The NSW Renewable Energy Sector Board's Process to Increase LCR

Introduction

The NSW <u>Electricity Infrastructure Roadmap</u> (the Roadmap) is a plan to transform our electricity system into one that is affordable, clean and reliable for everyone. It will transition the electricity network to one that will keep the lights on and our bills more affordable for years to come.

To realise these opportunities, the Government established the <u>NSW Renewable Energy</u> <u>Sector Board</u> (the Board) to make sure local workers, communities, and industries share in the economic benefits of the transition to a more affordable, clean and reliable electricity system.

Investments in developing local supply chains to support delivery of the energy transition are hindered by a causality dilemma, whereby:

- without a clear signal to invest, local supply chains will not develop and expand; and
- without a clear incentive to change, renewable energy developers will continue using their existing supply chains.

The Board's proposed approach to address this problem is to increase local content requirements (LCR) in Roadmap projects over time, as recommended in our <u>Plan</u>. This will provide greater certainty to local suppliers of future demand, enabling them to invest in new or expanded local facilities.

The process to increase LCR

The process assesses whether proposals to increase LCR lodged by potential suppliers are cost-effective, protect the financial interests of electricity customers and are consistent with Australia's international trade obligations.

The process will comprise two stages as follows:

- *Stage 1: Preliminary assessment.* The first stage allows proponents to submit a short, high-level proposal outlining key elements of their project (for investment in new or expanded manufacturing facilities) for consideration by the Board.
- *Stage 2: Detailed assessment.* The second stage requires a thorough, detailed project proposal that clearly outlines how the project addresses all assessment criteria.

Instructions for applicants

Before completing this application form, you should have read the NSW Renewable Energy Sector Board's <u>Plan</u> and <u>Process to Increase Local Content Requirements</u>.

Instructions to prepare your application and fill in this form can be found in the <u>Submission</u> <u>Guidelines</u>.

While filling in this form, save your work regularly to prevent loss of data.

Incomplete applications and/or applications received after the closing date will not be considered.

Application Number

This field is read only. The identification number or code for this submission.

Disclaimer

The Applicant acknowledges and agrees that:

- submission of this application does not guarantee that an increase in local content requirement will be granted, and the Department expressly reserves its right to accept or reject this application at its discretion;
- it must bear the costs of preparing and submitting this application and the Department does not accept any liability for such costs, whether or not this application is ultimately accepted or rejected; and
- it has read the Submission Guidelines for the Process and has fully informed itself of the relevant program requirements.

Use of information

By submitting this application form, the Applicant acknowledges and agrees that:

- if this project application is successful, the relevant details of the project will be made public, including details such as the names of the organisation (Applicant) and any partnering organisation (state government agency or non-government organisation), project title, project description, location, anticipated time for completion and amount awarded;
- the Department will use reasonable endeavours to ensure that any information received in or in respect of this application which is clearly marked or is treated as confidential, however, such documents will remain subject to the Government Information (Public Access) Act 2009 (NSW) (GIPA Act); and
- in some circumstances the Department may release information contained in this application form and other relevant information in relation to this application in response to a request lodged under the GIPA Act or otherwise as required or permitted by law.

Privacy note

By submitting this Application form, the Applicant acknowledges and agrees that:

- the Department is required to comply with the Privacy and Personal Information Protection Act 1998 (NSW) (the Privacy Act) and that any personal information (as defined by the Privacy Act) collected by the Department in relation to the program will be handled in accordance with the Privacy Act and its privacy policy (available at: https://www.dpc.nsw.gov.au/privacy);
- the information it provides to the Department in connection with this application will be collected and stored on a database and will only be used for the purposes for which it was collected (including, where necessary, being disclosed to other Government agencies in connection with the assessment of the merits of an application) or as otherwise permitted by the Privacy Act;
- it has taken steps to ensure that any person whose personal information (as defined by the Privacy Act) is included in this application has consented to the fact that the Department and other Government agencies may be supplied with that personal information, and has been made aware of the purposes for which it has been collected and may be used.

Proponent details

* indicates a required field

Applicant * Title First Name Last Name

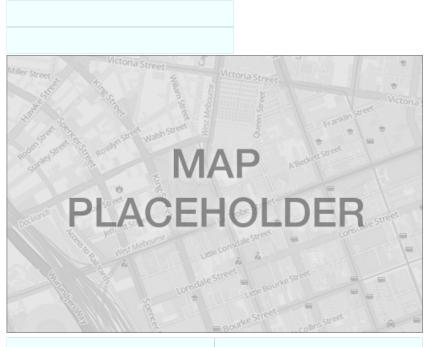
Organisation *

Organisation Name

Applicant's Position in Organisation *

Organisation Primary Address *

Address



Address Line 1, Suburb/Town, State/Province, Postcode, and Country are required.

