

Consumer advocate verbal submission – Draft 2025 ENOR consultation

Introduction

AEMO published a Draft 2025 Electricity Network Options Report¹ (ENOR) on 22 May 2025. To support consumer and advocate involvement, AEMO held a verbal submission session for consumer advocates on 19 June 2025. This written record, approved by submitters, will be considered alongside other written submissions.

Submitters:

Name	Organisation
Jennifer Brownie	Queensland Electricity Users Network (QEUN)
Phillipa England	Solar Citizens

Submission topics

Consumer advocates submitted comments on the following topics.

1. Transmission costs
2. Transparency
3. Non-network alternatives
4. System strength
5. Distribution networks

1 Transmission costs

- **QEUN:** See Appendix: QEUN comments on transmission costs.
- **Solar Citizens:** Consumers are paying multiple times – through taxes, electricity bills, and the Capacity Investment Scheme (CIS), which underwrites large-scale infrastructure. CopperString appears to benefit industry at the expense of vulnerable consumers. Microgrids should be explored as cheaper alternatives. The lack of transparency in how these costs are communicated is undermining public trust.

¹ See <https://aemo.com.au/consultations/current-and-closed-consultations/2025-electricity-network-options-report-consultation>

2 Transparency

- **QEUN:** AEMO and governments are not transparent about the full cost of the energy transition. Consumers lack the information needed to assess affordability. International examples like the Spanish blackout show the risks of underestimating system complexity and the need for open communication.
- **Solar Citizens:** The process lacks transparency and objectivity. The recent inclusion of low-voltage distributed network modelling suggests previous oversight. Alternatives like microgrids may be similarly underexplored.

3 Non-network alternatives

- **Solar Citizens:** Microgrids should be modelled as cost-effective alternatives to traditional transmission, especially in regional areas. Their exclusion from current modelling suggests a systemic bias toward large-scale infrastructure, which may not always deliver the best outcomes for consumers.

4 System strength

- **QEUN:** SynCon costs are rising rapidly and were not a major factor until recently. Retrofitting existing coal generators should be considered. AEMO must be transparent about long-term costs and technology choices.
- **Solar Citizens:** Retrofitting coal plants for synchronous services should be evaluated. The lack of visibility around these alternatives contributes to broader concerns about transparency and decision-making.

5 Distribution networks

- **Solar Citizens:** The inclusion of low-voltage distributed network modelling is a major step forward. This work must continue and not be sidelined.
- **QEUN:** Distribution networks face serious safety issues, including sustained over-voltage. These issues must be addressed alongside transmission planning.

Appendix: QEUN comments on transmission costs

At present transmission costs account for about 10% of a power bill. The escalating cost of transmission will increase both the transmission percentage in the cost stack and the overall cost of the power bill cost stack. This is due to the escalating cost of transmission not being offset by a reduction in the other components of the power bill cost stack.

This is of great concern as large swathes of homes and businesses across the National Electricity Market cannot afford their current power bills.

The cost of transmission equipment has escalated (eg synchronous condensers) together with the lead times for delivery. However, the impact of the cash rate on the rising cost of transmission appears to have been largely overlooked.

History has shown consumers that most unregulated network assets eventually become regulated assets. The cash rate has a large bearing on the value of a Regulated Asset Base and the annual revenue recovered through power bills for the regulated asset.

The Copperstring Project is not part of the Optimum Development Path for the Integrated System Plan (ISP). However, Copperstring was included in the 2024 ISP with the AEMO clarification that *"CopperString 2032 will be built and owned by the Queensland Government, under the Queensland Energy and Jobs Plan commitment to public ownership of the state's transmission assets, and was not actioned through the ISP framework."*

Copperstring was first proposed in 2010 when the cash rate was 4.5% - the estimated cost was \$1 billion.

In December 2021, the cash rate had fallen to 0.1% but the estimated cost of Copperstring had increased to \$2.5 billion.

Yet it was in December 2021, with a cash rate of only 0.1%, that the Queensland Government released its Consultation Regulatory Impact Statement (CRIS) seeking submissions on 3 options on how to finance the then privately owned Copperstring Project. The primary purpose of Copperstring was to lower wholesale electricity prices for mining, business and residential customers in the North West Minerals Province by connecting the Mt Isa Grid to the National Electricity Market.

One of the CRIS options required the introduction of new Queensland legislation to remove the requirement for a Regulatory Investment Test-Transmission (RIT-T) and the application of differential regulated pricing arrangements through a bespoke framework administered by the Queensland Government.

