

Q&A Responses

2nd June 2026 Webinar

Tender Round 9



ASL is publishing this document to provide written answers to questions received in the NSW Roadmap Tender Round 9 webinar Q&A session on 2nd June 2026.

A significant volume of questions were received in the Tender Round 9 webinar. Due to this, all questions were not able to be answered in the allocated time. Table 1 below outlines all questions received during the Tender Round 9 webinar and the associated responses. Duplicate questions have been consolidated. All further questions for ASL with respect to Tender Round 9 should be directed through the formal Q&A process which is available after registering for the tender.

Tender Round 9 is currently live. Proponents are required to adhere to the communication protocols outlined in section 5.41 of the [Tender Guidelines](#).

Important notice: These responses are for information purposes only. They do not necessarily represent the views of the decision maker for and on behalf of the Consumer Trustee (being the board of ASL) and should not be construed as binding the Consumer Trustee or limiting its statutory discretion. These responses are not intended to provide any advice. These responses may include assumptions about future policy outcomes and generalisations. They may not include important qualifications, details or legal requirements. The Consumer Trustee does not guarantee the accuracy, currency or completeness of any information contained in these responses and (to the maximum extent permitted by law) will not accept any responsibility for any loss caused by reliance on them.

To the extent of any inconsistency between these Q&A responses and the content of the Tender Guidelines, the Tender Guidelines will prevail.

#	Question	Answer
1	If a hybrid participates in both T8 & T9 it was stated that each component must have its own SPV. Is this allowed under the NEM's IRP registration category (which requires only 1 FRMP)?	<p>The requirement under the Tender Guidelines and the LTESA for the Long Duration Storage (LDS) component to be housed within a dedicated SPV relates to the contractual and project structuring framework. By contrast, Integrated Resource Provider (IRP) registration and the nomination of a Financially Responsible Market Participant (FRMP) concern the operational and market interface within the NEM, and neither role is required to be performed by the asset owner or operator.</p> <p>Accordingly, ASL understands it is generally permissible for the storage components to be contracted through a separate SPVs (to ensure alignment with the requirements for LDS LTESA) while operating under a single IRP registration and a single FRMP with the generation component. However, Proponents should satisfy themselves regarding how the existing AEMO registration and compliance requirements would apply to their Project's configuration and circumstances.</p>
2	Could you please expand on the point regarding the storage component in a hybrid needing to be in a different and separate SPV to the generation?	<p>Clause 4.4 of the LDS LTESA requires that an SPV be established for the sole purpose of carrying on the Project. Accordingly, for Proponents bidding non-Assessed hybrid projects, a separate SPV must be established for the sole purpose of carrying on the LDS component of the Non-Assessed Hybrid Project.</p> <p>This SPV requirement for LDS LTESA projects is intended to ensure appropriate ring-fencing and transparency, including:</p> <ul style="list-style-type: none"> • accounting and financial separation; • structural separation of project risks and obligations; • Director certification of key reports and Exercise Notices; • clarity and protection in relation to solvency events; and • preservation of the integrity of "Net Operational Revenue".
3	Separate SPV for T8 and T9 suggests the projects are AC connected to the REZ. Are DC-DC connected hybrids eligible for these tenders?	<p>Both AC-coupled and DC-coupled Non-Assessed Hybrid Projects may participate in Tender Round 8 and 9. Schedule 2 of the proforma Generation PDA from Tender Round 8 notes the metering solution must comply with the requirements of clause 5.2 and be sufficient to distinguish between energy exported to the Network by the generation and storage assets.</p> <p>Additionally, Clause 4.4 of the proforma LDS LTESA, a separate special purpose vehicle (SPV) is required for the LDS LTESA component of a Hybrid Project to participate in Tender Round 9 as a Non-Assessed Hybrid. This SPV requirement for LDS LTESA projects is intended to ensure appropriate ring-fencing and transparency, including:</p> <ul style="list-style-type: none"> • accounting and financial separation; • structural separation of project risks and obligations;

