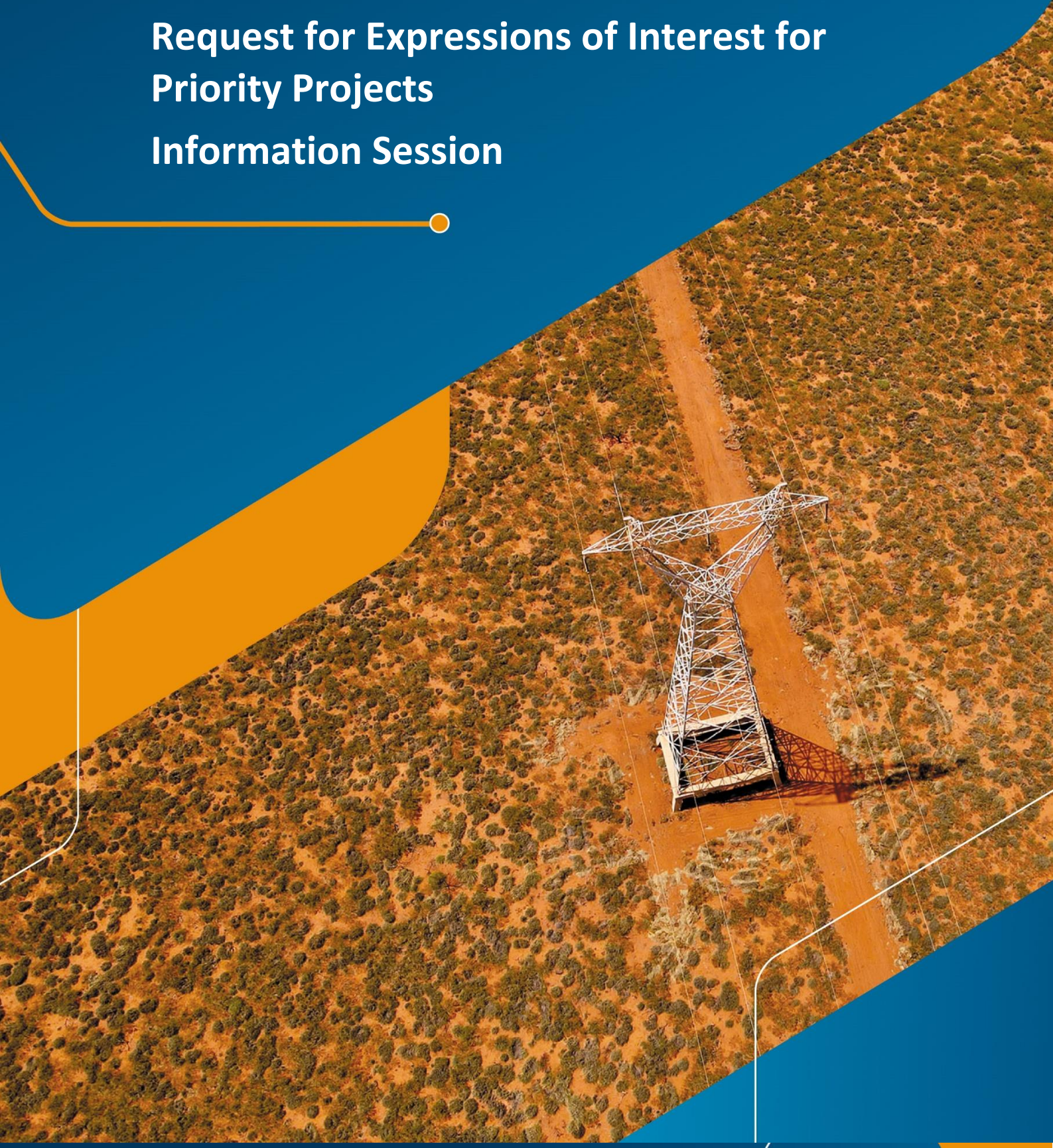




Department of Energy, Mines,
Industry Regulation and Safety
Energy Policy WA

Pilbara Energy Transition

Request for Expressions of Interest for Priority Projects Information Session



Department of Energy, Mines, Industry Regulation and Safety

Energy Policy WA

Enquiries: If you have any questions, contact
pet.secretariat@demirs.wa.gov.au

Date of Information session: 26 September 2024



Background

This document outlines the question and answers recorded at the Expressions of Interest (EOI) Information Session held on 26 September 2024. Where applicable, responses provided during the session have been modified for the purpose of clarity. Supplementary information has been provided where relevant.

The session is associated with the EOI Request released by the WA Government for project proponents to be awarded Priority Project status for one or more of four priority transmission corridors identified to form the first wave of an expanded high voltage Pilbara network.

Proponents who are awarded Priority Project status are on a pathway to:

- a. negotiating a Corridor Development Agreement with a State entity; and
- b. receiving a WA Government recommendation to the Clean Energy Finance Corporation (CEFC) for the project to be considered for Rewiring the Nation (RTN) finance.

More information can be found in the EOI Application Guidelines available at [Expressions of Interest for Priority Projects \(www.wa.gov.au\)](https://www.wa.gov.au)

The EOI Application Guidelines set out:

- the background of the Pilbara Energy Transition (PET) Plan;
- the four priority transmission corridors;
- eligibility to respond to the EOI;
- how applications will be assessed, including the assessment criteria;
- how proponents will be notified of Priority Project status or unsuccessful applications;
- responsibilities and expectations in the context of Priority Project status; and
- an overview of proposed regulatory reforms and corridor and land tenure principles.

The process described in the EOI Application Guidelines is not a procurement for the purposes of the *Procurement Act 2020* or the *Western Australian Procurement Rules*¹. The process set out in the guidelines is not binding on the WA Government and may be varied, suspended or cancelled at any time by the WA Government. Any such decisions will be made at the absolute discretion of the WA Government.