This CRIS option required the Queensland Government and electricity customers in the rest of Queensland (ie outside of the North West Minerals Province) to pay between \$1.1 billion and \$1.7 billion over a 40-year period depending on demand levels. At year 40, this CRIS option also required the Queensland Government to take ownership of the Copperstring

project and its remaining \$1.1 billion debt (or approximately \$170 million in present value terms).

Under this CRIS option the risks included:

- 70 per cent of *construction cost overruns* would be added to the project's regulatory asset base and recovered through project revenues.
- The Queensland Government guaranteed project revenue.
- Underutilisation and that of the interconnection becoming a stranded asset in the absence of customer commitments

In March 2023, the Queensland Government bought the 1,100 km Copperstring Project and changed the project scope to include an increase in transmission capacity for the section between Townsville and Hughenden (approximately 330 km) from 330 kV to 500 kV. We understand the increase in capacity from 330 kV to 500 kV would more than double the cost of the Townsville to Hughenden section. The Queensland Government estimated the project cost, with the change of scope, at \$5 billion. It also stated "*the increase had been updated for current global supply chain conditions*". The cash rate in March 2023 had risen to 3.6%.

In September 2024 the former Queensland Treasurer announced that in August 2024 Powerlink had informed the Queensland Government that the cost of Copperstring had increased to \$6.2 billion "*due to the increased cost of construction materials and the need to reroute part of the line*". The Treasurer further stated "*When we approved that funding we announced that we would pay for the increased cost through additional borrowings. Through that process, the government is being honest, up-front and transparent about costings and we are being transparent about how we are going to fund it.*" The cash rate in September 2024 had risen to 4.35% and the Queensland Government had stated its intention to borrow for Copperstring rather than seek private investment ie increase government debt.

Only two months later in November 2024, the new Queensland Treasurer stated in Parliament that Powerlink and the Queensland Treasury had informed him that Copperstring was now estimated to cost \$9 billion. The cash rate remained as it had been two months earlier at 4.35%.

Five months later in April 2025, the Queensland Government stated Copperstring has blown out to \$13.9 billion and the Queensland Investment Corporation had been tasked with finding private sector investment. The cash rate has fallen marginally to 4.1%.

On 24 June 2025, the Queensland Government reinforced the government's commitment to Copperstring by increasing the total government commitment to \$2.4 billion. There was no accompanying government announcement of any private sector interest/investment for the remaining \$11.5 billion of the \$13.9 billion Copperstring Project nor any indication that the completion date had changed from 2029. The cash rate had fallen to 3.85%.

Also on 24 June 2025, S&P Global Ratings confirmed its negative outlook for the Queensland Government's AA+ rating, noting that Queensland's *"debt continues to rise to fund operating deficits and a growing infrastructure budget"*.

To pass a Regulatory Investment Test-Transmission (RIT-T), Copperstring needs customers. The Queensland Government's business case for Copperstring has been predicated on unlocking \$500 billion in critical minerals in the North West Minerals Province. To date the Queensland Government has not provided any information on how it arrived at the \$500 billion estimate ie it has not provided any timeline for the mine life of existing or potentially new critical mineral mines that would connect to Copperstring.

It would appear the \$13.9 billion Copperstring needs a combination of private investment, Federal Government subsidies for the transmission line (and for the Mt Isa copper smelter and Townsville copper refinery), plus a fall in the cash rate, if energy consumers throughout Queensland are to avoid a massive increase in both the transmission component of their power bill and their total power bills.

To put this concern in perspective, if Copperstring became a regulated asset, the Powerlink Regulated Asset Base (RAB) would more than triple from about \$7 billion to over \$21 billion. As stated earlier, transmission currently accounts for about 10% of a power bill which is based on a Powerlink RAB of only about \$7 billion.

Our concern is AEMO, and federal and state energy ministers, do not understand that transmission costs cannot continue to escalate without a corresponding decrease in the other components of a power bill.

Put simply - business, farming and residential consumers have hit their pain level when it comes to power bill stress. Without a substantial reduction in power bills the economy, jobs and reasonable living standards of Australians will fall. Whilst transmission costs have not been a major driver of higher power bills in the past, going forward transmission costs will be a substantial driver. It is not prudent to rely on lower cash rates, government subsidies and amended RIT-Ts to reduce the transmission component of a power bill.

