Australian Government

Department of Climate Change, Energy, the Environment and Water

Capacity Investment Scheme

Market Briefing Note – WEM Generation

Guidance on evaluation of Merit Criterion 1 – Financial value, system reliability and system benefits

August 2025

Introduction

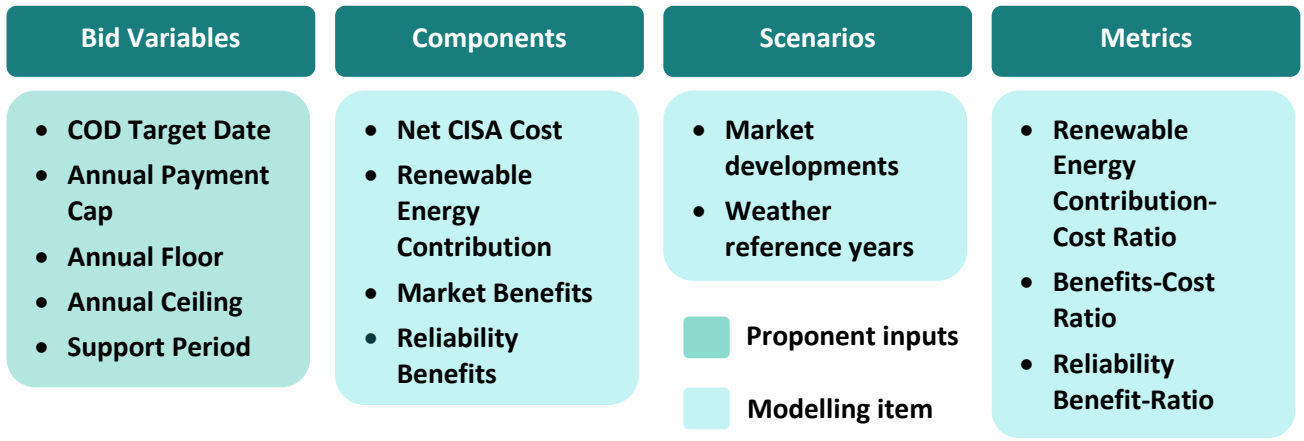
This Market Briefing Note sets out information relating to the evaluation of Merit Criterion (**MC**) 1 – *Financial value, system reliability and system benefits* in the Capacity Investment Scheme (**CIS**) Wholesale Electricity Market (**WEM**) – Generation Capacity Tender Process.

What you need to know when preparing your Bid

MC1 evaluates both costs and benefits of the Project associated with your Bid. Bid Variables determine potential costs while a Project's physical characteristics (**Project Parameters**) inform both costs and benefits. The evaluation of Bids against MC1 informs the financial value metrics set out in Figure 1 below (collectively, **Metrics**) which are used to score and rank Bids from highest merit to lowest merit.

How to achieve a high merit score – In the MC1 evaluation, costs and benefits are intended to be evaluated by reference to the forecast Net CISA Cost, Renewable Energy Contribution, Market Benefits and Reliability Benefits (collectively, **Components**). These Components are then modelled across Scenarios. Scenario-weighted Components are used to calculate Metrics for MC1 scoring purposes. Figure 1 below provides an overview of this process.

Figure 1: MC1 assessment approach overview



What makes a competitive Bid – To be considered of higher merit for MC1, Proponents should provide competitive Bid Variables that reduce the forecast Net CISA Cost e.g., a low Annual Floor and Annual Payment Cap.

Projects are expected to be assessed as favourable if they can provide high Project Benefits which include Renewable Energy Contribution, Market Benefits, and Reliability Benefits.

What to provide – Proponents must provide Bid Variables and Project Parameters in the MC1 Returnable Schedule. To be as competitive as possible in relation to MC1, Proponents should focus on providing a competitive set of Bid Variables to achieve the lowest Net CISA Cost to the Commonwealth.

The CIS Tender Process aims to attract high merit Projects based on a weighted assessment of the financial and non-financial elements of the Bid as outlined in these Tender Guidelines. Regarding Bid Variables (i.e. the Annual Floor, Annual Ceiling, Final Support End Date and Annual Payment Cap), Proponents should aim to structure their Bid in a way that is both competitive (to enhance their prospects of success in this Tender Process) and sufficient to enable their Project to reach Financial Close, considering the Project's financing structure and debt/equity requirements. It is up to each Proponent to determine their Bid Variables considering the above.