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		<ul style="list-style-type: none"> • Director certification of key reports and Exercise Notices; • clarity and protection in relation to solvency events; and • preservation of the integrity of “Net Operational Revenue”.
4	<p>If a project does not yet meet all Eligibility Criteria e.g. SEARs or a connection enquiry response is still in progress — can the Proponent still submit a bid?</p>	<p>The intent behind EC7 is that a project has clarity about the process they need to go through to achieve the required development approvals. As such, EC7 requires a Project to have received SEARs or, where SEARs do not apply, to have lodged a Development Approval application under the Environmental Planning and Assessment Act 1979 (NSW). The Tender Guidelines also note that the Consumer Trustee may exercise discretion for Projects with significant planning approvals and formal documentation that supersede SEARs documentation. Accordingly, compliance with EC7 will be assessed on a case-by-case basis.</p> <p>On this basis, a Project that has not yet received SEARs should consider participating in the tender where they are able to clear set out their pathway to the requirement development approvals. In so doing, the Proponent is encouraged to submit any relevant available materials in its Bid, together with an outline of the proposed pathway and timing for obtaining the required approvals. This will enable the Consumer Trustee to make a determination based on the project’s current status.</p>
5	<p>Where does RERT registration with AEMO fit in against, or with, LDS LTESA?</p>	<p>The LDS LTESA is a financial derivative contract that provides a series of options to access a variable annuity payment in the form of a top up to net operational revenues achieved by the Project. As defined in the proforma LDS LTESA, Operational Revenue refers to the revenue received by the LTES Operator in a period (without double counting), and includes amounts received:</p> <ul style="list-style-type: none"> • From the sale of electricity, hedges, Capacity Products or Green Products; • From the supply of Ancillary Services or system services; • under an Offtake Contract; and • from AEMO in respect of the Project. <p>Therefore, if an LDS LTESA Project is, or becomes, eligible for revenues through programs such as the RERT then these would be considered as part of the Project’s Operational Revenue for the relevant Annuity Period.</p>
6	<p>Why can LTES Operator no longer terminate for SFV material breach or SFV misrepresentation?</p>	<p>These amendments to the terms of the LTESA provide alignment with other similar products in the market, such as the CISA and FERMA.</p>
7	<p>In relation to the need for a SPV to be setup for each asset, does this also carry over to the need for the SPV to hold the DA approval, grid approval?</p>	<p>There is no requirement for these approvals to be held by the SPV at the time of Bid submission, as the SPV may not yet be established. However, to the extent that such approvals must ultimately be held by, or transferred to, the SPV that owns the Project, this is expected to occur to enable delivery of the Project in accordance with the LTESA and the PDA.</p>

#	Question	Answer
8	<p>Can a project be scheduled to deliver in stages (with firm commitments to time frames of delivery of each stage)?</p>	<p>Staged projects may participate provided it meets the applicable Eligibility Criteria and tender requirements set out in the Tender Guidelines, particularly EC6. The Consumer Trustee will assess any staged approach to the deliver of Projects on a case-by-case basis. Proponents consider submitting such as Bid should be aware of the following:</p> <ul style="list-style-type: none"> • Section 4.1.1 of the Tender Guidelines (EC6) notes projects must not be identified as committed or existing in the AEMO Generation Information page published (by AEMO) on 14 November 2019 for it to be eligible, unless it is an expansion Project to an existing storage or generation asset or the Project involves the addition of new storage or generation assets to existing shared infrastructure. • A Project will be assessed as not providing Wholesale Market Benefits if it had a status of 'In Service' in the AEMO "NEM July 2025 Generation Information" (Gen Info) page. The July 2025 Gen Info page is the latest version issued prior to the release of the most recent biennial IIO Report (being the 2025 IIO report published August 2025). • Proponents must demonstrate that the expansion Project being bid: <ul style="list-style-type: none"> ○ constitutes a clearly defined "Project" for the purposes of the tender, ○ delivers additional or eligible capacity consistent with the objectives of the scheme, and ○ satisfies all relevant technical, planning, and commercial requirements (including LTESA obligations). • It is expected that the Project will only reach COD under the PDA once all stages of the Project are operational.
9	<p>Will we be sent copies of the slides after the webinar?</p>	<p>Yes, a recording of the webinar has been made available on the ASL website for Tender Round 9.</p>
10	<p>Can the behind-the-meter MWh capacity of a BESS Project be segregated such that the Project fulfills the 8-hour duration requirement?</p> <p>For example, can a 300 MW / 1,200 MWh BESS submit an LDS LTESA Bid for 100 MW / 800 MWh, with 200 MW / 400 MWh remaining uncontracted?</p>	<p>Relevant Capacity, as defined in the Tender Guidelines, PDA and LDS LTESA, has the meaning given in the Electricity Infrastructure Investment Act 2020 (NSW), where it is defined as follows:</p> <p>"Relevant Capacity, for long-duration storage infrastructure for storage of electricity, means the lower of the following—</p> <p>(a) the registered capacity for the infrastructure,</p> <p>(b) the maximum capacity for the infrastructure."</p> <p>In Tender Round 9, Proponents nominate the Contracted Export Capacity of their Project in their Bid, as Reference Details Item 2 of the PDA and LDS LTESA. It is expected that Proponents enter a Contracted Export Capacity that reflects the intended capability of the Project and its expected Relevant Capacity to ensure compliance with the obligations under the EII Act and the Project Documents. It is expected that Proponents do not enter a Contracted Export Capacity which is lower than the expected Relevant Capacity (i.e. lesser of registered capacity and maximum capacity) of the Project.</p>

