



# INFORMATION EXCHANGE COMMITTEE

## Election Procedures and Operating Manual Draft Paper

### 1. PURPOSE

This paper provides an update regarding the consultation on the Information Exchange Committee (IEC) Election Procedures and Operating Manual to electricity retailers, local retailers, metering coordinators, metering providers, metering data providers, distribution network service providers, and third-party B2B participants<sup>1</sup> (collectively, “B2B stakeholders”).

### 2. BACKGROUND

At the February 2019 IEC meeting, the IEC requested that the IEC Secretariat provide it with a list of proposed changes to the current IEC Election Procedures and Operating Manual to reflect the more mature Committee and meeting structure that had emerged following three years of the current IEC framework<sup>2</sup>. The IEC subsequently endorsed the changes to be consulted on with B2B stakeholders. On 2 July 2019 the IEC Secretariat released a discussion paper for all B2B stakeholders describing the proposed changes to the IEC Election Procedures and Operating Manual (the consultation page can be found [here](#)). Since that time, the IEC Secretariat has been contacting B2B stakeholders to request feedback on the proposed changes.

### 3. DISCUSSION

At this stage, feedback has been received from 11 participants<sup>3</sup>. Of these, nine participants expressed that they were comfortable with the proposed changes. Tango Energy proposed a number of stylistic edits, which have been incorporated where they did not conflict with legal review undertaken by AEMO. Red and Lumo proposed several changes to the proposed IEC Election Procedures and Operating Manual. Participant feedback and IEC’s responses are provided in the following table.

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<sup>1</sup> There are currently no Third-Party B2B Participants.

<sup>2</sup> IEC, *18 February 2019 IEC Meeting Minutes*, 18 February 2019, p.5–6, [link](#)

<sup>3</sup> These participants were: ActewAGL Retail, Aurora Energy, CS Energy, Delta Electricity, Diamond Energy, EnergyAustralia, Enwave Mascot, Ergon Energy Queensland, Flow Power, Tango Energy, and Red / Lumo Energy.

| Red and Lumo’s proposed change   | IEC response   |
|--|--|
| <p><b>AEMO appointment of discretionary members</b></p> <p>We consider that AEMO should maintain an obligation to consult with the relevant voter category, as to whether or not they wish to nominate as a discretionary member. For example, if AEMO considers that they require a supplementary retailer member, all retailers should be able to nominate to be a discretionary member. This should not preclude AEMO from also approaching potential applicants, but this should not be the only mechanism by which a retailer can become the discretionary member.</p> <p>We support the extension process of Consumer and AEMO members. However, the discretionary members should have to undergo a re-appointment process, including the call for nominations, as outlined above. We do not support AEMO having full discretion to extend a discretionary member without the industry group having the ability to propose alternate candidates to that process.</p> | <p>AEMO does not currently have an obligation to consult with the relevant voter category regarding the appointment of discretionary members, as contemplated by clause 4.3 of the <a href="#">current IEC Election Procedures and Operating Manual</a>. As such, the drafted IEC Election Procedures and Operating Manual do not propose to make changes to AEMO’s current obligations.</p> <p>Further, NER clause 7.17.10(d) notes that “[p]rior to making such appointments, AEMO may consult with any person or persons determined by AEMO”. As such, AEMO considers that the proposed IEC Election Procedures and Operating Manual are consistent with the NER requirements regarding consultations on discretionary member appointments.</p> |
| <p><b>Notification Process</b></p> <p>We consider that AEMO should continue to publish information to the broadest possible group. Communications should not be limited to peak bodies. There should be a broader distribution email that AEMO should maintain of key contacts (which it must do anyway for the nomination process). This will ensure that parties that are not part of a peak body continue to receive information and can participate in the IEC process.</p>  | <p>The Notification Process, as currently drafted, includes posting all relevant notices on the IEC web page as well as in the AEMO Communications newsletter.</p> <p>As such, the information will be accessible to all interested parties, not just to those parties that have peak-body membership. This will be administratively more efficient and is likely to reach a greater number of participants than using a B2B contact list, which will always be inaccurate due to changes within participant businesses.</p>   |

| Red and Lumo's proposed change  | IEC response  |
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| <p><b>Timing</b></p> <p>We support the extension of AEMO notifying parties of election within 10 days (instead of 5). However, consider that AEMO should also maintain the 10 days notification of the results (not 15 days as proposed).</p> <p>We consider that AEMO must maintain the 10 business days prior to an IEC meeting as the timing surrounding the meeting papers. Specifically, this allows adequate time for representatives (such as peak bodies) to consult with those they represent, prior to a meeting. Reducing this to 5 days will affect the quality of the feedback provided to those representatives, and therefore reduce the efficiency and effectiveness of the IEC meetings. We are comfortable however, with the minutes being distributed within 10 days (not 5 as originally stated).</p> | <p>The functions and powers of the IEC under NER clause 7.17.7 do not include any items that would need to be addressed urgently. As such, while AEMO and the IEC will make best endeavours to distribute election results as quickly as possible after an election, AEMO believes that the administrative flexibility given by the 15-business-day requirement is appropriate, as it enables the IEC Secretariat to prioritise other more urgent matters (given that the IEC Secretariat shares AEMO resources with a number of other forums and meetings) where required without imposing any additional cost to industry or the IEC (since the IEC has no urgent functions or powers under NER clause 7.17.7).</p> <p>Regarding meeting-paper timing requirements, broadly speaking, the IEC delegates pre-consultation and consideration of feedback on consultation to its Business-to-Business Working Group (B2B-WG). The B2B-WG then provides papers to the IEC for its decision. The IEC does not generally conduct consultations in the intervening period between the receipt of meeting papers and an IEC meeting. In effect, the 10-business-day requirement for papers to be circulated to the IEC reduces the time available to AEMO / the B2B-WG to prepare the papers.</p> <p>AEMO would still be entitled to provide papers 10 business days (or more) before the meeting; however, the IEC is seeking the flexibility to determine this timeframe based on the IEC agenda.</p> |

#### 4. STAKEHOLDER ENGAGEMENT STRATEGY

Submissions on the proposed IEC Election Procedures and Operating Manual can be submitted to [iec@aemo.com.au](mailto:iec@aemo.com.au) until 31 July 2019, after which point the IEC will consider all submissions and develop a final set of proposed amendments to the IEC Election Procedures and Operating Manual under NER clauses 7.17.7(a)(6) and 7.17.7(a)(7). These will be distributed, along with a ballot paper to vote on the proposed amendments, to all B2B stakeholders on 14 August 2019.