



Tel: 02 9922 0101  
Fax: 02 9957 3671

The Australian Gas Light Company  
ABN 95 052 167 405

North Sydney  
AGL Centre, 111 Pacific Highway  
North Sydney NSW 2060

Locked Bag 944  
North Sydney NSW 2059  
www.agl.com.au

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Consumer Advocacy  
C/- MCE Market Reform  
Department of Industry, Tourism and Resources

By email: [MCEMarketReform@industry.gov.au](mailto:MCEMarketReform@industry.gov.au)

Dear Sir/Madam

### **Consumer Advocacy: Consultation Paper**

The Australian Gas Light Company (**AGL**) welcomes the opportunity to comment on the Ministerial Council on Energy (**MCE**) Standing Committee of Officials' (**SCO**) Consumer Advocacy Consultation Paper and the associated KPMG report (**the KPMG report**).

As a result of its interests across the Australian energy supply chain, AGL is well placed to comment on this issue.

AGL recognises there is a need for a workable national advocacy model to take into account future advocacy requirements in the Australian energy market.

AGL supports the criteria and features outlined by KPMG for a consumer advocacy model, except that we do not believe the reporting line should be to the MCE but to the AEMC. AGL believes, however, that the review undertaken by KPMG does not adequately identify the grounds upon which it has concluded that the existing consumer advocacy arrangements will not be workable under the new regulatory framework.

In particular, the KPMG report did not include an adequate assessment of the consumer advocacy arrangements that currently exist at the jurisdictional level, such as the consumer consultative committees established by the various jurisdictional regulators or the stakeholder consultative processes that market operators have implemented to ensure consumer issues are taken into account in their deliberation on matters.

Further, there is inadequate consideration of the role the Ombudsman play in highlighting systemic energy market issues for investigation and resolution as part of their role as independent arbiters of disputes.

AGL considers that the recommendations set out in the KPMG report will have a number of unintended consequences which may detract from the MCE's objective of developing more effective consumer advocacy arrangements in the Australian energy market.

AGL suggests an alternative approach comprising a Consultative Committee and a Funding Panel. AGL considers that a Committee and Panel model is preferable to any of the models put forward by KPMG. Under this approach, there would be:

- a broad based consultative committee (comprised of consumer representatives) to advise the Australian Energy Market Commission (AEMC) on consumer issues and needs; and
- a representational panel comprised of industry and consumer representatives, to allocate funding to consumer advocacy organisations.

AGL believes that the Committee and Panel approach will meet the criteria articulated by KPMG. In particular, it will achieve effective consumer advocacy by leveraging off the tested existing advocacy arrangements, avoiding the risk of duplication and ensuring lower costs.

In terms of funding, AGL considers that the funding for the Committee should be taken from the total funding pool that will be provided for the AEMC.

In terms of issues of economic regulation, we believe that the most appropriate approach is that when those functions are transferred to the Australian Energy Regulator (AER), the AER should establish an appropriate consultative process when undertaking transmission and distribution price reviews. This may be in the form of appropriately constituted consultative committees or through public forums. This function can also be supported through capacity building through our proposed model.

A detailed analysis of existing arrangements and the reasons for our proposed option is set out in the attachments.

Should you have any questions regarding any of the above, please contact Marnie Robinson, Manager Regulatory Development on (08) 82994028.

Yours sincerely

Dr Robert Wiles  
General Manager Regulation and Policy

**AGL SUBMISSION TO THE SCO  
REVIEW OF CONSUMER ADVOCACY REQUIREMENTS**

**1. EXECUTIVE SUMMARY**

AGL recognises there is a need for a workable national advocacy model to take into account future advocacy requirements in the Australian energy market.

AGL supports the criteria and features outlined by KPMG for a consumer advocacy model, other than that we do not believe the reporting line should be to the MCE but to the AEMC.

AGL believes, however, that the review undertaken by KPMG does not adequately identify the grounds upon which it has concluded that the existing consumer advocacy arrangements cannot be adapted for the new regulatory framework.

In particular, it is AGL's view that the KPMG report did not include an adequate assessment of the consumer advocacy arrangements that currently exist at the jurisdictional level, such as the consumer consultative committees established by the various jurisdictional regulators, the customer council established by retailers or the stakeholder consultative processes that market operators have implemented to ensure consumer issues are taken into account in their deliberation on matters.

