



Request for Expressions of Interest for Priority Projects

Public Information Session

Acknowledgement of Country

The Government of Western Australia acknowledges the traditional custodians throughout the Pilbara and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders both past and present.



Event brief

- Questions can be posted throughout the event and will be moderated by Energy Policy WA (EPWA).
- The event will be recorded and published on EPWA's website.
- EPWA will seek to answer as many questions as possible during event.
- If time prevents some questions from being answered, EPWA will endeavour to respond to these in writing and publish on its website.
- Questions requiring specific detail not readily available may be answered in a similar fashion to ensure appropriate consideration is provided.
- A representative from the Department of Finance will be observing the process from a probity perspective.

All material in this deck and the accompanying Q&A session is presented as part of the EOI process described in the Pilbara Energy Transition Request for Expressions of Interest for Priority Projects Application Guidelines (Guidelines) and is not for reliance. Clause 10.9 of the Guidelines applies.



● Presentation Agenda

- 01** Pilbara Energy Transition Plan
- 02** Priority Corridors
- 03** Request for Expressions of Interest
- 04** Regulatory Evolution
- 05** Corridor Rights and Land Tenure



- **Pilbara Energy Transition Plan**

Current Pilbara Electricity System

- The North-West Interconnected System (NWIS) is a loosely interconnected electricity network accounting for around 20 per cent of electricity consumption in the Pilbara.
- Unlike in the South-West, there are different transmission owners:
 - Horizon Power – third party access
 - APA – third party access
 - Rio Tinto – no third-party access
- The remaining 80 per cent of the Pilbara region electricity consumption comes from:
 - islanded facilities; and
 - isolated private networks.
- Renewables comprise around 2 per cent of the generation mix in the Pilbara, with the remainder almost exclusively gas.



● A clean energy transition is needed

- EPWA seeks to facilitate the creation of an expanded common use transmission network in the Pilbara to:
 - accelerate decarbonisation through greater access to renewable resources;
 - support the creation of new industries requiring renewable energy;
 - limit impact on country and environment by avoiding duplication; and
 - Ensure Traditional Owners are engaged and have the opportunity to share in the economic benefits of the clean energy transition
- One of the primary mechanisms to achieve the above is the Pilbara Priority Project program, which consists of:
 - the identification of priority transmission corridors; and
 - undertaking an Expression of Interest process to seek preferred private developers.
- The EOI process sits within the broader Pilbara Energy Transition workplan.
- The key forum to discuss the plan is the Pilbara Roundtable.



● Key moments to this point

- Through Pilbara Industry Roundtable in 2022-2023, industry agreed to:
 - important role of new common-use transmission infrastructure;
 - the essential need for Aboriginal participation not reaction;
 - regulatory evolution pathway;
 - access to land and approvals is key pain point.
- Australian Government agreed to:
 - \$3 billion of concessional finance for WA through Rewiring the Nation, administered by the Clean Energy Finance Corporation.
 - “stapled” to State driven priorities.
- State Government agreed to:
 - the Pilbara Energy Transition Plan and associated funding package.
- In 2024, new Pilbara Roundtable series was launched with brings Traditional Owners and industry together.

