# Renewable Energy Zone (Central-West Orana) Access Scheme Order 2022

Under the

Electricity Infrastructure Investment Act 2020

I, Matthew Kean MP, Minister for Energy, make the following Order under section 24(1) of the Act.

Dated this 15 July 2022

## **Matthew Kean MP**

Minister for Energy

# Renewable Energy Zone (Central-West Orana) Access Scheme Order 2022

under the *Electricity Infrastructure Investment Act* 2020

## **Part 1 Introduction**

## 1. Name of order

This Order is the Renewable Energy Zone (Central-West Orana) Access Scheme Order 2022.

## 2. Commencement Date

This Order commences on the date that it is published in the Gazette.

#### 3. Definitions

- (1) Unless otherwise defined in this Order, words and phrases defined in the *Act* have the same meaning in this Order.
- (2) Words and expressions that are defined in the Dictionary have the meaning set out in the Dictionary.

## 4. Declaration of the access scheme to apply to the Central-West Orana REZ

The *Central-West Orana REZ Access Scheme* set out in this Order is hereby declared for the purposes of section 24 of the *Act*.

# **Part 2 Description of Access Scheme**

## 5. Access scheme

- (1) This Order establishes the *Central-West Orana REZ Access Scheme* for the *access rights network*.
- (2) A person may only *connect* generation or storage plant to the *access rights network* where:
  - (a) the plant is an eligible project; and
  - (b) an access right has been granted for the eligible project.
- (3) A person other than the *network operator* may only *connect* network infrastructure or plant or equipment that consumes electricity (other than generation or storage plant) to the *access rights network* in accordance with clause 16 of this Order.

## 6. Access rights

An access right authorises the access right holder to:

(1) submit an application to *connect* the relevant *approved project* to the *access rights network* in accordance with the terms of any applicable *access right agreement* and the *Rules* (as modified by the *regulations*); and

(2) to send out generation from the *approved project* into the *access rights network* in accordance with the terms of any applicable *access right agreement*, the relevant *connection agreement* and the *Rules* (as modified by the *regulations*) up to its *maximum capacity* for the relevant *capacity period*,

provided that subclauses 6(1) and 6(2) do not in any way limit the *central dispatch* process in accordance with the *Rules* or the Australian Energy Market Operator Limited's ability to dispatch an approved project above its maximum capacity during a capacity period for any reason including, but not limited to, a lack of reserve declaration under the *Rules*.

# **Part 3 Grant of Access rights**

# 7. Procedure for the grant of access rights and increases to maximum capacity

## Limits on grant of access rights

- (1) Subject to the remainder of this clause 7, the *Infrastructure Planner* may grant an *access right* to an *eligible operator*, or approve an increase in the *maximum capacity* of an *approved project* in any *capacity period*:
  - (a) in the *initial allocation* if:
    - (i) the *Consumer Trustee* has recommended the grant or increase; or
    - (ii) in accordance with subclause 12(3); and
  - (b) once the *initial allocation* has been completed:
    - (i) at the absolute discretion of the *Infrastructure Planner*, including where the *eligible operator* has funded, or committed to fund, a *market-led augmentation* under clause 11; or
    - (ii) in accordance with subclause 12(3).
- (2) An access right may only be granted:
  - (a) to an eligible operator;
  - (b) for an eligible project with specified project characteristics;
  - (c) for a maximum capacity in any capacity period; and
  - (d) where the *eligible operator* has entered into an *access right agreement* for the *eligible project*.
- (3) An access right may only be granted, or an increase in the maximum capacity or material change in the project characteristics of an approved project approved, if the Infrastructure Planner is satisfied that the maximum capacity (or increase in maximum capacity or material change in the project characteristics if relevant) of the eligible project or approved project will not cause:
  - (a) the aggregate *maximum capacity* of all *approved projects* during any *capacity period* (including for these purposes the *maximum capacity* of

- the proposed *eligible project* or proposed increase in *maximum capacity* of the relevant *approved project*) to exceed the *aggregate maximum capacity cap* for that *capacity period*; or
- (b) the *forecast curtailment* on the *access rights network* to exceed the *target transmission curtailment level* as calculated in accordance with Schedule 3; or
- (c) the network element forecast curtailment on a network element to exceed the target network element curtailment level, if the Infrastructure Planner has notified a target network element curtailment level for an individual network element under subclause 9(2).

## Completion of the initial allocation

- (4) The *Infrastructure Planner* may determine that the *initial allocation* has been completed by notifying the *Consumer Trustee* and *access right holders*, and publishing a notice on its website, if:
  - (a) the aggregate maximum capacity in any capacity period of approved projects granted access rights under the initial allocation exceeds 90% of the initial aggregate maximum capacity cap in that capacity period; or
  - (b) due to the application of subclause 7(3) it does not reasonably expect that significant further *access rights* may be granted in the *initial allocation*.

