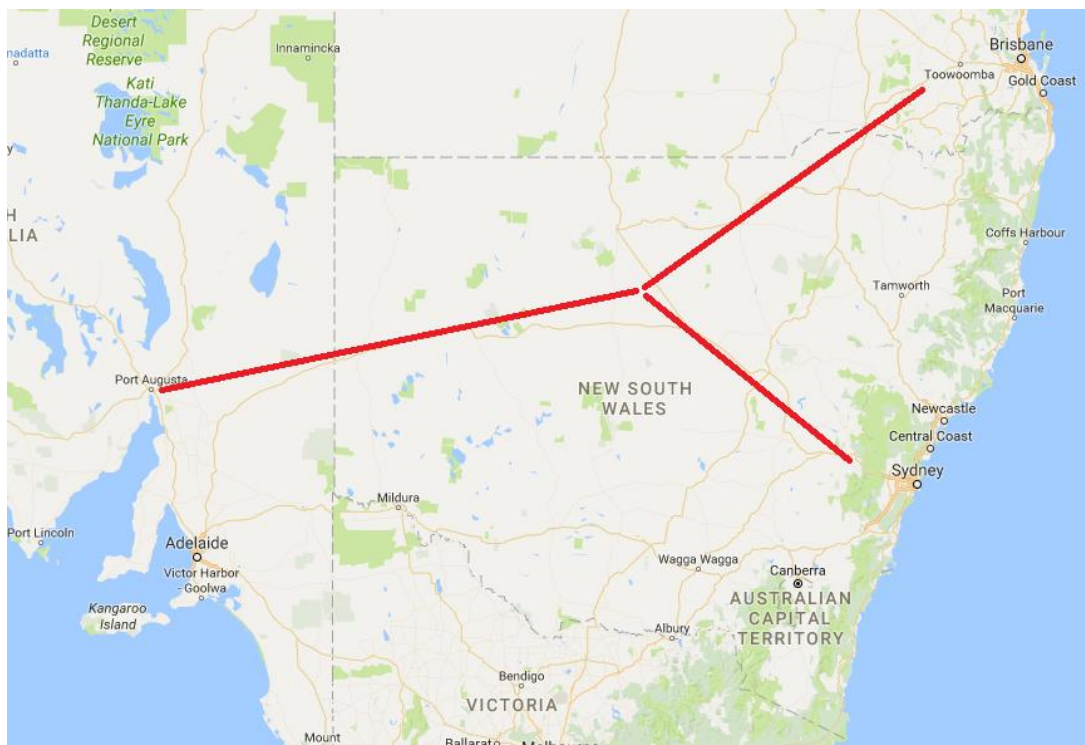


Dear Hugo,

May I suggest that you look at another interconnector option in your upcoming RIT-T process?

I had a look at the trading value between the different options in your consultation report. SA-QLD would offer the best revenues due to both states being volatile and non-correlated. The other options into NSW or VIC become increasingly correlated and provide fewer arbitrage opportunities as price is lower and more stable in those states.

I would like to suggest another option which would connect SA to both QLD and NSW to maximise market benefits and also allow for more renewable generation connection in western NSW.



I'm not sure how to value the additional renewable connection so perhaps this option is not worth the considerable extra capital expenditure.

In general the extra leg of transmission means any generation there can be exported somewhere while also allowing maximum transfer between the two states with the highest price difference. E.g. high wind in SA means 500 MW transfer to QLD where price has spiked to \$300, Solar/Wind power in W-NSW is pushed towards Sydney.

Thanks for the chance to respond, I look forward to seeing the results of your consultation.

Kind Regards,  
Tom Geiser