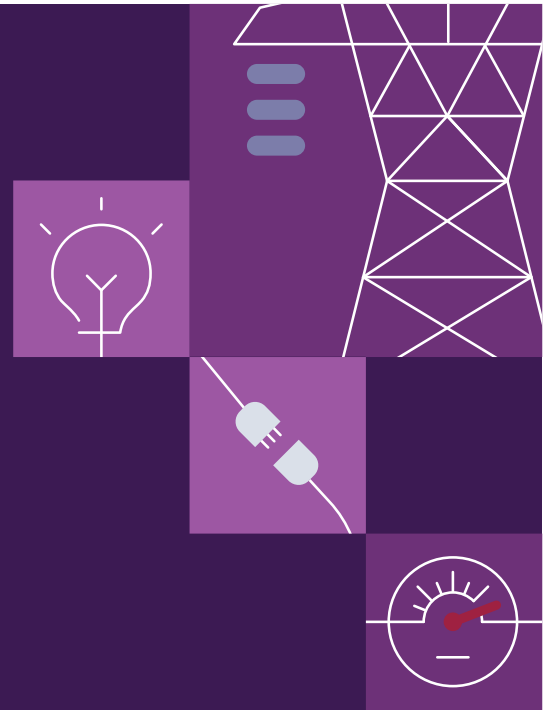




INVITATION TO TENDER



Supplementary Capacity

Tenders are invited by Australian Energy Market Operator Ltd (AEMO) for provision of Supplementary Capacity.

aemo.com.au

New South Wales | Queensland | South Australia | Victoria | Australian Capital Territory | Tasmania | Western Australia

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Section A: Introduction and ITT Terms

1. About AEMO

Australian Energy Market Operator Limited (**AEMO**) is the organisation responsible for operating eastern, south-eastern, and western energy markets and systems in accordance with the National Electricity Rules, Wholesale Electricity Market Rules, National Gas Rules, and Gas Services Information Rules. AEMO's functions include:

- market and system operator of the Wholesale Electricity Market (WA);
- market and system operator of the National Electricity Market;
- market and system operator of the Victorian Wholesale Gas Market;
- operator of the short-term trading market (wholesale) for gas hubs in Sydney, Adelaide and Brisbane, and operator of the Wallumbilla gas supply hub (wholesale);
- market operator of retail gas markets in New South Wales, Australian Capital Territory, Victoria, South Australia, Queensland and Western Australia;
- national transmission planning for electricity transmission networks.

With its broad national focus for the future, AEMO's objectives are to promote efficient investment in and operation of Australia's electricity and gas services for the long-term interests of consumers with respect to price, quality, safety, reliability and security of energy supply.

2. ITT

- 2.1. AEMO is issuing this Invitation to Tender (**ITT**) pursuant to clause 4.24.2(a) of the WEM Rules to persons who may be potential providers of Supplementary Capacity in the SWIS during the Hot Season (1 December to 1 April) of Capacity Year 2023/24.
- 2.2. Participation in the ITT Process (including submission of a Tender) is subject to Recipients' acceptance of and compliance with the ITT Terms.
- 2.3. Tenders responding to this ITT are due by the Closing Date.

3. Application of ITT Terms

- 3.1. All persons who obtain or receive this ITT (whether or not they submit a Tender) may only use and disclose it, and the information contained in it, in compliance with the ITT Terms.
- 3.2. All Recipients are deemed to accept the ITT Terms. The ITT Terms apply to:
 - (a) this ITT and any other information given, received, or made available in connection with this ITT;
 - (b) the ITT Process; and

- (c) any communications, including any presentations, meetings, or negotiations, relating to this ITT or the ITT Process (whether before or after the release of this ITT).
- 3.3. In addition to any other remedies available to it under law or contract, any failure to comply with the ITT Terms will, in the absolute discretion of AEMO, entitle AEMO to disqualify a Recipient from participation in the ITT Process.

4. Legal status

- 4.1. Neither this ITT, nor a Tender submitted by a Recipient, has any contractual, promissory, or restitutionary effect, and does not create any other rights, in relation to proceeding with the ITT Process or the acquisition of any Services. AEMO is not obliged to complete the ITT Process or to proceed with the acquisition of any Eligible Service. AEMO may change the ITT Process at any time by issuing an Addendum to Recipients.
- 4.2. This ITT is not an offer. It is an invitation for persons to submit a Tender only. This ITT must not be construed, interpreted, or relied upon, whether expressly or impliedly, as an offer capable of acceptance by any person.
- 4.3. AEMO and its Representatives will not be liable for any costs incurred by Recipients through considering this opportunity, submitting a Tender or otherwise participating in the ITT Process.

