



Consumer  
Trustee

# Statement of Reasons

Access Fee Determination for  
Central-West Orana  
Renewable Energy Zone

Public summary of reasons for the  
Consumer Trustee's decision on  
Access Fees

May 2025



# Important notice

## Purpose

AEMO Services Limited, in its capacity as the Consumer Trustee, has published this summary of reasons for its decision to determine the Central-West Orana Renewable Energy Zone Network Access Fees for information purposes only. It is published to outline the approach taken by the Consumer Trustee in reaching its decision, is a summary of that decision and is not intended to be comprehensive. To the maximum extent permitted by law, AEMO Services Limited (including its officers, employees, agents, contractors and consultants) expressly disclaims any and all liability relating to or resulting from the use of, or reliance on, the information in this document by any person or entity.

Any specific questions should be addressed to [stakeholderengagement@aemoservices.com.au](mailto:stakeholderengagement@aemoservices.com.au)

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# Summary

AEMO Services Limited (ABN 59 651 198 364) (**AEMO Services**) as the NSW Consumer Trustee (**Consumer Trustee**) has made Access Fee Determinations under section 26 of the *Electricity Infrastructure Investment Act 2020* (NSW) (**EII Act**) in relation to Access Right Holders (**ARHs**) who obtained an access right for the Central-West Orana (**CWO**) Renewable Energy Zone (**REZ**),<sup>1</sup> following an access right application process conducted by the Energy Corporation of New South Wales (ABN 13 495 767 706) (**EnergyCo**) in 2024 (**Initial Allocation**). EnergyCo<sup>2</sup> conducted this application process in its capacity as the Infrastructure Planner under the EII Act. The Consumer Trustee's decisions are set out in the redacted Access Fee Determinations published on AEMO Services' website.<sup>3</sup>

In setting Access Fees,<sup>4</sup> the Consumer Trustee is required to act independently and in the long-term financial interests (**LTFI**) of NSW electricity customers and consistently with the objects of the EII Act. The Consumer Trustee is also required to take into account various other matters prescribed in the EII Act and the *Electricity Infrastructure Investment Regulation 2021* (NSW) (**EII Regulation**).

The Consumer Trustee has set Access Fees to incorporate the following components:

- A contribution to initiatives that achieve community purposes and employment purposes in the CWO REZ, as required by sections 26(2) and (4) of the EII Act (**Community & Employment (C&E) Fee**).
- A contribution to the administration costs of the CWO REZ access scheme, consistent with section 26(1)(b) of the EII Act (**Administration Fee**).
- A contribution to the costs of constructing and maintaining CWO REZ network infrastructure, consistent with maximising the financial value for NSW electricity customers consistent with section 26(1)(a) of the EII Act (**Network Infrastructure Contribution Fee**).
- A contribution to the costs of procuring synchronous condensers to meet system strength demand from ARHs when the CWO REZ network infrastructure is commissioned (**Centralised System Strength (CSS) Fee**).
- Recovery of capital expenditure, Infrastructure Planner (**IP**) fees, financing costs, operation and maintenance costs in relation to the construction of an ARH's hub-to-project infrastructure (**Hub-to-Project Fee** or **H2P Fee**).

The H2P Fee has been set to reflect the forecast costs of the network infrastructure that are specific to an individual project receiving an access right. The Consumer Trustee has set the CWO REZ Base Fee, comprising the Community and Employment Fee, Administration Fee and Network Infrastructure Contribution Fee, at \$4,000/MW p.a., or \$1,000/MW p.q. The Consumer Trustee considers this appropriately balances maximising financial value for NSW electricity customers<sup>5</sup> while promoting the optimal use of the existing and planned network infrastructure in the REZ.<sup>6</sup>

This document summarises the reasons for the Consumer Trustee's determination of Access Fees for the Initial Allocation of access rights in CWO REZ, including explaining how the Consumer Trustee has applied the requirements of the EII Act and EII Regulation. It is provided to help stakeholders understand the approach taken by the Consumer Trustee in determining Access Fees. It does not form part of any Access Fee Determination. [Table 6](#) provides full details of the assumptions used in determining Access Fees.

1 Defined in the Renewable Energy Zone (CWO) Access Scheme Order 2022 and Renewable Energy Zone (CWO) Access Scheme (Amendment) Order 2024.

2 All references to EnergyCo for the purpose of this document are in its capacity as the Infrastructure Planner under the EII Act.

3 <https://aemoservices.com.au/products/central-west-orana>

4 CWO REZ Access Fees are to be payable quarterly, in advance, as specified in the CWO REZ Determination.

5 Consistent with section 26(1)(a) of the EII Act.

6 Consistent with section 26(1)(c) of the EII Act.

# 1. Introduction

The EII Act creates a framework for the implementation of the NSW Government's Electricity Infrastructure Roadmap (**Roadmap**). The Roadmap sets out the plan for the creation of REZs within NSW. REZs support renewable energy generation and storage in locations where electricity can be efficiently transmitted and stored across NSW.

AEMO Services is appointed as the Consumer Trustee under the EII Act<sup>7</sup> and is responsible for setting Access Fees under section 26(1) of the EII Act. The Consumer Trustee sets Access Fees under an Access Fee Determination.

The CWO REZ access scheme was formally declared by the Minister for Energy under section 24(1) of the EII Act on 19 December 2022 and published in the NSW Government Gazette on 23 December 2022.<sup>8</sup> The CWO REZ access scheme was subsequently amended by the Minister by publication in the NSW Government Gazette on 5 April 2024.

Under the CWO REZ access scheme, an access right authorises an ARH to apply to connect an approved project to the access rights network and send out generation to the access rights network up to its allocated maximum capacity. An access right is allocated per connection point of an approved project.

On 22 January 2024, a market information notice was published to inform stakeholders that EnergyCo would administer an expedited application process to allocate the initial tranche of access rights for generation and storage projects seeking access to the new CWO REZ access rights network. EnergyCo opened the application process for the initial tranche of access rights in April 2024.

At the same time, AEMO Services as the Consumer Trustee published a series of documents to assist projects seeking access rights to understand the proposed Access Fee Determination process. These documents included a draft Access Fee Calculator, a draft Access Fee Determination and an Access Fee Guideline. The Access Fee Guideline outlined how the Access Fee for CWO REZ is expected to be structured and its components, the calculation of fees under the draft Access Fee Determination using the draft Access Fee Calculator and how Access Fees are expected to be determined and adjusted. Since the publication of those documents, the Consumer Trustee has adopted a more suitable and streamlined approach to Access Fees and as a result, the draft Access Fee Calculator is no longer required.

The Consumer Trustee has now made Access Fee Determinations for CWO REZ. The Access Fee Determinations are statutory decisions by the Consumer Trustee.

