Draft NCESS Service Specification

Reliability and System Strength Services for the North Country

Public

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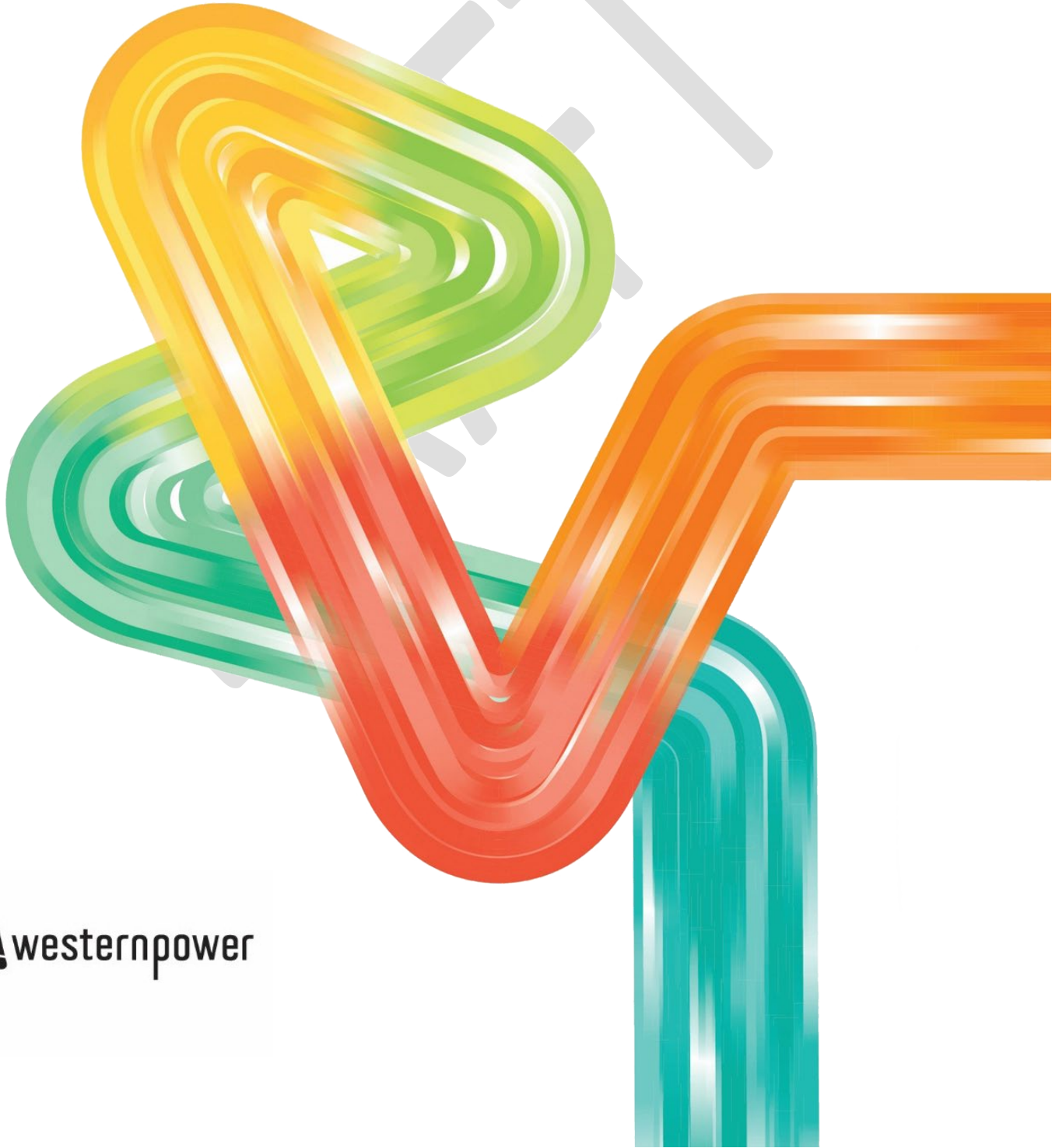

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Document Information

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Document History

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1.0	19/05/2026	Draft version developed in accordance with clause 3.11B.1 of the ESM Rules

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1. Introduction

1.1 Purpose and scope

1.1.1 Western Power has prepared this draft NCESS Service Specification in accordance with clause 3.11B.1 and 3.11B.5 of the Electricity System and Market Rules (ESM Rules). The purpose of this draft NCESS Service Specification is to define:

a. the service requirements;

b. the expected technical capability of a facility or equipment that may be able to provide the service;

c. the likely network location where the service is to be provided;

d. the maximum quantity of the service required;

e. the expected commencement and duration of the service;

f. the reasonable expectation of the frequency of service utilisation, the expected duration of each utilisation and when the service is expected to be utilised during typical days;

g. any operational requirements or limitations;

h. the material contractual terms associated with the NCESS, including required pricing structure;

i. the selection criteria that may apply to the NCESS Submissions; and

j. any other relevant matters.

