



AEMO's NEM Participant Fee Structure Review

TO APPLY FROM 1 JULY 2026

Under the National Electricity Law (NEL), AEMO may determine fees and charges for services provided by it under the NEL and the National Electricity Rules (NER).

AEMO is required under the NER to consult on and develop a National Electricity Market (NEM) participant fee structure. The fee structure determines how costs are to be allocated to each Registered Participant or group of Registered Participants. The current fee structure expires on 30 June 2026. Once determined, the new fee structure will apply from 1 July 2026 for the period determined in the new fee structure.

About AEMO

As Australia's independent system and market operator and system planner, AEMO's purpose is to ensure secure, reliable, and affordable energy and enable the energy transition for the benefit of all Australians.

We do this by operating the electricity and gas systems and markets of today and planning the energy system of the future.

For more information: www.aemo.com.au

How do AEMO fees work?

AEMO is a not-for-profit company that primarily recovers its costs through fees and charges allocated to Registered Participants under the relevant fee structures.

The NEM participant fee structure review and cost recovery process includes the following components:



1. AEMO develops the NEM participant fee structure.



2. During the fee structure period, AEMO undertakes a budgeting and fees process each year to determine its NEM revenue requirements in accordance with the NER and in consultation with stakeholders.



3. NEM revenue requirements are then recovered from the market participants according to the relevant NEM fee structures.

How does AEMO determine the fee structure for the NEM?

To determine the structure of fees that NEM Registered Participants will pay, AEMO facilitates an extensive consultation process in accordance with the NER.

AEMO will work with stakeholders to:



1. Develop options for the proposed fee structure.



2. Review these options to determine the most suitable fee structure.



3. Publish a Final Determination that sets out the fee structure.

The consultation process has included the publication of an initial Consultation Paper and now provides this Draft Determination for stakeholder consideration and feedback before the publication of the Final Determination.

AEMO will also engage with stakeholders through webinars and workshops held throughout the consultation process, as well as through its Financial Consultation Committee (FCC), Consumer and Community Reference Group (CCRG) and other committees and forums.

AEMO currently intends to publish the Final Determination by 12 February 2026, setting the fee structure to apply from 1 July 2026.

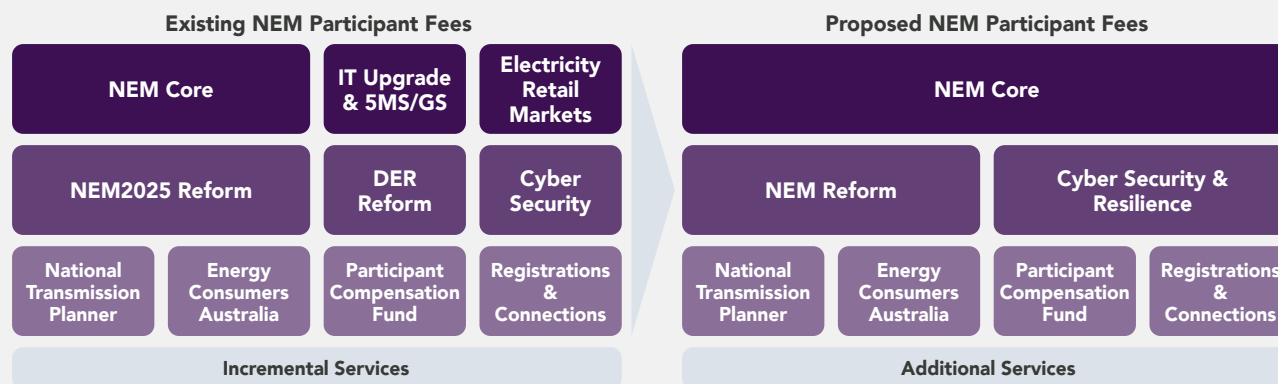
Key takeaways from the Draft Determination

Transparent

AEMO is proposing a five year structure period from 1 July 2026, consistent with previous arrangements since 2006, providing greater certainty and predictability for Registered Participants.

