

Reliability and Emergency Reserve Trader – Summer 2018-19

General Questions and Answers 2

| # | Question | Answer |
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| 1 | <p>Page 57, item 2.3 – can the Reserve increase, following a reduction due to testing or activation event, as long as it is below the Reserve in item 2.1?</p> <p>For example, if the contract Reserve is 20 MW and the Test of the Reserve results in 15 MW, can the Reserve be increased up to 20 MW if delivered during an activation event? If so what mechanism can we use to effect this increase?</p> | <p>The only way to revise the reserve is to conduct another test at the provider's request and cost. We cannot use the activation event to revise a reserve set by a prior test. You are correct to state that tested reserve is capped at the contract reserve.</p> |
| 2 | <p>Page 59, item 5.3 – the contract quotes item 3.1, however no such item exists. Is it meant to reference item 2.1?</p> | <p>Yes, you are correct, on page 59, "item 3.1" should be a reference to "item 2.1".</p> |
| 3 | <p>Regarding the ITT schedules, is my understanding correct that a registered retailer does not need to complete Schedule 4 - Supporting Information (page 56)?</p> | <p>You should provide this information for completeness as some information, such as the insurance information, may be different for this reserve program.</p> |
| 4 | <p>We are currently considering submitting a proposal to provide RERT in Vic/SA. Can you please clarify if a program for Vic/SA can be minimum of 10MW in total or whether it must be minimum of 10MW in Vic and separately minimum of 10MW in SA?</p> | <p>Reserves can only be shared between the regions under certain limited circumstances (which might include circumstances where there is combined reserve shortfall across two regions and sufficient head-room on the interconnector to be able to share the full amount of reserve). Therefore if you propose to provide demand response reserve in both Vic and SA, you would need to provide a minimum of 10MW in each. We would suggest preparing separate schedules for each region and treat them as separate reserves.</p> |
| 5 | <p>We are anticipating offering reserve over a weekend at a different rate. Is AEMO interested in such a reserve?</p> | <p>Tenderer can provide a reserve that it feels it can provide. While the tenderer is free to provide the reserve in any combination it desires, the tenderer may consider offering two blocks: one weekday and one weekend; each with a different rate attaching to it. If the tenderer wishes to structure the offer this way, it should complete a separate schedule for each block.</p> |
| 6 | <p>If a provider has already tested the reserve as part of last year's RERT program, does it have to test this year as well?</p> | <p>Yes</p> |

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| Unless otherwise determined by AEMO, this will be the final FAQ issued for the tender period. | | |