The EOI process is being administered by Energy Policy WA (EPWA), a group in the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS), on behalf of the WA Government.

¹ Western Australian Procurement Rules – General Procurement Direction 2024/01.

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Q&A Session

Question 1: How well does the CEFC understand this EOI process, have they endorsed the EOI process and how will an EOI endorsement influence a CEFC decision to provide concessional finance to a project?

EPWA has been closely connected with the CEFC throughout this process. We have had regular engagement throughout the planning phase, including development of our approach to priority projects and to an EOI, which can support a reference to the CEFC.

The CEFC is independent of the WA Government and make decisions under its own mandate. In this instance, under the Rewiring the Nation mandate that it has been provided.

It is clear that the CEFC is looking to WA Government priorities and the outcome of this EOI process, in terms of where it focuses its efforts around consideration of providing concessional finance. This EOI process is designed to do exactly that. The CEFC understand that and will pick up off this process to do their piece in a very focused way.

Supplementary information:

Refer to section 3.4 of the EOI Application Guidelines for further information on Rewiring the Nation and the role of the CEFC.

Question 2: Are the design criteria, such as transmission line design, being undertaken as part of the roundtable process?

The key thing here to note is that the Roundtable process has been the place through which we bring everything back. It is the process supported by a working group of Traditional Owners and an industry liaison committee, both of whom we have been working closely with in terms of this overall approach.

Importantly, in terms of transmission line design we have not done that. What we have done is set out in the EOI document the outcomes that we are seeking to achieve and the way in which we will assess proponents' applications against that outcome. We are not looking to design specifically the transmission lines, rather we are looking to support and provide guidance to would-be applicants and proponents to develop their design in such a way that they can meet the objectives.

Question 3: I understand the \$3bn is shared between NWIS and SWIS, is there an estimate for NWIS allocation?

