



Addendum to the Market Briefing note on Firming infrastructure eligibility

AEMO Services (ASL) as the NSW Consumer Trustee, has engaged with AEMO as the NSW Energy Security Target Monitor to develop the following initial advice on how firming infrastructure assets' contribution to the Energy Security Target (EST) will be assessed. This advice provides further context to the information provided in the Firming Market Briefing published on our website [here](#). We have developed this addendum in response to stakeholder feedback and questions to date.

The forthcoming Q2 2023 firming tender will have a locational element to the assessment undertaken by ASL to ensure firming infrastructure projects contribute to the EST. As such, firming infrastructure assets connecting inside the geographic area of the Sydney-Newcastle-Wollongong sub-region, or connecting directly into, the 500 kV lines to the north and west of Sydney are unlikely to have any de-rating factors applied to their EST contribution in the firming LTESA tender assessment. That is, where firming infrastructure connects into or within:

- Kemps Creek-Eraring 500 kV line
- Mount Piper-Bayswater 500 kV and Mount Piper-Wollar-Bayswater 500 kV lines
- Liddell-Tamworth and Liddell-Muswellbrook-Tamworth 330 kV lines
- Mount Piper-Wallerawang 330 kV lines
- Bannaby-Mt Piper 500 kV line (noting those Projects connecting East and South of Bannaby sub-station may have some de-rating applied to the Project)

Firming infrastructure projects connecting outside of the Sydney-Newcastle-Wollongong sub-region but connecting into lower voltage lines that feed into these higher voltage lines are expected to have some level of de-rating applied to their capacity.

ASL is working with AEMO to develop a more detailed mapping of potential de-rating factors to assist market participants to understand how this may impact a project's merit assessment in the upcoming firming tender. This analysis focuses on the contribution an asset will be making in meeting the EST shortfall of firm capacity during an EST event (more information can be found in Chapter 5 of the 2022 IIO Report).

Demand response firming infrastructure assets (or aggregation of assets) will only be eligible if they are physically located within the Sydney-Newcastle-Wollongong sub-region.

ASL is continuing to work with AEMO to develop further and more detailed advice to the market on this topic ahead of the firming tender. We expect this advice to be published in early 2023.

To find out more please visit aemoservices.com.au or email us at stakeholderengagement@aemoservices.com.au.

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