1.2 Definitions

1.2.1 Terms defined in the *Electricity Industry Act 2004*, the ESM Regulations and the ESM Rules have the same meaning in this document unless the context requires otherwise.

1.2.2 Capitalised terms used in this document have the meaning given in the ESM Rules unless specified in Table 1.

Table 1: Definitions

Term	Meaning
Activation	The instance when the Service is called upon to operate under the terms of the NCESS Contract.
Activation Notice	Means a notice issued to a NCESS Service Provider for the Service to operate in accordance with this NCESS Service Specification and an NCESS Contract.
Base Demand Reliability Service	This service forms part of the overall NCESS Reliability Service (specified in paragraph 2.1.1 of this document) and is expected to be capable of operation for extended periods of time (specified in paragraph 2.5.9).
Bump-less	Refers to a transition between power sources that occurs without a significant disruption in voltage and frequency.
CPN	Refers to Chapman Zone Substation.
EOI	Expression of Interest

Term	Meaning
Essential Services	Essential services include, but are not necessarily limited to, services such as hospitals and railways where the maintenance of a supply of electricity is necessary for the maintenance of public health, order and safety.
GTN	Refers to Geraldton Zone Substation.
NCESS Commencement Date	Has the meaning given in paragraph 2.5.1 of this document.
NCESS Contract Term	The period (as specified in paragraph 2.5 of this document) during which the NCESS Service Provider must make the Service available.
NCESS End Date	Has the meaning given in paragraph 2.5.2 of this document.
NCESS Service Period	The period of time starting at the NCESS Commencement Date until the NCESS End Date.
NCESS Service Provider	Refers to a company which proposes to offer an NCESS Service.
NCESS Service Specification	Refers to this document.
North Country	The area supplied with electricity by: a. the Rangeway substation 11kV feeders; b. the Geraldton substation 11kV feeders; and c. the Chapman substation 11kV feeders, operated by Western Power, being principally the township of Geraldton and its surrounds.
Peak Demand Reliability Service	This service forms part of the overall NCESS Reliability Service (specified in paragraph 2.1.1 of this document) and is expected to be capable of operation for short Activation periods (specified in paragraph 2.5.9). Western Power notes that the peak demand is required for short Activation periods for a limited number of events throughout a calendar year. By introducing this service, an optimised solution for the Base Demand Reliability Service can be specified.
RAN	Refers to Rangeway Zone Substation.
Regional Power System Adequacy	The ability of the North Country power system, when operating in an islanded or otherwise constrained condition, to supply demand at the time, allowing for outages.
Regional Power System Stability	The ability of the North Country power system, when operating in an islanded or otherwise constrained condition, to return to and maintain an acceptable steady state operating condition following a disturbance.
Regional Restart	The process of restoring supply to the North Country region following a total loss of supply to the region.
Reliability Service	Has the meaning given in paragraph 2.1.1 of this document.
Service	The services collectively described in paragraph 2.1.1 and 2.2.2.
Service Equipment	The Registered Facility or equipment from which the Service is required to be provided under the NCESS Contract.
Service Quantity	The quantity of the Service that the NCESS Service Provider is required to provide under the NCESS Contract (specified in paragraph 2 of this document).
System Strength Service	Has the meaning given in paragraph 2.1.2 of this document.

Term	Meaning
TS	Refers to Three Springs Zone Substation.

2. Service details

2.1 Service requirements

2.1.1 The draft NCESS Service Specification is for a **Reliability Service** (measured in MW of response capability) in the North Country to minimise power supply disruption during planned and unplanned network events. The Service shall include:

(i) Base Demand Reliability Service; and

(ii) Peak Demand Reliability Service.

2.1.2 The draft NCESS Service Specification is for a **System Strength Service** (measured in MVA of available fault level) in the North Country to allow Western Power the ability to manage voltage stability, maintain power quality standards, and ensure sufficiently high fault levels[1] for intact network conditions, or as a result of planned and unplanned network events.

2.1.3 An NCESS Service Provider may offer either a Reliability Service or a System Strength Service, or both, provided the relevant technical requirements of the draft NCESS Service Specification are met.

2.1.4 An NCESS Service Provider may offer between the maximum and minimum of the Service Quantity for either of the required services.

2.2 Expected technical capability of a Facility or equipment that may be able to provide the Service

2.2.1 As the Facility providing the NCESS will be dispatched via AEMO, the Facility must be a Registered Facility of the Facility Class Scheduled Facility or Semi-Scheduled Facility at the commencement of the NCESS Contract Term.

2.2.2 A Facility or equipment that may be able to provide the Services is expected to be capable of the following:

(i) Synchronising and being capable of achieving its ramp rate[2] of Injection to the Dispatch Target within 15 minutes of receiving a Dispatch Instruction[3] from AEMO.

(ii) Complying with the terms of the NCESS Service Provider connection agreement with Western Power in accordance with the Technical Rules, including any obligation(s) to comply with the Technical Rules and ESM Rules.

