

17 August 2022



Andrew Pirie
Project Leader
Australian Energy Market Commission

Submitted electronically

Dear Andrew

Directions Paper: Recovering the Costs of AEMO's Participant Fees

PIAC welcomes the opportunity to respond to the Directions Paper on recovering the costs of AEMO's participant fees.

PIAC supports the submission made by the Energy Users Association of Australia (EUAA) and agrees the proposed rule change does not support the long-term interests of consumers and does not pass the assessment criteria set out in the Directions Paper.

The proposed rule change would enable AEMO's costs to be passed directly through to consumers without any substantial review for efficiency. This proposal

- is inconsistent with the AER's network regulatory framework which subjects such costs to transparent scrutiny and assessment,
- undermines any incentive for TNSPs to challenge AEMO costs on behalf of consumers, while also providing consumers with no opportunity to do so themselves, and
- sets a precedent which may provide an incentive for TNSPs to expand the scope of functions transferred to AEMO, and not subject to scrutiny or assessment for efficiency.

PIAC reiterates our support for the EUAA recommendation that the treatment of National transmission planning (NTP) fees should not be a precedent for allowing the proposed change. PIAC recommends that NTP fees, like AEMO participant fees, should be subject to a robust and transparent efficiency assessment.

PIAC would welcome the opportunity to discuss these matters further with the Commission and other stakeholders.

Yours sincerely

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