



Notice

25 October 2024

Frequency Co-optimised Essential System Services Offer Price Ceilings – November 2024 indexation

The Economic Regulation Authority has completed its calculation of the Frequency Co-optimised Essential System Services (FCESS) Offer Price Ceilings for the November 2024 indexation.

The FCESS Offer Price Ceiling has been set at \$300 per megawatt (MW) per hour since the commencement of the new Wholesale Electricity Market (WEM) on 1 October 2023.

The FCESS Offer Price Ceilings for four system services – Regulation Lower, Regulation Raise, Contingency Lower and Contingency Raise – will fall to \$250 per MW per hour from 1 November 2024 as a result of lower distillate fuel prices.

The ERA uses the terminal gate distillate fuel prices published by the Australian Institute of Petroleum in its calculation. The three-monthly rolling average distillate fuel price has declined by 36.1 cents per litre (18 per cent) from its peak in December 2023 to October 2024, its lowest value since the commencement of the new WEM.

Under the WEM Rules, the FCESS Offer Price Ceiling must be rounded up to the nearest \$50. The values for the four services listed above have now fallen below \$250 per MW per hour, which accounts for the new value.

The FCESS Offer Price Ceiling for Rate of Change of Frequency Control Service is not indexed and remains unchanged at \$0 per MW second per hour.

The monthly indexation is conducted according to the formula published in the ERA's final determination on the FCESS Offer Price Ceiling. Both the final determination and the calculated values are available on the [ERA website](#).

Further information

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