<sup>7</sup> Section 60(1) of the EII Act.

<sup>8</sup> Renewable Energy Zone (Central-West Orana) Access Scheme Order 2022 and Renewable Energy Zone (REZ) (Central-West Orana) Access Scheme (Amendment) Order 2024 under the *Electricity Infrastructure Investment Act 2020* (NSW).

## 2. The role of the Consumer Trustee

The Consumer Trustee has a function under section 26 of the EII Act to determine the fees payable to the Scheme Financial Vehicle (**SFV**) by participants in an access scheme.

When exercising its functions under the EII Act, the Consumer Trustee is to act independently and in the LTFI of NSW electricity customers.<sup>9</sup> The Consumer Trustee must also exercise its functions in a way that is consistent with the objects set out in section 3 of the EII Act.<sup>10</sup>

When exercising its Access Fee functions, the Consumer Trustee must also take into account the following principles:

- Maximising financial value for NSW electricity customers.
- Recovering the cost of the operation of the access scheme.
- Optimal use of the existing and planned network infrastructure in the REZ.
- Other principles prescribed by the regulations including the EII Regulation that prescribes the principle of transparency in total determined or expected fees payable under the access scheme for participants.<sup>11</sup>

The fees determined by the Consumer Trustee must include a component that is to be used for a community purpose, as well as a component to be used for an employment purpose, as prescribed by the EII Regulation.<sup>12</sup> Further, in setting these components, the Consumer Trustee is to seek advice from the Employment Purpose Advisory Committee (**EPAC**) and to consider the Renewable Energy Sector (**RES**) Board Plan.<sup>13</sup>

<sup>9</sup> Section 60(3) of the EII Act.

<sup>10</sup> Section 3(3) of the EII Act.

<sup>11</sup> Section 26(1) of the EII Act and clause 55A of the EII Regulation.

<sup>12</sup> Sections 26(2) and (4) of the EII Act.

<sup>13</sup> Section 9(1) of the EII Act.

# 3. Access Fees

## 3.1 Access Fee Determination

The CWO REZ Access Fees have been set for each point of connection for each project connecting to the CWO REZ access rights network as part of the Initial Allocation. This approach enables the recovery of the costs of the network infrastructure that are specific to individual ARHs – specifically, the costs of the H2P assets. Accordingly, an Access Fee Determination has been prepared for each point of connection for each ARH. Each Access Fee Determination contains an Access Fee formula and an annexure setting out the fee components to calculate the quarterly Access Fees payable by ARHs to the SFV for connecting into the CWO REZ access rights network. The Access Fee Determinations also outline the circumstances under which Access Fees may be varied (the specified **Variation Events**), and the mechanism and process through which Access Fees may be adjusted.

## 3.2 Access Fee structure and amounts

[Table 1](#) sets out the Access Fee components and summarises the purpose, quantum and methodology for each component, as well as how each fee component is proposed to be varied. Further details are provided in [Table 6](#). The Access Fee payable will be calculated by the SFV in accordance with a formula contained in Annexure 1 of the Access Fee Determination. This is reproduced below:

$$\text{Access Fee}_q = (((\text{C\&E Fee}_q + \text{Non C\&E Fee}_q + \text{CSS Fee}_q) \times \text{Maximum Capacity}) + \text{H2P Fee}_q) \times \text{Fixed Indexation}$$

Table 1: Access Fees excluding fixed indexation

Fee component	Fee sub-components	Fee purpose	Fee quantum	Fee methodology	Variation Events under the Determination
Base Fee – Community and Employment (C&E) Fee	Community Fee	Contributes to initiatives that achieve community purposes, as required by s26(2) of the EII Act	\$425 / MW per quarter	Fees were set to the minimum amount in clause 56(2)(a)(i) of the EII Regulation.	N/A
	Employment Fee	Contributes to initiatives that achieve employment purposes, as required by s26(4) of the EII Act	\$150 / MW per quarter	Fees were set to the minimum amount in clause 57(2)(a)(i) of the EII Regulation and based on advice sought from EPAC.	N/A
Base Fee – Non-C&E Fee	Administration Fee	Contributes to the administration costs of the CWO REZ access scheme, consistent with s26(1)(b) of the EII Act	\$125 / MW per quarter	Fees were set to reflect the forecast administration costs of CWO REZ, as provided by EnergyCo in March 2023.	N/A
	Network Infrastructure Contribution Fee	Contributes to the cost of constructing and maintaining the CWO REZ transmission network, consistent with s26(1)(a) of the EII Act	\$300 / MW per quarter	Fees were set to reflect an amount that would balance maximising financial value for NSW electricity customers consistent with s26(1)(a) while promoting the optimal use of the existing and planned network infrastructure in the REZ and s26(1)(c) of the EII Act. This was based in part on modelling on the expected value of participating in a REZ i.e. the value of a CWO REZ access right.	N/A
Centralised System Strength (CSS) Fee		Contributes to the costs of procuring synchronous condensers to meet system strength demand from ARHs when the CWO REZ network infrastructure is commissioned, consistent with s26(1)(b) and (c) of the EII Act	\$3,090.84 / MW per quarter	Fees were set to reflect the actual CSS costs, as provided by EnergyCo on 11 November 2024, and assessed by the Consumer Trustee. These costs reflect the outcome of a competitive procurement process conducted by the authorised Network Operator (ACEREZ Partnership) to obtain synchronous condensers. The CSS Fee includes a component for capex, operation and maintenance costs (O&M) (1.00%), financing cost of 15.35% of total CSS capex, as well as amortisation of CSS costs over the period of the access scheme. The residual costs of CSS are included in the terminal value calculations for the Network Operator at the end of the access scheme. The costs reflected are those that have been provided to the AER as part of ACEREZ's Revenue Proposal.	Fees may be decreased under a CSS Fee reduction event. This may only occur before the Access Fee Payment Date in accordance with the relevant access right agreement.
Hub-to-Project (H2P) Fee		Reflects recovery of capital expenditure, IP fees, financing costs and O&M in relation to the construction of an ARH's H2P infrastructure, consistent with s26(1)(b) and (c) of the EII Act	Fees are specific to each ARH and vary from \$0.40m per quarter to \$1.52m per quarter	Fees were set to reflect the actual H2P costs for each project, as provided by EnergyCo on 11 November 2024, and assessed by the Consumer Trustee. These include a component for capex, operation and maintenance costs (O&M) (1.00%) and Infrastructure Planner fees, financing cost of 18.00% of total H2P capex, as well as amortisation of H2P costs over the Payment Term. The residual costs of H2P are included in the terminal value calculations for the Network Operator at the end of the access scheme. The costs reflected are those that have been provided to the AER as part of ACEREZ's Revenue Proposal.	Fees will be decreased or increased by an H2P Scope Change or may be decreased under an H2P Asset Sharing Event. This may only occur before the Access Fee Payment Date in accordance with the relevant access right agreement.

