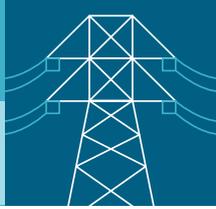


Market Briefing Note

CWO REZ Access Rights Draft Contracts



Purpose

In October 2023, AEMO Services, as the Consumer Trustee, will commence Tender Round 4. Tender Round 4 is expected to offer generation long-term energy service agreements (LTESAs) and Access Rights for the Central West Orana Renewable Energy Zone (CWO REZ). In preparation of Tender Commencement, AEMO Services and the Energy Corporation of NSW (EnergyCo), as the Infrastructure Planner for CWO REZ, have jointly published CWO Access Rights draft contractual documents for feedback as well as draft information on associated access fees.

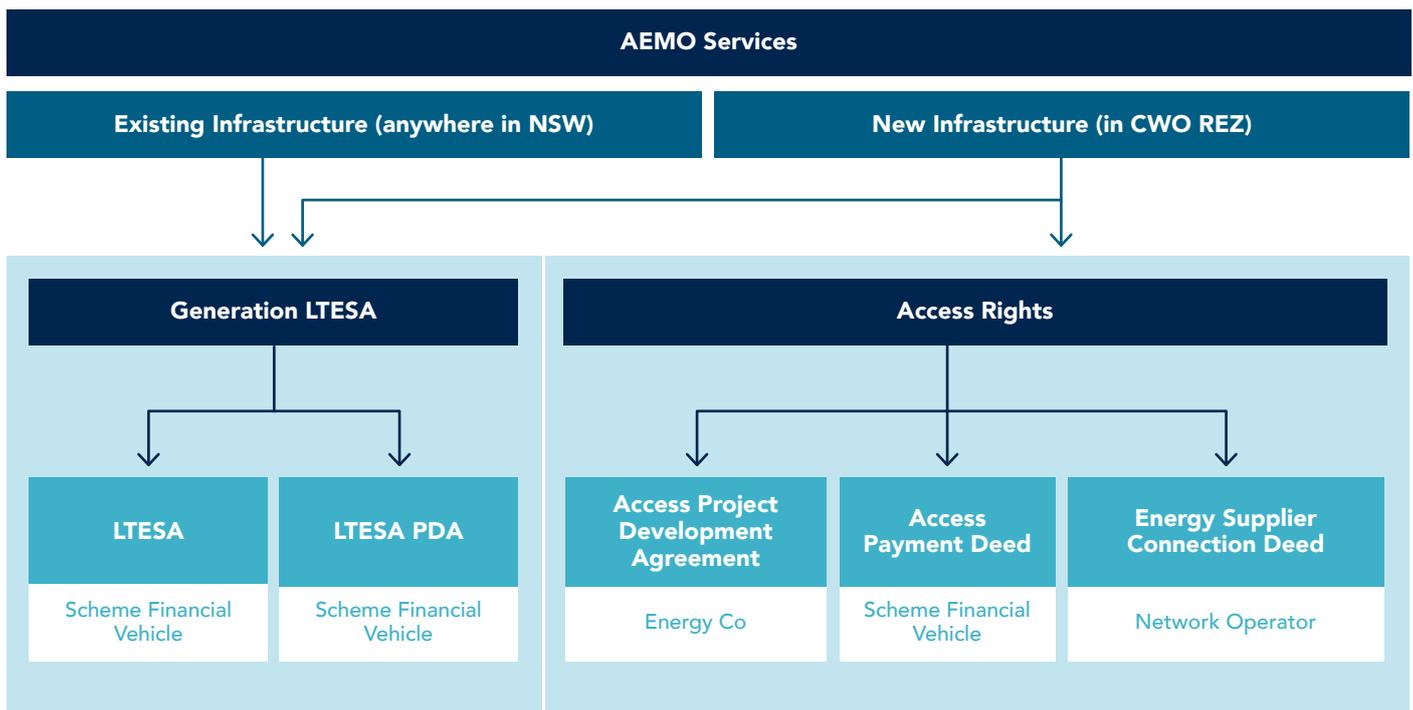
The purpose of this briefing note is to assist potential proponents with projects connecting to new transmission infrastructure in the CWO REZ navigate these contractual documents and provide guidance on how to share feedback. For proponents outside the CWO REZ please refer to the contracts published for Tender Round 3 on [our website here](#) noting that these will be updated for Tender Round 4.

