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Ms Sandra Chui
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Dear Ms Chui

By Email: sandra.chui@aemo.com.au

DRAFT REPORT – STRUCTURE OF PARTICIPANT FEES IN AEMO'S ELECTRICITY MARKETS 2015

EnergyAustralia is one of Australia's largest energy companies with over 2.5 million electricity and gas accounts in NSW, Victoria, Queensland, South Australia, and the Australian Capital Territory. We also own and operate a multi-billion dollar energy generation portfolio across Australia, including coal, gas, and wind assets with control of over 4,500MW of generation in the National Electricity Market.

The benefits from the cost reflectivity introduced by allocating FRC related costs to retailers by connection point are unlikely to outweigh the costs to AEMO and market participants relating to budgeting and reporting. We value the consistency with the NEM fee allocation, and have a preference for the status quo when there is limited case for change. We suggest that as the change is not time critical, it be bundled with other changes required due to competition in metering, embedded networks, and gas Bulletin Board changes.

We would also like to highlight that improvements could be made to the clarity of the AEMO fee schedule and other budget documents. It is not a simple process to reconcile invoices based on these documents. We would like to see a clear separation between what is charged to each different category of market participant. As well as separate annual forecasts for each fee component in the Consolidated Final Budget and Fees document. This will help market participants reconcile fees and inform their customers of likely future costs.

If you would like to discuss this submission, please contact me on (03) 8628 4518.

Regards

Ben Hayward
Industry Regulation Analyst