Australian Government
Department of Climate Change, Energy, the Environment and Water

Capacity Investment Scheme
Tender 8 – National Electricity Market Dispatchable Capacity

Market Briefing Note
Assessment summary

July 2026

Purpose

This briefing note provides a generalised assessment summary and feedback on the submitted eligible Bids of the Capacity Investment Scheme (**CIS**) Tender 8 – National Electricity Market (**NEM**) Dispatchable Capacity (**Tender** or **Tender 8**).

This briefing note should be reviewed in conjunction with the relevant documentation related to the Tender, including the Tender Guidelines. The Tender Guidelines prevail in the case of any discrepancies with this briefing note.

Capitalised terms not otherwise defined in this briefing note have the meanings given to them in the Tender Guidelines.

Overview

The CIS is an Australian Government program that aims to accelerate investment in new renewable energy generation, such as wind and solar, and clean dispatchable capacity. The CIS aims to support the delivery of a more reliable, affordable, low-emissions energy system for all Australians.

Tender 8 had an indicative target of 4 GW of 4-hour equivalent, or 16 GWh, of dispatchable capacity in the NEM. On 24 June 2026, the Australian Government announced 15 successful Projects, with a total dispatchable capacity of 16.1 GWh.

Tender and assessment process

Eligible Bids were assessed against five Merit Criteria:

- **Merit Criterion 1:** Financial value, system reliability and system benefits (50%)
- **Merit Criterion 2:** Project deliverability and timeline (12.5%)
- **Merit Criterion 3:** Organisational, resource, and financing capability (12.5%)
- **Merit Criterion 4:** First Nations participation and benefits sharing (12.5%)
- **Merit Criterion 5:** Social outcomes and community benefits sharing (12.5%)

Consistent with the Tender Guidelines[1], Bids that were assessed as low merit against any individual Merit Criterion were not further assessed.

A shortlist of Bids was developed to be recommended for a CIS Agreement **(CISA)** with reference to the principles outlined in Section 5 of the Tender Guidelines.

[1] Section 5.3 of the Tender Guidelines

General feedback

Bids in this Tender that were assessed as high merit provided clearly defined responses to the Merit Criteria, supported through evidence and demonstrated the following attributes:

- Well advanced in the development process, with a credible pathway to achieving commercial operations by 2030, supported by appropriate consideration of key development risks.
- Demonstrated organisational capability of the Proponent, supported by credible delivery partners, with clearly articulated financing pathways.
- Competitive Bid Variables that limit the overall CISA cost exposure to the Australian Government, demonstrated by low Annual Floors, low Annual Payment Cap, and fewer support years.
- High quality, project-specific, commitments to First Nations communities that incorporated First Nations feedback and were supported by detailed delivery plans, track records and tangible evidence of engagement with First Nations communities and businesses. Commitments also included details on types of activities or initiatives that would be implemented, how they would be implemented, associated funding, and the anticipated timeframe for implementation.
- Strong commitments to communities, employment and local content that considered local feedback, upskilled local workforce and demonstrated understanding of Australian supply chain opportunities. Commitments also included details on types of activities or initiatives that would be implemented, how they would be implemented, associated funding, and the anticipated timeframe for implementation.

Bids were assessed on the information provided within the Bid Form and supporting documentation. Competitive Bids provided comprehensive responses to each Merit Criterion addressing requirements with strong evidence to support the assessment.

Proponents were encouraged to structure their Bid in a way that was both competitive (to enhance their prospects of success in the Tender Process) and sufficient to enable their Project to reach Financial Close, considering the Project's financing structure and debt/equity requirements.

Insights from Merit Assessment

Merit Criterion 1: Financial value, system reliability and system benefits

Under Merit Criterion 1, Projects were evaluated on their benefits to the NEM, which were compared to the forecast cost of the Project's CISA to provide an indication of the financial value delivered. The four key benefits assessed were:

- Reliability Contribution, being the potential contribution to reducing modelled unserved energy;
- Wholesale Market Benefits, being the effect on wholesale market costs;
- Renewable Energy Contribution (including Network Capacity Support if elected by the Proponent), being the contribution to the Australian Government's 82% renewable energy target by 2030; and
- Contribution to System Security Services.