5. Evaluation criteria

The criteria AEMO will consider as part of evaluating Tenders for value are as set out in Section D (How We Evaluate Tenders), noting precedence does not imply a higher weighting.

6. Intellectual property in this ITT

Unless otherwise indicated in this ITT, AEMO owns the intellectual property rights as may exist in this ITT and any other documents provided to Recipients by or on behalf of AEMO in connection with the ITT Process. Recipients are permitted to use and copy this ITT for the sole purpose of preparing and submitting a Tender.

7. Others to be bound

A Recipient must ensure that each Representative to whom it discloses or supplies this ITT (including any other documents issued in relation to the ITT Process) agrees to be bound by the ITT Terms.

8. Continuing obligations

The obligations of a Recipient under these ITT Terms survive the termination or expiration of the ITT Process.

9. No warranty

Except to the extent required by law:

- 9.1. AEMO and its Representatives make no warranties or representations, express or implied, about the accuracy, adequacy, currency or completeness of this ITT or any other information provided or made available to Recipients, including (without limitation) as part of the ITT Process.
- 9.2. AEMO and its Representatives do not accept responsibility, and will not be liable in any way, for any loss or damage of whatever kind (whether foreseeable or not) however arising (including, without limitation, by reason of negligence or default), incurred by any person in connection with this ITT or any other information provided by AEMO in relation to the ITT Process or an Eligible Service.

10. Representations

No representation made by or on behalf of AEMO in relation to this ITT or its subject matter will be binding on AEMO unless that representation is expressly incorporated into any contract(s) ultimately entered into between AEMO and a Recipient.

11. Consents and approvals

Except as otherwise expressly provided in this ITT or under law, AEMO may conditionally or unconditionally, in its absolute discretion, give or withhold any consent, permission or approval referred to in this ITT.

Communications during the ITT Process

12. Requests for further information

- 12.1. If Recipients find any discrepancy, error, or have any doubt as to the meaning or completeness of this ITT or require clarification on any aspect of it, they should notify the AEMO Contact in writing, not less than 10 days before the Closing Date.
- 12.2. AEMO reserves the right not to respond to any question or request, irrespective of when it is received.
- 12.3. AEMO may (in its absolute discretion) decide to meet with individual Recipients to clarify aspects of this ITT provided that:
 - (a) meetings are requested at least 5 days before the Closing Date; and
 - (b) there can only be one meeting per Recipient.
- 12.4. AEMO may issue an Addendum to all Recipients (including after any meeting) clarifying the discrepancy, error, doubt, or query (as the case may be) and may, in its absolute discretion, extend the Closing Date.

- 12.5. No representation or explanation to Recipients as to the meaning of this ITT, or as to anything to be done or not to be done by the Recipient, will be taken to be included in this ITT unless it is contained in an Addendum.

13. Conflict of interest

- 13.1. A Recipient must not, and must ensure that its Representatives do not, place themselves in a position that may or does give rise to an actual, potential or perceived conflict of interest between AEMO and the Recipient's interests during the ITT Process. If an actual, potential, or perceived conflict of interest arises, then the Recipient must promptly notify AEMO and take any steps that AEMO reasonably requires to address the conflict of interest.
- 13.2. Without limiting the preceding paragraph, AEMO may, in its absolute discretion, decide not to evaluate (or continue to evaluate) a Tender if, AEMO believes that the Tender was prepared (in whole or in part) by a Representative of the Recipient where that Representative was:
- (a) a Representative of, or otherwise engaged by, AEMO at any time during the 12 months immediately preceding the date of issue of the ITT; and
 - (b) involved in the management of the ITT Process or preparation of the ITT at any time.
- 13.3. Before the Closing Date, a Recipient may request permission to have a Representative described above contribute to or participate in the ITT Process and/or preparation of the Recipient's Tender. Where a Recipient makes such a request, AEMO may, in its absolute discretion, at any time:
- (a) grant permission, whether with or without such conditions as AEMO thinks fit; or
 - (b) refuse permission.