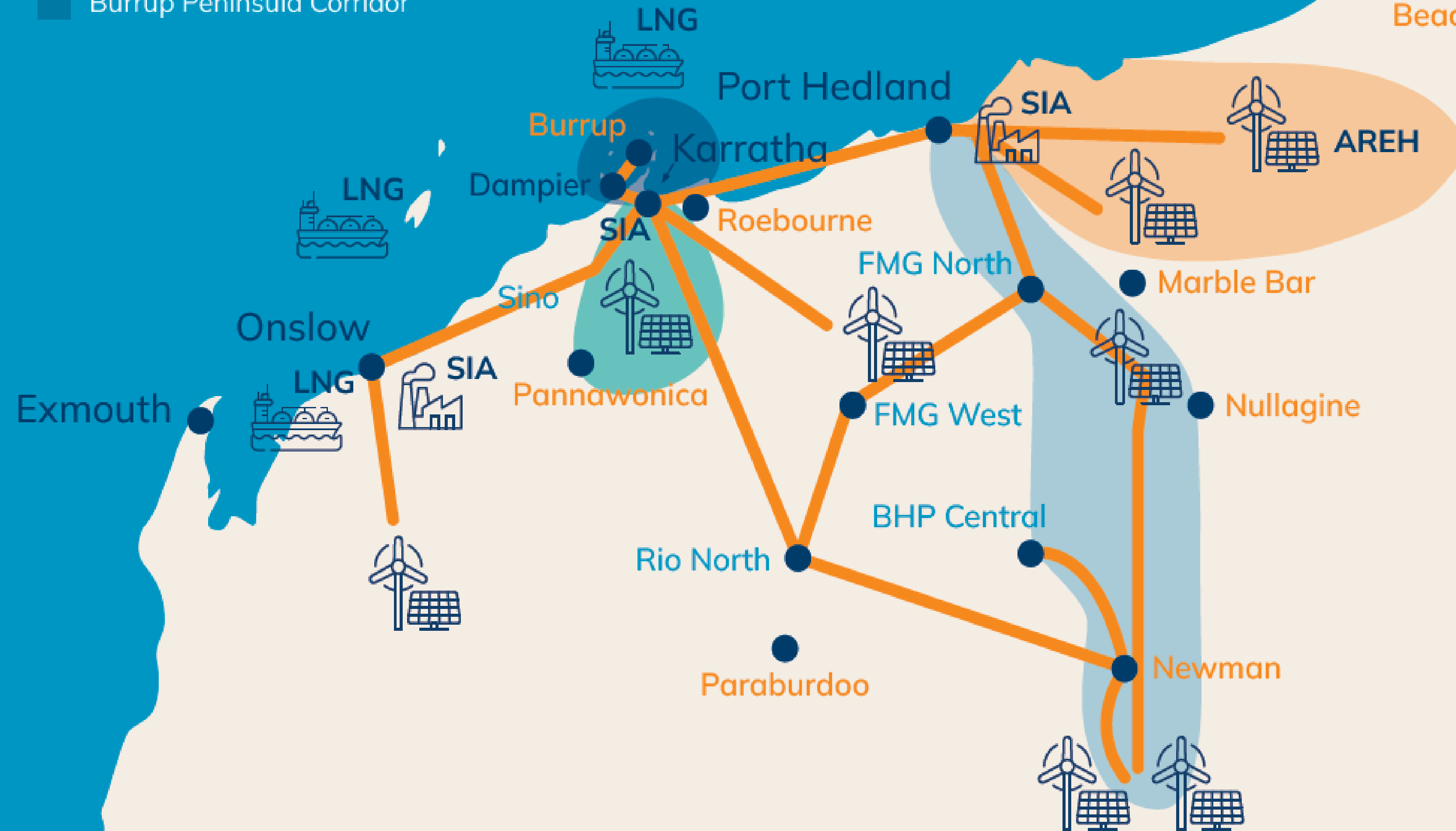




Priority Corridors

Pilbara Energy Transition network modelling

- Hamersley Range Corridor
- Great Sandy Desert Corridor
- Chichester Range Corridor
- Burrup Peninsula Corridor



