

TECHNICAL AND REGULATORY COMMITTEE CHARTER

1. Role and Purpose of the Committee

The Technical and Regulatory Committee (**Committee**) is a committee of the Board of Directors. The Committee will assist the Board in the effective discharge of its responsibilities for oversight and governance of:

1.1 Technical matters, including information technology (IT) strategy, technical publications and emergency preparedness.

1.2 Regulatory matters.

The Committee is responsible for performing its duties in accordance with this Charter and making recommendations to the Board of Directors.

2. Duties and Responsibilities

The Committee's duties and responsibilities are:

2.1 Energy Publications

- Endorse the strategic direction of AEMO's energy publications, such as:
 - The Electricity and Gas Statement of Opportunities
 - The National Transmission Network Development Plan
 - The Victorian Energy Annual Planning Report
 - Power System Adequacy Report
 - South Australian Supply and Demand Outlook
- Monitor progress against the work plans for development of the AEMO energy publications.
- Review and provide input into the key messages from the energy publications.
- Review the quality assurance processes followed in preparation of the documents.
- Review external stakeholder feedback on AEMO's energy publications.

2.2 Information Technology Strategy

- Review and provide input into the development of the IT strategic plan.

- Monitor the progress against the IT strategic plan.

2.3 Operational preparedness

- Monitor AEMO's processes and policies relating to operational preparedness for both gas and electricity operations.
- Review significant operational and market incidents, assess the demonstrated performance of AEMO in the management of these incidents, and review and recommend changes to processes and procedures to improve AEMO's management of such incidents.

2.4 Emergency management

- Monitor that appropriate policies and principles applicable to emergency management are developed and maintained for both gas and electricity operations.
- Review outcomes and AEMO and industry performance during exercises and actual emergencies.
- Monitor AEMO's implementation of improvements to emergency management processes and policies.

2.5 Regulatory Matters

- Monitor the regulatory environment in which AEMO operates to identify regulatory developments that may impact on AEMO and the markets it operates.
- Review AEMO's analysis and approach to key regulatory changes and reviews by regulatory bodies.
- Monitor international trends and reviews of energy market and energy transmission policy and regulations that may be relevant to AEMO's operations.

2.6 Other matters

- Review the audits on AEMO's gas safety case.
- Consider matters as are referred to the Committee by the Board or other Board Committees.

3. Composition

3.1 Membership

The Committee will be appointed by the Board of Directors. It is to be composed of at least three Non-Executive Directors.

The Chairman of the Committee (Committee Chairman) will be appointed by the Board of Directors.

All other directors are entitled to attend Committee meetings.

The Committee may invite attendance from:

- The Managing Director.
- Independent advisors.
- Any other persons considered appropriate to attend meetings of the Committee.

3.2 Skills and Development

A Committee member may, with approval from the Committee Chairman, at AEMO's expense, attend seminars or training courses on issues relating to the functions and responsibilities of the Committee.

3.3 Committee Secretary

The Company Secretary will undertake the role of Committee Secretary.

4. Meetings

4.1 Holding of Meetings

The Committee will meet regularly at times determined by the Committee Chairman, but no less than three times per year. A member of the Committee may request that a meeting of the Committee be convened at any other time.

4.2 Quorum

Two members present, in person or by using any technology, constitutes a quorum.

4.3 Attendance of Meetings

The Committee Secretary will distribute in advance of a meeting of the Committee the agenda and any related papers to each member of the Committee and any other persons determined by the Committee. The agenda will be distributed to all other directors and copies of papers made available.

4.4 Committee Minutes

The Committee Secretary will prepare minutes of the meeting for approval at the next Committee meeting.

5. Reporting to the Board

The draft minutes of each Committee meeting will be submitted to the next Board meeting.

The Committee Chairman, or delegate, must report to the Board after each Committee meeting concerning the key outcomes from the meeting.

Document Owner: Company Secretary

Approved by: The Board

Date Approved: 2 August 2012

To be Reviewed: Every two years by the Committee