Relative strengths	Relative weaknesses
Strong determinants of success: • Bids that were forecast to have low Net CISA Cost based on Bid Variables. This was typically achieved through a combination of: ○ A low Annual Payment Cap; ○ A low Annual Floor; and ○ Shorter Support Period • Projects with an electrically strong location in the network, including good access to load centres. • Projects with earlier target Commercial Operations Date (**COD**). • Projects that demonstrated potential to unlock additional renewable energy generation. Other determinants of success: • A low Annual Ceiling could also lower the forecast Net CISA Cost. • Projects with longer storage duration. • Projects with grid-forming inverters able to withstand short circuit ratios less than or equal to 1.2. • Projects which indicated capability to perform system restart services.	• Bids that were forecast to have high Net CISA Cost, which was typically driven by a combination of high Annual Floor, high Annual Payment Cap and longer Support Periods. • Projects that were forecast to have relatively low Renewable Energy Contribution, Wholesale Market Benefits, Contribution to System Security Services and Reliability Contribution. These components were lower for Projects that had: ○ An electrically weak location in the network, including relatively high congestion towards their demand centre at times of high demand; and ○ A later target COD. • Projects with grid-following inverters.

The MC1 Market Briefing Note published on the ASL Website, provides detailed guidance on the evaluation of this Merit Criteria for this Tender.

Merit Criterion 2: Project deliverability and timeline

Under Merit Criterion 2, Projects were assessed on their development progress and the credibility of forward plans to deliver the Project, including the pathway to achieve COD by 31 December 2030, consistent with the Policy Objectives of the Tender.

Relative strengths	Relative weaknesses
• Projects that demonstrated progress toward achieving key development milestones, including: ○ Significant progress towards network connection, supported by evidence of a clear and credible pathway to completion. ○ Planning and environmental approvals obtained, or well advanced, with credible plan to secure any remaining approvals, including evidence of how approval-related assessment outcomes and conditions have been addressed or resolved. ○ Land tenure secured, or substantially secured, with a clear pathway for securing tenure on remaining key land parcels, including Project site and connection route, supported by evidence of ownership, lease agreements, and/or option agreements. • Projects that detailed a clear pathway to meeting their COD Target Date before 31 December 2030, with consideration given to key development risks. • Projects that demonstrated a credible pathway for resolving concerns or queries of the authorities providing the requisite planning and regulatory approvals. • Projects that provided project development plans and schedules with sufficient durations and contingency to achieve remaining milestones, approvals and activities, informed by identified risks and issues, with evidence demonstrating how those risks had been considered in project planning and scheduling. • Projects progressing under the recently amended Queensland planning framework for battery developments benefitted from considering the impact of the legislative change in their Project development plans.	• Projects assessed as having risks in achieving key development milestones without appropriate mitigants or were early stage in key milestones with limit details on forward pathway. For example: ○ Projects that provided limited detail in key development planning documents (e.g. high-level Gantt chart, limited risk register) and/or limited evidence to substantiate progress. ○ Projects that were in the early stages of the network connection process with limited demonstrated evidence of progress or limited engagement with the relevant network authorities. ○ Projects that were less progressed in securing planning and environmental approvals, whilst being subject to heightened risk of delays due to post-approval conditions. ○ Projects that had not secured land tenure or had not provided evidence of tenure or did not have a clear and credible pathway to securing tenure for the land required to develop the Project and connecting elements.

Merit Criterion 3: Organisational, resource, and financing capability

Under Merit Criterion 3, Proponents and their key delivery partners (contractors and suppliers) were evaluated on their track record, organisational capacity and capability, resources and financing strategy to deliver the Project.

Relative strengths	Relative weaknesses
• Proponents that had a demonstrated history of successfully delivering comparable BESS projects. Issues during delivery of comparable Projects were identified, and responses outlined an approach for management/mitigation in future Projects. • Highly credible contracting structure identified, with clear rationale for the chosen approach, aligned to the Proponent's demonstrated capability. Reputable key delivery partners (contractors and suppliers) secured or strong evidence of progress made towards contracting. • Demonstrated understanding of the skills and experience required to deliver the Project and details provided on the relevant capabilities and experience of corporate team, Project team and delivery partners or advisors. • Evidence that required development funding had been secured, or had a credible pathway to secure, for all pre-construction activities. This was supported by a realistic and detailed development phase budget aligned with the evidence of development funding. • Evidence of capacity to provide the Performance Security in a timely manner upon execution of the CISA. • Clear financing strategy with credible capital structure, evidence of access to capital and engagement with financiers, risk mitigants identified, supported by credible and well-progressed revenue strategy (e.g. signed offtake agreements) with appropriate evidence.	• Proponents that did not evidence their progress to overcome their lack of proven experience of delivering utility-scale renewable energy Projects in the NEM. • Proponents that relied on evidence relating to the track record of delivery partners (e.g., EPC contractors) and/or OEMs, who had not been formally contracted, and/or without substantiating how this experience would be leveraged for project delivery. • Proponents that detailed experience of its parent company but failed to substantiate the capability of their local Project delivery team or parent company's involvement. • Status of development funding is unclear or pathway to securing funding uncertain or not evidenced. Development budget missing, insufficiently detailed or unrealistic. • Projects that provided insufficient evidence of engagement with financiers and reliance on uncommitted equity, including for progressing development activities and provision of the Performance Security. • Poorly detailed financing strategy with an unclear pathway to achieve financial close, limited evidence of access to capital or progress towards capital raising activities, and limited details or progress towards the Project's revenue strategy or offtake agreements.

