



# Capacity Investment Scheme (CIS) Tender 1 – National Electricity Market (NEM) Generation Project Bid Q&A Responses

This document provides a compilation of responses to de-identified questions received from Registered Proponents for CIS Tender 1 – NEM Generation. New Q&As are added to this document in chronological order and highlighted in green. All Q&As are allocated to categories aligning with the Q&A form: Eligibility Criteria; Tender Deed Poll; Merit Criterion 1 – Contribution to system reliability and system benefits; Merit Criterion 2 – Project deliverability and timetable; Merit Criterion 3 – Organisational capability to deliver project; Merit Criterion 4 – First Nations engagement, community engagement and benefits sharing; Other.

All responses and correspondence by AEMO regarding the Q&A Process in CIS Tender 1 – NEM Generation are subject to the Tender Conditions set out in Section 4 of the CIS Tender 1 – NEM Generation [Tender Guidelines](#) (published 31<sup>st</sup> May 2024).

**Important notice:** Registered Proponents are reminded of Sections 4.5 (No warranty), 4.6 (No representations), 4.13 (Requests for clarification and further information) and 4.19 (Proponent to perform own due diligence) of the Tender Guidelines. AEMO and the Australian Government reserves its rights not to respond to any question or request. The responses provided are for information purposes only and neither AEMO or the Australian Government make any warranties or representations with respect to the completeness, accuracy, adequacy or currency of the responses. The responses do not take into account individual circumstances and Registered Proponent's should ensure they perform their own due diligence.

## Version Release

Version	Release date	Changes
V1	05/06/2024	
V2	12/06/2024	Release of latest Q&As as at 12/06/2024
V2	18/06/2024	Release of latest Q&As as at 19/06/2024

## Project Bid Q&A

Q&A Release 3		Distributed 19/06/2024	
#	Category	Question	Answer
9	Eligibility Criteria	EC12 provides that the Project must not be subject of (or have been awarded) a long-term (10 years or more) revenue underwriting agreement with the Australian Government, or a State or Territory of Australia. Can you please clarify if the assessment of the tenor of the agreement (less than 10 years) in this case takes into account the contractual exclusion of certain periods. I.e. the contract may technically cover a period of more than 10-years, however, given the exclusion of a number of periods, revenue underwriting support is only available for a period of less than 10-years in practical terms.	A long-term revenue underwriting agreement, as referenced in EC12, refers to the entire term of such agreement including all excluded and non-excluded periods.
10	Other	Can you please confirm the confidentiality conditions of the information we provide during our submissions?	<p>Proponents should ensure they have read and are familiar with section 4 of the Tender Guidelines, which outlines the Tender Conditions.</p> <p>In particular, with regards to the confidentiality of information provided in bids, Proponents should refer to:</p> <ul style="list-style-type: none"> <li>• Section 4.9 Intellectual Property Rights;</li> <li>• Section 4.20 Bids Commercial-in-confidence; and</li> <li>• Section 4.21 Use of Bids.</li> </ul> <p>These are also set out in the Process Deed Poll which Proponents must complete and submit as part of their Stage A submission.</p>

Q&A Release 3		Distributed 19/06/2024	
#	Category	Question	Answer
11	Eligibility Criteria	Is the minimum 30MW capacity in AC or DC?	The minimum 30 WM capacity as required under EC9 is with respect to the Project’s registered capacity with AEMO. The registered capacity should be in AC.
12	Other	<p>Given the significant duplication in requirements between the NSW REZ Access rights Stage A and the CIS tender Stage A - will AEMO allow bidders to reference their NSW REZ submission Project bid details rather than having to also complete the CIS form in full?</p> <p>We would like to avoid having to submit the same information twice as this creates QA/QC issues and unnecessary additional work.</p>	<p>In accordance with clause 4.16 of the Tender Guidelines, a Bid must meet the requirements for submission. Proponents are required to complete the Project Bid Form and provide supporting attachments in its entirety and should not refer to materials provided as part of a different tender or process.</p> <p>AEMO Services is undertaking the tender management for both the NSW Roadmap Tender 5 and CIS Tender 1 – NEM Generation. However, each tender has a separate governance structure and assessment, and different decision makers.</p> <p>To streamline the process for Proponents seeking both a Generation CISA and a South West REZ Access Right, significant effort has been made to align the Stage A application processes and information required for these tenders where possible and reduce the effort to participate in both tenders. Proponents can also download their Project Bid form from either tender process at any time to assist with reusing content where possible.</p>

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#	Category	Question	Answer
13	Tender Deed Poll	<p>Participation in this Tender is subject to proper execution by each Proponent of a Process Deed Poll and CISA is referred in this document.</p> <p>We understand there is room to negotiate the CISA on a later stage and the acceptance of Process Deed Poll does not mean the acceptance of all term and conditions on CISA and Tripartite Deed. Kindly confirm.</p>	<p>As outlined in Section 2.1.2 of the Tender Guidelines, the Process Deed Poll includes, amongst other things:</p> <ul style="list-style-type: none"> <li>• an acknowledgment that the Proponent accepts and is bound by the Tender Guidelines;</li> <li>• a warranty that the Proponent has, and its Associates have, complied with the Tender Guidelines in respect of its and their participation in the Tender Process; and</li> <li>• a warranty as to the truth and accuracy of the information submitted by the Proponent.</li> </ul> <p>Execution of the Process Deed Poll is not an indication that the Proponent accepts all terms and conditions of the Draft CISA.</p>