## Use of maximum capacity profiles

- (5) The *Infrastructure Planner* may grant an *access right* to an *eligible project*, or additional *maximum capacity* to an *approved project*, subject to a *maximum capacity profile* that sets out different *maximum capacity* amounts for different *capacity periods* within a 24-hour day, provided that the *Infrastructure Planner* has:
  - (a) notified the *Consumer Trustee* and *access right holders*, and published a notice on its website, of the proposed commencement date for applying *maximum capacity profiles*, the proposed *capacity periods* and the methodology for applying *maximum capacity profiles*;
  - (b) considered any submissions received from the *Consumer Trustee*, access right holders and the public within 28 days following notification on its website; and
  - (c) notified the *Consumer Trustee* and *access right holders*, and published a notice on its website, of the final commencement date for applying *maximum capacity profiles*, the *capacity periods* and the methodology for applying *maximum capacity profiles*.
- (6) Until a notification by the *Infrastructure Planner* under subclause 7(5)(c), *access rights* will be granted on the basis of a flat *maximum capacity* across a single 24-hour day *capacity period*. Following a notification by the *Infrastructure Planner* under subclause 7(5)(c), existing *access right holders* will be deemed to

have the same *maximum capacity* across each of the notified *capacity periods* for any *maximum capacity* amounts allocated prior to the date of the notification. For the avoidance of doubt, this subclause does not limit an *access right holder's* obligations under subclause 12(6) or affect the restriction in clause 7(2)(b).

(7) Following a notification by the *Infrastructure Planner* under subclause 7(5)(c), the *Consumer Trustee* must apply the *maximum capacity profiles*, and methodology for applying *maximum capacity profiles*, in making any recommendations under subclauses 7(1)(a)(i) or 7(1)(b)(i) from the commencement date.

## Basis for determining expected capacity profiles

(8) The *Infrastructure Planner* must determine an *expected capacity profile* for a relevant *project* based on information that the *Infrastructure Planner* considers will assist in the accurate forecasting of the *project's* likely future generation profile including, without limitation, representative information for the relevant plant type from the *Integrated System Plan*, market modelling, the *project's* own forecast generation profile, the *project characteristics* and, in the case of an *approved project*, any historical *available capacity* and *sent out generation*.

## Registration evidence of grant

(9) Registration by the Administrator of an access right in the access rights register in accordance with clause 22 is evidence of the grant of the access right to the relevant access right holder, the maximum capacity of the approved project and, if a maximum capacity profile applies, the maximum capacity of the approved project during each capacity period.

## 8. Capacity caps

- (1) The *initial aggregate maximum capacity cap* in all *capacity periods*, based on the indicative capacity of the *access rights network* as identified in the initial CWO REZ Declaration, is 5.84GW.
- (2) Following a final *headroom* assessment under clause 10, or *market-led* augmentation determination under clause 11, the aggregate maximum capacity cap for each capacity period will be the amount specified in the relevant notification.
- (3) The *Infrastructure Planner* must notify the *Consumer Trustee* and *access right holders*, and publish a notice on its website, of any increase to the *aggregate maximum capacity cap* for a *capacity period*.

## 9. Target transmission curtailment levels

- (1) The target transmission curtailment level for the initial term is 4.37%. The Infrastructure Planner may notify the Consumer Trustee and access right holders, and publish a notice on its website, of a revised target transmission curtailment level to apply for any extension period of the term.
- (2) The *Infrastructure Planner* may, in its absolute discretion, notify the *Consumer Trustee* and *access right holders*, and publish a notice on its website, of the

- transfer capacity of an individual network element and a target network element curtailment level for that individual network element at any time during the term.
- (3) A target network element curtailment level notified under subclause 9(2) during the initial term will apply for the remainder of the initial term. The Infrastructure Planner may notify the Consumer Trustee and access right holders, and publish a notice on its website, of a revised target network element curtailment level to apply for any extension period of the term.
- (4) Any change to the aggregate maximum capacity cap for a capacity period will not affect the target transmission curtailment level or any target network element curtailment level.

#### 10. Headroom assessment

## Conducting a headroom assessment

- (1) The *Infrastructure Planner* must undertake a *headroom* assessment as soon as practicable following completion of the *initial allocation*.
- (2) In undertaking a *headroom* assessment, the *Infrastructure Planner* must calculate, in accordance with the process in Schedule 3, the extent to which additional *maximum capacity* could be granted in *access rights* in all relevant *capacity periods* without *forecast curtailment* exceeding the *target transmission curtailment level*.
- (3) The *Infrastructure Planner* may decide, in its absolute discretion, that the *headroom* value in a *capacity period* should be less than the *headroom* value calculated in accordance with the process in Schedule 3.
- (4) The *Infrastructure Planner* must conduct a *headroom* assessment:
  - (a) once every two calendar years during the period of six calendar years following its initial *headroom* assessment under subclause 10(1), unless the *Consumer Trustee* determines, in its absolute discretion, that a *headroom* assessment is not required. The *Infrastructure Planner* must notify the *Consumer Trustee* and *access right holders*, and publish a notice on its website, of any such determination; and
  - (b) at any time if the *Infrastructure Planner* forms the opinion that there is likely to be material *headroom* in any *capacity period*. The *Infrastructure Planner* must notify the *Consumer Trustee* and *access right holders*, and publish a notice on its website, of any such opinion.

## Notification and response to headroom assessment

- (5) As soon as practicable after completing a *headroom* assessment, the *Infrastructure Planner* must notify the *Consumer Trustee* and *access right holders*, and publish a notice on its website, of its draft assessment including the following information:
  - (a) the proposed *headroom* available in each *capacity period* and increased *aggregate maximum capacity cap* for each *capacity period*;
  - (b) forecast curtailment on the access rights network;

- (c) any material assumptions made about the *aggregate expected capacity* profiles or the technology mix of potential future projects as identified in Schedule 3; and
- (d) any other information having a material impact on the *headroom* assessment (including, without limitation, any change to the *transfer capacity*).
- (6) Following notification of a draft *headroom* assessment under subclause 10(5):
  - (a) a person may make a written submission in response to the draft headroom assessment within 28 days following the date of the notice under subclause 10(5);
  - (b) the *Infrastructure Planner* must consider any written submissions received under subclause 10(6)(a); and
  - (c) as soon as practicable following its consideration of any written submissions received, the *Infrastructure Planner* must notify the *Consumer Trustee* and *access right holders*, and publish a notice on its website, of its final *headroom* assessment, including, if relevant:
    - (i) the *headroom* available in each *capacity period* and increased *aggregate maximum capacity cap* for each *capacity period* (if applicable); and
    - (ii) any material assumptions made about the aggregate *expected* capacities profiles or the technology mix of potential future projects as identified in Schedule 3.