### 3.3 Variation Events

The table below outlines the Variation Events included in the Access Fee Determination. Section 2.4 of the Access Fee Determination specifies the information that the Consumer Trustee will require to vary Access Fees. This section is supported by obligations under the Access PDA which requires either the ARH or the Infrastructure Planner to notify the Consumer Trustee should a Variation Event occur. A Variation Event can only occur before the Access Fee Payment Date. After this date, the only value in the formula referred to in section 3.2 that may change is the maximum capacity as recorded in the Access Rights Register. This change occurs when the ARH's maximum capacity is varied in accordance with the Access PDA.

**Table 2: Variation Events**

Variation Events	Description
<b>H2P Scope Change</b>	An H2P Scope Change occurs if the Infrastructure Planner approves a change to project characteristics or key project equipment proposed by the ARH in accordance with the Access PDA, which results in a change to the Total H2P Capex.
<b>H2P Asset Sharing Event</b>	An H2P Asset Sharing Event occurs if an additional party with an access right will use the same H2P Asset as the ARH and has provided the security for the H2P Assets in accordance with that additional party's Access Payment Deed, which results in a change to the Total H2P Capex.
<b>CSS Fee Reduction Event</b>	A CSS Fee Reduction Event occurs if a hybrid project meets the tests specified in the CSS Fee Reduction Methodology and is designed to reduce the CSS Fee in circumstances where a hybrid project has less reliance on centralised system strength due to the performance of its battery, as referenced in CSS Fee Reduction Methodology Paper. <sup>14</sup> A CSS Fee Reduction Event may only decrease the CSS fee by a maximum of 45%. The CSS Fee is reduced via the application of a formula in the Access Fee Determination.

<sup>14</sup> This is a paper prepared by EnergyCo and independently reviewed by a consultant (Digsilent) and is available [here](#). The CSS Fee Reduction Methodology is also included in the Access PDA.

## 4. Reasons for Decision

This section sets out how the CWO REZ Access Fees meet the statutory legal requirements for the exercise of the Consumer Trustee's functions under section 26 of the EII Act.

### 4.1 Long-term financial interests (LTFI) of NSW electricity customers

In exercising its functions under the EII Act, the Consumer Trustee is required to act independently and in the LTFI of NSW electricity customers.<sup>15</sup> In assessing whether the decision to set CWO REZ Access Fees is in the LTFI of NSW electricity customers, the Consumer Trustee considered whether the financial benefits to NSW electricity customers from the decision to set the level of CWO REZ Access Fees outweigh the financial costs to NSW electricity customers. NSW electricity customers do not incur any direct costs as a result of the Consumer Trustee's CWO REZ Access Fee Determination decision.

The broader costs of implementing the Roadmap - for example, the costs of REZ network infrastructure projects, priority transmission infrastructure projects and Long-Term Energy Service Agreements (**LTESAs**) - are recovered from the SFV and ultimately funded by NSW electricity customers through their retail bills. Costs incurred by Roadmap bodies in performing their functions may also be recovered from the SFV and NSW electricity customers if provided for in the EII Regulation.<sup>16</sup> However, these broader Roadmap costs are expected to be offset by the reduction in wholesale market prices arising from the introduction of more renewables into the grid, which will put downward pressure on retail bills.

Further, for the Initial Allocation of access rights, EnergyCo has developed a centralised procurement model for H2P and CSS on the CWO REZ access rights network. This means this infrastructure will be procured and delivered by the Network Operator for projects connecting into the access rights network, the costs of which will be recovered from ARHs as part of the Initial Allocation.

A key feature of the Access Fee structure for the CWO REZ is that the expected costs to consumers associated with H2P and CSS assets will be recovered from ARHs rather than NSW electricity customers.

In setting the level of Access Fees, the Consumer Trustee has had regard to the ability to use Access Fees to reduce NSW electricity customer contributions to the costs of the Roadmap, balanced with the need to encourage investment in new renewable generation, thereby reducing pressure on wholesale prices for customers.

The Consumer Trustee considered the risk that if Access Fees are set too high, ARHs may choose not to connect, or may seek to connect elsewhere rather than in CWO REZ. The Consumer Trustee also considered the possibility that ARHs may seek to pass on the costs associated with the higher Access Fees to NSW electricity customers (through LTESA costs, wholesale contracts markets and/or spot market bids). The Consumer Trustee assessed the consequences of lower than anticipated participation in the access scheme and the potential risks to investment in new infrastructure, and to affordable, reliable and secure electricity supply. The Consumer Trustee notes that the risk of the passing-on of higher costs by ARHs creates risks to affordability and risks the achievement of the objects of the EII Act. The Consumer Trustee also acknowledges the risk that if Access Fees are set too low, NSW electricity customers face risks to affordability because they will bear a greater share of the costs associated with the Roadmap.

As such, the Consumer Trustee has ensured that the overall fee amount is set with reference to the estimated access premium that ARHs would be willing to pay for the benefits of connecting under the CWO REZ access scheme. The Consumer Trustee has based its analysis of access premiums for the CWO REZ on the expected value to ARHs of connecting to the REZ and receiving increased certainty of congestion outcomes in exchange for an Access Fee.

<sup>15</sup> Section 60(3) of the EII Act.

<sup>16</sup> Section 66(4) of the EII Act.

The Consumer Trustee has also considered the extent to which Access Fees should be used to reduce contributions by NSW electricity customers to the costs of the Roadmap, which would represent a direct financial benefit to these customers. Based on that assessment, the Consumer Trustee has determined that the CWO REZ Access Fees should incorporate a contribution to the costs of the Roadmap (and in particular, the CWO REZ network infrastructure project), consistent with the Consumer Trustee's role in acting in the LTFI of NSW electricity customers and the principle of maximising the financial value for NSW electricity customers as referenced in section 26(1)(a) of the EII Act (**Network Infrastructure Contribution Fee**).

This component has been set at a level that, the Consumer Trustee considers, reflects the benefits to ARHs of connecting into the CWO REZ access rights network, but not at a level that is so high as to deter investment by renewable generators in the CWO REZ, thereby supporting the financial sustainability and affordability of the Roadmap. As a result of the Network Infrastructure Contribution Fee, the Consumer Trustee considers that the financial benefits to NSW electricity customers of its decision to set the CWO REZ Access Fees outweigh the financial costs to NSW electricity customers over the long-term.