Merit Criterion 4: First Nations participation and benefits sharing

Under Merit Criterion 4, Proponents were evaluated on the quality of the Project's engagement with and understanding of Traditional Owners and First Nations Communities (**First Nations Communities**), and commitments to share economic and social benefits of the Project with First Nations Communities.

Relative strengths	Relative weaknesses
• Projects that showcased credible strategic intent through detailed First Nations Engagement Plans guided by Free, Prior and Informed Consent (**FPIC**) principles and structured dialogue through negotiation protocols and community meetings. • Higher merit projects demonstrated a mature approach to benefit sharing, including proposals for long-term economic participation through mechanisms such as equity participation, jointly governed benefit funds and other structures that enabled First Nations Communities to share in the value created by the Project. • Projects that evidenced early and ongoing engagement with relevant Traditional Owners and translating this engagement into clear, Project-specific commitments across governance, procurement, employment and capability building. • Projects that provided tangible evidence of ongoing engagement (e.g. meeting minutes, letters, structured engagement activities) and demonstrated how engagement outcomes had informed project design and proposed commitments. • Projects that demonstrated a deep understanding of local First Nations aspirations and barriers to participation, supported by targeted initiatives for employment, training, apprenticeships, mentoring and procurement opportunities. • Projects that demonstrated strong commitments to sub-contract First Nations businesses and to employ and train First Nations workers, both pre-COD and post-COD. • Projects that embedded First Nations engagement and related deliverables into critical path activities and milestone schedules which supported deliverability of commitments and demonstrated that First Nations participation was treated as integral to Project delivery. • Projects that provided greater detail on the nature of commitments, indicative funding and timing, governance structures and implementation timing with credible pathways for delivery. • Projects that demonstrated alignment to the NSW First Nations Guidelines regarding achieving or exceeding at least 3% First Nations participation. Where stretch participation targets were proposed, projects demonstrated consideration of local workforce challenges and identified enabling measures, such as First Nations Group Training Organisations to support delivery credibility.	• Projects that provided limited details about First Nations communications, engagement and consultation, and/or provided limited, generic or misaligned evidence and documentation to support their claims. • Projects that demonstrated limited evidence that engagement outcomes had informed project design, benefit-sharing proposals or other First Nations commitments. • Proponents that provided First Nations engagement plans and commitments that were generic and relied on corporate-level rather than Project-specific strategies, without translating these into project-specific strategies, commitments and implementation arrangements. • Projects that provided commitments which were not aligned with the NSW First Nations Guidelines objectives for First Nations participation, or did not demonstrate a credible pathway to achieving the commitments provided. • Projects that focused primarily on short-term engagement activities or one-off contributions and did not demonstrate a credible pathway for long-term economic participation, capability building or shared value creation for First Nations Communities. • Projects that proposed benefit-sharing arrangements without sufficient detail regarding governance structures, decision-making processes, implementation pathways, indicative funding or measurement of outcomes. • Projects that articulated positive intent through the bid form and/or made commitments without providing adequate supporting evidence such as implementation strategies, Aboriginal Participation Plans, execution frameworks, or proof of past performance. • Projects where the demonstrated evidence of First Nations community engagement were dated, and/or not specific to the current project, with key evidence relating to earlier or adjacent projects. • Projects with First Nations participation commitments aligned to the NSW First Nations Guidelines, but limited workforce development metrics and articulation of how these commitments would be enabled and delivered.

Merit Criterion 5: Social Outcomes and Community Benefits Sharing

Under Merit Criterion 5, Proponents were evaluated on the quality of community engagement and community involvement in the co-design of social outcomes strategies, priorities and commitments, and how this will create long lasting social outcomes through the Project in terms of local content, employment and workforce development, and shared benefits.

