and ensure alignment with business priorities and objectives.

The corporation's internal control framework is designed to provide reasonable assurance regarding the achievement of the corporation's objectives. Implicit within this framework is the prevention of fraud (including corruption). Powerlink has a range of strategies and approaches that provides an effective integrity, fraud and corruption control framework that is integrated with the corporation's enterprise information management systems.

Powerlink's Code of Conduct documents aim to ensure that Powerlink employees and those carrying out work for Powerlink perform their work cost-effectively, efficiently, cooperatively, honestly, ethically and with respect and consideration for others.

#### Principle 8: Remunerate fairly and responsibly

Powerlink seeks to develop individuals to attain the skills and motivation necessary to excel in an environment of high achievement. High priority is given to selecting the best person for the job at all levels in the corporation, recognising the benefits of diversity, and investing in that person's potential through further training and development.

The membership and responsibilities of the Board's People and Safety Committee are presented in Principle 4. Powerlink's remuneration framework is designed to:

- attract and retain high quality and talented people from competitive labour markets;
- and recognise and reward our people for performance outcomes and behaviours.

New replacement agreements, the Working at Powerlink Union Collective Agreement 2024 and the Powerlink



Powerlink staff members in a meeting at our Virginia offices. Our commitment to our people remains a priority as our workforce continues to grow.

Managers Enterprise Agreement 2024, underpin Powerlink's remuneration framework. The Agreements allow for Powerlink and its employees to respond to targets agreed with our shareholding Ministers and continue to focus Powerlink on developing a competitive and efficient workforce.

The remuneration framework provides the opportunity for performance-based payments for all employees engaged on a Total Employment Cost (TEC) contract, with the payments directly linked to the performance of the business and the performance of the individual against pre-agreed performance targets. All TEC contracts are reviewed annually.

Powerlink's Chief Executive and Senior Executives also have their performance payments governed by the requirements of the Policy for Government Owned Corporations Chief and Senior Executive Employment Arrangements.

Employees engaged under the Working at Powerlink Union Collective Agreement 2024 may be eligible for performance-based payments that are delivered as gainsharing. The gainsharing payment is made subject to the corporation's profitability target being exceeded and key organisation performance measures and stretch targets being achieved.

The fees paid to Directors for serving on the Boards and on the Committees of the Board are determined by shareholding Ministers. Directors also receive reimbursement for expenditure incurred in performing their roles as Directors.

### Shareholding Ministers' directions

There were no shareholding Ministers' directions in 2023/24.

### Corporate entertainment and hospitality

The GOC Corporate Entertainment and Hospitality Guidelines establish reporting requirements for GOCs. Powerlink's corporate entertainment and hospitality expenditure for 2023/24 totalled \$60,725. There were no events above the individual reporting threshold of \$5,000.

### Human Rights Act reporting

Following the commencement of the *Human Rights Act* (Cth) in July 2019, Powerlink undertook a review of the possible areas where its operations may impact on protected human rights. Powerlink identified 10 areas of its operations where protected human rights may be affected. Operational areas identified included:

- ensuring property rights are respected when seeking to acquire property compulsorily
- respecting Indigenous rights when acquiring Native Title or affecting Indigenous Cultural Heritage
- allowing peaceful assembly on Powerlink's property.

A decision-making framework compatible with human rights is in place, with specific officers appointed as contacts and advisors. There have been no human rights complaints during the reporting period.

# Statistical summary

Substations/switching stations and transformers added in 2023/24					
Voltage	Substations		Transformers		
	Total number	Location	Total number	Total rating (MVA)	Location
330kV	2	Tummaville, MISS	0	0	
275kV	3	Banana Bridge, Guybal Munjan, Tully South	1	125	Tully South 1TX (+250), Banana Bridge 1TX (+125), Mudgeeraba 3TX (-250)
132kV	1	Greenland	-2	-140	Blackwater 2TX (-80), Collinsville North 1TX (-60)
110kV	0		0	0	
<b>Total</b>	<b>6</b>		<b>-1</b>	<b>-15</b>	

Substations/switching stations and communication sites as at 30 June 2024			
Voltage	Substations	Cable transitions	Communication sites
330kV	6	0	
275kV	51	1	
132kV	82	3	
110kV	13	5	
66kV*	0	0	
<b>Total</b>	<b>152</b>	<b>9</b>	<b>34†</b>

\* Equal to or less than 66kV

† Two communication sites decommissioned (Mt Kanigan, Ghrooman Bille Repeater Site)

Power transformers as at 30 June 2024		
Voltage	Total	MVA
330kV	5	4975
275kV	81	24210
132kV	93	7527
110kV	29	2470
66kV*	0	0
<b>Total</b>	<b>208</b>	<b>39182</b>

\* Equal to or less than 66kV

Circuit breakers as at 30 June 2024	
Voltage	Total number
330kV	46
275kV	545
132kV	555
110kV	266
66kV*	23
<b>Total</b>	<b>1435</b>

\* Equal to or less than 66kV



**Capacitor banks, shunt reactors and Static Var Compensators added in 2023/24**

Voltage	Capacitor banks		Reactors		SVCs		Location
	Total	MVAr	Total	MVAr	Total	MVAr	
330kV	0	0.0	0	0.0	0	0.0	
275kV	0	0.0	2	200.0	0	0.0	Broadsound 3REAC (150MVA), Woree 6REAC (50MVA)
132kV	0	0.0	0	0.0	0	0.0	
110kV	0	0.0	0	0.0	0	0.0	
66kV*	0	0.0	0	0.0	0	0.0	
<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>2</b>	<b>200.0</b>	<b>0</b>	<b>0.0</b>	

\* Equal to or less than 66kV

**Capacitor banks, shunt reactors and Static Var Compensators as at 30 June 2024**

Voltage	Capacitor banks		Reactors		SVCs	
	Total	MVAr	Total	MVAr	Total	MVAr
330kV	3	440.0	4	144.0	0	0.0
275kV	27	3760.0	17	963.0	8	2510.0
132kV	35	1555.0	0	0.0	15	1881.0
110kV	32	1775.2	0	0.0	0	0.0
66kV*	4	76.0	1	18.4	0	0.0
<b>Total</b>	<b>101</b>	<b>7606.2</b>	<b>22</b>	<b>1125.4</b>	<b>23</b>	<b>4391.0</b>

\* Equal to or less than 66kV

**Circuit breakers added in 2023/24 (net)**

Voltage	Circuit breakers	Location
330kV	16	Tummalville (+9), MISS (+7)
275kV	27	Nebo (+3-1=2), Ross (+4-2=2), Broadsound (+4), Woree(+5), Wurdong (+1), Larcom Creek (+1), Tully South (+1), Guybal Munjan (+9), Banana Bridge (+1), Western Downs (+2), Greenbank (-1)
132kV	0	Ross (+2-3=-1), Lilyvale (+1-1=0), Greenland (+1)
110kV	-1	Mudgeeraba (-1)
66kV*	0	
<b>Total</b>	<b>42</b>	

\* Equal to or less than 66kV



**Transmission lines and underground cables added in 2023/24**

Voltage	Transmission line		Underground cable	
	Route km	Circuit km	Route km	Circuit km
330kV	41.3	81.0	0.0	0.0
275kV	4.6	8.6	0.0	0.0
132kV	1.0	1.0	0.0	0.0
110kV	0.0	0.0	0.0	0.0
66kV*	0.6	0.0	0.0	0.0
<b>Total</b>	<b>47.5</b>	<b>90.6</b>	<b>0.0</b>	<b>0.0</b>

\* Equal to or less than 66kV

**Five-year history of transmission lines and underground cables as at 30 June 2024**

Voltage	2020		2021		2022		2023		2024	
	Route km	Circuit km	Route km	Circuit km	Route km	Circuit km	Route km	Circuit km	Route km	Circuit km
<b>Transmission lines</b>										
330kV	354	695	427	838	427	838	427	838	468	919
275kV	6722	9801	6649	9658	6655	9664	6656	9665	6661	9674
132kV	2773	4401	2774	4407	2776	4411	2776	4412	2777	4413
110kV	220	416	220	416	220	416	220	416	220	416
66kV*	2	2	1	2	2	2	1	2	1	2
<b>Total lines</b>	<b>10071</b>	<b>15315</b>	<b>10071</b>	<b>15321</b>	<b>10080</b>	<b>15331</b>	<b>10080</b>	<b>15333</b>	<b>10127</b>	<b>15424</b>
<b>Underground cables</b>										
275kV	10	10	10	10	10	10	11	11	11	11
132kV	5	5	6	6	6	6	6	6	6	6
110kV	8	8	8	8	8	8	8	8	8	8
66kV*	0	0	0	0	0	0	0	0	0	0
<b>Total cables</b>	<b>23</b>	<b>23</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>
<b>Total lines and cables</b>	<b>10094</b>	<b>15338</b>	<b>10095</b>	<b>15345</b>	<b>10104</b>	<b>15355</b>	<b>10105</b>	<b>15358</b>	<b>10152</b>	<b>15449</b>

\* Equal to or less than 66kV



# Index and abbreviations

ABBREVIATION	TERM	PAGE
AEMC	Australian Energy Market Commission	10, 16, 22
AEMO	Australian Energy Market Operator	10, 20, 21
AER	Australian Energy Regulator	ii, 22, 23
AI	Artificial Intelligence	1, 6, 23, 26
ARR	Asset Reinvestment Review	12, 15, 16
BESS	Battery energy storage system	12, 15, 16
DEI	Diversity, equity and inclusion	5, 6, 24
EBITDA	Earnings Before Interest Taxes Depreciation and Amortisation	4
EMP	Environmental Management Plan	1, 12, 28, 33
EQL	Energy Queensland Limited	ii, 19, 20, 30
ESMS	Electrical Safety Management System	26
FIDO	Field Delivery Optimisation	21
GOC	Government Owned Corporation	ii, 12, 17, 29, 30, 31, 34
HSE	Health, safety and environment	1, 6, 9, 26, 30, 32, 33
km	kilometre	ii, 13, 37
MW	megawatt	1, 5, 12, 16, 20
NEM	National Electricity Market	ii, 1, 21
NER	National Electricity Rules	ii, 16, 20, 22
NGERS	National Greenhouse and Energy Reporting Scheme	28
NPAT	Net Profit After Tax	1, 3, 4, 5
NWMP	North West Minerals Province	1, 12
PTI	Priority Transmission Investment	2, 5, 11, 15
QEJP	Queensland Energy and Jobs Plan	1, 3, 5, 6, 10, 11, 14, 15, 17, 20, 24, 26, 27
QNI	Queensland/New South Wales Interconnector	ii, 21
QPP	Queensland Procurement Policy	23
RAP	Reconciliation Action Plan	2, 6, 19, 27
RDB	REZ Delivery Body	5, 11, 13
REZ	Renewable Energy Zone	ii, 1, 5, 6, 11, 12, 13, 14, 15
RIT-T	Regulatory Investment Test for Transmission	13, 19
SCI	Statement of Corporate Intent	3, 4, 5, 21, 29, 30, 33
SES	State Emergency Service	2, 19
STPIS	Service Target Performance Incentive Scheme	22
TAPR	Transmission Annual Planning Report	20
TEC	Total Employment Cost	34
TNSP	Transmission Network Service Provider	ii, 5, 13, 22, 23

Powerlink Queensland

# Financial Statements

## 2023/24



## DIRECTORS' REPORT

### FOR THE YEAR ENDED 30 JUNE 2024

The Directors present their report together with the financial report of Queensland Electricity Transmission Corporation Limited trading as Powerlink Queensland (the Company) and of the Consolidated Entity being the Company and its subsidiaries for the financial year ended 30 June 2024 and the auditor's report thereon.

#### Directors

The names of Directors in office at any time during or since the end of the last financial year are:

Directors of Powerlink Queensland	Date first appointed	Date ceased
Kathy Hirschfeld AM (Chair)	1 October 2018	n/a
Alan Millis	1 October 2015	n/a
Dr Lorraine Stephenson	12 October 2017	30 September 2023
Kevin Hegarty OAM	1 October 2020	n/a
Wayne Collins	1 October 2020	n/a
Joanna Brand	13 October 2022	n/a
Kate Drews	1 October 2023	n/a
Amanda Yeates	1 October 2023	n/a
Dr Prins Ralston	7 December 2023	n/a

Please refer to the 'Board of Directors' section of the Company's annual report 2023/24 for details of Directors' qualifications, experience and special responsibilities.

#### Company Secretary

Ms Brooke Saunders was appointed to the position of Company Secretary effective 1 February 2024. Brooke has over ten years senior leadership experience across government and public companies and holds qualifications in corporate governance, environmental management and health science.

Mr Darryl Rowell (Chief Financial Officer) and Ms Teresa Howard (Legal Counsel) are appointed as alternate Company Secretaries.

#### Principal Activities

During the year the principal continuing activities of the Consolidated Entity consisted of:

- (a) Delivery of a transmission service to electricity market participants via open, non-discriminatory access to the Queensland transmission grid which connects generating sites with customer/distribution connection points, and
- (b) Provision of metering services to measure electricity generation and use at connection points to the transmission network.