Applicant Primary Phone Number *

Must be an Australian phone number.

Applicant Primary Email *

Must be an email address.

Organisation Primary Website

Must be a URL.

Organisation Postal Address Address

Activities

Please detail the primary activities of the applicant organisation *

Word count: Must be no more than 200 words.

Applicant ABN *

The ABN provided will be used to look up the following information. Click Lookup above to check that you have entered the ABN correctly.

Information from the Australian Bus	iness Register
ABN	
Entity name	
ABN status	
Entity type	
Goods & Services Tax (GST)	
DGR Endorsed	
ATO Charity Type	More information
ACNC Registration	
Tax Concessions	
Main business location	

Must be an ABN.

Partner or joint proponent (if applicable)

Partner

○ Individual ○ Organisation Organisation Name

Title	First Name	Last Name	

Partner ABN

The ABN provided will be used to look up the following information. Click Lookup above to check that you have entered the ABN correctly.

Information from the Australian Bus	iness Register
ABN	
Entity name	
ABN status	
Entity type	
Goods & Services Tax (GST)	
DGR Endorsed	
ATO Charity Type	More information
ACNC Registration	
Tax Concessions	
Main business location	
Must be an ABN.	

Partner Position

Partner Primary Address

Address

Partner Primary Phone Number

Must be an Australian phone number.

Partner Primary Email

Must be an email address.

Partner Primary Website

Must be a URL.

Proposal details

* indicates a required field

Proposal submission date *

Must be a date.

Proposal title *

Word count: Must be no more than 25 words.

Local content requirement

To answer this section on local content requirements, please refer to the figures in Table 2 (page 11) of the NSW Renewable Energy Sector Board's <u>Plan</u>

Select the product manufacturing category(ies) this proposal applies to: *

- \Box Wind
- □ Solar
- □ Pumped hydro
- □ Battery storage
- □ Network projects

Select the theme / criterion this proposal applies to: *

- □ Supply chain inputs / development phase
- □ Supply chain inputs / operational and maintenance phase
- □ Supply chain inputs / steel products and components using locally milled steel
- □ Employment skills and knowledge transfer / learning workers
- □ Employment skills and knowledge transfer / apprentices
- □ First Nations participation / First Nations participation
- □ Fair and ethical practice / employment of underrepresented groups

What is the proposed new local content requirement (in %)? *

Must be a number and between 0 and 100.

Stretch goal (if applicable)

To answer this section on stretch goals, please refer to the figures in Table 2 (page 11) of the NSW Renewable Energy Sector Board's <u>Plan</u>

Select the product manufacturing category(ies) this proposal applies to:

- \Box Wind
- □ Solar
- □ Pumped hydro
- □ Battery storage
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Select the theme / criteria this proposal applies to:

- □ Supply chain inputs / development phase
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- □ Supply chain inputs / steel products and components using locally milled steel
- □ Employment skills and knowledge transfer / learning workers
- Employment skills and knowledge transfer / apprentices
- □ First Nations participation / First Nations participation
- □ Fair and ethical practice / employment of underrepresented groups

What is the proposed new stretch goal (in %)?

Must be a number and between 0 and 100.

Executive summary

Please provide a high-level overview highlighting key features of the proposal *

Word count: Must be no more than 300 words.

1. Strategic alignment

1.1 Alignment with the opportunities identified by the Board, delivery of jobs and broader benefits to New South Wales

Description of the product(s) to be manufactured locally aligns with key opportunities identified in the Board's plan (page 7 and table 6) *

Word count: Must be no more than 200 words.

Location of manufacture suitable to supply the REZs *

Word count: Must be no more than 50 words.

1.2 Reduction in supply chain risk for the delivery of the Roadmap

The potential to supply critical products or components needed for the NSW renewable energy transition, which an increase in minimum local content requirements would enable (how the increase in local content can address an existing or forecast supply shortage within NSW, with the potential to achieve scale at speed, and create export opportunities for the sector) *

Word count: Must be no more than 200 words.

