

Substantial interest in first NSW tender for South West REZ Access Rights

Thursday 12 September 2024

Interest in the first tender for South West Renewable Energy Zone (REZ) Access Rights in NSW has attracted around four times the indicative tender target.

At the close of bids for Tender 5 of the NSW Electricity Infrastructure Roadmap, AEMO Services had received bids for Access Rights to the South West REZ from projects representing more than 15 GW of generation and storage infrastructure, against an indicative capacity of 3.98 GW.

AEMO Services' Executive General Manager Nevenka Codevelle said that the response demonstrated the compelling value proposition for the South West REZ.

"The strong demand for REZ access rights demonstrates continued confidence from industry in our tender process and the attractiveness of the REZ proposition", Ms Codevelle said.

"From our conversations with investors and proponents, we could see that South West REZ would attract a lot of attention and it's encouraging that this enthusiasm has been reflected in the slate of proponents who have come forward with bids."

Substantial interest was shown by hybrid projects, which combine traditional generation infrastructure such as a wind and solar technology with storage systems. This is important because it allows more energy from variable generation to be transmitted when it's needed.

Long-duration storage infrastructure is also being sought through this tender, with bids received representing more than twice the indicative tender target of 1GW. AEMO Services, which conducts these tenders as NSW's independent Consumer Trustee, has discretion to recommend a greater or lesser volume of infrastructure to be supported than the indicative tender size.

Ms Codevelle said AEMO Services remained committed to supporting continued investor confidence in the energy transition.

"Our role at AEMO Services is to bridge the ambition of government policies such as the NSW Roadmap, and action, getting the investment and infrastructure built to make the ambition a reality.

"Ahead of our next tenders opening later this year, we're further engaging with industry and other stakeholders to explore how we can help deliver the energy transition in a way that benefits communities and consumers."

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For more information

AEMO Services media – aslmedia@aemoservices.com.au – 0403 706 438