## 11. Market-led augmentations

- (1) A market-led augmentation may:
  - (a) increase the *transfer capacity* of the *access rights network*, and following a *headroom* assessment result in an increase to the *aggregate maximum capacity cap* for relevant *capacity periods*; or
  - (b) increase the transfer capacity of an individual network element, reducing the forecast network element curtailment on that network element. An increase in the transfer capacity of an individual network element will not result in an increase to the aggregate maximum capacity cap for relevant capacity periods
- (2) Any maximum capacity made available by an increase to the aggregate maximum capacity cap for a capacity period, or by increased transfer capacity on an individual network element, resulting from a market-led augmentation must be granted to the projects of the eligible operators that have funded or committed to fund the market-led augmentation.
- (3) One or more *eligible operators* may propose a *market-led augmentation* to the *access rights network* or an individual *network element*. A proposal must be made in writing to the *Infrastructure Planner*.

- (4) The *Infrastructure Planner* must assess any proposal made in accordance with subclause 11(3) to determine, in its absolute discretion, if the proposed *market-led augmentation* should proceed and, if so:
  - (a) any material assumptions made about the *aggregate expected capacity* profiles or the technology mix of potential future projects as identified in Schedule 3;
  - (b) the increased *transfer capacity* of the *access rights network* or an individual *network element* that will result from the proposed *market-led augmentation*;
  - (c) any identified *headroom* for each *capacity period* calculated in accordance with Schedule 3 and increased *aggregate maximum capacity cap* for each relevant *capacity period* that will result from the proposed *market-led augmentation*;
  - (d) how to manage the proposal together with any other proposals to augment the *access rights network* in a prudent, efficient and reasonable manner;
  - (e) how the market-led augmentation must be implemented; and
  - (f) the access rights or increased maximum capacity that may be granted to the eligible operators proposing the market-led augmentation.
- (5) The *Infrastructure Planner* may, in its absolute discretion, reject any proposal made in accordance with subclause 11(3) for any reason, including where the *Infrastructure Planner* prefers an alternative solution to increasing the *transfer capacity* of the *access rights network* or an individual *network element*.
- (6) The *Infrastructure Planner* must notify the *eligible operators* proposing a *market-led augmentation* of its draft determination.
- (7) Following notification under subclause 11(6) of a draft determination to approve a *market-led augmentation*:
  - (a) the *Infrastructure Planner* must publish notice of the draft determination on its website;
  - (b) any person may make a written submission in response to the draft determination within 28 days following publication of the notice of the draft determination on the *Infrastructure Planner's* website;
  - (c) the *Infrastructure Planner* must consider written submissions received under subclause 11(7)(b) within the 28-day period; and
  - (d) as soon as practicable following expiry of the 28-day consultation period, the *Infrastructure Planner* must notify the *eligible operators* proposing the *market-led augmentation*, the *Consumer Trustee* and *access right holders*, and publish a notice on its website, of its final determination including if the relevant proposal is approved in the final determination:

- (i) the increased *transfer capacity* of the *access rights network* or any *network element* resulting from the proposed *market-led augmentation*;
- (ii) the *headroom* in each *capacity period* and increased *aggregate* maximum capacity cap for each relevant capacity period resulting from the *market-led augmentation*;
- (iii) forecast curtailment on the access rights network;
- (iv) network element forecast curtailment on a network element for which a network element curtailment level has been notified under subclause 9(2);
- (v) any material assumptions made about the aggregate expected capacity profiles or the technology mix of potential future projects as identified in Schedule 3;
- (vi) any conditions to the implementation of the proposal or the grant of an *access right*, which may include financial commitments from the *eligible operator*; and
- (vii) the access right to be granted to the eligible operators proposing the market-led augmentation or the increase in the maximum capacity of the relevant approved projects of eligible operators proposing the market-led augmentation, in each capacity period.
- (8) The *eligible operators* proposing a *market-led augmentation* must pay the *Infrastructure Planner*'s costs of undertaking a determination under this clause 11.

## 12. Project modifications

## **Maximum Capacity**

- (1) An access right holder may only increase the maximum capacity of an approved project in a capacity period if the increase has been approved by the Infrastructure Planner.
- (2) The *Infrastructure Planner* may only approve an increase in the *maximum* capacity of an approved project in a capacity period where and to the extent that increase in *maximum* capacity complies with subclause 7(3).
- (3) Where the maximum capacity of an approved project in a capacity period will be increased by less than 5% of its original maximum capacity during that capacity period, the Infrastructure Planner may, in its absolute discretion but subject always to the requirements in subclause 12(2), approve the additional maximum capacity, provided that the Infrastructure Planner has given the Consumer Trustee prior notice of its proposal to approve the increased maximum capacity.
- (4) The *Infrastructure Planner* may reduce the *maximum capacity* of an *approved* project in any capacity period in accordance with the terms of the relevant access right agreement.

(5) The Administrator must update the access rights register to record any increase or reduction in the maximum capacity of an approved project in a capacity period.