AGL considers that the recommendations set out in the KPMG report will have a number of unintended consequences which may detract from the MCE's objective of developing more effective consumer advocacy arrangements in the Australian energy market.

In particular, the KPMG report:

- states that a new consumer advocacy body is required without adequately assessing the existing consumer advocacy arrangements;
- assumes that there will be an increasing need for consumer advocacy (whereas the intention of the national energy market reform program is to simplify the current regulatory arrangements);
- supports the establishment of a body which gives consumers a single voice, which in turn may lead to a suppression of other views of consumers;
- does not provide sufficient detail to assess the efficiency of the functions and scope of the proposed models, (in particular, how the new advocacy body will avoid duplicating work carried out by other consumer advocacy institutions); and
- does not discuss how each of the proposed models will be funded, (whereas AGL considers that a full and detailed analysis of the costs for establishing a new body must be undertaken together with an assessment of the value that such a group would deliver to consumers).

AGL suggests an alternative approach of a Committee and Panel model. AGL considers that a Committee and Panel model is preferable to the models put forward by KPMG. Under this approach, there would be:

- a broad based consultative committee (comprised of consumer representatives) to advise the AEMC on consumer issues and needs; and
- a representational panel comprised of industry and consumer representatives, to allocate funding to consumer advocacy organisations.

AGL believes that the Committee and Panel approach will meet the criteria articulated by KPMG because:

- it is more efficient to modify the existing consumer advocacy arrangements, rather than implementing an entirely new consumer advocacy regime and avoids duplication of existing arrangements;
- it establishes national consumer advocacy arrangements that leverage off the AEMC's obligation to consider the long-term interests of consumers when exercising its rule making powers, thus achieving effectiveness and accountability;
- the separation of the advocacy function from the activity of allocating funding to consumer organisations would eliminate any conflicts of interests that may arise if both functions were performed by the same body;
- the approach will facilitate a proactive and strategic approach to advocacy with the Committee establishing strategic priorities with contribution from existing customer advocacy organisations where required through specific funded research;
- the Panel will build advocacy capacity, not only at the Committee level but in existing consumer organisations on matters relevant to their constituents;
- the Panel will ensure the incorporation of appropriate expertise by having the energy industry representatives included in the project evaluations; and
- the funding of the Committee and Panel model will be based on the funding arrangements that currently exist at the national and jurisdictional level.

In short, AGL considers that the Committee and Panel model achieves effective consumer advocacy by leveraging off the tested existing advocacy arrangements, avoiding the risk of duplication and ensuring lower costs.

## **2. THE KPMG REPORT**

### **2.1. Assessment of existing consumer advocacy arrangements**

AGL believes that the review undertaken by KPMG is deficient with respect to the assessment of the suitability of existing consumer advocacy arrangements and the possibility of adapting it to accommodate the national regulatory regime.

The KPMG report does not provide an adequate assessment of the consultative committees established by the jurisdictional regulators and consumer councils established by retailers to consult customers on relevant matters. The consultation processes used by the various market operators such as VENCORP and others to canvass customer issues have also not been considered. Further, there is lack of sufficient consideration of the role the Ombudsman play in highlighting systemic energy market issues for investigation and resolution as part of their role as independent arbiters of disputes.

We note that funding for the customer advocacy arrangement was outside the scope of the KPMG work however, we believe that it is very important factor for assessing the best option.

AGL is concerned that the KPMG report has concluded that the existing customer advocacy models are inadequate without giving due consideration to the possible adaptability of existing arrangements under a national regulatory regime.

The KPMG report dismissed the regulator-established consultative committees on the basis that they:

- do not operate independently of regulators to set advocacy agendas;
- do not have a national scope either singly or in total; and

- are constituted by and do not have access to funding independently of regulators.<sup>1</sup>
- AGL does not agree with KPMG's assessment of the consultative committees, and it is AGL's view that these committees can be adapted for consumer advocacy arrangements for the national regulatory regime. A list of these consultative committees and their functions is set out in Attachment 2.

### **Independent of regulators**

The consumer consultative committees do operate independently of regulators. For example, the committee established by the Essential Services Commission of SA ('**ESCOSA**'), has a broad scope and function. Its responsibilities include:

- providing advice to ESCOSA in relation to the performance of ESCOSA's licensing functions under the Electricity Act 1996 (SA); and
- providing advice to ESCOSA either on its own initiative or at the request of ESCOSA on any other matter relating to the electricity supply industry.

