Australian Government



Department of Climate Change, Energy, the Environment and Water

# 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 <u>Tender Guidelines</u> (published  $31^{st}$  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 |
| V3      | 19/06/2024   | Release of latest Q&As as at 19/06/2024 |
| V4      | 24/06/2024   | Release of latest Q&As as at 24/06/2024 |
| V5      | 26/06/2024   | Release of latest Q&As as at 26/06/2024 |
| V6      | 27/06/2024   | Release of latest Q&As as at 27/06/2024 |
| V7      | 28/06/2024   | Release of latest Q&As as at 28/06/2024 |

#### Project Bid Q&A Responses

# Project Bid Q&A

| Q&. | A Release 7 | Distributed 28/06/2024   |  |
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| #   | Category    | Question   | Answer   |
| 31  | Other       | We are unable to upload files with ".kmz" or ".xer" file types into the<br>Bid Form. In particular, the Bid Form asks us to upload a map file and<br>suggests ".kmz" as a file type. Can we use another file type instead? | Some file types are not accepted in the Bid Form despite the<br>acceptable file types listed.<br>If you have issues uploading a particular file type, please upload an<br>alternative file type, such as PDF, instead. |

| Q& | A Release 6 | Distributed 27/06/2024  |   |
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| #  | Category    | Question  | Answer  |
| 22 | Other       | What are the types of reasons, or is there further guidance on the circumstances under which the government would grant a waiver of the related body corporate restrictions under section 15 of the CISA? | The Commonwealth retains discretion to waive any of the requirements as outlined in clause 15 of the draft Generation CISA depending on the specific circumstances of the Project and the Proponent.  |
|    |             |   | The Commonwealth may, on a case by case basis, wish to consider<br>waiving an eligibility requirement to make a contract an Eligible<br>Wholesale Contract in the case of a proponent that has materially<br>satisfied most of the eligibility requirements in clause 15.1 and wishes<br>for the contract to be considered an Eligible Wholesale Contract for<br>revenue calculation purposes, notwithstanding that the Proponent is<br>unable to satisfy other requirements for reasons that do not conflict<br>with the policy intention of the CISA. |
|    |             |   | The Commonwealth may also exercise this discretion to consider a contract eligible where the Commonwealth considers it has intentionally been rendered ineligible for the purpose of gaming, or attempting to game revenue calculations or related provisions in the CISA.  |

| Q&/ | A Release 6 | Distributed 27/06/2024  |   |
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| #   | Category    | Question  | Answer  |
| 23  | Other       | If a proponent is proposing a hybrid, it will have contracting options<br>that will not be "eligible contracts" as defined, such as fixed-shape<br>products or full-plant tolls. Per the guidelines, for the purposes of<br>calculating net operational revenue, the revenue from these contracts<br>are "replaced by the revenue the project would have made based on<br>spot market sales if it had not entered into the eligible contract".<br>Two key questions:<br>i. can you provide more clarity around the methodology for<br>calculating this "replaced" revenue?<br>ii. it's also noted that the Commonwealth has the discretion to waive<br>the eligibility requirements outlined in Clause 15.1 of the CISA - can<br>any more clarity around this process be provided to allow proponents<br>to form up their contracting strategy? | Per the Clause 15 of the Draft CISA (7 June), if a Proponent notifies the Commonwealth of a Wholesale Contract and the Commonwealth determines that it is not an Eligible Wholesale Contract, then any electricity that was generated by the generation component of the hybrid under this Wholesale Contract will be deemed to have been sold to the market at the spot price when it was produced, per the methodologies outlined in Schedule 1 of the Draft CISA.<br>As outlined in Clause 15.1 (c) – "The Commonwealth may waive any conditions set out in paragraph (a) or (b) at its discretion, including when Project Operator has made a request under clause 15.2(a)".<br>Proponents may submit markups to the draft agreement in Stage A via the Indicative Departures Table Returnable Schedule. As outlined in this schedule, these departures will be considered indicative and will not form part of the Stage A – Project Bid assessment. Instead, the indicative departures will be considered by the Australian Government and AEMO to determine whether any further amendments will be made to the Project Documents prior to the commencement of Stage B – Financial Value Bid. |