## 4.2 Consistency with the objects of the EII Act

The EII Act has a variety of objects which relate to electricity supply, the delivery of new electricity infrastructure and broader socio-economic objectives. The Consumer Trustee must exercise its functions in a way that is consistent with the objects of the EII Act, as shown in [Table 3](#).<sup>17</sup>

The Consumer Trustee considered and assessed the objects in determining the CWO REZ Access Fees by:

- Preparing quantitative estimates of the benefits to ARHs from participating in an access scheme and comparison with counterfactuals (i.e. costs and benefits of connecting to a network not covered by an access scheme).
- Consulting with potential ARHs on the fee components and amounts to promote ARH interest and take-up of access rights, and to encourage generation, storage and network technology.
- Consulting with EnergyCo on the fee components and amounts.
- Consulting with the Consumer Reference Group<sup>18</sup> on setting Access Fees and informing them of the fee components and amounts for CWO REZ, including how the Consumer Trustee proposed to take into account affordability considerations.
- Seeking advice from EPAC and incorporation of its feedback into the determination of the Employment Fee.
- Considering the RES Board Plan, which informed the determination of the C&E Fee.
- Considering how the C&E Fee will enable EnergyCo to undertake activities in accordance with the objects.

<sup>17</sup> Section 3(3) of the EII Act.

<sup>18</sup> The Consumer Reference Group established under the NSW Electricity Infrastructure Roadmap which includes representatives from the Public Interest Advocacy Centre, Energy Consumers Australia, Energy Users Association of Australia and Business NSW.

**Table 3: Objects of the EII Act**

#	Objects of the EII Act	How this object has been reflected in the Access Fees
A	To improve the affordability, reliability, security and sustainability of electricity supply	<p>This object has been reflected in the Access Fee components, including their methodologies and quantum, and Variation Events, as follows:</p> <ul style="list-style-type: none"> <li>– Access Fees have been structured to include CSS, H2P and administration costs as well as a Network Infrastructure Contribution Fee, reflecting feedback from consumer groups on affordability.</li> </ul>
B	To co-ordinate investment in new generation, storage, network and related infrastructure	<p>This object has been reflected in the Access Fee components, including their methodologies and quantum, and Variation Events, as follows:</p> <ul style="list-style-type: none"> <li>– Feedback from potential ARHs and EnergyCo on Access Fee structure, quantum and proposed Variation Events.</li> <li>– Quantitative estimates of the benefits to ARHs from participating in a REZ and comparison with counterfactuals (i.e. costs and benefits of connecting outside a REZ) to inform the Access Fee quantum.</li> <li>– Consultation with the Consumer Reference Group and incorporation of feedback into fee design.</li> <li>– Setting the C&amp;E Fee consistent with the minimum amount to ensure that communities receive benefits from the CWO REZ access scheme.</li> <li>– The C&amp;E Fee was set having regard to the RES Board Plan and following consultation with EnergyCo and on advice from EPAC.</li> </ul>
C	To encourage investment in new generation, storage, network and related infrastructure by reducing risk for investors	<p>This object has been reflected in the structure, methodology, quantum for Access Fees as well as their Variation Events as follows:</p> <ul style="list-style-type: none"> <li>– Feedback from potential ARHs and EnergyCo on Access Fee structure, quantum and proposed Variation Events.</li> <li>– Quantitative estimates of the benefits to ARHs from participating in a REZ and comparison with counterfactuals (i.e. costs and benefits of connecting outside a REZ) to inform the Access Fee quantum.</li> <li>– Seeking advice from EPAC and incorporation of feedback into the Employment Fee.</li> <li>– Consultation with the Consumer Reference Group and incorporation of feedback into fee design.</li> <li>– Setting the C&amp;E Fee consistent with the minimum amount to ensure that communities receive benefits from the CWO REZ access scheme.</li> </ul>
D	To foster local community support for investment in new generation, storage, network and related infrastructure	<p>This object has been reflected in the Access Fee components, including their methodologies and quantum, and Variation Events as follows:</p> <ul style="list-style-type: none"> <li>– The setting of the C&amp;E Fee enables EnergyCo to use this fee’s component funds to achieve this object.</li> <li>– The C&amp;E Fee was set having regard to the RES Board Plan and following consultation with EnergyCo and seeking advice from EPAC.</li> <li>– This object was also achieved through consultation with the Consumer Reference Group, ARHs and the NSW Department of Climate Change, Energy, the Environment and Water (<b>DCCEEW</b>) on the fee components and amounts, and Variation Events.</li> </ul>
E	To support economic development and manufacturing	<p>This object has been reflected in the Access Fee components, including their methodologies and quantum, and Variation Events as follows:</p> <ul style="list-style-type: none"> <li>– The setting of the C&amp;E Fee enables EnergyCo to use this fee’s component funds to achieve this object.</li> <li>– The C&amp;E Fee was set having regard to the RES Board Plan and following consultation with EnergyCo and advice from EPAC.</li> <li>– This object was also achieved through consultation with the Consumer Reference Group, ARHs and DCCEEW on the fee components and amounts, and Variation Events.</li> </ul>

#	Objects of the EII Act	How this object has been reflected in the Access Fees
<b>F</b>	To create employment, including employment for Aboriginal and Torres Strait Islander people	<ul style="list-style-type: none"> <li>– The C&amp;E Fee includes an amount which would enable EnergyCo to undertake this object.</li> <li>– Advice has been sought from EPAC and consultation has been undertaken with the Consumer Reference Group, EnergyCo and DCCEEW.</li> <li>– The C&amp;E Fee was set having regard to the RES Board Plan.</li> </ul>
<b>G</b>	To invest in education and training	<ul style="list-style-type: none"> <li>– The C&amp;E Fee includes an amount which would enable EnergyCo to undertake this object.</li> <li>– Advice has been sought from EPAC and consultation has been undertaken with the Consumer Reference Group, EnergyCo and DCCEEW.</li> <li>– The C&amp;E Fee was set having regard to the RES Board Plan.</li> </ul>
<b>H</b>	To promote local industry, manufacturing and jobs	<ul style="list-style-type: none"> <li>– The C&amp;E Fee includes an amount which would enable EnergyCo to undertake this object.</li> <li>– Advice has been sought from EPAC and consultation has been undertaken with the Consumer Reference Group, EnergyCo and DCCEEW.</li> <li>– The C&amp;E Fee was set having regard to the RES Board Plan.</li> </ul>
<b>I</b>	To promote export opportunities for generation, storage and network technology	<p>This object has been reflected in the structure, methodology, quantum and Variation Events for Access Fees as follows:</p> <ul style="list-style-type: none"> <li>– Feedback from potential ARHs and EnergyCo on Access Fee structure, quantum and proposed Variation Events to promote ARH interest and take-up of access rights and to encourage generation, storage and network technology.</li> <li>– Quantitative estimates of the benefits to ARHs from participating in a REZ and comparison with counterfactuals (i.e. costs and benefits of connecting outside a REZ) to inform the quantum of the Access Fee.</li> </ul>
<b>Additional objects of Parts 4 to 6 of the EII Act</b>		
<b>A</b>	To increase employment and income opportunities for Aboriginal and Torres Strait Islander people in NSW	<ul style="list-style-type: none"> <li>– The C&amp;E Fee includes an amount which would enable EnergyCo to undertake this object.</li> <li>– Advice has been sought from EPAC and consultation has been undertaken with the Consumer Reference Group, EnergyCo and DCCEEW.</li> <li>– The C&amp;E Fee was set having regard to the RES Board Plan.</li> </ul>
<b>B</b>	To promote consultation and negotiation with the traditional Aboriginal owners of land on which generation, storage and network infrastructure is proposed to be constructed or operated under the EII Act	<ul style="list-style-type: none"> <li>– The C&amp;E Fee includes an amount which would enable EnergyCo to undertake this object.</li> <li>– Advice has been sought from EPAC and consultation has been undertaken with the Consumer Reference Group, EnergyCo and DCCEEW.</li> <li>– The C&amp;E Fee was set having regard to the RES Board Plan.</li> </ul>

