

# Financial Consultation Committee

Vanessa Hannan

EGM Finance and Governance

19 February 2025





**We acknowledge the Traditional Custodians of the land, seas and waters across Australia. We honour the wisdom of Aboriginal and Torres Strait Islander Elders past and present and embrace future generations.**

We acknowledge that, wherever we work, we do so on Aboriginal and Torres Strait Islander lands. We pay respect to the world's oldest continuing culture and First Nations peoples' deep and continuing connection to Country, and hope that our work can benefit both people and Country.

**'Journey of unity: AEMO's Reconciliation Path' by Lani Balzan**

AEMO Group is proud to have launched its first Reconciliation Action Plan in May 2024. 'Journey of unity: AEMO's Reconciliation Path' was created by Wiradjuri artist Lani Balzan to visually narrate our ongoing journey towards reconciliation – a collaborative endeavour that honours First Nations cultures, fosters mutual understanding, and paves the way for a brighter, more inclusive future.

Read our  
RAP



# Welcome and proceedings

Item	Speaker	Time
Overview and minutes	Margaret Lynch, Stakeholder Engagement Lead and secretariat	3.30 pm AEST
Introduction	Vanessa Hannan, Executive General Manager, Finance & Governance	3.35 pm
AEMO's evolving roles + Q&A	Daniel Westerman, CEO	3.45 pm
FY25 budget recap and full-year forecast	Cameron O'Donnell, Group Manager, Strategic Finance	4.10 pm
Budget and fees planning process	Cameron O'Donnell, Group Manager, Strategic Finance	4.25 pm
NEM Participant fee structures consultation	Lance Brooks, Manager, Reform Roadmap and Pricing	4.35 pm
Q&A and any other business	Vanessa Hannan, Executive General Manager, Finance & Governance	4.50 pm

# Minutes

- **Meeting** : The Financial Consultation Committee (FCC) meeting took place on Wednesday, 26 June 2024, from 11:00 AM to 12:10 PM AEST via Teams
- **Attendees and apologies**: The meeting included representatives from various organizations such as Pacific Blue, Energy Australia, Energy Consumers Australia, and several government departments. There were no representatives from Energy Networks Australia (ENA) present
- **FY25 Budget and Fees**: Margaret Lynch, Stakeholder Engagement Lead for Corporate Services, provided an overview of the FY25 Budget and Fees engagement process. The consultation period ran for two weeks in April and included a presentation at AEMO's consumer forum and an industry webinar. Feedback was primarily related to NEM Core fees from FY26 onwards and the costs of delivering an expanded ISP
- **FCC member feedback on FY25 process & proposed FY26 timeline**: Cameron O'Donnell discussed improvements in the budgeting process and sought feedback for FY26. Members suggested extending the formal consultation period and moving towards more involved levels of engagement
- **WA Functions – Uplifting Engagement**: Kate Ryan, Executive General Manager Western Australia and Strategy, provided an overview of AEMO's functions in Western Australia and proposed amendments to the committee's Terms of Reference (ToR) to include WA membership. Matt Myers, General Manager of Stakeholder Engagement, discussed the proposed amendments and requested feedback from members
- **Wrap Up**: The chairperson concluded the meeting by thanking the attendees and closing the session at 12:10 PM AEST.
- Full document can be found on the [AEMO website](#).

# Introduction

Vanessa Hannan

Executive General Manager, Finance and Governance



# Welcome 2025-26 FCC members



## Australian Energy Council representatives



Chris Opperman  
Chief Financial Officer  
**EnergyAustralia**



Hayden Thomas  
Chief Financial Officer  
**Synergy**



Kim Josling  
Chief Financial Officer  
**Snowy Hydro**

## Clean Energy Council representatives



Dean Criddle  
APAC Services Director  
**GE Vernova Digital Grid**



Stephen Haynes  
Head of Group Planning and  
Analysis  
**Squadron Energy**

## Energy Networks Australia representative



Nadine Lennie  
Chief Financial Officer  
**Transgrid**

## Consumer representatives



Mark Grenning  
Director Policy and  
Regulation  
**Energy Users  
Association of Australia**



Brian Spak  
GM, Advocacy and Policy  
**Energy  
Consumers Australia**



Chris Alexander  
Energy policy and  
communications and member,  
**WA Expert Consumer Panel  
and Market Advisory Panel**

## Government representatives



William Durrant-Whyte  
Manager National  
Energy Coordination  
**NSW Department of  
Climate Change, Energy,  
the Environment and Water**



Norman Jip  
Market Regulation Manager  
**Victorian Department of  
Energy, Environment and  
Climate Action**



GOVERNMENT OF  
WESTERN AUSTRALIA

Dora Guzeleva  
Director Wholesale Market  
**WA Department of Energy,  
Mines, Industry Regulation  
and Safety**

