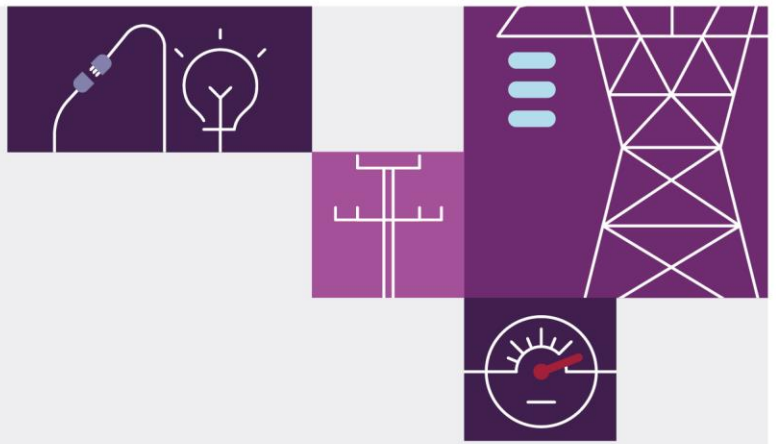


WA Budget and Fees 2023-24

30 June 2023

AEMO's operating and capital expenditure budget for performing its Western Australia WEM and GSI functions for financial year ending 30 June 2024





Important notice

Purpose

This document sets out AEMO's budget and fees for the financial year ending 30 June 2024 in accordance with clause 2.22A.7 of the Wholesale Electricity Market Rules (**WEM Rules**) and rule 111A(1)(a) of the Gas Services Information Rules (**GSI Rules**).

This document has been prepared in accordance with the regulatory reporting guideline issued by the Economic Regulation Authority under clause 2.22A.9(b) of the WEM Rules and rule 109(7)(b) of the GSI Rules.

This document shows AEMO's financial budgets for the forthcoming year against its budgets for the previous Financial Year.

The 2023-24 WA Budget and Fees is presented in nominal Australian dollars, excluding goods and services tax and amounts have been rounded to the nearest hundred thousand dollars, unless otherwise stated.

This document includes Attachment 1, which is provided as a separate spreadsheet in Microsoft Excel format.

Disclaimer

This document or the information in it may be subsequently updated or amended. This document does not constitute legal or business advice and should not be relied on as a substitute for obtaining detailed advice about the WEM Rules, the GSI Rules or any other applicable laws, procedures or policies. AEMO has made every effort to ensure the quality of the information in this document but cannot guarantee its accuracy or completeness.

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Executive summary

This WA Budget and Fees document sets out the Australian Energy Market Operator (**AEMO**) Western Australia (**WA**) Operations budget and fees for 2023-24 (**FY24**) for both the Wholesale Electricity Market (**WEM**) and Gas Services Information (**GSI**) functions. It includes AEMO fees, the Economic Regulation Authority (**ERA**) Regulator fee, and the Energy Policy WA Coordinator (**Coordinator**) fee. AEMO must publish its budget and fees as it relates to its WA functions by 30 June of each year, as required under clause 2.22A.7 of the WEM Rules and rule 111A(1)(b) of the GSI Rules. Additionally, AEMO also publishes an overview of its budget and fees as it relates to its Australia-wide functions.¹

WA's energy sector is in a period of rapid transition, with significant increases in penetration of renewable inverter-based generation and growing complexity in dispatch, network constraints and market participation. To aid and manage this transition, the WA State Government is progressing a suite of reforms under the Energy Transformation Strategy (**ETS**)², including extensive changes to the WEM. AEMO is implementing many of these changes through the WEM Reform Program³, scheduled to go-live on 1 October 2023.

Consistent with the ERA's Allowable Revenue and Forecast Capital Expenditure determination for AEMO for the 2022 to 2025 period⁴, the WEM Reform Program is the major driver of the increase in expenditure for AEMO's WA operations in FY24, including additional labour resources and IT systems required to operate the new, more sophisticated market, and to manage the system security risks posed by inverter-based generation.