14. Submitting a Tender

- 14.1. A Tender must meet the following requirements:
- (a) the Recipient accepts and agrees to comply with the ITT Terms;
 - (b) the form of Tender must follow the structure and include the information requirements in Appendix A;
 - (c) if the Recipient cannot provide any of the required information, the Recipient must state this in the Tender, with reasons;
 - (d) the person submitting the Tender must be authorised to do so on behalf of the Recipient;
 - (e) the Tender must be submitted electronically in MS Word or Adobe PDF format;
 - (f) the Tender and any additional supporting information that the Recipient considers is necessary for AEMO to understand the Tender must be submitted and lodged in electronic form via the VendorPanel tool by 5:00PM (AWST) on the Closing Date; and

- (g) Tenders sent by post or fax, or hard copy delivered to AEMO's office, will not be accepted.
- 14.2. No representation or explanation to Recipients as to the meaning of this ITT is taken to be included in this ITT unless it is contained in an Addendum.
- 14.3. AEMO may, at its absolute discretion, accept or exclude late or non-conforming Tenders.

15. Recipient to perform own due diligence

- 15.1. By submitting a Tender, a Recipient is taken to have:
 - (a) read and understood the requirements of this ITT;
 - (b) made all reasonable enquiries, investigation, and assessments relevant to the risks, contingencies and other circumstances relating to the Services; and
 - (c) satisfied itself of the requirements of this ITT and to the correctness and sufficiency of its Tender.
- 15.2. This ITT does not constitute legal or business advice and should not be relied on as a substitute for obtaining detailed advice about the Wholesale Electricity Market, WEM Rules, or any other applicable laws, procedures, or policies.

16. Tenders commercial-in-confidence

- 16.1. AEMO will retain all Tenders submitted in response to this ITT. AEMO may copy and distribute Tenders for the purposes of evaluation. Tenders will be treated as confidential and will not be disclosed outside AEMO unless it is:
 - (a) for the purposes of liaising with its professional advisers in connection with this ITT or the Services;
 - (b) for the purposes of liaising with or as requested by any regulatory or other government authority having jurisdiction over AEMO, or its activities;
 - (c) to AEMO's external advisers, consultants, or insurers; or
 - (d) required by law, or in the course of legal proceedings.

17. Use of Tenders

- 17.1. Upon submission, all Tenders become the property of AEMO. Recipients will retain all intellectual property rights contained in the Tender.
- 17.2. Notwithstanding the above, each Recipient, by submission of their Tender, is deemed to have granted AEMO a licence (which includes a right to sublicense to its professional advisers or any regulatory or other government authority having jurisdiction over AEMO, or its activities) to reproduce the whole, or any portion, of their Tender for the purposes of enabling AEMO to evaluate the Tender and to define its requirements for the Services and the content of any future request for Tender or other document describing or relating to the Services.

18. Withdrawal of Tender

A Recipient who wishes to withdraw a Tender must immediately notify AEMO of that fact. Upon receipt of such notification, AEMO will cease to consider that Tender.

19. Status of Tender

19.1. Each Tender constitutes a non-binding Tender by the Recipient to AEMO to provide Supplementary Capacity in accordance with the requirements of this ITT.

20. No reimbursement of costs

20.1. AEMO and its Representatives will not be responsible for, and no Recipient is entitled to be reimbursed for, any expense, liability or loss incurred in the preparation and submission of its Tender, including (without limitation) for any costs incurred in attending meetings with AEMO.

21. Prohibited contact

- 21.1. Without first obtaining the written approval of AEMO, Recipients must not, and must ensure that their Representatives do not contact, make any enquiry to, or have any discussions (in any form, whether written, oral or otherwise) in relation to any aspect of the ITT, the Services or its Tender with Representatives of AEMO (other than as permitted under Section B clause 30.1 (How To Contact AEMO))
- 21.2. Recipients must not make any public or media announcement about this ITT or the outcome of this ITT without AEMO's prior written permission.

22. No anti-competitive conduct

- 22.1. Recipients must ensure that they (and their Representatives) do not:
- (a) without the prior written consent of AEMO, discuss this ITT with any other person they know has received this ITT or might reasonably be expected to have received it; or
 - (b) engage in any conduct that is designed to, or might have the effect of, lessening competition in the supply to AEMO of an Eligible Service.
- 22.2. Recipients must obtain the prior written approval of AEMO to discuss this ITT with other potential members of any consortium who might provide an Eligible Service to AEMO as part of engaging in legitimate teaming or sub-contracting discussions.
- 22.3. Subject to the above stipulations, it is not necessary for Recipients to obtain AEMO's prior written approval before discussing the delivery of an Eligible Service with potential sub-contractors, equipment suppliers or consultants, provided the potential sub-contractor, supplier or consultant complies with the requirements above.
- 22.4. Each Recipient acknowledges and agrees that it has been made aware of the matters outlined in this Section A clause 23 of the ITT Terms.