# AEMO team



**Vanessa Hannan**  
Executive General  
Manager, Finance &  
Governance



**Cameron O'Donnell**  
Group Manager,  
Strategic Finance



**Yogesh Nagarajan**  
Manager, Strategic  
Finance



**Steve Kelly**  
Manager, Finance and  
Governance, WA



**Matthew Myers**  
Group Manager,  
Stakeholder  
Engagement



**Margaret Lynch**  
Stakeholder  
Engagement Lead,  
Corporate Services and  
secretariat

# FCC – scope, responsibilities recap



## Purpose

- Provide transparency over our financial management and governance.
- Provide insight into our financial plans and performance, including capital investments.
- Be accountable for being prudent and cost-effective.
- Grow stakeholders' understanding of AEMO's evolving roles and responsibilities and associated funding models.
- Share information about AEMO's objectives, priorities and progress.



## Scope

- NEM and WEM opex and capex performance against budget (current year).
- Budget setting year ahead.
- Major capital program updates.



## Our ask of you

- Share insights from your respective organisations and industry associations.
- Where appropriate, share information from the FCC with your respective organisations and industry associations.
- Share information about AEMO's objectives, priorities and progress.





# AEMO's evolving responsibilities

Daniel Westerman, CEO

# Our responsibilities today



Operate energy systems



Operate energy markets



Plan and enable future energy systems



Support new investment

**... in a way that ensures:**

- security
- reliability
- cost-effectiveness
- jurisdictional emissions targets.

# Our responsibilities have evolved with the energy transition

## FY22

- 5-minute settlements introduced to the NEM.
- Established AEMO Services to support investment in renewables, starting with NSW.
- Minimum Distributed Energy Resources (DER) technical standards established.
- *Engineering Roadmap to 100% Renewables* commenced.

## FY23

- First stage of East Coast Gas Markets reforms implemented.
- Supported design of the Commonwealth's Capacity Investment Scheme (CIS).
- Progressed the Connections Reform Initiative.
- Revised system strength framework and access standards.
- NEM Reform program commenced.

## FY24

- Delivered new WEM.
- Appointed to support Commonwealth's Capacity Investment Scheme (CIS).
- Transmission Company Victoria Pty Ltd established to deliver early works for VNI West.
- ISP significantly expanded by energy ministers.
- Planned stage two of East Coast Gas Markets reforms.
- Ongoing digital uplift of digital operational systems.
- Accelerated cyber security uplift.
- Helped prepare *Consumer Energy Resources (CER) roadmap* and progress CER data exchange program.
- Delivered Integrating Energy Storage Solutions (IESS) reform.
- Implemented new Very Fast Frequency Control Ancillary Services markets.
- Published first *Enhanced Locational Information* report.
- Emissions requirement added to the National Energy Objectives.

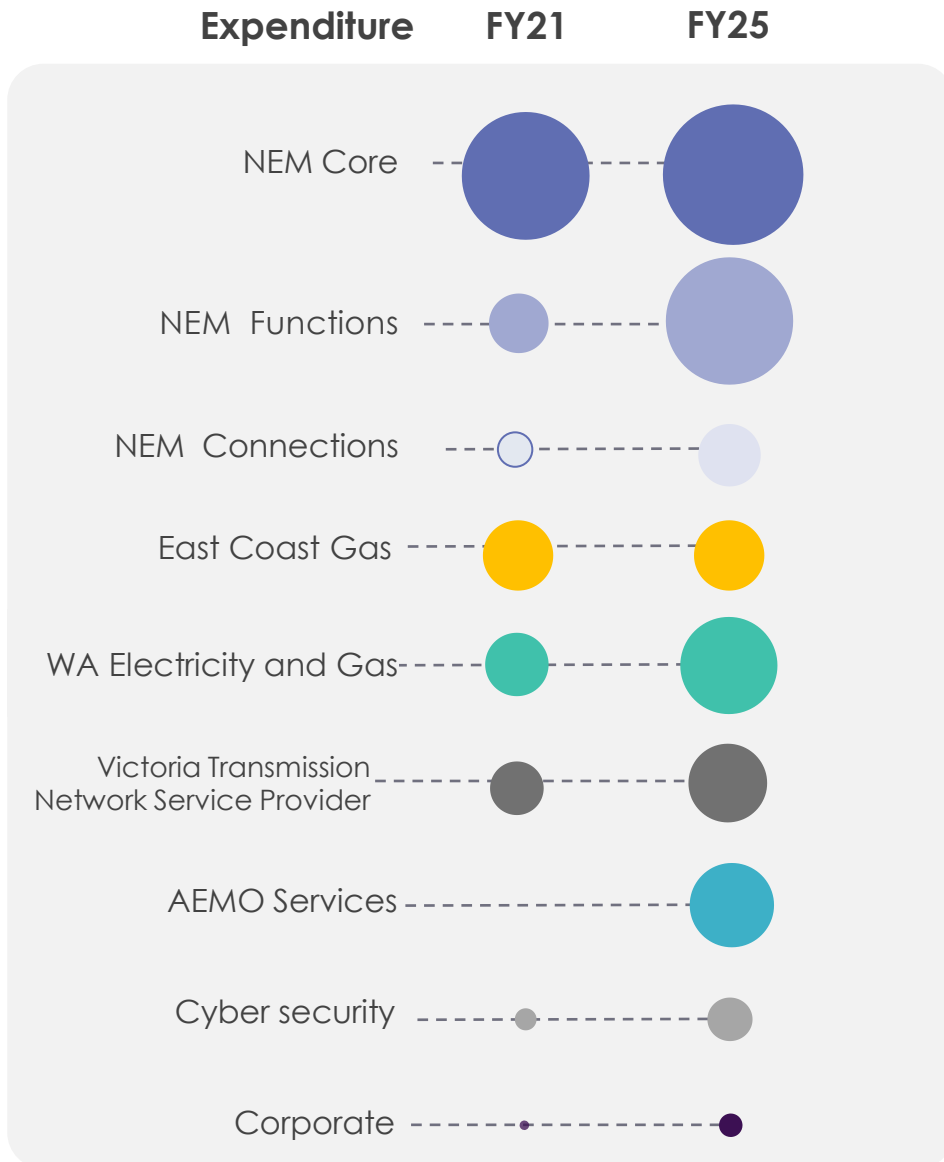
## ...while we work within an increasingly complex operating environment