(iii) Providing active power capability that can provide some or all of the required Service Quantity (noting the requirement of paragraph 2.1.4) at local temperature conditions as specified in the Technical Rules or ESM Rules (as applicable).

(iv) Providing SCADA and duplicate protection / telecommunication systems to enable remote monitoring, control (including remote resetting) and communication between AEMO, Western Power and the NCESS Service Provider's Facility, and, where applicable, as specified in the Technical Rules and ESM Rules.

[1] Minimum fault levels to be informed by the System Strength Forecast and Planning Coordination Group (FPCG).
[2] Requirements for ramp rates are specified under clause 3.3.3.5 of the Technical Rules and Appendix 12.5 of the ESM Rules.
[3] Western Power instruction for an NCESS event to be sent via AEMO's central dispatch system.

(v) Allowing remote start functionality for all Regional Restarts, such that they can be connected to a dead bus at full speed with no load within 15 minutes of AEMO issuing a Regional Restart start-up command.

(vi) Local Black Start functionality to automatically restore auxiliary systems upon detecting a total loss of supply to enable the Regional Restart process.

2.2.3 When a Regional Restart is activated (following the total loss of supply to the North Country), an NCESS Service Provider may be called upon for one of the following functions:

(i) Primary startup function (i.e. an initial Facility to be energised, operating in isochronous mode with no load initially, followed by the gradual restoration of power to loads that are essential to the subsequent Regional Restart steps).

(ii) Secondary startup function (i.e. following the formation of the initial North Country Island with stable voltage and frequency, additional capacity will be called upon if required to enable the staged restoration of remaining loads within the North Country).

2.3 Service location

2.3.1 The Reliability Service and System Strength Service are required to be connected to the Western Power network, to the north of Three Springs (TS) Zone Substation.

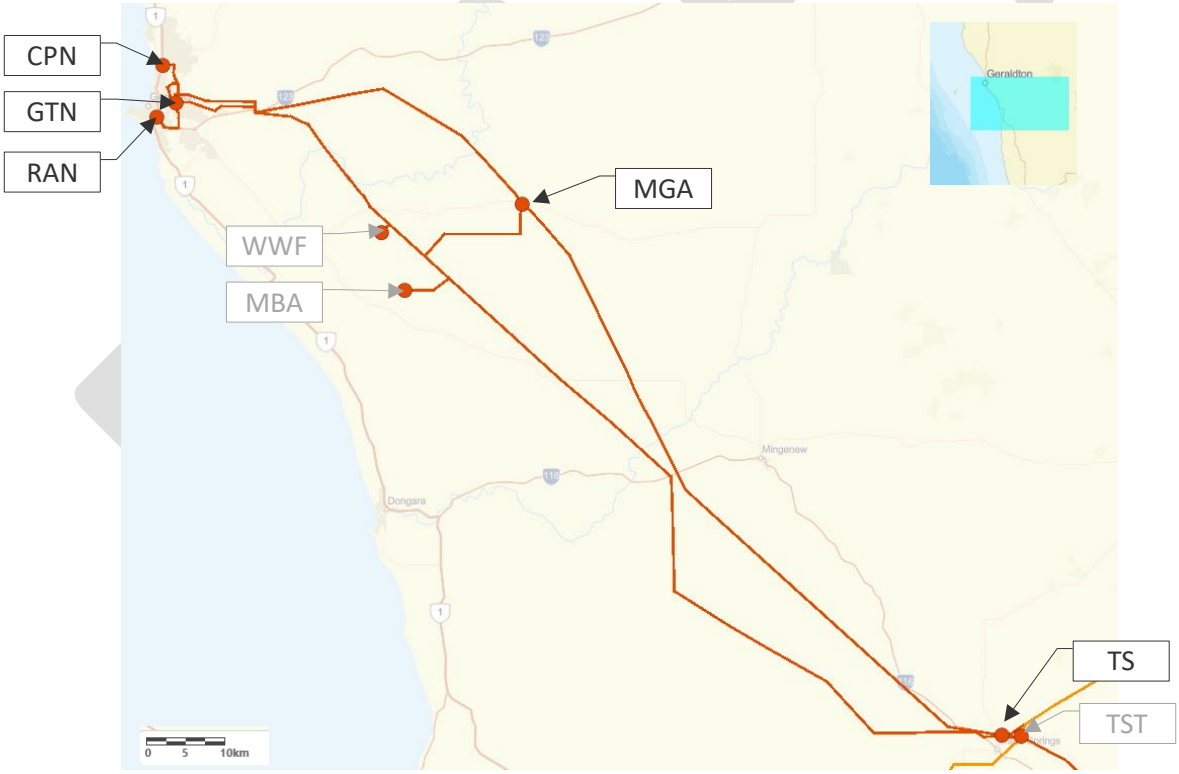

Figure 1: Geographic Overview of North Country Western Power Network

Preference will be given to projects located closer to Geraldton Zone Substation and that have already secured land tenure.