Summary of WEM fees

As forecast in AEMO's sixth Allowable Revenue (**AR**) submission, operating expenditure requirement for AEMO is increasing by \$12.5 million in FY24, largely driven by Energy Transformation Strategy initiatives and associated investments and resources to deliver new obligations.

The WEM fees (combined Market Fees and System Operation Fees) for AEMO's functions for FY24 is \$1.5263/megawatt hour (**MWh**), reflecting an increase of 32.0% from 2022-23 (**FY23**).

Fee type	Budget FY23	Budget FY24	Variance (\$)	Variance (%)
AEMO WEM fees (\$/MWh)	1.1559	1.5263	0.3704	32.0%
ERA Regulator fee (\$/MWh)	0.1727	0.2063	0.0336	19.5%
Coordinator fee (\$/MWh)	0.0718	0.0779	0.0061	8.4%
Total WEM fee (\$/MWh)	1.4004	1.8105	0.4101	29.3%

Summary of GSI Fees

The AEMO GSI budgeted revenue requirement is marginally higher than FY23, up from \$1.56m to \$1.61m in FY24, driven by higher underlying labour and depreciation expenses, partially offset by a reduction in planned consultancy spend in the development of the WA Gas Statement of Opportunities.

¹ Budget and Fees FY24 see <https://aemo.com.au/about/corporate-governance/energy-market-fees-and-charges>

² See <https://www.wa.gov.au/organisation/energy-policy-wa/new-market-implementation>.

³ See <https://www.aemo.com.au/initiatives/major-programs/wem-reform-program>.

⁴ See <https://www.erawa.com.au/electricity/wholesale-electricity-market/price-setting/allowable-revenue-and-forecast-capital-expenditure-determinations>

Revenue requirement	Budget FY23	Budget FY24	Variance (\$)	Variance (%)
AEMO GSI revenue requirement (\$'m)	1.559	1.606	0.047	3.0%
ERA Regulator revenue requirement (\$'m)	0.154	0	-0.154	-100%
Coordinator revenue requirement (\$'m)	0.160	0.155	-0.005	-3.3%
Total GSI revenue requirement (\$'m)	1.873	1.761	-0.113	-6.0%

Note that while the ERA function cost for GSI in FY24 is \$52,555, the ERA Regulator revenue requirement is being set to \$0 in FY24 after decreasing the requirement by the amount of the surplus for this function in FY23.

The remainder of this 2023-24 WA Budget and Fees document outlines the costs AEMO will incur in performing its functions under the WEM Rules and GSI Rules, consistent with the AR6 period and in accordance with the ERA's AEMO Regulatory Reporting Guideline. The document should be read in conjunction with Appendix 1.

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1 Background

AEMO is a not-for-profit company with functions in Western Australia (**WA**) under the Wholesale Electricity Market Rules (**WEM Rules**) and the Gas Services Information Rules (**GSI Rules**).

AEMO performs a range of functions under the WEM Rules including the operation of the Wholesale Electricity Market (**WEM**) and operating the South West Interconnected System (**SWIS**) in a secure and reliable manner. AEMO recovers its costs for performing its functions under the WEM Rules from market participants through market fees and system operation fees.

AEMO has several functions under the GSI Rules including operating and maintaining the Gas Bulletin Board, administering the registration process for gas market participants, and publishing the Gas Statement of Opportunities (**GSOO**). AEMO recovers its costs for performing its functions under the GSI Rules from gas market participants through GSI fees.

The Economic Regulation Authority (**ERA**) is responsible for setting AEMO's funding for a three-year review period. The current review period, the sixth Allowable Revenue period (**AR6**), covers three financial years from July 2022 until June 2025. AEMO must ensure its operating and capital expenditure budget for its WA WEM and GSI functions is consistent with the allowable revenue and forecast capital expenditure determined by the ERA.