The descriptions of financial value, system reliability and system benefits set out in this Market Briefing Note are not an exhaustive or comprehensive summary of the evaluation process. AEMO retains a discretion as to how it will score and assess Bids and make recommendations pursuant to the Tender Guidelines. Nothing in this document should be construed as limiting AEMO's discretion.

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Capitalised terms used but not defined in this document have the meaning given in the Tender Guidelines, Proforma CISA or in Appendix 1 of this Market Briefing Note. In the case of any conflict between the Tender Guidelines and this Market Briefing Note, the Tender Guidelines take precedence to the extent of the inconsistency.

1.0 Purpose of this document

This Market Briefing Note is prepared to provide information to Proponents participating in the WEM Generation Tender Process about how Projects may be assessed against MC1. It provides an overview of factors that are expected to be used in the assessment of Projects against MC1; namely, the key metrics and their underpinning Components.

In this Market Briefing Note:

- Section 2.0 provides an overview of the intended MC1 assessment approach.
- Section 3.0 details each of the Components.
- Section 4.0 outlines the impact of Project Parameters and Bid Variables.
- Section 5.0 outlines the evaluation approach for Hybrid Projects, Staged Projects and Projects with separate Measurement Points.

By sharing this information, AEMO intends to help Proponents to prepare competitive Bids for the WEM Generation Tender Process.

2.0 Overview of MC1 for CIS WEM Generation Tender Process

2.1. Policy Objectives

The Policy Objectives of this Tender Process are to:

- contribute to the delivery of an additional 40 gigawatts (GW) of capacity by 2030;
- help deliver the Commonwealth's 82% renewable electricity by 2030 target;
- support electricity generation growth and reliability as demand grows and as ageing coal-fired power stations retire; and
- place downward pressure on electricity prices.

These Policy Objectives have been considered in the design of the MC1 assessment approach which seeks to:

- assess Projects and Bids based on their potential to contribute to the Policy Objectives; and
- assess as higher merit Bids showing competitive bidding behaviour with low Annual Floor, low Annual Ceiling and low Annual Payment Cap.

Bids will be assessed against MC1, given an overall weighted score and then ranked based on the overall weighted scores. The Ranked List will be developed considering these scores and ranks.

2.2. Components

MC1 is expected to consider Bids across three Project Benefit Components and the Forecast Net CISA Cost. A summary of these Components is provided in Table 1 below and described further in Section 3.0.

All else being equal, Projects that can demonstrate a higher value for Project Benefit Components, and a lower value for the Net CISA Cost, may be considered of higher merit. Project Parameters, such as a Project's location and modelled generation trace, will be inputs into the model used in assessing a Bid to best reflect the expected generation profile of different technologies and Projects. These Project-specific parameters will therefore affect the Project Benefits Components and Net CISA Cost.

Table 1: Components assessed in MC1

Component	Summary
Renewable Energy Contribution	• Forecasts the Project's ability to contribute to the Policy Objective of 82% renewable electricity by 2030 and generate in periods in which it can displace fossil fuels. • This is modelled in a single year and a single scenario.
Market Benefits	• Forecasts the reduced wholesale market costs of adding the Project to WEM markets, which may include a potential reduction to the Real Time Market (**RTM**) price and Peak Reserve Capacity Price. • This is modelled across several electricity price scenarios. • Analysis will consider the Project Parameters and modelled generation in the energy market.
Reliability Benefits	• Involves a Network Access Quantity (**NAQ**) assessment including estimating the Project's Peak Certified Reserve Capacity and ability to

	receive Peak Capacity Credits under the Reserve Capacity Mechanism (**RCM**). • Analysis will consider a Project's location, technology type and Project Parameters.
Net CISA Costs	• The net present value of forecast payments to and from the Commonwealth under a CISA. • Considers the Bid Variables of a Project and a forecast of each Project's Net Operational Revenue.

Renewable Energy Contribution (**REC**), Market Benefits and Net CISA Cost are calculated by measuring the difference in certain values between a counterfactual scenario which excludes the Project being assessed (**Counterfactual Case**) and another scenario where the Project being assessed is added to the Energy Market Model (**Project-Specific Case**). This process is repeated individually for all Projects in the MC1 assessment.