The allocation from the Commonwealth Government is a West Australian allocation so it can apply within the South-west. The State has, in its conversations with the Commonwealth Government, and the CEFC, indicated where its priorities lie and where we think best use of the CEFC concessional finance is and that does not exclude the potential within the greater SWIS (South West Interconnected System).

There is no formal ratio or allocation between the North West and the SWIS. Through this EOI process the State is currently focusing its efforts and the interim opportunities for funding support for common use transmission projects in the Pilbara through Rewiring the Nation.

Question 4: Are proponents required to submit an end-to-end solution, or are investors encouraged to submit independent EOIs?

Recognising that this is an expression of interest process, what the guideline document does is outline that a successful outcome provides a pathway, not only to the CEFC in terms of a potential financing agreement, but also a pathway with the State in terms of working through corridor development agreement and ultimately a corridor tenure agreement.

We recognise that, at this stage, not all projects will be at a level that is near to or approximating a final investment decision and that there will be further development that will be required post-EOI. What we are seeking is that proponents or applicants outline what those next steps look like, how they are going about it, in order to provide clear milestones that demonstrate satisfaction of Criteria 5, which relates to timeliness and readiness, in order to give the State confidence that if that particular applicant is successful in this process, it will move ahead on a good timeline.

We recognise that, as time moves on, more information will come to light in terms of the evolution of the Pilbara and we recognise that other priorities may well come into frame and so we remain open to submission from developers that would see new priorities brought to us.

Supplementary information:

After a successful proponent is selected, we will expect it to seek to build its book of foundation users including transmission and generation projects associated with unsuccessful proponents. This will likely involve some collaborative design. We acknowledge that there is potential project on project risk here.

Before a Corridor Development Agreement is signed with a selected proponent, the State will want to be confident that its proposed project is indeed meeting foundation demand (plus additional capacity), and that it has the technical and financial capacity to service these foundation loads.

Proponents are welcome to submit EOI applications for single or multiple priority corridors.

Question 5: If a proponent is put forward to the CEFC following the EOI but subsequently fails or withdraws, is there a 'reserve' proponent that the State Government would fall back on?

The EOI guidelines outline that if a proponent is not able to move forward or, as you have suggested in this question, withdraws, that the State will then look to provide that priority status to another party.

This process is potentially attracting multiple applicants. I would not necessarily categorise them as ‘reserve’ as such, but we will have the opportunity to develop a list of proponents who may well still be interested in the opportunity. Should someone fall out, we would absolutely look to that established list to seek a development, again on a timely basis.

One of the key interests that the State has here is to be able to see something move forward, but move forward in the right way.

Supplementary information:

In the event that a Priority Project fails, the State retains in its absolute discretion the right to appoint another applicant from the EOI process or conduct another process to identify proponents for the priority corridor(s).

Question 6: Can you please provide more clarity on the expectations of the Tariff and Revenue model submission?

It will need to be consistent with the current PNAC requirements, subject to any of the comments we included in the appendices to the EOI Guidelines around where we are evolving the PNAC and it should show that the transmission project in each corridor can stand alone.

Supplementary information:

The information provided below is largely taken from Appendix A.1 of the EOI Application Guidelines:

As now, customer tariffs can be contracted freely. The PNAC “reference tariff” provides guidance for these negotiations and guides the arbitrator. We intend to retain the current PNAC regulatory model in which the Network Service Provider (NSP) manages the BBCOS (building block cost of service) tariff setting process itself, setting and publishing its own Regulated Asset Base (RAB), rate of return and depreciation arrangements, and designing its own reference tariff methodology, all within broad bounds set out in the PNAC.

The NSP must consult the public regarding these but, unlike in a ‘full regulation’ model, it does not have to seek pre-approval of the Economic Regulation Authority. Accountability for NSPs in this process comes from the ability of access seekers to arbitrate an access dispute during which the arbitrator can override the NSP’s tariffs.

