

# Terms of Reference

## NEM Reform Program Consultative Forum

### 1 Mission

The [Energy Security Board's \(ESB\) National Electricity Market \(NEM\) 2025 reforms](#) (NEM Reform Program) seek to make changes required in the NEM as it transitions from a fleet of largely coal-fired generation to more variable renewable generation and into a modern energy system fit to meet consumers' evolving wants and needs.

A comprehensive reform program, each of the initiatives that make up the ESB's NEM 2025 reform package are at varying stages of development or implementation. AEMO, in partnership with the Reform Delivery Committee ('RDC', or 'the Committee'), has compiled the NEM Reform Implementation Roadmap<sup>1</sup> (the 'Roadmap') to establish a basis upon which to navigate the breadth of reforms over the coming few years, de-risking delivery and informing implementation timing.

AEMO will also work with NEM participants to mobilise and implement initiatives, including making procedural and system changes arising from these reforms, as part of an integrated implementation program.

The **objective** of the NEM Reform Program Consultative Forum (PCF) is to collaborate with participants and intending participants on matters relating to the planning, coordination and implementation of the NEM Reform Program to manage overall implementation risks, achieve least whole of system costs for implementation of reforms, and minimise duplicate processes for AEMO and stakeholders.

### 2 Scope

#### 2.1 In Scope:

- The PCF will provide advice on the mobilisation, coordination, and implementation of NEM Reform initiatives including the approach to:
  - high-level solution design development
  - coordinating change to AEMO market and operational procedures, guidelines, and other documentation
  - changes to AEMO and participants' IT systems

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<sup>1</sup> [AEMO | NEM Reform Implementation Roadmap](#)

- The PCF will seek to achieve effective and efficient reform implementation outcomes. In working towards this objective, the PCF will:
  - monitor program delivery, including industry testing and readiness, and the management of changes against key program milestones
  - Co-ordinate across the range of initiatives to consider the program holistically and in an integrated manner
  - provide advice on establishing necessary subsidiary working and focus groups, including:
    - guidance and oversight of these subsidiary groups
    - delegating, where appropriate, issues to these subsidiary groups for consideration and resolution
  - inform the process to confirm critical elements of strategic/foundation initiatives on the Roadmap, including:
    - High Level Design, Detailed Design or Scope
    - Implementation Plan and Impact Assessment (including the cost/benefit assessment)
- The PCF will explore and identify opportunities to lower design and development costs associated with AEMO and industry Systems and where appropriate review opportunities to build common infrastructure to avoid duplicate processes.

## 2.2 Out of scope

- The PCF is not a decision-making body regarding AEMO's internal program governance.
- The PCF is not a consultative forum for policy development and design and rules development and consultation in this forum will not supplant any ongoing statutory consultation processes.

## 3 Governance

The PCF will operate under the guidance of this Terms of Reference document. AEMO will provide support for the PCF, including provision of meeting minutes, action items, and a register of key documents.

The NEM Reform Program Engagement Framework provides a set of channels for the coordination of reform implementation and includes the Executive Forum (EF) and the PCF as overarching umbrella forums. Individual reform initiatives will be phased into the program as they progress through to rules implementation. Considering the potentially large number of reforms being implemented at any given time and the interdependencies between them, the PCF is to be consulted to ensure that Working Groups reflect the way participants and AEMO are organised.

