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of South Australia

Department for
Energy and Mining

Hydrogen &
Renewable Energy
Regulatory Guidelines

004

Release area tender criteria guidelines

2026



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Every effort has been made to ensure the accuracy of the material contained in this document at the time of publication. It may be revised to reflect changes in law, technology or practices. Readers should ensure they are using the latest version.

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Introduction

Pursuant to section 10(1) of the [Hydrogen and Renewable Energy Act 2023](#) (the Act), the Minister may declare an area of land comprising designated land that the Minister considers to be suitable for the operation of renewable energy infrastructure to be a release area.

Designated land includes pastoral land, South Australian water and any Crown land prescribed by the Regulations.

In accordance with section 11(1) of the Act, the Minister may, at any time, by notice in the Gazette, invite applications for renewable energy feasibility licences (REFLs) within a specified release area.

Section 11(2)(e) states that a notice under section 11(1) of the Act may specify criteria prescribed by the regulations against which applications will be assessed. The criteria that may be specified are prescribed in regulation 12(1) of the [Hydrogen and Renewable Energy Regulations 2024](#) (the Regulations). The notice may specify one or more of these prescribed criteria.

Where prescribed criteria are specified in the notice, the Minister must have regard to those criteria in assessing an application made in response to a call for tenders. This document intends to provide guidance regarding relevant matters that may be considered by the Minister in assessing an application against the prescribed criteria, and the type of information or evidence that applicants can provide to demonstrate how they will meet the prescribed criteria.

Some of the criteria prescribed by the regulations will, of their nature, be tailored to a particular release area if they are specified in a notice. In particular, the criteria prescribed by regulation 12(1)(b) will depend on the nature of any matters raised with the Minister by a registered native title body corporate or a registered native title claimant during consultation on the proposed release area, and the criteria prescribed by regulation 12(1)(j) will depend on whether the Minister considers other matters to be relevant and specific to a particular release area. As this guidance material is intended to be general in nature, it does not address matters that may be raised by registered native title bodies corporate or registered native title claimants (or the timing or process of native title agreement-making more generally) or matters that may be relevant and specific to a particular release area. Where these criteria are specified in a notice calling for tenders, this general guidance document may be supplemented by additional guidance material addressing those criteria, where appropriate.

Owners of land

For the purposes of section 11(2)(e) of the Act, the following criteria are prescribed:

Regulation 12(1)(a)

a statement outlining any agreement that is in place with a native title holder and other owners of land in respect of the proposed licence area, or the manner in which the applicant proposes to negotiate such an agreement including (if possible) information about the applicant's proven ability to successfully undertake such negotiations;

Native title holders

For the reasons outlined in the introduction, this guidance material does not address the timing or process of native title agreement-making.

Other land owners

In respect of owners of land who are not native title holders, before a licensee may carry out authorised operations and enter and use land within the licence area, licensees must enter into an access agreement with the holder of any pastoral lease (and prescribed owners of land, if any) and comply with the notice of entry regime (respectively). Access agreements and the notice of entry regime are one of the means by which the Act seeks to achieve the objective of facilitating the grant of licences that enable renewable energy projects to co-exist, so far as possible, with other land uses.

While the Act does not require access agreements to be entered into before a licence is granted, and compliance with the notice of entry regime may, but need not always, result in an agreement between a licensee and an owner of land, in assessing an application against this criteria, the Minister may consider whether the applicant has in place existing agreements with owners and, if not, the manner in which they propose to negotiate any agreements.

The Act does not require these kinds of agreements to take any particular form, although an access agreement must address the following matters:

Section 41(2)

An **access agreement** must address the following matters in relation to operations to be undertaken under a licence to which this section applies:

- a) access to the licence area, or infrastructure in or in the vicinity of, the licence area, by the parties to the access agreement while authorised operations are being undertaken;
- b) the manner and form in which notice of commencement of authorised operations will be given by the licensee to the other parties to the agreement;
- c) compensation that is or may be payable by a licensee under section 79.