1.1 New AEMO Regulatory Reporting Guideline

The WEM Rules and the GSI Rules⁵ require AEMO to publish its annual budget for the upcoming financial year by 30 June each year. AEMO must ensure that its budget is reported in accordance with the regulatory reporting guidelines issued by the ERA. On 21 September 2022, the ERA updated the AEMO Regulatory Reporting Guideline⁶ (the **Guideline**) to include the following new reporting requirements:

- a complete set of budget financial statements;
- a capital expenditure budget and accompanying project-level detail;
- a statement of risks associated with the operational and capital expenditure; and
- a three-year forecast of market fees payable by market participants.

AEMO intends to implement changes to its financial management system to accommodate the new requirements of the Guideline in the future. In the meantime, AEMO is unable to provide a forward-looking statement of cash flows and financial position, as noted in section 2.2.

The Guideline includes a reporting template in Microsoft Excel format, which AEMO has published as Appendix 1 to this document and is available on AEMO's website⁷.

⁵ Clause 2.22A.7 of the WEM Rules and rule 111A(1)(b) of the GSI Rules.

⁶ At <https://www.erawa.com.au/cproot/22887/2/D251941-AR.6---Final-regulatory-reporting-guideline.pdf>.

⁷ At <https://aemo.com.au/en/energy-systems/electricity/wholesale-electricity-market-wem/participate-in-the-market/fees-and-charges>.

2 WA Operations budget and fees

2.1 Statement of profit and loss and comprehensive income

Western Australia Operations

WA's energy sector is in a period of rapid transition, with significant increases in penetration of renewable inverter-based generation and growing complexity in dispatch, network constraints and market participation. To aid and manage this transition, in March 2019 the WA State Government launched the Energy Transformation Strategy (ETS)⁸. Administration of the ETS is being led by Energy Policy WA, with support from energy industry participants. As part of the ETS, extensive changes are being made to the WEM, many of which are planned to commence on 1 October 2023. AEMO is implementing these changes through the WEM Reform Program⁹.

The WEM Reform Program is the major driver of the increase in expenditure in the WA segment in 2023-24 (FY24), including additional labour resources and IT systems required to operate the new, more sophisticated market, and to manage the system security risks posed by inverter-based generation.

In April 2023, AEMO submitted an in-period proposal¹⁰ for additional \$47 million in forecast capital expenditure over AR6, with the majority of this funding request being required to support the WEM Reform Program. Any operating expenditure impacts associated with the in-period proposal are excluded from this FY24 budget publication, noting that the ERA has not made a final determination on AEMO's proposal at the time of publication. This means the in-period submission has no impact on FY24 market fees. Once the ERA makes its determination, AEMO will seek approval of an adjustment to its approved allowable revenue in FY25.

The financial budget of AEMO's WA Operations is summarised in Table 1 below.

Table 1 WA Operations statement of profit and loss and comprehensive income

WA Operations P&L and CI	Comparison budget: FY23 (\$'000)			Budget: FY24 (\$'000)		
	WEM	GSI	Total	WEM	GSI	Total
Revenue	41,899	1,559	43,459	56,083	1,606	57,689
Labour	22,896	1,012	23,908	27,344	825	28,168
Operating expenditure	19,646	991	20,637	27,700	620	28,320
Total expenditure	42,542	2,003	44,545	55,043	1,445	56,488
Surplus/(deficit) for the year	-642	-444	-1,086	1,040	161	1,201

Totals may not sum due to rounding.

As required under the rules, AEMO's budget for WEM and GSI functions must be consistent with the ERA's determination¹¹ of allowable revenue and forecast capital expenditure over the AR6 period (FY23-FY25). While

⁸ At <https://www.wa.gov.au/organisation/energy-policy-wa/new-market-implementation>.

⁹ See <https://www.aemo.com.au/initiatives/major-programs/wem-reform-program>.

¹⁰ AEMO's Adjustment to 2022-2025 Forecast Capital Expenditure proposal at <https://www.erawa.com.au/cproot/23228/2/Attachment-1-AEMO-Adjustment-to-2022-2025-Forecast-Capital-Expenditure-proposal.pdf>

¹¹ ERA's AR6 determination, at <https://www.erawa.com.au/cproot/22675/2/-AR.6---Final-Determination.PDF>.

this is the case for allowable revenue, the capital budget includes the expected full cost of the WEM Reform Program. Further discussion of budget variances is projected in the following sections.