NCESS Service Providers interested in discussing access to land in the North Country are encouraged to contact Development WA.

2.4 Maximum & Minimum Service Quantity Required

2.4.1 A submitted response to this draft NCESS Service Specification must specify a Service Quantity for each Service. Where a Service is not offered, a value of 0 shall be entered.

2.4.2 The maximum Service Quantity required from all NCESS Service Providers is:

(i) **125 MW** for Reliability Service, comprising of:

A. **90 MW** for the Base Demand Reliability Service; and

B. **35 MW** for the Peak Demand Reliability Service.

(ii) **1,000 MVA** for the System Strength Service.

2.4.3 The minimum Service Quantity Western Power will consider from a single Facility is:

(i) At least **30 MW** for contribution to the Base Demand Reliability Service;

(ii) At least **5 MW** for contribution to the Peak Demand Reliability Service; or

(iii) At least **100 MVA** for contribution to the System Strength Service.

2.4.4 A single NCESS Service Provider is eligible to provide all Services.

2.5 Expected Commencement, Duration and Service Utilisation

2.5.1 The expected NCESS Commencement Date is **1 October 2029 or earlier.**

2.5.2 The preferred NCESS End Date is **ten (10) years** from the commencement date in paragraph 2.5.1.

2.5.3 The NCESS End Date may be extended for up to fifteen (15) years beyond the initial expected NCESS End Date defined in paragraph 2.5.2.

2.5.4 Western Power is seeking both short and long-term NCESS Contract Terms to enable the most cost-effective arrangement for providing Reliability Service and System Strength Services.

2.5.5 Western Power requires proponents who wish to offer a short-term Service to provide their pricing for the following terms.

Term Duration	Service(s)
1 year	– Base Demand Reliability Service – Peak Demand Reliability Service – System Strength Service
2 years	– Base Demand Reliability Service – Peak Demand Reliability Service – System Strength Service
3 years	– Base Demand Reliability Service – Peak Demand Reliability Service – System Strength Service
4 years	– Base Demand Reliability Service – Peak Demand Reliability Service – System Strength Service

2.5.6 Western Power requires proponents who wish to offer a long-term Service to provide their pricing for the following terms.

Term Duration	Service(s)
10 years	– Base Demand Reliability Service – Peak Demand Reliability Service – System Strength Service
15 years	– Base Demand Reliability Service – Peak Demand Reliability Service – System Strength Service
20 years	– Base Demand Reliability Service – Peak Demand Reliability Service – System Strength Service
25 years	– Base Demand Reliability Service – Peak Demand Reliability Service – System Strength Service

2.5.7 A submitted response to this Service Specification must specify a NCESS Contract Term(s) for each Service. A Contract Term that meets part of the NCESS Service Period will be considered.

2.5.8 Subject to operational maintenance requirements as outlined in paragraph 3.5 and the notice requirements in paragraph 2.5.15, the NCESS Service Provider must make the Service available for Western Power to call upon as required during the NCESS Contract Term.

2.5.9 Western Power requires a Reliability Service Activation for each planned or unplanned network event throughout the duration of the NCESS Contract Term. NCESS Service Providers are required to contribute to one or both of the following categories:

(i) operation for at least **4 (continuous) weeks** for the Base Demand Reliability Service; and/or

(ii) operation for at least **4 (continuous) hours** between the hours of 2:00 PM to 10:00 PM each day throughout the NCESS Contract Term for the Peak Demand Reliability Service.

2.5.10 Western Power may require a Reliability Service Activation to operate in parallel with the SWIS to support Network Operations management of the SWIS for unplanned events or planned works that affect Power System Security in the North Country.

2.5.11 Western Power requires a System Strength Service to be available to operate under all system conditions, as directed by AEMO.

2.5.12 The expected service utilisation for a Reliability Service initiated for an unplanned network event is:

(i) up to an aggregate of 5 days (120 hours) per year for the Base Demand Reliability Service; and

(ii) up to an additional 8 hours per year for the Peak Demand Reliability Service.

2.5.13 The expected service utilisation for a Reliability Service initiated for a planned network event is:

(i) up to an aggregate of 40 days per year for the Base Demand Reliability Service; and

(ii) no requirement for the Peak Demand Reliability Service as outages are expected to be conducted outside of periods of peak demand.

The expected service utilisation figures presented within this document are based on historical data, noting these represent estimates only as to the projected frequency of outages.

2.5.14 The expected service utilisation for a System Strength Service is: [4]

(i) At all times where the local System Strength is assessed to be below a minimum level as informed by the System Strength Forecast and Planning Coordination Group (FPCG).

In lieu of the release of a System Strength Report for the SWIS, Western Power assumes that it is likely that the System Strength Service Quantity as requested in this specification will be required to be connected from the year 2030. This assumption is based on the understanding that the Clean Energy Link North project is expected to unlock generation within the Northern Terminal to Three Springs Terminal region. It is also expected that a portion of this generation will make use of Inverter-Based Resource (IBR) generation which will negatively impact the local System Strength in the North Country.