Native title matters

For the purposes of section 11(2)(e) of the Act, the following criteria are prescribed:

Regulation 12(1)(b)

if the notice under section 11(1) of the Act sets out matters to be addressed by an applicant as raised with the Minister by a registered native title body corporate or a registered native title claimant during the period allowed for making submissions to the Minister pursuant to regulation 10(1)(b)—

- i) a statement submitted by the applicant addressing those matters; and
- ii) any statement received from the registered native title body corporate or the registered native title claimant in response to that statement;

For the reasons outlined in the introduction, this guidance material does not address this criteria.

Work program

For the purposes of section 11(2)(e) of the Act, the following criteria are prescribed:

Regulation 12(1)(c)

a proposed **work program** detailing operations that will be undertaken under the proposed licence;

For the purposes of a REFL, the Act defines 'work program' as set out below:

Section 4(1)

work program means a document prepared by an applicant for a licence, or for the renewal of a licence, that provides—

- a) a statement of the nature, extent and proposed scheduling of operations proposed to be undertaken under the licence; and
- b) in the case of a renewable energy feasibility licence—an analysis against the criteria prescribed by the regulations for the purposes of this paragraph;



Regulation 22(1)

For the purposes of paragraph (b) of the definition of work program in section 4(1) of the Act, the following criteria are prescribed in respect of the work program of a renewable energy feasibility licence:

- a) how data obtained during exploratory operations (including from the use of equipment used for exploring a renewable energy resource) will be captured, stored, analysed, progressed, actioned and reported;
- b) how the applicant for the licence or the licensee (as the case requires) will undertake construction and placement of equipment intended to be used for exploring a renewable energy resource;
- c) how the applicant for the licence or the licensee (as the case requires) will effectively understand the renewable energy resource potential of the relevant release area within a specified time;
- d) the manner in which the commercial and business models of the applicant or licensee (as the case requires) will support a subsequent application for a renewable energy infrastructure licence.

Benefit to the state

For the purposes of section 11(2)(e) of the Act, the following criteria are prescribed:

Regulation 12(1)(d)

the net economic, social and environmental benefit to the State expected as a result of the proposed exploitation of the renewable energy resource (the project), including—

- i. the initiatives proposed to support the short and long term security and stability of the State's energy system; and
- ii. the extent to which the project will create and maintain jobs and provide skills and training opportunities, including jobs for young people, apprentices, Aboriginal and Torres Strait Islander people and people with a disability; and
- iii. the manner in which the applicant intends to provide opportunities for Australian entities to bid for the supply of goods and services necessary in undertaking the project; and
- iv. the manner in which the applicant intends to provide beneficial economic, environmental and social outcomes for rural, regional, remote and Aboriginal communities;

Relevant matters

The information contained below is guidance regarding relevant matters that may be considered by the Minister in assessing an application against the prescribed criteria contained in regulation 12(1)(d), and the type of information or evidence that applicants can provide to demonstrate how they will meet those prescribed criteria. It is not intended to be exhaustive.

The [Industry Capability Network South Australia](#), embedded within the Department of State Development, supports the development of local, regional and Aboriginal supply chains, including via a Project Portal on Gateway by ICN and behind-the-scenes enquiries. This service is currently fully subsidised by the SA Government, i.e. available to project proponents at no charge. For more information, contact info@icsa.org.au.

(1) Supporting the state's energy system

The extent to which the project will support the short and long term security and stability of the state's energy system. This may include direct support (connection to energy network and/or addition of energy storage), or indirect support (initiatives that reduce demand on the state's energy system).

(2) Creation and maintenance of jobs, skills and training opportunities

The extent to which the project will create and maintain jobs and provide skills and training opportunities. This may include an assessment of how the applicant will facilitate participation and collaborate with:

1. The Australian workforce, including apprentices and trainees.
2. Underrepresented Australians in the workforce, such as:
 - a. young people
 - b. apprentices
 - c. people experiencing disability.
3. Aboriginal and Torres Strait Islander people in the workforce.

(3) Development of supply chain

The extent to which the applicant's project will contribute to the building of supplier capability, capacity and competitiveness in Australia. This may include an assessment of how the applicant will:

1. Ensure full, fair and reasonable opportunities for manufacturers and suppliers in Australia to bid for the supply of goods and services necessary in undertaking the project.
2. Develop capability and capacity of the supply chain in Australia.
3. Increase participation of Aboriginal businesses.