While we will retain this model, some refinements are being considered, including:

- adding a formal revenue cap and potentially allowing the NSP to share in above-cap revenue (e.g. to incentivise selling of spare capacity after the revenue cap has been reached);
- introducing faster and more effective accountability measures to supplement arbitration; and
- to reduce the risk to NSPs the current optional capex pre-approval mechanism may be extended (in which the arbitrator cannot disallow capex which the Economic Regulation Authority has pre-approved) to also include any options for the NSP to seek pre-approval of other tariff elements, such as rate of return and depreciation.

The WA Government expects proponents to take on the volume risk associated with additional capacity in excess of foundation demand. Proponents will need to describe how their revenue model may manage this risk and to what extent they are seeking consideration of support from RTN.

Question 7: Do you have a view on how much utility-scale wind and solar will be required and is planned in the Pilbara and exactly how much new transmission capacity will be needed and where?

We looked at a range of different scenarios that involve decarbonisation of what is there and focusing heavily on the electrification of mine haulage. We have also looked at scenarios that involve the creation of new industries in strategic industrial areas where you see significant demand for electricity towards the coast.

We have tested that common use vision with a couple of different scenarios and we end up with similar sorts of requirements in terms of the overall architecture.

The scale and the timing of projects will change depending on your demand assumptions so what we have proposed here in terms of our priority corridors meet what we can reasonably expect demand to be in the near to medium term. This allows for the possibility of the scale and competition for a diverse range of different renewable resources to reach demand and customers.

Question 8: Will there be further competitive processes following the EOI?

While we are focused on the four primary corridors outlined in the EOI Guideline, it is not the end of the energy transition in the Pilbara and we signalled in the document that there could be further processes either relating to these priority corridors but also future priority corridors.

One of the workstreams of the Pilbara Energy Transition plan is ongoing annual electricity sector modelling which is informing our view of the Pilbara. That work is progressing under the Roundtable, specifically through the Industry Liaison Committee and Technical Working Group process.

Question 9: Can you please advise the best contact person/department to engage with for support and queries.

Emails can be sent to pet.secretariat@demirs.wa.gov.au.

Question 10: Can you please clarify whether the proponent is required to take electricity generation risk in order to meet offtakers' requirements? If so, where is the generation expected to come from?

We have outlined in the EOI Guideline that we expect proponents to take on the risk of additional capacity and we expect proponents to build their own book of network demand comprising of a mix of generation and load.

This process will likely continue during the negotiation stage following the EOI process. There is some text in Criterion 4 on providing commercial structure which talks to the type of information we are looking for to demonstrate how that risk will be managed.

Supplementary information:

An example of evidentiary documentary evidence for criterion 4 (in section 5.2 of the EOI Application Guidelines) is:

- An indicative tariff and revenue model which is consistent with the PNAC and the principles set out in Appendix A.1.5(f) (of the EOI Application Guidelines) and which demonstrates (amongst other things):
 - how the model will deal with any gap between the two [RABs], to the extent RTN funding does not do so, including how long any risk-mitigation measures will apply, and what factors may trigger their cessation”

Question 11: Is EPWA expecting that the actual model file is submitted or just the relevant outputs? Is there going to be any more information on assumptions provided as part of the EOI?

We have an information pack on that, but we will not be able to provide the actual model itself, just simply because that will reveal information on individual proponents and we would need to get everyone’s consent to do that.

If you have any specific additional queries, you can send those to pet.secretariat@demirs.wa.gov.au and we will consider those, noting that whatever we hand out we will publish on our website so that it is available for all.

Question 12: Does the Priority Projects Department have an Aboriginal Liaison Officer or Department for small to medium Aboriginal owned/controlled businesses to engage with regarding any queries that may be culturally sensitive?

We do have an Aboriginal participation team and if you want to submit through the e-mail pet.secretariat@demirs.wa.gov.au, we are very happy to connect you in with the key people that can support you in this regard.