Wholesale Electricity Market

Reforms drive the majority of expenditure increases in the WEM in the FY24 budget, as reflected in Table 2 below.

Table 2 Operating expenditure – WEM statement of profit and loss and comprehensive income

WEM P&L and CI	Budget FY23 (\$'000)	Budget FY24 (\$'000)	Variance (\$'000)	Variance (%)
REVENUE				
WEM fees	41,899	56,083	14,184	34%
Other revenue	0	0	0	0%
Total revenue	41,899	56,083	14,184	34%
OPERATING EXPENDITURE				
Labour	22,896	27,344	4,448	19%
Depreciation and amortisation	11,235	14,674	3,439	31%
Finance costs	1,656	2,492	836	50%
IT and telecommunications	2,087	3,950	1,863	89%
Other expenditure	4,668	6,583	1,916	41%
Total expenditure	42,542	55,043	12,502	29%
SURPLUS / (DEFICIT)				
Annual surplus (deficit)	-642	1,040	1,682	-262%

Totals may not sum due to rounding.

Key variances between the revenue and operating expenditure in the FY24 and FY23 budgets are:

- Revenue – WEM fee revenue is set to recover the budgeted costs of providing WEM functions in FY24, which is consistent with the ERA's determination of allowable revenue for this AR6 regulatory period.
- Labour – increased labour costs are due to a combination of increased volume and complexity of activities resulting from new market arrangements from October 2023 and Distributed Energy Resources (DER) Roadmap actions, along with some growth in the scale and complexity of aspects of AEMO's operational and planning activities as a result of the ongoing energy transition. AEMO has an ongoing obligation to implement market development activities, including rule changes and further government policy initiatives.
- Depreciation and amortisation – forecasts are consistent with the ERA's allowable revenue determination for the AR6 period and reflect the go-live date of 1 October 2023 for the new market under the WEM Reform Program, and the significant investment in the reforms becoming depreciable from that time.
- Finance costs – the increase in finance costs results from the significant amount of borrowing associated with delivery of the WEM Reform Program. Finance cost budget is consistent with the ERA's allowable revenue determination for the AR6 period.

- IT and telecommunications – the increase in IT platform and software costs associated with the new market. Upon market start the suite of new systems and system interfaces will go-live, with the operational systems incurring expenses such as hosting, software licensing and software maintenance and support costs.
- Other expenditure – the primary driver of higher other expenditure is consulting costs associated with the WA Five Minute Settlement (**5MS**) project, WEM Reform Program delivery, and operational requirements such as emergency management and market modelling.

As noted in section 2.1, operating expenditure associated with AEMO’s in-period forecast capital expenditure proposal are not included within its FY24 Budget. Following the ERA’s determination on this in-period proposal, AEMO expects associated costs to form part of its FY25 Budget.

Gas Services Information

Operating expenditure for AEMO’s GSI functions is budgeted to decline in FY24 compared with the prior year’s budget, as reflected in Table 3 below.

Table 3 Operating expenditure – GSI statement of profit and loss

GSI P&L and CI	Budget FY23 (\$'000)	Budget FY24 (\$'000)	Variance (\$'000)	Variance (%)
REVENUE				
GSI fees	1,559	1,606	47	3%
Other revenue	0	0	0	0%
Total revenue	1,559	1,606	47	3%
OPERATING EXPENDITURE				
Labour	1,012	825	-187	-19%
Depreciation and amortisation	441	196	-245	-56%
Finance costs	0	-25	-25	0%
IT and telecommunications	47	46	-2	-3%
Other expenditure	503	404	-99	-20%
Total expenditure	2,003	1,445	-558	-28%
SURPLUS / (DEFICIT)				
Annual surplus (deficit)	-444	161	605	136%

Totals may not sum due to rounding.