(4a) Economic, environmental and social outcomes for communities

The applicant's approach and strategies to provide beneficial economic, environmental and social outcomes for rural, regional and Aboriginal communities. This may include an assessment of how the applicant will, in those communities:

1. Engage, consult, collaborate and share economic / social / environmental benefits.
2. Create downstream value-add opportunities for the community, industries and economy.

(4b) Net economic, social and environmental benefit to the state

The applicant's approach and strategies to foster broader economic development and enable a legacy in economic, social and/or environmental benefit for the community, industry and broader economy for the state. This may include an assessment of how the applicant will:

1. Engage, consult and share economic / social / environmental benefits.
2. Support innovative and early-stage companies and researchers to foster the commercialisation of new technologies in Australia.
3. Support diffusion of new knowledge and innovation.
4. Create downstream value-add opportunities for the community, industries and broader economy in the state.
5. Demonstrate that the proposed licensed area represents an efficient use of designated land for the state.
6. Ensure that any impacts to native vegetation and biodiversity are mitigated and managed in line with existing statutory requirements and processes.
7. Support the state to achieve its greenhouse gas emissions reduction targets as outlined in South Australia's Net Zero Strategy 2024-2030.
8. Provide beneficial outcomes to the state through an Environmental, Social and Governance (ESG) strategy for the project.



Applicant experience

For the purposes of section 11(2)(e) of the Act, the following criteria are prescribed:

Regulation 12(1)(e)

the applicant's experience and ability to deliver renewable energy projects;

Relevant matters

The information contained below is guidance regarding relevant matters that may be considered by the Minister in assessing an application against the prescribed criteria contained in regulation 12(1)(e), and the type of information or evidence that applicants can provide to demonstrate how they will meet the prescribed criteria. It is not intended to be exhaustive.

Where matters outlined for regulation 12(1)(f) and 12(1)(g) below, in respect to the delivery of the project and the technical, operational and financial capabilities of the applicant, are relevant to an assessment against this criteria, the Minister may also give consideration to those matters.

(1) Capability and track record

Capability of the applicant to deliver the proposed project including relevant Australian experience.

Supporting evidence that may be considered includes:

- Capability of delivering projects with similar technology and scale to that proposed.
- Experience through to commercial operations in Australia, or internationally, for projects with similar technology and scale to that proposed.

(2) Project partners

Where an applicant proposes to include project partners with experience in delivering renewable energy projects, the corporate structure of the project including, (if applicable) any project partners and respective roles and responsibilities, aligned to the project execution plan.

Supporting evidence that may be considered includes:

- Level of experience of applicant and any partners in their respective area(s) of competence.
- Partnership structure and leadership is clear and partners have successfully worked together before on similar developments.

Project delivery

For the purposes of section 11(2)(e) of the Act, the following criteria are prescribed:

Regulation 12(1)(f)

how the applicant intends to deliver a commercial project within a specified time;

Relevant matters

The information contained below is guidance regarding relevant matters that may be considered by the Minister in assessing an application against the prescribed criteria contained in regulation 12(1)(f), and the type of information or evidence that applicants can provide to demonstrate how they will meet the prescribed criteria. It is not intended to be exhaustive.

Where matters outlined for regulation 12(1)(e) above and 12(1)(g) below, in respect to the delivery of the project and the technical, operational and financial capabilities of the applicant, are relevant to an assessment against this criteria, the Minister may also give consideration to those matters.