#	Question	Answer
		<p>The LDS LTESA is expected to relate to the full Project that is being built and operated. The LDS LTESA does not include provisions for portioning a Project to meet the 8-hour requirements. For example, Proponents bidding for the LDS LTESA cannot nominate a contracted percentage whereby a portion of the capacity remains uncontracted and operates outside the requirements of the LTESA.</p>
11	<p>Is the MC2 pathway to COD by 2029, 2034, or both? Could ASL please confirm whether a project with a COD post-2030 would be penalised?</p>	<p>Tender Round 9 plays an important role in de-risking achievement of the LDS 2030 and 2034 minimum objectives as well as maintaining momentum towards the broader ambition of 42 GWh of LDS by 2034. Accordingly, Projects must demonstrate a credible pathway to the nominated COD and will be assessed under MC2 having regard to achieved milestones, key risks, and mitigation strategies in relation solely to that nominated COD. The Projects that perform well in MC2 are those where a credible, lower-risk delivery pathway is demonstrated. Proponents should refer to Table 1 and Section 4.2 of the Tender Guidelines for further details.</p> <p>As part of the shortlisting process, ASL will consider a range of strategic factors aligned with the objectives and requirements of the EII Act and EII Regulation. These include the IIO Report, the shortlisted project's alignment with the development pathway, and the ability of each Project to achieve a credible COD as early as possible to support delivery of the LDS minimum targets (2 GW and 16 GWh by 2030, and 28 GWh by 2034) and ASL's stretch LDS target of 42 GWh by 2034.</p> <p>In this context, earlier and credible CODs will be viewed more favourably, all else being equal, as it will contribute to a greater de-risking of achievement of the LDS 2030 and 2034 minimum objectives as well as maintaining momentum towards the broader ambition of 42 GWh of LDS by 2034. It is critical to note that earlier CODs will only be viewed more favourable if they are credible and robustly supported by evidence assessed during MC2.</p> <p>Proponents should refer to Section 3.4 of the Tender Guidelines for further details on shortlisting considerations.</p>
12	<p>Is the new Local Needs requirements unique to LTESA tenders or will this be introduced to CIS tenders as well?</p>	<p>The Local Needs Analysis has been introduced for Tender Rounds 8 and 9 and currently only applies to NSW Roadmap tenders. Any changes to CIS tender program regarding Social Value assessment will be communicated by the Commonwealth government, if and when, they apply.</p>
13	<p>Will the average annuity caps/revenue thresholds from the previous successful LDS tender be shared?</p>	<p>Proponents should refer to the ASL website for further information on the outcomes of previous NSW LDS tenders. Links to relevant information for each tender are provided below:</p> <ul style="list-style-type: none"> • NSW Tender Round 1 • NSW Tender Round 3