2.3. Scenarios

Assessment will consider a range of scenarios to test Bids for their ability to demonstrate value across a range of future market outcomes (**Scenarios**). Scenarios will be developed to represent a range of theoretical future market conditions.

Considering multiple Scenarios provides more robustness to the assessment and ensures that the evaluation has considered a range of plausible outcomes. Bids that demonstrate value across a range of future energy market Scenarios are likely to be assessed as of higher merit. Bids that only demonstrate value in a specific Scenario are likely to be assessed as of lower merit.

Input assumptions for the Scenarios may differ by:

- **Market developments:** Future electricity market prices are uncertain due to rapid reform and growth in the WEM. In previous tenders run by AEMO, multiple Scenarios have been modelled to consider a range of possible future price outcomes. Section 2.3.1 provides further detail on the assumptions of potential market developments.
- **Weather reference years**: Weather variations may affect both renewable generation output and consumer demand. Multiple historical reference years may be used to reduce the risk of basing evaluation on weather patterns of a particular year and their effect on the operation of Projects.

Scenario-based outcomes are weighted. The weighting may consider the importance of each Scenario for evaluation, and the expected probabilities of a Scenario occurring.

2.3.1. Market developments

Scenarios may vary across several input assumptions, creating a range of future potential electricity market outcomes. For this MC1 assessment, Scenarios can include variations of the following:

- **On Target:** A balanced view with inputs predominantly aligned with assumptions in the latest WEM Electricity Statement of Opportunities (**ESOO**) published by AEMO. In this scenario, there is a faster pace to the transition which may be reflected in earlier thermal retirements and a faster build of new renewables and clean dispatchable capacity which meets policy targets on-time in accordance with the Commonwealth's targets. This Scenario is expected to have higher Net CISA Cost.
- **Investor View:** A private-sector investor view of potential future energy market outcomes which may involve a slower pace of energy transition. This could include changes to thermal retirement dates compared to other Scenarios and a slower build of new renewables and clean

dispatchable capacity which represent a delay to meeting policy targets. This Scenario is expected to have lower Net CISA Cost.

2.4. Metrics

Metrics are used to translate the Components into comparable scores for assessment. The MC1 assessment is intended to result in higher MC1 scores for Bids that perform well against the Metrics listed in the table below.

Table 2: Components and key Metrics for MC1 assessment

Component/Metric	Unit	Description	Direction of preference
Components			
Renewable Energy Contribution	**MWh**	Contribution to Renewable Energy in the WEM relative to a Counterfactual Case, reflecting a Project's ability to support increased renewable energy output.	▲
Market Benefits	**$, net present value**	Reduction in wholesale market costs, weighted across several Scenarios.	▲
Reliability Benefits	**MW**	Reflected through assessment of a Project's Peak Certified Reserve Capacity and potential Peak Capacity Credits.	▲
Net CISA Cost	**$, net present value**	The net present value of forecast payments to and from the Commonwealth under a CISA, weighted across Scenarios.	▼
Key Metrics			
Renewable Energy Contribution-Cost Ratio (RECCR)	**MWh/$**	Calculated by dividing Renewable Energy Contribution by Net CISA Cost.	▲
Benefit-Cost Ratio (BCR)	**Ratio**	Calculated by dividing Market Benefits divided by Net CISA Cost.	▲
Reliability Benefit-Ratio (RBR)	**Ratio**	Calculation is expected to consider the relative ability of projects to receive Peak Capacity Credits.	▲
Maximum Liability	**$**	Calculated by assuming the Project is paid the maximum amount of financial support available under the CISA across the Support Period, subject to the Annual Payment Caps applicable to each Support Year within the Support Period. This assumes the Project earns zero revenue and is not dependent on the Scenarios.	▼

Further Metrics may also be considered, or a combination of the Metrics set out above, if they are developed to assess the benefits, cost and financial risks of Bids. These additional Metrics may be less aggregated (e.g. per Scenario, or Scenario-weighted) and may be based on one or several of the Components identified.

3.0 Components

This section provides further detail on each Component, including the intent of each and method of calculation. This section also provides an indication of how the Project Parameters and the Bid Variables may affect the Components.

3.1. Renewable Energy Contribution

A key Policy Objective of the CIS is to support the Commonwealth's 82% renewable electricity by 2030 target.

The Renewable Energy Contribution is based on the difference in renewable energy in the WEM between the Project-Specific Case and Counterfactual Case. Any increase in market-wide renewable energy is attributed as a benefit of the Project.