Additional submissions provided by QEUN

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Year	Australian cash rate %	Estimated cost of Copperstring \$ Billion	Timeline of Copperstring Project
June 2010	4.5	1.0	Queensland Coordinator General gazettes Copperstring 1.0 as a <i>significant</i> project
April 2019	1.5	1.0	Queensland Coordinator General gazettes Copperstring 1.0 as a <i>coordinated</i> project
Sept 2019	1.0	1.5	Queensland Government announces final Terms of Reference for the EIS proposed \$1.5 billion Copperstring 2.0
Jan 2021	0.1	1.7	Queensland Government announces Copperstring 2.0 has secured \$17 million financing agreement with Korea Zinc Company Limited
Dec 2021	0.1	2.5	Queensland Energy Minister states: <i>"The Consultation Regulatory Impact Statement demonstrates the need for the Federal Government to deliver financial support towards Copperstring 2.0 to ensure no impact on other Queensland energy users ."</i>
Mar 2023	3.6	5.0	Queensland Government announces it will own 100% of Copperstring 2.0 with a \$500 million down payment from Queensland coal royalties going directly to Copperstring 2.0. The Queensland Government will deliver the 1,100 km Copperstring 2.0 to unlock Australia's largest renewable energy zone and more than \$500 billion in critical minerals in North Queensland. The project scope now includes an increase in transmission capacity for the section between Townsville and Hughenden, from 330kV to 500kV, to unlock the renewable energy potential of the region. The estimated project cost has been updated for current global supply chain conditions. Early works to start in 2023 and construction in 2024. Project expected to be completed by 2029.
10 Sept 2024	4.35	6.2	Queensland Treasurer in Parliament states: <i>"Last month Powerlink informed the government that the cost of the Copperstring project had increased by \$1.2 billion due to the increased cost of construction materials and the need to reroute part of the line . When we approved that funding we announced that we would pay for the increased cost through additional borrowings. Through that process, the government is being honest, up-front and transparent about costings and we are being transparent about how we are going to fund it."</i>
26 Oct 2024	4.35		Queensland state election results in a change of government
28 Nov 2024	4.35	9.0	Queensland Treasurer in Parliament states: <i>"When CopperString was announced by Premier Palaszczuk it was \$1.8 billion. Then it went to \$5 billion in March 2023. Then in August this year it went to \$6.2 billion. Then we formed government and we understand now it is \$9 billion. Powerlink has said it is \$9 billion. Treasury has said it is \$9 billion."</i>
April 2025	4.1	13.9	Queensland Government reveals the full cost of Copperstring 2032 is nearly \$14 billion, nearly \$12 billion more than originally announced. It will leverage the infrastructure expertise of Queensland Investment Corporation to save Copperstring and introduce private sector investment. QIC is tasked with prioritising work on the Eastern Link but will also conduct a full analysis of the options to deliver the best economic value for the Western Link. Prioritising the Eastern Link would see the benefits of the project received sooner and will also allow focus to be placed on connecting renewable generation in the proposed Flinders Renewable Energy Zone.
24 June 2025	3.85		The 2025-26 Queensland Budget reinforces the Government's commitment to Copperstring by increasing the total Government commitment to \$2.4 billion, an increase of \$1.4 billion on last year's Budget. In 2025-26, on-the-grounds works will begin with the \$225 million Hughenden Hub to connect future renewable energy at Flinders to the National Electricity Market.

² Table 1, detailing the relationship between the cost of Copperstring and the Australian cash rate provided by QEUN.

Additional submissions provided by QEUN

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Table 2: Relationship between the cost of Copperstring, the cash rate and energy supply to the North West Minerals Province