There were no significant changes in the nature of the activities of the Consolidated Entity during the financial year.

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 30 JUNE 2024**

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### **Dividends - Powerlink Queensland**

The proposed 2023/24 final dividend of \$50.2M is based on 100% of the operating profit after income tax equivalent expense after excluding non-controlling interest (2023: \$132.1M). During the year the Consolidated Entity paid a special/interim dividend of \$70.0M (2023: \$90.0M). The dividends were not franked.

### **Review of Operations**

A review of the Consolidated Entity's operations during the financial year, and the results of those operations, is contained in this annual report.

### **Significant Changes in the State of Affairs**

There were no significant changes in the state of affairs of the Consolidated Entity during the financial year.

### **Matters Subsequent to the End of the Financial Year**

No significant events occurred between the financial year end and the date of this report.

### **Likely Developments and Expected Results of Operations**

Information on likely developments in the operations of the Consolidated Entity and the expected results of operations have not been included in this annual report because the Directors believe it would be likely to result in unreasonable prejudice to the Consolidated Entity.

### **Environmental Regulation**

The Consolidated Entity is subject to environmental regulation under State and Federal Government legislation with regard to its acquisition and development of transmission line easements, its maintenance and construction activities, and the operation of facilities at its Virginia and other sites.

The Consolidated Entity has an Executive Committee for Health, Safety and Environment and a Board Audit, Risk and Compliance Committee that monitors compliance with environmental regulations.

During the period covered by this report there were no breaches that led to prosecution, and the Directors are not aware of any material breaches.

### **Emissions Reduction Fund**

The Consolidated Entity does not trigger current thresholds for the Emissions Reductions Fund "safeguarding emissions reduction" scheme which commenced on 1 July 2016.

### **Greenhouse Gas and Energy Data Reporting Requirements**

*The National Greenhouse and Energy Reporting Act 2007* (NGER) requires the Consolidated Entity to report its annual greenhouse gas emissions, including emissions associated with energy use. The first measurement period for this Act commenced from 1 July 2008. The Consolidated Entity has systems and processes for the collection and calculation of the data required and submits its report to the Clean Energy Regulator each year before the 31 October deadline. Powerlink's NGER reporting methods and submissions for 2023/24 were independently reviewed.

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

### Meetings of Directors

The numbers of meetings of the Company's Board of Directors, each Board Committee and subsidiary Board held during the year ended 30 June 2024, and the number of meetings attended by each Director were:

Directors	Powerlink Board meetings		Meetings of Committees				CopperString Board meetings <sup>1</sup>	
	A	B	Audit, Risk & Compliance		People & Safety		A	B
Kathy Hirschfeld AM	10	12	5	5	4	4	**	**
Alan Millis	10	12	5	5	**	**	12	12
Dr Lorraine Stephenson	3	3	2	2	**	**	**	**
Kevin Hegarty OAM	12	12	5	5	**	**	12	12
Wayne Collins	12	12	**	**	4	4	10	12
Joanna Brand	11	12	**	**	4	4	**	**
Kate Drews	4	9	**	**	**	**	**	**
Amanda Yeates	8	9	**	**	**	**	**	**
Dr Prins Ralston	6	7	**	**	**	**	**	**

A= Number of meetings attended

B= Number of meetings held during the time the Director held office or was a member of the committee during the year

\*\* Not a member of the relevant committee/Board

<sup>1</sup> Copperstring 2.0 Electricity Transmission Corporation Pty Ltd

### Remuneration Report of Key Management Personnel

Details of the remuneration of the key management personnel of the Consolidated Entity including the Directors and shareholding Ministers who have authority and responsibility for planning, directing and controlling the activities of the entity (as defined in AASB 124 Related Party Disclosures) are set out in Note 27.

### Loans to Directors and Executives

There are no loans to any Director or any key management personnel of the Consolidated Entity.

### Indemnification and Insurance of Directors and Officers

The Company indemnifies the Directors and Officers of the Company and its subsidiaries.

The indemnity relates to any liability:

- to a third party (other than the Company or a related body corporate) unless the liability arises out of conduct involving a lack of good faith; and
- for legal costs incurred in successfully defending civil or criminal proceedings or in connection with proceedings in which relief is granted under the *Corporations Act 2001*.

The Company has Directors' and Officers' liability insurance contracts in place.

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

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### Indemnification and Insurance of Directors and Officers (continued)

The liabilities insured include legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Consolidated Entity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

The Directors have not included details of premiums paid in respect of the Directors' and Officers' liability and legal insurance contract as such disclosure is prohibited under the terms of the contract.

The Consolidated Entity has not, during the financial year or since, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Consolidated Entity or of any related body corporate against a liability incurred.


### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included with this annual report.

### Rounding of Amounts

The amounts contained in this report and in the financial statements have been rounded to the nearest thousand dollars unless otherwise stated (where rounding is applicable) under the options available to the Company under the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which the legislative instrument applies.

This report is made in accordance with a resolution of Directors.



Kathy Hirschfeld AM  
Chair  
Brisbane  
28 August 2024

## AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Queensland Electricity Transmission Corporation Limited (trading as Powerlink Queensland)

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

### Independence declaration

As lead auditor for the audit of Powerlink Queensland for the financial year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Powerlink Queensland and the entities it controlled during the period.

*mluwinga*

28 August 2024

Martin Luwina  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 \$'000	2023 \$'000
<b>REVENUE</b>			
Revenue	2	1,168,136	1,069,524
Other gains/(losses)		383	220
<b>EXPENSES</b>			
Expenses from continuing operations excluding finance costs expense	3(a)	(869,319)	(674,954)
Finance costs	3(b)	(227,089)	(206,144)
<b>PROFIT BEFORE INCOME TAX EQUIVALENT</b>		<b>72,111</b>	188,646
Income tax equivalent expense	4(a)	(21,868)	(56,536)
<b>PROFIT FOR THE PERIOD</b>		<b>50,243</b>	132,110
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Item that may be reclassified to profit or loss</b>			
Cash flow hedges, net of tax	20	2,309	4,104
<b>Items that will not be reclassified to profit or loss</b>			
Gain on revaluation of property, plant and equipment, net of tax	20	223,660	402,788
Actuarial (losses)/gains on defined benefit superannuation fund, net of tax	21	(4,329)	(1,921)
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>		<b>221,640</b>	404,971
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>271,883</b>	537,081
<b>Profit/(loss) is attributable to:</b>			
Owners of Powerlink Queensland		50,238	132,143
Non-controlling interests		5	(33)
		<b>50,243</b>	132,110
<b>Total comprehensive income/(loss) for the period is attributable to:</b>			
Owners of Powerlink Queensland		271,878	537,114
Non-controlling interests		5	(33)
		<b>271,883</b>	537,081

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



## CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2024

	Notes	2024 \$'000	2023 \$'000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	13,782	36,898
Advances	6	552,426	212,145
Trade and other receivables	7	137,301	184,614
Inventories	8	115,921	62,240
Derivative financial instruments	22(a)	368	1,366
Current tax equivalent assets		11,390	52,780
Other current assets		13,045	5,362
<b>Total current assets</b>		<b>844,233</b>	<b>555,405</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	9,653,805	8,840,117
Intangible assets	10	128,537	95,439
Defined benefit fund asset	16	13,247	20,879
Right-of-use assets	17	14,773	-
Derivative financial instruments	22(a)	25,997	21,701
Other non-current assets		630	350
<b>Total non-current assets</b>		<b>9,836,989</b>	<b>8,978,486</b>
<b>Total assets</b>		<b>10,681,222</b>	<b>9,533,891</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	275,912	267,620
Interest bearing loans	12	26,848	26,662
Provisions	14	142,223	188,163
Lease liabilities	17	3,967	-
Other current liabilities	15	75,598	130,013
<b>Total current liabilities</b>		<b>524,548</b>	<b>612,458</b>
<b>NON-CURRENT LIABILITIES</b>			
Interest bearing loans	12	5,671,458	5,165,636
Deferred tax equivalent liabilities	13	1,021,227	949,911
Provisions	14	7,888	4,171
Lease liabilities	17	11,206	-
Other non-current liabilities	15	288,244	276,622
<b>Total non-current liabilities</b>		<b>7,000,023</b>	<b>6,396,340</b>
<b>TOTAL LIABILITIES</b>		<b>7,524,571</b>	<b>7,008,798</b>
<b>Net assets</b>		<b>3,156,651</b>	<b>2,525,093</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

**CONSOLIDATED BALANCE SHEET****AS AT 30 JUNE 2024**

	Notes	2024 \$'000	2023 \$'000
<b>EQUITY</b>			
Share capital	18	<b>401,000</b>	401,000
Contributed equity	19	<b>672,397</b>	192,397
Reserves	20	<b>1,809,425</b>	1,647,546
Retained earnings	21	<b>272,464</b>	282,790
<b>Capital and reserves attributable to owners of Powerlink Queensland</b>		<b>3,155,286</b>	2,523,733
Non-controlling interests	32(b)	<b>1,365</b>	1,360
<b>Total equity</b>		<b>3,156,651</b>	2,525,093

*The above consolidated balance sheet should be read in conjunction with the accompanying notes.*

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	Attributable to owners of Powerlink Queensland						Total equity \$'000
		Share capital \$'000	Contri- buted equity \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000	Non- controlling interests \$'000	
<b>CHANGES IN EQUITY FOR 2023</b>								
<b>BALANCE AT</b>								
<b>1 JULY 2022</b>		<b>401,000</b>	<b>193,384</b>	<b>1,301,248</b>	<b>314,136</b>	<b>2,209,768</b>	<b>1,244</b>	<b>2,211,012</b>
Profit for the period		-	-	-	132,143	132,143	(33)	132,110
Other comprehensive income		-	-	406,892	(1,921)	404,971	-	404,971
Transfers between reserves and retained earnings		-	-	(60,594)	60,594	-	-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>346,298</b>	<b>190,816</b>	<b>537,114</b>	<b>(33)</b>	<b>537,081</b>
<b>TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:</b>								
Contributions of equity, net of transaction costs and tax		-	(987)	-	-	(987)	-	(987)
Non-controlling interest - transfer of asset		-	-	-	-	-	149	149
Dividends provided for or paid	25	-	-	-	(222,143)	(222,143)	-	(222,143)
Currency adjustment		-	-	-	(19)	(19)	-	(19)
<b>Total transactions with owners for the period</b>		<b>-</b>	<b>(987)</b>	<b>-</b>	<b>(222,162)</b>	<b>(223,149)</b>	<b>149</b>	<b>(223,000)</b>
<b>BALANCE AT</b>								
<b>30 JUNE 2023</b>		<b>401,000</b>	<b>192,397</b>	<b>1,647,546</b>	<b>282,790</b>	<b>2,523,733</b>	<b>1,360</b>	<b>2,525,093</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 30 JUNE 2024**

	Attributable to owners of Powerlink Queensland							
	Notes	Share capital \$'000	Contri- buted equity \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000	Non- controlling interests \$'000	Total equity \$'000
<b>CHANGES IN EQUITY FOR 2024</b>								
<b>BALANCE AT 1 JULY 2023</b>		401,000	192,397	1,647,546	282,790	2,523,733	1,360	2,525,093
Profit for the period		-	-	-	50,238	50,238	5	50,243
Other comprehensive income		-	-	225,969	(4,329)	221,640	-	221,640
Transfers between reserves and retained earnings		-	-	(63,969)	63,969	-	-	-
<b>Total comprehensive income for the period</b>		-	-	162,000	109,878	271,878	5	271,883
<b>TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:</b>								
Contributions of equity, net of transaction costs and tax		-	480,000	-	-	480,000	-	480,000
Dividends provided for or paid	25	-	-	-	(120,238)	(120,238)	-	(120,238)
Currency Adjustment		-	-	-	34	34	-	34
Deferred tax liability true-up through equity		-	-	(121)	-	(121)	-	(121)
<b>Total transactions with owners for the period</b>		-	480,000	(121)	(120,204)	359,675	-	359,675
<b>BALANCE AT 30 JUNE 2024</b>		<b>401,000</b>	<b>672,397</b>	<b>1,809,425</b>	<b>272,464</b>	<b>3,155,286</b>	<b>1,365</b>	<b>3,156,651</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 \$'000	2023 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,090,681	1,102,146
Payments to suppliers and employees		(431,597)	(215,669)
Finance costs paid		(210,678)	(192,980)
Income tax equivalent paid		(4,272)	(118,582)
Interest received		22,711	13,922
Net goods and services tax received/(paid)		(13,282)	3,444
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	5(e)	<b>453,563</b>	<b>592,281</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment	9, 10	(922,886)	(697,757)
Proceeds from sale of property, plant and equipment		2,570	332
Advances from/(to) Queensland Treasury Corporation (QTC)		(340,281)	241,532
<b>NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES</b>		<b>(1,260,597)</b>	<b>(455,893)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		529,596	-
Dividends paid to company's shareholders		(202,110)	(90,000)
Repayment of borrowings		(23,589)	(24,548)
Proceeds from issue of equity to owners of Powerlink Queensland		480,000	-
<b>NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES</b>		<b>783,897</b>	<b>(114,548)</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>			
		<b>(23,137)</b>	<b>21,840</b>
Cash and cash equivalents at the beginning of the year		36,898	14,762
Effects of exchange rate changes on cash and cash equivalents		21	296
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	5	<b>13,782</b>	<b>36,898</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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### NOTE 1: BASIS OF PREPARATION

The principal accounting policies adopted in the preparation of the financial report are set out within this report. Policies have been consistently applied across the Consolidated Entity and all years presented, unless noted otherwise.