Supplementary information:

The Aboriginal Participation team can be contacted directly at:
epwa-aboriginalparticipation@demirs.wa.gov.au

Question 13: I have noticed that only wind and solar are the primary project discussions. Would geothermal power part of this strategy?

Wind and solar is just simply the output of the modelling assumptions that we have used.

The CSIRO Gen cost database is our primary source for costs for power generation and ultimately the outputs from the model are the least cost solution based on those inputs. I would note that generation costs are dynamic over time and we will consistently review this.

Just because one technology is looking like it is the most economical in one year does not mean it will be the next year when more information comes to light. We will continue to review and look at all options.

Question 14: The EOI requires 'opt-in' to PNAC. Do you have a timeline/timing to comply with PNAC obligations? e.g. ring-fencing requirements.

The EOI does require that projects will opt-in to be regulated under the PNAC under the light regulation model and our intention is that projects will be complying with that requirement in the early stage of the process. We can look to address the timing query through the negotiation process following the EOI.

Supplementary information:

Further information in relation to the evolution of the PNAC is provided in Appendix A.1 of the EOI Application Guidelines.

Question 15: What is your current view on the ancillary support services to enable high penetration of renewable (e.g. firming, system strength, inertia, etc)? Do you require the Proponent to include these components in their submission?

We intend that this will be managed by the independent system operator under the Pilbara Networks Rules, but we are happy to hear comments through submissions that we receive.

Question 16: How secure is the Rewiring the Nation funding that has been allocated to WA? Asking because a recent story in The Australian noted that the federal Opposition has flagged cancelling the Rewiring the Nation fund, so it would be good to get a view on whether that funding is able to be transmitted to WA ahead of the federal election?

The reality is that the project (fund) exists and has clear terms of reference and a clear mandate to the CEFC. We are actively moving on a timeframe that sees us moving ahead with this EOI. Applications are required to be with us by 25 October (at 5pm AWST). That allows us to do our work promptly to provide recommendations to the State Government, and therefore to the CEFC, so that we can be moving ahead quickly.

We have always wanted to do that, not because of election cycles, but because it is the right thing to do to reach decarbonisation goals. We cannot speak for what future governments would do. What we can do is deal with the here and now in terms of what the commitments are in terms of the policy settings and funding that exists. We are actively looking to make best use of those in the nearest timeframe possible.

Question 17: Is there any weighting in the EOI process to prioritise the use of WA owned and operated construction companies in the execution phase of these projects?

We are working with the Department of Finance in relation to this criterion (**Clarification:** We are working with the Department of Finance in relation to the EOI process in general). As we have mentioned, there is no formal weighting on the criteria and the applications will be assessed in their totality.

In working with the Department of Finance, we recognise the proportion of local content is an issue for the State however, this is not a procurement process for WA. Rather we are facilitating agreements for a recommendation through the WA Government to the CEFC.

Supplementary information:

Assessment Criterion H, under Criterion 3, in the EOI Application Guidelines refers to local employment opportunities: “Project supports, or will support, employment opportunities for the local community.”

The following information has been provided by the CEFC in relation its requirements.

WHS Accreditation Scheme

The CEFC is required under the *Federal Safety Commissioner Act 2022 (Cth) (Act)* to ensure that CEFC funded “building work” over certain monetary thresholds is performed by a builder accredited under the WHS Accreditation Scheme prescribed by the Federal Safety Commissioner (Accreditation Scheme) Rules 2023.

The WHS Accreditation Scheme established by the Act is a distinct scheme applicable to Commonwealth funders of building work and may be applicable to projects that receive financing from the CEFC. The scheme is in addition to any State based WHS/OHS legislation and regulation that may be applicable. Further information can be found at [Scheme Accreditation | Office of the Federal Safety Commissioner \(fsc.gov.au\)](https://www.fsc.gov.au/scheme-accreditation).