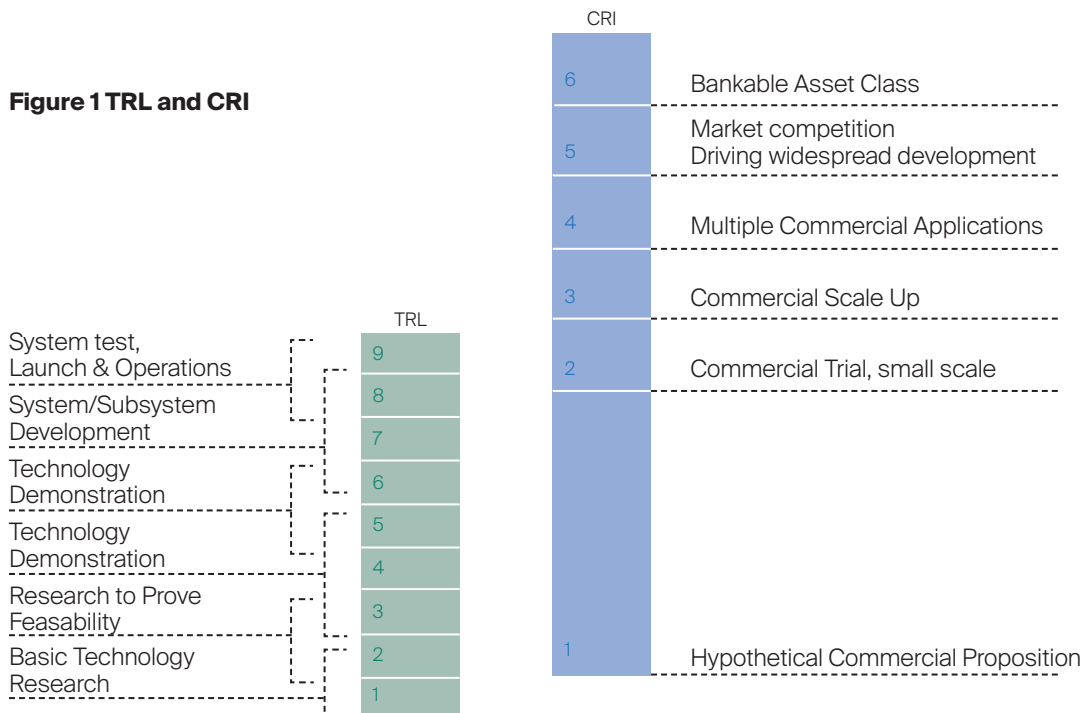
(1) TRL and CRI

The Technical Readiness Level (TRL) and Commercial Readiness Index (CRI) for the technologies and systems for the project.

Supporting evidence that may be considered includes:

- Justification of nominated TRL and CRI level through verified testing, completed pilot projects, commercial implementation, production facility capacity etc.

Figure 1 TRL and CRI



References:
<https://arena.gov.au/assets/2014/02/Technology-Readiness-Levels.pdf>
<https://arena.gov.au/assets/2014/02/Commercial-Readiness-Index.pdf>



(2) Complexity

The complexity of the project in terms of number of processing steps, the physical footprint, parties involved and types of technologies used, including how complexity risks will be managed.

Supporting evidence that may be considered includes:

- Project setup – e.g. the extent to which the project setup is straightforward, using well-established and widely understood technologies and simple phasing.
- The level of complexity – e.g. the extent to which the project complexity is minimal, or otherwise manageable, ensuring ease of execution and integration.

(3) Technology suitability

How technologies will be deployed in South Australian conditions, with alignment to local standards and regulations.

Supporting evidence that may be considered includes:

- Whether the technology is suited to the South Australian and broader Australian context, with strong alignment to local environmental, regulatory, and operational conditions.
- Expectations of the technology to perform effectively and gain acceptance without significant adaptation.
- The standards and regulatory requirements for implementing the technology in South Australia are defined and well-understood.

(4) Supply chain

Identification of the supply chain for the development of the project, including identification of all key risks and mitigation plans.

Understanding of supply chain complexities including resilience and reliance on external parties and influences.

Supporting evidence that may be considered includes:

- An analysis of all key supply chain elements for the development of the project including likely suppliers and countries, materials and production capacities available and alternative supplies should disruption occur.
- An understanding of key parties that could impact supply chain resilience including external influences.

(5) Project feedstock

Identification of project feedstocks (power, water, carbon, natural gas, etc.) required for the commercial viability of a project, including:

- associated sourcing strategies including infrastructure requirements (pipelines, transmission lines, etc.);
- the level of reliance on government-provided existing or planned common use infrastructure;
- feedstock capacity and availability including appropriate firming if required;
- plans to mitigate supply chain / delivery risks.

