

22 January 2020

Ms Nicola Cusworth  
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CC: [REDACTED]

Dear Nicola

**Report to the Minister for Energy on the Australian Energy Market Operator's compliance 2018/19**

The Australian Energy Market Operator (**AEMO**) welcomes the opportunity to respond to the Economic Regulation Authority's (**ERA**) annual report to the Minister for Energy on AEMO's compliance for the period from 1 July 2018 to 30 June 2019 (**Annual Report**).<sup>1</sup>

Under clause 2.14.5C(a) of the Wholesale Electricity Market Rules, AEMO accepts the Annual Report and the ERA's recommendation within it.

AEMO also consents to the ERA publishing responses provided by AEMO to the ERA on its audit matters and details of AEMO matters investigated by the ERA as detailed in the Annual Report.

AEMO notes the ERA's acknowledgement of AEMO's proactive risk and compliance culture resulting in a reduction of compliance breaches. AEMO intends to maintain and improve those compliance management practices and looks forward to working constructively with the ERA and the broader industry as it closes out the ERA and market audit recommendations.

Yours sincerely

[REDACTED]  
Cameron Parrotte

**Executive General Manager WA**

<sup>1</sup> The Annual Report has been prepared for the purposes of clause 2.14.5B of the Wholesale Electricity Market Rules and rule 174(5) of the Gas Services Information Rules.

2020.01.10 RESPONSE TO THE ERA'S REPORT TO MINISTER