Next steps

23. Options available to AEMO

- 23.1. After evaluation of all Tenders, AEMO may, without limiting other options available to it under clauses 4.24.8 and 4.24.9 of the WEM Rules, do any of the following:
- (a) prepare a shortlist of Recipients and invite further submissions from those Recipients;
 - (b) enter into pre-contractual negotiations with one or more Recipients; and/or
 - (c) decide not to proceed further with the ITT Process or any other procurement process for Supplementary Capacity.
 - (d) commence a new process for calling for Tenders on a similar or different basis to that outlined in this ITT.

24. No obligation to enter into contract

- 24.1. Notwithstanding the outcome of any evaluation conducted in accordance with this ITT and without limiting any other rights AEMO may have, AEMO is under no obligation to shortlist any Recipients or to enter into a contract with any shortlisted Recipient or any other person.
- 24.2. Irrespective of whether AEMO shortlists any Recipients, if AEMO decides not to enter into a contract in relation to Services, AEMO may proceed with any alternative process to procure Supplementary Capacity in accordance with the WEM Rules.

25. No obligation to debrief

- 25.1. AEMO is under no obligation to debrief any Recipient as to AEMO's evaluation of Tenders, or give any reason for the acceptance or non-acceptance of any Tender or any decision not to enter into a contract in relation to an Eligible Service.

AEMO's rights and governing law

26. AEMO's rights

- 26.1. Notwithstanding anything else in this ITT, and without limiting its rights at law or otherwise, AEMO reserves the right, in its absolute discretion at any time, to:
- (a) cease to proceed with or suspend the ITT Process;
 - (b) alter the structure of, or vary or extend any time or date specified in, this ITT;
 - (c) require additional information or clarification from any Recipient or any other person or provide additional information or clarification;
 - (d) negotiate with any one or more Recipients and allow any Recipient to alter its Tender;
 - (e) call for new Tenders;

- (f) accept any Tender received after the Closing Date;
- (g) reject any Tender that does not comply with the requirements of this ITT; and
- (h) terminate the participation of any Recipient or any other person in the ITT Process.

27. Governing Law

- 27.1. This ITT and the ITT Process are governed by the laws applying in the State of Western Australia.
- 27.2. Each Recipient must comply with all relevant laws in preparing and lodging its Tender and in taking part in the ITT Process.

28. Glossary

- 28.1. In this document unless the context otherwise requires:
 - (a) a capitalised word or phrase has the meaning set out opposite that word or phrase in the table below; and
 - (b) terms capitalised, but not defined in this ITT, have the meaning given to that term in the WEM Rules.
 - (c) A word or phrase defined in the WEM Rules, or the Procedure, has the same meaning when used in this document.
 - (d) Headings are inserted for convenience and do not affect the interpretation of this Agreement.

| Term | Definition |
|------------------------------------|--|
| Addendum | Any document issued after the date of this ITT and labelled as an “Addendum” to this ITT; collectively known as “Addenda”. |
| AEMO | Australian Energy Market Operator Limited a company limited by guarantee established under the <i>Corporations Act 2001</i> (Cth). References to AEMO include, where the context requires, AEMO’s employees, officers, contractors, consultants, advisers, and other persons authorised to act for AEMO. |
| AEMO Contact | The person specified in Section B clause 30.1 of this ITT. |
| AWST | Australian Western Standard time. |
| Closing Date | 8 September 2023. |
| Invitation to Tender or ITT | This invitation to tender. |
| ITT Process | The process commencing on the issuing of this ITT and concluding when AEMO or its Representative has notified each Recipient whether or not it has been shortlisted, or upon the earlier termination of the process by AEMO. |