#	Question	Answer
		<ul style="list-style-type: none"> • NSW Tender Round 5 • NSW Tender Round 6
14	<p>What is the timeframe over which reliability benefits are assessed?</p>	<p>Section 2.3.2 of the MC1 Market Briefing Note states that Reliability Contribution reflects a Project’s ability to reduce unserved energy across different forecast horizons. The Reliability Scenarios are designed to reflect different horizons of the energy transition and aim to reward Projects that contribute the most to reducing system reliability risks.</p> <p>The Reliability Scenarios are expected to consider the following narratives:</p> <ul style="list-style-type: none"> • Medium-Term: focus on broad NSW reliability risks in the medium term. Major networks limitations are largely resolved, and Eraring has retired. • Long-Term: focus on reliability risks in the longer-term horizon where all coal thermal plants in NSW are retired and includes high levels of VRE. Coal retirements are expected to put upward pressure on potential unserved energy. • Long-Term (low VRE): based on the Long-Term scenario but focuses on a single historical weather year where low VRE generation contributes most to unserved energy to consider its impact on Reliability Contribution. <p>Proponents should refer to the MC1 Market Briefing Note for further information on how Financial Value and System Benefits will be assessed.</p>
15	<p>Is the duration of a Project calculated using the nameplate capacity or effective usable capacity (i.e. after degradation)? Is this duration value required to be at or above 8 hours for the entire contract period?</p>	<p>It is expected that LDS Projects operate as an 8-hour storage Project across the term of the LDS LTESA. Projects must meet the:</p> <ul style="list-style-type: none"> • requirement in LDS LTESA clause 4.1(b)(ii), “ensure that the Project has a Relevant Capacity that can be dispatched continuously for at least 8 hours” • Eligibility Criteria 4 requires the Project must consist of storage units with Relevant Capacity that can be dispatched for at least 8 hours as outlined in Table 8 and its accompanying footnotes of the Tender Guidelines. <p>Relevant Capacity, as defined in the Tender Guidelines, PDA and LDS LTESA, has the meaning given in the Electricity Infrastructure Investment Act 2020 (NSW), where it is defined as follows:</p> <p>“Relevant Capacity, for long-duration storage infrastructure for storage of electricity, means the lower of the following—</p> <ol style="list-style-type: none"> (a) the registered capacity for the infrastructure, (b) the maximum capacity for the infrastructure.”

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		<p>Accordingly, Proponents should account for degradation when considering the Project's suitability in relation to both the Projects nameplate capacity and 'effective usable capacity' (i.e. after degradation) to ensure that the Project has a Relevant Capacity that can be dispatched continuously for at least 8 hours.</p>
16	<p>Will a Bid be viewed more favourably if the provided Contract term is either longer or shorter than the default requirement?</p>	<p>The Contract Term bid by the Proponent must meet the requirements set out in Table 5 of the Tender Guidelines to be compliant, with the specific requirements applying based on Bid (Default or Alternative) and technology type.</p> <p>The drafting note in Reference Detail 7 of the LDS LTESA applies to all technologies; however, it should refer to MC1 and does not consider the requirements for Contract Term in a Default Bid.</p> <p>The Tender Guidelines outline that chemical batteries, namely lithium-ion BESS, must nominate the Contract Term in a Default Bid as 14 years. For an Alternative Bid, the Contract Term is more flexible and can be a number not exceeding 14 years.</p> <p>For other LDS technologies, which may include other chemical batteries which are not lithium-ion technologies, the Contract Term in Default and Alternative Bid may be up to the lesser of 40 years or the asset life and can differ between the Default and Alternative Bid. Proponents should propose a Contract Term that reflects the expected asset life of the Project and provide robust supporting evidence (e.g. OEM warranties) to substantiate this. The Consumer Trustee retains discretion to determine the reasonableness of asset life and Contract Term.</p>
17	<p>Will ASL exclude projects with very low annuity cap as it is unlikely to be sufficient to support achievement of FC and COD?</p>	<p>The Consumer Trustee will determine the Projects to be recommended to the SFV for award in this tender round based on a broad range of factors, which are outlined the Section 3 and 4 of the Tender Guidelines. This includes eligibility and merit assessment, shortlisting considerations and due diligence. While the annuity cap is a relevant consideration, especially of a Project's financial value, it is only one of the considerations the Consumer Trustee has during the tender process.</p>
18	<p>What is the discount rate used to assess project costs and benefits over time, including terminal values?</p>	<p>The Consumer Trustee does not intend to provide a specific discount rate for use in the assessment of Financial Value and System Benefits as ASL may use different discount rates and undertake sensitivity analysis during bid evaluation.</p> <p>However, for the purposes of assessment, ASL's view is that an appropriate discount rate is expected to sit at or below the WACC or hurdle rate of a Proponent.</p>
19	<p>How does local needs analysis factor into MC4 score?</p>	<p>The Local Needs Analysis (LNA) is a key component that will inform the quality and confidence discount factors applied in assessment and is a mandatory component of the MC4 returnable schedule.</p>