Impact of Project Parameters / Bid Variables
The Renewable Energy Contribution is expected to be higher for Projects that: • A forecast generation profile that displaces more fossil fuel generation; • Are located where they can minimise their own curtailment and that of other renewable energy projects; and • For Assessed Hybrid Projects: o More energy available to be dispatched during periods of high prices.

3.2. Market Benefits

A Project-Specific Case and Counterfactual Case are compared across Scenarios as outlined in section 2.3 to forecast wholesale market costs (which may consider the RTM price and Peak Reserve Capacity Price) with and without each Project. Projects will be assessed as providing Market Benefits if the addition of the Project is forecast to reduce wholesale market costs, improve supply adequacy, and reduce potential curtailment in electricity market modelling.

Impact of Project Parameters / Bid Variables
Market Benefits are expected to be higher for Projects that can: • Commit to an earlier Commercial Operations Date (**COD**)[1] as there is greater opportunity in early years for Projects to impact any forecast high prices; • Provide greater contribution to the market by locating in network locations that have good access to load centres; • Have a forecast generation profile that makes more energy available for dispatch during periods of high prices; • Provide more years of benefits through longer asset lives for different technologies; and • For Assessed Hybrid Projects: o More energy available to be dispatched during periods of high prices.

3.2.1. Calculating Market Benefits

Projects entering the market through a CISA are expected to put downward pressure on prices. Modelling considers the impact of Projects on RTM prices and Peak Reserve Capacity Prices as benefits may not be limited to applying to only one of the markets.

[1] Merit Criterion 2 assesses the Project's development progress and credibility of forward plans to deliver the Project.

Market Benefits may be represented as below:

$$\Sigma_{s=1}^{n} W_s \times (ALC - ALC')$$

for the WEM, all Scenarios and over the Project's asset life.

Where:

- W_s is the weighting of each modelled scenario and n is the number of modelled Scenarios.
- ALC is the annual cost of supplying loads in the WEM in a scenario before the addition of the Project being assessed.
- ALC' is the annual cost of supplying loads in the WEM in a scenario following the addition of the Project being assessed.

3.3. Reliability Benefits

A Policy Objective of the CIS is to support system reliability. The impact that a Project has on system reliability is considered in MC1 through an assessment of the ability of the Project to receive Peak Capacity Credits.

The NAQ, measured in MW, is estimated for a Project and indicates the ability of the Project to dispatch up to its Peak Certified Reserve Capacity during peak times, or other times of low reserve. Assignment of a NAQ to a facility qualifies the facility to receive Peak Capacity Credits.

Assessing a Project's ability to be awarded Peak Capacity Credits is intended to reflect the Project's contribution to system reliability. It is important to note that this estimate of NAQ does not indicate any outcomes (either success in an RCM, or quantum of Peak Capacity Credits) for the NAQ process undertaken by AEMO as part of the RCM.

Impact of Project Parameters / Bid Variables
Reliability Benefits are expected to be higher for Projects that: • Can generate unconstrained during times of peak demand; • Are appropriately sized for local network limitations; and • For Assessed Hybrid Projects: o Are appropriately sized for the Electric Storage Resource Duration.

3.3.1. Calculating Reliability Benefits

Modelling will be undertaken to calculate potential NAQ and Peak Capacity Credit outcomes for the latest RCM cycle (focused on the 2 year ahead forecast year). This analysis will be supported by the outcomes of the previous year RCM cycle and will make assumptions around consistent priority order and entry timing for all Projects for the purposes of the calculation. Moreover, Projects will be assumed to bid for floating prices in the RCM.

3.4. Net CISA Cost

Competitive Projects are expected to have a low Net CISA Cost relative to less competitive Projects. Net CISA Costs are a function of the Project's Net Operational Revenue and Bid Variables and, therefore, the Project's revenues must be forecast to inform the calculation of the Net CISA Cost.

Impact of Project Parameters / Bid Variables
Net CISA Costs and risk to the Commonwealth are expected to reduce if the Bid has the following features (all else being equal): • A low Annual Payment Cap, leading to a low Maximum Liability;

Impact of Project Parameters / Bid Variables
• A low Annual Floor and low Annual Ceiling; and • Fewer years requiring support, particularly those Bids that have an earlier Final Support End Date or exclude periods in which high support payments would otherwise be expected.

