



The Reliability and Emergency Reserve Trader (RERT)

AEMO maintains a panel of electricity reserve providers that, if needed, can be called upon to deliver extra capacity to the National Electricity Market (NEM).

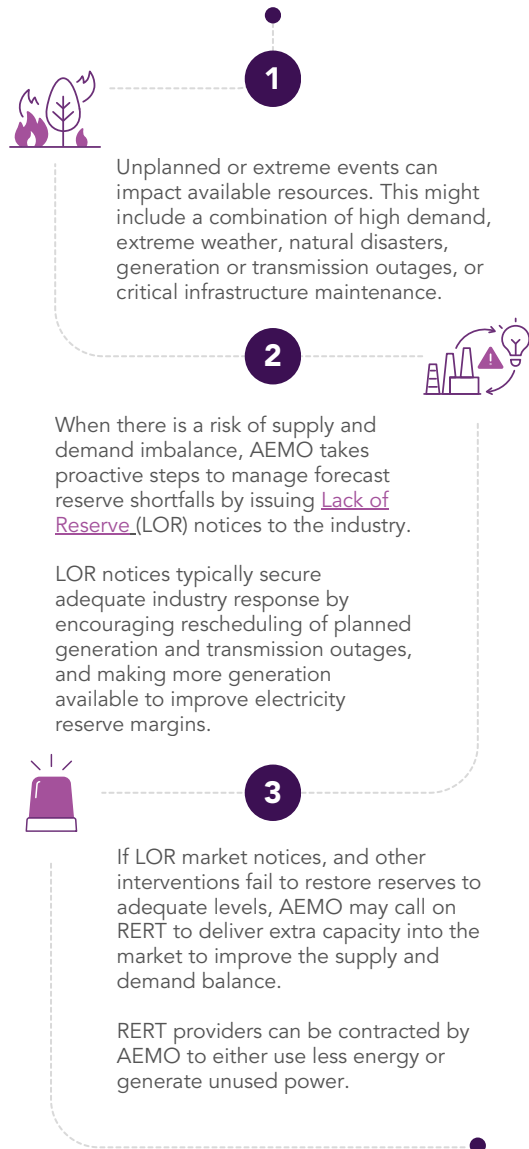
As part of its role in balancing NEM electricity supply and demand, AEMO procures reserve contracts through the Reliable and Emergency Reserve Trader (RERT) mechanism if shortfalls are forecast.

These providers are in addition to the pre-determined reserve levels the NEM operates with to minimise potential power system risks.

RERT providers are essentially on standby to be called upon if electricity shortfalls are identified and unlikely to be resolved using standard processes.



When would AEMO need to activate RERT?



Identifying reserves

Each year, AEMO publishes the Electricity Statement of Opportunities (ESOO) report, providing a reliability outlook for the NEM in the coming decade.

The ESOO helps inform planning and policy decisions, as well as investment opportunities in generation, storage and transmission for each state in the NEM.

If unserved energy (USE) exceeding 0.002% is forecast in the ESOO, AEMO may procure RERT.

In addition to the ESOO, AEMO continuously assesses forecast reliability and security against NEM reliability standards.

If AEMO identifies potential shortfalls breaching the NEM standards, it may choose to procure RERT.

What is the difference between short and long notice RERT?

Short notice RERT	Long notice RERT
Reserves are contracted from a panel of potential suppliers to manage unexpected risks in the power system, such as an unanticipated major generator outage.	Reserves are contracted based on the potential shortfalls identified against the reliability standard 0.002% USE in the latest ESOO or other forecasts.
Contracted with less than a week's notice.	Contracted in advance from 10 weeks to 12 months, in certain circumstances.
Panel members are paid based on pre-activation and activation charges agreed when appointed to the panel, not on availability. As such, members are not required to be available.	Providers are paid availability payments and are required to be available.

RERT costs, including provisions for provider availability, reserve pre-activation, activation and usage, are recovered from wholesale electricity market customers, such as retailers, related to the billing week when the cost was incurred. There are no payments made for being on the RERT panel. For more information, [click here](#).

About us: AEMO is the independent energy market and system operator and system planner for the National Electricity Market (NEM) and Western Australia's Wholesale Electricity Market (WEM). We are a not-for-profit company, with a membership of state and federal governments (60%) and energy industry members (40%).

More info: aemo.com.au/about/who-we-are