

## Reliability and Emergency Reserve Trader

### RERT ITT and EOI Questions and Answers

The following questions and answers are anonymised responses to questions asked by parties interested in responding to the RERT ITT and EOI. This Q and A will be updated weekly for the duration of the ITT and EOI periods. It is advised to check the RERT website regularly for updates. In the following table, LN means Long Notice RERT, MN means Medium Notice RERT and SN means Short Notice RERT.

#	Question	Answer
1	Applicant is a joint venture. Would RERT be seeking details from all JV participants. Alternatively, if we provided the site audited accounts (which excludes revenue which is dealt with by each JV partner) would this suffice?	Please provide credit ratings and account details that would show that the tenderer and business partners are sufficiently solvent to be able to cover any credit risk faced by AEMO during the term of the agreement. By your description, the site audited accounts, without the revenue, would not, in our view, be sufficient to be able to make that deliberation.
2	S4.3 requires the tenderer to provide details of the insurance program it proposes in respect of the provision of the Reserve.  Can you please clarify what this might mean for our tender? Is there a form of insurance we would require or prove to have?	AEMO does not prescribe any particular form of insurance program as the way that each potential reserve provider provides the service may differ significantly. Tenderer is expected to conduct a risk assessment of providing the reserve service and insure accordingly (which may be by way of self-insurance if sufficiently robust for the risks (at AEMO's discretion)).
3	In relation to S4.4, can you advise what we might need to provide to fulfil this component of Schedule 4. As you know, the business has been in existence for many years and has on many occasions undertaken load reduction. So just interested to know what, if anything, we need to provide here.	On the basis that the RERT provided is a reduction in load, the only information required is a statement on how the RERT will be delivered, e.g. what processes will be curtailed or ramped down in accordance with normal operating procedures.
4	We are proposing to use an internal (non-accredited) meter to measure the contracted response to separate it from all other market metered load at the premises. Is this allowed?	The use of an internal non-accredited meter will not necessarily be automatically rejected. We would consider using it (at our discretion) if the balance of the load measured by the market meter is too variable to fit within the baseline profile (and the variability boundaries) set out in the ITT documentation.
5	Can separate ITT offers be made on the basis of the type of service offered.	Separate ITT offers based on different demand responses may be submitted. For example, an offer for a fast acting automated and one for slower manual response is acceptable. If some sites that rely on manual activation are in the process of being or will be converted to automated

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		by the time the contract is expected to be entered into, please note this in the ITT response for the relevant service.
6	Is there any guidance on pricing the reserve services.	In terms of pricing, there is no specific guidance except that AEMO would favour responses with a lower availability charge (all other things being equal). Pricing, technical requirements (determining reliability) and the amount of the forecast reserve shortfall (which is in constant review) will be considered when determining which contracts AEMO enters into.