

# ISP Consumer Panel

## Terms of Reference

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<b>Prepared by</b>	Oliver Derum
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### Approved for distribution and use by:

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<b>Approved by</b>	Nevenka Codevelle and Merryn York
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<b>Title</b>	EGM Government & Stakeholder and EGM System Design
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## Version Release

Version	Release date	Author	Peer review	Approved	Changes
#1	15 August 2022	Oliver Derum	Andrew Turley and Elijah Pack	Nevenka Codevelle & Merryn York	

This document is owned and updated by Oliver Derum and will be reviewed regularly.

Any queries or suggestions for improvement should be addressed to [stakeholderrelations@aemo.com.au](mailto:stakeholderrelations@aemo.com.au).

# 1 Background

Under the National Electricity Rules (**Rules**), AEMO is required to publish an Integrated System Plan (**ISP**) at least every two years by 30 June.

Reflecting the critical importance of consumer views into the development of the ISP, Rule 5.22.7(a) requires that AEMO has the function of establishing and supporting an ISP Consumer Panel to input into preparation of the ISP.

The Rules further require that prior to appointing Members to the ISP Consumer Panel, AEMO must publish an Expression of Interest for persons to apply to become a Member, including Terms of Reference for the ISP Consumer Panel.

These Terms of Reference govern the ISP Consumer Panel's appointment, composition, and operation, and should be read in conjunction with Rule 5.22.7.

## 2 ISP Consumer Panel Role

The role of the ISP Consumer Panel is to bring a consumer-focused perspective to the ISP development process. In particular, having regard to the long-term interests of consumers, the Panel is required to provide an assessment of the evidence and reasons supporting AEMO's conclusions in the Inputs, Assumptions and Scenarios Report and Draft ISP (**Consumer Panel Reports**).

### 2.1 Consumer Panel Reports

The ISP Consumer Panel fulfills this role by providing the Consumer Panel Reports to AEMO as inputs to finalisation of the following two major publications during the ISP development process:

- the Inputs, Assumptions and Scenarios Report (**IASR**) that will be used to prepare a draft ISP; and
- the draft ISP.

In preparing these reports, the ISP Consumer Panel must:

- have regard to the long-term interest of consumers; and
- seek to give the Consumer Panel Reports by consensus.

### 2.2 Timing

The ISP Consumer Panel will provide each of the Consumer Panel Reports to AEMO within two months of the publication of the document to which they relate, being either the IASR or the draft ISP, as the case may be.

### 2.3 Report recommendations not binding

The Consumer Panel Reports are an important input into the ISP development process. While AEMO is not obliged under the Rules to give effect to any recommendations in the reports, AEMO will take them and the recommendations into account, and give them due regard.

## 3 Principles of operation

### 3.1 Standing Panel

The ISP development process is complex, technical in nature and takes up to two years. As the ISP is required to be published at least every two years, the development process is continual with each ISP building on the preceding one. For this reason, there is value in continuity of engagement with the ISP Consumer Panel.

Accordingly, the ISP Consumer Panel will continue as a standing Panel with Membership rotation through staggered terms to ensure an appropriate balance of continuity as well as refresh.

### 3.2 Co-design process engagement

Upon establishment of the ISP Consumer Panel, the Panel will review the ISP development program of work with AEMO, with a view to agreeing the most efficient and appropriate level of engagement for each stage of the program. In doing so, the International Association for Public Participation (IAP2) Australia<sup>1</sup> framework or such other framework as agreed, is to be used to enable alignment on engagement expectations.

### 3.3 Engagement with other AEMO stakeholder bodies

AEMO has or may have a number of other stakeholder engagement groups, panels and forums which may provide insight useful for the ISP Consumer Panel in its work. The Panel is encouraged to engage with and leverage these other bodies to the extent it considers appropriate.

### 3.4 Independence

The ISP Consumer Panel is an independent Panel and the views it expresses are to be solely those of its Members. The ISP Consumer Panel Reports will be published on AEMO's website.

## 4 Composition

### 4.1 Appointment

The ISP Consumer Panel will consist of at least three Members appointed by AEMO, who have:

- qualifications or experience in a field AEMO considers relevant to the assessment of the ISP; and
- experience representing consumer interests.

A successful applicant will be appointed as a Member in their individual capacity and is not permitted to nominate an alternative representative to attend meetings on their behalf.

