

7 November 2024

Ms Anna Collyer  
Chair  
Level 15  
60 Castlereagh Street  
Sydney NSW 2000

By online submission

Dear Ms Collyer,

### **Cyber Security Roles and Responsibilities (ERC0388)**

AEMO welcomes the AEMC's draft determination and draft rule to establish four new cyber security roles and responsibilities for AEMO under the National Electricity Rules (NER). This is an important change initiated by the Commonwealth Minister for Climate Change and Energy, which will facilitate and support industry preparedness, response and recovery to potential and actual cyber security threats and incidents that may have power system security implications for the National Electricity Market.

AEMO supports the draft rule, including the effective date of 12 December 2024. As discussed in the draft determination AEMO is undertaking a sub-set of these functions to a limited extent in response to the Finkel Report recommendations. The making of the rule as per this draft determination will provide AEMO, as well as industry and government, with certainty as to our specific cyber security roles and responsibilities. Moreover, the rule will also provide certainty for AEMO regarding cost recovery and liability protection, consistent with AEMO's other statutory functions. Importantly, Registered Participants and industry more broadly continue to be responsible for the cyber security of their own systems and operations. AEMO will not be able to impose cyber security obligations on Registered Participants.

Given the draft rule, AEMO is planning to upscale the cyber security functions currently being performed and will invest in system changes and additional resourcing to enable delivery of the four new roles and responsibilities. AEMO considers we are well placed to implement plans promptly following the making of the final rule and that no transition period is needed.

Following a final determination which is expected in December 2024, AEMO will consult on the recovery of costs from Registered Participants in accordance with NER requirements. This may facilitate cost recovery to commence from 1 July 2025 depending on the outcome of this consultation process. Annual revenue requirements to deliver cyber security functions will be incorporated into AEMO's draft budget and fees document, which is subject to a separate, annual consultation process.

If AEMO is required to fulfil these new roles and responsibilities under the NER, we are committed to working closely with Registered Participants, industry and governments alike to ensure effective support and coordination is provided to better manage an evolving cyber security risk environment for the benefit of electricity consumers.

Finally in reviewing the draft rule, AEMO identified one minor drafting issue, namely that the reference to paragraph (ii) in clause 3.4.2A(c)(2)(ii) should be to paragraph (i). AEMO understands the AEMC is aware of this drafting issue and is considering some minor drafting changes to further enhance clarity and readability of the new provisions.

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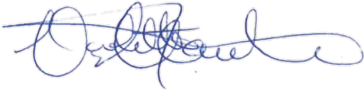
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Should you wish to discuss this submission further, please contact Hannah Heath, General Manager of Strategic Market Reform on [Hannah.Heath@aemo.com.au](mailto:Hannah.Heath@aemo.com.au).

Yours sincerely,



Violette Mouchaileh  
**Executive General Manager – Reform Delivery**