## **Project Characteristics**

- (6) An access right holder may only make a material change to the project characteristics of an approved project if the change has been approved by the Infrastructure Planner.
- (7) The *Infrastructure Planner* may only approve a material change in the *project* characteristics of an approved project where and to the extent that the change complies with subclause 7(3).
- (8) A proposed change to the *project characteristics* of an *approved project* will be material if it will have a material impact on the *approved project's expected capacity profile*.
- (9) The *Infrastructure Planner* will have the absolute discretion to determine whether the impact on an *approved project's expected capacity profile* is material.
- (10) The Administrator must update the access rights register where relevant to record any approved change in the project characteristics of an approved project recorded in the access rights register.

## **Conditions on approvals**

(11) The *Infrastructure Planner's* approval under this clause 12 may be made subject to conditions.

## **Part 4 Terms and Conditions**

## 13. Duration of access rights

- (1) All access rights granted under this Order expire on the expiry of the term.
- (2) The *Infrastructure Planner* must notify *access right holders* of the date of the electrification of the first *network element* of the *access rights network*.
- (3) As soon as practicable following the date that is 5 years before the scheduled expiry of the *initial term* (or the scheduled expiry of any extension of the *term* notified under subclause 13(4), if relevant), the *Infrastructure Planner* must consider whether to extend the *term*.
- (4) The *term* may be extended by the *Infrastructure Planner*, at its absolute discretion, by notifying the *Consumer Trustee* and *access right holders*, and publishing a notice on its website, of the extended *term*.

#### 14. Access fees

An *access right holder* must pay the *Scheme Financial Vehicle* the access fees determined by the *Consumer Trustee* in accordance with section 26 of the *Act* in accordance with the terms of its *access right agreement*.

## 15. Connection to the access rights network

Participants in the *access scheme*, including any *network operator* and operator of generation and storage plant proposing to *connect* to the *access rights network*, must comply with any *REZ access standards*, and any additional processes established to coordinate the *connection* of multiple plant to the *access rights network* including for the collection and use of generation and storage plant data, the modelling of generation and storage plant performance standards and assessing system impacts of multiple generation and storage plant *connections*:

- (1) notified to operators of generation and storage plant by the *Infrastructure Planner* or *network operator*;
- (2) set out in a participant's relevant access right agreements; or
- (3) as otherwise set out in the *Rules* (as modified by *regulation*).

# 16. Connection to the access rights network by load or network service providers

- (1) Subject to subclause 16(2), any application by:
  - (a) a *network service provider* other than the *network operator* to *connect* a transmission network or distribution network; or
  - (b) a *registered participant* to *connect* plant that consumes electricity (other than generation or storage plant),

to the *access rights network* may only proceed with the prior written approval of the *Infrastructure Planner*, in its absolute discretion, after having regard to the impact of the proposed *connection* on existing and future *access right holders* and the objects of the *Act*.

(2) The access rights network will not include any designated network assets.

## 17. Transfer and cancellation of access rights

- (1) An access right, or any maximum capacity under an access right, may only be transferred or cancelled in accordance with the terms of the access right holder's relevant access right agreement.
- (2) An access right must be cancelled if the access right holder's relevant access right agreement is terminated. Termination of an access right agreement does not affect any maximum capacity transferred in accordance with the terms of the access right agreement prior to the date of termination.
- (3) The *Administrator* must update the *access rights register* to record any transfer or cancellation of *access rights*, or transfer of *maximum capacity* under an *access right*, under subclauses 17(1) or (2).
- (4) The *maximum capacity* under an *access right* cancelled under subclause 17(2) may be granted to one or more other *eligible operators* by the *Infrastructure Planner* in accordance with clause 7.

#### 18. Amendments

(1) This Order may only be amended in accordance with section 28 of the *Act*.

- (2) For the purposes of section 28(1)(d) of the *Act*, this Order may be amended provided that the amendment is made in accordance with the process specified below:
  - (a) The *Minister* may make a proposal to amend this Order after considering any advice from the *Infrastructure Planner*.
  - (b) The *Infrastructure Planner* must give notice to *access right holders* of the *declaration change proposal* and seek submissions from *access right holders* on the *declaration change proposal*.
  - (c) The notice under subclause 18(2)(b) must specify:
    - (i) the proposed amendments to this Order;
    - (ii) the reasons for the *declaration change proposal*, including any relevant supporting documents;
    - (iii) whether the *Infrastructure Planner* considers that the *declaration* change proposal will have a material adverse impact on access right holders and its reasons for this view; and
    - (iv) the time period, which must not be less than 28 days, within which access right holders may make submissions on the declaration change proposal.
  - (d) The *Infrastructure Planner* must consider any submissions from *access* right holders and provide advice to the *Minister* on whether to proceed with the *declaration change proposal* and any amendments that should be made to the *declaration change proposal* as a result of submissions received under subclause 18(2)(c).
  - (e) Following the advice from the *Infrastructure Planner* under subclause 18(2)(d), if the *Minister* wishes to proceed with the *declaration change* proposal the *Minister* must:
    - (i) prepare an updated declaration change proposal taking into account the advice provided by the Infrastructure Planner under subclause 18(2)(a). The updated declaration change proposal must state whether the Infrastructure Planner considers that the updated declaration change proposal will have a material adverse impact on access right holders and its reasons for this view;
    - (ii) procure that notice of the updated *declaration change proposal* is published on the *Infrastructure Planner's* website: and
    - (iii) seek and consider submissions from any person on the updated declaration change proposal received within 28 days following the date of notice.
  - (f) The *Infrastructure Planner* must consider any submissions made under subclause 18(2)(e) and provide advice to the *Minister* on whether to proceed with the *declaration change proposal* and, if so, on any amendments that should be made to the *declaration change proposal*