3.4.1. Forecasting Net Operational Revenue

An Energy Market Model is run for each Project to forecast NOR. This considers the Project Parameters and is modelled for each Electricity Market Scenario, and therefore may take on a range of values. NOR is estimated by the sum of forecast revenues of the generation Project including:

- revenues in the RTM;
- revenues in the Reserve Capacity Mechanism; and
- green product revenues.

3.4.2. Calculation of Net CISA Cost

Formulaically, the calculation of annual CISA cash flows over the Support Period is the net present value of the CISA cashflow for the Bid. This may be represented as below:
(where positive values are a payment to Project Operators)[2]

$$Annual\ CISA\ Cashflows = \begin{cases} SP, & if\ NOR_{year} < ARF \\ 0, & if\ ARF < NOR_{year} < ARC \\ -RS, & if\ NOR_{year} > ARC \end{cases}$$

$$SP = minimum\ (90\% \times (ARF - NOR), APC)$$
$$RS = minimum\ (50\% \times (NOR - ARC), APC)$$

Where[3]:

- NOR is Net Operational Revenue, which is the modelled revenues for the Project.
- SP is the Annual Support Amount paid under the CISA, expressed as a positive amount.
- RS is the Annual Revenue Sharing Amount payable under the CISA, expressed as a negative amount.
- ARF is the Annual Revenue Floor, which is equal to the Annual Floor multiplied by a modelled notional quantity of energy dispatched by the Project.
- ARC is the Annual Revenue Ceiling, which is equal to the Annual Ceiling multiplied by a modelled notional quantity of energy dispatched by the Project.
- APC is the Annual Payment Cap.

[2] Note the displayed formula is used for annual modelling in the MC1 assessment and may not directly match the Proforma CISA. Please refer to the Proforma CISA for information on support payment calculations.

[3] For more information on terms please refer to the Proforma CISA.

4.0 Impact of Project Parameters and Bid Variables

Project Parameters[4] and Bid Variables will have varying effects on the MC1 assessment. This section outlines how the Project Parameters and Bid Variables affect the MC1 assessment. The flexibility of the Proforma CISA is intended to provide Proponents with the ability to develop Bids in a targeted way that can best suit their use-cases while also reducing the Net CISA Cost to the Commonwealth.

The table below sets out various variables and their possible impact on MC1 assessment.

Table 3: Potential impact of Project Parameters and Bid Variables on MC1 assessment

Project Parameter or Bid Variable	Key Component affected	Effect, all else being equal
Annual Payment Cap	Net CISA Cost	Lower values can reduce modelled CISA payments for the Net CISA Cost and also reduce the Commonwealth's maximum exposure to CISA costs. A lower Annual Payment Cap can make a Project more competitive.
Annual Floor	Net CISA Cost	Lower values put downward pressure on the Net CISA Cost and may make a Bid more competitive. A lower Annual Floor may lower the expected CISA support payments from the Commonwealth to the Project Operator.
Annual Ceiling	Net CISA Cost	Lower values put downward pressure on the Net CISA Cost as they could increase expected CISA revenue sharing in some Scenarios. A low Annual Floor and low Annual Payment Cap are expected to have greater impact on the assessment than having a low Annual Ceiling and thus be more competitive.
Support Period	Net CISA Cost	A Support Period that is shorter, or that otherwise excludes Support Years when the Net CISA Cost would otherwise be expected to be high (e.g. when Project revenues are low) may reduce the Net CISA Cost and make a Project more competitive.
Connection Point	All Components	A Project is expected to perform well across all Project Benefits assessments if it connects to a location with low network congestion and low likelihood of having its output constrained in different dispatch Scenarios, including during peak demand periods. It may also be better able to earn higher market revenues, therefore lowering Net CISA Cost and improving the Project's competitiveness.
Target Commercial Operation Date	Market Benefits, Net CISA Cost	Projects with an earlier COD Target Date may be viewed more favourably for the purposes of MC1. For instance, if there are fewer renewable energy projects operating in the WEM in earlier years, there may be a greater opportunity to provide Market Benefits and earn higher revenues which could lower the Net CISA Cost, making a Project more competitive.

[4] Certain Project Parameters may be standardised by technology type in the MC1 assessment e.g., operation life.