| Term | Definition |
|---|--|
| ITT Terms | The terms set out in clauses 2 to 27 in Section A (Introduction and ITT Terms) of the ITT. |
| Maximum Contract Value per Hour | The maximum value, in dollars per megawatt per hour, for a Supplementary Capacity Contract that AEMO will accept, as determined in the WEM Procedure: Supplementary Capacity published on the WEM Website. |
| Procedure | The WEM Procedure: Supplementary Capacity published on the WEM Website, as updated or amended from time to time. |
| Recipient | Any person in receipt of this ITT. |
| Relevant Person | AEMO, any director, officer, or employee of any of the preceding, or any adviser or consultant to any of the preceding. |
| Representative | In relation to AEMO or a Recipient (as the context requires), means its employees, officers, contractors, consultants, advisers, and other persons authorised to act for AEMO or a Recipient (as the context requires). |
| Section | Means a section of this ITT. |
| Services | means the provision of Supplementary Capacity pursuant to clause 4.24 of the WEM Rules. |
| Supplementary Capacity | means capacity to be made available for the purposes of clause 4.24 of the WEM Rules by the provision of Services. |
| Supplementary Capacity Contract Period | has the meaning given in Section C clause 33.3. |
| Tender | The tender developed and submitted by a Recipient to provide Supplementary Capacity in response to this ITT. |
| WEM Rules | Wholesale Electricity Market Rules made under the <i>Electricity Industry (Wholesale Electricity Market) Regulations 2004</i> (WA) and contemplated by section 123 of the <i>Electricity Industry Act 2004</i> (WA), as amended from time to time. |

Section B: ABOUT THIS ITT

29. How to contact AEMO and Western Power

- 29.1. All AEMO enquiries must be directed via AEMO’s eSourcing tool, VendorPanel. If you are unable to make contact, please contact AEMO’s Procurement Team – Procurementteam@aemo.com.au.
- 29.2. Western Power enquiries must be directed to network.access@westernpower.com.au, unless otherwise advised by Western Power.

30. Steps and timing for this ITT

This timetable is provided to give Recipients an indication of the anticipated timing for the ITT Process. Unless otherwise specified in this ITT, dates preceding the Closing Date in this timetable are indicative only, not yet finalised and are subject to change.

Steps in ITT Process:

| | |
|---|------------------|
| ITT Opening Date | 11 August 2023 |
| Deadline for questions from Recipients | 25 August 2023 |
| Deadline for AEMO to answer Recipients’ questions | 1 September 2023 |
| Closing Date | 8 September 2023 |

Timing for Eligible Service Proposals:

| | |
|---|--------------------------------------|
| Notification to Recipients of shortlisting status: | Week starting 23 October 2023 |
| Anticipated Supplementary Capacity Contract start date: | 1 December 2023 |

Section C: Our requirements

Tenders are invited by AEMO for provision of one or more Eligible Services to provide Supplementary Capacity to meet a forecast shortfall of Reserve Capacity in the 2023/24 Capacity Year.

31. Background

- 31.1. AEMO is required by the Wholesale Electricity Market Rules (WEM Rules) to secure sufficient generation and load reduction capacity in the SWIS to maintain Power System Security and Power System Reliability.
- 31.2. If, at any time after the day which is six months before the start of a Capacity Year, AEMO considers that inadequate Reserve Capacity will be available in the SWIS to maintain Power System Security and Power System Reliability, using the most recent published forecasts and the Planning Criterion and any other information AEMO considers relevant, AEMO must seek to acquire supplementary capacity in accordance with clause 4.24.2 of the WEM Rules.
- 31.3. AEMO has prepared a revised estimate of the forecast maximum demand and the capacity that is expected to be available for the Hot Season (1 December to 1 April) of Capacity Year 2023/24, which identifies a potential capacity deficit of up to 326 MW during some Trading Intervals over the Hot Season of Capacity Year 2023/24.
- 31.4. In accordance with section 4.24 of the WEM Rules, AEMO is seeking tenders from potential suppliers of Supplementary Capacity to provide one or more Eligible Services to meet the potential capacity deficit during the Hot Season of Capacity Year 2023/24.