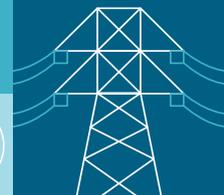
Tender Round 4 Eligibility

Projects located anywhere in NSW as well as those connecting to new Central-West Orana Renewable Energy Zone (CWO REZ) infrastructure are eligible to participate.

For more information on eligibility, indicative tender size and tender process please see the Draft Tender Information Paper on our [website](#). Tender Round 4 Guidelines will be published in later September.

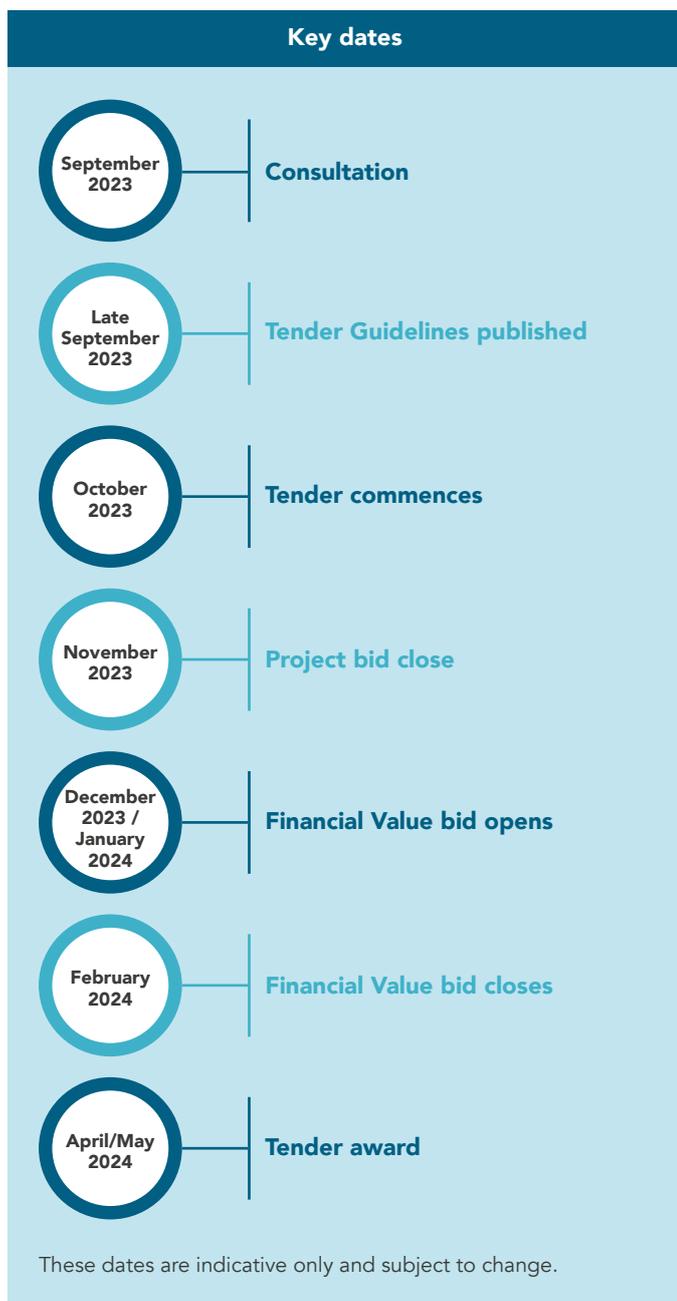
The diagram below indicates the documents associated with an LTESA or a CWO Access Right and relevant counter-parties.





Staying Informed

There is a range of information publicly available designed to help stakeholders understand the commercial, policy and regulatory intent of the draft contractual documents. To keep up to date on the latest information we encourage stakeholders to visit the [AEMO Services website](#) regularly and [subscribe to our mailing list here](#).



Documents Available for Feedback

Draft Access Project Development Agreement (Access PDA)

Contract between Proponent and EnergyCo placing obligations on the Access Right Holder covering:

- the development, construction and operation of its Project,
- Compliance with its Social Licence Commitments
- Implementation of the REZ Generator Guidelines

Draft Access Payment Deed

Contract between Proponent and the Scheme Financial Vehicle (SFV) that includes obligations on the Access Right Holder to pay the Access Fees, provide security bonding, and covers termination amounts.