Year	Australian cash rate %	Estimated cost of Copperstring \$ Billion	Timeline for Copperstring Project and energy supply to the North West Minerals Province in Queensland
2007	6.25 to 6.75		The 32 MW X41 Gas Power Station at Mt Isa is commissioned
May 2010	4.5	1.0	Queensland Coordinator General receives application & Initial Advice Statement for Copperstring 1.0
June 2010	4.5	1.0	Queensland Coordinator General gazettes Copperstring 1.0 as a <i>significant</i> project
Oct 2011	4.75		AGL and APA sign long term Energy Supply Agreement with Xstrata Mt Isa Mines and a Power Purchase Agreement with Ergon Energy. Xstrata agree to a 17 year contract with the Diamantina Gas Power Station at Mt Isa from 2013 to 2030, with gas supply and pricing fixed until 2023.
Sept 2012	3.5		Queensland Coordinator General repeals declaration of Copperstring 1.0 as a <i>significant</i> project
Oct 2014	2.5		Full commercial operation of APA/AGL's first power station at Mt Isa - the 242 MW Diamantina combined cycle Gas Power Station
Nov 2014	2.5		APA/AGL commissions second power station at Mt Isa - the 60 MW Leichhardt open cycle Gas Power Station
Feb 2019	1.5	1.0	Queensland Coordinator General receives Initial Advice Statement for Copperstring 2.0
April 2019	1.5		Queensland Coordinator General gazettes Copperstring 2.0 as a <i>coordinated</i> project
July 2019	1.0		The Northern Australia Infrastructure Fund confirms it has moved Copperstring 2.0 to its due diligence phase of assessment
Sept 2019	1.0	1.5	Queensland Coordinator General releases final Terms of Reference for the Environmental Impact Assessment (EIS) for Copperstring 2.0
Dec 2019	0.75		Australian Financial Review reports Copperstring 2.0 director as stating: <i>"Commercial debt just continues to get cheaper with interest rates, but there is a very big role for Northern Australia Infrastructure Fund to play here. The more they play that role the stronger the project gets"</i> .
Dec 2020 to Feb 2021	0.1		Draft EIS for Copperstring 2.0 on public consultation
Jan 2021	0.1		218 MW Mica Creek Gas Power Station closes after 60 years
Jan 2021	0.1	1.7	Queensland Government announces Copperstring 2.0 has secured \$17 million financing agreement with Korea Zinc Company Limited
Jan 2021	0.1		Federal Government announces support of up to \$11 million to help progress Copperstring to Final Investment Decision in 2021. This announcement builds on previous support for Copperstring of \$5.17 million in 2019.
Feb 2021	0.1		Queensland Coordinator General states a new project lapse date for Copperstring 2.0 of 4 March 2022
Mar 2021	0.1		APA commissions a third power station at Mt Isa - 18 MW Thomson Gas Power Station. This brings APA's investment in energy assets in the North West Minerals Province to more than \$1 billion.
June 2021	0.1		Queensland Government announces it has entered into an implementation agreement with Copperstring 2.0 on a proposal to connect the North West Minerals Province with the National Electricity Market
June 2021	0.1		Queensland Coordinator General requests additional information on Draft EIS for Copperstring 2.0
July 2021	0.1		Copperstring 2.0 director states at Regional Reference Group meeting in Townsville: <i>"the project would be ready to "pull the trigger" by October pending final government approvals"</i>
Oct 2021	0.1		Queensland Coordinator General receives revised Draft EIS for Copperstring 2.0

³ Table 2, detailing the relationship between the cost of Copperstring and the Australian cash rate and energy supply to the North West Minerals Province provided by QEUN.

Additional submissions provided by QEUN

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Dec 2021	0.1	2.5	<p>Queensland Government publishes a Consultation Regulatory Impact Statement for <i>Electricity supply options for the North West Minerals Province</i> which is a proposal to build a transmission line connecting the North West Minerals Province to the National Electricity Market near Townsville. Private sector company, CuString Pty Ltd is seeking to build the CopperString 2.0 transmission line and derogate from the national framework. Three options are being considered:</p> <p>Option 1 - Business as usual.</p> <p>Option 2 - Copperstring 2.0</p> <p>Private proposal with the introduction of new Queensland legislation to remove the requirement for a Regulatory Investment Test-Transmission (RIT-T) and the application of differential regulated pricing arrangements through a bespoke framework administered by the State. The Queensland Government and electricity customers in the rest of Queensland required to pay between \$1.1 billion and \$1.7 billion over a 40-year period depending on demand levels. At year 40, the Queensland Government would be required to take ownership of the project and its remaining \$1.1 billion debt (or approximately \$170 million in present value terms).</p> <p>Risks:</p> <ul style="list-style-type: none"> • Under this option, 70 per cent of construction cost overruns will be added to the project's regulatory asset base and recovered through project revenues. • The State guarantees project revenue. • Underutilisation and that of the interconnection becoming a stranded asset in the absence of customer commitments. <p>Option 3 - NEM connection (CopperString 2.0) through AER RIT-T framework</p> <p>-Assess CopperString 2.0 through an amended RIT-T, which considers the project's broader economic benefits.</p> <ul style="list-style-type: none"> • Deliver and operate the project in accordance with standard Australian Energy Regulator (AER) regulatory allowances
Dec 2021	0.1	2.5	<p>Queensland Energy Minister states: <i>"The Consultation Regulatory Impact Statement demonstrates the need for the Federal Government to deliver financial support towards Copperstring 2.0 to ensure no impact on other Queensland energy users."</i></p>
Jan 2022	0.1		Queensland Coordinator General receives updated revised Draft EIS for Copperstring 2.0
Feb 2022	0.1		Queensland Coordinator General accepts Draft EIS and revised Draft EIS as the Final EIS for Copperstring 2.0
Sept 2022	2.35	min of 1.75	Queensland Coordinator General approves Copperstring 2.0 with conditions
Sept 2022	2.35	1.7	Queensland Government launches its Queensland Energy and Jobs Plan
Nov 2022	2.85		Delegate for Australian Minister for the Environment and Water approval of controlled action for Copperstring subject to conditions
Mar 2023	3.6	5.0	<p>Queensland Government announces it will own 100% of Copperstring 2.0 with a \$500 million down payment from Queensland coal royalties going directly to Copperstring 2.0.</p> <p>The Queensland Government will deliver the 1,100 km Copperstring 2.0 to unlock Australia's largest renewable energy zone and more than \$500 billion in critical minerals in North Queensland.</p> <p>The project scope now includes an increase in transmission capacity for the section between Townsville and Hughenden, from 330kV to 500kV, to unlock the renewable energy potential of the region. The estimated project cost has been updated for current global supply chain conditions.</p> <p>Early works to start in 2023 and construction in 2024. Project expected to be completed by 2029.</p>
Oct 2023	4.1		Queensland Coordinator General receives from the proponent a project change application. Project now known as Copperstring 2032
Oct 2023	4.1		Queensland Government announces support package of up to \$50 million to help mine workers and the Mt Isa community following Glencore's decision to close its underground copper mine and copper concentrator in Mt Isa in 2025 along with the nearby Lady Loretta Zinc mine. Support package includes up to \$30 million to accelerate development of resource projects in the North West Minerals Province in the next 5 years and is led by Queensland Treasury and Queensland Department of Resources.
Oct 2023	4.1	5.0	Queensland Government committed to commencing construction of Copperstring 2.0 in mid-2024 with a \$1.3 billion package to progress work on the project. The project is expected to be completed in 2029.
Nov 2023	4.35		Applications open for Round 8 of the Queensland Government's Collaborative Exploration Initiative to discover new mineral deposits across Queensland. There is \$4.6 million in grants available. Applications close January 2024.