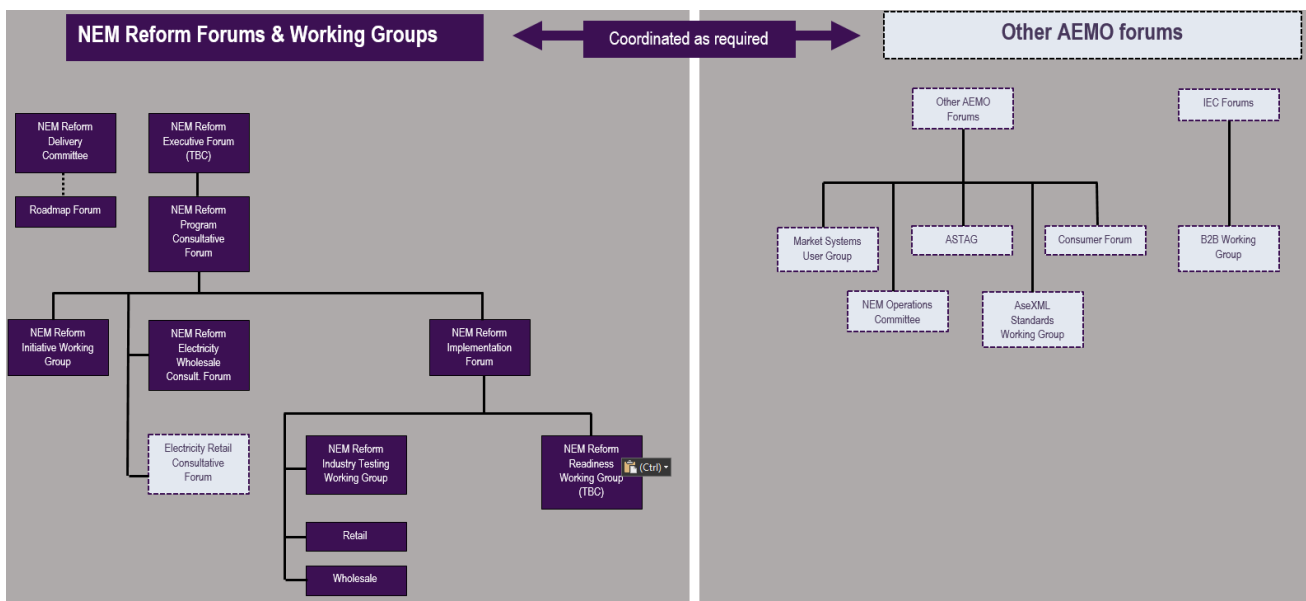


Figure 1 NEM Reform Forum & Working Group structure

## 4 Participation

Participation in the Program Consultative Forum is open to suitably qualified nominations from market participants impacted by the implementation of reforms. In the interests of facilitating effective discussions, each organisation may have one primary member and one alternative member. An organisation's membership can change, as appropriate, through the life of the program.

AEMO expect PCF members to:

- Have a thorough understanding of the NEM and the reform initiatives under the NEM REFORM Program,
- Have a detailed understanding of their own program's timelines, deliverables and business impacts and how their program interfaces with AEMO's program,
- Be prepared to participate in discussion and provide detailed responses to matters under discussion,
- Have the authority to consider PCF matters and provide official views and commitments on behalf of their business, and
- Provide Forum outcomes back into their business.

## 5 Meetings

Program Consultative Forum meetings will be conducted via videoconference, unless otherwise advised. The PCF will meet monthly for approximate 2 hours duration.

To capture the program coordination benefits while using the time of participants and AEMO effectively, the meeting chair will balance the level of detail to be able to cover content, with agenda clearly laid out with timings and obligations on the chair to cover the ground effectively.

## 6 Administration

AEMO will prepare and distribute all meeting correspondence via email and manage the Program webpage.

AEMO will endeavour to provide stakeholders with:

- A draft agenda and relevant meeting papers five business days prior to the meeting.
- A meeting outcomes paper five business days after the meeting.
- AEMO will provide Chair, secretariat services and subject matter expert(s) for each meeting.
- Once approved, copies of the meeting papers will be published on the AEMO website.

## 7 Resourcing and expenses

AEMO will provide Chair and Secretariat services to the PCF.

Any expense incurred as a result of attending meetings or activities associated with the PCF are at the expense of the members or their employer.

## 8 Version control and contact details

Version	Effective date	Comments
0.1	2 November 2022	Draft Terms of Reference shared with the Program Consultative Forum
1.0	9 November 2022	FINAL
2.0	4 April 2023	Update to Final Terms of Reference following a periodic review

For more information on the NEM REFORM Program please email [NEM REFORM@aemo.com.au](mailto:NEM_REFORM@aemo.com.au).