- Instantaneous renewables contribution high (NEM): 61.9%
- Tight gas supply on the east coast, planned and unplanned outages of coal-fired generation and a cold snap in southern states resulted in suspension of the NEM.

- Instantaneous renewables contribution high (NEM): 68.7%
- SA wind and solar generation exceeded local demand for 10 days.
- SA islanding – ran at 91.45% renewable generation.

- Instantaneous renewables contribution high (NEM): 72.1%
- All-time low operational demand in SA (-26 MW), Victoria (1.5 MW), NSW (3.7 MW) and QLD (3.1 MW).
- All-time high operational demand in QLD: 11+ GW
- 7/10 all-time peak demands in WA.
- Major storms impacted energy infrastructure in Victoria.
- Queensland gas pipeline rupture impacted gas supply.

# ... and are changing the shape of AEMO



- As AEMO fulfils new obligations to enable the energy transition, we are ensuring this work is appropriately funded.
- As a result, our funding sources are broadening, including fee-for-service work and direct government funding.
- For example, the Capacity Investment Scheme, delivered through AEMO Services, is funded by the Commonwealth Government.
- AEMO funds key reform programs (reflected in NEM Functions and WA) on its balance sheet and, once implemented, the associated D&A is reflected in participant fees.
- Transmission projects are driving investment in Victoria.
- The costs of our core NEM and gas functions have remained relatively stable, despite more complex operating conditions.

# FY25 priorities



## 1. Operating today's systems and markets

- Uplift operational capability.
- Uplift operational digital systems.
- Continue to strengthen AEMO's cyber security posture.
- Continue to work with industry to strengthen cyber security posture.



## 2. Navigating the energy future

- Progress NEM and SWIS Engineering Roadmap initiatives.
- Deliver and embed NEM and gas reforms, and plan the next reforms.
- With industry, progress CER reform.
- Advance the transition through CIS and NSW roadmap.
- Commence on the 2025 Participant Fee engagement.



## 3. Engaging our stakeholders

- Continue to work closely with stakeholders to deliver our work.
- Improve accessibility and reach of our insights and publications.
- Build understanding of the energy transition with consumers and the community.
- Embed a more consumer-focused mindset in AEMO's decision-making and ways of working.



## 4. Evolving the way we work

- Deliver reconciliation priorities.
- Develop and deliver ESG strategy.
- Modernise and streamline corporate systems and processes.
- Uplift AEMO's data capabilities.
- Deliver outcomes within budget.



# FY25 budget recap and full-year forecast

**Cameron O'Donnell**

Group Manager, Strategic Finance

# Investment program

## Annual investment program capped at \$180m

Four key programs of work:

- **NEM and East Coast Gas reforms:** NEM Reform is a large scale, complex, industry-wide program, supporting the transition of the NEM and bringing Australia closer to a net zero future.
- **WA reform:** AEMO is deeply involved with the WA government's [Energy Transformation Strategy](#). This strategy is the government's program to deliver an improved WEM and South-West Interconnected System (SWIS).
- **Market operating systems modernisation:** AEMO's Operations Technology Program is modernising our operating technology systems and tools and increasing systems capability.
- **Business systems modernisation:** AEMO is upgrading and modernising its core business systems, particularly its cyber defences.