### 4.2 Member selection criteria

AEMO will publish an Expression of Interest for persons to apply to become a Member as vacancies arise or are due to arise. The Expression of Interest will include information about the requisite qualifications and experience required to become a Member, the nomination and selection process.

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<sup>1</sup> See IAP2 *Spectrum of Public Participation*, at [https://iap2.org.au/wp-content/uploads/2020/01/2018\\_IAP2\\_Spectrum.pdf](https://iap2.org.au/wp-content/uploads/2020/01/2018_IAP2_Spectrum.pdf)

### 4.3 Member term

To provide for staggered terms to balance ISP Consumer Panel continuity and refresh, AEMO may specify different terms of up to four years for different Members, in the Expression of Interest.

## 5 Governance

### 5.1 Chair

AEMO may select a Member to serve as Chair or once constituted, ask the Panel to either nominate a Chair from its Members or select a suitably qualified external facilitator to take on the role of Chair for a certain period. The Expression of Interest may ask applicants to indicate their interest in being Chair, set out the selection criteria and selection process.

The role of the Chair includes managing:

- the Panel to complete the required work within the agreed timeframes;
- the Panel so as to:
  - ensure effective contribution by Members,
  - ensure good process is followed including convening and chairing meetings, and
  - seek consensus in the Consumer Panel Reports; and
- the effectiveness of the Panel's relationship with AEMO.

### 5.2 Termination

A Member who behaves improperly, inconsistently with AEMO's Code of Conduct or the Member Interest Protocol, or does not contribute sufficiently to the work of the Panel may be terminated during their term by AEMO, including in accordance with the Member Interest Protocol.

### 5.3 Replacement of Members

If a Member resigns, is terminated, or is otherwise unable to carry out their role as a Member during their term, AEMO may:

- appoint a replacement from amongst unsuccessful applicants from the most recent Expressions of Interest process;
- call for Expressions of Interest for a replacement; or
- not replace the Member (provided there continues to be at least three Members).

AEMO may specify the term of the appointment to be either the remainder of the term of the replaced Member or such other term up to four years.

## 6 Work program

### 6.1 Time commitment

Once the ISP Consumer Panel has been constituted and at the start of the ISP development process, AEMO will work with the Panel to determine the scope of activity, work program and the time Members need to achieve the objectives of the Panel appointment in an efficient and cost-effective manner (**Panel Work Program**).

Based on previous experience, the estimated time commitment for Members during the ISP development process is four to eight hours per week. The Panel will meet with AEMO on at least a monthly basis.

### 6.2 Budget

A budget will be determined and agreed between AEMO and the ISP Consumer Panel based on the agreed Panel Work Program. The expectation is that the Panel will manage costs within the agreed budget. Increases to the budget will only be considered by AEMO in the event of major unforeseen circumstances.

Members must invoice AEMO monthly, outlining the key activities they have undertaken, and the number of hours spent on each.

### 6.3 Remuneration

Members will be remunerated for work performed at a rate of \$250.00 per hour, excluding GST. In recognition of the higher level of workload and responsibility, a Member who is appointed as the Chair will be remunerated at \$275 per hour plus one extra day per month, excluding GST. If the Chair is an external facilitator, the fee is to be as agreed with AEMO.

Work includes time spent in ISP Consumer Panel meetings, reading and analysing any materials provided, writing advice, presentations and reports for AEMO, engaging with other consumer and stakeholder representative bodies (including those convened by AEMO) and other activities necessary to carry out the Panel's work consistent with the agreed Panel Work Program.

AEMO will cover the cost of out-of-pocket expenses including travel, incurred by the Panel where pre-approved by AEMO consistent with AEMO's expenditure policies.

### 6.4 Meetings

The ISP Consumer Panel may carry out its activities, including the development and submission of the Consumer Panel Reports, in the way it considers appropriate.

The Panel is expected to meet as required to provide AEMO with the Consumer Panel Reports within the required timeframes.

The ISP Consumer Panel is encouraged to make use of AEMO's remote meeting technology as much as possible.

Where a face-to-face meeting is necessary, AEMO will fund approved travel for Members in accordance with AEMO's Travel Policy.

## 7 AEMO support

AEMO recognises the important contribution of the ISP Consumer Panel and the Consumer Panel Reports to the promotion of the long-term interests of consumers.

AEMO will support and work collaboratively with the Panel in the performance of its role.