The drivers of this overall expenditure reduction are:

- Labour – the budgeted reduction in net labour costs reflect increased capitalisation of labour cost utilised for the delivery of capital projects and actual expenditure in FY23 which is tracking below the budget expenditure.
- Depreciation and amortisation – the reduction reflects that a number of assets were fully depreciated in FY23.
- Finance costs – GSI’s cash holding is greater than the carrying value of its fixed assets resulting in an allocation of finance income.
- IT and telecommunications – overall expenditure is budgeted to be slightly lower in FY24, reflecting a reduction in cloud and hardware expenditure based on FY23 actual expenditure, partly offset by higher contracted software service costs.

- Other expenditure – the reduction is primarily due to lower consultancy budget for the development and review of the GSOO.

As noted in section 2.1, operating expenditure associated with AEMO's in-period forecast capital expenditure proposal are not included within its FY24 Budget. Following the ERA's determination on this in-period proposal, AEMO expects associated costs to form part of its FY25 Budget.

2.2 Statement of cash flows and financial position

Limitations in AEMO's current financial system mean AEMO is not able to comply with the requirement to provide a statement of cash flows or a statement of financial position for WA Operations for the FY24 budget. As discussed in section 1.1, AEMO intends to implement changes to its financial systems to meet these requirements in the future.

2.3 Three-year market fees forecasts (WA Operations)

Under the Regulatory Reporting Guidelines, AEMO's budget publication must include a three-year forecast of market fees, with associated forecast assumptions (Table 4). Since AEMO's budget must be consistent with the ERA's allowable revenue determination, the revenue forecasts for FY24 and FY25 are based on the ERA determination for the AR6 period. The Reserve Bank of Australia's expectation of forecast inflation of 2.5%¹² to FY25 has been applied to market fees in FY26.

The forecast for energy consumption assumed for the forecast market fees is based on the expected scenario from the 2023 WEM Electricity Statement of Opportunities, which is currently under development. This results in an increase in market fees of 1.5%.

Table 4 WA Operations forecast market fees

WA Operations market fees (\$'000)	FY23	FY24	FY25	FY26
Wholesale Electricity Market (WEM)				
AEMO Market Fees				
WEM fees (\$/megawatt hour (MWh))	1.1559	1.5263	1.5056	1.5285
Energy consumption (gigawatt hours (GWh))	17,950	17,948	18,195	18,371
Fees collected on behalf of other entities				
ERA Regulator fees (\$/MWh)	0.1727	0.2063	n/a	n/a
Coordinator fees (\$/MWh)	0.0718	0.0779	n/a	n/a
Gas Services Information (GSI)				
AEMO Revenue Requirement				
GSI fees (\$'000)	1,559	1,606	1,927	1,976
Fees collected on behalf of other entities				
ERA Regulator fees (\$'000)	154	0	n/a	n/a
Coordinator fees (\$'000)	160	0.155	n/a	n/a

¹² See <https://www.rba.gov.au/publications/smp/2023/may/pdf/statement-on-monetary-policy-2023-05.pdf>.

It is important to note that the forecast of WA Operations market fees over the next three years does not factor in any outcomes from the reassessment of the allowable revenue and forecast capital expenditure in AR6 by the ERA, nor a determination by the ERA on AEMO's next review period, AR7 (FY26-FY28). AEMO expects that the market fees forecast beyond the budget year will change, and as such, the values in Table 4 should not be relied upon in decision making.

2.4 WA Operations forecast capital project expenditure and contingency

The majority of budgeted project expenditure relates to ETS initiatives, primarily the WEM Reform Program, DER Roadmap and planning for 5MS, as shown in Table 5 below.

As discussed earlier, AEMO has sought an upward adjustment to its forecast capital expenditure for its WA Operations for the AR6 period, predominately to fund the WEM Reform Program. The ERA is not expected to make a determination on this funding request prior to the commencement of the FY24 year. Forecasts presented below are consistent with the additional funding request and are reflective of the additional cost impacts associated with delivery of the WEM Reform Program.

Corporate capital expenditure includes AEMO WA's share of investment to maintain critical enterprise-wide systems that AEMO's WEM functions rely on. This expenditure is necessary for AEMO to perform market system operations functions as required by the WEM Rules. The corporate category includes expenditure on cyber security, upgrades to enterprise finance and risks systems.