⁴ Table 2 (continued). Source: QEUN.

Additional submissions provided by QEUN

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2 Feb 2024			Queensland Energy Minister Mr Mick De Brenni posts on his LinkedIN: <i>"The Critical Minerals and Renewables Enablement Study will aim to determine the network infrastructure required to support the development of new resources, renewables and manufacturing projects, and connect them to CopperString in addition to supporting reliability of supply to regional communities. Working in partnership with Energy Queensland and collaborating with local government, developers and proponents, the study will review the potential growth of critical minerals and renewables for communities including Hughenden, Richmond and Julia Creek, building on the opportunities already identified in Mount Isa and Townsville."</i>
Mar 2024	4.35		Queensland Government announces two <i>prescribed</i> projects meaning the Queensland Coordinator General can work with local governments and regulators to help progress them - the \$7.8 billion Project Green Poly, potential to be one of Australia's first integrated mine-to-manufacturing polysilicon supply chains and the Eva Copper Mine near Mt Isa with at least a 15 year mine life that would extend the life of local copper mining and smelting jobs. The combined potential of the 2 projects is 5,500 jobs in the Townsville to Mt Isa Corridor.
Mar 2024	4.35		APA officially opens its 88 MW Dugald River (formerly Mica Creek) Solar Farm supporting MMG, Mt Isa Mines and New Century with solar energy firmed by gas from APA's nearby 242 MW Diamantina Power Station. Glencore signed a 15 year agreement that will see the mine use between 46-57% of the solar energy produced by the farm each year. This represents about 20% of Mount Isa Mines current electricity needs and is a demonstration of Glencore's enthusiasm for integrated energy solutions that can help reduce operational emissions across the region. APA's total investment in the North West Mineral Province exceeds \$1 billion.
1 Mar 2024	4.35		Queensland Coordinator General receives project change application for Copperstring 2032 - change relates to a workers accommodation camp at Hughenden
18 Mar to 12 Apr 2024	4.35		Public consultation on the project change application for Copperstring 2032
April 2024	4.35		Queensland Government announces \$4.6 million for 18 successful projects in its latest Collaborative Exploration Initiative including Chillago, Cloncurry, Mt Isa and Townsville. The CEI Program is \$22.6 million over 5 years. Nearly three quarters of all successful projects are involved in the discovery of copper deposits.
May 2024	4.35		Queensland Government establishes Critical Minerals Queensland - a new office in Townsville dedicated to identifying opportunities in the critical minerals industry and fostering discussions with proponents, investors, community members and researchers.
30 May 2024	4.35		Queensland Coordinator General's report on project change application for Copperstring 2032 is released. The Queensland Coordinator General is satisfied the requested change of location for the Hughenden workers accommodation camp is supported by Flinders Shire Council and therefore can proceed.
June 2024	4.35		Copperstring is included in AEMO's 2024 Integrated System Plan but with the clarification of "CopperString 2032 will be built and owned by the Queensland Government, under the Queensland Energy and Jobs Plan commitment to public ownership of the state's transmission assets, and was not actioned through the ISP
July 2024	4.35		Queensland Government launches its Queensland Critical Minerals Prospectus which is backed by its \$315 million Queensland Critical Minerals Strategy. It also launches its Critical Minerals Investor Hub - a one stop portal allowing investors to get in touch with key stakeholders across the government and proponents with critical minerals projects in different stages of development.
10 Sept 2024	4.35	6.2	Queensland Treasurer in Parliament states: <i>"Last month Powerlink informed the government that the cost of the Copperstring project had increased by \$1.2 billion due to the increased cost of construction materials and the need to reroute part of the line . When we approved that funding we announced that we would pay for the increased cost through additional borrowings. Through that process, the government is being honest, up-front and transparent about costings and we are being transparent about how we are going to fund it."</i>
10 Sept 2024	4.35		Queensland Member for Traeger Mr Robbie Katter (his electorate encompasses the length of Copperstring) in Parliament states: <i>"We are very grateful for the announcement of CopperString but we need certainty about that, not equivocation and conditions.....We have the Meeting of the Mines Cloncurry coming up. We need to start talking about a new copper smelter in Queensland. There are only three left in Australia. Without a copper smelter, a lot of the future of the north-west will be wiped out. Glencore want to get rid of their smelter beyond 2030. They have been emphatic about that position. A lot needs to be done. We can sit here comfortably and say that things will just keep ticking over, but they do not. The only reason those opportunities exist out there is because the government was highly proactive. CopperString is a good start but it is not the end of the story ."</i>