1.3 Number and nature of jobs created

Not applicable to a Stage 1 proposal

1.4 Total project contract value (the total investment by the proponent to establish or scale up production) is equal to or than greater the threshold nominated for projects

Total project contract value is equal to or greater than \$1,000,000 for Regional and \$3,000,000 for Metropolitan areas (Regional includes all areas within NSW outside the Newcastle, Sydney and Wollongong metropolitan areas) (RESB Plan 2022, section 1.1) *

Must be a dollar amount.

2. Deliverability and technical feasibility

2.1 Demonstration of technical capability and capacity to deliver

Experience and expertise (organisational and key personnel) delivering and operating manufacturing facilities of similar scope and outcomes to the proposed project (including track record to time and budget) *

Word count: Must be no more than 200 words.

Experience, expertise and proposed role of any joint applicants that will be collaborating on the project for both delivery and/or operations (if applicable)

Word count:

Resources for the project including personnel, physical resources (material and equipment) and facilities employed in the delivery of the component or service *

Word count: Must be no more than 200 words.

2.2 Plan to establish or scale up local production

Not applicable to a Stage 1 proposal

2.3 Risk management plan for addressing deliverability and technical risks associated with local manufacture

Not applicable to a Stage 1 proposal

2.4 Where relevant, the producer's track record of adherence to regulatory and industry standards

Not applicable to a Stage 1 proposal

3. Financial and commercial feasibility

3.1 Demonstration of financial capability and capacity to deliver

Financial statements for the last 3 years, or statement of financial soundness from bank manager (if new enterprise without track record) * Attach a file:

3.2 Barriers to local manufacture, what is required to address those barriers

Potential barriers to market entry as identified in the Board's plan (page 7 and Table 7) *

Word count: Must be no more than 200 words.

What is required to address those barriers *

Word count: Must be no more than 200 words.

3.3 Supply chain feasibility assessment for renewable energy project developers to source the product locally

Supply chain feasibility considering need to finish production offshore and still contract the local content. *

Word count: Must be no more than 200 words.

3.4 Evidence-based projection of market demand for product, and expected supply of product by proponent

Not applicable to a Stage 1 proposal

3.5 Risk management plan for addressing financial risks associated with local manufacture

Not applicable to a Stage 1 proposal

4. Value for money and impact on NSW electricity customers

4.1 Indicative increase in local content requirement that would be enabled

Preliminary estimate of the proposed increase in minimum requirements or stretch goal(s) for theme(s) and applicable asset lifecycle phase(s) per Table 2 of the Board's plan *

Word count: Must be no more than 200 words.

Indicative assessment of the proportion of the renewable energy project cost (capital cost and total project cost) accounted for by the product or component *

Word count: Must be no more than 200 words.

Indicative assessment of current sourcing arrangements, and how these would change should the minimum local content requirements be increased *

Word count: Must be no more than 200 words.

4.2 Expected increase in local content requirements that would be enabled

Not applicable to a Stage 1 proposal

4.3 Evidence on the cost differential between locally manufactured and imported product, and expected impact on retail electricity prices

Not applicable to a Stage 1 proposal

4.4 Cost-benefit analysis in line with NSW Treasury guidelines

Not applicable to a Stage 1 proposal

5. Consistency with trade obligations

5.1 Confirmation that the product or component will be manufactured in Australia or New Zealand, by an SME or a First Nations business

Local manufacture in Australia and New Zealand *

Word count: Must be no more than 50 words.

Proponent is an Australia or New Zealand based enterprise with fewer than 200 full-time equivalent (FTE) employees; or is a First Nations business (an Australia based enterprise that is at least 50% owned by Indigenous Australians) *

Word count: Must be no more than 200 words.

Ownership structure to confirm SME status or classification as an SME by NSW Procurement *

Word count: Must be no more than 200 words.

Appendix 1: Supporting documentation

Please upload any additional documentation that may help the NSW Renewable Energy Sector Board assess your proposal

Attach a file:

Declaration

* indicates a required field

Renewable Energy Sector Board

Subject: Declaration Letter

Dear members of the Board,

I affirm that all information provided in this form is complete, accurate and true to the best of my knowledge.

I understand that any false declaration may render this Application ineligible/invalid.

Should you require any further clarification or information regarding this matter, please do not hesitate to contact me using the contact details provided.

l agree *

⊖ Yes

Name of authorised person *

Title	First Name	Last Name				
	Authorised person position *					
Author	ised person po	SITION *				

Authorised person phone number *

Must be an Australian phone number.

Applicant Executive Contact Primary Email *

Must be an email address.