Modelled lines and hubs indicative only

Burrup (Murujuga) Corridor

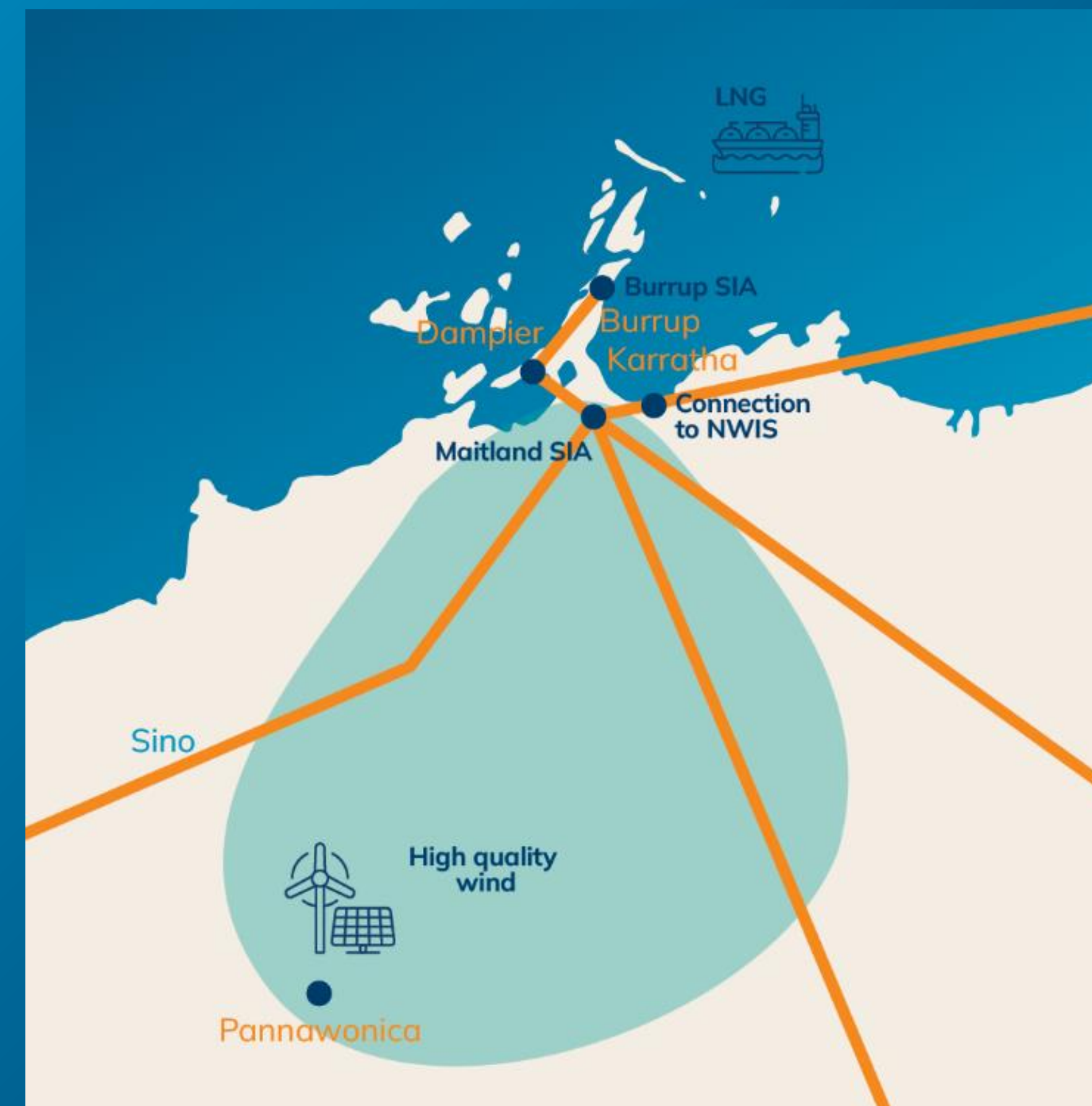
Linking Maitland, Karratha and Murujuga

- Facilitates decarbonisation of fertiliser and LNG plants on Burrup SIA, activation of Maitland SIA, and provides greater access to renewable energy across population centres on the coastal network.
- Original planning, led by Horizon Power, included a 132 kV solution to facilitate delivery of 50 MW solar farm to Pluto LNG Plant.
- The WA Government responded to Traditional Owner concerns by planning for increased capacity to limit future duplication.
- Early works (design, approvals and offtake discussions) being progressed by State in partnership with Traditional owners, with view that private sector will develop project.