2.5.15 Activation will typically be at least 1 (one) day's advance notice where possible for planned network events, and without notice for unplanned network events.

2.6 Eligibility

2.6.1 This NCESS procurement is open to new or existing Facilities and/or equipment.

2.6.2 NCESS Service Providers may be currently registered as Market Participants or NCESS Service Providers that are intending to register as Market Participants.

2.6.3 For a Facility that is currently unregistered, NCESS Service Providers must provide progress reports every 3 months after contract execution until the Facility is in Commercial Operation, including:

(i) A project Gantt chart with milestones and critical path to Commercial Operation; and

(ii) A risk register for critical path activities.

2.6.4 Western Power welcomes NCESS Submissions across a wide range of technology types that are able to meet the functional requirements of this Service Specification.

2.6.5 No other relevant contractual or legal arrangement relating to the Service Quantity should exist at any time during the NCESS Contract Term that may adversely affect service delivery, unless otherwise agreed with Western Power. For the avoidance of doubt, this includes any NCESS Contract for provision of a similar service during the NCESS Contract Term.

[4] The development of the system strength framework for the WEM is currently underway. The structure and conditions for the ss services outlined in this doc may be impacted by the outcomes of this development.

3. Operational requirements or limitations

3.1 Transmission Operation and Coordination

3.1.1 In accordance with the Technical Rules, a responsibility of Western Power is to ensure the safety of the power system, and maintain power system reliability, transmission network adequacy and power system security. Functionality, sizing of equipment and selection of a Facilities' network connection should take into consideration Western Power's role to manage the power system. For example:

(i) Where one NCESS Service Provider proposes to provide the maximum Reliability Service from a single Facility, redundancy should be considered to provide Western Power the ability to maintain Regional Power System Adequacy and Regional Power System Stability under island operating conditions.

(ii) Where an NCESS Service Provider proposes to provide only part of the maximum Reliability Service, multiple NCESS Service Providers will be required to meet the overall NCESS Reliability Service requirements. Under this scenario, Western Power with consultation with AEMO may complete power system studies based on the combination(s) of submissions from all NCESS Service Providers to determine if the level of Reliability Service is suitable to achieve Regional Power System Adequacy and Regional Power System Stability under proposed operating conditions. These studies will also inform an acceptable mix of providers where generation is proposed in excess of the Services as requested.

Preference will be given to NCESS Service Providers that demonstrate that a Facility can:

- Dispatch varying levels of System Strength Service to align with real-time System Strength shortfalls
- Operate the Facility stably during periods of minimum system demand (or alternatively can increase Demand to support synchronous generators to remain in stable operation)
- Support Bump-less separation and Bump-less synchronisation to the main grid

3.2 Control and communication requirements

3.2.1 The NCESS Service Provider must ensure that the control and communications system provides:

(i) Western Power with a 24hr online monitoring system via a reliable telecommunication system to all equipment required as outlined in paragraph 3.2.2; and

(ii) At least two (2) independent telecommunication systems between Western Power and the provider to communicate with Western Power's systems.

3.2.2 The NCESS Service Provider must ensure compliance to relevant sections of the Technical Rules which mandate a reliable SCADA and telecommunication system to enable remote monitoring, communication, and emergency control (in particular, clause 3.3.4). The NCESS Service Provider must also comply with the requirements of Chapter 3A and Appendix 12 of the ESM Rules (or prevailing standards at the time of the connection).

3.3 Minimum availability requirement

3.3.1 The Facility should target a minimum availability of 95%, measured in accordance with the NCESS Contract.

3.3.2 The NCESS Service Provider must notify Western Power prior to a change or modification to the Service and/or equipment that reduces or could reasonably be expected to reduce the availability of the Service.

3.3.3 Upon completion of a change or modification to the Service and/or equipment in accordance with paragraph 3.3.2, Western Power may require the NCESS Service Provider (at the NCESS Service Provider's cost) to conduct a test of the Service and/or equipment (in its changed or modified configuration) to demonstrate that the Service complies with applicable standards.

3.4 Unavailability

3.4.1 The Service will be deemed unavailable where:

(i) The conditions precedent specified in paragraph 4.2 have not been met;

(ii) The NCESS Service Provider notifies Western Power of an inability to provide the Service Quantity except where Western Power approves maintenance plans under paragraph 3.5;

(iii) The NCESS Service Provider does not provide the quantity specified[5] in a Dispatch Instruction or Activation instruction, as applicable, with respect to the Service;

(iv) Western Power loses communication with, or SCADA visibility of, the Facility or equipment for the entire Dispatch Interval;

(v) The Facility or equipment is subject to a Commissioning Test Plan, except where Western Power considers that such a plan does not inhibit the NCESS Service Provider's ability to provide the Service; or

(vi) Western Power otherwise reasonably determines, based on energy or fuel storage information (including storage state of charge) or other relevant information available to Western Power, including with respect to outages not approved under paragraph 3.5, that the Facility or equipment is unable to provide the Service Quantity.