#### (a) General Information

The consolidated financial statements consist of Powerlink Queensland and its subsidiaries (the Consolidated Entity).

Powerlink Queensland is a company limited by shares, incorporated and domiciled in Australia.

Its registered office and principal place of business is:

33 Harold Street  
Virginia Qld 4014

During the year the principal continuing activities of the Consolidated Entity consisted of:

- Delivery of a transmission service to electricity market participants via open, non-discriminatory access to the Queensland transmission grid which connects generating sites with customer/distribution connection points, and
- Provision of metering services to measure electricity generation and use at connection points to the transmission network.

The consolidated financial statements were authorised for issue by the Directors on 28 August 2024. The Directors have the power to amend and reissue the consolidated financial statements.

Powerlink Queensland is a for profit entity for the purpose of preparing the financial statements.

#### (b) New or Revised Standards or Interpretations

The Consolidated Entity has reviewed all new accounting standards and interpretations effective from 1 July 2023 and concluded that there will be no material impact on the consolidated financial statements.

#### (c) Basis of Preparation

These general purpose consolidated financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), the *Corporations Act 2001*, and the *Queensland Government Owned Corporations Act 1993* (GOC Act).

##### (i) *Going concern*

The consolidated financial statements have been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. Furthermore, there are no material uncertainties related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

##### (ii) *Functional and Presentation Currency*

The consolidated financial statements are presented in Australian dollars, which is Powerlink Queensland's functional and presentation currency.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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### NOTE 1: BASIS OF PREPARATION (CONTINUED)

The Company is of a kind referred to in Rounding Instrument 2016/191 issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the consolidated financial statements. Amounts in the consolidated financial statements have been rounded off in accordance with that instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Comparative amounts have, where necessary, been classified so as to be consistent with current year disclosures. Such changes are not considered material.

#### *(iii) Historical Cost Convention*

These consolidated financial statements have been prepared on the basis of historical costs, except for:

- revaluation at fair value, through the Consolidated Statement of Profit or Loss and Other Comprehensive Income, of derivative instruments, and
- revaluation of certain classes of property, plant and equipment.

#### *(iv) Basis of Consolidation*

The consolidated financial statements have been prepared using consistent material accounting policies. Where material differences were identified between subsidiaries, adjustments have been made on consolidation.

#### *(v) Critical Accounting Estimates*

The preparation of consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in the notes to which they relate.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 2: REVENUE

	2024 \$'000	2023 \$'000
<b>REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
Grid sales revenue	<b>989,326</b>	996,109
<b>Total Revenue from Contracts with Customers</b>	<b>989,326</b>	996,109
<b>OTHER REVENUE</b>		
Customer works	<b>143,507</b>	42,821
Interest	<b>24,238</b>	14,767
Other items	<b>11,065</b>	15,827
<b>Total Other Revenue</b>	<b>178,810</b>	73,415
<b>TOTAL REVENUE</b>	<b>1,168,136</b>	1,069,524

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

Revenue is recognised for the major business activities using the methods outlined below.

#### *Grid Sales Revenue*

Grid sales revenue comprises revenue earned from the provision of regulated and non-regulated transmission grid services. Sales revenue is recognised when the services are provided.

Regulated grid sales revenue is subject to the application of an annual regulated revenue allowance determined for the Company. Transmission Use of System (TUOS) prices are initially set to recover the annual regulated revenue allowance.

Regulated grid revenue is recognised on an as-billed basis in relation to services provided within the period, and may vary from the annual regulated revenue allowance with over or under recoveries being refunded or recovered in subsequent years.

Under the National Electricity Rules (the Rules), the Australian Energy Market Operator (AEMO) processes all electricity market settlement transactions for Queensland and transfers the residual (Inter and Intra Regional Settlements Residue (IRSR)) to Powerlink Queensland as the appropriate Transmission Network Service Provider (TNSP).

#### *Customer works*

Customer works is earned from connection enquiries, line relocations, applications and early works. Revenue is recognised when the services are provided.

#### *Interest*

Interest income is recognised in the Consolidated Statement of Profit or Loss as it accrues, using the effective interest method.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 2: REVENUE (CONTINUED)

#### *Other items*

Other items are earned from the provision of property searches, wholesale telecommunications services and various miscellaneous works and services. Revenue is recognised when the services are provided.

### NOTE 3: EXPENSES

#### (a) Expenses from Continuing Operations Excluding Finance Costs Expense

	2024 \$'000	2023 \$'000
Network operations	33,460	27,501
Network maintenance	153,346	132,295
Corporate/business support	144,615	96,549
Customer Works	142,617	48,476
Depreciation and amortisation expense	395,281	370,133
<b>TOTAL EXPENSES FROM CONTINUING OPERATIONS EXCLUDING FINANCE COSTS EXPENSE</b>	<b>869,319</b>	<b>674,954</b>

#### **Employee benefits included in total expenses from continuing operations excluding finance costs expense**

Employee benefit expense through profit or loss	208,410	137,692
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#### (b) Finance Costs

	2024 \$'000	2023 \$'000
Interest expense	161,791	134,464
Other	65,298	71,680
<b>TOTAL FINANCE COSTS</b>	<b>227,089</b>	<b>206,144</b>

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### *Finance Costs*

Finance costs include interest and costs incurred in connection with the arrangement of borrowings. All borrowing costs are expensed as incurred.

#### *Employee Benefits*

Refer to Note 26 for material accounting policies related to employee benefits.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 4: INCOME TAX EQUIVALENT EXPENSE

#### (a) Income Tax Equivalent Expense

	Notes	2024 \$'000	2023 \$'000
<b>INCOME TAX EQUIVALENT EXPENSE</b>			
Current tax		45,661	28,927
Deferred tax		(23,793)	27,609
<b>TOTAL INCOME TAX EQUIVALENT EXPENSE</b>		<b>21,868</b>	<b>56,536</b>

#### DEFERRED INCOME TAX (BENEFIT)/EXPENSE

(Increase)/decrease in deferred tax equivalent assets	13(a)	(19,514)	(3,777)
(Decrease)/increase in deferred tax equivalent liabilities	13(b)	(4,279)	31,386
<b>TOTAL DEFERRED TAX (BENEFIT)/EXPENSE</b>		<b>(23,793)</b>	<b>27,609</b>

#### (b) Numerical Reconciliation of Income Tax Equivalent Expense to Prima Facie Tax Payable

	2024 \$'000	2023 \$'000
Profit from continuing operations before income tax equivalent expense	72,111	188,679
Tax equivalent at the Australian tax rate of 30.0% (2023: 30.0%)	21,634	56,603
<b>INCREASE/(DECREASE) IN INCOME TAX EQUIVALENT EXPENSE DUE TO:</b>		
Other differences	(126)	41
Prior year adjustments	360	(108)
<b>TOTAL INCOME TAX EQUIVALENT EXPENSE</b>	<b>21,868</b>	<b>56,536</b>

#### (c) Amounts Recognised Directly in Equity

	2024 \$'000	2023 \$'000
<b>DEFERRED TAX EQUIVALENT RECOGNISED DIRECTLY IN EQUITY</b>		
Net deferred tax equivalent - debited / (credited) directly to equity	95,109	173,558

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 4: INCOME TAX EQUIVALENT EXPENSE (CONTINUED)

#### (d) Tax Expense/(Benefit) Relating to Items of Other Comprehensive Income

	Notes	2024 \$'000	2023 \$'000
Gains on revaluation of property, plant and equipment	20	95,853	172,623
Cash flow hedges	20	990	1,759
Remeasurement of defined benefit fund asset		(1,855)	(824)
True-up to prior year balances		121	-
<b>TOTAL TAX EXPENSE/(BENEFIT) RELATING TO ITEMS OF OTHER COMPREHENSIVE INCOME</b>		<b>95,109</b>	<b>173,558</b>

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### *Tax Equivalents*

The Group comprising the Company and its subsidiaries is liable to make tax equivalent payments on its taxable income to the Queensland Government. Any taxation payments that it is required to make will be made pursuant to Section 129(4) of the GOC Act.

The National Tax Equivalents Regime (NTER) broadly utilises the provisions of the *Income Tax Assessment Act 1936*, the *Income Tax Assessment Act 1997* and associated legislation, the NTER Manual as well as Rulings and other pronouncements by the Australian Taxation Office (ATO), in order to determine the tax payable by the Group.

#### *Current Tax Equivalent Payable/Receivable*

The current income tax equivalent charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in Australia where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### *Income Tax Equivalent Expense*

The income tax equivalent expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate in Australia adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the consolidated profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

#### *Tax Consolidation Legislation*

Powerlink Queensland and its wholly-owned Australian controlled entities have adopted the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which, in the opinion of the Directors, limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, Powerlink Queensland.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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### NOTE 4: INCOME TAX EQUIVALENT EXPENSE (CONTINUED)

#### *Tax Consolidation Legislation (continued)*

The entities have also entered into a tax funding agreement under which the wholly owned entities fully compensate Powerlink Queensland for any current tax payable assumed and are compensated by Powerlink Queensland for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Powerlink Queensland under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. The funding amounts are recognised as current intercompany receivables or payables.

#### *Investment Allowances and Similar Tax Incentives*

Companies within the Consolidated Entity may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (eg: the Research and Development Tax Incentive regime in Australia or other investment allowances). The Consolidated Entity accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward.

During the 2020/21 financial year legislation was passed to allow for the temporary full expensing of eligible new assets for tax purposes from 6 October 2020 to 30 June 2023. The Consolidated Entity has taken advantage of this tax concession for all identified eligible assets.

#### *Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, for expenses and assets, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Refer to Note 13 for material accounting policies related to Deferred Tax.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 5: CASH AND CASH EQUIVALENTS

	2024 \$'000	2023 \$'000
Cash at bank	5,123	4,964
Cash on deposit with Queensland Treasury Corporation	8,659	31,934
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>13,782</b>	<b>36,898</b>

#### (a) Deposits at Call

Contained within Cash on deposit with QTC is a foreign currency bank balance of USD \$2.7M (2023: USD \$3.9M) which is used for operational purposes, and which has been translated into the functional currency using the applicable exchange rate at the end of the financial year.

Cash on deposit with QTC earns interest at floating rates based on daily QTC deposit rates.

Cash at bank earns interest at floating rates based on daily bank deposit rates.

#### (b) Fair Value

The carrying amount for cash and cash equivalents equals the fair value.

#### (c) Restricted cash

The Consolidated Entity hold cash as customer securities when a bank guarantee has not been provided. These customer securities are recorded in Note 11 within Deposits.

#### (d) Risk Exposure

The Consolidated Entity's exposure to interest rate risk is discussed in Note 22(b). The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above other than Cash at Bank.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 5: CASH AND CASH EQUIVALENTS (CONTINUED)

#### (e) Reconciliation of Profit After Income Tax Equivalent to Net Cash Inflow from Operating Activities

	2024 \$'000	2023 \$'000
<b>Profit for the period</b>	<b>50,243</b>	132,110
<b>ADJUSTMENT FOR:</b>		
Depreciation and amortisation	<b>393,436</b>	370,133
Net (gain)/loss on sale of non-current assets	<b>(383)</b>	(220)
Net exchange differences	<b>(21)</b>	(296)
<b>CHANGE IN OPERATING ASSETS AND LIABILITIES:</b>		
(Increase)/decrease in trade receivables	<b>47,313</b>	(44,514)
(Increase)/decrease in inventories	<b>(53,681)</b>	(8,308)
(Increase)/decrease in deferred tax equivalent assets	<b>(19,514)</b>	(3,777)
(Decrease)/increase in trade and other payables	<b>(34,500)</b>	189,756
(Decrease)/increase in provision for income tax equivalent payable	<b>41,390</b>	(89,656)
(Decrease)/increase in deferred tax equivalent liabilities	<b>(4,279)</b>	31,386
(Decrease)/increase in other provisions	<b>39,681</b>	6,363
(Increase)/decrease in other assets	<b>(6,122)</b>	9,304
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>453,563</b>	592,281

#### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated balance sheet.

### NOTE 6: ADVANCES

	2024 \$'000	2023 \$'000
Advances to Queensland Treasury Corporation	<b>552,426</b>	212,145
<b>TOTAL ADVANCES</b>	<b>552,426</b>	212,145

#### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Under the Queensland Government's cash management regime which became effective in the 2016/17 financial year, Government Owned Corporations (GOCs) advance surplus cash to QTC for use by Queensland Treasury. QTC pays interest on these advances at its Cash Fund rate.