Generation Profile[5]	All Components	A Project that can generate in periods of high prices when demand is typically met by thermal generation is expected to perform well across all Project Benefits. It may also earn higher market revenues, therefore lowering Net CISA Cost and improving the Project's competitiveness.
Operation Life	Market Benefits	Technologies with a longer asset life have a longer period to provide Market Benefits, making a Project more competitive.

Table 4: Potential impact of Project Parameters on MC1 assessment for Assessed Hybrid Projects only

Project Parameter in Assessed Hybrid Project	Key Component impacted	Impact, all else being equal
Storage Capacity	All Components	Increasing the energy storage capacity (MWh) of the Associated Project is expected to increase the REC, Market Benefits, Reliability Benefits (up to the ESR Duration), and NOR in absolute terms, all else being equal, making a Project more competitive.
Round-Trip Efficiency	All Project Benefits	An Associated Project with an energy storage technology type that can operate more efficiently is expected to perform well across all Project Benefit Components and achieve higher NOR, making a Project more competitive.

5.0 Hybrid Projects, Staged Projects and Projects with separate Measurement Points[6]

This section provides a short summary on the evaluation approach intended to be used for Hybrid Projects, Staged Projects and Projects with separate Measurement Points.

5.1. What is a Hybrid or Staged Project

Hybrid Projects are co-located generation and dispatchable assets, which meet the characteristics of a Hybrid Project as described in the Proforma CISA. Hybrid Projects in this Tender Process refer to either:

- an **Assessed Hybrid Bid**, for which both the Project and the Associated Project (i.e. the dispatchable component) are assessed against the Merit Criteria; or
- a **Non-Assessed Hybrid Bid**, for which only the Project (i.e. the generation asset) is assessed against the Merit Criteria, and not the Associated Project (i.e. the dispatchable asset).

[5] Generation traces provided by Proponents are reviewed under the Tender Process. Where traces are flagged, sensitivities may be run using a synthetic trace.

[6] See the Tender Guidelines for more information on Hybrid Projects, Staged Projects and Projects with Separate Measurement Points.

Staged Projects are co-located generation assets, which include the Project, the Existing Project, and the Shared Infrastructure. Refer to the Tender Guidelines for more information on Staged Projects.

5.2. Assessment of Hybrid Projects against MC1

Only Assessed Hybrid Projects will be evaluated as Hybrid Projects in this WEM Generation Tender Process. Compared to a generation only Project, Assessed Hybrid Projects may provide additional Renewable Energy Contribution, Market Benefits and Reliability Benefits.

This assessment is expected to cover:

- **Project Benefits:** Assessed by considering the time-shifted dispatch of the Associated Project. This may occur through shifting generation into periods of system tightness and high prices, and/or displacing fossil fuel generation.
- **Net CISA Cost**: Assessed by considering only the dispatch (both to the grid and Associated Project) and Dispatch-Weighted Average Price (**DWAP**) of the Project, excluding the time-shifted dispatch and DWAP of the Associated Project.

5.3. Assessment of Staged Projects against MC1

Project Benefits and Net CISA Cost in MC1 will be assessed for the Project only, and not the Existing Project.

5.4. Projects with separate Measurement Points

See Tender Guidelines and Proforma CISA for details on the treatment of Projects with separate Measurement Points.

Appendix 1 – Definitions

Term	Definition
AEMO	Either or both of AEMO Limited and ASL.
Annual Ceiling	Has the meaning given to that term in the proforma CISA.
Annual Floor	Has the meaning given to that term in the proforma CISA.
Annual Payment Cap	Has the meaning given to that term in the proforma CISA.
Annual Revenue Ceiling	Has the meaning given in Section 3.4.2 of this Market Briefing Note.
Annual Revenue Floor	Has the meaning given in Section 3.4.2 of this Market Briefing Note.
Annual Revenue Sharing Amount	Has the meaning given to that term in the proforma CISA.
Annual Support Amount	Has the meaning given to that term in the proforma CISA.
ASL	AusEnergy Services Limited (ABN 59 651 198 364).
Assessed Hybrid Bid	Has the meaning given to that term in the Tender Guidelines.
Associated Project	Has the meaning given to that term in the Tender Guidelines.
BCR	Benefit-Cost Ratio.
Bid	Has the meaning given to that term in the Tender Guidelines.
Bid Variables	Has the meaning given to that term in the Tender Guidelines.
CIS	Has the meaning given to that term in the Tender Guidelines.
CISA or **Generation CISA**	Has the meaning given to that term in the Tender Guidelines.
COD or Commercial Operations Date	Has the meaning given to that term in the proforma CISA.
COD Target Date	Has the meaning given to that term in the proforma CISA.
Commonwealth	The Commonwealth (Commonwealth of Australia) as represented by DCCEEW.
Components	The components assessed in MC1, including the Project Benefits and the Net CISA Cost.
Connection Point	Has the meaning given to that term in the proforma CISA.
Counterfactual Case	Has the meaning given to that term in Section 2.2 of this Market Briefing Note.
DCCEEW	Department of Climate Change, Energy, the Environment and Water.
Dispatch-Weighted Average Price (or 'DWAP')	The average wholesale electricity price received by a Project for its dispatch, calculated by dividing wholesale energy market revenue by the volume of energy dispatched across a given period.
Electric Storage Resource Duration or ESR Duration	Represents the number of Trading Intervals over which Energy Storage Resources have Reserve Capacity Obligations.
Electricity Statement of Opportunities	Has the meaning given to that term in the Tender Guidelines.