Table 5 FY24 Statement of forecast capitalised project expenditure and contingency

Statement of project expenditure and contingency (\$000's)	Capitalised	Non-capitalised	Total expenditure
Wholesale Electricity Market (WEM)			
Growth	0	0	0
Asset replacement and renewal	0	0	0
Improvement in service	0	0	0
Compliance	27,299	650	27,949
Corporate	2,335	0	2,335
Project costs	29,634	650	30,284
Contingency	9,446	0	9,446
WEM total	39,080	650	39,730
Gas Service Information (GSI)			
Growth	0	0	0
Asset replacement and renewal	0	0	0
Improvement in service	0	0	0
Compliance	44	0	44
Corporate	132	0	132
Project costs	176	0	176
Contingency	6	0	6
GSI total	181	0	181

Totals may not sum due to rounding.

2.5 Statement of risks

AEMO has identified a number of specific current and emerging risks which may have a material financial impact on the WA Operations revenue and expenditure budget estimates. Changes in the operational environment, general economic conditions and compliance obligations may result in higher or lower revenue and expenditure. AEMO actively manages expenditure through the year and where possible operates at or below budgeted expenditure.

Key risks are discussed and quantified in the following sections.

Operational risks

Key risks to delivery of the FY24 budget for WA Operations revenue and expenditure are:

- WEM electricity consumption – in the short term, the key driver of fluctuations in annual electricity consumption is weather conditions. The impact of a +/-1% variation from the budget assumptions is shown in Table 6 below.
- Labour cost escalation – the labour market has tightened significantly since 2021, and at the same time demand for skilled labour has increased rapidly. Across Australia, there is increased demand for the technical specialists that the WA's energy transition requires. This increased demand has in turn led to increased labour rates and prices from services providers. To the extent market conditions tighten further or are somewhat looser than assumed, the cost of budgeted resourcing may be higher or lower than expected.
- Resourcing requirements and availability – there may be a requirement for additional resources to satisfy AEMO WEM and GSI obligations. This is a significant risk. Conversely, a tight labour market constraining access to resources or a more effective transition to the reformed market may lead to a lower than expected resourcing requirement.
- Interest rates – AEMO utilises debt to fund investment in fixed assets and systems and the majority of AEMO debt is floating rate, which is immediately impacted by interest rate movements. Conditions of financial markets may result in AEMO's cost of debt to be higher or lower than assumed. AEMO considers +/- 1% to represent a reasonable range of expected outcomes assuming normal market conditions.
- Other costs – there are many factors which may contribute to higher or lower than expected other expenditure. A general sensitivity represents the range of expected outcomes.

Table 6 WA Operations quantification of operational risks

Identified materials risks	Risk	Potential upside (\$'000)	Potential downside (\$'000)
REVENUE			
Electricity volumes	-1% / 1%	561	-561
EXPENDITURE			
Labour escalation	-1% / 1%	-282	282
Resourcing requirements	-5% / 5%	-1,408	1,408
Interest rates	-1% / 1%	-687	687
Other expenditure (excl Depreciation)	-5% / 5%	-549	549



Project expenditure risks

AEMO manages project expenditure risks in accordance with its risk management framework, which includes project contingency values based on probability of risk occurrence coupled with a robust governance framework. AEMO has undertaken an unprecedented level of activity and investment in modernising and developing the IT systems and processes under the WEM Reform Program. Large reform programs are inherently complex, due to the multiple IT systems and processes that need to be changed. Energy market reforms are heavily interrelated and dependent on government, industry stakeholders and other partners. AEMO will continue to work closely with stakeholders to clearly understand the changes required by various reform programs.

3 Regulator fees

3.1 Regulator fee schedule for WEM

ERA undertakes price setting, compliance monitoring and enforcement for the WEM. AEMO is required to recover the funding for the ERA from WEM market participants on a pass-through basis.