⁵ Table 2 (continued). Source: QEUN.

Additional submissions provided by QEUN

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26 Oct 2024	4.35		Queensland state election results in a change of government
28 Nov 2024	4.35	9.0	Queensland Treasurer in Parliament states: <i>"When CopperString was announced by Premier Palaszczuk it was \$1.8 billion. Then it went to \$5 billion in March 2023. Then in August this year it went to \$6.2 billion. Then we formed government and we understand now it is \$9 billion. Powerlink has said it is \$9 billion. Treasury has said it is \$9 billion."</i>
4 Dec 2024	4.35		North West Weekly states: <i>"Powerlink claims any state government audit of its CopperString budgeting will prove its \$9 billion construction total is necessary because it includes realignment planning and cultural heritage approvals that were absent from the initial project plans it inherited several years ago..... However, Powerlink major projects general manager Ian Lowry said the previous Labor government had received the \$9 billion investment proposal in August. He said the \$9 billion investment total was divided between \$8.2 billion for the estimated construction cost to completion and \$800 million in capitalised interest during construction..... Mr Lowry said the expected costs of CopperString had increased from an estimated \$5 billion project when Powerlink had inherited it, to \$9 billion today, because the initial "concept" proposal did not include transmission line alignments that fully took into account how to surmount difficult physical terrain or cultural heritage requirements. "I think the fundamental issue is around the maturity of the project – from when the state acquired it, until today," he said. "We have done a lot of work to take the project from a concept state to now being a project where you can actually contract it and build it. When the state acquired it, we got into a lot of detailed analysis about the state of the project - the ability to actually construct it. "We looked at how the approvals had been developed. "Some elements of the alignment were in the situation that we had to modify where some of the power lines and the substations were being proposed."</i>
18 Dec 2024	4.35		North West Weekly states: <i>"There are up to six substations planned along the 840km corridor linking Townsville and Mount Isa, however the current plan has a 400km gap between Hughenden and Cloncurry where there are no substations planned. Cr Fegan (Mayor of McKinlay Shire) said multiple local project proposals – including an industrial estate, cotton gin, extensions to a residential subdivision, up to six renewable energy projects and a critical minerals zone – were being hampered due to the lack of reliable power at Julia Creek. She said a substation located in McKinlay Shire that was connected to CopperString was the solution. Following months of lobbying from McKinlay Shire, the former state government this year commissioned Powerlink to conduct a technical study to explore the delivery of enabling network infrastructure to communities along the CopperString corridor. The final report, called the Critical Minerals and Renewables Enablement Study, is understood to have been completed and presented to the state government in August. It includes discussion and recommendations regarding the potential construction of a Julia Creek substation. However, despite further lobbying from McKinlay Shire as well as repeated information requests from North West Weekly, the contents of the report are yet to be released to the public. Powerlink major projects general manager Ian Lowry confirmed that the enablement study was currently sitting with the state government. He said a Julia Creek substation was not included in the proposed alignment inherited by the state government. Changes to the initial alignment proposed when the state government took control of CopperString several years ago has been central to recent negative publicity about the overall \$9 billion cost of CopperString. "The (enablement) report looks at the long-term needs of customers along the entire corridor between Hughenden and Cloncurry – what we submitted was a consideration for the previous (state) government and now it is a point of engagement for us with the new government," Mr Lowry said. "A Julia Creek substation is not part of the current scope (of the CopperString project) so it would require additional funding and additional consideration from government."</i>
4 Dec 2024	4.35		ABC reports that the Queensland Treasurer has been warned by Treasury there is a growing risk the state's AA+ credit rating will be downgraded. Mr Janetzki (Queensland Treasurer) said the increased costs of projects inherited from the former Queensland Government was contributing to the heightened risk of the state's credit rating being downgraded.