32. Supplementary Capacity

- 32.1. Under clause 4.24.3 of the WEM Rules, Supplementary Capacity may be provided by the following services or a combination of them (**Eligible Services**):
 - (a) load reduction, that is measured to reduce a consumer's consumption of electricity supplied through the SWIS from which the consumer would have otherwise consumed, but excluding reductions provided by a Market Participant with a Demand Side Programme that does not satisfy its Reserve Capacity Obligations during the current Capacity year or did not satisfy its Reserve Capacity Obligations during the immediately preceding Capacity Year;
 - (b) the production of electricity by Energy Producing Systems that are not Registered Facilities.
 - (c) the production of electricity by Energy Producing Systems that are Registered Facilities, or load reductions provided by loads but only to extent that the electricity is generated, or the load reduction is provided, by capacity for which the relevant Market Participant, either:
 - (i) does not hold Capacity Credits in the current Capacity Year or has not held Capacity Credits in the current Capacity Year or the immediately preceding Capacity Year; or

- (ii) provides evidence satisfactory to AEMO, prior to a Supplementary Capacity Contract taking effect, that:
 1. costs have been incurred to enable the provision of the capacity through the installation of physical equipment; and
 2. the capacity is in addition to the sent-out capacity of the Energy Producing Systems, or the maximum amount of load that can be curtailed, that existed prior to the installation of the physical equipment.

33. Capacity requirement

- 33.1. AEMO is seeking a total of 326 MW of Supplementary Capacity for Capacity Year 2023/24.
- 33.2. Tenders must specify for each Eligible Service offered:
 - (a) the Supplementary Capacity Contract Period;
 - (b) the aggregated maximum amount of Supplementary Capacity to be provided by the Eligible Service over the Supplementary Capacity Contract Period that it is prepared to offer;
 - (c) the aggregate maximum amount of Supplementary Capacity to be provided by the Eligible Service each day over the Supplementary Capacity Contract Period; and
 - (d) the aggregated minimum amount of Supplementary Capacity to be provided by the Eligible Service over the Supplementary Capacity Contract Period.
- 33.3. Subject to the limitations on availability specified by the Recipient in Appendix A Schedule 1 (i.e. number of hours each day and number of hours over Supplementary Capacity Contract Period etc), the Eligible Service must be available to be activated (if required) over a period of no longer than 16 weeks, commencing on or after 1 December 2023 and ending on or before 1 April 2024 (**Supplementary Capacity Contract Period**).
- 33.4. Each Eligible Service must be available to be activated during the hours of 3:30PM through to 8:30PM (AWST).
- 33.5. When activated, each Eligible Service must provide at least 1 MW of Supplementary Capacity.
- 33.6. If and when required:
 - (for Scheduled Facility/Semi-Scheduled Facility) the Eligible Service must be able to respond to Dispatch Instructions in accordance with the WEM Rules;
 - (for unregistered equipment) the Eligible Service must be able to be activated within 2 to 5 hours following a request for the supply of the Eligible Service; and
 - each Eligible Service must be available to be activated for at least 2 hours at a time during the Supplementary Capacity Contract Period.

- 33.7. Each Eligible Service may be utilised for up to 5 hours per day during the Supplementary Capacity Contract Period. As required by the WEM Rules, this period will be used as part of AEMO's assessment of the Maximum Contract Value per Hour.
- 33.8. The Supplementary Capacity provided by each Eligible Service must be measurable.
- 33.9. Pre-commencement verification or a service test will be required.

34. Payment

- 34.1. Providers of Supplementary Capacity will be paid:
 - (a) an Availability Payment for the provision of each Eligible Service (in \$ per MW per Trading Day), which will be paid for each Trading Interval/Dispatch Interval in the Supplementary Capacity Contract Period (subject to the Service being taken to be available under the Supplementary Capacity Contract) and irrespective of whether or not the Eligible Service is activated; and
 - (b) (for unregistered equipment) an activation price per MWh of Supplementary Capacity provided for each Trading Interval when the Service is activated.
- 34.2. Tenders must specify:
 - (a) an availability price (expressed as \$ per MW per day); and
 - (b) an activation price (expressed as \$ per MWh),for the provision of each Eligible Service.
- 34.3. Tenderers should note that the values in Section C clause 34.2 must meet the requirements of clause 4.24.7(j) of the WEM Rules.
- 34.4. The prices specified by the Recipient must be fixed for the Supplementary Capacity Contract Period.