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| #  | Category    | Question   | Answer   |
| 24 | Other       | On the Tender Webinar, it was mentioned that a hybrid plant can<br>submit two bids - one as an assessed hybrid and one as a non-<br>assessed/ generation only bid. Can we confirm this is still an<br>appropriate case where a proponent can submit a "duplicative" bid. | As outlined on page v of the Tender Guidelines, Proponents may<br>submit both an Assessed Hybrid Project Bid (consisting of a<br>generation and storage asset) and a Generation Project Bid. This will<br>not be considered a Duplicative Bid. If a Proponent submits an<br>Assessed Hybrid Project Bid and is ultimately successful, they are<br>contractually required to deliver both the generation and storage<br>assets. Proponents should note that in order to submit both an<br>Assessed Hybrid Project Bid and a Generation Project Bid, a separate<br>registration must have been made for both bids. |
|    |             |  | As outlined in the definition of Duplicative Bid on Page 63 of the<br>Tender Guidelines, a Bid will be considered to be a Duplicative Bid if it<br>is in respect of essentially the same Project as another Bid from the<br>same Proponent or its Associates, and only has changes to the<br>configuration or design (such as storage duration or nameplate<br>capacity). A Generation Project Bid and a Non-assessed Hybrid Bid<br>may be considered a Duplicative Bid.   |

| 25 | Other |
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It appears that the CISA has been drafted in such a way to provide to support to only the Generation component of a Hybrid Project . However, the drafting of the Draft Capacity Investment Scheme Agreement seems to indicate that the Associated Project is contemplated in the Net Operational Revenue calculations (e.g. the definition of "Other Market Revenue" includes "ancillary services"), and the definition of notional quantity (for then calculating NOR) accounts for discharge efficiency of the AP, suggesting that the associated project may be underwritten (based on the formulas in the Draft Agreement).

To confirm, is the Generation CISA intended to support the entire hybrid plant, or only the generation asset?

Proponents should refer to Treatment of Hybrid Projects bidding for a Generation CISA on page 9 of the Tender Guidelines.

Proponents that submit an Assessed Hybrid Project Bid will be assessed against the Merit Criteria for both the generation and storage components. If an Assessed Hybrid Bid is ultimately awarded a CISA, the Proponent will be required to deliver the whole Hybrid Project.

The Draft Generation CISA is intended to support the generation component of the Project.

Other Market Revenue, as defined in the Draft Generation CISA, is intended to refer to ancillary and system security services provided by the generation component of the Project in the event that the Project becomes eligible to provide these services in the future and generates revenues. It is not intended to capture ancillary services or revenues from the Associated Project.

Hybrid Projects are required to have submetering arrangements in place that align with Schedule 3 of the Draft Generation CISA. As outlined in Schedule 3 of the Draft Generation CISA, it is expected that the metering solution will be sufficient to distinguish generated energy that is directly exported to the Network from generated energy that is imported by the Associated Project prior to export to the Network.

Proponents may submit markups to the draft agreement in Stage A via the Indicative Departures Table Returnable Schedule. As outlined in this schedule, these departures will be considered indicative and will not form part of the Stage A – Project Bid assessment. Instead, the indicative departures will be considered by the Australian Government and AEMO to determine whether any further

| Q&. | A Release 6 | Distributed 27/06/2024   |  |  |
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| #   | Category    | Question   | Answer   |  |
|     |             |  | amendments will be made to the Project Documents prior to the commencement of Stage B – Financial Value Bid.   |  |
| 26  | Eligibility | Would a project be deemed ineligible under any Eligibility Criterion if<br>it was structured as part of a UJV arrangement with the proponent<br>seeking CIS support for it's share of the project?   | EC7 states that "The Proponent must propose one Bid Entity, which<br>may be the Proponent and which, at the time of the execution of the<br>CISA, must be a special purpose vehicle which holds all of the assets,<br>and is entitled to all of the revenue, of the Project."  |  |
| 27  | Eligibility | With respect to EC6, one of our related body corporate is a reporting<br>entity. So, does that mean we have to tick "yes" to the question in the<br>bid form regarding EC6, even though we (as a separate entity from<br>this related body corporate) is not a Reporting Entity based on the<br>definition in the Act? | EC6 states: "If the Proponent, its Consortium Members and its or their<br>respective Related Bodies Corporate is a 'reporting entity' under the<br>Modern Slavery Act 2018 (Cth), they must have complied with their<br>obligations under that Act, including (if applicable) registering a<br>Modern Slavery statement with the Attorney General's Department." |  |
|     |             | Also we would like to confirm the meaning of "Related Bodies<br>Corporate". If the Proponent is 100% owned by a company, that at<br>same time is 100% owned by another company (there are no<br>consortium members), all of them are considered the "Related Bodies<br>Corporate" and shall satisfy previous criteria? | As such, if a Proponent's Related Body Corporate is a reporting entity<br>under the Modern Slavery Act, the Proponent is required to confirm<br>that its Related Body Corporate has complied with its obligations<br>under the Act, including (if applicable) registering a Modern Slavery<br>statement with the Attorney General's Department.                  |  |
|     |             |  | The definition of Related Body Corporate is provided in the Glossary on Page 67 of the Tender Guidelines.  |  |