Draft Energy Services Connection Deed (ESCD) (Term Sheet)

In REZ equivalent of Connection Agreement.

Draft LTESA PDA (for projects with an Access Right)

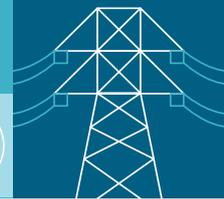
Contract between Proponent and the SFV that contains obligations on Access Right Holder/LTES Operator to construct and commission the project to a level required to support the operation of the LTESA. This contract has been updated to co-exist with the Access Right PDA and remove duplications, such as Social License commitments.

Draft LTESA (for Projects with an Access Rights)

Contract between Proponent and SFV that includes the specific terms of the LTESA derivative arrangements and ongoing operational obligations of the LTES Operator/ Access Right Holder. This contract has been updated to co-exist with the Access Right PDA.

Basis of Bid

Basis of Bid is an EnergyCo document provided to access right proponents containing key information that they should consider and use in preparing their Project and Financial Value Bids (including for Access PDA and Access Payment Deed).



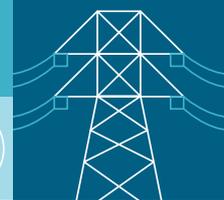
Information and Support during the Tender Process

The table below outlines key documents that have been published and plan to be published to assist key stakeholders and potential proponents to familiarize themselves with key aspects of the access right product and to prepare for Tender Round 4.

Tender information			
 Document	 Purpose	 Supports?	 Status
Draft Tender Information (CWO REZ Access Rights)	Help Proponents become familiar with access rights in the tender process	Access Rights & Fees	Published 19 June 2023
Draft Tender Information (CWO REZ Access Fee Update)	Help all stakeholders become familiar with CWO REZ access fee approach and assumptions and to receive feedback	Access Rights & Fees	Published September 2023
Draft CWO REZ Access Fee Calculator	Help stakeholders estimate Access Fees	Access Rights & Fees	Published September 2023
Final Tender Round 4 Guidelines	All information Proponents need to prepare and submit a bid for LTESA and Access Rights	Tender Bids	To be published late September 2023
Final CWO REZ Tender Guidelines Supplement	CWO REZ Access Rights specific tender information for Proponents	Tender Bids	To be published late September 2023
CWO Access Fee final update	Final update prior to commencement of Financial Value Bid to allow Proponents to estimate Provisional Access Fee in their Bid	Tender Bids	To be published in December 2023

How to Provide Feedback

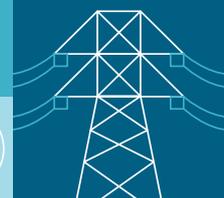
Please visit our [website here](#) for instructions on how to provide your feedback. You can also contact us anytime by emailing stakeholderengagement@aemoservices.com.au.



Key definitions

The table below sets out a number of key definitions used across the CWO REZ Access Right and Generation LTESA Contractual Projects. A full list of definitions can be found in the contractual documents.

Term	Definition
Acceptable credit rating	A credit rating of at least A- by Standard & Poor's or A3 by Moody's or, if both of those agencies cease to operate or give ratings of the kind referred to above, an equivalent rating from another reputable ratings agency acceptable to EnergyCo (acting reasonably).
Access Fee	A fee paid in return for an Access Right.means access fees payable by Access Right Holder in accordance with the Access Fee Determination.
Access Fee Determination	The fees determined by Consumer Trustee under section 26 of the EII Act which are applicable to the Access Rights Network and Access Right Holder.
Access Scheme Declaration	The declaration in respect of the Central-West Orana REZ made by the Minister under section 24 of the EII Act on 23 December 2022.
Commercial operations	The date on which: <ul style="list-style-type: none">the Project is capable of exporting electrical energy through the Connection Point at a level of output that is equal to or exceeding 95% of the Maximum Capacity, subject to energy resource availability; andthe Network Operator or AEMO has confirmed that the Project is unconditionally released from a hold point that allows the Project to export a level of output equal to or exceeding 95% of the Maximum Capacity.
Consumer Trustee	AEMO Services Limited (ACN 651 198 364) in its capacity as the consumer trustee under the EII Act, or any replacement or successor consumer trustee appointed under the EII Act.
CWO REZ	Central-West Orana Renewable Energy Zone.
CWO REZ Project Deed	The project deed to be executed between EnergyCo and the Network Operator for the development, construction and operation of the Access Rights Network.
EII Act	<i>Electricity Infrastructure Investment Act 2020 (NSW).</i>
EnergyCo	The Energy Corporation of New South Wales, acting as the Infrastructure Planner.
Energisation conditions	<ul style="list-style-type: none">the Project is capable of exporting electrical energy through the Connection Point;Access Right Holder has been registered as a "Market Generator" or "Integrated Resource Provider" with AEMO and each unit in the Project is classified as relevant and as defined in the NERAccess Right Holder has satisfied or delivered, all Social Licence Commitments and requirements of the REZ Management Plans required prior to First Commissioning.
First Commissioning	The date on which the Energisation Conditions for the Project are satisfied or waived by EnergyCo.
First Commissioning Target Date	The target date for Access Right Holder satisfying the Energisation Conditions.
First Commissioning Sunset Date	The sunset date for Access Right Holder satisfying the Energisation Conditions, [12-18] months after the First Commissioning Target Date.
Financial Close Target Date	The target date for Access Right Holder achieving Financial Close in respect of the Project.