Section D: HOW WE EVALUATE PROPOSALS

35. ITT Documents

In addition to the Sections of this ITT, the following documents are incorporated as part of the ITT. These have been uploaded on VendorPanel and are available for all interested Recipients to complete. These documents form part of this ITT and Recipient's response to these documents must be completed and submitted as part of its Proposal and will form part of our evaluation criteria. The evaluated documents are listed below:

36. Evaluation criteria

Tenders will be evaluated for value according to the content provided by the Recipient in response to the following criterion:

| |
|--|
| Offers must be for the provision of Eligible Services. |
| AEMO must be satisfied that the Eligible Service will be available during times of system peak demand during the Hot Season (1 December to 1 April) of Capacity Year 2023/24. |
| Tenders will be awarded on the basis of providing the lowest cost mix of Supplementary Capacity Contracts as per clause 4.24.8 (c) of the WEM Rules. |
| AEMO must be reasonably satisfied that, where applicable, the Recipient has access to the SWIS. |
| Risks posed by the Recipient (which may include its commercial viability and alignment to Wholesale Market Objectives) that would hinder the successful delivery of the Services. |
| Compliance and acceptance of the ITT. |
| Responses to vendor pre-qualification questions presented as part of the Tender submission process. |
| Verbal and/or written reference checks, if deemed necessary by AEMO. |
| Compliance and acceptance of the Supplementary Capacity Contract attached as Appendix B of this ITT or the extent and potential impact of the Recipient's requested amendments to the Supplementary Capacity Contract. |
| The existence or future addition of telemetry equipment that will enable AEMO to remotely monitor and measure the real-time, or near real-time, power demand, or power generation, at the location and NMI associated with the Eligible Service. |

37. Acceptance of tenders

37.1. In determining the outcome of this Invitation to Tender and entering into Supplementary Capacity Contracts:

- (a) AEMO must only accept an offer for the provision of Eligible Services;
- (b) AEMO must not accept an offer for the provision of Eligible Services if AEMO is not satisfied that the Eligible Services offered will be available during the time and in the form specified in this Invitation to Tender during the Supplementary Capacity Contract Period;
- (c) AEMO is not obliged to accept the maximum Supplementary Capacity offered by the Recipient and may accept the minimum Supplementary Capacity offered or

any amount between the minimum Supplementary Capacity and the maximum Supplementary Capacity; and

- (d) subject to this Section D clause 37, AEMO will seek to enter into the lowest-cost mix of Supplementary Capacity Contracts, as required by clause 4.24.8(c) of the WEM Rules.

37.2. AEMO may enter into Supplementary Capacity Contracts that:

- (a) meet the requirement for Supplementary Capacity as set out in Section C clause 33; or
- (b) do not meet the requirement for Supplementary Capacity as set out in Section C clause 33 but minimise the Reserve Capacity shortfall; or
- (c) exceed the requirement for Supplementary Capacity as set out in Section C clause 33,

depending on what AEMO, in its sole discretion, determines is the lowest-cost mix that will deliver sufficient Supplementary Capacity for the purpose of section 4.24 of the WEM Rules.

37.3. AEMO is not under any obligation to accept any Tender, or enter into any Supplementary Capacity Contract in respect of any Tender provided in response to this Invitation to Tender including, but not limited to, where AEMO is of the opinion that accepting the Tender will exceed its requirement for Supplementary Capacity as set out in Section C clause 33.1.

37.4. In selecting a successful Tender, AEMO will forward to the Recipient a notice in writing accompanied by the Supplementary Capacity Contract in duplicate for execution by the successful Recipient.

37.5. The successful Recipient must execute the Supplementary Capacity Contract and return the Supplementary Capacity Contract duly executed to AEMO as soon as practicable but not later than 5 Business Days after AEMO forwards the Supplementary Capacity Contract to the Recipient for execution.

37.6. The Supplementary Capacity Contract will be effective as at the date it is executed by AEMO.

For and on behalf of

AUSTRALIAN ENERGY MARKET OPERATOR LTD

By:

Date:

Appendix A. Tender Form and Schedule 1

A1.1 Tender Form

In response to the Australian Energy Market Operator's Invitation to Tender dated 11 August 2023 and in accordance with the terms and conditions prescribed in the Invitation to Tender, we hereby tender and offer to provide Supplementary Capacity in accordance with the ITT documents, including the attached completed Schedule 1 submitted with this Tender.