AEMO will provide such support as is required to enable the Panel to carry out its functions, which will include to:

- provide secretariat support, including assistance to the Chair to arrange meetings of the Panel, finalising the agenda with the Chair, issuing meeting invitations and producing and distributing minutes of the meetings;
- provide written material and analysis that is necessary to support productive discussion and consideration of the issues by the Panel;
- make relevant AEMO staff available to attend and participate in meetings of the Panel;
- provide a secure document hub for the Panel's documents with controlled access;
- consider and respond to requests for additional information in a timely manner and with a view to supporting the effective operation of the Panel;
- support the Panel to work productively with other AEMO engagement structures, such as the Forecasting Reference Group, Consumer Forum and such other AEMO stakeholder groups as may be helpful to the work of the Panel; and
- provide support at the AEMO senior executive level through the Executive General Manager of System Design and the Executive General Manager of Government & Stakeholder.

Support may be provided by AEMO on an outsourced basis where appropriate and by agreement with the Panel.

## 8 Conflict of interest

### 8.1 Duties or interest as a Member

A duty or interest arises when a Member participates in an activity or acquires another interest or an interest that jeopardises, could jeopardise or could be perceived to jeopardise, their judgement, objectivity or independence as a Member.

Conflicts of interest or duty or business dealings or personal relationships which create an actual, potential or perceived conflict with a Member's obligations to the ISP Consumer Panel must be avoided.

Each Member must be aware of, and is responsible for, potential conflicts between (directly or indirectly):

- the role and purpose of the ISP Consumer Panel and that Member's duties as a Member; and
- the Member's personal or external business interests, or their duties to any third party.

Each Member must avoid placing themselves in a position that may lead to:

- an actual or a potential conflict of interest or duty; or

- a reasonable perception of a conflict of interest or duty.

A Member must not improperly use:

- their position as a Member; or
- information acquired through their position as a Member

for personal gain or gain of someone else or to compete with, harm the work of, or inappropriately influence the ISP Consumer Panel.

## 8.2 Protocol

Each Member must comply with the Member Interest Protocol in respect of any actual or perceived conflict of interest. A draft of the Member Interest Protocol will be provided with the Expression of Interest and may be updated by AEMO from time to time after consultation with the Panel.

## 9 Confidentiality

Any information acquired by a Member while performing their duties that is not publicly known and has not been approved by:

- the ISP Consumer Panel; and
- AEMO,

for public release is confidential information of AEMO and must be kept confidential.

Members are required to execute a confidentiality agreement with, and in a form acceptable to, AEMO as a condition of appointment and prior to the ISP Consumer Panel's first meeting.

## 10 Approval and amendment of these Terms of Reference

These Terms of Reference:

- were prepared and approved by AEMO in August 2022; and
- will be reviewed with new Members following their appointment.

AEMO may revise these Terms of Reference during the term. AEMO will consult with the ISP Consumer Panel prior to making any changes during the term.

## 11 Definitions

The following words have the following meaning when used in this xxx Policy and Guidelines.

<b>AEMO</b>	Australian Energy Market Operator Limited and includes its subsidiaries
<b>AEMO Personnel</b>	Means: <ul style="list-style-type: none"><li>• any person who is employed by AEMO under a Common Law Contract (CLC),</li></ul>



	<p>Enterprise Agreement (EA) or Fixed Term Contract (FTC);</p> <ul style="list-style-type: none"> <li>any person who is employed by a third-party organisation, such as a recruitment agency, and provides services to AEMO; and/or</li> <li>any contractors who perform services for AEMO.</li> </ul>
<b>Chair</b>	Means the chairperson of the ISP Consumer Panel.
<b>Consumer Panel Reports</b>	<p>Means the written reports that the ISP Consumer Panel must provide to AEMO on:</p> <ul style="list-style-type: none"> <li>the Inputs, Assumptions and Scenarios Report that will be used to prepare a draft Integrated System Plan; and</li> <li>the draft Integrated System Plan.</li> </ul>
<b>Integrated System Plan or ISP</b>	Has the meaning set out in the National Electricity Rules.
<b>ISP Consumer Panel or Panel</b>	Means the panel that AEMO has the function of establishing and supporting to provide the Consumer Panel Reports pursuant to Rule 5.22.7 of the National Electricity Rules.
<b>Member</b>	Means a member appointed to the ISP Consumer Panel.

## 12 Related AEMO policies and procedures

Reference	Title	Location
	ISP Consumer Panel Member Interests Protocol	<a href="#">Link forthcoming</a>
	AEMO Code of Conduct	<a href="#">Link forthcoming</a>