| Q& | A Release 6          | Distributed 27/06/2024  |   |
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| #  | Category             | Question  | Answer  |
| 28 | MC1                  | "Is the project able to startup without an external supply source?" – Does this question refer to black start capability?   | As outlined on Page 22 of the Tender Guidelines, to address the<br>requirements of MC1, proponents are required to provide<br>specifications about their projects including system strength (fault<br>current), voltage management (reactive power), frequency<br>management (ramping capability) and system restoration capability<br>(black-start).                                       |
|    |                      |   | This question in the bid-form refers to the project's ability to support system restoration (black-start).  |
| 29 | Eligibility Criteria | Does the eligibility "not the subject of (and has not been awarded) a<br>long-term (10 years or more) revenue underwriting agreement with<br>the Australian Government or a State or Territory of Australia under<br>which " include Government Owned Corporations (GOC)? | To the extent that a Proponent is a GOC, its bid may still be eligible<br>provided that all eligibility criteria are satisfied (including EC12). The<br>fact that the Proponent is itself a GOC does not render its bid<br>ineligible under EC12.   |
|    |                      |   | With reference to the wording of EC12 on Page 18 of the Tender<br>Guidelines, "with the Australian Government, or a State or Territory<br>of Australia" should be taken to include GOCs.  |
|    |                      |   | As such, if a Project has a revenue underwriting agreement with a GOC it is unlikely that it will satisfy the requirements of EC12.   |
|    |                      |   | However, if the Project has an agreement with a GOC that is on<br>commercial terms at arm's length (such as a PPA), the Project may still<br>be eligible under EC12 depending on the terms of these<br>arrangements, which would be considered during eligibility<br>assessment. The Proponent should provide sufficient details of the<br>agreements to enable an assessment against EC12. |

| Q& | A Release 6 | Distributed 27/06/2024   |  |
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| #  | Category    | Question   | Answer   |
| 30 | Other       | Although not required until Stage B under MC5, what kind of<br>information is required for the "Modelled generation traces"<br>described in the Tender Guidelines for hybrid projects? | Further details will be provided to Proponents about specific<br>requirements once Stage B commences.<br>However, it is expected that Proponents will be required to provide<br>their generation traces for the Project in MWh per interval specified.<br>This should represent the AC output measured at the connection<br>point after accounting for auxiliary losses and inverter ratings, but<br>excluding losses due to system degradation. It is expected this will be<br>required for three specified historical weather years (dates aligned<br>with financial years). |
|    |             |  | If a Project involves technologies that are not weather-dependent (for<br>example associated storage projects for a hybrid project), Proponents<br>may be required to provide a separate generation trace indicating the<br>output trace of the dispatchable technology component and text<br>description of how this component is expected to operate.<br>These details will be requested via a Returnable Schedules in Stage B<br>of the Tender.   |

| Q&/ | A Release 5 | Distributed 26/06/2024   |  |
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| #   | Category    | Question   | Answer   |
| 18  | MC1         | For an Assessed Hybrid Project, should the System Security items<br>apply to only the renewable project or the entire site? (If this depends<br>on the connection arrangement, could you please elaborate.)          | As outlined on page 9 of the Tender Guidelines, Assessed Hybrid<br>Project Bids will be assessed against each Merit Criteria for both the<br>generation and storage components. An Assessed Hybrid Project may<br>be able to provide greater system reliability and other system benefits<br>than a similar non-hybrid, which could also contribute favourably<br>towards the merit assessment against Merit Criterion 1.                      |
|     |             |  | As such, proponents that submit an Assessed Hybrid Project Bid<br>should provide information that relates to both the generation and<br>storage components of a Project for assessment against the Merit<br>Criteria.  |
| 19  | MC2         | For Projects that are seeking an access right as well as a CISA, do we<br>need to provide information on land tenure rights for the connection<br>route if it is being procured by EnergyCo or the Network Operator? | As outlined in Merit Criterion 2 (MC2), Projects should provide<br>information on land tenure rights for the connection route only if the<br>connection route is the responsibility of the Project. Please refer to<br>footnote 5 on page 23 which describes that Projects in the CWO REZ<br>access scheme are not required to provide evidence for the direct<br>Project connection route that is to be delivered by the network<br>operator. |