Program	Budget FY24 \$m	Budget FY25 \$m	Variance \$m	Variance %
Reform delivery (NEM and East Coast Gas)	69.8	73.9	4.1	5.9%
WA program	36.2	32.1	(4.1)	(11.3%)
Designing and modernising market operations systems	27.7	48.8	21.1	76.2%
Modernising business systems	23.7	25.2	1.5	6.3%
<b>AEMO capital expenditure</b>	<b>157.4</b>	<b>180.0</b>	<b>22.6</b>	<b>14.4%</b>
Project-related operating costs*	17.5	38.6	21.1	120.6%
<b>Total investment expenditure#</b>	<b>174.9</b>	<b>218.6</b>	<b>43.7</b>	<b>25.0%</b>

\* Project-related operating costs includes items that are SaaS, feasibility studies and costs that are attributed to be operating in nature during the delivery of the investment program. These costs are captured as operating expenditure in the FY25 budget and fees but are shown in this table to provide a more complete picture of project costs.

# VNI West capital expenditure is budgeted within TCV, a wholly owned subsidiary of AEMO, and will be funded by a separate concessional facility.

# FY25 full-year forecast

## P&L summary

		Forecast	Budget	Var
<b>NEM Core</b>	Revenue	220.9	215.3	5.6
	Expenditure	(190.7)	(193.9)	3.2
	<b>Operating surplus</b>	<b>30.3</b>	<b>21.5</b>	<b>8.8</b>
	<b>Accumulated surplus</b>	<b>8.3</b>	<b>(0.0)</b>	<b>8.3</b>
<b>NEM Functions</b>	Revenue	166.3	166.6	(0.3)
	Expenditure	(161.1)	(162.8)	1.6
	<b>Operating surplus</b>	<b>5.2</b>	<b>3.8</b>	<b>1.4</b>
	<b>Accumulated surplus</b>	<b>(14.8)</b>	<b>(2.8)</b>	<b>(12.1)</b>
<b>NEM Connections</b>	Revenue	38.0	37.1	0.9
	Expenditure	(36.0)	(38.3)	2.3
	<b>Operating surplus</b>	<b>2.0</b>	<b>(1.1)</b>	<b>3.1</b>
	<b>Accumulated surplus</b>	<b>2.4</b>	<b>2.1</b>	<b>0.4</b>
<b>East Coast Gas</b>	Revenue	50.4	44.5	5.9
	Expenditure	(48.9)	(48.9)	0.1
	<b>Operating surplus</b>	<b>1.6</b>	<b>(4.4)</b>	<b>6.0</b>
	<b>Accumulated surplus</b>	<b>57.1</b>	<b>52.2</b>	<b>5.0</b>

- **NEM Core** : On track to clear the accumulated deficit in FY25 through diligent cost management.
- **NEM Functions**: Slightly ahead due to technology run costs less than budgeted for NEM Reform projects.
- **NEM Connections**: Funded directly by connecting proponents in line with budget.
- **East Coast Gas**: Opex is in line with budget. Higher revenues are gas capacity auction outcomes.

# FY25 full-year forecast

## P&L summary

		Forecast	Budget	Var
WA	Revenue	100.1	102.7	(2.6)
	Expenditure	(87.3)	(92.8)	5.5
	<b>Operating surplus</b>	<b>12.7</b>	<b>9.8</b>	<b>2.9</b>
	<b>Accumulated surplus</b>	<b>4.8</b>	<b>(0.3)</b>	<b>5.1</b>
CIS	Revenue	35.4	42.8	(7.4)
	Expenditure	(33.3)	(42.2)	8.8
	<b>Operating surplus</b>	<b>2.1</b>	<b>0.6</b>	<b>1.4</b>
	<b>Accumulated surplus</b>	<b>2.2</b>	<b>0.6</b>	<b>1.5</b>
NSW Roadmap	Revenue	26.7	30.6	(3.9)
	Expenditure	(26.3)	(31.3)	4.9
	<b>Operating surplus</b>	<b>0.4</b>	<b>(0.6)</b>	<b>1.0</b>
	<b>Accumulated surplus</b>	<b>0.4</b>	<b>(0.6)</b>	<b>1.0</b>
Vic TNSP	Revenue	54.9	62.0	(7.1)
	Expenditure	(59.7)	(65.3)	5.6
	<b>Operating surplus</b>	<b>(4.8)</b>	<b>(3.4)</b>	<b>(1.5)</b>
	<b>Accumulated surplus</b>	<b>11.1</b>	<b>(15.3)</b>	<b>26.4</b>
AEMO total	Revenue	694.2	704.7	(10.5)
	Expenditure	(657.1)	(698.5)	41.4
	<b>Operating surplus</b>	<b>37.1</b>	<b>6.2</b>	<b>30.9</b>
	<b>Accumulated surplus</b>	<b>37.1</b>	<b>6.2</b>	<b>30.9</b>

- **WA:** Operating within budget envelope determined by WA regulator.
- **CIS:** Funded by commonwealth government. Lower costs and revenue due to timing of tender delivery.
- **NSW Roadmap:** Funded through by [NSW Electricity Infrastructure Roadmap](#). Lower costs and revenue due to timing of tender delivery.
- **VicTNSP:** Funded by Victorian network users. Expenditure is impacted by the timing of Victorian transmission projects.