Australian Industry Participation (AIP) Plan

Projects that receive \$20 million or more of financing from the CEFC may be required to develop and implement an AIP Plan unless an exemption is provided by the AIP Authority within the Commonwealth Department of Industry, Science, Energy and Resources.

An AIP Plan outlines a project proponent’s actions and activities to provide the Australian industry with full, fair and reasonable opportunity to participate in a project. This applies to any subcontracting or purchasing opportunities that may be available. Further information can be found at [Australian industry participation | Department of Industry Science and Resources](https://www.industry.gov.au/industry-participation).

Question 18: Are meetings able to be arranged with priority projects personnel through contacting the pet.secretariat@demirs.wa.gov.au address?

In terms of meetings, we are reluctant to meet with the individual parties. There may be circumstances where it is appropriate; we will take probity advice in and around doing that to make sure that there is no perception of any single party being provided with information that is not otherwise provided to others.

We encourage you to submit your request and we will deal with it in a straightforward manner. In terms of the additional modelling data, that is available now. You just need to submit a request and it can be made available, with some provisions around confidentiality and not on-sharing the information.

Question 19: Will Wind and solar proponents take part in this EOI or just transmission providers?

We are fundamentally focused on transmission here. This is about the transmission that will connect renewable energy, wind, solar and potentially geothermal or other forms of renewables should they become scalable and economic.

With this concept of vertical integration, what we understand is that there are business models that are emerging where investors in transmission may also have interests in generation and that may be a business model that they are looking to utilise. The answer to that question is that it will be only transmission providers but there may be proponents who do both.

The guideline very clearly sets out that, where vertical integration is contemplated there are some particular things that we will be looking for to ensure that market power is not inappropriately exercised and/or is counter-intuitive in terms of the broader outcomes that we are looking for.

Question 20: Can you recommend any external entities that can provide additional support with applications?

For Traditional Owner and Aboriginal Corporations, we have the Traditional Owner Participation Scheme and so contact us through pet.secretariat@demirs.wa.gov.au and we will be able to link you in to where we are able to provide some direct support, but also some potential recommendations in terms of parties who may be able to provide the sort of support you are looking for.

Supplementary information:

The EPWA Aboriginal Participation team can also be contacted at:
epwa-aboriginalparticipation@demirs.wa.gov.au

Question 21: What type of expertise do you think the assessors will refer to? and/or need? Could you give an indication of the type of experts available to the assessors?

The Assessment Panel will be a panel of very senior government people across key government posts. They will be advised by not only EPWA and other parts of government, but we also have a big advisory team that is made-up of commercial, legal and probity advisors.

So you can see that there will be specialist advice that will come to the table that will support us in that regard, noting that other elements that are relevant to the criteria, particularly in around Traditional Owners and the like. There are very capable resources within government that will provide advice to the Assessment Panel in and around those elements that are not otherwise covered by our commercial, legal and other advisers.

Question 22: Will the Department play a connecting role between proponent and TO groups for the EOI process?

What we are not doing is encouraging proponents to rush to the doors of Traditional Owners through this process. That could create a situation of overwhelm. We know that Traditional Owner groups in the Pilbara already have quite a lot to deal with in terms of their normal operating business.

This is why the EOI itself is very much focused on commitments in terms of the way in which the applicant will look to bring best practice engagement and look to models of benefit sharing that are progressive and likely to be attractive to Traditional Owner groups. Through the CorridorCo functions, the State will actively provide a role in facilitating agreements made with Traditional Owners and that is something that we will be doing very deliberately.

Question 23: How does the Pilbara energy transition plan integrate with the Horizon Power Pilbara Green Link project?

Firstly, a point of clarification, it is not Horizon Power's Pilbara Green Link project. It is actually being developed by a consortia known as the Australian Renewable Energy Hub. They are the ones who are behind that and so Horizon Power and the work done by the Australian Renewable Energy Hub is something that the State has been monitoring.