- as a result of submissions received under subclause 18(2)(e) and whether the *Infrastructure Planner* considers that the amended *declaration change proposal* will have a material adverse impact on *access right holders*.
- (g) Following the advice from the *Infrastructure Planner* under subclause 18(2)(f), if the *Minister* wishes to proceed with a *declaration change* proposal the *Minister* must develop a final *declaration change proposal* and notify access right holders of the final declaration change proposal.
- (h) If the *Infrastructure Planner* considers that the final *declaration change* proposal will have a material adverse impact on access right holders, the final declaration change proposal will be subject to the approval of access right holders and the *Minister* may only implement the final change proposal if:
  - (i) access right holders with access rights representing more than 75% of the aggregate maximum capacity of access right holders voting (determined on the basis of each approved project's highest maximum capacity across all capacity periods), vote in favour of the final declaration change proposal; or
  - (ii) more than 75% of access right holders voting, vote in favour of the final declaration change proposal.
- (i) Voting on a final *declaration change proposal* must be conducted in accordance with voting procedures notified to *access right holders* by the *Infrastructure Planner*.
- (j) The *Minister* may amend this Order under section 28(1)(d) of the *Act* by declaration in the Gazette.

## **Part 5 The Scheme Financial Vehicle**

# 19. Liabilities of the Scheme Financial Vehicle for administration and operation costs

- (1) The Scheme Financial Vehicle is liable to pay all of the Infrastructure Planner's costs of administering and operating the Central-West Orana REZ Access Scheme and performing the role of Administrator and its other functions under this Order, including costs associated with:
  - (a) the management, oversight and enforcement of this Order;
  - (b) the management, oversight and enforcement of *access right* agreements; and
  - (c) the administration of community and employment benefits.
- (2) The *Scheme Financial Vehicle* shall make the payments in subclause 19(1) in accordance with principles and processes agreed between the *Scheme Financial Vehicle* and the *Infrastructure Planner*.

# 20. Liabilities of the Scheme Financial Vehicle to make other payments from the Fund

The Scheme Financial Vehicle is liable to pay the Infrastructure Planner:

- (1) the component of access fees received by the Scheme Financial Vehicle and identified as being for community and employment purposes; and
- (2) any payments received by the *Scheme Financial Vehicle* under an *access right* agreement for remediation of any non-compliance by the relevant *access right* holder with its obligations under the *access right* agreement relating to a community or employment outcome.

## **Part 6 Administration**

#### 21. Administrator

The *Infrastructure Planner* is appointed as the *Administrator* of the *Central-West Orana REZ Access Scheme*.

## 22. Access rights register

- (1) The *Administrator* must maintain an *access rights register* that includes all relevant detail in relation to each *access right*, which at a minimum must include:
  - (a) the identity of the access right holder;
  - (b) a description of the relevant *approved project*, including its location and plant type;
  - (c) the maximum capacity of the relevant approved project in all capacity periods;
  - (d) the date of registration; and
  - (e) identification of any *REZ access standards* applicable to the *approved project*.
- (2) The *Administrator* may, at its absolute discretion, include additional information in relation to an *access right* in the *access rights register*, including any other relevant *project characteristics*.

# **Part 7 Dictionary**

access right has the meaning given in clause 6 of this Order.

**access right agreement** means one or more agreements between the *Infrastructure Planner* or *Scheme Financial Vehicle* and an *eligible operator* that:

- (1) contains obligations relating to the development or operation of a *project*, including the technical specification of the *project* and other *project characteristics*, construction milestones, community and employment purposes and outcomes and any terms and conditions of the *access right*; and
- (2) includes an acknowledgement that it is an *access right agreement* for the purposes of this Order.

access right holder means the holder of an access right granted under this Order.

access rights network means the electricity network described in Schedule 1.

**access rights register** means the register established and maintained by the *Administrator* in accordance with clause 22 of this Order.

**Act** means the *Electricity Infrastructure Investment Act 2020.* 

**Administrator** means the person appointed by the *Minister* under clause 21 as *Administrator* of the *Central-West Orana REZ Access Scheme*.

## aggregate expected capacity profile means:

- (1) the aggregate of the expected capacity profiles of all relevant projects; less
- (2) the *Infrastructure Planner*'s forecast profile of electricity consumption by any plant or equipment (other than *approved projects*) *connected* to the *access rights network*.

**aggregate maximum capacity cap** means the cap on the aggregate maximum capacity of approved projects during a capacity period, being the initial aggregate maximum capacity cap as amended from time to time under clause 8.

**approved project** means an *eligible project* that has been granted an *access right* in accordance with this Order.

available capacity has the meaning given in the Rules.

## capacity period means:

- (1) an intra-day period notified by the *Infrastructure Planner* in accordance with subclause 7(5), and which may vary for days during different seasons; and
- (2) until a notification by the *Infrastructure Planner* under subclause 7(5)(c), a single 24-hour day.

central dispatch process has the meaning given in the Rules.

**Central-West Orana REZ** means the Central-West Orana renewable energy zone declared in the CWO REZ Declaration.

**Central-West Orana REZ Access Scheme** means the access scheme declared in this Order for the *access rights network*.

## **co-located hybrid infrastructure project** means a project that includes:

- (1) generation plant and storage plant; or
- (2) generation plant or storage plant and plant (other than generation or storage plant) that consumes electricity,

that is or will be connected at the same connection point to the access rights network.