The consumer consultative committee established by the Victorian Essential Services Commission ('**ESC**') has a similar broad scope and function.

Even though these committees have been established by a regulator or market operator, they are independent organisations because the scope and functions of these committees enable them to pro-actively raise consumer advocacy issues directly with the regulator.

The KPMG report also states that 'a dependence on existing regulatory structures for advocacy of consumer interests would ignore the extent to which regulators have duties to operate independently of both industry and consumers'.<sup>2</sup>

This assertion does not recognise that the jurisdictional regulators have specific obligations under their enabling legislation to consider the interests of consumers in exercising their functions and powers.

For example, ESCOSA and ESC are required to consider the interests of consumers in performing their functions and exercising their powers,<sup>3</sup> and accordingly, ESCOSA and ESC have established consumer consultative groups which provide advice on consumer needs and issues.

In particular, the ESC established a Customer Consultative Committee to provide a forum in which customers' representatives may:

- exchange views on customers' entitlements, issues and needs; and
- make those views known to the ESC and to the energy industry (via the ESC).

The Australian Energy Market Commission ('**AEMC**') has a similar obligation, in that it must when performing its functions, have regard to the Market Objective.<sup>4</sup>

AGL believes that the requirement for the AEMC to consider the long term interests of consumers when performing its functions will in turn require the AEMC to pro-actively consult consumer organisations to identify the consumer views and needs, and to then take those views and needs into consideration when carrying out its functions.

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<sup>1</sup> KPMG 'Review of Consumer Advocacy Requirements – Report for User Participation Working Group' March 2005 at 31

<sup>2</sup> KPMG 'Review of Consumer Advocacy Requirements – Report for User Participation Working Group' March 2005 at 32

<sup>3</sup> Section 6 of Essential Services Commission Act 2003(SA), Section 14A of the Electricity Act 1996 (SA), Section 8 of Essential Services Commission Act 2001 (Vic)

<sup>4</sup> Section 8 Australian Energy Market Commission Establishment Act 2004 (SA)

AGL is concerned that KPMG did not take this obligation into account. It is our view that a customer advocacy model should leverage off the AEMC's obligation to consider the interests of consumers when exercising its rule making powers, consistent with models that currently exist at the jurisdictional level.

### **National scope**

AGL recognises that the existing customer consultative committees are based on jurisdictional boundaries. This can be addressed by ensuring that a national committee constitutes representatives from all jurisdictions and energy customer classes.

In addition, a committee approach will also provide the AEMC with the flexibility to constitute additional jurisdiction or sector specific committee to consult on matters relevant to those customers. For example, a customer committee constituted of local SA customer representatives may be more relevant for a distribution price review in SA as matters, such as reliability supply may be specific to SA customers.

### **Independent of regulators, including funding**

Whilst we note that consultative committees established by the regulators are funded by the regulators, as outlined above, the fact that these bodies are allowed by scope to advocate of any matter of interest to consumers ensure independence. Further, some of the consumer organisations represented on the committees are independently funded by governments to advocate on behalf of customers. AGL 's proposal to establish a panel for the purpose of funding research projects on matters relevant to consumers will further strengthen the independence of the committee and customer advocates.

## **2.2. Need for consumer advocacy**

The move to a national energy framework will make the consultation process more streamlined for consumer advocacy groups, as consumer groups will only need to consult a single regulator rather than several different regulators. Customer advocates will also achieve diversity from contribution from existing jurisdictional organisations on national matters.

## **2.3. Consumers having a single voice**

AGL considers that a substantial weakness of the KPMG Options 3 and 4 is that they may result in consumers having only one voice in relation to national energy market issues.

AGL believes that this is likely to lead to suppression of consumer views rather than their promotion since one voice is not likely to be representative of all classes of customers.

Consumer views are not homogenous, so there will always be a diverse range of views in relation to any given issue. There is a danger that the Options 3 and 4 models may lead to the promotion of positions regarding energy policy which are not in the best interests of all energy consumers and as consequence disenfranchising certain consumer groups.

For instance, the KPMG report states that the new advocacy body could undertake 'impact assessments of the implications for different consumer groups'<sup>5</sup> that it represents, but it does not discuss how the body is to deal with these differences once they have been identified. Rather, the KPMG report indicates that the new body would develop its own priorities and positions.

