

ECO Brokerage Performance Rating System

The Brokerage rating system was introduced to coincide with Auction 28 (11th February 2014). On its introduction both under and over delivery of the agreed contract volume affected the rating; however, from Auction 72 (17th November 2015) only under delivery will be considered when calculating performance ratings.

All Seller ratings are calculated using the information submitted by Buyers via the ECO Brokerage Contract Report at the end of the contract.

New Sellers are flagged as 'NEW' and will not receive a rating until they have delivered a Brokerage contract.

Compliant delivery

Under Brokerage the contract volume delivered **must** be within the agreed tolerance levels set in the standard Bi-lateral Off-take contract. There are two tolerance brackets depending on when the lot was sold:

Auction number the Lot was sold	Tolerance
1 – 32	90 – 110%
33 onwards	95 – 105%

From Auction 72, over delivery will be treated in the same way as a compliant delivery when calculating performance ratings.

Methodology

A rating is between 100 and zero. For every 1% under delivery (or over delivery before auction 72) noted in the report there is a 0.1 reduction in the Seller's rating.

For example, if a lot sold at Auction 30 delivered 85% of the agreed contract volume, the seller would have under delivered by 5% and 0.5 would be deducted from their rating ($100 - 0.5 = 99.5$). However, if the contract volume delivered was 85% for a contract sold at auction 70, this would be under delivered by 10% and 1.0 would be deducted from their rating ($100 - 1.0 = 99$).

Failure to comply with the Brokerage Terms and Conditions

For lots sold from Auction 76 (26th January 2016) onwards, a Seller's performance rating will also be affected where the contract was terminated early because the Seller:

- fails to provide a signed Bid Confirm Letter; or
- does not provide notice of intended sub-contractors and monitoring percentages

This will be treated as 0% delivery of the contract and the Seller rating will be adjusted using the methodology above (a 9.5 reduction in the Seller's rating).

Star rating

Sellers will receive a star [*] rating where compliant delivery of three consecutive lots is achieved. This will be awarded regardless of their rating, and once obtained will not be lost.

Consecutive lots are based on the delivery date of Contract as noted on the ECO Brokerage Contract Report.

Claw back mechanism

Sellers can regain lost ratings at a rate of 0.5 per three compliant deliveries (these do not have to be consecutive).

Example ratings

The table below provides examples of the performance ratings:

GDP	Rating	3 Consecutive Compliant Deliveries
A	100	*
B	100	
C	79	*
D	90	
E	NEW	