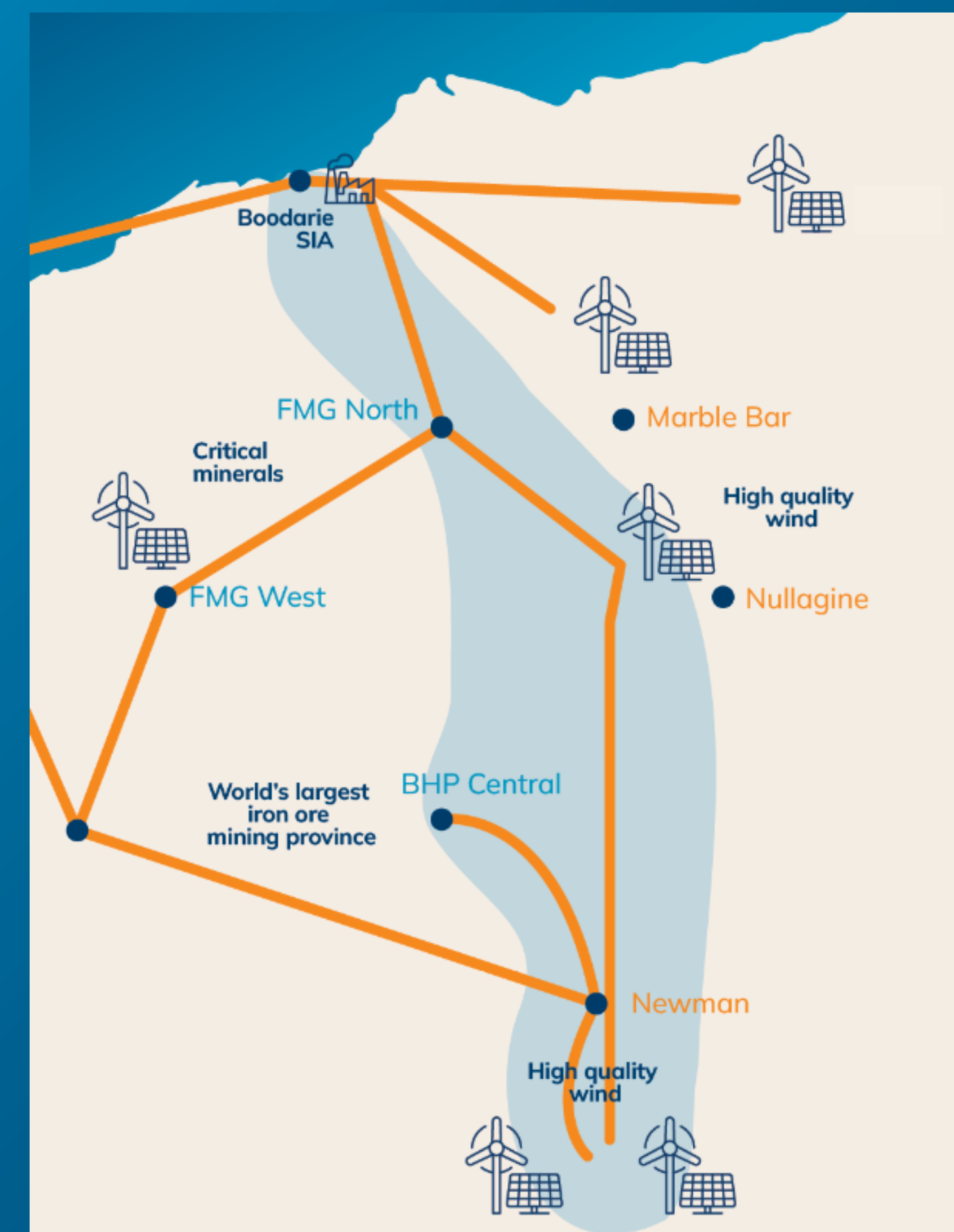
Chichester Range Corridor

- Connect Maitland SIA with high-quality wind zone approximately 50 to 100 kilometres further south, proximate to Chichester Range.
- Activation of high-quality wind areas at the end of the corridor will be a valuable source of geographic diversity where most wind areas are located east and south of main demand centres.



Hamersley Range Corridor

- Connect Boodarie SIA and Port Hedland with eastern edge of the Hamersley Range.
- Will be integral part of future interconnected Pilbara network with a great diversity of electricity consumers and high-quality wind generation.
- Some of the best quality wind resources in the Pilbara are located east and south of this proposed line.
- The four largest iron ore miners by volume in WA are located in close proximity, along with significant lithium mines, the world's largest bulk export port and Boodarie SIA.



Great Sandy Desert Corridor

- Link Port Hedland with the western end of the Great Sandy Desert.
- Link Boodarie SIA with the vast renewable resources that generators are looking to develop to the east.
- Combined with Hamersley Corridor, will offer substantial renewable generation options to ensure competitive supply of green electricity to the eastern Pilbara.

