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Western Australia Gas Services  
Information  
2020-21 AEMO Final Budget and  
Fees

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**June 2020**

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# Executive summary

AEMO operates on a cost recovery basis as a company limited by guarantee under the Corporations Act (2001). AEMO recovers all operating costs through fees paid by participants.

AEMO's annual budget sets out the amounts that will be charged under the Gas Services Information rules (GSI), 114. This report provides a view of the final WA Gas Services Information (GSI) revenue and expenses for 2020-21.

## 1.1 Summary of Fees

Table 1 Summary of revenue requirement

Revenue requirement	Actual 2019-20	Budget 2020-21
AEMO GSI revenue requirement (\$'000)	1,708	1,115 -35%
ERA revenue requirement (\$'000)	80	166 +108%

## 1.2 Contact for inquiries

AEMO contact for inquiries

For all queries on budget and fees, please contact [budgetandfees@aemo.com.au](mailto:budgetandfees@aemo.com.au)

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# 2. Western Australia (WA) GSI

## 2.1 Fees

<b>Purpose of this function</b>	<p>The GSI function includes the GBB (WA) and WA GSOO. The objectives of the GBB (WA) and WA GSOO is to ensure:</p> <ul style="list-style-type: none"> <li>• Security, reliability and availability of the supply of natural gas.</li> <li>• Efficient operation and use of natural gas services.</li> <li>• Efficient investment in natural gas services.</li> <li>• Facilitation of competition in the use of natural gas services.</li> </ul> <p>Similar to the GBB on the East Coast, the WA GBB is an information website hub to provide flow information on gas, transmission, storage, emergency management with supply disruptions, and demand in WA.</p> <p>The WA GSOO is an annual planning document providing medium to long term outlook of gas supply and demand in WA, transmission and storage capacity.</p>
<b>Fees</b>	The recovery fee has decreased to \$1.115m (-35%) in 2020-21 due to a reduction in operational costs.
<b>Other notes</b>	The current three-year ERA determination on <a href="#">AEMO's allowable revenue and capital expenditure</a> covers the period from 1 July 2019 to 30 June 2022.

Table 2 Projected GSI fees

Revenue requirement	Actual 2019-20	Budget 2020-21
AEMO GSI revenue requirement (\$'000)	1,708	1,115 -35%

## 2.2 Revenue and Expenditure

Table 3 Profit and Loss statement 2020-21

	Budget 2019-20 \$'000	Budget 2020-21 \$'000	Variance \$'000	%
Fees and tariffs	1,708	1,115	(594)	-35%
<b>Total Revenue</b>	<b>1,708</b>	<b>1,115</b>	<b>(594)</b>	<b>-35%</b>
Labour and Contractors	1,083	1,012	(71)	-7%
Consulting	249	240	(9)	-4%
Fees - Agency, Licence & Audit	40	41	1	+3%
IT & Telecommunication	150	131	(19)	-13%
Occupancy	85	97	12	+14%
Other Expenses	158	165	7	+4%
Depreciation & Amortisation	292	124	(168)	-57%
<b>Total Expenditure</b>	<b>2,056</b>	<b>1,810</b>	<b>(246)</b>	<b>-12%</b>
<b>Surplus/(Deficit)</b>	<b>(348)</b>	<b>(695)</b>	<b>(347)</b>	
Brought Forward Surplus/(Deficit)	348	695	348	
<b>Accumulated Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>		

# 3. Economic Regulation Authority (ERA)

<b>Purpose of this function</b>	<b>To ensure that WA has a fair, competitive and efficient environment for consumers and businesses.</b>
<b>Fees</b>	AEMO is required to recover the funding for the ERA from WEM market customers and generators and gas shippers (i.e. pass through recovery). Total expenditure budgeted by the ERA for the GSI function in 2020-21 is \$166k (+108% increase) (2019-20: \$80k).
<b>Other notes</b>	For any questions on the ERA budget in 2020-21, contact Pam Herbener, Director, Corporate Services at <a href="mailto:pam.herbener@erawa.com.au">pam.herbener@erawa.com.au</a>

Table 4 ERA revenue requirements

ERA revenue requirement	Actual 2019-20	Budget 2020-21
GSI (\$'000)	80	166 +108%

# Symbols and abbreviations

<b>Term</b>	<b>Definition</b>
<b>AEMO</b>	Australian Energy Market Operator
<b>ERA</b>	Economic Regulation Authority
<b>GSI</b>	Gas Services Information
<b>WA</b>	Western Australia