We certify that and agree that:

- all information in our tender is true and correct;
- other than as specified in the WEM Rules, this Invitation to Tender does not confer any obligations on AEMO and AEMO is not required to undertake any further act in relation to this Invitation to Tender, or any act in relation to a Tender;
- we have relied entirely on our own enquiries in relation to all matters in respect of this Invitation to Tender and the WEM Rules;
- we have examined and understood this Invitation to Tender, each Addendum issued under this Invitation to Tender, the WEM Rules and any other information available to us in respect of this Invitation to Tender;
- we have made all reasonable enquiries and examined all information relevant to the risks, contingencies and other circumstances having an effect on our Tender that is obtainable by the making of reasonable enquiries;
- we do not rely on any warranty or representation of a Relevant Person;
- we acknowledge and agree that no Relevant Person makes any warranty or representation, express or implied, in respect of the accuracy, reliability or completeness of this Invitation to Tender or any Addendum issued, or other information provided under or in connection with this Invitation to Tender;
- we have not entered into and will not enter into any unlawful arrangement with any other person in respect of this Invitation to Tender;
- we make this offer on the basis of our own experience and interpretation of all information provided to us by AEMO and all other information available to us;
- we will comply with all timelines for this ITT Process set out in the Invitation to Tender document; and
- if successful in our Tender, we will execute the Supplementary Capacity Contract forwarded to us by AEMO within the time specified in Section D clause 37.5.

We confirm receipt of the following Addenda, which we have taken into account before submitting this tender:

[insert details of addenda if issued by AEMO]

Date 2023

Signed for and on behalf of)
[insert name])
by authority of its directors in)
accordance with section 127 of)
the Corporations Act)

Signature of Director

Signature of *Director/*Secretary

Print name of Director

Print name of *Director/*Secretary

**delete that which does not apply*

A1.2 Schedule 1

[Where further space is required, please annex additional pages to this Tender]

| Your company or business details | |
|----------------------------------|--|
| Name of your company or business | |
| ABN Number | |
| GST Status | |

| Your Contact Person | |
|-----------------------------------|--|
| Contact person's name | |
| Position held in company | |
| Postal address | |
| Phone number - Office - Mobile | |
| Email Address | |
| Fax number | |

| Eligible Service Offer | | |
|---|--|--|
| Earliest date and time the Service could commence | | |
| Nature of Service (load reduction or Energy Producing System) | | |
| Amount of Service* – MW (must be at least 1 MW per Eligible Service and not be more than 326 MW in total) | | |
| Minimum amount of Service* that the Recipient offers – in MW (must be at least 1 MW per Eligible Service) | | |
| Maximum number of hours that the Service will be available over the Supplementary Capacity Contract term | | |
| Maximum number of hours on each day that the Service will be available over the | | |

| Eligible Service Offer | | |
|--|-----------------------|---|
| Supplementary Capacity Contract Term | | |
| Time of day during which the Service will be available (during 3:30PM to 8:30PM AWST) | | |
| Any additional information required to complete the Supplementary Capacity Contract for the Service and full details of any amendments to the standard-form Supplementary Capacity Contract requested by the Recipient under clause 4.24.14 of the WEM Rules (please provide a marked-up version of the standard form Supplementary Capacity Contract provided in Appendix B) | | |
| The process, procedure, and mechanism to activate the Service | | |
| The maximum notice required to activate each Eligible Service (must not exceed 5 hours) | | |
| The mechanisms available for measuring the Services provided. | Interval Meter Data * | |
| Availability price (dollars per MW per day) # Note that this figure is not to exceed \$ 875.61 per MW per day | \$ | X |
| Activation Price per hour of activation (\$ per MWh), where this price must not exceed \$1,486 per MWh# | \$ | Y |
| The location of the Service and the associated national meter identifier (NMI). | | |
| Maximum Contract Value per Hour, where this must not exceed (\$1,661.12 per MW per hour) | \$ | |
| The location of the Service and any associated Transmission Node Identifier and any associated NMI, where applicable | | |

| Eligible Service Offer | | |
|--|--|--|
| Evidence that the Service will have access to a network for the contract period, where applicable | | |
| Consent for Western Power to provide AEMO with relevant information, including information related to meters, meter readings and status of access arrangements, where applicable. | | |

* AEMO will verify the quantify of Service provided in accordance with the methodology defined in the Supplementary Capacity Agreement.

Subject to clause 4.24.7(j) of the WEM Rules.

Date: 2023

For and on behalf of Recipient

Appendix B. Supplementary Capacity Contracts

Included:

1. Supplementary Capacity Contract (Scheduled Facility/Semi-Scheduled Facility)

PLEASE SEE SEPARATE FILE UPLOADED WITH THIS DOCUMENT

2. Supplementary Capacity Contract (Unregistered Equipment)

PLEASE SEE SEPARATE FILE UPLOADED WITH THIS DOCUMENT