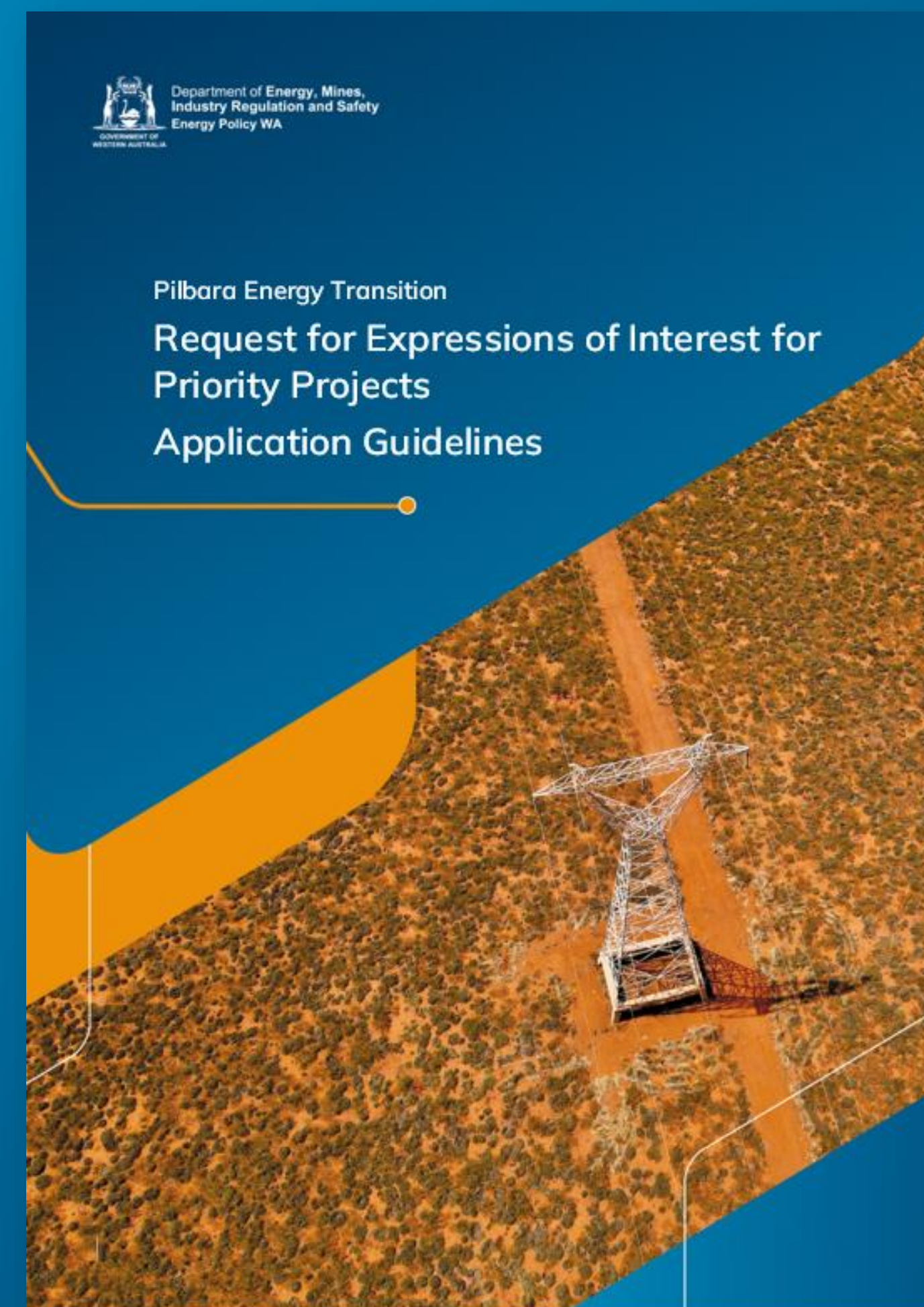




EOI Process

Request for Expressions of Interest

- EOI process launched at the Pilbara Roundtable meeting in Port Hedland on 13 September 2024.
- EOI package includes:
 - Application Form;
 - Process Deed Poll; and
 - Application Guidelines.
- Proponents who are awarded Priority Project status are on a pathway to:
 - negotiating agreements (initially Corridor Development Agreement) with a State entity; and
 - receiving a WA Government recommendation to the Clean Energy Finance Corporation for the project to be considered for Rewiring the Nation concessional finance.



Eligibility criteria

- The project seeks to provide transmission infrastructure to service a priority corridor.
- There is evidence from a suitably authorised person(s) from within the proponent's organisation that the project is supported.
- The proponent has executed and submitted the Process Deed Poll.