Having considered the matters set out above, the Consumer Trustee has identified that the main risks to the achievement of the objects of the EII Act relate to Access Fees not achieving the right balance between:

- maximising ARHs' contribution to the costs of the access scheme, CWO REZ network infrastructure and community and employment benefit sharing, and
- maximising participation in the CWO REZ to improve affordability, reliability, security, employment and economic development.

These risks have been considered as part of the LTFI of NSW electricity customers assessment above and the Consumer Trustee's consideration of the appropriate level of the C&E component of the Access Fees.

The Consumer Trustee considers that these issues have been appropriately considered and balanced in a way that means the Access Fee Determinations for the CWO REZ are consistent with the objects of the EII Act.

### 4.3 Access Fee principles

The Consumer Trustee must take into account the principles outlined in section 26(1) of the EII Act when determining Access Fees. [Table 4](#) provides an overview of how the Consumer Trustee has applied these principles in the Access Fee structure, methodology, quantum and Variation Events (excluding for Community & Employment Fees which are covered separately in section 4.4).

Table 4: Access Fee Principles

#	Principles	How these have been applied for the CWO REZ Access Fees
1	Maximising financial value for NSW electricity customers	<ul style="list-style-type: none"> <li>– Access Fees are structured to include the direct costs of the CWO REZ access scheme (H2P, CSS and administration fees).</li> <li>– The Access Fee methodology takes into account direct cost inputs from EnergyCo which are then reviewed by the Consumer Trustee.</li> <li>– Access Fee components include cost contributions for C&amp;E purposes as well as a Network Infrastructure Contribution Fee.</li> <li>– Access Fees are set at a level which balances affordability with risk that ARHs will not connect to CWO REZ access rights network if Access Fees are set too high.</li> <li>– Variation Events minimise NSW electricity customer exposure to changes in input costs and provide certainty to ARHs of their Access Fees and the allocation of costs between ARHs and NSW electricity customers.</li> </ul>
2	Recovering the cost of the operation of the access scheme	<ul style="list-style-type: none"> <li>– Access Fees are structured to include the direct costs of the CWO REZ access scheme (H2P, CSS and administration fees).</li> <li>– The Access Fee methodology takes into account direct cost inputs from EnergyCo to ensure cost-reflectivity.</li> </ul>
3	Optimal use of the existing and planned network infrastructure in the REZ	<ul style="list-style-type: none"> <li>– Access Fees are set at a level that seeks to encourage participation in CWO REZ while nonetheless recovering contributions to the costs of the operation of the access scheme and the costs of the CWO REZ network infrastructure.</li> <li>– The Consumer Trustee’s analysis on the Access Fee level includes the following: <ul style="list-style-type: none"> <li>• Comparison to the National Electricity Rules (<b>NER</b>) open access regime to identify the key benefits to proponents under the access scheme.</li> <li>• Conducting a cost benchmarking exercise to evaluate the potential access premium that ARHs may need to pay to connect to the CWO REZ access rights network based on a comparison of proposed Access Fees and the expected costs of connecting outside of the CWO REZ under the NER.</li> <li>• Undertaking a Weighted Average Cost of Capital (<b>WACC</b>) equivalent valuation of the access premium to assess whether benefits received from connecting to the CWO REZ access rights network and participating in the access scheme are likely to outweigh the access premium calculations.</li> </ul> </li> </ul>
4	Other principles prescribed by the regulations: Transparency in total determined or expected fees payable under the access scheme for participants is prescribed by clause 55A of the EII Regulation.	<ul style="list-style-type: none"> <li>– The Access Fee components, including their methodologies and quantum, were consulted upon with proposed ARHs and the Consumer Reference Group as well as with EnergyCo and DCCEE.</li> <li>– A draft Access Fee Determination template and a guideline were also released for consultation.</li> <li>– A simplified Access Fee Determination template was introduced following consultation to improve the transparency of Access Fees ensuring NSW electricity customers and ARHs have greater clarity on the fee structure and components.</li> </ul>

## 4.4 Community and Employment Purposes

The Consumer Trustee must ensure Access Fees include a component that is to be used for employment purposes and a component that is used for community purposes.<sup>19</sup> The matters that are included within the scope of each of these purposes are set out in the EII Regulation.<sup>20</sup>

The EII Regulation specifies a minimum annual amount or percentage of an Access Fee that must go towards community and employment purposes.

The minimum amount for community purposes is:<sup>21</sup>

- if the participant's annual Access Fee is \$2,600 per megawatt or more: \$1,700 per megawatt, or
- otherwise: 60%.

The minimum amount for employment purposes is:<sup>22</sup>

- if the participant's annual Access Fee is \$2,600 per megawatt or more: \$600 per megawatt, or
- otherwise: 20%.

The EII Regulation specifies that there is no maximum amount for each component during the term of the access scheme.<sup>23</sup>

When setting the C&E component of the Base Fee, there is a trade-off between the objects of the EII Act:

- Setting this component at a lower amount promotes the affordability object and, by extension, may promote the object related to fostering local community support for investment in new generation, storage, network and related infrastructure. It may also promote the object to encourage investment in new generation, storage, network and related infrastructure by reducing risk for investors.
- Setting this component at a higher amount may promote objects related to employment; education and training; local industry, manufacturing and jobs; and employment and income opportunities for Aboriginal and Torres Strait Islander people in NSW. However, if the component is set so high that it discourages participation in the access scheme then it may undermine these objects.