⁶ Table 2 (continued). Source: QEUN.

Additional submissions provided by QEUN

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18 Feb 2025	4.1		S&P Global Ratings revised its outlook on Queensland to negative and affirmed the AA+ credit rating. The Australian newspaper reported the agency warned the new Queensland Government to slash spending and cut debt or risk the state's first credit rating downgrade in more than 15 years.
April 2025	4.1	13.9	Queensland Government reveals the full cost of Copperstring 2032 is nearly \$14 billion, nearly \$12 billion more than originally announced. It will leverage the infrastructure expertise of Queensland Investment Corporation to save Copperstring and introduce private sector investment. QIC is tasked with prioritising work on the Eastern Link but will also conduct a full analysis of the options to deliver the best economic value for the Western Link. Prioritising the Eastern Link would see the benefits of the project received sooner and will also allow focus to be placed on connecting renewable generation in the proposed Flinders Renewable Energy Zone.
8 May 2025			Glencore media release states: <i>Glencore remains in discussions with the Crisafulli Government on the future of its Mount Isa copper smelter and Townsville copper refinery operations.</i> <i>Glencore plc CEO Gary Nagle met with the Queensland Premier, Treasurer and Minister for Resources last week to discuss a range of issues including the copper smelter operations.</i> <i>Glencore has committed to working with third parties to explore options for reprocessing of Mount Isa Mines tailings and is progressing studies for the Black Star Open Cut (BSOC).</i> <i>While there is positive and constructive engagement with the Queensland Government on the Mount Isa copper smelter and Townsville copper refinery operations, discussions are still ongoing to determine if there is a way to continue operating the smelter. To date, no agreement has been reached nor has a final decision been made on its future operation.</i> <i>Glencore is grateful to the Queensland Premier for his ongoing engagement on this important issue, which will impact the entire region of NW Queensland.</i> <i>Glencore will also be seeking to continue engagement with the re-elected Albanese Government</i>
14 May 2025			North West Weekly states: <i>"Glencore wants \$2 billion in government funds to keep Mount Isa's copper smelter operating for the next decade. North West Weekly can reveal that Glencore CEO Gary Nagle put the extraordinary figure to Premier David Crisafulli, Treasurer David Janetzki and Minister for Natural Resources and Mines Dale Last in Brisbane earlier this month.</i> <i>A senior government source said the Premier was not thrilled with the CEO's request.</i> <i>"Glencore wants \$200 million a year over 10 years to subsidise the Mount Isa copper smelter and the Townsville refinery," they said. Mount Isa</i> <i>mayor Peta MacRae, who also met with Mr Nagle while he was in Brisbane, said the city had "started to feel the effect of Glencore's lack of commitment to our community and our future".</i> <i>"We definitely need a long-term solution for the smelter because it is a key piece of infrastructure that underpins the economy," she said, expressing concern that Mount Isa was being used as a bargaining tool.</i> <i>The mayor said while Mount Isa couldn't afford to lose the copper smelter, there had to be a ceiling on what the taxpayer should contribute to the Glencore-owned facility.</i> <i>"I'm sure they're negotiating, but I honestly don't know what the outcome should be that would be best for our community, the state and the country as a whole," she said. "Obviously,</i> <i>we need a smelter – whether it is this smelter or whether it is a new smelter as some sort of common user facility ... I'm not sure of the solution."</i> <i>When Glencore announced in 2023 that it was closing its Mount Isa underground copper mines, it said the smelter was "currently expected to operate to 2030 subject to the approval of additional capital investment".</i> <i>Last month, the company said it would not operate the smelter beyond next year without government support.</i> <i>Outgoing Glencore zinc assets chief operating officer Sam Strohmayer said increased international competition and declining access to local concentrate meant the company was now weighing up whether to proceed with a planned re-bricking in 2026.....Mr Strohmayer singled out energy cost relief and hastening regulatory approvals as areas of concern for the company. "</i>

⁷ Table 2 (continued). Source: QEUN.