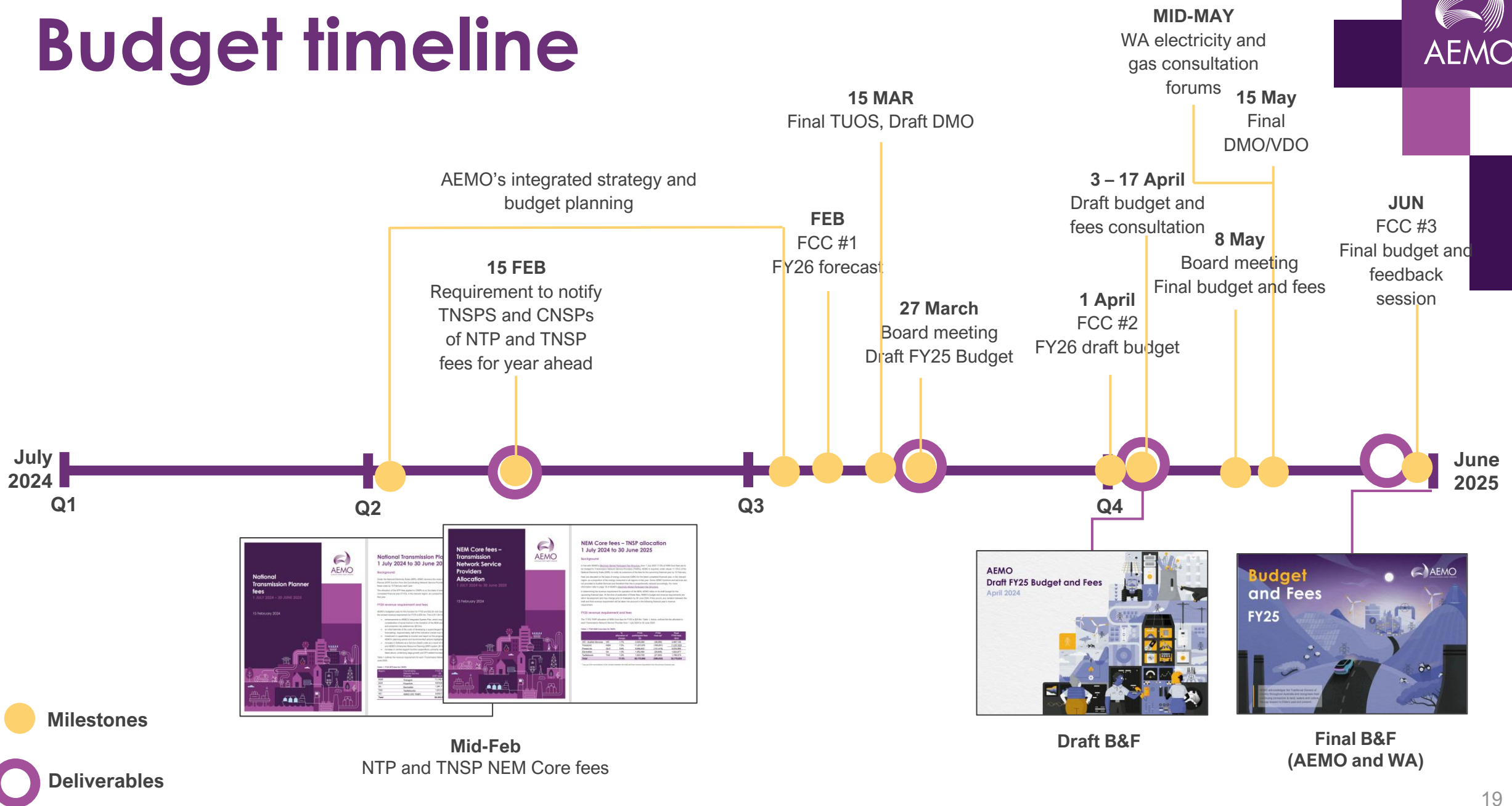
# Budget and Fees planning process

**Cameron O'Donnell**

Group Manager, Strategic Finance



# Budget timeline



# AEMO's WA budget process - update

## Context

- In WA, AEMO recovers its costs via fees paid by market participants, following an allowable revenue determination by the Economic Regulation Authority (ERA).
- In 2024 AEMO engaged with the Department of Energy, Mines, Industry Regulation and Safety and ERA and with stakeholders about shifting to a new, fit-for-purpose framework that is more suited to a dynamic, shifting energy landscape.
- As a result, it is expected that an interim process will be in place for FY26 (FY25 fees + indexation).
- AEMO is committed to continuing to provide transparent oversight of its budgets and fees, including deep engagement with stakeholders.
- Visit Energy Policy WA's website for more information: [Rule Change: RC\\_2024\\_01](#).