**connect** has the meaning given to it in the *Rules* and **connecting** and **connected** have a corresponding meaning.

**connection agreement** means one or more agreements between an *eligible operator* and the *network operator* or other parties regarding the *connection* of an *approved project* to the *access rights network*.

**connection point** has the meaning given in the *Rules*.

**Consumer Trustee** has the meaning given under the Act.

**CWO REZ Declaration** means the Renewable Energy Zone (Central-West Orana) Order 2021 made by the *Minister* on 28 October 2021 as amended from time to time.

**declaration change proposal** means a proposal made in accordance with subclause 18(2)(a).

**designated network asset** has the meaning given in the Rules.

eligible operator means a person that owns or operates an eligible project or approved project or proposes to own or operate an eligible project or approved project.

**eligible project** means a proposed *project* that is, or is to be, located within the geographical area of the *Central-West Orana REZ* and meets the eligibility requirements specified in Schedule 2.

**expected capacity profile** for a period means in relation to a *project*, the *Infrastructure Planner*'s forecast of that project's *available capacity* over the relevant period determined in accordance with subclause 7(8).

**forecast curtailment** means forecast curtailment on the *access rights network* or a *network* element (as the case may be) determined by the *Infrastructure Planner* in accordance with Schedule 3.

**Fund** has the meaning given under the Act.

**headroom** means the increase in aggregate *maximum capacity* in a *capacity period* that (when considered together with any proposed increase in aggregate *maximum capacity* in any other *capacity period*) can be accommodated without resulting in *forecast curtailment* on the *access rights network* exceeding the *target transmission curtailment level*, as calculated by the *Infrastructure Planner* in accordance with Schedule 3.

**Infrastructure Planner** means the Energy Corporation of New South Wales appointed as Infrastructure Planner for the Central-West Orana REZ pursuant to clause 6 of the CWO REZ Declaration.

**initial aggregate maximum capacity cap** means the initial aggregate maximum capacity cap set out in subclause 8(1).

**initial allocation** means the grant of access rights in accordance with sub clause 7(1)(a) comprising aggregate capacity in any capacity period up to the initial aggregate maximum capacity cap, or until the Infrastructure Planner has determined that the initial allocation has been completed in accordance with subclause 7(4).

**initial term** means the period from the date of this Order to the date that is 20 years after the date of the electrification of the first *network element* within the *access rights network*, as notified by the *Infrastructure Planner* to the *Consumer Trustee* and *access right holders* under subclause 13(2).

**Integrated System Plan** has the meaning given in the *Rules*.

**LTES agreement** has the meaning given to it in section 46(1) of the Act.

*market-led augmentation* means an augmentation of the *access rights network* that is fully funded by one or more *eligible operators*.

## maximum capacity means:

- (1) in relation to a *project* that is generation or storage plant, the maximum *sent out generation* in MW for that *project* during a *capacity period*; and
- (2) in relation to a *project* that is a *co-located hybrid infrastructure project*, the maximum permitted output in MW recorded in the *connection agreement* for that *project* during a *capacity period*.

**maximum capacity profile** means, in relation to a *project*, the *maximum capacity* of that *project* during each *capacity period*.

*Minister* means the *Minister* for Energy.

**network element** means a *network element* within the meaning given in the *Rules* that comprises part of the *access rights network*.

**network element forecast curtailment** means forecast curtailment on a network element (as relevant) determined by the *Infrastructure Planner* in accordance with Schedule 3.

**network operator** means the *network operator*:

- (1) 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 *Act*; or
- (2) directed by the Minister to carry out the development, construction and operation of the *access rights network* under section 32(1) of the *Act*.

network service provider has the meaning given in the Rules.

potential future projects has the meaning given in Schedule 3.

**power system** has the meaning given in the Rules.

**project** means a generation or storage plant or co-located hybrid infrastructure project. **project characteristics** means a **project**'s:

- (1) plant type;
- (2) location; and
- (3) any other technical specifications which are specified as a *project characteristic* in a relevant *access right agreement*,

as modified in accordance with clause 12.

registered participant has the meaning given in the Rules.

regulations means regulations made under the Act.

**REZ access standards** means technical requirements for generation and storage plant connecting to the access rights network.

**Rules** means the National Electricity Rules made under Part 7 of the National Electricity Law, as amended from time to time in accordance with Part 7 of the National Electricity (NSW) Law or the National Electricity (NSW) Act 1997.

**Scheme Financial Vehicle** has the meaning given under the *Act*.

**sent out generation** has the meaning given under the *Rules*.

**target network element curtailment level** means for a *network element*, the percentage notified by the *Infrastructure Planner* in accordance with subclause 9(2).

target transmission curtailment level means the percentage set out in subclause 9(1).

**term** means the term of the *Central-West Orana REZ Access Scheme*, being the *initial term* as extended under subclause 13(4) (if relevant).

transfer capacity has the meaning given in Schedule 3.



# Schedule 1 – Access rights network

The following network infrastructure is specified as the *access rights network* for the purposes of this Order:

- (1) all planned and new network infrastructure forming part of the *Central-West Orana REZ* under the *CWO REZ Declaration* operating at nominal voltages of 330kV or 500kV that is *connected* to or will *connect* to the existing network infrastructure operating at nominal voltages of 500kV *connecting* Bayswater 500kV substation, Wollar 500 kV substation and Mt Piper 500kV substation; and
- (2) any repair, replacement, extension or augmentation to the network infrastructure specified in paragraph (1),

for which a *network operator* has been authorised or directed to carry out under section 31(1)(b) or section 32 of the *Act*, including any *market-led augmentation*.



