

NATIONAL CONSUMERS ELECTRICITY ADVOCACY PANEL

CONSTITUTION AND ROLE

1. The Advocacy Panel is constituted under cl 8.10 of the National Electricity Code and is funded from the fees of electricity market participants. Its role is to determine funding requirements for end user advocacy on issues relevant to the National Electricity Market and to allocate funding based on applications from representatives of domestic and/or business users of electricity for advocacy on relevant issues in the interests of those users. In allocating funding the Panel has to use criteria developed and published by it that are consistent with principles laid down in the Code.

Constitution

2. The Panel consists of:
 - (a) a chairperson, appointed by NECA following consultation with representatives of end-users and industry sectors, who is required to be independent of NECA and Code Participants. The chairperson has a casting vote in all decisions of the Panel (clause 8.10.2(a)(1) and (b))
 - (b) two representatives of end-users appointed by the chairperson in accordance with the Code, with one being a representative of domestic end-users and the other of business end-users (clause 8.10.2(a)(2))
 - (c) a representative of market participants and a representative of market generators appointed by the chairperson in accordance with guidelines prepared pursuant to the Code (clause 8.10.2(a)(3)).
3. In the appointment of the 'representative' members regard is to be had to their 'capability of reflecting the viewpoints and concerns of the constituencies they represent' (clause 8.10.2(e)). There is a linkage between this representative capability required of the representative members and the principle governing funding criteria (clause 8.10.3(d)(1)) that 'there shall be diversity in the allocation of funding with respect to the number of end users represented, the nature of the interests represented and the issues which are the subject of the application for funding'.
4. Regardless of their respective independent or representative backgrounds, the Panel members share a collective responsibility for the discharge by the Panel of its functions in accordance with cl 8.10 of the Code.

Functions

5. The Panel is required pursuant to the Code (clause 8.10.3) to:
 - (a) determine the provisional funding requirements for end-user advocacy for the next three financial years on an annual basis
 - (b) prepare and publish an annual report
 - (c) prepare and publish funding criteria, consistent with principles stated in the Code, for use in allocating funding based on applications for funding for end-user advocacy

- (d) develop and publish guidelines for applications for funding for end-user advocacy
- (e) determine applications for funding on a quarterly basis
- (f) ensure appropriate auditing arrangements for the financial records and accounts of the Panel and of successful applicants.

Independent chairperson

6. The chairperson has a responsibility for the leadership of the Panel and for the efficient organisation and conduct of the Panel's functions pursuant to the Code.
7. The chairperson chairs meetings of the Panel and facilitates the carrying out of its work. This includes a responsibility for ensuring the provision of administrative support (including in the handling of applications, preparation of papers on matters coming before the Panel and maintenance of records and accounts), the furnishing of advice to the Panel where appropriate to facilitate its activities and deliberations and that appropriate items of business are brought forward on its agenda.
8. The chairperson is empowered, with the concurrence of another member and in accordance with the relevant provisions of the funding criteria from time to time, to determine a funding application up to the sum provided in the criteria.
9. The chairperson will report to the Panel as appropriate on actions taken between meetings.
10. In addition, the chairperson has specific functions pursuant to the Code (clause 8.10.2) to:
 - (a) develop guidelines for appointment of representative members
 - (b) develop terms and conditions for appointment of the representative members
 - (c) appoint the representative members.
11. The chairperson has a casting vote in all decisions of the Panel (clause 8.10.2(a)(1)).

Administrative support

12. The Panel may in its discretion engage or appoint an executive or administrative officer, on terms and to carry out functions agreed by the Panel, to support the Panel in carrying out its role. Any such appointee will liaise with the chairperson on a day to day basis and report through the chairperson to the Panel.

STANDARDS OF CONDUCT

1. Panel members should carry out their duties impartially at all times.
2. Panel members should be frank and honest in Panel deliberations and other dealings with colleagues, applicants and others on Panel business. Dealings should be conducted in measured and temperate terms and, by reference to relevant criteria, as far as possible in terms of objective considerations.

