



# Notice

28 April 2022

## Wholesale Electricity Market Rules and Gas Services Information Rules

### Report on the Australian Energy Market Operator's compliance for 2020/21

The Economic Regulation Authority has published the annual report to the Minister for Energy on the Australian Energy Market Operator's (AEMO) compliance with the Wholesale Electricity Market (WEM) Rules and the Gas Services Information (GSI) Rules.

The ERA provided its 2020/21 report to the Minister for Energy on 20 April 2022. This report includes AEMO's most recent audit reports and details of investigations carried out by the ERA.

During 2020/21 the total number of AEMO's non-compliance matters in the WEM audit report was similar to the previous audit period.<sup>1</sup> AEMO self-reported most of these matters and the auditor did not rate any of these matters as material. No non-compliances were identified for the GSI Rules.

The auditor highlighted concerns with the adequacy of AEMO's controls in its System Management business unit. This included deficiencies with AEMO's processes to manage its control documentation and inadequate processes to monitor the effective operation of its controls. The ongoing Energy Transformation Strategy reforms require AEMO to implement large-scale changes to its market operations and power system functions, increasing the risk of non-compliances. AEMO must have adequate processes for its controls to provide confidence that it is meeting its obligations under both the current market design and when the new market design commences.

Given the audit findings, the ERA recommended that AEMO consider enhancing its procedures for controls, including managing control documentation and audit trails and monitoring the effective operation of controls.

The report and AEMO's response are available on the [ERA's website](#).

#### Further information

##### General enquiries

Adrian Theseira  
Ph: 08 6557 7901  
[info@erawa.com.au](mailto:info@erawa.com.au)

##### Media enquiries

Natalie Warnock  
Ph: 08 6557 7933 | Mob: 0428 859 826  
[media@erawa.com.au](mailto:media@erawa.com.au)

<sup>1</sup> The auditor reported three additional non-compliance matters in 2020/21 compared to the previous audit period.