When setting the C&E Fee component, the Consumer Trustee:

- Sought the advice of EPAC (see section 4.5).
- Considered the recommendations of the RES Board Plan as discussed in section 4.6 below.
- Consulted with the Consumer Reference Group established under the Roadmap which included representatives from the Public Interest Advocacy Centre, Energy Consumers Australia, Energy Users Association of Australia and Business NSW.
- Had regard to the NSW Renewable Energy Planning Framework, including the benefit-sharing rates that renewable energy projects are expected to use when determining the total funding value for community benefits for their projects.

This informed the Consumer Trustee's assessment that the Access Fees are consistent with the objects related to fostering local community support; employment; economic development and manufacturing; investing in education and training; local industry, manufacturing and jobs; export opportunities for generation, storage and network technology. The C&E Fee has been set consistent with the amounts prescribed in the EII Regulation for community and employment purposes, noting that the Access Fee Determination reflects the quarterly value of this amount. This minimises risks to affordability to NSW electricity customers and will help to achieve social licence and local community support.

<sup>19</sup> Section 26 of the EII Act.

<sup>20</sup> Clauses 56(1) and 57(1) of the EII Regulation.

<sup>21</sup> Clause 56(2)(a) of the EII Regulation.

<sup>22</sup> Clause 57(2)(a) of the EII Regulation.

<sup>23</sup> Clauses 56(2)(b) and 57(2)(b) of the EII Regulation.

## 4.5 Advice from the Employment Purpose Advisory Committee (EPAC)

The Consumer Trustee must seek the advice of EPAC on the component of Access Fees allocated for employment purposes.<sup>24</sup>

On 16 November 2022, EPAC wrote to AEMO Services confirming that AEMO Services as the Consumer Trustee had sought EPAC's advice when determining the employment purpose component. EPAC also confirmed that it is satisfied that AEMO Services' proposed employment purpose component of \$600 per megawatt per annum is at an appropriate level for CWO REZ. EPAC considered this will deliver significant employment benefits both for the renewable energy sector in the CWO REZ and its broader economy. In providing this advice, EPAC stated that it considered:

- employment needs in the region;
- how the changes in electricity generation in the State will impact employees of the region;
- opportunities presented by the CWO REZ; and
- potential initiatives that could be delivered using access scheme fees alongside existing programs.

## 4.6 NSW Renewable Energy Sector (RES) Board Plan

The Consumer Trustee is required to take into account the RES Board Plan in the exercise of its functions.<sup>25</sup>

The RES Board Plan was published in September 2022.

The Consumer Trustee notes that the only section of the RES Board Plan that is relevant to the determination of Access Fees is a section that sets out the RES Board's recommendations on actions that could be funded from Access Fees including the community and employment component. The RES Board recommends that the Consumer Trustee and Infrastructure Planner prioritise these actions in the allocation of funds from Access Fees. The priority actions are:<sup>26</sup>

- build the capacity of the local manufacturing sector; and
- facilitate workforce redeployment, including opportunities for workers affected by the energy transition.

The C&E component of the Base Fee was set having regard to the RES Board Plan, following consultation with EnergyCo and after seeking advice from EPAC.

The Consumer Trustee considers that the C&E component of Access Fees will allow EnergyCo to build the capacity of the local manufacturing sector and facilitate workforce redeployment, including opportunities for workers affected by the energy transition, as a funding priority for Access Fees in the RES Board Plan.

<sup>24</sup> Section 26(6) of the EII Act.

<sup>25</sup> Section 9(1) of the EII Act.

<sup>26</sup> RES Board Plan, p73.

# A1. Legal requirements for the decision

The following table sets out the requirements under the EII Act and EII Regulation for the exercise of the Consumer Trustee’s functions under section 26 of the EII Act and where each of these is addressed in this document.

**Table 5: Statutory requirements for determining Access Fees**

#	Requirement	Reference and comment
1	<p>The Consumer Trustee is to take into account the following principles—</p> <ul style="list-style-type: none"> <li>(a) maximising financial value for NSW electricity customers,</li> <li>(b) recovering the cost of the operation of the access scheme,</li> <li>(c) optimal use of the existing and planned network infrastructure in the renewable energy zone,</li> <li>(d) other principles prescribed by the regulations (s 26(1)(a)-(d) of the EII Act).</li> </ul> <p>In relation to clause 55A of the EII Regulation, transparency in total determined or expected fees payable under the access scheme for participants is prescribed.</p>	<p><a href="#">Section 4.3</a> of this report sets out how the Consumer Trustee has considered the principles in section 26 of the EII Act and clause 55A of the EII Regulation.</p>
2	<p>The fees determined by the Consumer Trustee must include a component that is to be used for a community purpose prescribed by the regulations (s 26(2) of the EII Act). This component is not to be less than the minimum amount or proportion prescribed by the regulations and must not exceed the maximum amount or proportion prescribed by the regulations (s 26(3) of the EII Act).</p> <p>A component of a fee is taken to be used for a community purpose if it used to provide one or more of the following benefits to the relevant local community—</p> <ul style="list-style-type: none"> <li>(a) public or community services or infrastructure,</li> <li>(b) health services or infrastructure,</li> <li>(c) accommodation or housing,</li> <li>(d) local or regional energy programs or infrastructure,</li> <li>(e) environmental programs or infrastructure,</li> <li>(f) parks and recreation infrastructure,</li> <li>(g) education programs or research,</li> <li>(h) arts or cultural programs,</li> <li>(i) tourism programs or infrastructure,</li> <li>(j) services, programs or infrastructure for First Nations people,</li> <li>(k) other services, programs or infrastructure that benefit the relevant local community (cl 56(1) of the EII Regulation).</li> </ul> <p>The minimum proportion for the component of the annual Access Fee for a participant is—</p> <ul style="list-style-type: none"> <li>(i) if the participant’s annual Access Fee is \$2,600 per megawatt or more—\$1,700 per megawatt, or</li> <li>(ii) otherwise—60%, and</li> </ul> <p>The maximum amount for the component of the annual Access Fee for a participant is—</p> <ul style="list-style-type: none"> <li>(i) during the term of the access scheme—no maximum is prescribed, or</li> <li>(ii) otherwise—\$0 (cl 56(2) of the EII Regulation).</li> </ul>	<p><a href="#">Section 4.4</a> of this report sets out the Consumer Trustee’s approach to the component of the Access Fees that is to be used for community purposes.</p>