Additional submissions provided by QEUN

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24 June 2025	3.85		The 2025-26 Queensland Budget reinforces the Government's commitment to Copperstring by increasing the total Government commitment to \$2.4 billion, an increase of \$1.4 billion on last year's Queensland Budget. In 2025-26, on-the-grounds works will begin with the \$225 million Hughenden Hub to connect future renewable energy at Flinders to the National Electricity Market.
24 June 2025	3.85		S&P Global Ratings state in The Australian newspaper that Queensland's finances are on shaky ground after a reduced slice of the GST. " <i>The negative outlook on the credit rating highlights the size and pace of the state's decline, rising debt levels and potentially weaker liquidity coverage. The new government has refreshed, rather than redesigned, the state's fiscal strategy, with greater emphasis on stabilising its ratio of non-financial public sector debt to revenue. Debt continues to rise to fund operating deficits and a growing infrastructure budget</i> ". S&P points to falling coal royalties, the reduced GST allocation and the previous Labor government's decisions for the state's fiscal deterioration.
26 June 2025	3.85		2024 Economic Contribution of Glencore in Australia report states: <i>"Glencore operates one of only two integrated copper processing facilities in Australia, which includes a copper smelter in Mount Isa and copper refinery in Townsville. Glencore's smelter is the only facility in Australia which processes third-party copper input. This involves engagement with BHP in South Australia and several junior and mid-tier miners in North Queensland, including ASX-listed companies such as 29Metals, Austral Resources, Carnaby Resources, Evolution Mining, True North Copper, and Cyprium Metals.</i> <i>Glencore supports some miners through financing, tolling arrangements, marketing off-take agreements, and mining expertise, which helps increase ore volumes for its smelter. This collaboration provides miners with a local smelting option, rather than exporting copper concentrate overseas, and supports Glencore's smelting operations as Glencore's own copper production will cease with the close of the Mount Isa Copper Underground Operation in July 2025. Glencore's processing assets and agreements with other regional miners contributes to Australia's sovereign processing capabilities of copper, one of 31 critical minerals designated by the Department of Industry, Science and Resources.</i> <i>Expenditure on copper concentrate from third parties totalled \$2.5 billion in 2024. Glencore's Murrin Murrin Operations also purchased \$14 million of third-party inputs in 2024. "</i> <i>In 2024 Glencore paid \$11.8 billion for goods and services provided by suppliers located in 361 local government areas which included Brisbane \$2.854 million, Mackay \$1,000 million and Mt Isa 753 million. Brisbane was the top supplier spend.</i>
4 July 2025	3.85		Reuters article - Andy Home senior metals columnist comments: <i>"Western metal smelters are in crisis. China's rapid expansion of processing capacity is crushing margins across the metallic spectrum. Copper smelters in Namibia and the Philippines have recently been placed into care and maintenance after processing fees turned negative . More are at risk. Glencore has warned that its Mt Isa copper smelter is financially unviable after related mining activity stops this month. The Australian government is also facing urgent calls for help to save Nyrstar's zinc and lead smelters and Rio Tinto's Tomago aluminium smelter..... The problem is not simply one of constrained mine supply. Low fees in both zinc and copper markets also reflect a super-charged expansion of Chinese smelting capacity over and beyond what the world's mines can feasibly supply. The result has been an implosion in treatment charges and in smelter profitability..... China's own smelters are also feeling the margin pressure but many of the biggest players are vertically integrated, meaning losses at the processing stage can be offset further down the production chain. In addition, loss-making plants are given a helping hand by both central and provincial governments, a level of state subsidy that tilts the playing field against Western competitors. Western counterparts are also paying more for their power, a major cost for all smelters and particularly for aluminium plants which produce the light metal through electrolysis. It doesn't help that both existing operators and potential new plants must compete with the equally power-hungry tech sector for electricity..... Its future now rests with the Australian government, which along with other Western governments must decide just how much it's prepared to pay to insulate its smelters from the Chinese price crush.</i>

⁸ Table 2 (continued). Source: QEUN.