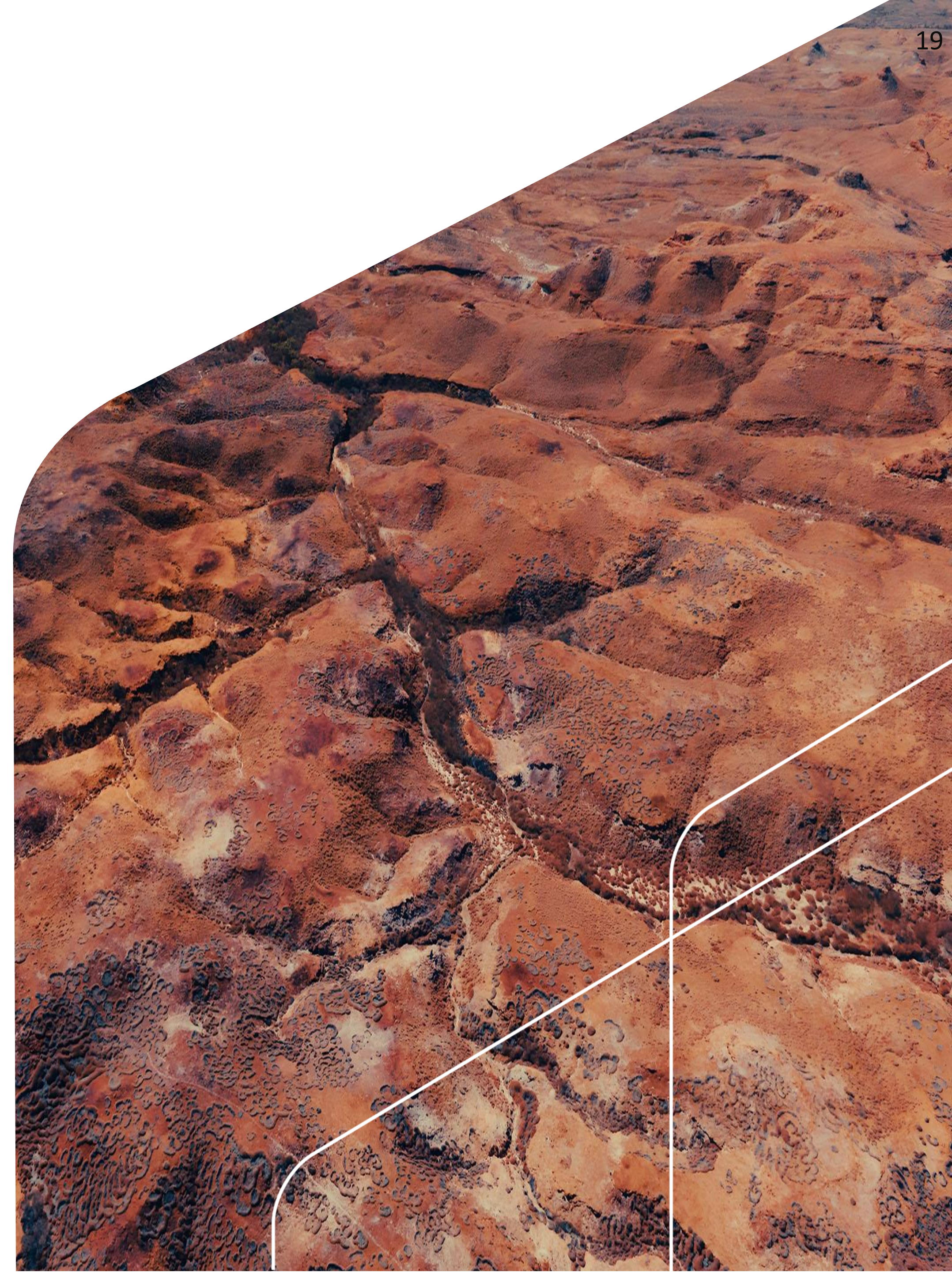
● Assessment of applications

- Applications must address all the assessment criteria in section 5.2 of the Application Guidelines.
- No formal weighting of the criteria.
- Amount of detail and supporting evidence provided should be relative to the size, complexity, stage of development and risk of the project.
- Examples of documentary evidence to support meeting Priority Project assessment criteria have been provided for each criterion.
- Additional information will be made available on request:
 - 2023 EPWA Pilbara electricity modelling; and/or
 - Burrup (Murujuga) project.
- Submissions should be based on there being no express or implied commitment from the State or the RTN program to fund or finance projects and that other regulatory approvals and tenure requirements remain applicable and must be complied with.



Assessment criteria

1. Supports Pilbara decarbonisation
2. Positive outcomes for Traditional Owners
3. Positive outcomes for the community
4. Provides common-use infrastructure
5. Project viability and timeliness



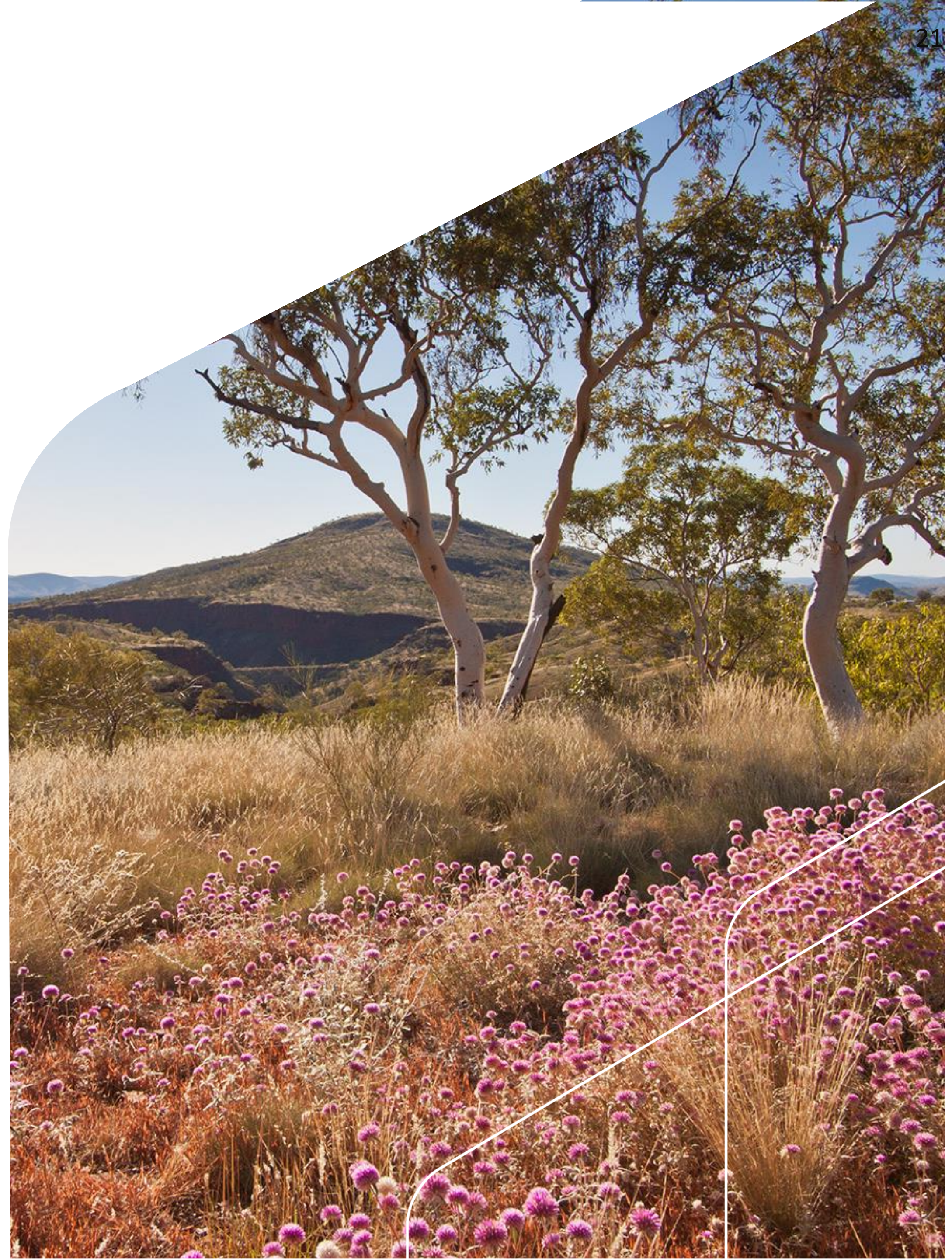
● Criterion 1 Supports Pilbara decarbonisation

- A. Project is of appropriate size and scale, with additional capacity built-in, and scope for further augmentation, to offer a level of future proofing against expected growth in renewable generation projects and renewable energy demand in the Pilbara.
- B. Proposed project route supports accelerated decarbonisation in the Pilbara through efficient linking of renewable generation sources to renewable energy demand.
- C. Project can accommodate interconnection with other existing and proposed transmission infrastructure.



