

Gas cyber security roles and responsibilities for AEMO

The Commission is seeking stakeholder feedback on a proposal to embed and formalise AEMO's cyber security roles and responsibilities for the East Coast Gas System

The Commission has published a consultation paper that seeks stakeholder feedback on whether embedding and formalising AEMO's cyber security roles and responsibilities in the NGR, including specific functions, would be beneficial to the industry.

In late 2025, the Commission received a rule change request from The Honourable Chris Bowen MP, Minister for Climate Change and Energy (the proponent) to embed and formalise AEMO's gas sector cyber security roles and responsibilities under the National Gas Rules (NGR). The proponent considers there is merit in harmonising AEMO's cyber security roles and responsibilities with those it has for the electricity sector, supporting a strategic and coordinated approach to cyber security in the energy sector.

The proponent proposes that as energy systems become increasingly interconnected and reliant on digital technologies, the potential impact of a cyber breach amplifies. The proponent identified the following issues relating to the current cyber security arrangements in the NGR:

- cyber security is not explicitly referenced in the gas rules
- specific cyber security roles and responsibilities that AEMO would perform to assist in enhancing cyber security across the gas system are not specified in the rules.

The proponent also considers that while AEMO has performed some cyber security activities, the lack of funding certainty and liability protection, could lead to gaps in the management of cyber security. The proponent believes that the informal nature of AEMO's cyber security activities in the East Coast Gas System (ECGS) poses a risk to system security.

The proponent proposes four cyber security preparedness and uplift functions for AEMO:

1. **Function 1 - Cyber security incidents coordinator:** would enable AEMO to plan and coordinate the gas-sector wide response to a cyber incident affecting the energy sector.
2. **Function 2 - Supporting cyber preparedness and uplift:** ongoing stewardship of the Australian Energy Sector Cyber Security Framework, facilitating organisation testing and training exercises, and provision of preparedness and uplift advice to industry.
3. **Function 3 - Examining risks and providing advice to government and industry:** providing cyber security research and advice to governments proactively and on request, drawing on AEMO's unique energy expertise in their position as a market and system operator.
4. **Function 4 - Facilitating the distribution of critical cyber security information:** acting as distributor of cyber security information to the energy industry.

Importantly, the rule change request proposes that the functions would operate as facilitative and flexible. They would not be overly prescriptive or impose mandatory obligations on participants.

The rule change request notes that the estimated costs of the functions for the gas sector would be in the range of \$1.8 million to \$2.7 million per year. The Commission understands that this estimate factors in the efficiency gains for the cyber security work underway. In comparison, AEMO's costs to meet the functions for the electricity system, were estimated to be between \$8 million and \$10 million per year for establishment and business per usual costs in year one to three, and ongoing costs beyond this period between \$8.5 million and

\$9.5 million.

The proponent notes that if a rule is made, AEMO will engage stakeholders in relation to costs via a public consultation. AEMO consults on its proposed fee structure for gas participants in accordance with the standard consultative process. The Commission understands from AEMO that cost recovery will likely be on the same basis as the Gas Statement of Opportunities (GSOO) fees because cyber security will benefit the same group of participants. The next consultation for general determination of gas participant fees would be from 1 July 2027.

We are interested in stakeholder views on the issues raised in the rule change request and the proposed solution.

Next steps

Submissions to the consultation paper close 26 February 2026. We will publish a draft determination for the rule change on 7 May 2026.

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