You can see that we are very eager to connect large scale renewables and to see it integrated into the system. We also understand that there are projects, this being one of them, that have been under development for some time and we have been looking to understand that development in order to integrate with our process as best as possible.

This process is just the beginning. The State has not formed a view yet on who will be successful and any development that is underway at the moment should not be interpreted in any manner, way, shape or form as being an indication of the State's preference for one provider over another, and that includes anything that Horizon Power may currently be involved in.

Question 24: What is the expected commercial model for delivery?

What we are expecting for the commercial model is for proponents to develop these projects within the PNAC parameters as outlined in the guidelines.

Essentially, we have a light touch regulatory regime which allows for arbitration, but without the upfront heavy regulation in terms of pricing. We have included some information in relation to the documentary evidence under each criterion around some of the detail that we are looking at.

This is quite a high-level question. If there are more specific points, we can provide a more detailed response and share with everybody if required.

Question 25: Any timelines for establishing CorridorCo?

That is something that the State is very actively pursuing. What is important to note is that the sorts of functions that we have outlined for CorridorCo are functions that the State already has within its powers and so it will be facilitating this in the near term.

One example of that is the tenure scenario and the approach we are taking there, supported by the Department of Planning, Lands and Heritage. Within that, in order to move in a timely manner the initial form of tenure may evolve over time to a more enduring form of tenure. This is part of the approach that we are taking here, in order to ensure that we can move ahead and that we are not delaying processes, and supporting very active decarbonisation.

Question 26: Are transmission operators expected to bid with offtake agreements (before or after EOI)?

Offtake agreements are matters for the proponent to make with their customers. The State's only involvement there is to ensure that they are consistent with the regulatory regime that exists, which as noted before is a relatively light touch regime.

Further to that, part of what we recognise here is that, as an EOI process, there is further development that needs to occur in terms of the commerciality of projects that may come forward and that is understood.

In terms of the evidence of offtake agreements, certainly as you move towards final investment decisions and financial close with funders or financiers (including the CEFC), there will certainly be information that they will require and we will look to mirror some of those requirements in terms of the agreement pathway that we move through in the corridor development agreement and also the corridor tenure agreement.

We did detail some of that information in the EOI guidelines (for criterion one), in the examples of documentary evidence.

Question 27: There are six priority projects identified - is the order they are listed in, the order of priority of the State or will the State progress all 6 at once?

In the first instance we have identified four priority projects. Ultimately, we are looking for projects to proceed as soon as they are ready, so the State does not really have any priority order for them.

We are looking for the projects to proceed as quickly as they can while meeting the expectations in terms of engagement with community and the like.

Question 28: How will the corridor routes be determined - driven by the TIV or CorridorCo or collaboration?

What we have done to date is look at node to node transmission corridors. The actual route that the corridor takes will be a collaboration between the corridor entity, the project proponent and the relevant stakeholders which are impacted by the transmission line. The exact mix of that will be determined on a project to project basis.

Supplementary information:

The Pilbara Energy Transition Team at DPLH is working with EPWA to determine an appropriate tenure model for the common user transmission corridors, that aligns with the proposed CorridorCo structure.

The tenure solution may not necessarily be the same for every corridor, but the tenure options being explored are under *the Land Administration Act 1997* to enable common user infrastructure (and not be restricted for mining purposes only).

It is likely that the final tenure will be under the *Land Administration Act 1997* to enable common-user infrastructure and mining tenure may be acceptable as an interim measure.

Question 29: Are you expecting 3,000kms to be delivery in this stage of the project or as goals towards 2050?

The 3,000 kilometres is a reference to the ultimate common use vision that was outlined in the slides at the beginning, where all the orange lines that were underneath are concepts at the moment.

In terms of the first stage, we would not be looking at 3,000 kilometres, we would be looking at less than 1,000, but still that is a very substantial investment, particularly with high voltage transmission in the Pilbara. This would be a transformative set of projects and while less than 3,000 kilometres, would still be very, very significant for the region and the State.

