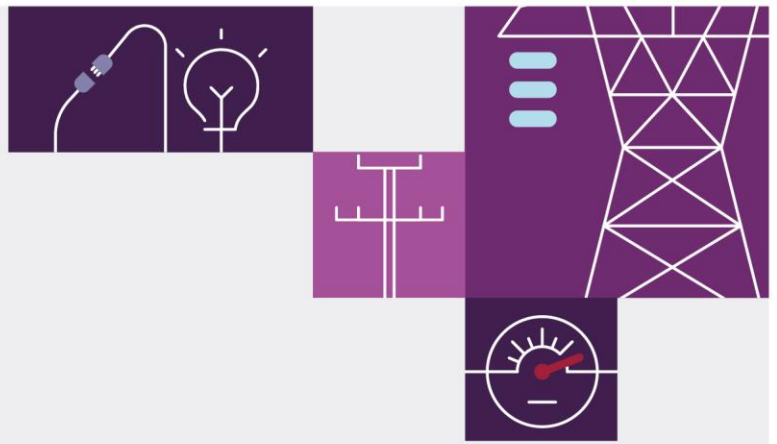


# Reliability and Emergency Reserve Trader (RERT) End of Financial Year 2022-23 Report

August 2023

A report for the National Electricity Market





# Important notice

## Purpose

AEMO publishes the Reliability and Emergency Reserve Trader (RERT) End of Financial Year Report under clause 3.20.6(g) of the National Electricity Rules.

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## Version control

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# Contents

1	RERT 2022-23 end of financial year reporting	4
1.1	Summary of RERT activity	4
1.2	Cost of RERT in 2022-23	5

## Tables

Table 1	Costs associated with exercising RERT in 2022-23	5
Table 2	Total regional RERT costs in 2022-23	5

# 1 RERT 2022-23 end of financial year reporting

This report addresses AEMO's Reliability and Emergency Reserve Trader (RERT) end of financial year reporting requirements for 2022-23, as required under clause 3.20.6 (g) of the National Electricity Rules (NER)<sup>1</sup>. Terms defined in the NER have the same meanings in this report.

## 1.1 Summary of RERT activity

### 1.1.1 Reserves contracted

AEMO entered into RERT contracts during 2022-23 for:

- Tuesday 5 July 2022: 63 megawatts (MW) of Short Notice (SN) reserve in Queensland, with durations of between 5.0 hours and 17.5 hours. Details of RERT activation from this event are provided in section 1.1.2 below.
- Friday 3 February: 115 MW of SN reserve in Queensland with durations of between 1.5 hours and 3.5 hours. Details of RERT activation from this event are provided in section 1.1.2 below.
- Thursday 16 March: 140 MW of SN reserve in New South Wales with a duration of 1.0 hour. Although RERT contracts were entered into on 16 March 2023, no reserve was activated.

AEMO did not enter into any Medium Notice, Long Notice or Interim Reserve contracts in the 2022-23 financial year.

### 1.1.2 Reserves activated

AEMO activated RERT on the following occasions during 2022-23.

#### Tuesday 5 July 2022 (Queensland)

AEMO activated RERT in Queensland from 1700 hrs to 18:00 hrs, in response to forecast Lack of Reserve 2 (LOR 2) condition.

AEMO activated one reserve with a total capacity of 10 MW and volume of 10 megawatt hours (MWh).

The total cost of exercising RERT<sup>2</sup> on 5 July 2022 was \$639,016.00.

Further information on this event is available in the Reliability and Emergency Reserve Trader (RERT) Quarterly Report Q1 2023 available on the AEMO website<sup>3</sup>.

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<sup>1</sup> For further information about RERT contracts, activations and costs including the RERT reports provided for the purposes of clauses 3.20.6(d) to (f) of the NER, see the AEMO RERT Reporting web page, at <https://aemo.com.au/energy-systems/electricity/emergency-management/reliability-and-emergency-reserve-trader-rert/rert-reporting>.

<sup>2</sup> In this report, the total cost of exercising RERT means pre-activation, activation, and intervention costs.

<sup>3</sup> Report available at: <https://aemo.com.au/energy-systems/electricity/emergency-management/reliability-and-emergency-reserve-trader-rert/rert-reporting>

## Friday 3 February 2023 (Queensland)

AEMO activated RERT in Queensland from 1700 hrs to 1930 hrs, in response to a forecast LOR 2 condition.

AEMO activated two reserves with a total capacity of 21 MW and volume of 31 MWh.

The total cost of exercising RERT on 3 February 2023 was \$1,424,699.26.

Further information on this event is available in the Reliability and Emergency Reserve Trader (RERT) Quarterly Report Q1 2023 available on the AEMO website<sup>4</sup>.

## 1.2 Cost of RERT in 2022-23

Table 1 shows a breakdown of the costs associated with exercising RERT in 2022-23. The total cost for each event includes pre-activation, activation, and intervention costs.

**Table 1** Costs associated with exercising RERT in 2022-23

	State	Pre-activation (\$)	Activation (\$)	Intervention (\$) <sup>A</sup>	Total cost (\$)	Cost per MWh (\$/MWh) <sup>B</sup>
<b>5 July 2022</b>	<b>QLD</b>	\$478,211.00	\$161,637.00	-\$832.00	\$639,016.00	\$71,161.16
<b>3 February</b>	<b>QLD</b>	\$910,336.40	\$505,640.53	\$8,722.00	\$1,424,699.26	\$50,487.00
<b>Total</b>		\$1,388,547.40	\$667,277.53	\$7,890.33	\$2,063,715.26	\$50,334.52

A. Intervention costs represent compensation paid to Market Participants due to the intervention event (for example, to compensate for energy generation which is displaced by RERT capacity), and to Eligible Persons (SRA holders) due to changes in interconnector flows, and therefore changes in the value of Settlement Residues. Note that these costs are subject to change under NER clause 3.12.1(a).

B. The cost per MWh has been calculated based on the total cost of each event divided by the MWh delivered for each event. RERT MWh delivered is the amount of RERT actually delivered (as opposed to activated) including any over-delivery, noting that RERT providers have not been paid for over-delivery.

Table 2 shows the total costs per region associated with RERT in 2022-23, which includes availability, pre-activation, activation, and intervention costs. The overall total cost of RERT in 2022-23 was \$2,063,715.

**Table 2** Total regional RERT costs in 2022-23

State	Availability (\$)	Pre-activation (\$)	Activation (\$)	Intervention (\$)	Total cost (\$)	Cost per MWh (\$/MWh)
<b>NSW</b>	0	\$0	\$0	\$0	\$0	\$0
<b>QLD</b>	0	\$1,388,547.40	\$667,277.53	\$7,890.33	\$2,063,715.26	\$50,334.52
<b>Total</b>	0	\$1,388,547.40	\$667,277.53	\$7,890.33	\$2,063,715.26	\$50,334.52

<sup>4</sup> Report available at: <https://aemo.com.au/energy-systems/electricity/emergency-management/reliability-and-emergency-reserve-trader-rert/rert-reporting>