| Q&. | A Release 5 | Distributed 26/06/2024  |   |
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| #   | Category    | Question  | Answer  |
| 20  | MC2         | Under question 28 of MC2.1 - does this relate to Commonwealth and<br>State legislation beyond the usual legislation relating to planning and<br>project development, or does it cover all legislation relating to First<br>Nations communities and interests, Traditional Owner Groups and<br>cultural heritage requirements? | Question 28 of MC2.1 requires Proponents to self-identify if their<br>Project is required to comply with any Commonwealth and State<br>legislation relating to First Nations communities and interests,<br>Traditional Owner Groups and cultural heritage requirements. Any<br>legislation that falls under this category that the Proponent is or will<br>be required to comply with should be considered when responding to<br>this question. |
|     |             |   | The "What is Required" Section on Page 23 of the Tender Guidelines<br>provides some examples of legislation that might apply, however it is<br>expected that Proponents are aware of the applicable legislation<br>relevant to their Project.   |
| 21  | Other       | Are proponents available to put forward an alternative plant design in their alternate bid, specifically regarding BESS Associated Project design?  | As outlined on Page 12 of the Tender Guidelines, the Default and<br>Alternative Financial Value Bids must be identical other than<br>amendments to the Bid Variables outlined in Table 2 of the Tender<br>Guidelines.   |

| Q&A Release 4 |                  | Distributed 24/06/2024   |  |
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| #             | Category         | Question   | Answer   |
| 14            | Tender Deed Poll | Re: Clause 18 of Tender Process Deed - inclusion of "proposed<br>Project" Please confirm that clause 18 pertains to the Tender<br>Guidelines, Tender 1 Process, or its outcome, as well as this specific<br>tender bid, and does not cover general public or media<br>announcements, which are unrelated to the CIS or the CIS tender. | Proponents are not restricted from undertaking 'business as usual'<br>public and media announcements while participating in this Tender 1<br>Process. Clause 18 (No publicity), specifically requires Proponents to<br>not make any public or media announcement or participate in or be<br>party to any media reports with respect to this Tender 1 Process and a<br>Proponent's involvement in this process, including the Proponent's<br>Bid in the Tender. |

| Q&A Release 4 |   | Distributed 24/06/2024   |   |
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| #             | Category  | Question   | Answer  |
| 15            | MC2   | We are requesting more information surrounding the term "Project<br>Registration" under the "Project Network Connection Approval" sub<br>group within MC2.<br>It is our understanding that this is in relation to the progress with the<br>"AEMO registration process" indicated in the CIS tender guidelines.<br>However, we are seeking clarification as to whether this is in<br>reference to registering as an "intending participant", as this<br>terminology is not specifically used throughout the application portal<br>or the CIS tender 1 generation guidelines.  | The question in the Project Bid Form that states 'Indicate the date<br>that the Project Registration was/is expected to be completed' is in<br>reference to when the Project will be or is expected to be registered<br>as a participant in the NEM. Example categories of a registered<br>participant include Generator and Integrated Resource Provider.<br>You can find further details regarding registration as a participant in<br>the NEM here <u>https://aemo.com.au/en/energy-</u><br><u>systems/electricity/national-electricity-market-nem/participate-in-</u>   |
|               | Can you please confirm if progress towards "Project Registrat<br>refers to progress towards registering with AEMO as an "inter<br>participant" or otherwise clarify what is meant by "Project<br>Registration"? | refers to progress towards registering with AEMO as an "intending participant" or otherwise clarify what is meant by "Project  | <u>the-market/registration</u>  |
| 16            | Other   | <ul> <li>Section 4.24 states that where a project SPV exists, then it must be the Proponent for the purposes of the Tender.</li> <li>However, by design, a newly created project SPV contains only the assets of the project and no employees or capability of its own and no track record to speak of.</li> <li>Can you confirm that for the purposes of answering the tender questions, we should register with the Project SPV as the Proponent as per 4.24 of the guidelines, but then interpret Proponent more broadly as the owner or sponsor of the project SPV when responding to the questions on capability, track record, HSE etc. rather than follow the strict definition as Project SPV only?</li> </ul> | It is intended that certain information is required not only in respect<br>of the Proponent but also in respect of the Associates, Consortium<br>Members and its or their Related Bodies Corporate. When responding<br>to questions in the Bid Form and when providing supporting materials<br>to accompany the Project Bid, Proponents should take note where the<br>Tender Guidelines requires the relevant information or confirmation<br>to be provided with respect to both the Proponent and its Associates,<br>Consortium Members and its or their Related Bodies Corporate (as<br>applicable, as set out in Tender Guidelines). Please refer to the Tender<br>Guidelines for further information. |

