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1. Background

- 1.1 The electricity industry has a well established tradition of using working groups to advance understanding and agreement on technical, complex and difficult issues, which need resolving.
- 1.2 The Commission intends to make extensive use of advisory groups to develop market arrangements and give advice concerning regulations and rules.

2. Purpose

- 2.1 This Charter sets out the Commission's approach to a number of generic issues common to all such groups.

3. Scope

- 3.1 The role of these groups is to advise the Commission rather than to make decisions.

4. Roles and responsibilities

- 4.1 The nature of the groups proposed by the Commission is different from the working groups historically operated by the various industry governance bodies. This is because, although these groups can assist the Commission in the proper and efficient discharge of its statutory responsibilities and duties, they cannot relieve the Commission of these responsibilities.

5. Definitions

- 5.1 Advisory group – a discussion and feedback forum to assist in the development of electricity sector arrangements, to give advice on the rules and regulations and to give feedback on issues of strategic relevance to the Commission and on its work plan.
- 5.2 Advisory groups will focus primarily on higher-level issues; in contrast, project teams will be established as required to carry out more detailed work on tightly scoped projects.

6. Status of advisory groups

- 6.1 The Commission values the output of advisory groups which endeavour to find outcomes acceptable to all stakeholders that are consistent with the Commission's overall objective for the electricity sector.
- 6.2 The Commission will usually undertake formal consultation with its stakeholders on proposals which are developed taking advisory group input into consideration.
- 6.3 The Commission's final decisions will reflect the conclusions it reaches following consultation and thus may differ from those preferred by a particular advisory group.
- 6.4 It is anticipated that, where appropriate, advisory groups will be given the opportunity to participate in the consideration of consultation submissions. However, whether or not this occurs will be at the Commission's discretion.

7. Reporting

- 7.1 In the normal course of events the relevant Director or senior Commission staff member will ensure that the views of the advisory group are captured in papers to the Board regarding projects on the advisory group's agenda. The Director or co-ordinating Commission staff member will provide a copy of relevant sections of the Board paper to the chair of the advisory group prior to the paper being submitted to the Board.

- 7.2 From time to time, an advisory group chair may choose to append a separate letter or comment to a Director's report to the Board, where this relates to a key task of the advisory group.
- 7.3 In the event the Commission Board makes a decision on an issue that is materially different to the advice provided by an advisory group, appropriate feedback will be provided to the group, facilitated by the relevant Commission staff member.
- 7.5 Advisory group papers will generally be published on the Commission's internet site at the same time papers are distributed to members. Final minutes for each advisory group meeting will be both published on the Commission's internet site and distributed to Commission Board members.

8. Group processes and procedures

8.1 Membership

8.1.1 The Commission will appoint the members of each advisory group against defined (and published) membership criteria. In making these appointments the Commission will be seeking:

- a balanced membership across stakeholders;
- knowledge and experience of the relevant issues; and
- an ability to contribute effectively to the advisory group's tasks.

8.1.2 Persons will be selected for advisory groups as individuals for their attributes and knowledge and not as representatives of organisations.

8.1.3 Members of the advisory groups are expected to make themselves available for meetings, read the papers circulated and actively contribute to the discussions of the groups. Members may seek to improve technical knowledge of topics underlying advisory group discussions by approaching the relevant Director or co-ordinating Commission staff member in advance of meetings to seek assistance. The Director or co-ordinating Commission staff member will respond to the request in a timely manner.

8.1.4 The Commission reserves the right to terminate any appointment where it is considered that the appointee by their conduct (e.g. frequent unapproved absences) is not contributing effectively to the group.

8.1.5 The Commission reserves the right to appoint members to an advisory group to achieve the desired skill set for that group, as the need arises.

8.1.6 Members can resign at any time by written notice to the Commission.

8.2 **Chair**

8.2.1 The Commission will appoint a chair to each advisory group. In performing this task, the Board will have consideration for input from current advisory group members.

8.2.2 The advisory group chair will have responsibility for facilitation of advisory group discussions to stimulate robust debate, guiding discussions so they are relevant and effective, ensuring the issues and decisions reached are properly understood and members understand what is expected of them in relation to those decisions, and facilitating reports to the Commission Board, as appropriate.

8.2.3 If the chair has any significant concerns including for example regarding the operation of an advisory group, these are to be raised with the relevant Director or co-ordinating Commission staff member in the first instance, and if necessary, with the Commission's General Manager.

8.3 **Input into work plans**

8.3.1 Advisory groups will have an opportunity to contribute to development of the Commission's strategic priorities and work plans.

9. **Terms of Reference**

9.1 Each advisory group will have a Terms of Reference approved by the Commission's General Manager, so that its role is clearly understood. These Terms of Reference would typically include:

- background (reason for establishment of advisory group, link to Commission's overall work plan and priorities);
- role and responsibilities
- membership;
- administration and meeting arrangements;

- reporting arrangements;

9.2 Terms of Reference for each advisory group will be tailored to meet the specific requirements of each work area.

9.3 The Commission would like advisory groups to seek a consensus on issues but recognises this will not always be possible. In such circumstances the Commission welcomes feedback which addresses the views of the minority as well as those of the majority of the group.

10. Meetings

10.1 It is expected that advisory groups will meet as required, having regard to the Commission's planning cycle.

10.2 Papers should generally be circulated at least five business days in advance of a meeting to enable their proper consideration by advisory group members, though it should be recognised that there will be instances where this is not possible.

10.3 Meeting agendas should include a standing item for updates on the work plans of other advisory groups. This is intended to ensure that cross-over issues are identified at an early stage. It is not expected that every advisory group work plan will be discussed at every meeting.

11. Secretariat and administrative support

11.1 The Commission will ensure that each advisory group has access to appropriate secretariat, administrative and technical support as is necessary to properly carry out its functions.

11.2 Advisory groups do not have the authority to commission analysis and commit resources and expenditure.

12. Remuneration of consumer representatives and independent members of advisory groups

- 12.1 The Commission supports the remuneration of consumer representatives on advisory groups and people / organisations not otherwise remunerated for their involvement.
- 12.2 Reimbursement of reasonable expenses incurred by these appointees in attending meetings will also be paid.
- 12.3 Remuneration and reimbursement of expenses will be on a basis which is consistent with other similar roles in the public sector.