3.4.2 The NCESS Service Provider must, in accordance with Good Electricity Industry Practice, take remedial action in the event of Service unavailability.

3.4.3 In the event the Service is unavailable, there will be a reduction in payments by Western Power depending on the duration of the unavailability.

3.5 Maintenance

3.5.1 The NCESS Service Provider must:

(i) Maintain the Facility equipment in accordance with good electricity industry practice; and

(ii) Notify and coordinate outages with Western Power as soon as the NCESS Service Provider becomes aware of any requirement for planned or unplanned maintenance that affects, or

[5] When the NCESS Service Provider is unable to deliver the full specified quantity, only the portion of the Service Quantity that is not delivered will be deemed unavailable.

could reasonably be expected to affect, the ability of the equipment to provide the Service Quantity.

3.5.2 The NCESS Service Provider must plan maintenance in accordance with clause 3.18 of the ESM Rules.

3.5.3 The NCESS Service Provider must ensure that a technician or expert is on site at the NCESS Service Equipment location within 12 hours of a call-out.

3.5.4 The NCESS Service Provider must supply Western Power with their asset management strategy and must notify Western Power of any material changes to that strategy that could reasonably be expected to affect the availability or reliable delivery of the Service.

3.6 Electrical requirements

3.6.1 All NCESS Submissions must comply with all applicable technical compliance standards, including but not limited to:

(i) ESM Rules:

https://www.wa.gov.au/government/document-collections/electricity-system-and-market-rules

(ii) Electricity Industry (Network Quality and Reliability of Supply) Code 2005:

https://www.legislation.wa.gov.au/legislation/statutes.nsf/main_mrtitle_1349_homepage.html

(iii) Western Power's Technical Rules:

Microsoft Word - TECHNICAL_RULES_-_1ST_DECEMBER_2016_VERSION_REV_3_-_FRI_-_RIM_-_EDM_40546182.docx

Other Technical Rules related links: https://www.westernpower.com.au/resources-education/manuals-guidelines-and-standards/technical-rules/

(iv) WEM Procedure - Generation System Model Submission and Maintenance:

https://www.westernpower.com.au/4a4263/siteassets/documents/documents-and-policies/generator-performance-standards/generator-model-submission-and-maintenance-20210302.pdf

(v) Facility Model Guidelines:

https://www.westernpower.com.au/49faee/siteassets/documents/documents-and-policies/generator-performance-standards/facility-model-guidelines.pdf

3.7 Electrical protection

3.7.1 The NCESS Service Provider must ensure that each of the Services supplied have the appropriate sensors and protection systems installed as applicable to comply with relevant standards and codes, in particular Section 3.3.3.8 of the Technical Rules and 3.5 of the ESM Rules.

3.7.2 Where a NCESS Service Provider proposes a Service from a new Facility, the exact protection arrangement is subject to discussion and finalisation with Western Power prior to the completion of the design phase.

3.8 Documents / drawings required

3.8.1 The NCESS Service Provider must provide all relevant documents and drawings required by Western Power during the connection of the Facility to meet typical project phases / milestones, including but not limited to:

(i) Specification sheets for all Services offered in the NCESS Submission;

(ii) General arrangement and schematic diagrams for the Service; and

(iii) An adequate and accurate computer model of each Service.

4. General

4.1 Material contract terms

4.1.1 All items identified in this NCESS Service Specification are material contract terms as required under clause 3.11B.5(g) of the ESM Rules.

4.2 Conditions Precedent

4.2.1 The NCESS Contract will be subject to the following conditions precedent, which must be satisfied by the start of the agreed NCESS Contract Term date:

By Western Power:

(i) Western Power has received government approval for the NCESS Contract;

By NCESS Service Provider:

(ii) A connection contract permitting the Facility to be connected to Western Power's network must be executed by the NCESS Service Provider;

(iii) The equipment has completed all tests required by Western Power (to Western Power's satisfaction) to demonstrate compliance with the Service requirements;

(iv) Where applicable, each Service has been issued an interim Approval to Generate Notification or an Approval to Generate Notification in accordance with the ESM Rules;

(v) The NCESS Service Provider and the Facility have met all requirements under the ESM Rules to entitle the NCESS Service Provider to provide the Services;

(vi) A scheduled maintenance plan commencing on the start of the agreed NCESS Contract Term date has been provided by the NCESS Service Provider and agreed by Western Power; and

(vii) Provision of security in accordance with paragraph 4.4.

4.2.2 Western Power must determine satisfaction (or otherwise) of each condition precedent within 3 business days of the date Western Power considers (at Western Power's sole discretion) that all information relevant to that condition precedent has been provided or becomes available to Western Power.

4.2.3 To avoid doubt, Western Power may request further information from the NCESS Service Provider at any time for the purposes of paragraph 4.2.2.

