



Gawler Ranges East and Whyalla West

Rental guidelines



Department for Energy and Mining

Level 4, 11 Waymouth Street, Adelaide

GPO Box 618, Adelaide SA 5001

Phone +61 8 8463 3000

Email DEM.CustomerServices@sa.gov.au

www.energymining.sa.gov.au

South Australian Resources Information Gateway (SARIG)

SARIG map map.sarig.sa.gov.au

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Gawler Ranges East and Whyalla West rental guidelines

This information sheet provides guidance on the rental determination made in relation to the Gawler Ranges East and Whyalla West release areas pursuant to Regulation 24(3) of the Hydrogen and Renewable Energy Regulations 2024 (Regulations). The determination was published in the Gazette dated 26 March 2026.

Rent is payable for both a renewable energy feasibility licence (REFL) and a renewable energy infrastructure licence (REIL) granted within release areas.

Please note that the rental determination sets the minimum amount for the annual rent. An applicant may offer an amount above this minimum payment.

Regulation 24(7a) gives the Minister power to waive, reduce or defer a payment of rent.

Renewable Energy Feasibility Licence (REFL)

It has been determined that the amount of annual rent payable for a REFL will be \$100 per megawatt (MW) per annum, where the MW capacity is based on the proposed MW capacity (the projected nameplate/installed generation capacity of the renewable energy infrastructure) as specified in the application submitted in response to the call for tenders.

Example:

If the applicant submits an application with a proposed total capacity of 2,000 MW, the rent will be calculated as follows:

$\$100 \times 2,000 \text{ MW} = \mathbf{\$200,000 \text{ per annum}}$.

Renewable Energy Infrastructure Licence

The amount of annual rent payable for a REIL will be \$2,000 per MW per annum. The MW capacity is based on the proposed total capacity as specified in the work program submitted for the REIL licence application. The rental amount is calculated at each scheduled project milestone.

Acknowledging that a project's capacity will increase over time as infrastructure is installed, the rent payable for a REIL has a minimum fixed amount that increases in line with the submitted work program and project milestones.

The initial annual rent payable is 25% of the full rental amount (*'initial rental amount'*). This is payable from when the licence is issued.

Once the projected MW capacity (as outlined at each scheduled project milestone) surpasses 25% of the proposed total capacity, annual rent is calculated on the projected MW capacity at each milestone.

The amount of rent may be apportioned on a pro rata basis within a given licence year based on the methodology outlined.

Example:

Applicant submits a work program as part of the REIL application with a projected total capacity of 2,000 MW.

\$2,000 x 2,000 MW = **\$4,000,000 per annum** (this is the maximum rental amount).

Milestone	Estimated capacity (MW)	Rent payable	Commentary
1	0	\$1m	25% of full rental amount
2	300	\$1m	As projected capacity is less than 25% of full rental amount, rent due remains 25% of full rental amount
3	1,000	\$2m	Estimated capacity is greater than 25% of full rental amount
4	1,500	\$3m	Estimated capacity is greater than 25% of full rental amount
5	2,000	\$4m	Full rental amount

Rental offer

The Minister must consider any rental offer made by an applicant as part of determining a successful applicant in response to a call for tenders under section 11(1) of the *Hydrogen and Renewable Energy Act 2023*.

While an applicant is not required to make a rental offer as part of their application, they may offer more than the rental determination amount to improve their applications assessment against Regulation 12(1)(i). Any rental offer is binding on the applicant.

It is expected that a rental offer is submitted as part of an application during the call for tenders and will cover one or both of a REFL and REIL.

The example below is only an indication of some of the options available to an applicant and is not intended to be exhaustive.



Example:

REFL

Applicant submits a work program with a projected total capacity of 2,000 MW.

In their application for a call for tenders, they make a REFL rental offer of \$200 per MW or \$400,000 per annum.

REIL

There are many options that an applicant may consider in making a rental offer, only three scenarios are illustrated below and compared in the table.

- Scenario 1: Applicant submits a rental offer of \$8m per annum (flat rate rental)
- Scenario 2: \$4,000/MW per annum rental offer (rather than \$2,000/MW baseline)
- Scenario 3: Applicant submits a specific rental amount each year.

Milestone	Estimated Capacity (MW)	Baseline	Scenario 1	Scenario 2	Scenario 3
1	0	\$1m	\$8m	\$2m	\$3m
2	300	\$1m	\$8m	\$2m	\$3m
3	1,000	\$2m	\$8m	\$4m	\$3m
4	1,500	\$3m	\$8m	\$6m	\$5m
5+	2,000	\$4m	\$8m	\$8m	\$5m

Indexation

The amount of rent payable is indexed in accordance with the standard State Government indexation rate. For simplicity, the scenarios detailed in this guidance do not factor indexation.

Any rental offer made by an applicant is not subject to indexation (unless the applicant chooses to provide for indexation).

Further information

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E releaseareas@sa.gov.au
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