Term	Definition
Energy Market Model	An energy market model that is used to forecast each Project's impact on forecast power prices, and the revenue attributable to the Project.
Existing Project	Has the meaning given to that term in the Tender Guidelines.
Final Support End Date	Has the meaning given to that term in the proforma CISA.
Hybrid Project	Has the meaning given to that term in the Tender Guidelines.
Investor View	Has the meaning given in Section 2.3.1 of this Market Briefing Note.
Market Benefits	Forecast reduced wholesale market costs of adding the Project to WEM markets.
Maximum Liability	The maximum amount of payments payable under the CISA by the Commonwealth to the Project Operator, as modelled against the Proforma CISA.
MC1	Has the meaning given to that term in the Tender Guidelines.
Measurement Point	Has the meaning given to that term in the proforma CISA.
Merit Criteria	Has the meaning given to that term in the Tender Guidelines.
Metrics	Has the meaning given in Section 2.4 of this Market Briefing Note.
Nameplate Capacity	Has the meaning given to that term in the Tender Guidelines.
NAQ	Network Access Quantity
Net CISA Cost	Has the meaning given to that term in the Tender Guidelines.
Net Operational Revenue or NOR	Has the meaning given to that term in the proforma CISA.
Non-Assessed Hybrid Bid	Has the meaning given to that term in the Tender Guidelines.
On Target	Has the meaning given in Section 2.3.1 of this Market Briefing Note.
Peak Capacity Credits	Has the meaning given to that term in the proforma CISA.
Peak Certified Reserve Capacity	Has the meaning given to that term in the Tender Guidelines.
Peak Reserve Capacity Price	Has the meaning given to that term in the proforma CISA.
Policy Objectives	Has the meaning given to that term in the Tender Guidelines.
Project	Has the meaning given to that term in the Tender Guidelines.
Project Benefits	A sub-set of Components, including the Renewable Energy Contribution, Reliability Benefits and Market Benefits components.
Project Operator	Has the meaning given to that term in the proforma CISA.
Project Parameters	A Project's physical characteristics.
Project-Specific Case	Has the meaning given in Section 2.2 of this Market Briefing Note.
Proponent	Has the meaning given to that term in the Tender Guidelines.
Ranked List	Has the meaning given to that term in the Tender Guidelines.

Term	Definition
RBR	Reliability Benefit Ratio.
RECCR	Renewable Energy Contribution-Cost Ratio.
Recommended Bids	Has the meaning given to that term in the Tender Guidelines.
Reliability Benefits	Project Benefits that arise from a Project's ability to gain Peak Capacity Credits.
Renewable Energy Contribution or REC	Forecasts the Project's ability to contribute to the target of 82% renewable electricity by 2030.
Reserve Capacity Mechanism or RCM	The mechanism designed to ensure that there is sufficient generation capacity in the SWIS.
RTM	Real Time Market
Scenarios	Has the meaning given in Section 2.3 of this Market Briefing Note.
Shared Infrastructure	Has the meaning given to that term in the proforma CISA.
Staged Project	Has the meaning given to that term in the proforma CISA.
Support Period	Has the meaning given to that term in the proforma CISA.
Support Year	Has the meaning given to that term in the proforma CISA.
Tender Process	Has the meaning given to that term in the proforma CISA.
WEM	Wholesale Electricity Market