

RERT 2017-18 cost update

AEMO reported in the Summer 2017-18 operations review report that the cost of RERT was \$51.26 million.

Minor adjustments since the report was published have resulted in a final cost of \$51.99 million – an increase of \$0.73 million or 1.4%. See the table below for a breakdown of the costs.

The total cost has been recovered on a regional basis as follows:

Victoria \$50,764,130.53

South Australia \$1,229,415.36

RERT costs associated with 2017-18 financial year (\$ million)

	Availability payments	Pre-activation costs	Activation costs	Other costs ^A	Total costs ^B
RERT costs in financial year 2017-18	\$27.03	\$ 21.56	\$3.23	\$0.17	\$51.99

A. "Other 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 due to changes in interconnector flows, and therefore changes in the value of Settlement Residues.

B. Costs are passed through to Market Customers in the relevant region in accordance with the NER.