Question 30: It was stated that existing easements would need to be transferred to CorridorCo - will the State be paying compensation for that? What happens if that entity that owns the easements is not the 'winner' of this process?

We intend that people will be compensated for investments they have made to date, but the details and arrangements around that will be negotiated at the time through the Corridor Development Agreement. We note the comment around “if you are not the winner” but those discussions will be post the EOI process.

Supplementary information:

Commercial arrangements surrounding the acquisition of tenure underpinning the priority corridors by the State corridor entity will be determined through negotiation on a case by case basis. However, more broadly, the State corridor entity is expected to operate on a cost recovery model and the State will only consider paying for corridors where it obtains a value from those corridors.

Question 31: Will all towns such as Tom Price, Paraburdoo, Marble Bar benefit from the supply of power from the works?

All of those towns are currently supplied by Horizon Power in terms of residential or small use customers, including small use businesses and that will continue to be the case. We can obviously see a future where, as the network grows and there are more points of interconnection, there are increasing benefits that are provided across the entire spectrum and the opportunity to integrate more renewable energy into the system.

It is true that the focus of the transmission is about decarbonising industry and providing opportunities for the development of future green industries in the Pilbara and also recognising that that many towns across the Pilbara area and other parts of WA are remote to network. Stand-alone power solutions, including increasingly those based on local renewables, will need to be part of the mix and there are government initiatives in and around those elements.

Supplementary information:

The WA Government has committed to a whole-of-government 2030 greenhouse gas emissions reduction target of 80 per cent below 2020 levels. This includes Horizon Power that supplies electricity to towns and remote communities in the Pilbara including (not limited to) Marble Bar, Karratha and Port Hedland. Currently Tom Price, Paraburdoo and Pannawonica are supplied by Rio Tinto and Newman is supplied by BHP. We are not proposing to change this arrangement.

Question 32: Will ISOC Co play a part in this process?

Pilbara ISOCO, or the Pilbara Independent System Operator company as it is known in full, has played a very active part in this process from the very beginning and will continue to play an active part in this process. There is an evolving role for the Pilbara ISOCO, as the growing market becomes more complex then connects more renewables and more offtakers are seeking to utilise those renewables in interconnected and common use systems.

The Pilbara ISOCO is critical in terms of the operation of this and satisfying key objectives in terms of making sure that the system is one that we can all rely upon for a good, secure supply of electricity in order to support the types of industries that we have and we will get back into in the future.

Supplementary information:

The ISO currently has overarching responsibility for system security and reliability, Essential System Services procurement and balancing, under a delegated 'administrative ISO' model.

This is under review by the PNR evolution project and it is likely that the ISO will have an expanded role in operating the power system to ensure system security as the network becomes more interconnected and the penetration of renewables increases. It is not envisaged that ISO will have a direct role in network access contracts.

To mitigate NSP market power and vertical integration, it is proposed that the ISO will make or oversee sensitive decisions regarding access and connection standards. It will also likely administer the queue for network access.

Question 33: What level of benefit sharing detail do you expect in an EOI (refer criterion 2 as explained)?

Most people would understand that Traditional Owner groups, not just in the Pilbara, have becoming increasingly engaged in the clean energy transition.

We have heard directly from Traditional Owners across the Pilbara that they see this as a real opportunity to participate within the clean energy transition. Participation and partnership are key words that are often used and they are looking to move beyond business as usual in terms of normal Native Title determinations and in terms of access to country. Also with approvals, the ability to be able to work with proponents to support good outcomes, to support projects in order to ensure the footprint of those projects is in the right places, and satisfy objectives that we talked about in terms of minimising impact on Country and heritage.

Providing meaningful ways in which Traditional Owners can share in the economic benefits of this clean energy transition should absolutely be part of your focus in terms of how you seek to address that criterion.

End.

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