

9 April 2010

Dr John Tamblyn  
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Australian Energy Market Commission  
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FROM THE OFFICE OF THE  
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By online submission

  
Dear Mr Tamblyn

### Consultation on the Amended RERT Guidelines Draft Report

Thank you for providing the opportunity for comment on the above draft report and we felt it useful to provide the following feedback on our experience in the operation of the Reliability and Emergency Reserve Trader (RERT) since the Improved RERT Flexibility and Short-notice Reserve Contracts National Electricity Rules (NER) change<sup>1</sup>:

1. The RERT panel has not yet been exercised, with the weather conditions during this last summer such that adequate capacity reserves were maintained throughout the period with no forecast reserve shortfall.
2. AEMO would like to note that one participant has so far joined the RERT panel, while negotiations are continuing with one other party.
3. AEMO will reopen the RERT panel in the middle of 2010, seeking further offers to participate in the panel for short and medium notice situations.

AEMO will monitor and provide feedback to the AEMC on the effectiveness of the guidelines as experience allows. For further details, please do not hesitate to contact Michael Lyons on (03) 9648 8792.

Thank you for the opportunity to provide feedback on these guidelines.

Yours sincerely



Matt Zema  
**Managing Director and Chief Executive Officer**

<sup>1</sup> AEMC, *Improved RERT Flexibility and Short-notice Reserve Contracts*, accessed at <http://www.aemc.gov.au/Electricity/Rule-changes/Completed/Improved-RERT-Flexibility-and-Short-notice-Reserve-Contracts.html>, April 2010.