RESB LCR - Stage 2 Application Form

Form Preview

About the Process to Increase LCR

Introduction

The NSW Electricity Infrastructure Roadmap (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 NSW Renewable Energy Sector Board (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 Plan. 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 Plan and Process to Increase Local Content Requirements.

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

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 - Stage 2

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

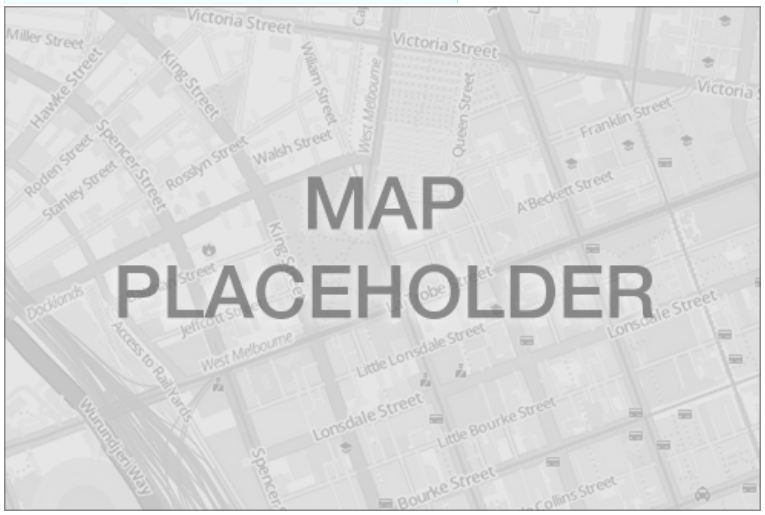
Organisation *

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:
Aim for approximately 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 Business 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 Business 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.

Application Number - Stage 2

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

Application Number of the Corresponding Stage 1 Proposal *

Word count:
Must be no more than 12 characters.
Please insert the application number of the original Stage 1 proposal, if applicable

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 Plan

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

Select the product manufacturing category(ies) this proposal applies to:
- ☐ Wind
- ☐ Solar
- ☐ Pumped hydro
- ☐ Battery storage
- ☐ Network projects

Select the theme / criteria this proposal applies to:
- ☐ Supply chain inputs / development phase
- ☐ Supply chain inputs / operation 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 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:
Aim for approximately 200 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:
Aim for approximately 200 words

Location of manufacture suitable to supply the REZs *

Word count:
Aim for approximately 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:
Aim for approximately 200 words

1.3 Number and nature of jobs created

Number of additional new direct full time equivalent (FTE) jobs to be created with a breakdown of skilled trades and management roles over each phase of the asset lifecycle (development, operations and maintenance, and production) *

Word count:
Aim for approximately 100 words

Employment opportunities for under-represented groups including First Nations people and women

Word count:
Aim for approximately 100 words

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:
Aim for approximately 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:
Aim for approximately 200 words

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

Word count:
Aim for approximately 200 words

2.2 Plan to establish or scale up local production

Detailed plan (technical feasibility) to establish or upgrade the manufacturing facility including timeframes for key project activities, milestones and deliverables (to scale up specific site operations considering people, process, systems and supply chain) *

Word count:
Aim for approximately 300 words

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

Description of deliverability and technical risks that the project faces and their mitigation strategies *

Word count:
Aim for approximately 200 words

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

Statement on track record of adherence to regulatory and industry standards (with certificates if available) on environmental, social and governance (ESG) issues such as damage to Aboriginal cultural and heritage sites, worker entitlements, work, health and safety (WH&S), quality and other relevant standards *

Word count:
Aim for approximately 200 words

Certification of people, equipment and facilities to relevant industry standards (optional)

Word count:
Aim for approximately 200 words

3. Financial and commercial feasibility

3.1 Demonstration of financial capability and capacity to deliver

Not applicable to a Stage 2 proposal

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:
Aim for approximately 300 words

What is required to address those barriers *

Word count:
Aim for approximately 300 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:
Aim for approximately 300 words

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

Expected market demand for product (based on applicable scenario from AEMO's Integrated System Plan and Infrastructure Investment Objectives Report) *

Word count:
Aim for approximately 300 words

Expected capacity to supply product (considering facility utilisation over time to demonstrate minimum viable scale for investment) *

