



# APA submission

Project Energy

Connect Implementation

Directions Paper

*December 2023*



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1 December 2023

**RE: APA Submission to Project Energy Connect Implementation Directions Paper**

Thank you for the opportunity to comment on the consultation on the Project Energy Connect (PEC) Implementation Directions Paper (Directions Paper). We have appreciated the engagement the AEMO has undertaken to date and look forward to further engagement on these important issues.

APA is an Australian Securities Exchange (ASX) listed owner, operator, and developer of energy infrastructure assets across Australia. Through a diverse portfolio of assets, we provide energy to customers in every state and territory on mainland Australia. As well as an extensive network of natural gas pipelines, we own or have interests in gas storage and generation facilities, renewable generation and electricity transmission networks including Basslink, Directlink and Murraylink.

AEMO's "Micro-slice" model overall is considered and recognises market settlement limitations once PEC is completed, however APA requires further detail and time to understand potential impacts and will engage further throughout the AEMC Rule Change process.

We acknowledge that loop flows creates issues related to market settlement and generation of negative settlements residues. Ultimate residue allocation principles should ensure efficient outcomes of costs that are ultimately passed through to the end-use customers in their respective transmission network regions and benefit from the energy transfer.

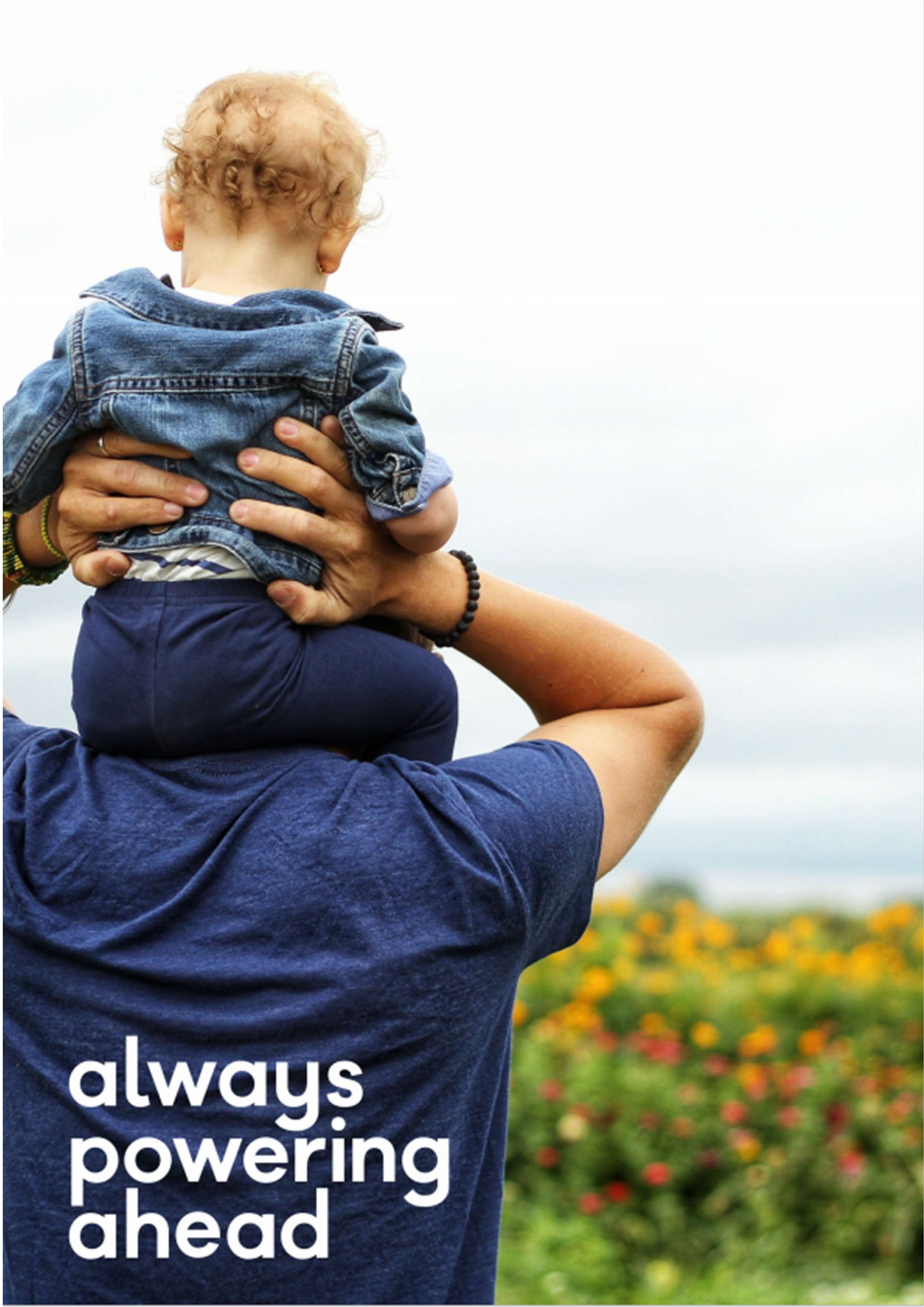
In the aggregated regional modelling from the discussion paper Heywood and Murraylink have been combined as a single circuit. Future modelling needs to consider and report on the impacts of modelling these interconnectors separately. If modelled discretely, the dynamics of when Heywood and Murraylink are flowing in opposite directions, forming a micro-loop should be investigated.

If you wish to discuss our submission in further detail, please contact Ben Wu on 07 3003 4343 or [marketsmanager@apa.com.au](mailto:marketsmanager@apa.com.au).

Kind regards,



**Rebecca Mason**  
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