4.2.4 If Western Power determines under paragraph 4.2.3 that the condition precedent is satisfied, Western Power must set the date of satisfaction as the date when the condition precedent was satisfied, as reasonably determined by Western Power.

4.3 No exclusivity

4.3.1 The NCESS Service Provider acknowledges and agrees that Western Power may engage any number of other contractors to provide services that are the same or materially equivalent of the Service during the Contract Term.

4.4 Security

4.4.1 The NCESS Service Provider must ensure that Western Power holds the benefit of a security that is specified in paragraph 4.4.2 for the amount specified in paragraph 4.4.3.

4.4.2 The security must be an obligation in writing that:

(i) Is from a security provider;

(ii) Is a guarantee or bank undertaking in a form prescribed by Western Power;

(iii) Is duly executed by the security provider and delivered unconditionally to Western Power;

(iv) Constitutes valid and binding unsubordinated obligations of the security provider to pay to Western Power amounts in accordance with its terms;

(v) Permits drawing or claims by Western Power up to a stated amount;

(vi) Has an effective date on or before the date specified in the NCESS contract, which must be before the start of the agreed NCESS Contract Term date; and

(vii) Has an expiry date which must be 12 months following the end of the agreed NCESS Contract Term date.

4.4.3 The amount of security required to be provided is equal to 10% of the NCESS Contract value.

4.4.4 Western Power will return the security to the NCESS Service Provider as soon as practicable following the later of:

(i) The end date of the NCESS Contract;

(ii) When all Services under the NCESS Contract are completed in accordance with the NCESS Contract; or

(iii) When all sums of money owed by the NCESS Service Provider to Western Power under the NCESS Contract have been paid in full.

4.5 Extent of liability

4.5.1 Separate liability limits will apply for Western Power and the NCESS Service Provider.

4.5.2 For Western Power:

(i) Subject to paragraph 4.5.2 (ii) and other than in respect of any unpaid fees, Western Power's liability is limited to the prescribed maximum amount for the purposes of section

126 of the *Electricity Industry Act 2004* and regulation 52 of the *Electricity Industry (Electricity System and Market) Regulations 2004.*

(ii) Western Power is not liable for:

A. Indirect damages or losses;

B. Loss of market, opportunity or profit (whether direct or indirect); or

C. Damages or losses to the extent that they arise from the NCESS Service Provider's failures to act in accordance with the NCESS Contract, a law (including the ESM Rules) or good electricity industry practice.

4.5.3 For the NCESS Service Provider:

(i) Subject to paragraph 4.5.3 (ii), the total amount recoverable from the NCESS Service Provider in respect of any and all claims arising out of any one or more events during the Contract Term with respect to arising from, or in connection with, the NCESS Contract or the provision of the Service is limited to the lesser of the NCESS Contract value and $5 million.

(ii) The NCESS Service Provider is not liable for:

A. Indirect damages or losses;

B. Loss of market, opportunity or profit (whether direct or indirect); or

C. Damages or losses to the extent that they arise from Western Power's failures to act in accordance with the NCESS Contract, a law (including the ESM Rules) or good electricity industry practice.

4.6 Termination

4.6.1 Western Power may terminate the NCESS Contract if a condition precedent is not satisfied by the condition precedent satisfaction date specified in paragraph 4.2.4 and Western Power (in its sole discretion) does not waive it.

5. Pricing Structure

The pricing structure required under clause 3.11B.5(g) of the ESM Rules is outlined below.

5.1 Monthly fixed fee

5.1.1 The monthly fixed fee is the monthly fixed price for the Service.

5.2 Monthly variable fee

5.2.1 The monthly variable fee is calculated based on metered output and fees associated with operation of the Service.

5.3 Total monthly fee

5.3.1 The total monthly fee is the sum of the monthly fixed fee and the monthly variable fee, less the Capacity Credit Value, and subject to any Annual Reconciliation Amount for Unavailability, in accordance with the Contract.

NOTE: A Draft Contract Template will be provided as an attachment to the EOI and the Call for NCESS Submission page.

6. Selection Criteria

6.1 Compliance and Assessment

6.1.1 In accordance with clauses 3.11B.9 and 3.11B.11 of the ESM Rules, Western Power will apply the selection criteria specified in Table 2 to the NCESS Submissions.