GOCs' access to the advances is generally subject to notification periods of 24 to 48 hours. Because of the short-term nature of the advances, the carrying amount is assumed to represent fair value.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 7: TRADE AND OTHER RECEIVABLES

	2024 \$'000	2023 \$'000
Trade receivables	126,733	169,991
Prepayments	7,883	13,465
Other	2,685	1,158
<b>TOTAL TRADE AND OTHER RECEIVABLES</b>	<b>137,301</b>	<b>184,614</b>

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Trade receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest rate method, less an allowance for impairment. The recoverability of trade receivables is reviewed on an ongoing basis

If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current.

### CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

The Consolidated Entity has not had a history of bad debts, other than in exceptional circumstances as discussed in 22(c). The Consolidated Entity follows the requirements of AASB 9 Financial Instruments in determining expected credit losses on its receivables.

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

### NOTE 8: INVENTORIES

	2024 \$'000	2023 \$'000
Maintenance and Construction Stock	115,921	62,240
<b>TOTAL INVENTORIES</b>	<b>115,921</b>	<b>62,240</b>

Inventories of \$9.0M (2023: \$12.6M) were recognised as an expense during the year.

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Inventories shown as current assets are not for resale but are used in maintenance and construction, and are valued at the lower of the weighted average cost and net realisable value. The Consolidated Entity undertakes an annual review of inventory to identify any obsolete stock.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	Work in Progress \$'000	Freehold Land and Easements \$'000	Freehold Buildings \$'000	Supply System Assets \$'000	Other Property, Plant and Equipment \$'000	Total \$'000
<b>AT 1 JULY 2022</b>						
Cost or fair value	639,624	745,703	120,895	10,923,300	247,216	12,676,738
Accumulated depreciation	-	-	(45,052)	(4,428,050)	(170,098)	(4,643,200)
<b>NET BOOK AMOUNT</b>	<b>639,624</b>	<b>745,703</b>	<b>75,843</b>	<b>6,495,250</b>	<b>77,118</b>	<b>8,033,538</b>
<b>YEAR ENDED 30 JUNE 2023</b>						
Opening net book amount	639,624	745,703	75,843	6,495,250	77,118	8,033,538
Reclassification	(29,443)	-	-	-	(39,886)	(69,329)
Revaluation surplus	-	58,318	5,953	511,140	-	575,411
Additions	658,856	-	-	-	-	658,856
Disposals	-	(904)	-	(97)	(28)	(1,029)
Depreciation charge	-	-	(3,501)	(341,243)	(12,586)	(357,330)
Transfers	(272,857)	21,144	605	232,935	18,173	-
<b>CLOSING NET BOOK AMOUNT</b>	<b>996,180</b>	<b>824,261</b>	<b>78,900</b>	<b>6,897,985</b>	<b>42,791</b>	<b>8,840,117</b>
<b>AT 1 JULY 2023</b>						
Cost or fair value	996,180	824,261	130,981	11,983,787	123,947	14,059,156
Accumulated depreciation	-	-	(52,081)	(5,085,802)	(81,156)	(5,219,039)
<b>NET BOOK AMOUNT</b>	<b>996,180</b>	<b>824,261</b>	<b>78,900</b>	<b>6,897,985</b>	<b>42,791</b>	<b>8,840,117</b>
<b>YEAR ENDED 30 JUNE 2024</b>						
Opening net book amount	996,180	824,261	78,900	6,897,985	42,791	8,840,117
Revaluation surplus	-	33,306	3,197	283,013	-	319,516
Additions	876,894	-	-	-	-	876,894
Disposals	-	(2,181)	-	(6)	-	(2,187)
Depreciation charge	-	-	(3,544)	(362,651)	(14,340)	(380,535)
Transfers	(468,744)	26,308	-	414,405	28,031	-
<b>CLOSING NET BOOK AMOUNT</b>	<b>1,404,330</b>	<b>881,694</b>	<b>78,553</b>	<b>7,232,746</b>	<b>56,482</b>	<b>9,653,805</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

AT 30 JUNE 2024						
Cost or fair value	1,404,330	881,694	136,287	12,844,738	149,358	15,416,407
Accumulated depreciation	-	-	(57,734)	(5,611,992)	(92,876)	(5,762,602)
<b>NET BOOK AMOUNT</b>	<b>1,404,330</b>	<b>881,694</b>	<b>78,553</b>	<b>7,232,746</b>	<b>56,482</b>	<b>9,653,805</b>

#### Historical cost of property, plant and equipment

If property, plant and equipment were stated on a depreciated historical cost basis, the carrying amount would have been:

	2024 \$'000	2023 \$'000
Freehold land and easements	<b>513,581</b>	488,863
Buildings	<b>54,523</b>	57,092
Supply system assets	<b>4,977,726</b>	4,812,868

#### VALUATION OF PROPERTY, PLANT AND EQUIPMENT

Powerlink's supply system assets, freehold land and buildings and easements are carried at fair value.

Powerlink undertakes an annual income based valuation approach, supplemented by a periodic engagement of external independent valuers at a minimum every 5 years, to undertake a comprehensive review of the valuation approach including assumptions. As at 30 June 2024 the key assumptions and approach are as follows:

#### Regulated Assets

- are subject to regulation in the form of a regulated revenue allowance and it is assumed that they will continue to be subject to regulation in the future;
- cash flows have been projected based on post-tax forecasts consistent with existing regulatory determinations and methodologies and assuming an average growth rate using the Consumer Price Index (CPI) which is assessed to be the best estimate of future inflation for years beyond the current determination period;
- inclusion of a terminal value calculated using the Gordon growth model and assuming an annual growth rate using the CPI which is assessed to be the best estimate of future inflation; and
- application of a vanilla discount rate.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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### NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Non-regulated assets

- cash flows have been estimated over the life of non-regulated contracts;
- cash flow projections are based on tax-adjusted contract terms and conditions including both operating and capital expenditures to maintain the assets at required service levels; and
- application of a post tax nominal discount rate.

An increase/(decrease) in the discount rate can result in a significantly lower/(higher) valuation.

Asset carrying values are within the valuation range developed using these assumptions and approach.

#### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Supply system assets, freehold land and easements, and buildings are measured at fair value. Work in progress is valued at historic cost. All other property, plant and equipment are valued at historical cost less depreciation.

##### *Acquisition of Assets*

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liability undertaken at the date of the acquisition plus incidental costs attributable to the acquisition.

The carrying amount of property, plant and equipment constructed by the Consolidated Entity includes the cost of materials and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use. Cost may also include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

##### *Subsequent Costs*

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Consolidated Entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to consolidated profit or loss during the reporting period in which they are incurred.

##### *Revaluation*

Supply system assets, freehold land and easements, and buildings are revalued in line with the Australian Bureau of Statistics CPI (Weighted Average of Eight Capital Cities Index) at the end of each financial year.

Revaluation increments, net of tax, are recognised in other comprehensive income and accumulated in reserves in equity, except for amounts reversing a decrement previously recognised as an expense. Revaluation decrements are only offset against revaluation increments applying to the particular asset, and any excess is recognised as an expense.

The CPI revaluation amount is compared to an income-based approach valuation based on expected future cash flows to ensure the revalued asset amounts do not differ materially from fair value. The application of this policy to existing assets is reviewed by the Directors at each reporting date.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

#### *Depreciation*

Land is not depreciated. Easements are only depreciated where the indefinite useful life of an easement no longer applies, and a known useful life is identified. Depreciation is calculated using the straight-line method to allocate cost or revalued amounts, net of their residual values, over estimated useful lives of assets, as follows:

- |                                       |               |
|---------------------------------------|---------------|
| - Supply System Assets                | 12 - 60 years |
| - Buildings                           | 7- 60 years   |
| - Other Property, Plant and Equipment | 3 -10 years   |

Depreciation commences from the time units of property, plant and equipment are brought into commercial operation, and is calculated on all assets with the exception of land and easements, other than as specified above.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

#### *Derecognition and Disposal of Assets*

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated profit or loss in the year in which the asset is derecognised.

### CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

#### *Fair Value of Property, Plant and Equipment*

Due to the absence of an active market, the Consolidated Entity measures the fair value of the supply system assets, freehold land and easements, and buildings using an income-based approach. If carrying values differ materially from fair value, a revaluation adjustment is recorded.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In assessing fair value, a number of key estimates and assumptions are adopted for expected future cash flows and discount rates.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 10: INTANGIBLE ASSETS

	Software \$'000	Work in Progress \$'000	Total \$'000
<b>AT 1 JULY 2022</b>			
Cost	139,580	29,443	169,023
Accumulated amortisation and impairment	(99,694)	-	(99,694)
<b>NET BOOK AMOUNT</b>	<b>39,886</b>	<b>29,443</b>	<b>69,329</b>
<b>YEAR ENDED 30 JUNE 2023</b>			
Opening net book value	39,886	29,443	69,329
Additions	-	38,901	38,901
Amortisation charge	(12,791)	-	(12,791)
Transfers	12,495	(12,495)	-
<b>CLOSING NET BOOK AMOUNT</b>	<b>39,590</b>	<b>55,849</b>	<b>95,439</b>
<b>AT 1 JULY 2023</b>			
Cost	151,124	55,849	206,973
Accumulated amortisation and impairment	(111,534)	-	(111,534)
<b>NET BOOK AMOUNT</b>	<b>39,590</b>	<b>55,849</b>	<b>95,439</b>
<b>YEAR ENDED 30 JUNE 2024</b>			
Opening net book value	39,590	55,849	95,439
Additions	-	45,992	45,992
Amortisation charge	(12,894)	-	(12,894)
Transfers	19,471	(19,471)	-
<b>CLOSING NET BOOK AMOUNT</b>	<b>46,167</b>	<b>82,370</b>	<b>128,537</b>
<b>AT 30 JUNE 2024</b>			
Gross value	170,596	82,370	252,966
Accumulated amortisation and impairment	(124,429)	-	(124,429)
<b>NET BOOK AMOUNT</b>	<b>46,167</b>	<b>82,370</b>	<b>128,537</b>

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### *Recognition and measurement*

Intangible assets with a value equal to or greater than \$1,000 are capitalised and measured at historical cost less accumulated amortisation and accumulated impairment losses. Subsequent costs, such as development activities, are capitalised only when they can be reliably measured and increase the future economic benefits of the intangible asset. Subsequent costs are not amortised until the intangible asset is completed and ready for use.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 10: INTANGIBLE ASSETS (CONTINUED)

#### *Amortisation*

Amortisation is calculated using the straight-line method to allocate cost or revalued amounts, net of their residual values, overestimated useful lives of assets (3 - 10 years).

Amortisation commences from the time units of intangible assets are brought into commercial operation. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

#### *Software as a Service (SaaS) Arrangements*

SaaS arrangements are classified as service contracts that allow access to the cloud provider's application software throughout the duration of the contract. As a result, there is no recognition of a software intangible asset at the inception of the contract. Expenses related to the configuration and customisation of the software, as well as recurring access fees, are treated as operating expenses when incurred. When software development costs are incurred to enhance or add new functionalities to existing on-premise systems and meet the criteria for recognition as an intangible asset, they are capitalised accordingly. Additionally, any licensed software and associated customisation and configuration costs that are deployed in a private cloud environment controlled by the entity are recognised as intangible assets. The costs for ongoing support services are expensed as they are received.

### NOTE 11: TRADE AND OTHER PAYABLES

	2024 \$'000	2023 \$'000
Trade payables	107,214	81,479
Deposits	126,405	149,946
Other payables	42,293	36,195
<b>TOTAL TRADE AND OTHER PAYABLES</b>	<b>275,912</b>	<b>267,620</b>

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Trade payables amounts represent unsecured liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. Due to their short-term nature, the carrying amounts of the Consolidated Entity's trade and other payables are a reasonable approximation of fair value.

Deposits reflect customer securities provided to Powerlink where a bank guarantee has not been provided.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 12: INTEREST BEARING LOANS

	2024			2023		
	Current \$'000	Non- current \$'000	Total \$'000	Current \$'000	Non- current \$'000	Total \$'000
<b>UNSECURED BORROWINGS</b>						
Queensland Treasury Corporation	26,848	5,597,393	5,624,241	26,662	5,164,176	5,190,838
Clean Energy Finance Corporation	-	74,065	74,065	-	1,460	1,460
<b>TOTAL UNSECURED BORROWINGS</b>	<b>26,848</b>	<b>5,671,458</b>	<b>5,698,306</b>	<b>26,662</b>	<b>5,165,636</b>	<b>5,192,298</b>

Further information relating to loans from related parties is set out in Note 31.

#### (a) Compliance with Loan Covenants

Powerlink Queensland has complied with the financial covenants of its borrowing facilities during the 2024 and 2023 reporting periods.

#### (b) Fair Value

With the exception of Queensland Treasury Corporation borrowings, the carrying amount of financial liabilities measured at amortised cost approximates their fair value at reporting date.

