

4 May 2023

Australian Energy Market Operator

Lodgement: StakeholderRelations@aemo.com.au

## AEMO Draft FY24 Budget and Fees

Energy Networks Australia (ENA) appreciates the opportunity to comment on the Australian Energy Market Operator (AEMO) Draft FY24 Budget and Fees.

ENA is the national industry body representing Australia's electricity transmission and distribution and gas distribution networks. Our members provide more than 16 million electricity and gas connections to almost every home and business across Australia.

We support a fast and fair energy transition, in line with governments' net-zero commitments. We recognise the important role that AEMO plays in this transition, and the need for it to be resourced to deliver. AEMO and all participants need to ensure that costs are efficient and total costs to consumers are as low as possible. ENA welcomes AEMO's efforts to provide more transparency and certainty on costs, through forums such as the Financial Consultative Committee (FCC) and the Reform Delivery Committee.

We support AEMO's strategic priorities of operating the system, navigating the future, engaging stakeholders and evolving the way the organisation works. In delivering on these priorities we encourage AEMO to continue to work with industry to identify and deliver cost savings. Working with customers and industry will help get the balance right to delivering the level of security and reliability that energy customers expect, while keeping costs down as households experience cost of living pressures from energy and other costs.

ENA welcomes consultation on the current and forecast year as well as a forward estimate in the annual consultation at the detailed fee level. To aid transparency and stakeholder engagement, there is benefit in AEMO providing a consistent and complete budgeting document from one year to the next with at least a five-year budget/forecast and estimates by fee category. As ENA has previously raised with AEMO, this should ideally evolve to a 7 year rolling forecast to facilitate regulated network cost recovery of the \$25m of NEM fee costs allocated to TNSPs as they roll off the NEM fees transitional arrangements.

Should you have any queries on this response please feel free to contact Verity Watson, [vwatson@energynetworks.com.au](mailto:vwatson@energynetworks.com.au).

Yours sincerely,



Garth Crawford

**CEO (Acting)**