● Criterion 2 Positive outcomes for Traditional Owners

- D. Proponent commits to ongoing engagement with Traditional Owners directly impacted by the project.
- E. Proponent commits to working with directly impacted Traditional Owner groups to establish meaningful benefit from the project.
- F. Project is, or will be, designed to minimise disturbance to country.



● Criterion 3 Positive outcomes for the community

- G. Proponent demonstrates engagement with, or commits to engage with, local communities, including plans to mitigate impacts.
- H. Project supports, or will support, employment opportunities for the local community.



● Criterion 4 Provides common-use infrastructure

- I. Proponent commits to regulation under the Pilbara Networks Access Code to allow third party access.
- J. If proponent is or will be vertically integrated, adequate measures are or will be in place to mitigate the associated risk of conflicts of interest, discrimination or leakage of confidential information (refer to Appendix A.1.5 (d) of Guidelines).
- K. Proposed revenue and tariff model is consistent with the principles set out in these guidelines (refer examples of evidentiary documentation for this criterion).
- L. Commitment to the CorridorCo model as described in Appendix A.2 of Guidelines, and to negotiating with a view to concluding a Corridor Development Agreement.



● Criterion 5 Project Viability and Timeliness

- M. Key project delivery timeframes and approval milestones are established.
- N. Proponent possesses the requisite capacity and experience to successfully deliver the project as proposed.

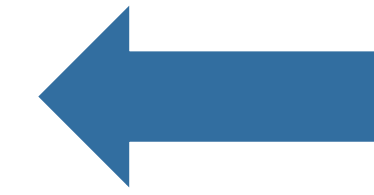


● The Selection Process

- Applications initially assessed against eligibility criteria.
- Each eligible application assessed in terms of:
 - how well it meets the assessment criteria;
 - if applicable, how it compares to other applications; and
 - any other relevant information contained in the application.
- Applications will be assessed by a panel of senior public servants, with access to external subject matter expertise.
- The assessment panel will provide recommendations to the WA Government, as the decision maker, as to which projects should be awarded Priority Project status.

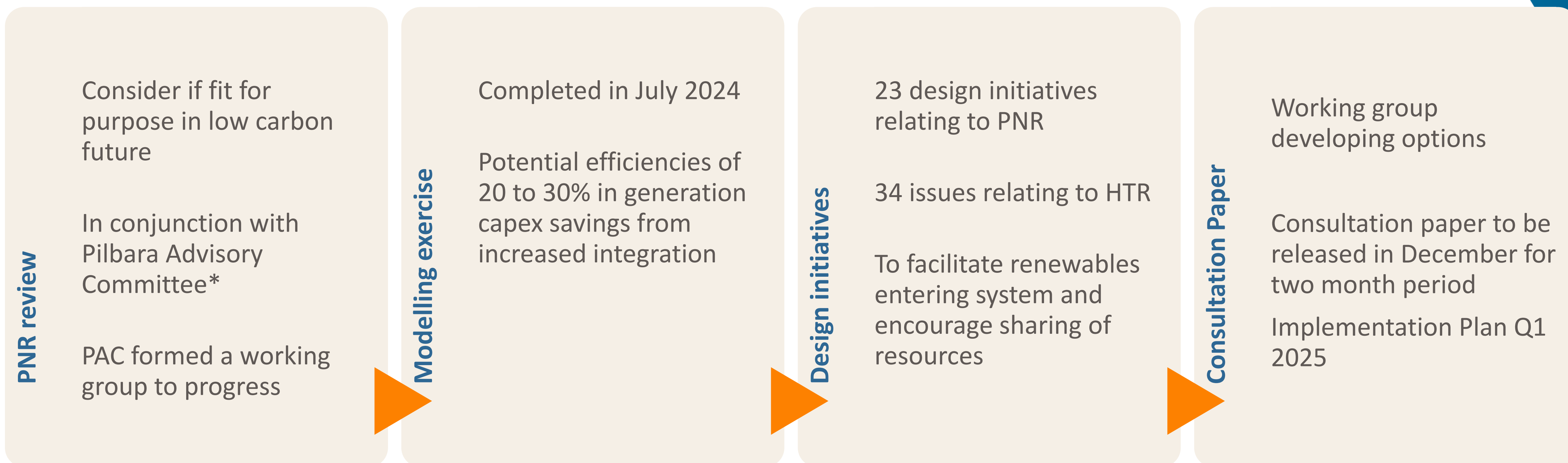


The Process



- **Regulatory Evolution (Appendix A.1)**
 - **Pilbara Networks Rules (PNR)**
 - **Pilbara Network Access Code (PNAC)**

PNR evolution



* A committee of industry and consumer representatives convened under the PNR to provide advice in relation to Rule Change Proposals, Procedure Change Proposals and the evolution of the PNR.