3. Panel members should avoid situations in which their private interest, financial or otherwise, conflicts or might reasonably be thought to conflict with their Panel duties.
4. Where a Panel member has an interest, direct or indirect, which conflicts or might reasonably be thought to conflict with the member's duty in considering a funding application, including any personal or business relationship to an applicant or involvement with an application, the member must inform other members of the potential conflict at the first opportunity with sufficient details to enable them to evaluate that conflict, and must disclose to them thereafter any new or additional facts relevant to the potential conflict which may arise in the course of consideration of the application.
5. The member should consider whether the interest in question is a material personal interest in which case, or if the other members so consider, the member should take no part in the consideration of or vote upon the application. An example of a material personal interest would be a case in which the member stood to benefit personally from the success of an application. Any such disclosure and subsequent non-participation must be minuted in the records of the meeting.
6. Without in any way limiting the requirements of paragraphs 3 to 5 above, a member may not be an applicant, act as an agent or consultant to an applicant on an application or accept or perform a role in the execution of a funded project. A member must be careful to avoid the appearance of any such relationship. Subject to the foregoing, a member may provide general guidance, where sought by an applicant or potential applicant, in relation to funding criteria, past decisions on applications and reports or submissions funded by the Panel.
7. Where following disclosure by a member of a potential conflict of interest the other members conclude that the interest of the member is not a material personal interest, they may so resolve in which case the member in question may participate in the consideration of or vote upon the application. The disclosure and subsequent resolution must be minuted in the records of the meeting.

MEETING RULES AND ADMINISTRATIVE PRACTICES

The Panel is required to meet and regulate its meetings in accordance with the Code (clause 8.10.2(h)). The following rules and practices have been adopted by the Panel;

1. The chairman shall convene meetings for the dispatch of the business of the Panel and must convene a meeting where requested by two members.
2. At least two days notice of a meeting shall be given to all members (in person or to the address notified to the chairperson for that purpose) unless all members agree to a shorter period.
3. The Panel may meet in person or by telephone or video hook-up where each panel member can hear the other members.
4. A decision of the Panel requires a majority vote. As provided in cl 8.10.2(a)(2) of the National Electricity Code, the chairman shall, in addition to his or her deliberative vote, have a casting vote in all decisions.
5. A quorum for meetings is four members present as follows: that is physically present with one or more other members or present by phone or video [or represented by an

alternate for the member approved by the chairperson (or in the case of the chairperson by the other members) for the purposes of that meeting, through whom the decision or vote of a member on matters before the panel can be exercised. A member may abstain from a decision or vote on a matter.

6. Where practicable the chairman shall circulate an agenda prior to a meeting. Members may from time to time submit matters for inclusion on the agenda.
7. If all the members of the panel have signed, or approved by email or fax sent from the member to the chairman, a document containing a statement that they are in favour of a resolution or decision of the panel set out in the document, a resolution or decision in those terms shall be deemed to have been passed or made at a meeting of the members held on the day that the document was signed or approved, and at the time that the document was last signed or approved. If the document was signed or approved on different days the resolution or decision shall be deemed to have been made on the day of last signature or approval and at the time at which the document was last signed or approved.

Minutes of meetings

8. Minutes are to be prepared of business conducted at meetings of the Panel and:
 - (a) are to record the decisions of the Panel
 - (b) including in the case of approval of an application, the amount approved and the terms of any condition, and in the case of a refusal, the reasons for refusal of the application.
 - (c) where requested by a member, the minutes shall record any dissent, abstention, significant concern, or specific comment of that member on business at a meeting.
9. Draft minutes are to be circulated to members for comment as soon as practicable following a meeting. A revised draft, taking account of comments received from members, is to be submitted to the following meeting for approval.
10. Where decisions are made by the Panel at a meeting conducted by telephone:
 - (a) before a decision taken at the meeting is acted on, and unless the panel otherwise decides, the terms of the decision, and where practicable the minutes of the meeting, shall be given in writing to all members for confirmation.
 - (b) The minutes of a telephone meeting of the panel are to be considered at the outset of the next meeting of the Panel in conjunction with any other minutes on the agenda.

Applications for funding – approval practice

11.
 - (a) *Notice of urgent applications.* An application for urgent approval must be given to *all* members at least 24 hours before the meeting at which the application is to be considered. If there is any delay in an application being received by a member the consideration of the application is to be deferred.

- (b) *Conditions.*
 - (i) Conditions attached to the approval of an application are to be used for the purpose of making express an aspect of the project approved, such as the scope, timetable or other aspect of implementation, or to make a project come within the funding criteria.
 - (ii) Any condition precedent to a funding agreement must be met before the funding agreement is entered into and any other relevant conditions are to be given effect in the agreement.
 - (c) *Form of decision.* Where an application is dealt with at a meeting, the terms of the decision on the application should be agreed at the meeting so that it can be acted upon.
 - (d) *Applications not determined.* Where an application cannot finally be determined at a meeting, agreement is to be reached on further action required, e.g. delegation, or where the issue requires consideration by all members, by email round robin.
 - (e) *Variation of approval.* An approval or condition of approval of an application may not be varied except by or under a decision of the Panel.
11. *Register of decisions.* The Panel will maintain a register of decisions on applications, open to members and the public, recording the terms of such decisions in accordance with the minutes.

2 May 2005