Table 2: Selection criteria

Criteria	Description	Weighting
Valid submission	As required under clause 3.11B.8 of the ESM Rules, the submission complies with the NCESS Submission form and contains information requested.	Pass / Fail (1/0)
Compliance with specification	As required under clause 3.11B.10(a) of the ESM Rules, the Service complies with the specification as described in the tender and as required in column C of the NCESS Submission form.	Pass/Fail (1/0)
Evidenced delivery dates	As required under clause 3.11B.10(b)(i) of the ESM Rules, sufficient evidence must be provided to support NCESS delivery dates for new Facilities and/or equipment. For existing Facilities and/or equipment, proponents must confirm the date on which the Facility or equipment will be ready to provide the Service in accordance with the Service Specification. For new Facilities and/or equipment, proponents must provide project delivery details, including a Gantt chart (or equivalent schedule), and the key milestones required to achieve Commercial Operations, land acquisition (e.g. leasing, purchase, MOU), and evidence of when the Facility/equipment will be connected to the network. In all cases, proponents must identify any material risks and opportunities associated with the proposed delivery and Service commencement, and state the key assumptions underpinning the schedule, milestones, and readiness/availability commitments. Failure to provide this information will result in exclusion from the evaluation process.	Pass/Fail (1/0)
Environmental Approvals	As required under clause 3.11B.10(b)(ii) of the ESM Rules, sufficient Environmental Approvals have been granted for new Facilities and/or equipment. Existing Facilities and/or equipment are to provide copies of current, approved environmental authorisations (e.g., licences, registrations, works approvals). New Facilities and/or equipment are to provide sufficient evidence that the required environmental approvals have been sought, the proposed approval pathway and the key delivery dates/milestones demonstrating approvals will be secured prior to commissioning/operation. If approval has not been yet obtained, a list of required approvals and its timeline is to be provided in the project plan. Failure to provide this information will result in exclusion from the evaluation process.	Pass/Fail (1/0)

Criteria	Description	Weighting
Project methodology	Western Power's assessment of the project methodology and milestones, and likelihood that the project will achieve key dates. Projects that have demonstrated progress in the following areas will score highly: • Network connection progress (i.e. projects that have secured, or are well progressed with a clear and credible pathway to secure, network connection approval) • Planning and approvals progress (i.e. projects that have a clear and credible pathway for resolving any ongoing concerns or queries of the authorities providing the requisite planning and regulatory approvals) • Land tenure (i.e. projects that have secured, or have a clear and credible pathway for securing, land tenure rights for all of the project sites including the connection route) • Organisational maturity and experience in providing similar services Failure to provide this information will result in exclusion from the evaluation process.	20%
Technical capabilities	Assessment of technical requirements as outlined in this Service Specification. The ideal NCESS Service Provider would meet the Service requirements whilst offering enhanced system benefits, and system supporting capabilities. Failure to provide this information will result in exclusion from the evaluation process.	30%
WAIPS	Assessment on NCESS Service Provider's Western Australian Industry Participation Plan to maximise opportunities for local business. Refer to paragraph 6.2.3. <not required in Expression of Interest stage, link will be provided at the Call for NCESS Submissions>	10%
Value for Money	Western Power's assessment of value for money is a balanced judgement of a range of financial and non-financial factors, taking into account whole of life costs, environment, quality, fitness for purpose, WHS, supplier capability, availability of maintenance, service and support, sustainability impacts, government's social and economic objectives, and risks.	40%

6.2 Due diligence and Legislative Requirements

6.2.1 For cyber security purposes, any NCESS Service Provider is required, where applicable, to adhere to the Australian Energy Sector Cyber Security Framework (AESCSF) when the NCESS Service Provider or any of its subcontractors develops, accesses, transmits, processes, stores or otherwise handles Western Power sensitive operational information or other sensitive data.

6.2.2 Regional Price Preferences. Eligible businesses can request the application of the Regional Price Preference and/or the Regional Content Preference as outlined in the WA Buy Local Policy 2022. To be eligible for the Regional Price Preference the NCESS Service Provider must provide evidence that they maintain a permanent operation office within 400km of the contract point of delivery excluding the Perth Metropolitan Area.

6.2.3 Western Australia Industrial Participation Plan Strategy (WAIPS). NCESS Service Provider must complete all applicable sections of the template Participation Plan in order to demonstrate the NCESS Service Provider's commitment in relation to the participation by the local industry in the performance of the NCESS Service Provider's obligations under the NCESS Contract. Where the Respondent is a Government Trading Enterprise (GTE), WAIPS does not apply and a WAIPS Participation Plan is not required. Click this link to complete the Participation Plan: <not required in Expression of Interest stage, link will be provided at the Call for NCESS Submissions>

6.2.4 Where deemed necessary, a due diligence review may be undertaken on compliant NCESS Submissions. Evaluation scores may be moderated as a result of this process. The due diligence review may include:

- WHSE prequalification
- Financial due diligence
- Reference checks
- Site audits
- Overall risk assessment of the proposal

7. WEM participation and registration

7.1.1 Any Energy Producing System and/or equipment with a System Size greater than 10 MW is required to be registered in accordance with the ESM Rules as a Scheduled Facility or Semi-Scheduled Facility.

7.1.2 All NCESS Service Providers capable of receiving Certified Reserve Capacity Credits are required to apply for certification for each relevant Capacity Year during the Contract Term in accordance with clause 5.2A.2 of the ESM Rules.

7.1.3 Any Facility assigned Certified Reserve Capacity Credits must meet its Reserve Capacity obligations under the ESM Rules.