# National Transmission Planning and TNSP fees

## FY26 NTP fees for CNSPs

Region	FY26 % allocation of charge*	Coordinating Network Service Provider	FY25 fees (\$) (GST exclusive)	FY26 fees (\$) (GST exclusive)	FY26 monthly fees (\$) (GST exclusive)
NSW	36%	Transgrid	11,146,413	12,567,796	1,047,316
QLD	29%	Powerlink	8,618,877	10,202,431	850,203
SA	6%	ElectraNet	1,941,777	2,158,734	179,895
TAS	6%	TasNetworks	1,813,728	2,023,432	168,619
VIC	22%	AEMO (Vic TNSP)	6,833,127	7,647,988	637,332
<b>Total</b>	<b>100%</b>		<b>30,353,922</b>	<b>34,600,381</b>	<b>2,883,365</b>

Recovers the costs of AEMO's National Transmission Planning function, which includes:

- Forecasting and scenario modelling
- Identifying system security needs
- Regulatory review and alignment
- Joint planning coordination
- Data collation and consultation.

## FY26 NEM Core fees for TNSPs

TNSP	Region	FY26 % allocation of charge*	FY26 revenue requirement (\$)	FY25 true-up	Final FY26 revenue requirement (\$m)
VIC - AusNet Services	VIC	1.7%	2,653,200	0	2,653,200
TransGrid	NSW	7.4%	11,822,797	0	11,822,797
PowerLink	QLD	6.0%	9,597,647	0	9,597,647
ElectraNet	SA	1.3%	2,030,768	0	2,030,768
TasNetwork	TAS	1.2%	1,903,486	0	1,903,486
<b>Total</b>		<b>17.5%</b>	<b>28,007,898</b>	<b>0</b>	<b>28,007,898</b>

The NEM participant fee structure attributes 17.5% of AEMO's annual revenue requirement for the NEM Core financial segment to Transmission Network Service Providers (TNSPs).

\*Calculated and apportioned using the gigawatt hours (GWh) consumed in a region in the prior financial year as a proportion of the GWh consumed in all regions in that financial year.

# Consultation on NEM Participant Fee Structures

**Lance Brooks**

Manager, Reform Roadmap and Pricing

# Background and engagement with FCC

- AEMO will start consultation in March 2025 on its NEM participant fee structures, applicable from 1 July 2026.
- Engagement with the FCC will include:
  - identifying key matters relevant to assessing potential fee structures, including identifying **alternative options as appropriate** for recovery of NEM-related costs
  - workshopping **fee structure details** (e.g. including allocation methodologies, number of fee structures, charging metrics, period (or periods) to apply).

## NER requirements

- Clause 2.11 of the NER requires AEMO to have regard to the **NEO** in determining participant fees and, to the extent practicable, the structure of Participant fees must be consistent with the following principles:
  - The structure of Participant fees should be **simple**.
  - The components of Participant fees charged to each Registered Participant should be **reflective of the extent to which AEMO's budgeted revenue requirements involve** that Registered Participant.
  - Participant fees should not **unreasonably discriminate** against a category or categories of Registered Participants.
  - Fees and charges are to be **determined on a non-profit basis** that provides for full cost recovery.
  - The structure of Participant fees should **provide for the recovery of AEMO's budgeted revenue requirements** on a specified basis.



# Consultation scope and principles

The consultation will consider all AEMO roles and functions as the market and system operator of the NEM, including new functions, such as cyber security.