Supporting evidence that may be considered includes:

- Access to all necessary feedstock for the project, with reliable and well-established infrastructure in place having sufficient spare capacity. The extent to which the location and available feedstock is able to ensure consistent and efficient supply.
- Feedstock delivery route and mode are defined.
- Land access arrangements identified with approval requirements identified.
- An understanding of the firming requirements, with strategies in place to manage any variability in feedstock supply.

(6) Project services and supporting infrastructure

Identification of project services needs (labour, fuel, critical resources etc.) including:

- associated sourcing strategies including associated infrastructure requirements (road, rail, airports etc.);
- the level of reliance on government-provided existing or planned common use infrastructure;
- plans to mitigate supply chain / delivery risks.

Supporting evidence that may be considered includes:

- Access to all necessary services for the project, ensuring access to labour, fuel, and other critical resources.

(7) Route to market

The project's route to market and justification, including any reliance on third-party infrastructure and external dependencies.

Supporting evidence that may be considered includes:

- Product logistics plan.
- Analysis of product type options - electrons, molecules or products.
- Assessment of reliance on third party infrastructure and contingency plans to mitigate risk.

(8) Project maturity

Current level of development for the project and planning to achieve final investment decision.

Supporting evidence that may be considered includes:

- Commercial arrangements in place, showing a pathway to a final investment decision.
- Evidence of key activities completed and outcomes.

(9) Project execution plan

Project execution plan that demonstrates how the project will progress from the current state to completion, including projected timeframes and (where relevant) any staging.

Includes the full life-cycle of design, procurement, construction, commissioning, operations, decommissioning and rehabilitation of renewable energy infrastructure.

Supporting evidence that may be considered includes:

- The key roles and responsibilities of the project team that will enable successful execution.
- Interfaces with outside parties and how these relationships are managed.
- Risk management process, key project risks and mitigation strategies including people, plant and environmental health and safety aspects.
- Demonstrated ability to execute a project execution plan by providing supporting evidence of successful execution of similar projects in Australia or other locations.

(10) Project scale

The projected nameplate/installed generation capacity (in mega-watts) of the renewable energy infrastructure. For a staged development approach (e.g. where a separate financial decision is required at each stage), the expected capacity of each stage.

Supporting evidence that may be considered includes:

- How the project intends to maximise the generation capacity of the licence area.
- Analysis of the uncertainty associated with the delivery of the project scale.

(11) Product specification

Product specification requirements relative to the project's targeted current and future offtake markets.

Supporting evidence that may be considered includes:

- The proposed lifecycle and circular economy aspects of the project, including, e.g. offtake standards, carbon intensity, Environmental, Social, Governance (ESG) requirements and other standards / specifications / requirements.

(12) Offtake competitiveness and term

Targeted offtake market and the level of progression of offtake contracts, including:

- level of maturity of any contract (Memorandum of Understanding, Letter of Intent, term sheet etc.), length of term and conditions precedent as relevant. reliance on external support mechanisms (subsidies, contract for difference, etc.) and appropriateness of these in context of project.

Supporting evidence that may be considered includes:

- Offtake agreement for the target market with creditworthy counterparty, suitable conditions precedent and adequate due date timeline to allow successful project development.



Applicant capability

For the purposes of section 11(2)(e) of the Act, the following criteria are prescribed:

Regulation 12(1)(g)

the technical, operational and financial capabilities of the applicant that are necessary for the purposes of undertaking the project;

Relevant matters:

The information contained below is guidance regarding relevant matters that may be considered by the Minister in assessing an application against the prescribed criteria contained in regulation 12(1)(g), and the type of information or evidence that applicants can provide to demonstrate how they will meet the prescribed criteria. This is not intended to be exhaustive.

In addition to the matters outlined below in respect to the financial capability of the applicant, where matters outlined for regulation 12(1)(e) and 12(1)(f) above, in respect to the delivery of the project and the technical and operational capability of the applicant, are relevant to an assessment against this criteria, the Minister may also give consideration to those matters.

(1) Financial viability

Applicant's financial viability including approved credit rating, secured funding and other sources of debt/equity.

Supporting evidence that may be considered includes:

- A credit rating at or above investment grade for one or more partners with confirmation that the project is supported by that credit standing.