PNAC evolution

Third party access/
coverage

Constrained or
unconstrained access

How access contracts are
formed and managed

How access prices will be
regulated

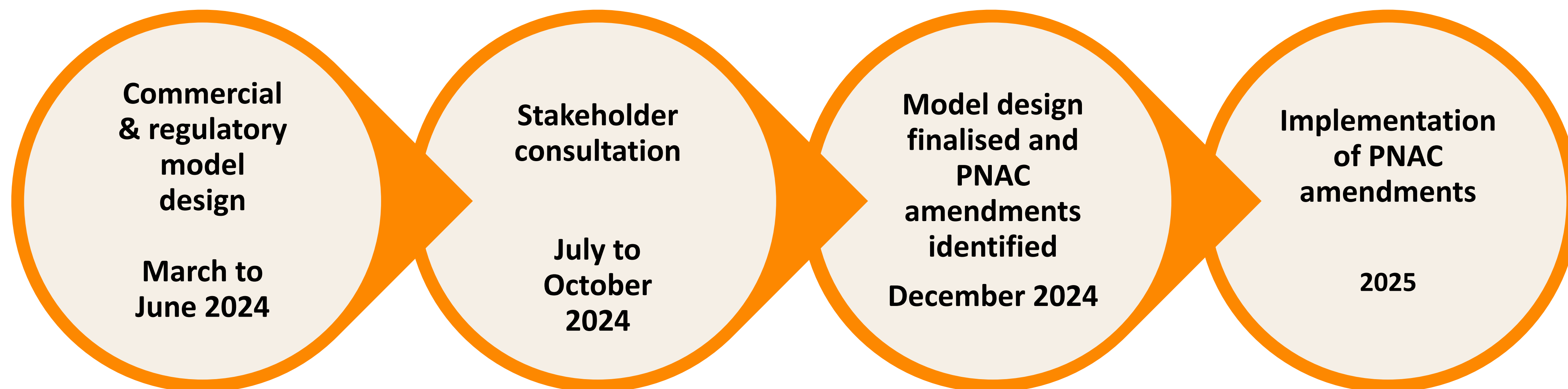
Wheeling energy across
multiple networks

Risk mitigation for early
projects

Managing vertical
integration

Volume risk of additional
capacity

PNAC evolution timeline



**Commercial
& regulatory
model
design**

**March to
June 2024**

**Stakeholder
consultation**

**July to
October
2024**


**Model design
finalised and
PNAC
amendments
identified
December 2024**

**Implementation
of PNAC
amendments**


2025

Through Industry Liaison
Committee and via
one-on-one targeted
stakeholder meetings

Including public
consultation process as
required by *Electricity
Industry Act 2004*



Corridor Rights and Land Tenure (Appendix A.2)



Background

- Infrastructure corridors in the Pilbara are strategically important.
- Tenure (or rights) for transmission corridors is to be secured and held by a State entity, currently known as CorridorCo.

Ensure objectives regarding Traditional Owner participation are met

Ensure proponent delivers on commitments in respect of State objectives

Where possible, retain the ability to host non-conflicting activities within the corridor



● Agreements underpin CorridorCo

Corridor Development Agreement (A.2.5)

- Govern the development phase of the project
- Terms to be negotiated, but expected to address:
 - Preliminary transmission route – including proposed pathways to augmentation
 - Preliminary infrastructure design and costing
 - Project commitments and timeline including securing off-takers and finance
 - Pathway and terms to secure or vest tenure to CorridorCo
 - Commitments to opt into regulation under Pilbara Networks Access Code and to comply with evolving PNAC and Pilbara Networks Rules
 - Commitments in respect to Traditional Owner engagement and participation
 - Proposed revenue and tariff model for third party access

All agreements are between the State (through CorridorCo) and successful proponent

Existing projects are expected to transfer tenure rights to CorridorCo

Corridor Tenure Agreement (A.2.6)

- Principal instrument for each transmission project
- Grant adequate rights for transmission infrastructure in the relevant corridor
- Terms to be negotiated, but expected to address:
 - All elements within Corridor Development Agreement, now at finalised stages
 - Commitment to permit connection and interconnection and undertake augmentation as required by access seekers as per Pilbara Networks Access Code
 - Indemnity of CorridorCo to project risk
 - Details of how tenure duration aligns with cost recovery timetable in revenue and tariff model
 - Decommissioning obligations

● Tenure options

- The nature of tenure across the Pilbara is such that different tenure solutions may be required in different locations.
- May prove necessary for a project to commence development under one form of tenure, then transition to another more enduring form.
- All tenure options are being explored by EPWA and the Department of Planning, Lands and Heritage and tenure pathways will be negotiated with successful proponents.





Question Session



Thank you