Relative strengths	Relative weaknesses
• Projects that evidenced early and ongoing engagement with local communities and stakeholders, including details of engagement outcomes, clear linkage to Social Impact Assessments, and tangible examples of how community feedback had informed the design of shared benefits and other initiatives. • Projects that provided tailored community engagement plans with stakeholder mapping, clear timelines for completed and proposed engagement activities aligned with key Project milestones. In particular, Bids demonstrating engagement that commenced early in Project development and evolved over time. • Projects that provided evidence of community participation in Project development and practical initiatives that showed real community activity beyond planning. • Projects that provided credible implementation strategies providing confidence in how commitments will be delivered. • Projects that provided well-defined shared benefit commitments, which were supported by clear governance arrangements, funding certainty and evidence of early implementation. • Projects that demonstrated commitments to increase engagement of local workforce and underrepresented groups, supported by upskilling initiatives and demonstrated an understanding of and the use of Australian supply chain opportunities and commitments to build local capacity. • Investments in local training, education and job-readiness programs to prepare the local workforce for jobs made available by renewable Projects. • Projects that demonstrated alignment with the NSW Renewable Energy Sector Board Plan (NSW RESB) on supply chain inputs and employment and workforce criteria, where locally practical.	• Projects that provided generic or outdated outlines of stakeholder engagement, where future engagement details were unclear or lacked evidence of stakeholder engagement activities. • Engagement that was only recent, reactive, compliance driven or closely tied to the commencement of the tender process. • Projects that demonstrated limited evidence that community feedback had informed project design, shared benefit initiatives or other community commitments • Projects that proposed shared benefit initiatives without sufficient detail regarding governance arrangements, funding allocation, implementation pathways, decision-making processes or measures of success. • Projects that lacked detail or evidence in relation to frameworks, governance, or implementation of commitments, resulting in commitments which appeared aspirational and / or without a credible plan for delivery. • Projects that provided commitments that were not aligned with the NSW RESB Plan on supply chain inputs and employment and workforce criteria, where locally practical, or did not demonstrate a credible pathway to achieving the commitments provided. • Projects that only provided existing, corporate level commitments, rather than Project-specific commitments that are tailored to the local community. • Projects that made commitments without providing adequate supporting evidence such as implementation strategies, execution frameworks, or proof of past performance. • Projects where the demonstrated evidence of community engagement were dated, and/or related to prior developments on the site.

What Proponents should demonstrate in future Bids

For future tenders, Proponents should:

- Structure their Bid in a way that is both competitive (to enhance their prospects of success) and sufficient to enable their Project to reach Financial Close, considering the Project's financing structure, and debt and/or equity requirements.
- Demonstrate credible plans and clear progress towards key development milestones, such as securing land tenure, network connection and planning approvals, by providing detailed responses in the Bid Form and attaching comprehensive supporting documentation.
- Demonstrate a clear understanding of project-specific risks and challenges, through evidence of a project-specific risk register, with detailed mitigations that are reflected in other applicable documentation, e.g. schedules and plans.
- Demonstrate organisational capability by detailing the experience of the Proponent, project team and key delivery partners on comparable projects, with evidence of progressing commercial negotiations with construction contractors and equipment manufacturers.
- Provide a detailed financing plan with a clear pathway to fund delivery of the project and demonstrate a track record for raising capital for similar projects.
- Provide a detailed development phase budget and evidence of a pathway to secure development funding through to Financial Close of the project.
- Demonstrate early and ongoing engagement with First Nations communities, undertaken in alignment with Free, Prior and Informed Consent (FPIC) principles, supported by a project specific First Nations engagement plan and impact assessment.
- Demonstrate active involvement of First Nations Communities in the co-design of shared benefits. Provide commitments that align with the NSW First Nations Guidelines for employment, workforce development and business participation, supported by partnerships, governance processes and implementation plans that demonstrate the ability of the Proponent to deliver these commitments.
- Demonstrate early and ongoing local community engagement, informed by best practice engagement principles, supported by a comprehensive community engagement plan and impact assessment.
- Provide strong community shared benefit commitments with evidence of community co-design. Provide commitments that align with the NSW RESB targets for local content and employment of learning workers, apprentices and underrepresented groups, supported by detailed delivery plans, programs, partnerships and track records.
- Only include departures from the proforma Project Documents that are strictly necessary for the unique technical requirements of the Project.

We encourage unsuccessful Proponents to consider the Tender Guidelines relevant to a future CIS tender round, and use the feedback provided in this briefing note to improve the competitiveness of future Bids by demonstrating Project deliverability, alignment with Policy Objectives, innovation, economic value, and social and environmental responsibility.