(2) Financing structure

Project financing structure including capital sourcing and history of gaining access for similar project types.

How the project will be funded through to final investment decision and beyond.

The type of financing that is being sourced, the steps that are to be completed to secure this financing, and the anticipated timing of the completion of these steps.

Project insurance requirements and how these will be met.

Supporting evidence that may be considered includes:

- For projects in pre-feasibility stage, whether unconditional equity and secure debt funding is available to reach final investment decision and beyond.
- Insurance - evidence of path to securing suitable insurance for project execution.

Environmental management

For the purposes of section 11(2)(e) of the Act, the following criteria are prescribed:

Regulation 12(1)(h)

the applicant's environmental management credentials, including their knowledge and experience in environmental impact assessment and management;

Relevant matters:

The information contained below is guidance regarding relevant matters that may be considered by the Minister in assessing an application against the prescribed criteria contained in regulation 12(1)(h), and the type of information or evidence that applicants can provide to demonstrate how they will meet the prescribed criteria. It is not intended to be exhaustive.

(1) Environmental management credentials

Credentials, knowledge and experience in environmental management of similar projects throughout the project lifecycle.

Supporting evidence that may be considered includes, evidence of the applicant's credentials, knowledge and experience in respect to:

- Environmental impact assessment, and engaging with key stakeholders to address relevant issues of concern in such an assessment.
- The use, development, or adaptation of technology to manage any impacts on the environment.
- Managing multiple land use issues throughout project development, including engagement with relevant interest holders.
- Decommissioning, rehabilitation and recycling equipment and materials to mitigate environmental impact.
- Environmental, Social and Governance (ESG) directives and initiatives.

'Environment' is broadly defined under the Act to include:

Section 4(3)

A reference in this Act to the *environment* includes—

- a) land, air, water (including both surface and underground water and sea water), organisms, ecosystems, flora, fauna and other features or elements of the natural environment; and
- b) buildings, structures and other forms of infrastructure, and cultural artefacts; and
- c) existing or permissible land use; and
- d) public health, safety or amenity; and
- e) the heritage, aesthetic, Aboriginal, social and cultural values of an area; and
- f) the social or economic effects associated with regulated activities.



Rental

For the purposes of section 11(2)(e) of the Act, the following criteria are prescribed:

Regulation 12(1)(i)

any rental offer made by the applicant under regulation 24;

Pursuant to section 45 of the Act, rent is payable in respect of renewable energy licences over designated land. Rent is payable to the Minister annually in arrears.

Where the Minister has issued a notice under section 11(1) of the Act calling for tenders within a specified release area, the Minister is required to make a 'rental determination' that will apply in relation to REFLs and renewable energy infrastructure licences (REILs) granted within that area. This determination sets the 'base' rent (i.e., the minimum amount of rent payable for a REFL or REIL in any year).

Pursuant to regulation 24, an applicant may specify a rental offer in their application in response to a call for tenders under section 11(1) of the Act. This is voluntary.

A rental offer may be made in respect of a REFL, a REIL, or both.

A rental offer may comprise an amount that the applicant offers to pay by way of rental in respect of a specified year, or each year within a specified period, during the term of a REFL or REIL (if granted), as the case may be.

In any year, the amount of rent payable for the REFL and the REIL (if granted) will be the amount specified in, or calculated in accordance with, a rental determination or the amount of the successful applicant's rental offer (if any), whichever is the greater.

Any other matters

For the purposes of section 11(2)(e) of the Act, the following criteria are prescribed:

Regulation 12(1)(j)

any other matter the Minister considers relevant and specific to a particular release area

For the reasons outlined in the introduction, this guidance material does not address this criteria.

ACKNOWLEDGEMENT OF COUNTRY

As guests here on Kaurna land, the Department for Energy and Mining (DEM) acknowledges everything this department does impacts on Aboriginal country, the sea, the sky, its people, and the spiritual and cultural connections which have existed since the first sunrise. Our responsibility is to share our collective knowledge, recognise a difficult history, respect the relationships made over time, and create a stronger future. We are ready to walk, learn and work together.

FURTHER INFORMATION

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