	2024		2023	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Queensland Treasury Corporation	5,624,241	5,244,086	5,190,838	4,793,196
<b>TOTAL</b>	<b>5,624,241</b>	<b>5,244,086</b>	<b>5,190,838</b>	<b>4,793,196</b>

#### (c) On-balance Sheet

The borrowings from QTC are carried on the consolidated balance sheet at an amount different to the aggregate net fair value. The Directors have not caused those liabilities to be adjusted to the aggregate net fair value as it is intended to retain those securities until maturity. QTC loans are classified as level 2 in the fair value hierarchy.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 12: INTEREST BEARING LOANS (CONTINUED)

#### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Borrowings are initially recognised at fair value, net of transaction costs incurred, and borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Consolidated Entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

The Consolidated Entity has both capital and interest, and interest only loans. Principal repayments on interest only loans have been deferred in line with the Company's borrowing program. Interest expense is accrued over the period it becomes due and is recorded as part of trade and other payables.

### NOTE 13: DEFERRED TAX EQUIVALENT BALANCES

#### (a) Deferred Tax Equivalent Assets

	Notes	2024 \$'000	2023 \$'000
<b>THE BALANCE COMPRISES TEMPORARY DIFFERENCES ATTRIBUTABLE TO:</b>			
Provisions		34,377	22,059
Contract liabilities		13,831	12,620
Lease liabilities		4,552	-
Accruals		1,021	277
Other		789	100
<b>TOTAL DEFERRED TAX EQUIVALENT ASSETS</b>		<b>54,570</b>	<b>35,056</b>
Set-off of deferred tax liabilities pursuant to set-off provisions	13(b)	(54,570)	(35,056)
<b>NET DEFERRED TAX EQUIVALENT ASSETS</b>		<b>-</b>	<b>-</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 13: DEFERRED TAX EQUIVALENT BALANCES (CONTINUED)

<b>MOVEMENTS:</b>		
Opening balance	35,056	31,279
Credited/(charged) to profit or loss	19,514	3,777
<b>Closing balance</b>	<b>54,570</b>	<b>35,056</b>
Deferred tax assets expected to be recovered within 12 months	34,445	21,014
Deferred tax assets expected to be recovered after more than 12 months	20,125	14,042
<b>CLOSING BALANCE</b>	<b>54,570</b>	<b>35,056</b>

#### (b) Deferred Tax Equivalent Liabilities

	Notes	2024 \$'000	2023 \$'000
<b>THE BALANCE COMPRISES TEMPORARY DIFFERENCES ATTRIBUTABLE TO:</b>			
Property, plant and equipment		1,043,657	961,230
Inventories		15,707	8,810
Cash flow hedges		7,909	6,918
Right-of-use assets		4,432	-
Defined benefit fund surplus		3,987	6,264
Receivables		-	1,599
Cash and term deposit		105	89
Prepayments		-	57
<b>TOTAL DEFERRED TAX EQUIVALENT LIABILITIES</b>		<b>1,075,797</b>	<b>984,967</b>
Set-off of deferred tax liabilities pursuant to set-off provisions	13(a)	(54,570)	(35,056)
<b>NET DEFERRED TAX EQUIVALENT LIABILITIES</b>		<b>1,021,227</b>	<b>949,911</b>

	Notes	2024 \$'000	2023 \$'000
<b>MOVEMENTS:</b>			
Opening balance		984,967	780,022
True-up to opening balance through equity		121	-
Charged/(credited) to profit or loss		(4,279)	31,386
Charged/(credited) to equity		94,988	173,559
<b>Closing balance</b>		<b>1,075,797</b>	<b>984,967</b>
Deferred tax liabilities expected to be settled within 12 months		15,922	10,964
Deferred tax liabilities expected to be settled after more than 12 months		1,059,875	974,003
<b>CLOSING BALANCE</b>		<b>1,075,797</b>	<b>984,967</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 13: DEFERRED TAX EQUIVALENT BALANCES (CONTINUED)

#### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Refer to Note 4 for material accounting policies related to general taxation.

#### *Deferred Tax Equivalent Assets and Liabilities*

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

#### CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

#### *Recovery of Deferred Tax Equivalent Assets*

Deferred tax equivalent assets are recognised for deductible temporary differences as management considers it is probable that future taxable profits will be available to utilise those temporary differences.

### NOTE 14: PROVISIONS

	Current \$'000	2024 Non- current \$'000	Total \$'000	Current \$'000	2023 Non- current \$'000	Total \$'000
Dividends	50,238	-	50,238	132,143	-	132,143
Employee benefits	89,844	7,888	97,732	53,924	4,171	58,095
Unresolved Easement Compensation	2,141	-	2,141	2,045	-	2,045
Other	-	-	-	51	-	51
<b>TOTAL PROVISIONS</b>	<b>142,223</b>	<b>7,888</b>	<b>150,111</b>	<b>188,163</b>	<b>4,171</b>	<b>192,334</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 14: PROVISIONS (CONTINUED)

#### (a) Information About Individual Provisions and Significant Estimates

##### *Employee Benefits*

The current provision for employee entitlements includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The amount is presented as current, since the Consolidated Entity does not have an unconditional right to defer settlement for any of these obligations.

Annual leave, vested long service leave and on-cost entitlements accrued but not expected to be taken within 12 months have been included as part of current liabilities as the Consolidated Entity does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Refer to Note 26 for accounting policies related to employee benefits.

##### *Unresolved Easement Compensation*

The Consolidated Entity has a number of easement compensation liability obligations currently unresolved with the relevant landowners. Easements have been placed over the land in question however negotiations with landowners as to the amount of compensation and the timing of the compensation payments are still unresolved.

#### (b) Movements in Provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	Dividends \$'000	Unresolved Easement Compensation \$'000	Other \$'000	Total \$'000
Opening balance	132,143	2,045	51	134,239
Additions provisions recognised	50,238	-	-	50,238
Amount used	(132,143)	-	-	(132,143)
Charged to profit or loss	-	96	(51)	45
<b>CLOSING BALANCE</b>	<b>50,238</b>	<b>2,141</b>	<b>-</b>	<b>52,379</b>

#### SUMMARY OF MATERIAL ACCOUNTING POLICIES

All provisions, exclusive of employee entitlements, are recognised when the Consolidated Entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 14: PROVISIONS (CONTINUED)

These provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an interest expense.

### NOTE 15: OTHER LIABILITIES

	2024			2023		
	Current \$'000	Non- current \$'000	Total \$'000	Current \$'000	Non- current \$'000	Total \$'000
Unearned Revenue	67,541	-	67,541	122,582	-	122,582
Contract Liability	8,056	287,794	295,850	7,421	276,384	283,805
Other	1	450	451	10	238	248
<b>TOTAL OTHER LIABILITIES</b>	<b>75,598</b>	<b>288,244</b>	<b>363,842</b>	<b>130,013</b>	<b>276,622</b>	<b>406,635</b>

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### *Unearned Revenue*

Unearned revenue represent moneys received by the Consolidated Entity (predominantly for non-regulated grid services revenue) for which the Consolidated Entity has not provided the corresponding goods and services.

#### *Contract Liability*

Contract liability represent unearned income associated with contracts that have been identified to include a significant financing component in accordance with the definitions defined within AASB 15 Revenue from contracts with customers.

### NOTE 16: SUPERANNUATION COMMITMENTS

#### (a) Superannuation Plan

The Consolidated Entity contributes to an industry multiple employer superannuation fund, Brighter Super. Members of the fund, after serving a qualifying period, are entitled to benefits on retirement, resignation, retrenchment, disability or death. The Consolidated Entity has one plan, with a defined benefit section and a defined contribution section. The defined benefit section is only open to existing employees who have always been in the section, and is not open to new employees.

The defined contribution section receives fixed contributions from Consolidated Entity companies and the Consolidated Entity's legal or constructive obligation is limited to these contributions. Alternatively, subject to eligibility, employees may elect to have these payments made to a defined contribution plan of the employee's choice.

The following sets out details in respect of the defined benefit section of the industry plan only. The expense recognised in relation to the defined contribution section of the industry plan, or to another defined contribution plan of the employee's choice, is included in Note 3(a).

The defined benefit account of the industry plan provides defined lump sum benefits based on years of service and final average salary. Employee contributions to the scheme are based on percentages of their salaries and wages. The Consolidated Entity also contributes to the plan.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 16: SUPERANNUATION COMMITMENTS (CONTINUED)

#### (b) Defined Benefit Plan

The amounts recognised in the balance sheet arising from the Consolidated Entity's obligation in respect of its defined benefit plan are as follows:

	2024 \$'000	2023 \$'000
Fair value of defined benefit plan assets	<b>77,088</b>	76,279
Present value of the defined benefit obligation	<b>(63,841)</b>	(55,400)
<b>NET SURPLUS IN THE CONSOLIDATED BALANCE SHEET</b>	<b>13,247</b>	20,879

#### (c) Employer Contributions

Employer contributions to the defined benefit section of the plan are based on recommendations by the plan's actuary. Actuarial assessments are made at no more than three yearly intervals, and the last such assessment was made as at 1 July 2021.

During the most recent review it was noted by the actuary that the defined benefit section of the plan is able to meet its existing and future liabilities without employer contributions. The Consolidated Entity, on advice previously received from the fund actuary, ceased employer contributions to the defined benefits fund plan effective from 1 July 2015 and will continue until advised otherwise by the actuary to the fund.

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

A liability or asset in respect of the defined benefit superannuation plan is recognised in the consolidated balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the end of the reporting period on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Actuarial gains and losses arising from the experience during the financial year which differed from previous estimates and changes in actuarial assumptions are recognised in the period in which they occur, outside of profit or loss directly in other comprehensive income.

Contributions to the defined contribution section of the Consolidated Entity's superannuation plan and other independent defined contribution superannuation funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Past service costs are recognised immediately in the consolidated statement of profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 17: LEASES

During the year, the Consolidated Entity entered into a number of leases for offices and warehouses under non-cancellable operating lease agreements expiring within one to five years. The leases have varying terms, escalation clauses and renewal options. The escalation applicable to each lease is a fixed annual rate and on renewal, the terms of the leases are re-negotiated. The Consolidated Entity has adopted AASB 16 Leases from 1 July 2023.

#### Leases as Lessee

(i) Amounts recognised in the consolidated balance sheet

	2024 \$'000
<b>RIGHT-OF-USE ASSETS</b>	
Opening balance at start of financial year	-
Additions to right-of-use assets	16,618
Depreciation charge for the year	(1,845)
<b>TOTAL RIGHT-OF-USE ASSETS</b>	<b>14,773</b>

	2024 \$'000
<b>LEASE LIABILITIES</b>	
Current lease liabilities	3,967
Non-current lease liabilities	11,206
<b>TOTAL LEASE LIABILITIES</b>	<b>15,173</b>

(ii) Amounts recognised in the consolidated statement of profit or loss

	2024 \$'000
Interest on lease liabilities	412
Expense relating to short-term leases	3,665

(iii) Total cash outflow for leases

	2024 \$'000
Not later than one year	3,967
Later than one year and no later than five years	13,014
Later than five years	-
Less: effect of discounting	(1,808)
<b>Lease liabilities at 30 June 2024</b>	<b>15,173</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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### NOTE 17: LEASES (CONTINUED)

#### SUMMARY OF MATERIAL ACCOUNTING POLICIES

##### *Right-of-use Asset*

Right-of-use assets are initially recognised at cost comprising the following:

- the amount of the initial measurement of the lease liability
- lease payments made at or before the commencement date, less any lease incentives received
- initial direct costs incurred, and
- the initial estimate of restoration costs

Right-of-use assets are subsequently depreciated over the lease term.

The carrying amount of right-of-use assets are adjusted for any remeasurement of the lease liability in the financial year following a change in discount rate, a reduction in lease payments payable, changes in variable lease payments that depend upon variable indexes/rates or a change in lease term.

The Consolidated Entity has elected not to record right-of-use assets and liabilities for short-term leases and leases of low-value assets. These lease payments are expensed evenly throughout the lease term.

##### *Lease Liabilities*

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that the Consolidated Entity is reasonably certain to exercise. The future lease payments included in the calculation of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date
- payments for termination penalties, if the lease term reflects the early termination

When measuring the lease liability, the Consolidated Entity uses its incremental borrowing rate as the discount rate, which is provided by QTC and corresponds to the commencement date and term of the lease.

Subsequent to initial recognition, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

#### CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

When the Consolidated Entity has the option to extend a lease, management uses its judgement to determine whether or not an option would be reasonably certain to be exercised. Management considers all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to determine the lease term.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 18: SHARE CAPITAL

	Notes	2024 Shares	2023 Shares	2024 \$'000	2023 \$'000
<b>ORDINARY SHARES</b>					
Fully paid	18(a)	401,000,000	401,000,000	401,000	401,000
<b>TOTAL SHARE CAPITAL</b>		<b>401,000,000</b>	401,000,000	<b>401,000</b>	401,000

#### (a) Issued and Paid Up Capital - Ordinary Shares

Consists of 2 "A" Class voting shares of \$1.00 each and 400,999,998 "B" Class non-voting shares of \$1.00 each. Changes to the then Corporations Law abolished the authorised capital and par value concepts in relation to share capital from 1 July 1998. Therefore, the Company does not have a limited amount of authorised capital, and issued shares do not have a par value.

