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Ms Karen Olesnicky
Executive General Manager, Financial and Business Services
Australian Energy Market Operator Ltd
GPO Box 2008
Melbourne VIC 3001

Dear Ms Olesnicky,

The NGF is pleased once more to have opportunity to consider the structure of participant fees. We were actively involved in the review of the structure of fees in 2003 when they were changed significantly, then in 2006 we responded in conjunction with the ERAA, stating there was no requirement to change the existing participant fee structure. Again, the NGF cannot identify a fundamental reason for changing the structure of fees. AEMO should not change the existing structure of participants' fees, as the rationale for the structure remains as true today as in 2006.

The following points summarise our view:

As we do not foresee any unexpected costs arising during the period, the new fees structure should be set for a conventional budgeting period of 5 years.

Any costs associated with AEMO's new roles in Transmission planning and National Smart Metering should remain payable by Market Customers. Our reasoning for this is they are investments made on behalf of consumers.

Previous determinations focused on the accounting and attribution of costs between participants. We do not believe anything has occurred that warrants changing the attribution of costs between participants.

With regard to registration fees, we believe these should remain treated as incremental costs.

As we are arguing for no change in the participant fees structure, we see no issues for implementation.

Yours sincerely



Malcolm Roberts
Executive Director