Simple

The proposed structure consolidates six primary fee categories into three simplified groups: NEM Core, NEM Reform, and Cyber Security & Resilience. This reduces the total number of individual fee types from 11 to 8.



Reflective

Cost allocations have been adjusted to reflect the Participant's involvement level with AEMO, as well as the consolidation of fee categories.

Fee category	Wholesale Participants	Market Customers	TNSPs
NEM Core*	22.7%	62.1%	15.2%
NEM Reform	26.6%	73.4%	0%
Cyber Security & Resilience	1/3	1/3	1/3

* Includes allocation of direct and indirect costs. Indirect costs recovered 100% from market customers.



For more information

The full comparison between the existing and proposed fee structure is available in the Draft Determination on [AEMO's website](#).

Who pays NEM fees?



Wholesale Participants: referring to Generators, Market Network Service Providers and Integrated Resource Providers (classified as a 'Wholesale site').



Market Customers: referring to electricity retailers, industrial users registered to trade directly in the wholesale electricity market and Integrated Resource Providers (classified as a 'Retail site').



Transmission Network Service Providers (TNSPs): and, where a NEM region has more than one TNSP, the Co-ordinating Network Service Provider (CNSP).

Fees are currently charged by a range of metrics including daily rates, by volume (\$ per MWh) or by connection point (\$/NMI).

Open for consultation



Stakeholders are invited to submit written responses to the Draft Determination by 5:00pm (AEDT), Friday 28 November 2025 to reformdevelopmentandinsights@aemo.com.au.

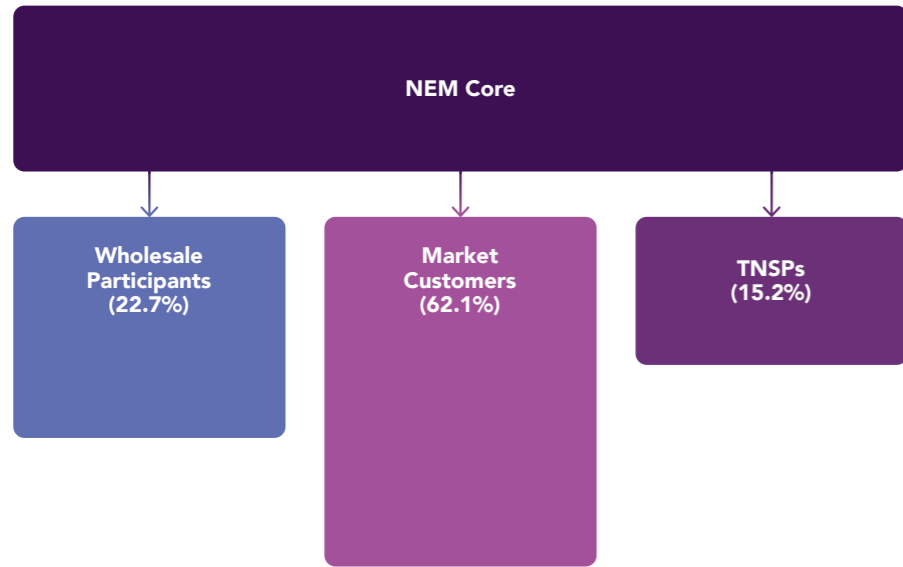
A [webinar](#) will be held from 2:00 – 3:30pm (AEDT) on Tuesday 14 October 2025 to provide an update and offer stakeholders the opportunity to ask questions directly to AEMO.

AEMO plans to engage directly with participants to discuss the potential impacts of the Draft Determination.