There was no movement in the issued and paid up capital during the financial year ended 30 June 2024.

Holders of "A" Class ordinary shares are entitled to one vote per share at shareholders' meetings.

#### (b) Terms and Conditions of Share Capital - Ordinary Shares

Ordinary shares entitle the holder to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on, shares held.

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### NOTE 19: CONTRIBUTED EQUITY

	2024 \$'000	2023 \$'000
Contributed equity	672,397	192,397
<b>TOTAL CONTRIBUTED EQUITY</b>	<b>672,397</b>	192,397

Contributed equity reflects contributions received from or paid to the owner (Queensland Government). During the year, the Consolidated Entity received a \$480M (2023: Nil) equity injection to advance the construction of the Copperstring 2032 investment.

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Where assets and liabilities are transferred between entities of the wholly-owned group or State of Queensland controlled entities under the direction of the owner (being the State of Queensland), the equity contribution is adjusted to reflect the amount attributable to any non-controlling interest.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 20: RESERVES

	2024 \$'000	2023 \$'000
Revaluation surplus - property, plant and equipment	1,790,970	1,631,399
Cash flow hedges	18,455	16,147
<b>TOTAL RESERVES</b>	<b>1,809,425</b>	<b>1,647,546</b>

#### (a) Nature and Purpose of Reserves

##### *Revaluation Surplus - Property, Plant and Equipment*

The property, plant and equipment revaluation surplus reserve is used to record increments and decrements on the revaluation of non-current assets measured at fair value in accordance with the applicable Australian Accounting Standards. The balance standing to the credit of the surplus may be used to satisfy the distribution of bonus shares to shareholders and is only available for the payment of cash dividends in limited circumstances as permitted by law.

##### *Cash Flow Hedges*

The hedging reserve is used to record gains or losses, on a hedging instrument in a cash flow hedge, that are recognised in other comprehensive income. Amounts are reclassified to profit or loss when the associated hedged transaction affects consolidated statement of profit or loss.

	2024 \$'000	2023 \$'000
<b>MOVEMENTS:</b>		
<b>Revaluation surplus - property, plant and equipment</b>		
Opening balance	1,631,399	1,289,205
Revaluation - gross	319,514	575,411
Deferred tax	(95,853)	(172,623)
Transfer to retained earnings	(63,969)	(60,594)
Tax expense adjustment through OCI	(121)	-
<b>Closing balance</b>	<b>1,790,970</b>	<b>1,631,399</b>
<b>Cash flow hedges</b>		
Opening balance	16,147	12,043
Revaluation - gross	3,298	5,863
Deferred tax	(990)	(1,759)
<b>Closing balance</b>	<b>18,455</b>	<b>16,147</b>
<b>TOTAL RESERVES</b>	<b>1,809,425</b>	<b>1,647,546</b>

During the year the Consolidated Entity transferred from the revaluation reserve to retained earnings a revaluation surplus of \$64.0M (2023: \$60.6M). This surplus reflects the difference between depreciation based on the revalued carrying amount of assets and depreciation based on the assets' original costs.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 21: RETAINED EARNINGS

Movements in retained earnings were as follows:

	Notes	2024 \$'000	2023 \$'000
<b>Opening balance</b>		<b>282,790</b>	314,136
<b>Net profit for the period</b>		<b>50,238</b>	132,143
Dividends	25	(120,238)	(222,143)
Actuarial gains/(losses) and tax on remeasurement of defined benefit plan assets		(5,676)	(2,570)
Defined benefit fund contributions tax		1,347	649
Transfer from revaluation surplus		63,969	60,594
Currency adjustment		34	(19)
<b>CLOSING BALANCE</b>		<b>272,464</b>	282,790

### NOTE 22: FINANCIAL RISK MANAGEMENT

Risk management is carried out by the Company under a policy approved by the Board of Directors. The Company identifies, evaluates and hedges financial risks in close co-operation between the Consolidated Entity's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### (a) Derivatives

	2024 \$'000	2023 \$'000
<b>CURRENT ASSETS</b>		
Foreign currency exchange - cash flow hedges	368	1,366
<b>NON-CURRENT ASSETS</b>		
Interest rate swaps - cash flow hedges	25,997	21,701
<b>TOTAL DERIVATIVES</b>	<b>26,365</b>	23,067

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

All derivatives are measured as level 2 fair value measurement hierarchy refer Note 23.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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### NOTE 22: FINANCIAL RISK MANAGEMENT (CONTINUED)

For hedged forecast transactions that result in the recognition of a non-financial asset, the Consolidated Entity has elected to include related hedging gains and losses in the initial measurement of the cost of the asset.

Hedge Accounting Derivatives are initially recognised at fair value on the date a derivative contract is entered into and derivatives are subsequently re-measured to their fair value at the end of each reporting period. The Consolidated Entity designates certain derivatives as hedges of the cash flows of highly probable forecast transactions (cash flow hedges). The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income and presented in the hedging reserve. The unrealised and realised gain or loss relating to the ineffective hedges is recognised immediately in the consolidated statement of profit or loss at fair value.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases and interest rate swaps, the Consolidated Entity enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item. The Consolidated Entity therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match with the critical terms of the hedge instrument, the hedge relationship is no longer effective and the related fair value changes are transferred to the consolidated statement of profit and loss.

In hedges of foreign currency purchases or interest rate swaps, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of Australia or the derivative counterparty.

#### **(b) Market Risk**

##### *(i) Foreign Exchange Risk*

The Consolidated Entity is exposed to currency risk and commodity risk on purchases of materials that are denominated in a currency other than the Consolidated Entity's functional currency. The materials are for the construction and maintenance of supply system assets.

Exchange rate and commodity exposures are managed within approved policy parameters using forward foreign exchange and commodity contracts.

The Consolidated Entity's market risk management standard is to generally hedge between 50% and 100% of anticipated transactions (material purchases) in the foreign currency where a commitment or contracted exposure exists and the amount exceeds a Board approved threshold.

The carrying amounts of the Consolidated Entity's financial assets and liabilities are all denominated in Australian dollars.

##### *Exposure*

The Consolidated Entity's exposures to foreign currency risk at the end of the reporting period, expressed in the foreign currency, were as follows:

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 22: FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (b) Market Risk (continued)

	2024			2023		
	USD \$'000	EURO €'000	CHN ¥'000	USD \$'000	EURO €'000	CHN ¥'000
Foreign currency forwards						
- buy foreign currency (cash flow hedges)	38,217	5,082	-	16,328	3,746	3,239

All forward foreign exchange contracts are hedging against forecast purchases.

#### (ii) Interest Rate Risk

The Consolidated Entity's main interest rate risk would normally arise from long term borrowings. However, under the lending arrangements provided by QTC, the Company's borrowings are largely funded by fixed rate debt instruments with various terms to maturity which produce a relatively stable average interest rate.

The Consolidated Entity generally borrows from QTC, an entity controlled by the Queensland Government, but during the 2021/22 financial year, also entered into a borrowing agreement with Clean Energy Finance Corporation (CEFC). All borrowings were denominated in Australian dollars. The Consolidated Entity has entered into pay fixed/receive variable interest rate derivatives with QTC and CEFC to hedge the variability in future cash flows attributable to movements in future interest rates against this borrowing arrangement.

#### (iii) Price Risk

The Consolidated Entity does not have any exposure to equity securities price risk or material commodity price risk.

#### (c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Consolidated Entity.

The Consolidated Entity is primarily exposed to credit related losses through its provision of electricity transmission services to a small number of large, reputable customers (electricity generators, distributors and direct connect loads). Where appropriate, suitable financial security, either through the regulatory regime arrangements in which the Consolidated Entity operates, or other forms such as parent guarantees and unconditional bank guarantees, is obtained. It is not expected that any of these customers will fail to meet their obligations.

Outside of the small number of major electricity network customers, trade receivables consists of a limited number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are either banks, QTC or Government entities, all of whom have high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Consolidated Entity's maximum exposure to credit risk without taking into account the value of any collateral obtained.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 22: FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (c) Credit Risk (continued)

##### *Impaired Trade Receivables*

The Consolidated Entity has not recognised any loss in respect of impaired trade receivables during the current or prior year.

##### *Trade Receivables Past Due but Not Impaired*

As of 30 June 2024, trade receivables of \$15.3M (2023: \$2.2M) were past due. These relate to a number of independent customers for whom there is no previous history of default. The ageing analysis of these trade receivables is as follows:

	2024 \$'000	2023 \$'000
Up to 3 months	14,478	1,907
3 to 6 months	436	280
Greater than 6 months	412	50
<b>TOTAL TRADE RECEIVABLES PAST DUE BUT NOT IMPAIRED</b>	<b>15,326</b>	<b>2,237</b>

#### (d) Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has implemented an appropriate liquidity risk management framework for the management of the Consolidated Entity's short, medium and long term funding and liquidity requirements. The Consolidated Entity manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities and by continuously monitoring forecast and actual cash flows. Surplus funds are invested with QTC and have on call access.

##### *Financing Arrangements*

Under the funding arrangements entered into between the Company and the Company's shareholding Ministers, any undrawn approved funding lapses at the end of each financial year. The Company seeks approval from the shareholding Ministers for funding requirements for the forthcoming year on an annual basis, and these approved borrowings form part of the State of Queensland's borrowing program. Should additional borrowings beyond the approved amounts be necessary to maintain liquidity and/or meet operational requirements, approval for the additional borrowings must be sought from the Queensland Treasurer.

##### *Maturities of Financial Liabilities*

The tables below analyse the Consolidated Entity's financial liabilities, in relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the 30 June 2024 table reflect the position at that date.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 22: FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (d) Liquidity Risk (continued)

Contractual maturities of financial liabilities At 30 June 2024	0 - 12 months \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000	Total contractual cash flows \$'000	Carrying amount (assets)/ liabilities \$'000
<b>NON-DERIVATIVES</b>					
Trade and other payables	275,912	-	-	275,912	275,912
Interest bearing loans and borrowings	207,294	905,321	6,008,952	7,121,567	5,698,306
<b>TOTAL NON-DERIVATIVES</b>	<b>483,206</b>	<b>905,321</b>	<b>6,008,952</b>	<b>7,397,479</b>	<b>5,974,218</b>

Contractual maturities of financial liabilities At 30 June 2023	0 - 12 months \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000	Total contractual cash flows \$'000	Carrying amount (assets)/ liabilities \$'000
<b>NON-DERIVATIVES</b>					
Trade and other payables	267,620	-	-	267,620	267,620
Interest bearing loans and borrowings	77,472	716,779	5,438,289	6,232,540	5,192,298
<b>TOTAL NON-DERIVATIVES</b>	<b>345,092</b>	<b>716,779</b>	<b>5,438,289</b>	<b>6,500,160</b>	<b>5,459,918</b>

### NOTE 23: FAIR VALUE MEASUREMENTS

#### SUMMARY OF MATERIAL ACCOUNTING POLICIES

To provide an indication about the reliability of the inputs used in determining fair value, the Consolidated Entity classifies its assets and liabilities measured at fair value into the three levels prescribed under the accounting standards.

The Consolidated Entity's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Consolidated Entity is the current bid price. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market (e.g. over-the-counter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 24: CAPITAL RISK MANAGEMENT

The Consolidated Entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders, and to maintain an optimal capital structure in line with shareholding Ministers' expectations.

The Consolidated Entity's overall strategy remains unchanged, to maintain at least an "investment grade" business credit rating.

The capital structure of the Consolidated Entity consists of debt, which includes interest bearing loans disclosed in Note 12, cash and cash equivalents in Note 5, and equity attributable to equity holders of the Company, comprising share capital, contributed equity, reserves and retained earnings as disclosed in Notes 18, 19, 20 and 21 respectively.

In order to maintain or adjust the capital structure, the Consolidated Entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Operating cash flows are used to maintain and expand the Consolidated Entity's property, plant and equipment, as well as to make routine outflows of tax, dividends and servicing of debt.

The Consolidated Entity's policy is to principally borrow centrally using facilities provided by QTC to meet anticipated funding requirements.

There have not been any material changes in strategy or policy subsequent to the year ended 30 June 2024.

The Consolidated Entity's management monitors its capital on the basis of Adjusted Net Debt to Fixed Assets ratio on an annual basis through its reporting to the Board, Shareholding Ministers and QTC.

	2024 \$'000	2023 \$'000
Total debt	5,698,306	5,192,298
Property, plant and equipment	9,653,805	8,840,117
	<b>Gearing ratio</b>	<b>59.0%</b>
		<b>58.7%</b>

The Consolidated Entity has complied with the financial covenants of its borrowing facilities during the 2024 and 2023 reporting periods.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 25: DIVIDENDS

	2024 \$'000	2023 \$'000
<b>ORDINARY SHARES</b>		
Unfranked special/interim dividend	<b>70,000</b>	90,000
Unfranked final dividend proposed	<b>50,238</b>	132,143
<b>TOTAL DIVIDENDS</b>	<b>120,238</b>	222,143

The proposed 2023/24 final dividend is based on 100% of operating profit after income tax equivalent expense after excluding non-controlling interest.

