

Terms of Reference

Financial Consultation Committee (FCC)

Objective

AEMO is seeking to improve the transparency and rigour of its budget fees processes by enabling early engagement from a representative group of stakeholders, alongside market consultation processes.

The establishment of the FCC aims to enable opportunities for deeper, more timely engagement on AEMO's draft budget and fees.

Feedback and comments from members of the FCC will form part of the AEMO Board papers relating to draft and final budget adoption.

Functions

The FCC will:

- Annually review and provide comments on the draft AEMO budget.
- Annually review AEMO's projected revenues, expenses, and major project horizon for the coming three-year period.
- Provide feedback on AEMO's proposed Corporate Plan priorities.
- Serve in an advisory capacity only and is not responsible for any financial or other decision of AEMO, its Board or Officers.
- Meet at least three times each year, with agendas and minutes posted on the AEMO website.
- Quarterly updates provided by AEMO to the FCC will include a:
 - Financial update.
 - Major project update.

Participation

Participation in the FCC is open to suitable qualified representatives from market participants, AEMO members and Energy Consumers Australia. Any expense incurred as a result of attending meetings or activities associated with the FCC are at the expense of the FCC participant or their respective organisation.

FCC participants will be nominated from constituent members of the following peak bodies:

- Two nominees from the Australia Energy Council (AEC).
- Two nominees from the Energy Networks Australia (ENA).
- Two nominees from the Clean Energy Council (CEC).
- One nominee from Energy Consumers Australia (ECA); and
- All government members will be invited to send a nominee.

AEMO members on the FCC will include:

- Executive General Manager Finance (Chair).
- Executive General Manager Corporate Affairs.
- Committee Secretary; and
- Relevant AEMO staff members for major projects and expenditure items as needed.

FCC participants are:

- Expected to be senior managers and have sufficient expertise in and authority to consider matters on behalf of the organisation(s) that they represent and provide the views of those organisations for the public record.
- Entitled to represent the views of any business they represent. The FCC will record the consensus positions of FCC participants. Where positions and views vary, differing participant opinions will be noted in the FCC meeting minutes (refer to Governance arrangements), and
- Expected to work collaboratively with other FCC participants and abide by the behavioural norms contained within AEMO's Code of Conduct.

AEMO's roles and responsibilities are outlined in the Governance section of these Terms of Reference.

Meetings

The intention is for three or four virtual meetings of approximate 2 hours duration be held between the months of February and June each year for the consultation on the following financial year budget and fees and other related topics.

Video conference information will be made available in advance of each meeting.

Additional workshops and / or out-of-session meetings may be scheduled as required between meeting dates.

Governance

AEMO will provide the Chairperson and Secretariat services to the FCC, including:

- Preparation and distribution of all meeting correspondence via email.
- Publication of meeting records on the AEMO website.
- Circulation of a draft agenda to the FCC mailing list at least 10 business days before a meeting.
- Circulation of relevant meeting papers and a finalised agenda at least five business days prior to a meeting, and
- Circulation of draft minutes within five business days of a meeting. Minutes will include a record of the consensus and dissenting positions expressed at the meeting.

AEMO staff will prepare a report to the AEMO Board capturing the feedback of the FCC on AEMO's draft budget. FCC members will have the opportunity to confirm the report accurately reflects their views.

This Terms of Reference will be reviewed at the first FCC meeting each year.

For more information, please contact stakeholderrelations@aemo.com.au.

Version control and contact details

Version	Effective Date	Comments
1	18 February 2021	Final Document
2	4 February 2022	Final Document