AEMO's proposed NEM Fee Structure

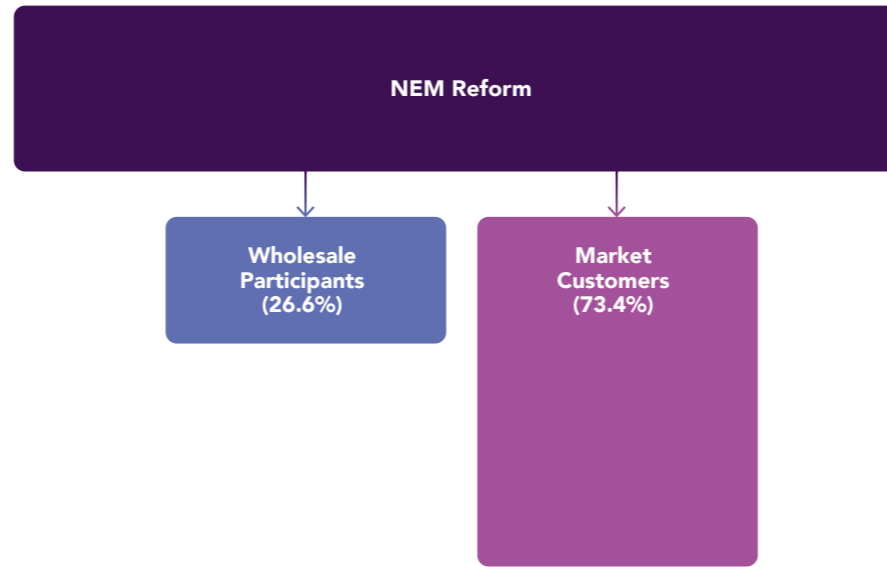
NEM Core

The NEM Core represents costs associated with AEMO's core NEM functions, including power system security and reliability, market operations, longer-term energy forecasting and planning, and metering and settlements. The fee also consolidates costs associated with system and process changes required to implement the 5MS/GS Rule changes, as well as costs include with managing data for settlement purposes and other retail market functions.



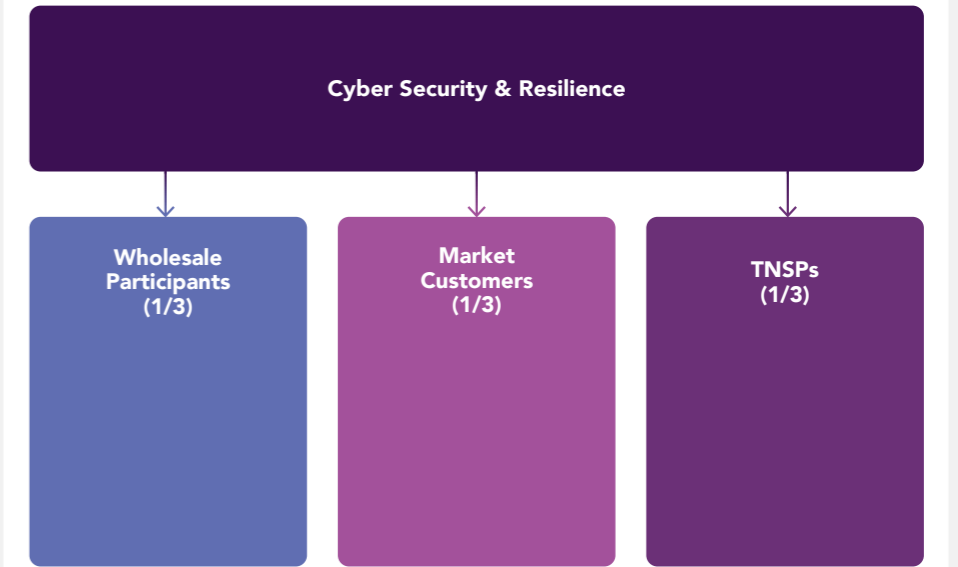
NEM Reform

Costs associated with implementation activities and outputs of the NEM Reform Program, consolidating costs associated with the NEM2025 Reform Program and DER Integration Program fees.