Pursuant to the National Tax Equivalent Regime, Powerlink Queensland and its controlled entities are not required to maintain a franking account.

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, at or before the end of the reporting period but not distributed at the end of the reporting period.

Recommendation on the dividend to be paid is determined after consultation with the shareholding Ministers in accordance with the GOC Act. No dividends are franked.

### NOTE 26: EMPLOYEE BENEFITS

Information in respect of each category of performance-related payment is as follows:

#### (a) At-Risk Performance Remuneration

Certain employees of the Consolidated Entity are eligible for performance payments based on individual efforts against a range of key performance behaviours and performance objectives contained in individual performance agreements and taking into consideration the overall performance of the Consolidated Entity. In addition, award employees are eligible for a gainsharing payment based on corporate results.

At-risk performance payments are paid in the current financial year for the preceding financial year. Performance payments and gainsharing payments paid in September 2023 were related to the 2022/23 financial year.

	<b>2023/24</b>	<b>2022/23</b>
Aggregate at-risk performance remuneration paid	<b>\$6.9M</b>	\$4.4M
Number of employees receiving performance payments	<b>1,226</b>	1,006
Total salaries and wages paid	<b>\$292.7M</b>	\$215.6M

#### (b) Number of Employees

Number of employees (full time equivalents excluding labour hire) at year end: 1,666 (2023: 1,272).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 26: EMPLOYEE BENEFITS (CONTINUED)

#### SUMMARY OF MATERIAL ACCOUNTING POLICIES

##### Employee Benefits

###### *Wages and Salaries, Annual Leave, Long Service Leave and Sick Leave*

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulated sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities expected to be settled more than 12 months after the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

For long service leave, consideration is also given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments relating to such liabilities are discounted using market yields at the reporting date with terms to maturity and currency that match, as closely as possible, to the estimated future cash outflows.

Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable. Annual leave, vested long service leave and on-cost entitlements accrued but not expected to be taken within 12 months have been included as part of current liabilities as the Consolidated Entity does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

###### *Termination Benefits*

Liabilities for termination benefits are recognised for the obligation to provide termination payments to employees where there is a valid expectation that the Consolidated Entity will progress with a restructuring and associated terminations.

#### CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

##### *Employee Entitlements*

Management judgement is applied in determining the following key assumptions used in the calculation of long service leave at balance date:

- future increases in salaries and wages;
- future oncost rates; and
- experience of employee departures and periods of service.

### NOTE 27: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

The key management personnel of Powerlink Queensland during the financial year were:

#### (a) Shareholding Ministers

Powerlink Queensland is a Queensland Government Owned Corporation (GOC) established under the GOC Act. The GOC's Shareholding Ministers are identified as part of the GOC's key management personnel (KMP). Two Queensland Government Ministers (Shareholding Ministers) hold shares in Powerlink Queensland on behalf of the people of Queensland. During the financial year they were:

- The Honourable Mick de Brenni MP, Minister for Energy and Clean Economy Jobs.
- The Honourable Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 27: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

#### (a) Shareholding Ministers (continued)

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members Remuneration Handbook. Powerlink Queensland does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses of all Ministers are disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

#### (b) Directors

Directors of Powerlink Queensland are appointed by the Shareholding Ministers for fixed terms with specified expiry dates. The following persons were directors of the Consolidated Entity during the financial year:

Directors of Powerlink Queensland		First appointed	Appointment expiry date
Kathy Hirschfeld AM	Chair	1 October 2018	30 September 2025
Alan Millis	Non-Executive Director	1 October 2015	30 September 2025
Dr Lorraine Stephenson	Non-Executive Director	12 October 2017	30 September 2023
Kevin Hegarty OAM	Non-Executive Director	1 October 2020	30 September 2027
Wayne Collins	Non-Executive Director	1 October 2020	30 September 2027
Joanna Brand	Non-Executive Director	13 October 2022	30 September 2025
Kate Drews	Non-Executive Director	1 October 2023	30 September 2026
Amanda Yeates	Non-Executive Director	1 October 2023	30 September 2026
Dr Prins Ralston	Non-Executive Director	7 December 2023	30 September 2026

#### (c) Other Key Management Personnel

##### *Remuneration of Other Key Management Personnel*

The People and Safety Committee of the Board of Directors is responsible for establishing remuneration policy, and for determining and reviewing the remuneration arrangements for other key management personnel.

The People and Safety Committee assesses the appropriateness of the nature and amount of compensation of other key management personnel on a periodic basis by reference to relevant employment market conditions to assist the Company to attract, retain and motivate high calibre individuals. Shareholder guidelines and policy in relation to remuneration of other key management personnel are followed.

The remuneration arrangements include a total fixed remuneration component which provides some flexibility for packaging of superannuation, motor vehicles and other costs, as well as a performance pay component which rewards out-performance of pre-agreed business and individual targets.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 27: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

#### (c) Other Key Management Personnel (continued)

Other key management personnel are employed under employment agreements. Their current employment agreements either have a fixed term or do not have an expiry date. The agreements provide a notice period from five weeks to six months depending on the particular contract and provision for a severance payment should the Company elect to terminate the agreement. The severance payment is in accordance with the employment agreement.

#### (d) Details of Remuneration

Each Director receives an annual fee for being a Director of the Company. An additional fee is also paid for each Board Committee and subsidiary Board on which the Director sits. The current base remuneration was last reviewed with effect from 1 October 2023.

Directors are not entitled to receive any performance related remuneration. Directors do not receive share options and are not entitled to acquire shares in the Company. All shares in the Company are held by the shareholding Ministers on behalf of the State of Queensland.

#### (i) Directors

	Short Term Benefits		Post Employment Benefits		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Kathy Hirschfeld AM	114	99	13	10	127	109
Wayne Collins*	118	51	13	5	131	56
Alan Millis**	89	51	10	5	99	56
Kevin Hegarty OAM**	86	50	10	5	96	55
Joanna Brand	57	37	6	4	63	41
Kate Drews	41	-	5	-	46	-
Amanda Yeates	41	-	5	-	46	-
Dr Prins Ralston	32	-	4	-	36	-
Dr Lorraine Stephenson	12	50	1	5	13	55
Kara Keys	-	21	-	2	-	23
Sarah Zeljko	-	13	-	1	-	14
<b>TOTAL</b>	<b>590</b>	<b>372</b>	<b>67</b>	<b>37</b>	<b>657</b>	<b>409</b>

\* Wayne Collins was appointed as the inaugural Copperstring 2.0 Electricity Transmission Corporation Pty Ltd Chair.

\*\*Alan Millis and Kevin Hegarty OAM were both appointed as CopperString 2.0 Electricity Transmission Corporation Pty Ltd Directors.

Directors' remuneration excludes insurance premiums paid by Powerlink Queensland in respect of the Directors' and Officers' liability insurance contracts, and premiums in respect of Directors' and Officers' supplementary legal expenses, as the contracts do not specify premiums paid in respect of individual Directors and Officers. Information relating to insurance contracts is set out in the Directors' Report.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 27: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

#### (d) Details of Remuneration (continued)

##### (ii) Other Key Management Personnel

Details of the nature and amount of each major element of the remuneration to each of the other KMP of both Powerlink Queensland and the Consolidated Entity, inclusive of performance payments are:

2024	Short Term		Post- Employment Benefits <sup>3</sup>	Other Long Term Benefits <sup>4</sup>	Termination Benefits <sup>5</sup>	Total
	Short Term Performance Benefits <sup>1</sup>	Performance Payments <sup>2</sup>				
	\$'000	\$'000				
Paul Simshauser - Chief Executive	924	71	28	23	-	1,046
Darryl Rowell - Chief Financial Officer <sup>6</sup>	460	38	28	12	-	538
Gary Edwards - Chief Operating Officer	380	22	49	11	-	462
Stewart Bell - Executive General Manager Network and Business Development	436	39	86	13	-	574
Jacqui Bridge - Executive General Manager Energy Futures	375	33	49	11	-	468
Leigh Fleming - Executive General Manager People & Corporate Services <sup>7</sup>	384	32	48	11	-	475
Ian Lowry - Executive General Manager Major Projects <sup>8</sup>	431	34	42	13	-	520
Sarah Huang - Acting Executive General Manager Delivery and Technical Solutions <sup>9</sup>	283	-	37	8	-	328
<b>TOTAL</b>	<b>3,673</b>	<b>269</b>	<b>367</b>	<b>102</b>	<b>-</b>	<b>4,411</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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### NOTE 27: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

#### (d) Details of Remuneration (continued)

<sup>1</sup> Short term benefits includes payments made to the executive as part of their fixed remuneration including accrued annual leave (excluding superannuation).

<sup>2</sup> Performance payments are paid in the current financial year for the preceding financial year.

<sup>3</sup> Post employment benefits represent superannuation contributions made by the employer to the superannuation fund.

<sup>4</sup> Other long term benefits represent long service leave accrued.

<sup>5</sup> Termination benefits represent payments made to the executive on termination of employment excluding any entitlements relating to annual leave or long service leave.

<sup>6</sup> Darryl Rowell resumed his role as the Chief Financial Officer on 28 August 2023 after acting as the Executive General Manager Delivery and Technical Solutions.

<sup>7</sup> Leigh Fleming resumed her sole role as the Executive General Manager People and Corporate Services on 28 August 2023 after undertaking a dual role appointment covering the Chief Financial Officer position.

<sup>8</sup> Ian Lowry was permanently appointed to the role of Executive General Manager Major Projects, effective from 29 April 2024.

<sup>9</sup> Sarah Huang was appointed as the Acting Executive General Manager Delivery and Technical Solutions effective 23 August 2023.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 27: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

#### (d) Details of Remuneration (continued)

2023	Short Term		Post- Employment Benefits <sup>3</sup> \$'000	Other Long Term Benefits <sup>4</sup> \$'000	Termination Benefits <sup>5</sup> \$'000	Total \$'000
	Short Term Benefits <sup>1</sup> \$'000	Performance Payments <sup>2</sup> \$'000				
	Paul Simshauser - Chief Executive	894				
Darryl Rowell - Chief Financial Officer <sup>6</sup>	339	37	27	8	-	411
Gary Edwards - Chief Operating Officer	382	25	49	11	-	467
Stewart Bell - Executive General Manager Network and Business Development	430	38	85	13	-	566
Ian Lowry - Executive General Manager Delivery and Technical Solutions <sup>7</sup>	360	26	46	10	-	442
Jacqui Bridge - Executive General Manager Energy Futures	386	28	49	11	-	474
Leigh Fleming - Executive General Manager People & Corporate Services <sup>8</sup>	391	23	47	11	-	472
Desmond Kluck - Acting Executive General Manager People and Corporate Services <sup>9</sup>	74	31	7	2	-	114
<b>TOTAL</b>	<b>3,256</b>	<b>261</b>	<b>339</b>	<b>89</b>	<b>-</b>	<b>3,945</b>

<sup>6</sup> Darryl Rowell resumed his role as the Chief Financial Officer on 27 September 2022 after serving as the Acting Chief Executive Officer for Cleanco. On 12 June 2023 Darryl was appointed as the Acting Executive General Manager Delivery and Technical Solutions.

<sup>7</sup> Ian Lowry was appointed as the temporary Executive General Manager Major Projects, effective from 12 June 2023.

<sup>8</sup> Leigh Fleming resumed her role as the Executive Manager People and Corporate Services on 27 September 2022. On 12 June 2023 in addition to undertaking her normal role, Leigh was appointed as the Acting Chief Financial Officer.

<sup>9</sup> Desmond Kluck's appointment as the Acting Executive General Manager People and Corporate Services ended 27 September 2022.

Other key management personnel remuneration excludes insurance premiums paid by the parent entity in respect of Directors' and Officers' liability insurance contracts and premiums in respect of Directors' and Officers' supplementary legal expenses, as the contracts do not specify premiums paid in respect of individual Directors and Officers. Information relating to the insurance contracts is set out in the Directors' Report.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 28: REMUNERATION OF AUDITORS

Remuneration for audit of the financial statements of Powerlink Queensland or any entity of the Consolidated Entity.

Amounts received or due and receivable by the auditors:

	2024 \$'000	2023 \$'000
Audit of financial statements	319	293
<b>TOTAL REMUNERATION FOR AUDIT AND OTHER SERVICES</b>	<b>319</b>	<b>293</b>

### NOTE 29: CONTINGENCIES

#### (a) Contingent Assets

The Consolidated Entity contingent assets at 30 June 2024 \$Nil (2023: \$Nil)

#### (b) Contingent Liabilities

The Consolidated Entity contingent liabilities at 30 June 2024 \$Nil (2023: \$Nil)

### NOTE 30: COMMITMENTS

#### Capital Expenditure Commitments

Significant capital expenditure for the Consolidated Entity which is attributable to the parent entity, contracted for at the end of the reporting period but not recognised as liabilities, is as follows:

	2024 \$'000	2023 \$'000
Property, plant and equipment	816,783	278,229
<b>TOTAL CAPITAL EXPENDITURE COMMITMENTS</b>	<b>816,783</b>	<b>278,229</b>

### NOTE 31: RELATED PARTY TRANSACTIONS

#### (a) Parent Entities

The Consolidated Entity has a related party relationship with its Parent Entity (includes other agencies and departments of the State of Queensland).