Word count:
Aim for approximately 300 words

Business plan (budget, procurement and contractual considerations) for financial and commercial sustainability throughout the Roadmap delivery cycle (e.g. supply other jurisdictions or alternative products/components in years when NSW demand for renewable energy products is low and after completion of the REZs) *

Word count:
Aim for approximately 400 words

If available, letters of support from developers to purchase product if locally manufactured
Attach a file:

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

Description of financial risks that the project faces and their mitigation strategies *

Word count:
Aim for approximately 400 words

4. Value for money and impact on NSW electricity customers

4.1 Indicative increase in local content requirement that would be enabled

Not applicable to a Stage 2 proposal

4.2 Expected increase in local content requirements that would be enabled

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

Word count:
Aim for approximately 100 words

Detailed 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:
Aim for approximately 200 words

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

Word count:
Aim for approximately 300 words

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

Detailed cost calculations, comparing product costs to imports, including costs for the product and transport, and any other relevant cost items (cost calculations should be presented with and without upfront capital investment if proponent is considering or has applied for Government funding) *

Word count:
Aim for approximately 400 words

Estimated impact of an increase in local content requirements on the retail bills of NSW electricity customers based on comparison with the current electricity customer survey *

Word count:
Aim for approximately 300 words

4.4 Cost-benefit analysis in line with NSW Treasury guidelines

Identification of costs and benefits items aligned with guidance in Appendix 1 *

Word count:
Aim for approximately 300 words

Qualitative cost-benefit analysis of the project to increase LCR relative to making no change (base case) *

Word count:
Aim for approximately 300 words

Quantitative cost-benefit analysis of the project to increase LCR relative to making no change (base case) including sensitivity testing of key variables *

Word count:
Aim for approximately 300 words

Results including table of net present value (NPV) and benefit-to-cost ratio (BCR) and rationale for proceeding with the project *

Word count:
Aim for approximately 300 words

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

Not applicable to a Stage 2 proposal

Appendix 1: Cost-benefit analysis and retail impact modelling

* indicates a required field

Use this page to input the values that will be used to compute the cost-benefit analysis and estimate the impact of the increased LCR on retail electricity pricing

Cost-benefit analysis inputs

A1 - CBA benefits

A1.1 - Labour surplus

Number of FTE jobs (direct and indirect) per year created by the project

Must be a number.

A1.2 - Producer surplus

Expected earnings (EBITDA) per year of the project when in operations phase *

Must be a dollar amount.

A1.3 - Emissions abatement

If the locally produced component/service is demonstrably produced at a lower carbon emissions intensity than the equivalent product sourced from abroad, provide the emissions quantity differential (in kg of carbon per 1,000 units produced)

Must be a number.

How many units are expected to be produced per year during the project's operations *

Must be a number.

A1.4 - Improved supply chain resilience

The proponent’s estimate of how much of the supply chain for the renewable energy asset is to be localised (brought onshore) by adoption of the increased LCR (in %) *

Must be a number and between 0 and 100.

A2 - CBA costs

A2.1 - Incremental increase in cost of electricity production

The difference between the cost of producing the component or service locally and the cost (including transportation) of importing this component or service (in %)

Must be a number and between 0 and 100.

The difference between the cost of producing the component or service locally and the cost (including transportation) of importing this component or service (in $ per unit)

Must be a number.

A3 - Retail price impact modelling

A3.1 - Local production cost differential

Expected increase in costs due to the local production of a component (relative to an imported equivalent)

This item will be sourced from item A2.1 above

A3.2 - Local production level

Number or volume of components that the proponent expects to produce per year once the new capacity is established

This item will be sourced from item A1.3 above

A3.3 - Local production cost proportion

The proportion that the local component makes up of the total production cost of the renewable energy asset. How much of the total production cost of the renewable energy asset (e.g. a wind tower) does your component or material represent (in %)? *

Must be a number and between 0 and 100.

A3.4 - Location

If applicable, the specific Roadmap project(s) or REZ(s) in which the locally produced component will be used

Word count:
Must be no more than 100 words.

Appendix 2: Supporting documentation

Please add any 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.

I agree *
○ Yes

Name of authorised person *
Title First Name Last Name

Authorised person position *

Authorised person phone number *

Must be an Australian phone number.

Applicant Executive Contact Primary Email *

Must be an email address.