#	Requirement	Reference and comment
3	<p>The fees determined by the Consumer Trustee must include a component that is to be used for an employment purpose prescribed by the regulations (s 26(4) of the EII Act). This component is not to be less than the minimum amount or proportion prescribed by the regulations and must not exceed the maximum amount or proportion prescribed by the regulations (s 26(5) of the EII Act).</p> <p>A component of a fee is taken to be used for an employment purpose if it used to provide for one or more of the following to relevant employees—</p> <ul style="list-style-type: none"> <li>(a) employment programs and associated services and facilities,</li> <li>(b) skills and training programs and associated services and facilities,</li> <li>(c) a program, service or facility that supports the relevant employees to gain employment skills or experience relevant to employment (EII Regulation, cl 57(1)).</li> </ul> <p>The minimum proportion for the component of the annual Access Fee for a participant is—</p> <ul style="list-style-type: none"> <li>(i) if the participant’s annual Access Fee is \$2,600 per megawatt or more—\$600 per megawatt, or</li> <li>(ii) otherwise—20%, and</li> </ul> <p>The maximum amount for the component of the annual Access Fee for a participant is—</p> <ul style="list-style-type: none"> <li>(i) during the term of the access scheme—no maximum is prescribed, or</li> <li>(ii) otherwise—\$0 (EII Regulation).</li> </ul>	<p><a href="#">Section 4.4</a> of this report sets out the Consumer Trustee’s approach to the component of the Access Fees that is to be used for employment purposes.</p>
4	<p>In exercising its function under subsection 26(4), the Consumer Trustee is to seek advice from the committee established under section 34W(1)(b) of the <i>Energy and Utilities Administration Act 1987</i> (i.e. the Employment Purpose Advisory Committee) (cl 57(2) of the EII Act, s 26(6)).</p>	<p><a href="#">Section 4.5</a> of this report sets out how the Consumer Trustee’s approach to satisfying this requirement.</p>
5	<p>The Consumer Trustee will take into account the plan for NSW renewable energy sector (s9(1) of the EII Act).</p>	<p><a href="#">Section 4.6</a> sets out the Consumer Trustee’s approach with respect to this requirement.</p>
6	<p>The Consumer Trustee is to act independently and in the LTFI of NSW electricity customers (s60(3) of the EII Act).</p>	<p><a href="#">Section 3</a> sets out the Consumer Trustee’s approach to independently determining Access Fees.</p> <p><a href="#">Section 4.1</a> sets out the LTFI of NSW electricity customers assessment process that has been followed by the Consumer Trustee to form a view on whether the setting of the Access Fees (including their structure and quantum) would be in the LTFI of NSW electricity customers.</p>
7	<p>The Consumer Trustee must exercise its function in a way that is consistent with the objects of the EII Act (s3(3) of the EII Act).</p>	<p><a href="#">Section 4.2</a> of this report sets out how the Consumer Trustee has assessed whether the Access Fee Determinations for the CWO REZ is consistent with the objects of the EII Act.</p>

# A2. CWO REZ Access Fee Assumptions

Table 6: Assumptions in determining Access Fees

Access Assumptions Input	Unit	Amount	Used in	Notes
<b>Base Fee assumptions</b>				
<b>Community and Employment Fee (C&amp;E Fee)</b>	AUD\$ per MW per quarter	\$575	Calculating the quarterly Base Fee	Includes the amounts prescribed in sections 26(2) and (4) of the EII Act to fund community and employment benefits.
<b>Administration Fee (Non-C&amp;E Fee)</b>	AUD\$ per MW per quarter	\$125	Calculating the quarterly Base Fee	Covers CWO Access Scheme administration costs incurred by EnergyCo.
<b>Network Infrastructure Contribution Fee</b>	AUD\$ per MW per quarter	\$300	Calculating the quarterly Base Fee	Contributes to the cost of constructing and maintaining the CWO REZ transmission network consistent with section 26(1) of the EII Act.
<b>General assumptions</b>				
<b>Fixed Indexation Rate</b>	% per quarter	0.6192% (rounded)	Calculating all quarterly Access Fee components	This amount equates to 2.5% per annum when compounded which was included to reflect the fact that the Network Operator's revenue is indexed by the AER. Fixed indexation of 2.5% is applied to 80% of total Network Operator revenue, with Consumer Price Index applied to 14% of Network Operator revenue and Wage Price Index applied to the remaining 6%. The AER will true up for actual Consumer Price Index / Wage Price Index as part of their revenue adjustments, noting the largest component is fixed at 2.5%, reflecting the long-term midpoint of the Reserve Bank's target inflation band. Access Fees are escalated from the Access Fee Payment Date at a fixed quarterly indexation rate of 0.6192% (rounded) (equivalent to 2.5% per annum when compounded) as specified in the CWO REZ Determinations. This provides clarity and transparency to ARHs and ensures alignment with the assumed indexation of the Network Operator's underlying costs.
<b>CSS Fee assumptions</b>				
<b>CSS Fee Charge</b>	AUD\$ per MW per quarter	\$3,090.84	Calculating the quarterly CSS Fee	Provided by EnergyCo, this is based on the cost of synchronous condensers to meet system strength demand from ARHs when the CWO REZ network infrastructure is commissioned.  The current estimated CSS construction financing cost is 15.35% of capex.
<b>CSS – O&amp;M and lifecycle charge</b>	% of capex (excl financing), paid quarterly	0.25%	Calculating quarterly the CSS Fee	This charge is based on market benchmarks sourced from EnergyCo for the estimated annual operations and maintenance costs.
<b>CSS useful life</b>	Quarters	160	Calculating the quarterly CSS Fee	Based on advice from EnergyCo.
<b>CSS Assumed Cost of Capital</b>	% per quarter	1.75%	Calculating the quarterly CSS Fee	Assumed financing cost of capital expenditure on CSS assets, provided by EnergyCo.