Term	Definition
Financial Close Sunset Date	The sunset date for Access Right Holder achieving Financial Close in respect of the Project,[12-18 months after the FC Target Date
Financial Trustee	The 'financial trustee' appointed by the Consumer Trustee to administer the SFV pursuant to section 61 of the EII Act. The entity appointed as financial trustee is Equity Trustees Limited.
H2P Assets	Network assets from the REZ Network Infrastructure backbone to a Project interface point.
Infrastructure completion	When the H2P Assets are complete and comply with all of the requirements of the CWO REZ Project Deed (except for minor defects).
Infrastructure completion date	The date on which Infrastructure Completion occurs in accordance with the CWO REZ Project Deed.
Infrastructure Planner	<p>The 'infrastructure planner' appointed in respect of a REZ or part of a REZ (as applicable) pursuant to section 63 of the EII Act, being Energy Corporation of New South Wales (ABN 13 495 767 706).</p> <p>The maximum capacity for the connection point that is recorded in the Access Rights Register.</p>
NEL	The National Electricity Law set out in the schedule to the <i>National Electricity (South Australia) Act 1996 (SA)</i> as it applies in New South Wales.
NEM	The National Electricity Market administered by AEMO in accordance with the NER.
NER	The National Electricity Rules made under the National Electricity Law, as it is applied in New South Wales (including any amendments to the application of the NER in NSW made under the EII Act or the Electricity Infrastructure Investment Regulation 2021 (NSW)).
Network Operator	The network operator authorised by the Consumer Trustee to carry out the development, construction and operation of the access rights network under section 31(1)(b) of the EII Act.
Network Operator Financial Close	The date the Network Operator achieves financial close under the CWO REZ Project Deed.
Project Characteristics	The project characteristics recorded in the Access Rights Register.
REZ Generator Guidelines	Guidelines issued by EnergyCo, and amended from time to time, setting out requirements for project delivery and development for the purpose of coordinating the development of the Central-West Orana REZ.
SFV	The Scheme Financial Vehicle under section 62 of the EII Act.
Social licence commitments	The Community Engagement Plan and the Industry and Aboriginal Participation Plan.
Target Infrastructure Completion Date	Target date for Network Operator satisfying completion in accordance with the CWO REZ Project Deed.

Important notice: Important notice: The contents of this document are indicative, and for information and consultation purposes only, and may be subject to change. This document is not intended to provide any advice or imply any recommendation or opinion constituting advice. This document may include assumptions about future policy outcomes and generalisations. It may not include important qualifications, details or legal requirements. AEMO Services Limited (ABN 59 651 198 364) does not guarantee the accuracy, currency or completeness of any information contained in this document and (to the maximum extent permitted by law) will not accept responsibility for any loss caused by reliance on it. The information in this document is not a substitute for obtaining professional advice. Nothing in this document should be construed as binding the Consumer Trustee or limiting its statutory discretions. The presentation is not, and is not indicative of, the final Access Fee Determination of the Consumer Trustee. AEMO Services makes no representation that the information in this document will be reflected in the final Tender 4 Guidelines, Project Documents, final CWO REZ Access Fee Determination or any other tender documentation.