| Q&A Release 4 |          | Distributed 24/06/2024   |   |
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| #             | Category | Question   | Answer  |
| 17            | Other    | Can you confirm that where an option to purchase the project SPV<br>exists and will be exercised prior to financial close, the Project SPV<br>should be nominated as the Proponent for registration purposes with<br>its current ultimate beneficial owner, but Proponent be nominated as<br>the future legal owner that is responsible for the development of the<br>project. And, by doing so, that the future legal owner will<br>automatically satisfy the obligation under the change of control<br>provision in the CISA that the new owner would have scored at least<br>as highly under the merit criteria assessment given we will be the | Section 4.24 states that if the Bid Entity is available for registration at<br>commencement of participation in the Tender Process (regardless of<br>whether it is owned by a consortium or single entity) then that Bid<br>Entity is the Proponent for the purposes of these Tender Guidelines.<br>This section also states that the Proponent Warrants that its Bid<br>accurately identifies any Consortium Members and Related Bodies<br>Corporate.<br>Where the Proponent and Project Bid meets the Eligibility Criteria, the<br>Project Bid will be merit assessed based on Merit Criteria 1-4 set out |
|               |          | evaluated party.   | in the Tender Guidelines, including Merit Criterion 3 – Organisational capability to deliver the Project.   |
|               |          |  | As outlined on 25 of the Tender Guidelines, when responding to Merit<br>Criterion 3, Proponents should provide information about the delivery<br>partners and the status of procuring/contracting those resources.  |
|               |          |  | Where a Project Bid proceeds to Stage B – Financial Value Merit<br>Criteria the Project Bid will be merit assessed based on Merit Criteria<br>5 – 7, including Merit Criterion 6 – Commercial departures.   |
|               |          |  | Where a Bid Entity enters into a CISA with the Australian Government<br>that Bid Entity will be contractually bound by the terms of that CISA<br>including any relevant assignment or change in control provisions and<br>any relevant representations and warranties given by the Bid Entity.<br>Any departures made to the CISA as part of the Financial Value Bid<br>will be considered as part of the assessment of Merit Criterion 6.  |

| Q&/ | A Release 3          | Distributed 19/06/2024  |   |  |
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| #   | Category             | Question  | Answer  |  |
| 9   | Eligibility Criteria | EC12 provides that the Project must not be subject of (or have been<br>awarded) a long-term (10 years or more) revenue underwriting<br>agreement with the Australian Government, or a State or Territory of<br>Australia. Can you please clarify if the assessment of the tenor of the<br>agreement (less than 10 years) in this case takes into account the<br>contractual exclusion of certain periods. I.e. the contract may<br>technically cover a period of more than 10-years, however, given the<br>exclusion of a number of periods, revenue underwriting support is<br>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?   | Proponents should ensure they have read and are familiar with section 4 of the Tender Guidelines, which outlines the Tender Conditions.                         |  |
|     |                      |   | In particular, with regards to the confidentiality of information provided in bids, Proponents should refer to:   |  |
|     |                      |   | <ul> <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>       |  |
|     |                      |   | These are also set out in the Process Deed Poll which Proponents must complete and submit as part of their Stage A submission.                                  |  |
| 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.       |  |

| Q& | A Release 3 | Distributed 19/06/2024   |   |  |
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| #  | Category    | Question   | Answer  |  |
| 12 | Other       | Given the significant duplication in requirements between the NSW<br>REZ Access rights Stage A and the CIS tender Stage A - will AEMO<br>allow bidders to reference their NSW REZ submission Project bid<br>details rather than having to also complete the CIS form in full?<br>We would like to avoid having to submit the same information twice<br>as this creates QA/QC issues and unnecessary additional work. | <ul> <li>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.</li> <li>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.</li> </ul> |  |
|    |             |  | To streamline the process for Proponents seeking both a Generation<br>CISA and a South West REZ Access Right, significant effort has been<br>made to align the Stage A application processes and information<br>required for these tenders where possible and reduce the effort to<br>participate in both tenders. Proponents can also download their<br>Project Bid form from either tender process at any time to assist with<br>reusing content where possible.  |  |

