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## Strong response to inaugural electricity generation and storage tender

The portfolio of projects bidding in the inaugural tender of the NSW Electricity Infrastructure Roadmap has been finalised, with strong market interest in both generation and long-duration storage tenders.

At the close of project bids, AEMO Services – which administers the process in its capacity as NSW Consumer Trustee – had received more than 5.5GW of wind and solar generation projects and more than 2.5GW of long duration storage projects covering technologies such as pumped hydro, lithium-ion batteries, hydrogen fuel cells and compressed air storage.

AEMO Services' Chair Dr Paul Moy said that the robust response to the first tender had positioned the Roadmap well to start delivering the NSW electricity market transition.

"The Roadmap is a decade-long program of investment, but given the time involved in bringing projects to completion, early engagement is crucial to bring forward those with the most potential to meet the state's emerging energy needs as the current fleet of coal fired generators reach retirement," Dr Moy said.

"With a diverse portfolio of projects now in the initial assessment process, we're confident that the successful bidders will be well-positioned to bring additional supply to market as is required."

AEMO Services' Executive General Manager Paul Verschuer said as part of the next stage in the tender process, projects would be shortlisted according to a set of merit criteria which evaluate the deliverability of the project, the quality of the proponent and social licence, before being assessed for financial value.

"We recognise there is an increasing need for additional energy generation and storage. Our tenders are designed to drive competition from projects that are able to deliver that energy in the interests of NSW electricity consumers.

"This tender had an indicative size of 950MW of generation and 600MW of long duration storage. We can recommend greater or less capacity than this size if it is in the long-term financial interests of consumers to do so.

"We have a strict mandate to only recommend those projects that can demonstrate value to host communities and financial value to consumers, and in order to be successful bids will need to reflect that," Mr Verschuer said.

This tender round is the first in a biannual schedule that will run for the next ten years, open to eligible projects located anywhere in NSW.

The anticipated scale and timing of each tender round for generation and long duration storage is set out under the 20-year Development Pathway and 10-year Tender Plan contained in AEMO Services' Infrastructure Investment Report.

AEMO Services acknowledges that each tender will elicit continually improving solutions to the energy transformation in NSW. The 10-year tender program is flexible to allow for this innovation and increasing competition as Renewable Energy Zones become available.

Tender 2 is scheduled to commence in Q2 2023.

**ENDS**

## **For more information**

AEMO Services Media | **M** 0403 706 438 | **E** [media@aemoservices.com.au](mailto:media@aemoservices.com.au)

## **About the Roadmap**

*The NSW Electricity Infrastructure Roadmap provides a framework to achieve legislated targets of at least 12GW of new renewable generation and at least 2GW of new long-duration storage by 2030. Up to \$32 billion in private capital is expected to be deployed to accomplish this task, which is unprecedented in an Australian context. By targeting support to suitable projects, the NSW Government will ensure that new infrastructure aligns with the interests of the state's electricity consumers, delivering a system that is cleaner, cheaper and more resilient.*

*Projects delivered under the Roadmap are expected to support around 6,300 construction and 2,800 ongoing jobs by 2030, the majority of which will be located in Renewable Energy Zones in regional NSW.*