

Reliability and Emergency Reserve Trader – Summer 2018-19

General Questions and Answers

#	Question	Answer
1	What is the difference and relationship between the Tender and EOI documents/submissions.	<p>The main differences between the two are as follows:</p> <ul style="list-style-type: none"> • Long notice (LN) RERT reserve is firm from the date that the reserve is contracted under the agreement (e.g. 1 November – 31 March). • The purpose of the EOI is to appoint a reserve provider to the RERT Panel to provide short notice (SN) and medium notice (MN) reserve. The agreement sets out the pre-agreed terms and conditions should a SN or MN contract be formed. However, SN and MN RERT contracts are not formed until AEMO identifies a SN or MN shortfall situation (up to 7 days and up to 10 weeks respectively) and sends an Invitation to Tender (ITT) to panel members requesting reserve and the panel member offers its reserve and AEMO accepts that offer. The provider has the choice to offer its reserve at that time. Activation charge is pre-agreed for SN RERT but MN RERT prices are determined by response to the ITT. • LN and MN RERT are entitled to availability payments for the duration of the reserve periods agreed in the contracts. SN RERT does not entitle the provider to an availability charge. Note MN RERT availability payments are only made to providers when a contract is formed and no payments are made to providers who are on the Panel without active RERT contracts.
2	Clarification as to what constitutes generation connected to the national grid (Clause A.2 (b) page 2 Tender document)	This includes all connections to the system whether directly to the transmission or distribution network or behind a metered load. What is not included are generators that are connected to stand-alone or isolated networks that do not normally inject energy into the NEM.
3	Clarification what constitutes “Schedule load or reserve”	A scheduled load or reserve is a load or reserve that is registered as such and participates in the National Electricity Market through the central dispatch process.
4	Definition or clarification what is considered ‘variable’ load (clause 2 (c) page 13 Tender document)	Generally considered as load that varies over a given time period (it can be over a day, a week, a season or the year) with discernable demand

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		peaks and troughs, although it is more common for the term to refer to a relatively short period, such as a day or week. This is usually in comparison to load that remains relatively constant.
5	Clarification on some of the items in Schedule 2	Your question relates to columns 5 and 6 of the reserve description table (Schedule 2). These columns break down the reserve between scheduled and unscheduled generation and load and seek to distinguish between load or generation that can be controlled by AEMO via central dispatch.
6	We do not have large generation capacity as requested by the EOI, however we are currently looking at the feasibility of installing a gas fired CHP unit at one of our sites. The peak electrical output is 65kW, much lower than the specified MW range in your EOI/ITT.	The maximum reserve capable of being provided by the CHP unit is much less than our minimum RERT specification in our ITT/EOI. Nevertheless, it is possible that an aggregator may be interested in using the output from the CHP unit in its own demand response portfolio.
7	We have an existing RERT Panel Agreement with AEMO as part of the ARENA RERT program. I take it that we are not required to submit an EOI for the SN RERT to continue to provide SN RERT services this summer. Could you please confirm this is the case?	As an ARENA SN RERT reserve, your SN RERT panel agreement continues for years 2 and 3. You do not need to respond to the EOI for the reserve provided under the current panel agreement.
8	Are you interested in a large TAS load as well to help support additional flows over interconnector ex-TAS into Vic this summer?	Extra capacity in TAS for low VIC/SA reserve is unlikely to assist. At times of low reserve in VIC/SA we typically see Basslink exporting at maximum limit. Hence extra capacity available in TAS will not be able to be provided to VIC.
9	What is the probability of low reserve in Tas for summer 2018/2019?	Current MTPASA results show a very low loss of load probability for the upcoming summer for Tasmania. This means that it is very unlikely that we will be able to procure long notice RERT for Tasmania.