| Q&. | A Release 3      | Distributed 19/06/2024  |   |
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| #   | Category         | Question  | Answer  |
| 13  | Tender Deed Poll | Participation in this Tender is subject to proper execution by each<br>Proponent of a Process Deed Poll and CISA is referred in this<br>document.<br>We understand there is room to negotiate the CISA on a later stage<br>and the acceptance of Process Deed Poll does not mean the<br>acceptance of all term and conditions on CISA and Tripartite Deed.<br>Kindly confirm. | <ul> <li>As outlined in Section 2.1.2 of the Tender Guidelines, the Process<br/>Deed Poll includes, amongst other things: <ul> <li>an acknowledgment that the Proponent accepts and is<br/>bound by the Tender Guidelines;</li> <li>a warranty that the Proponent has, and its Associates have,<br/>complied with the Tender Guidelines in respect of its and<br/>their participation in the Tender Process; and</li> <li>a warranty as to the truth and accuracy of the information<br/>submitted by the Proponent.</li> </ul> </li> <li>Execution of the Process Deed Poll is not an indication that the<br/>Proponent accepts all terms and conditions of the Draft CISA.</li> </ul> |

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

| Q& | A Release 2 | Distributed 12/06/2024   |  |
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| #  | Category    | Question   | Answer   |
| 4  | Other       | With respect to renewable generations projects that have storage<br>enabled (as part of a single DUID, not an additional DUID), will there<br>be any special consideration of the higher inherent costs of such a<br>facility, as a result of their generation flexibility and range of<br>additional services to be provided? Or will only the renewable<br>generation portion be considered? | Under the CIS, Proponents that have a Hybrid Project may submit an<br>Assessed Hybrid Bid where both the generation and storage<br>components of the Bid will be assessed for merit. If successful, the<br>Proponent must commit to deliver the Hybrid Project.<br>As per section 3.2.1 of the Tender Guidelines, Merit Criterion 1<br>considers the Project's ability to provide essential system services<br>and/or contribute to system strength. As per section 3.2.2 of the<br>Tender Guidelines, Merit Criterion 5 considers the benefits of the<br>Project against the forecast cost of the CISA.<br>As outlined in section 2.2.1 of the Tender Guidelines (page 9), due to<br>the additional market benefits that a Hybrid Project can deliver<br>compared to a Generation Project, an Assessed Hybrid Bid could be<br>expected to demonstrate a higher Financial Value against Merit<br>Criterion 5 and an ability to provide greater system reliability and<br>other system benefits against Merit Criterion 1, when compared with<br>a generation only project. |
| 5  | MC4         | Can AEMO Services confirm the Location of the a) MC4 Returnable<br>Schedule – Shared community benefit commitments and b) Project<br>Documents for the Indicative Departures Table   | Proponents can download the MC4 Returnable Schedule and Project<br>Documents for the Indictive Departures Table through the links<br>provided under the respective questions in the Project Bid Form.<br>Alternatively, Proponents can download both documents from the<br>Tender Documents tab on the AEMO services website (linked <u>here</u> )   |

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|-----|-------------|--|---|--|
| #   | 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  | Information requested in the Bid Form has been aligned with the Merit Criteria descriptions in Section 3.2 of the Tender Guidelines.  |  |
|     |             | available following the completion of the GPS process. Where information is not yet final or available, is "TBC" ok as a response?   | Where the specific information is not yet available, Proponents should provide the most recent and relevant information they can, to address the question.  |  |
|     |             |  | 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. |  |
| 7   | MC2         | In MC2, proponents are asked to provide the intended contributions<br>of debt and equity (in separate tables). We want to clarify if the<br>percentages in each table must add up to 100% individually i.e. they | The tables in the Bid Form outlining the intended contribution of debt<br>and equity should be viewed independently of one another (i.e., the %<br>of total debt and the % of total equity).  |  |
|     |             | 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%?   | 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.          |  |
|     |             |  | Proponents can provide further details in the free text response questions in MC2.  |  |

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

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|----|----------------------|--|--|--|
| #  | Category             | Question   | Answer   |  |
| 1  | Eligibility Criteria | EC13 states that the project must have received a connection<br>enquiry response and an executed connection agreement or<br>amendments. If a project has received a connection enquiry<br>response from the NSP, but has not yet submitted the connection<br>agreement, is it still able to participate in the CIS Tender 1? | <ul> <li>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.:</li> <li>The Project must: <ul> <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> </li> </ul> |  |

#### Project Bid Q&A Responses

#### 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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