In scope	Out of scope
<ul style="list-style-type: none"> <li>• All existing NEM fee categories, including Registration and Connections fees.</li> <li>• Which Registered Participants are charged each fee.</li> <li>• The cost allocation methodology applied to each Registered Participant or group of Registered Participants.</li> <li>• The relevant metrics (or tariffs) for recovering each fee (e.g. \$/MWh or \$/NMI).</li> <li>• The period or periods in which the fee structure will apply.</li> </ul>	<ul style="list-style-type: none"> <li>• The quantum or amount to be charged to NEM Registered Participants, which is determined via AEMO’s annual budget and fee process. However, AEMO will need to provide guidance to stakeholders on any changes / impacts to the amount charged throughout the process to inform stakeholder feedback.</li> <li>• The commencement date of the fee structure under consultation (1 July 2026) .</li> <li>• Any aspect of AEMO’s NEM Participant Fee structure that is already determined in the Law / Rules (e.g. ECA funding).</li> </ul>

## Principles

In addition to the fee structure principles the following principles will guide how we formulate the NEM Participant Fee structure:

- **Simple:** A pragmatic approach to achieving a fee structure that is easy to understand and implement.
- **Transparent:** Each step in determining the new fee structure will be communicated clearly and openly with robust justification. Participants will be able to easily identify which of AEMO’s costs / functions each fee structure relates to.
- **Strategic:** A new fee structure will seek to be forward looking and enduring for the period determined providing AEMO the ongoing ability to recover its budgeted revenue requirements

# Recap NEM Participant Fee Structures<sup>^</sup>

## NEM CORE

- Costs associated with AEMO's core NEM Functions
- Allocated Costs (70%): WP (56%), MC (27%), TNSPs (17%)
- Unallocated costs (30%): MC 100%

## ELEC RETAIL

- Costs associated with AEMO's various retail functions (e.g., MSATS, B2B Platform)
- Costs recovered from MC (100%)

## NEM2025

- Costs associated implementation of the NEM2025 declared NEM project (Does not account for all reform initiatives)
- Costs recovered from WP (28%) and MC (72%)

## 5MS/GS

- Costs associated implementation of 5MS/GS rule change (legacy & upgrade)
- Costs recovered from WP (18%) and MC (82%)

## DER PROGRAM

- Costs associated with the integration of DER into the NEM (e.g., WDR, Standards, Market Trials)
- Costs recovered from WP (20%) and MC (80%)

## NTP/ECA/PCF

- Costs associated National Transmission Planner function, maintaining Participant Compensation Fund and funding for ECA
- NTP – CNSP (100%)
- ECA – MC (100%)
- PCF – Scheduled / Semi-Scheduled (100%)\*

## REGISTRATION

- Costs associated with AEMO registration activities
- Individual registration charge to Participant based on application type

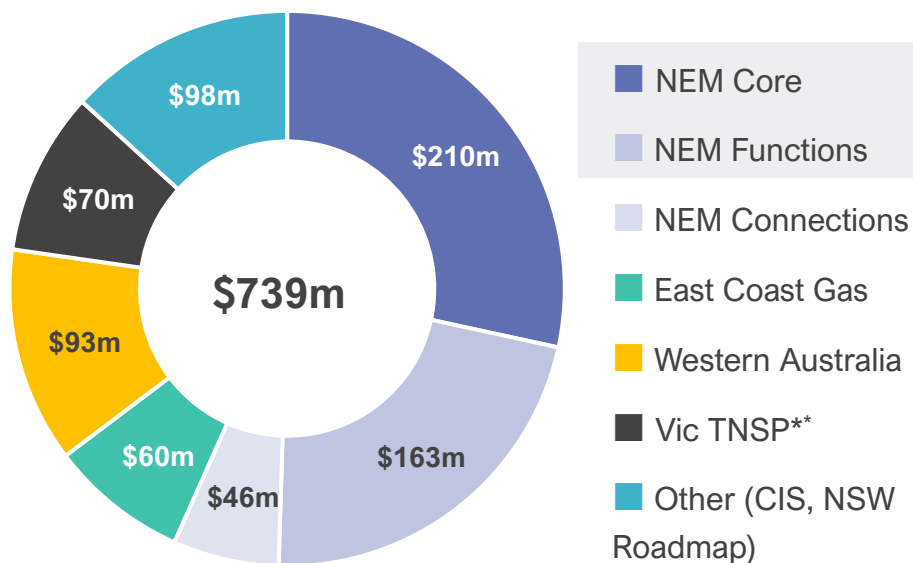
## INCREMENTAL

- Costs associated with tasks specific for a participant, and that action causes identifiable and material costs for AEMO
- Direct charge to Participant based on task