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		<p>In practice, it provides the structured evidence base that explains how a proponent’s social value commitments have been shaped by local context, stakeholder engagement, and data. These qualitative inputs are then assessed alongside quantitative commitments.</p> <p>Quality focuses on how clearly commitments are linked to identified local needs, including the strength of engagement and evidence used. Confidence focuses on the feasibility of delivery, including the credibility of strategies and demonstrated track record.</p> <p>Together, this means the LNA does not score independently but directly influences the overall MC4 outcome by strengthening - or discounting - the assessed value of commitments.</p> <p>Further information is provided in the Social Value Market Briefing note.</p>
20	Do the social value merit assessment and the Local needs analysis have to be LTESA specific or can they interact with project assessment and commitments through the planning process?	Commitments and the Local Needs Analysis should be project-specific and may include commitments submitted as part of a Voluntary Planning Agreement (VPA).
21	Can a proponent plan to operate in the market at less than 8 hours?	To be eligible for and comply with an LDS LTESA, the Project must be capable of dispatching for at least 8 hours at the nominated capacity throughout the LTESA term. While a proponent may choose how it operates in the market day-to-day, it cannot plan a project that is only capable of dispatching for at least 8 hours at the contracted capacity.
22	Does a lower Annuity Cap always improve MC1 score	<p>A lower Annuity Cap does not always, by itself, improve an MC1 score. While a lower Annuity Cap generally reduces Net LTESA Cost and Maximum Liability, which are important drivers of financial value, MC1 scoring is based on a broader set of metrics, including Wholesale Market Benefits, Reliability Contribution, System Strength Contribution, and System Security Services.</p> <p>Accordingly, a lower Annuity Cap will only improve the MC1 score where it does not materially reduce the Project’s overall value or deliverability. Proponents are expected to balance competitive Bid Prices with credible Project Parameters and sufficient revenue support to ensure the Project can be delivered and provides strong system benefits.</p> <p>Proponents should refer to Section 3.3 and 4.2 of the Tender Guidelines, as well as the MC1 Market Briefing Note for further details.</p>
23	Can we bid a project that is initially below 8 hours at COD but increases over time?	The Project must be capable of dispatching for at least 8 hours and must meet the minimum duration requirement at Bid submission. Proponents should refer to EC4 in Section 4.1.1 of the Tender Guidelines.

#	Question	Answer
24	Do we need a separate SPV for our storage project where our project is a hybrid?	Yes, in accordance with Clause 4.4 of the LDS LTESA, an SPV must have the sole purpose of carrying the LDS portion of the Project. This is such that the bid entity is the SPV for the purposes of contracting. Proponents should refer to Table 1 of the Tender Guidelines.
25	What departures are acceptable?	Proponents should not depart from the Project Documents unless critical to the Project's specific circumstances. Non-critical departures will be viewed unfavourably and may result in exclusion. Proponents should refer to Section 3.4.1 of the Tender Guidelines for details.
26	Can we propose different CODs in Alternative Bids?	An Alternative Bid cannot be used to modify Project configuration or key milestone dates, including COD. Proponents should refer to Section 3.2.3 of the Tender Guidelines for details.
27	How firm must financing be?	<p>Financing capability, including funding strategy and arrangements, will be assessed under MC3. The Tender Guidelines and Bid Form require Proponents to provide information relating to financing strategy, development funding and evidence supporting the proposed delivery and financing approach.</p> <p>MC3 is a risk-based assessment and Projects with more advanced, credible and well-supported financing arrangements are generally expected to demonstrate lower delivery risk and perform more favourably. Refer to Section 4.2 and the MC3 Bid Form requirements.</p>
28	Do grid-forming inverters improve scoring?	<p>System strength and system security capabilities are considered under MC1 where they contribute to system benefits. The Tender Guidelines and Bid Form encourage Proponents to provide supporting evidence relevant to these capabilities, including technologies such as grid forming inverters and the ability to provide additional system strength or system security services.</p> <p>More advanced and well supported evidence of these capabilities may support assessment under MC1. Refer to Section 4.2 and the MC1 Bid Form requirements.</p>