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Candidate Priority Transmission Investment - Consultation Paper (Submission) Gladstone Project

European Energy welcomes the opportunity to provide feedback on the Priority Transmission Investment (PTI) consultation paper and draft submission. Noting the joint interest in the development of the 1.3GW Upper Calliope Solar Farm, Rio Tinto supports and endorses the comments made by European Energy in this submission.

European Energy develops, finances, constructs and operates wind and solar farms, as well as large-scale Power-to-X plants. Based in Copenhagen, Denmark, the company has a strong track record as a renewable energy operator. Founded in 2004, European Energy has a development pipeline of more than 60 GW of renewable energy projects and has built more than 280 large scale wind and solar projects around the world.

Rio Tinto is a global metals and mining and leader in global aluminium production, a vital material in a low-carbon economy. Rio Tinto is committed to decarbonising its assets by reducing scope 1 and 2 emissions to net zero by 2050 and making significant investments towards decarbonisation by 2030. In Gladstone, Rio Tinto operates the Yarwun and Queensland Alumina Limited refineries, and Boyne Smelter. These operations are a significant contributor to the Gladstone economy, and support over 8000 direct and indirect jobs.

A Power Purchase Agreement (PPA) has been signed between European Energy and Rio Tinto, with Rio Tinto agreeing to purchase all energy from the 1.3GW Upper Calliope Solar Farm. The electricity generated will supply Rio Tinto's Gladstone operations. Since the announcement of the Queensland SuperGrid Infrastructure Blueprint in 2022, the preferred connection option for the project has been the Calvale – Calliope River 275kV line.

Based on the information provided in Powerlink's [Candidate Priority Transmission Investment – Consultation Paper \(Submission\)](#), European Energy is pleased to provide the following submission to Powerlink.

The proposed identified need

Powerlink's proposed identified need for the Gladstone Project PTI is to *“provide sufficient power transfer capability to:*

- 1. reliably supply the forecast electrical load in the Gladstone area in anticipation of the closure of the Gladstone Power Station;*
- 2. support the decarbonisation of major industries in the Gladstone area;*
- 3. compensate for loss of supply of essential system services, such as inertia, system strength and voltage control capability, following the closure of Gladstone Power Station.”*

Whilst European Energy agrees with elements of the proposed identified need, there is significant concern that the anticipated completion of construction date seemingly contradicts the statement from the Responsible Ministers that construction of the Gladstone Project PTI will be completed “as soon as practicable to meet the proposed identified need”. The Stage 1 anticipated completion date of December 2028 does not adequately reflect the urgency of the project need, with the proposed Calvale – Upper Calliope 275kV transmission line critical to the power supply and decarbonisation of Rio Tinto's Boyne Smelter and other Gladstone operations.

When announced in the [Queensland SuperGrid Infrastructure Blueprint](#), the target date for completion of the Central Queensland grid reinforcements including those described in stage 1 of the candidate Gladstone PTI was 2026.

Powerlink have noted that it is anticipated the assessment consultation will be open longer than mandated, and that the timing of this consultation is at the discretion of the Ministers. European Energy urges Powerlink to conduct the consultation process efficiently in line with the mandated consultation periods, avoiding delays detrimental to the meeting the objectives of Queensland's renewable energy and emissions reduction targets, and the Gladstone Project. With the Queensland Government caretaker period commencing in October 2024 any additional delays to the Gladstone Project PTI should be minimised in anticipation of schedule impacts. Upper Calliope Solar Farm is unable to submit its connection application until the Calvale – Calliope River 275kV line is a committed project, and therefore cannot reach FID and begin the multi-year design, procurement and construction period until at least 18 months after Powerlink formally commits to this line.

Any delay in delivering the Gladstone Project PTI, specifically the Calvale – Calliope River 275kV line as part of Stage 1, will have significant impacts for investment, electricity supply and prices, and carbon emissions. Based on delay in delivery of the Upper Calliope Solar Farm alone, this is a loss of 2.8 TWh of competitively priced, clean electricity per year costing \$280 million and 2.8 million tonnes of unnecessary carbon emissions due to continued supply from coal generation. These are clear, near-term benefits to committing to and delivering the project as quickly as possible.

European Energy urges Powerlink to commit to the first stage of the Gladstone Project by September 2024, with initial energisation of the Calvale – Calliope River 275kV line to occur in 2027 to avoid delay to the benefits of the project.



Yours faithfully,

A handwritten signature in black ink, appearing to read "Catriona McLeod".

Catriona McLeod
Country Manager, Australia European
Energy

A handwritten signature in black ink, appearing to read "Vik Selvaraja".

Vik Selvaraja
General Manager, Pacific
Repowering Rio Tinto