#### (b) Directors

##### *Directors' Shareholdings*

No shares in Powerlink Queensland were held by Directors of the Company, the Consolidated Entity or their Director related entities.

##### *Loans to Directors*

No loans have been made or are outstanding to Directors of the Company, the Consolidated Entity or their Director related entities.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2024

#### NOTE 31: RELATED PARTY TRANSACTIONS (CONTINUED)

##### (c) Subsidiaries and Associates

Interests in subsidiaries are set out in Note 32(a).

##### (d) Transactions with Related Parties

Disclosures relating to other key management personnel are set out in Note 27.

The following transactions occurred with related parties, with terms equivalent to those that prevail in arm's length transactions:

	2024 \$'000	2023 \$'000
<b>SALES OF GOODS AND SERVICES (INCLUDES GST)</b>		
Entities controlled by the State of Queensland	680,331	843,794
<b>PURCHASES OF GOODS AND SERVICES (INCLUDES GST)</b>		
Entities controlled by the State of Queensland	113,439	96,851
<b>INTEREST REVENUE</b>		
Entities controlled by the State of Queensland	23,680	14,527
<b>OTHER TRANSACTIONS</b>		
Dividends to the Shareholders	124,023	222,143
Borrowing costs - entities controlled by the State of Queensland	208,404	190,709
Other related party transactions	480,000	-
<b>TOTAL OTHER TRANSACTIONS</b>	<b>812,427</b>	<b>412,852</b>

Refer to Note 4 for details of income tax transactions with the ultimate parent entity in accordance with the National Tax Equivalent Regime.

##### (e) Outstanding Balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	2024 \$'000	2023 \$'000
<b>ENTITIES CONTROLLED BY THE STATE OF QUEENSLAND</b>		
Trade and other receivables (sales of goods and services)	80,330	122,804
Trade and other payables (purchases of goods and services)	(7,902)	(114)
Cash and cash equivalents	8,659	31,934
<b>TOTAL RELATED PARTY OUTSTANDING BALANCE</b>	<b>81,087</b>	<b>154,624</b>

Refer to Notes 13 and 14 for details of outstanding balances with the ultimate parent entity relating to current tax equivalent liabilities, deferred tax equivalent assets, deferred tax equivalent liabilities and provision for dividends.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 31: RELATED PARTY TRANSACTIONS (CONTINUED)

#### (f) Cash Advances to Related Parties

	2024 \$'000	2023 \$'000
<b>CASH ADVANCES TO THE ULTIMATE PARENT ENTITY</b>		
Advances	<b>524,934</b>	213,303

#### (g) Loans from Related Parties

	2024 \$'000	2023 \$'000
<b>LOANS FROM ULTIMATE PARENT ENTITY</b>		
Opening balance	<b>5,190,839</b>	5,216,846
Finance costs charged	<b>208,404</b>	190,709
Finance costs expensed	<b>(208,404)</b>	(190,709)
Loan repayment made	<b>(195,622)</b>	(26,007)
Loan advances	<b>629,024</b>	-
<b>CLOSING BALANCE</b>	<b>5,624,241</b>	5,190,839

#### (h) Terms and Conditions

All transactions were made on normal commercial terms and conditions, with outstanding balances being unsecured.

### NOTE 32: INTERESTS IN OTHER ENTITIES

#### (a) Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in this note. The country of incorporation is also their principal place of business.

Name of entity	Country of incorporation	Class of shares	Equity holding **	
			2024 %	2023 %
Harold Street Holdings Pty Ltd *	Australia	Ordinary	<b>100</b>	100
Powerlink Transmission Services Pty Ltd *	Australia	Ordinary	<b>100</b>	100
Queensland Capacity Network Pty Ltd*	Australia	Ordinary	<b>51</b>	51
Queensland Capacity Network Pty Ltd*	Australia	Non-Voting	<b>90</b>	90
Copperstring 2.0 Electricity Transmission Corporation Pty Ltd*	Australia	Ordinary	<b>100</b>	100

\* These subsidiaries are small proprietary companies and are therefore relieved from the requirement for the preparation, audit and lodgement of annual financial statements.

\*\* The proportion of ownership interest is equal to the proportion of voting power held, other than for QCN.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 32: INTERESTS IN OTHER ENTITIES (CONTINUED)

#### (a) Significant investments in subsidiaries (continued)

Principal activities of both Harold Street Holdings Pty Ltd and Powerlink Transmission Services Pty Ltd are to act as holding companies for investments made by the parent company, Powerlink Queensland.

Queensland Capacity Network Pty Ltd is a telecommunications company set up for the purpose of enabling faster and more reliable internet services in regional Queensland. Queensland Capacity Network Pty Ltd is jointly owned by Powerlink and Energy Queensland.

Powerlink Queensland owns a controlling 51% of ordinary shares in Queensland Capacity Network Pty Ltd, along with 90% of non-voting shares. The non-voting shares confer the right to receive any dividend or distribution from the entity and therefore represent the basis of consolidation.

On 31 March 2023, Powerlink Queensland acquired 100% of the ordinary shares in Copperstring 2.0 Electricity Transmission Corporation Pty Ltd, an entity set up for the purpose of providing electricity transmission services in North Queensland.

#### (b) Non-controlling Interests (NCI)

Supporting financials	Queensland Capacity Network	
	2024 \$'000	2023 \$'000
Current assets	11,221	9,868
Current liabilities	3,818	4,026
<b>CURRENT NET ASSETS</b>	<b>7,403</b>	<b>5,842</b>
Non-current assets	6,243	7,752
<b>NON-CURRENT NET ASSETS</b>	<b>6,243</b>	<b>7,752</b>
<b>NET ASSETS</b>	<b>13,646</b>	<b>13,594</b>
Accumulated NCI	1,365	1,360

Summarised statement of comprehensive income	Queensland Capacity Network	
	2024 \$'000	2023 \$'000
<b>Profit/(loss) for the period</b>	<b>54</b>	<b>(337)</b>
<b>Total comprehensive income</b>	<b>54</b>	<b>(337)</b>
Profit/(loss) allocated to NCI	5	(33)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 32: INTERESTS IN OTHER ENTITIES (CONTINUED)

Summarised cash flows	Queensland Capacity Network	
	2024 \$'000	2023 \$'000
Cash flows from operating activities	2,899	(720)
Cash flows from investing activities	(432)	(874)
<b>Net increases/(decrease) in cash and cash equivalents</b>	<b>2,467</b>	<b>(1,594)</b>

### SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Consolidated Entity companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Powerlink Queensland ('Company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. Powerlink Queensland and its subsidiaries together are referred to in this financial report as the Consolidated Entity.

Investments in subsidiaries are accounted for at cost by Powerlink Queensland.

### NOTE 33: EVENTS OCCURRING AFTER THE REPORTING PERIOD

No matter or circumstance has occurred subsequent to the financial year end that has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of the operations or the state of affairs of the Consolidated Entity in subsequent financial years (2023: \$Nil).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

### NOTE 34: PARENT ENTITY (POWERLINK QUEENSLAND) FINANCIAL INFORMATION

#### (a) Summary Financial Information

The individual consolidated financial statements for the parent entity, Powerlink Queensland, show the following aggregate amounts:

Summarised balance sheet	Powerlink Queensland	
	2024 \$'000	2023 \$'000
<b>Balance Sheet</b>		
Current assets	837,021	491,843
Non-current assets	9,840,501	8,983,432
<b>TOTAL ASSETS</b>	<b>10,677,522</b>	<b>9,475,275</b>
Current liabilities	523,979	556,132
Non-current liabilities	7,000,822	6,397,250
<b>TOTAL LIABILITIES</b>	<b>7,524,801</b>	<b>6,953,382</b>
<b>SHAREHOLDERS' EQUITY</b>		
Issued capital	401,000	401,000
Contributed equity	673,390	193,390
Revaluation surplus - property, plant and equipment	1,790,970	1,631,399
Cash flow hedges	18,455	16,147
Retained earnings	268,906	279,957
<b>TOTAL EQUITY</b>	<b>3,152,721</b>	<b>2,521,893</b>
<b>Profit or loss for the year</b>	<b>49,514</b>	<b>131,582</b>
<b>Total comprehensive income</b>	<b>271,154</b>	<b>536,553</b>

#### (b) Determining the Parent Entity Financial Information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements.

## CONSOLIDATED ENTITY DISCLOSURE STATEMENT

### CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2024

Entity name	Entity type	Place of incorporation	% share capital held	Tax residency	Foreign jurisdiction
Queensland Electricity Transmission Corporation Limited	[1]	Australia	100%	Australia	N/a
Harold Street Holdings Pty Ltd	[2]	Australia	100%	Australia	N/a
Powerlink Transmission Services Pty Ltd	[2]	Australia	100%	Australia	N/a
Queensland Capacity Network Pty Ltd	[2]	Australia	90%	Australia	N/a
Copperstring 2.0 Electricity Transmission Corporation Pty Ltd	[2]	Australia	100%	Australia	N/a

#### BASIS OF PREPARATION

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001*. The entities listed in the statement are Queensland Electricity Transmission Corporation Limited and all the entities it controls in accordance with *AASB 10 Consolidated Financial Statements*.

The percentage of share capital disclosed for each entity included in the statement represents the voting interest controlled by Queensland Electricity Transmission Corporation Limited directly.

## DIRECTORS' DECLARATION

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In the opinion of the Directors of Queensland Electricity Transmission Corporation Limited (the Company):

- (a) the consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and
- (c) the Consolidated Entity disclosure statement as at 30 June 2024 is true and correct.

This Directors' report is signed in accordance with a resolution of the Directors.



Kathy Hirschfeld AM  
Director  
Brisbane  
28 August 2024



## INDEPENDENT AUDITOR'S REPORT

To the Members of Queensland Electricity Transmission Corporation Limited (trading as Powerlink Queensland)

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Powerlink Queensland (the company) and its controlled entities (the group).

The financial report comprises the consolidated balance sheet as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In my opinion, the accompanying financial report of the group is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the group's financial position as at 30 June 2024, and its financial performance for the year then ended; and
- b) complying with the Australian Accounting Standards and the Corporations Regulations 2001.

#### Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the group in accordance with the auditor independence requirements of the *Corporations Act 2001*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



### **Valuation of property, plant and equipment (excluding work in progress) - \$8.2 billion**

Refer to note 9 in the financial report.

<b>Key audit matter</b>	<b>How my audit addressed the key audit matter</b>
<p>Powerlink Queensland used a complex discounted cash flow model to ensure that the carrying value of property, plant and equipment (excluding work in progress) did not differ materially from its fair value.</p> <p>The model involved significant judgements for:</p> <ul style="list-style-type: none"> <li>estimating future cash flows and terminal values</li> <li>setting discount rates.</li> </ul>	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>Obtaining an understanding of the discounted cash flow model, and assessing its design, integrity and appropriateness with reference to common industry practices.</li> <li>Engaging an auditor's expert to assist me in assessing the reasonableness of the discount rates and implied regulated asset base multiple with reference to market data and industry research.</li> <li>Performing a sensitivity analysis for discount rates to develop a reasonable range for fair value.</li> <li>Back testing the previous year's cashflow forecasts against subsequent actual results to identify potential deficiencies in the forecasting methodology.</li> <li>Assessing the reasonableness of cash flow forecasts relative to regulator-approved determination, board approved budgets, non-regulated revenue contracts, historical growth trends, and other relevant internal and external evidence.</li> <li>Verifying the mathematical accuracy of net present value calculations.</li> </ul>

### **Useful lives of property, plant and equipment estimated for depreciation expense (\$380.5 million)**

Refer to note 3b and note 9 in the financial report.

<b>Key audit matter</b>	<b>How my audit addressed the key audit matter</b>
<p>The straight-line depreciation method used by Powerlink Queensland requires significant judgements for:</p> <ul style="list-style-type: none"> <li>identifying the significant parts of property, plant and equipment that have different useful lives</li> <li>estimating the remaining useful lives of those significant assets.</li> </ul>	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>Evaluating management's approach for componentising property, plant and equipment into parts with different useful lives, and changes to useful life assessments for components within the assets for reasonableness, having regard to recent replacement projects and long-term asset management plans.</li> <li>Evaluating remaining useful life estimates for reasonableness with reference to historical disposal rates, condition assessments for older assets, and long-term asset management plans and budgets.</li> </ul>



## Other information

Those charged with governance are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

At the date of this auditor's report, the available other information in Powerlink Queensland's annual report for the year ended 30 June 2024 was the directors' report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Responsibilities of the Directors for the financial report

The directors of the company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and,

for such internal controls as the directors determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or has no realistic alternative but to do so.





### **Auditor's responsibilities for the audit of the financial report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/auditors\\_responsibilities/ar5.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar5.pdf)

This description forms part of my auditor's report.

*mluwinga*

Martin Luwina  
as delegate of the Auditor-General

28 August 2024

Queensland Audit Office  
Brisbane

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