# Schedule 2 - Eligibility requirements

- (1) The minimum eligibility requirements set out in Table 1 will (subject to amendment or addition under clause (2) of this Schedule 2) apply in relation to the grant of *access rights* under this Order.
- (2) Additional eligibility requirements may be set from time to time by the *Infrastructure Planner* or, for the *initial allocation*, the *Consumer Trustee*. The *Infrastructure Planner* must publish a notice on its website of additional eligibility requirements and any amendment to the additional eligibility requirements.

**Table 1: Eligibility requirements** 

Plant type	Initial allocation	After completion of the initial
		allocation
Generation	(a) Projects that involve generation from	(a) Projects that involve generation from
projects	a renewable energy source with a	a renewable energy source with any
	maximum capacity of 30MW or above.	maximum capacity.
	For these purposes multiple projects to	(b) Generation infrastructure projects
	be connected at the same connection	awarded a firming infrastructure LTES
	point to the access rights network may	agreement.
	aggregate the capacity of their	
	generating units.	
	(b) Generation infrastructure projects	
	awarded a firming infrastructure LTES	
	agreement.	
Co-located	(a) Projects that involve generation from	(a) Projects that involve generation
hybrid	a renewable energy source, where the	from a renewable energy source with
infrastructure	sum of the generation and storage plant	any maximum capacity.
project	has a maximum capacity of 30MW or	(b) Co-located hybrid infrastructure
	above.	projects awarded a firming
	For these purposes multiple projects to	infrastructure <i>LTES agreement</i> .
	be connected at the same connection	
	point to the access rights network may	
	aggregate the capacity of their	
	generating units.	
	(b) Co-located hybrid infrastructure	
	projects awarded a firming infrastructure	
	LTES agreement.	

Storage	Storage infrastructure projects with any	Storage infrastructure projects with any
infrastructure	maximum capacity, including standalone	maximum capacity, including standalone
projects	short duration storage.	short duration storage.



## Schedule 3 - Calculations

#### Headroom

- (1) Headroom requires an assessment of whether the aggregate maximum capacity cap in any capacity period may be increased to allow the Infrastructure Planner to grant additional access rights, or additional maximum capacity in any capacity period under existing access rights, pursuant to subclause 7(3).
- (2) The *Infrastructure Planner* must determine:
  - (a) the aggregate expected capacity profile of all approved projects; and
  - (b) the maximum aggregate expected capacity profile of potential future projects that could be granted access rights without, when added to the aggregate expected capacity profile of all approved projects, causing forecast curtailment on the access rights network to exceed the target transmission curtailment level (maximum available capacity profile).
- (3) For the purposes of clause (2) of this Schedule 3:
  - (a) **potential future projects** are notional future *eligible projects*.
  - (b) the aggregate expected capacity profile of potential future projects will be calculated by the *Infrastructure Planner* using:
    - (i) the *Infrastructure Planner's* determination of the technology mix and *expected capacity profiles* of potential future projects; and
    - (ii) in the case of *eligible projects* for which a *market-led* augmentation is proposed, the aggregate expected capacity profile of the relevant *eligible projects*.
- (4) Once the maximum available capacity profile has been determined, the Infrastructure Planner must determine the aggregate maximum capacity of the potential future projects comprising the maximum available capacity profile in each relevant capacity period. Subject to subclause 10(3), headroom for a capacity period will be the amount calculated in accordance with the following formula (for the relevant capacity period):

 $headroom = aggregate\ maximum\ capacity\ of\ approved\ projects \ + aggregate\ maximum\ capacity\ of\ relevant\ potential\ future\ projects \ - aggregate\ maximum\ capacity\ cap$ 

#### Forecast curtailment

(5) In relation to the *access rights network*, **forecast curtailment** is, for a reference year, the percentage calculated in accordance with the following formula:

$$forecast\ curtailment\ (\%) = \frac{forecast\ curtailed\ electricity}{forecast\ potential\ sent\ out\ generation}$$

Where:

**forecast curtailed electricity** means the amount of the *forecast potential sent out generation* (in MWh) that will not be sent out by *approved projects* in a reference year because of the *transfer capacity* of the *access rights network* being exceeded. *Approved projects* in this calculation will be taken to include:

- (a) for the purposes of an assessment under subclause 7(3), the relevant *project* for which an *access right* or increase in *maximum capacity* or material change in *project characteristics* is sought under that clause; and
- (b) for the purposes of an assessment relating to a *market-led* augmentation, the relevant *project* for which a *market-led* augmentation is proposed.

**forecast potential sent out generation** means the generation (in MWh) that the *Infrastructure Planner* forecasts could be sent out by *approved projects* in a reference year if the *transfer capacity* of the *access rights network* was unlimited and the generation by each project in a reference year was consistent with its *expected capacity profile*. *Approved projects* in this calculation will be taken to include:

- (a) for the purposes of an assessment under subclause 7(3), the relevant *project* for which an *access right* or increase in *maximum capacity* or material change in *project characteristics* is sought under that clause; and
- (b) for the purposes of an assessment relating to a *market-led* augmentation, the relevant *project* for which a *market-led* augmentation is proposed.
- (6) The *Infrastructure Planner* must select a reference year for the purposes of this calculation.