Table 7 ERA revenue requirements for WEM

Revenue requirement	Budget FY23 (\$)	Budget FY24 (\$)	Variance (\$)	Variance (%)
WEM regulator requirement (\$'000)	6,200	7,580	1,380	22%
ERA Regulator fee (\$/MWh)	0.1727	0.2063	0.0336	19%

3.2 Regulator fee schedule for GSI

ERA undertakes compliance monitoring and enforcement for the Western Australian GSI. AEMO is required to recover revenue on behalf of the ERA from registered shippers and production facility operators based on the delivery quantities (terajoules (TJ)) or actual flow data respectively (TJ) for the settled period.

The total expenditure budgeted by the ERA for the GSI function in FY24 is \$52,555, however the Regulator revenue requirement is being set to \$0 in FY24 after decreasing the budgeted revenue by the amount of the surplus in FY23.

Table 8 ERA revenue requirements for GSI

Revenue requirement	Budget FY23 (\$)	Budget FY24 (\$)	Variance (\$)	Variance (%)
Regulator revenue requirement (\$'000)	154	0	-154	-100%

4 Coordinator fees

4.1 Coordinator fee schedule for WEM

The Coordinator of Energy, supported by Energy Policy WA, undertakes policy, market development, strategic planning and overall coordination for the Western Australian electricity market, including administration of the WEM Rules, market development for the WEM, the provision of Market Advisory Committee Secretariat services, and development of the Whole of System Plan.

AEMO is required to recover revenue on behalf of Energy Policy WA from market participants based on the meter readings (megawatt hours (MWh)) of either consumption or generation in a trading interval at the applicable rate for the Coordinator fee.

Table 9 EPWA revenue requirements for WEM

Revenue requirement	Budget FY23 (\$)	Budget FY24 (\$)	Variance (\$)	Variance (%)
WEM Coordinator revenue requirement	2,579	2,861	282	10.9%
Coordinator fee (\$/MWh)	0.0718	0.0779	0.0061	8.4%

4.2 Coordinator fee schedule for GSI

The Coordinator of Energy, supported by Energy Policy WA, undertakes rule making and development, provision of Gas Advisory Board Secretariat services, procedure making, and information gathering for the Western Australian gas markets, including the administration of the GSI Rules.

AEMO is required to recover revenue on behalf of Energy Policy WA from registered shippers and production facility operators based on the delivery quantities (TJ) or actual flow data respectively (TJ) for the settled period.

Table 10 EPWA revenue requirements for GSI

Revenue requirement	Budget FY23 (\$)	Budget FY24 (\$)	Variance (\$)	Variance (%)
GSI Coordinator revenue requirement (\$'000)	160	155	-5	-3.3%

5 Other fees and charges

5.1 Fee schedule of new WEM registrations

In addition to the above fees and charges prescribed under the associated rules, AEMO provides a range of services to electricity markets participants which are charged to recover AEMO's costs of those services (Application Fees and Reassessment Fee).

Table 11 Fee schedule of new WEM registrations (\$ per registration)

Application type	Budget FY23 (\$)	Budget FY24 (\$)	Variance (\$)	Variance (%)
Rule participant registration application fee	2,450	2,650	200	8.2%
Facility registration application fee	4,550	4,900	350	7.7%
Facility transfer application fee	2,450	2,650	200	8.2%
Conditional certification of reserved capacity	1,230	1,350	120	9.8%
Resubmission - application for early certified reserved capacity	11,250	12,050	800	7.1%
Consumption deviation application reassessment application fee for non-temperature dependent loads and for relevant demand (Clause 4.26.2CC and 4.28.9B of the WEM Rules)	550	600	50	9.1%

Note: Rule Participant De-registration and Facility De-registration will remain at zero.



A1. AEMO reporting templates

The AEMO Regulatory Reporting Guideline requires AEMO to prepare its detailed financial reports using the Microsoft Excel template provided by the ERA. This is attached as a separate Attachment 1 to this paper and can be found on AEMO's website at <https://aemo.com.au/en/energy-systems/electricity/wholesale-electricity-market-wem/participate-in-the-market/fees-and-charges>.