Q&A Release 2		Distributed 12/06/2024	
#	Category	Question	Answer
2	Eligibility Criteria	Our project is a hybrid project (Solar + BESS), and the BESS component has previously been awarded a long-term government underwriting agreement. Can the solar component still submit a stand-alone bid for Generation CIS and meet the requirements of EC12?	<p>As outlined in Section 2.2.1 (Page 9) of the Tender Guidelines, a Hybrid Project can elect to submit a Non-Assessed Hybrid Project Bid, where the Associated Project (storage asset) will not be included in the assessment of the Proponent's Bid.</p> <p>Each Bid will need to meet the Eligibility Criteria and Proponents should refer to the guidance provided on Hybrid Projects and Generation Project Bids to determine their eligibility with reference to the different possible configurations.</p>
3	Eligibility Criteria	With respect to the additional 1.8GW of renewable capacity to be procured through this tender, we note in the initial capacity allotments that Queensland was not provided any capacity. With this in mind, for this additional 1.8 GW of renewable capacity will projects from Queensland be considered on an equal footing to other states in the NEM or will procuring additional capacity in the other states be considered a higher priority?	As outlined on page iii of the Tender Guidelines, these specific jurisdictional allocations form part of the Australian Government's Renewable Energy Transformation Agreements with State and Territory governments. The 1.8 GW of capacity that is not allocated to a particular state may be allocated to Projects across the NEM, based on a merit assessment of the projects.

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4	Other	With respect to renewable generations projects that have storage enabled (as part of a single DUID, not an additional DUID), will there be any special consideration of the higher inherent costs of such a facility, as a result of their generation flexibility and range of additional services to be provided? Or will only the renewable generation portion be considered?	<p>Under the CIS, Proponents that have a Hybrid Project may submit an Assessed Hybrid Bid where both the generation and storage components of the Bid will be assessed for merit. If successful, the Proponent must commit to deliver the Hybrid Project.</p> <p>As per section 3.2.1 of the Tender Guidelines, Merit Criterion 1 considers the Project’s ability to provide essential system services and/or contribute to system strength. As per section 3.2.2 of the Tender Guidelines, Merit Criterion 5 considers the benefits of the Project against the forecast cost of the CISA.</p> <p>As outlined in section 2.2.1 of the Tender Guidelines (page 9), due to the additional market benefits that a Hybrid Project can deliver compared to a Generation Project, an Assessed Hybrid Bid could be expected to demonstrate a higher Financial Value against Merit Criterion 5 and an ability to provide greater system reliability and other system benefits against Merit Criterion 1, when compared with a generation only project.</p>
5	MC4	Can AEMO Services confirm the Location of the a) MC4 Returnable Schedule – Shared community benefit commitments and b) Project Documents for the Indicative Departures Table	<p>Proponents can download the MC4 Returnable Schedule and Project Documents for the Indicative Departures Table through the links provided under the respective questions in the Project Bid Form.</p> <p>Alternatively, Proponents can download both documents from the Tender Documents tab on the AEMO services website (linked <a href="#">here</a>)</p>

Q&A Release 2		Distributed 12/06/2024	
#	Category	Question	Answer
6	MC1	In MC1 - Contribution to system reliability and system benefits, some of the requested information is very detailed and may only be available following the completion of the GPS process. Where information is not yet final or available, is "TBC" ok as a response?	<p>Information requested in the Bid Form has been aligned with the Merit Criteria descriptions in Section 3.2 of the Tender Guidelines.</p> <p>Where the specific information is not yet available, Proponents should provide the most recent and relevant information they can, to address the question.</p> <p>In the MC1 section in particular, where the question requires a response in a number format and that number is not yet available, please enter 0 and upload additional information as an attachment to provide further explanation.</p>
7	MC2	In MC2, proponents are asked to provide the intended contributions of debt and equity (in separate tables). We want to clarify if the percentages in each table must add up to 100% individually i.e. they are as a % of debt for the debt table and % of equity for the equity table. Or, the tables are as a % of capex, thus both tables combined must add up to 100%?	<p>The tables in the Bid Form outlining the intended contribution of debt and equity should be viewed independently of one another (i.e., the % of total debt and the % of total equity).</p> <p>It is not necessarily a requirement for each of the tables to add to 100% if, for example, the exact contributions have not yet been finalised and multiple parties are being considered to provide similar contributions.</p> <p>Proponents can provide further details in the free text response questions in MC2.</p>

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#	Category	Question	Answer
8	Eligibility Criteria	Our Project does not have a Project Assessment Decision nor have we lodged a Development Approval application under the relevant State Planning Legislation in relation to the Project. We do have the SEARS report. Is this sufficient to meet this EC?	<p>Table 6 of the Tender Guidelines (page 19) outlines the specific eligibility requirements for Projects in each State in relation to EC14. Projects in NSW must have received a Secretary’s Environmental Assessment Requirements (SEARs) where SEARs applies. In the event that SEARs does not apply, then the Project must have lodged a development application for consent under the Environmental Planning and Assessment Act 1979 (NSW).</p> <p>Proponents are required to upload evidence to support their response to EC14.</p>



Q&A Release 1		Distributed 5/06/2024	
#	Category	Question	Answer
1	Eligibility Criteria	EC13 states that the project must have received a connection enquiry response and an executed connection agreement or amendments. If a project has received a connection enquiry response from the NSP, but has not yet submitted the connection agreement, is it still able to participate in the CIS Tender 1?	<p>To clarify the drafting in the Tender Guidelines (May 2024), EC13 (see Table 5 on page 18 of Tender Guidelines) should be interpreted as the Project requiring one of the listed criteria, i.e.:</p> <p>The Project must:</p> <ul style="list-style-type: none"> <li>a) have received a network service provider response to a connection enquiry; <b>OR</b></li> <li>b) have executed a connection agreement; <b>OR</b></li> <li>c) be in the process of seeking to amend an existing connection agreement.</li> </ul>

**Acknowledgement of Country**

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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