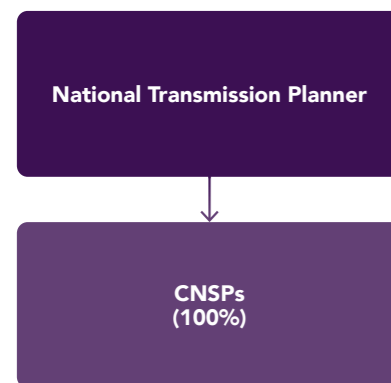
Cyber Security & Resilience

Costs associated with fulfilling AEMO's cyber security roles and responsibilities under the NER Chapter 4, potential future cyber security related reforms, as well as activities and outputs that support continued improvements to physical and digital capabilities.



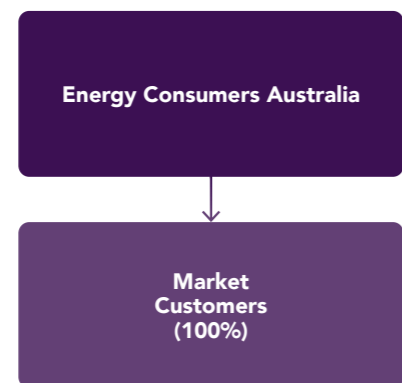
National Transmission Planner

Costs associated with the National Transmission Planner (NTP) fees include AEMO's work on the Integrated System Plan and other system planning exercises.



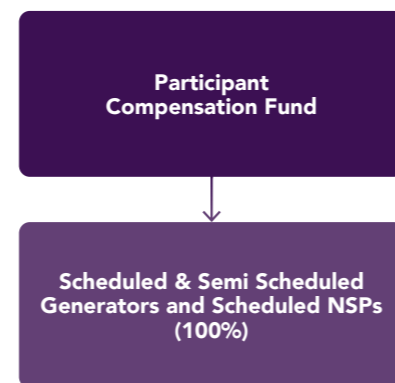
Energy Consumers Australia

AEMO is required to collect funding for Energy Consumers Australia (ECA) to advocate on national energy market matters of strategic important for energy consumers.



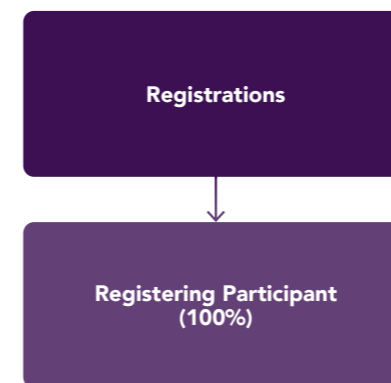
Participant Compensation Fund

AEMO is required to maintain the Participant Compensation Fund (in accordance with the NER) to pay compensation to Scheduled and Semi-Scheduled generators, Scheduled Integrated Resource Providers and Scheduled NSPs as determined by the Dispute Resolution Panel for scheduling errors.



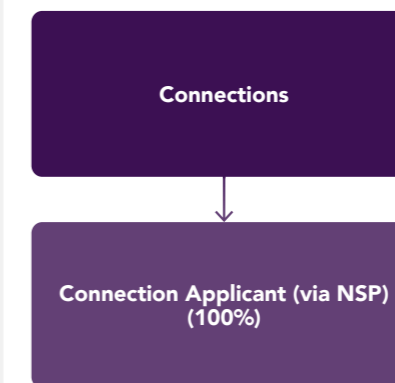
Registrations

Registration fees reflect recovery of costs associated with AEMO's activities in registering participants in the NEM under Chapter 2 of the NER.



Connections

Connection fees reflect the costs associated in performing AEMO advisory functions for generator connections from the relevant NSP in accordance with Chapter 5 of the NER.



Additional Services Charge

Costs associated with tasks specific for a Registered Participant, whereby that action causes identifiable and material costs for AEMO. This is a direct charge to the Registered Participant based on the task.