Access Assumptions Input	Unit	Amount	Used in	Notes
<b>H2P Fee assumptions</b>				
<b>H2P Fee charge</b>	Total project specific H2P capex	Project specific	Calculating the quarterly H2P Fee	Provided by EnergyCo, this is based on the specifications of each project provided through the Application Process. The current estimated H2P construction financing cost is 18.00% of capex.
<b>H2P – O&amp;M and lifecycle charge</b>	% of capex (excl. IP fees and financing), paid quarterly	0.25%	Calculating the quarterly H2P Fee	This charge is based on market benchmarks sourced from EnergyCo for the estimated annual operations and maintenance cost.
<b>H2P useful life</b>	Quarters	200	Calculating the quarterly H2P Fee	Based on advice from EnergyCo.
<b>H2P Assumed Cost of Capital</b>	% per quarter	1.75%	Calculating the quarterly H2P Fee	Assumed financing cost of capital expenditure on H2P assets, provided by EnergyCo.
<b>Transmission Costs</b>	AUD\$ million	Project specific	Calculating the quarterly H2P Fee	This represents the cost of the transmission line (shared cost applicable to some projects) connecting the project with the energy hub. Provided by EnergyCo.
<b>On &amp; Off-site Prelims, Design and Overheads</b>	AUD\$ million	Project specific	Calculating the H2P Fee	This represents the preliminary and overhead costs which include contractor overheads, and time-related costs associated with managing the project, borne by the Network Operator to deliver the H2P assets. Provided by EnergyCo.
<b>Switching Station Costs</b>	AUD\$ million	Project specific	Calculating the quarterly H2P Fee	This represents the costs borne by the Network Operator to deliver the switching station assets. Provided by EnergyCo.
<b>Infrastructure Planner Fee</b>	AUD\$ million	Project specific	Calculating the quarterly H2P Fee	This component includes costs borne by the Infrastructure Planner for land access, easements, biodiversity offsets. Provided by EnergyCo.
<b>General Fee assumptions</b>				
<b>Terminal Value</b>	AUD\$ million	Project specific	Calculating the Terminal Value of H2P/CSS assets	Provided by EnergyCo, this is the residual value of the H2P and CSS assets, based on a useful life (see values above), and straight-line amortisation with 2.5% fixed indexation per annum, compounded quarterly.
<b>Access Fee Payment Date</b>	Date	Project specific	Determining the start date of the Access Fee payment	As defined in the Access Payment Deed.
<b>Payment Term</b>	Quarters	Project specific	Calculating all quarterly Access Fee components	As defined in the Access Payment Deed. The Consumer Trustee has assumed a fixed Payment Term of 124 quarters for the purposes of calculating Access Fees.
<b>ARH Bid Variables</b>				
<b>Maximum Capacity</b>	MW	Project specific	Calculating the quarterly Base Fee and CSS Fee components	The maximum capacity for the relevant access right as set out in the Access Rights Register in accordance with the Project Development Agreement.

# Definitions

Term	Definition
<b>Access Fee</b>	The Access Fee payable by an Access Right Holder in accordance with the relevant Access Fee Determination.
<b>Access Fee Determination</b>	Sets out Access Fees for each individual project and how they may be adjusted for certain events.
<b>Access Fee Payment Date</b>	As defined in the Access Payment Deed.
<b>Access Payment Deed or APD</b>	The deed between the SFV and the Access Right Holder in respect of the project.
<b>Access Project Development Agreement or Access PDA</b>	Project Development Agreement between the Access Right Holder and EnergyCo.
<b>Access Right</b>	Access Right as defined in the Access Scheme Declaration.
<b>Access Right Holder or ARH</b>	A person that holds an access right granted under the Access Scheme Declaration.
<b>Access Rights Register</b>	A publicly available register for access rights as defined in Schedule 1A of the EII Regulation.
<b>Access scheme</b>	Has the meaning given in the EII Act.
<b>Access Scheme Declaration</b>	The access scheme declared under section 24(1) of the EII Act in respect of Central-West Orana renewable energy zone and set out in the <i>Renewable Energy Zone (Central-West Orana) Access Scheme Order 2022</i> , and amended by the Minister on 5 April 2024 (see, <i>Renewable Energy Zone (Central-West Orana) Access Scheme (Amendment) Order 2024</i> ).
<b>Administration Fee</b>	A Base Fee component that contributes to the administration costs of the CWO REZ access scheme, consistent with section 26(1)(b) of the EII Act.
<b>AEMO Services</b>	AEMO Services Limited ABN 59 651 198 364.
<b>Application Process</b>	The application process for CWO REZ access rights administered by EnergyCo.
<b>Community &amp; Employment (C&amp;E) Fee</b>	A contribution to initiatives that achieve community purposes and employment purposes in the CWO REZ, as required by sections 26(2) and (4) of the EII Act.
<b>Connection point</b>	Point of connection for an Access Right Holder and has the meaning given in the National Electricity Rules.
<b>Consumer Reference Group</b>	The Consumer Reference Group established under the NSW Electricity Infrastructure Roadmap which includes representatives from the Public Interest Advocacy Centre, Energy Consumers Australia, Energy Users Association of Australia and Business NSW.
<b>Consumer Trustee</b>	AEMO Services Limited appointed as the Consumer Trustee under the EII Act.
<b>CSS</b>	Centralised System Strength.
<b>CSS Fee</b>	The contribution required to offset the cost of the CSS infrastructure asset. The CSS Fee is calculated based on costs provided by EnergyCo from the Network Operator.
<b>CSS Fee Reduction Methodology Paper</b>	A paper that outlines the methodology to be applied in the event of an Access Right Holder applying for a CSS Fee Reduction.

Term	Definition
CWO	Central-West Orana.
DCCEEW	The Department of Climate Change, Energy, the Environment and Water.
EII Act	<i>Electricity Infrastructure Investment Act 2020</i> (NSW).
EII Regulation	<i>Electricity Infrastructure Investment Regulation 2021</i> (NSW).
Employment Purpose Advisory Committee or EPAC	The Employment Purpose Advisory Committee is established under section 34(W)(1)(b) of the <i>Electricity and Utilities Administration Act 1987</i> (NSW).
H2P	Hub-to-project.
H2P Fee	The contribution required to offset the cost of an Access Right Holder's H2P infrastructure asset. The H2P Fee is calculated using project specific costs provided by EnergyCo from the Network Operator.
Infrastructure Planner (IP) or EnergyCo	Energy Corporation of New South Wales constituted under the <i>Energy and Utilities Administration Act 1987</i> (NSW) and appointed as the Infrastructure Planner for the CWO REZ under section 19 of the EII Act.
Initial Allocation	The CWO REZ access right application process conducted by EnergyCo in 2024.
LTESA	Long-term Energy Service Agreements.
Maximum capacity	The maximum capacity for the relevant access right as set out in the Access Rights Register in accordance with the Access Project Development Agreement.
MW	Megawatts.
National Electricity Rules or NER	The National Electricity Rules, which govern the operation of the national electricity market.
Network Infrastructure Contribution Fee	A Base Fee component that contributes to the costs of constructing and maintaining CWO REZ network infrastructure, consistent with section 26(1)(a) of the EII Act.
Network Operator	Has the meaning given in the EII Act. The authorised Network Operator for the CWO REZ Network Infrastructure Project is the ACEREZ Partnership.
Renewable Energy Sector Board or RES Board	A Board for the NSW renewable energy sector, appointed by The Minister for Energy in 2021 as required under the EII Act.
Renewable Energy Sector Board Plan or RES Board Plan	A plan for the NSW renewable energy sector, including the manufacture and construction of infrastructure in the renewable sector, as required to be prepared and provided to the Minister by the RES Board under the EII Act.
Roadmap	The NSW Electricity Infrastructure Roadmap enabled by the EII Act.
Scheme Financial Vehicle or SFV	The body responsible for entering into and enforcing the Access Payment Deed with Access Right Holders and collecting Access Fees and securities, consistent with the terms of the Access Payment Deed.
Variation Events	A change to the input variables as set out in the Access Fee Determination, occurring after the date of the Determination, and which may give rise to a change in the Access Fees.