## **Network element forecast curtailment**

(7) In relation to a *network element*, **network element forecast curtailment** is, for a reference year, the percentage calculated in accordance with the following formula:

 $network \ element \ forecast \ curtailment \ (\%) = \frac{network \ element \ forecast \ curtailed \ electricity}{network \ element \ forecast \ potential \ sent \ out \ generation}$ 

Where:

**network element forecast curtailed electricity** means the amount of the *network* element forecast potential sent out generation (in MWh) that will not be sent out by approved projects utilising the *network* element in the reference year because of the *transfer capacity* of the *network* element being exceeded. Approved projects in this calculation will be taken to include:

(a) for the purposes of an assessment under subclause 7(3), the relevant project for which an access right or increase in maximum capacity or

- material change in *project characteristics* is sought under that clause; and
- (b) for the purposes of an assessment relating to a *market-led* augmentation, the relevant *project* for which a *market-led* augmentation is proposed;

**network element forecast potential sent out generation** means the generation (in MWh) that the *Infrastructure Planner* forecasts could be sent out by *approved projects* utilising the *network element* in a reference year if the *transfer capacity* of the *network element* was unlimited and the generation by each relevant *project* in a reference year was consistent with its *expected capacity profile*. Approved projects in this calculation will be taken to include:

- (a) for the purposes of an assessment under subclause 7(3), the relevant *project* for which an *access right* or increase in *maximum capacity* or material change in *project characteristics* is sought under that clause; and
- (b) for the purposes of an assessment relating to a *market-led* augmentation, the relevant *project* for which a *market-led* augmentation is proposed).
- (8) The *Infrastructure Planner* must select a reference year for the purposes of this calculation.
- (9) An approved project will be taken to utilise a network element if the generation sent out from the approved project must flow across that network element in order to be transferred from the access rights network to any other transmission network to which the access rights network is connected.

## Transfer capacity of the access rights network

- (10) The **transfer capacity** of the access rights network means the network capacity in MW between the access rights network and any other transmission network to which the access rights network is connected. If there is more than one point of connection between the access rights network and another transmission network then the transfer capacity will take into account the combined transfer capacity across all points of connection.
- (11) Until revised in accordance with clauses 12 to 16 (inclusive) of this Schedule 3, the transfer capacity of the access rights network is the intended network capacity for the access rights network specified in the CWO REZ Declaration dated 28 October 2021.
- (12) Following authorisation of, or direction to, a *network operator* to carry out the *access rights network* under section 31(1)(b) or section 32 of the *Act*, the *transfer capacity* of the *access rights network* will be the intended network capacity of the *access rights network* that is the subject of the relevant authorisation under section 31(1)(b) of the *Act* or direction under section 32 of the *Act*.
- (13) Following commissioning of the access rights network, the transfer capacity of the access rights network will be the capacity (in MW), determined by the Infrastructure Planner taking into account relevant power system limits.

- (14) Following:
  - (a) an increase in *transfer capacity* (in MW) determined under subclause 11(7)(d)(i) created by a *market led augmentation*, the *transfer capacity* will reflect the approved increase; or
  - (b) the authorisation or direction of an augmentation to the *access rights network* under section 31(1)(b) or section 32 of the *Act* (as relevant), the *transfer capacity* of the *access rights network* will be increased with reference to the intended network capacity of the augmentation to the *access rights network* that is the subject of the relevant authorisation or direction.
- (15) Following commissioning of an augmentation of the access rights network, including a market-led augmentation, the capacity (in MW) determined by the *Infrastructure Planner* taking into account relevant power system limits.
- (16) For the purposes of determining *headroom* under subclause 11(4)(c), or assessing the relevant *project* for which a *market-led augmentation* is proposed, the *transfer capacity* applied in determining *forecast curtailed electricity* will include the assessment of *transfer capacity* under subclause 11(4)(b).
- (17) The *Infrastructure Planner* must notify *access right holders*, and publish a notice on its website, of the *access rights network transfer capacity* following:
  - (a) commissioning of the access rights network;
  - (b) a *headroom* assessment; and
  - (c) the approval, authorisation or direction of any augmentation of the access rights network, including a market-led augmentation.

## Transfer capacity of a network element

- (18) The **transfer capacity** of a *network element* means the capacity (in MW) to transfer electricity between that *network element* and another *network element* on the *access rights network* taking into account relevant *power system* limits.
- (19) Until revised under clauses 20 and 21 of this Schedule 3, the *transfer capacity* of a *network element* is the MW capacity notified by the *Infrastructure Planner* in accordance with subclause 9(2) of this Order.
- (20) The *transfer capacity* of a *network element* will be revised by the *Infrastructure Planner* in accordance with any additional capacity in the *network element*:
  - (a) that is the subject of an authorisation under section 31(1)(b) of the *Act* or a direction under section 32 of the *Act* or an increase in *transfer* capacity (in MW) determined under subclause 11(7)(d)(i) created by a market led augmentation; or
  - (b) taking into account relevant *power system* limits following commissioning of the *network element* or any augmentation of the *network element* (including a *market-led augmentation*).

- (21) In assessing the relevant *project* for which a *market-led augmentation* is proposed, the *transfer capacity* applied in determining *network element forecast curtailed electricity* will include the assessment of *transfer capacity* under subclause 11(4)(a).
- (22) The *Infrastructure Planner* must notify *access right holders*, and publish a notice on its website, of the *network element transfer capacity* of each relevant *network element* following:
  - (a) a notification under clause 9(2) of this Order in respect of the relevant *network element*; or
  - (b) the approval of any augmentation of the *network element*, including a *market-led augmentation*.

## **Outages**

(23) For the avoidance of doubt, the determination of *transfer capacity* of the *access rights network* or a *network* element under this Schedule 3 will not include any allowance for planned or unplanned outages or temporary reduced capacity of the *access rights network* or *network* element, or any transmission network to which the *access rights network* is *connected*.