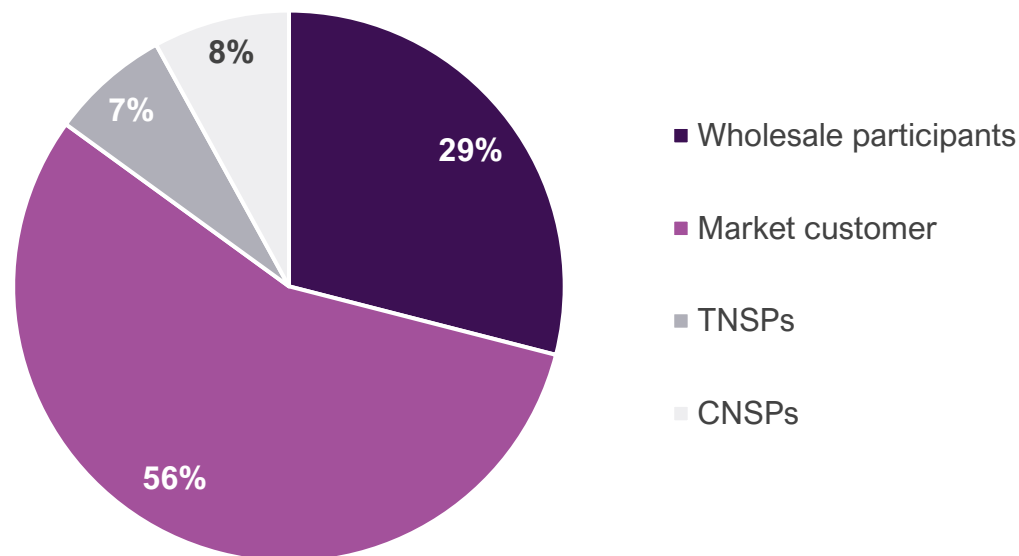
<sup>^</sup> Allocations rounded for the purpose of presentation. Various charging metrics applied including \$/MWh, \$/MW, and \$/NMI  
 \* Costs charged to Scheduled and Semi-Scheduled Generators and Scheduled Network Service Providers.

# FY25 budget and fee recovery

AEMO budgeted operating costs by segment



NEM Core & NEM Functions fee recovery by participant group



NEM Functions include National Transmission Planner (NTP), 5 Minute Settlements and Global Settlements (5MS/GS), trading in Settlements Residue Auction (SRA), management of the NEM Reform Program, facilitation of retail market competition, provision of a consumer data platform (CDP), planning the integration of Consumer/Distributed Energy Resources into the NEM.

Wholesale Participants	Market Customers	TNSPs	CNSPs
\$109.9m	\$217.1m	\$26.2m	\$30.4m

Note: This analysis excludes NEM Connections fees, East Coast Gas fees, WA fees and VIC TNSP fees, NEM Functions (SRA & CDP) and Other fees / charges (except Energy Consumers Australia).

# Example matters to be addressed during consultation

## Assessment framework / principles

- Reflective of involvement (beneficiary vs user pays vs causer pays)
- Non-discriminatory (cross subsidies)

## Allocation methodology and period

- Cost allocation methodology (survey)
- Participant types / groups
- Fee structure term

## Fee structures / tariff metrics

- Total number of fees
- Inclusion of Connections fees
- Separate 'stable' core fees from project / program-based fees
- Tariff (metric - \$/MWh, \$/MW, \$/NMI), forecast vs historical data , gross vs net energy

## Energy transition / policy uncertainty

- New roles and functions (e.g. AEMO's new cyber security roles & responsibilities)
- New participant types

# AEMO's new cyber security roles & responsibilities – declared NEM project consultation

- The AEMC published its Final Determination and Rule on 12 December 2024 that explicitly includes obligations and functions for AEMO to coordinate and support cyber security preparedness, response, and recovery as well as providing advice and critical information to Minister's and industry related to cyber security.
- AEMO has commenced a [two-part declared NEM project consultation](#) (to conclude by 30 June 2025) on:
  - **Part A** – determination of AEMO's cyber security roles and responsibilities as a declared NEM project, and
  - **Part B** – if those AEMO cyber security roles and responsibilities are determined to be a declared NEM project, consultation on the determination of an additional Participant fee structure to be used to recover AEMO's costs associated with those cyber security roles and responsibilities, including the Registered Participants that will be charged the fee, the start date for recovery and the period or periods over which recovery will occur.
- The objective of the two inter-related consultations is to determine how, and from whom, AEMO should recover its costs associated with performing its new cyber security roles and responsibilities.
- **Submissions to AEMO's Consultation Paper close 4 March 2025.**
- *In the event a declared NEM project is not determined, costs will be recovered via one of AEMO's existing fee structures (e.g. NEM Core) for the period commencing from 1 July 2025.*



# Indicative timeline & next steps

AEMO will publish an engagement plan setting out how stakeholders can effectively engage throughout consultation.



- AEMO is required to consult with stakeholders in accordance with Rules 2.11 and 8.9 of the NER.
- As per the Rules, the fee structure needs to be determined at least three (3) months prior to implementation, i.e. by 31 March 2026

**Additional engagement activities (not shown above):**

- Webinars / workshops to inform stakeholders
- 1:1 industry engagement
- Consumer & Community Reference Group engagement
- Updates to various existing AEMO forums and committees

**Immediate next steps:** AEMO to developing a one-page explainer of existing fee structure for to support consultation.

**Any other business**