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<sup>5</sup> KPMG 'Review of Consumer Advocacy Requirements – Report for User Participation Working Group' March 2005 at 23

## **2.4. Scope and functions of the new advocacy body**

While the KPMG report does provide an outline of the scope and functions of the proposed consumer advocacy body,<sup>6</sup> it does not give adequate consideration to its interaction with all existing and future customer advocacy institutions under a national framework. This risks significant duplication and inefficiencies in customer advocacy.

For example, it is unclear as to how the new body will interact with the state ombudsman and the consumer consultative committees established by the jurisdictional and probably national regulators and the retailers. It also does not provide details of how the proposed advocacy arrangements will interact with the consultative processes of market operators. It is not clear as to whether the proposed model is to work in conjunction with or replace existing models.

AGL's proposal of a Committee and Panel model seeks to adapt models currently in place and therefore will link in more effectively with other consultative processes on energy market issues.

## **2.5. Funding**

AGL is concerned that the KPMG report did not discuss how each of the options will be funded or the level of funding required under the alternative models.

It is AGL's view that a full and detailed analysis of all the costs must be undertaken together with an assessment of the value that such a group would deliver to consumers in forming a view on a preferred alternative approach.

## **3. AGL PREFERRED MODEL**

### **3.1. Description of model**

AGL believes that the objective of the MCE for effective consumer advocacy arrangements in the Australian energy market can be achieved by adopting a 'Committee and Panel' model which supports the AEMC's obligation to consider the long-term interests of consumers when exercising its rule making functions. A diagram of the AGL preferred model is set out in Attachment 3.

#### ***The Committee***

The Committee would have similar functions to the consumer consultative committees that have been established by the jurisdictional regulators.

For instance, the Committee would establish a forum in which consumer representatives may:

- exchange views on consumer's entitlements, issues and needs;
- make those views known to the AEMC and to the energy industry (via the AEMC); and
- provide advice to the AEMC (either on its own initiative or at the request of the AEMC), in relation to any matter relating to the energy industry which has an impact on consumer entitlements.

The members of the Committee and the independent chairperson would be appointed by the MCE.

Membership would include organisations that represent consumer interests from a

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<sup>6</sup> KPMG 'Review of Consumer Advocacy Requirements – Report for User Participation Working Group' March 2005 at 21 to 25, 55 to 56

variety of perspectives, such as:

- small customers;
- rural and remote customers; and
- large customers.

AGL considers that in order for the Committee to operate effectively, the membership of the Committee should include representation of all customer classes.

Representatives from the energy industry and government could act as observers on the Committee to provide the consumer representatives with necessary expertise as required.

AGL believes that such an arrangement would maintain the independence of the Committee, while at the same time giving representatives of the energy industry and government an opportunity to provide the Committee with specific technical industry knowledge.

It is also envisaged that in order to accommodate the wide cross section of consumer interests represented on the Committee, various 'sub-working committees' can be established to provide issue focused advisory services to the Committee. AGL believes that this will allow the promotion of different consumer views regarding a particular issue, which in turn will mean that any minority views will have an 'equal voice' within the Committee.

### ***The Panel***

The Panel component of the model would comprise equal representation from industry (gas and electricity) and consumer organisations much like the current Advocacy Panel.

The main function of the Panel would be to allocate funds to consumer organisations for research projects.

The members of the Panel would be appointed by the MCE and would include:

- an independent chairperson;
- 50% consumer representation (small and large consumers); and
- 50% energy industry representation.

It is also proposed that the Panel would allocate funding to consumer groups in accordance with guidelines approved by the AEMC Customer Consultative Committee.

AGL believes that in order to maintain the transparency of the funding allocation process, it is necessary that the funding guidelines be approved by a body that is separate from the body that developed the guidelines.

In terms of issues of economic regulation, we believe that, the most appropriate approach is, that when those functions are transferred to the Australian Energy Regulator ('AER'), the AER should establish an appropriate consultative process when undertaking transmission and distribution price reviews. This may be in the form of appropriately constituted consultative committees or through public forums. This function can also be supported through capacity building through our proposed model.

We believe this is appropriate as the matters under consideration may be jurisdiction (eg. a SA distribution price review) or customer specific. In this regard, specific purpose consultative processes will be more appropriate.

### **3.2. Promotes efficiency and consistency**

AGL considers that it is more efficient to adapt the existing consumer advocacy arrangements, rather than implementing an entirely new consumer advocacy regime.

AGL believes that the Committee and Panel model will result in more effective consumer advocacy arrangements in the Australian energy market, as it will combine the functions of the existing Advocacy Panel with the pro-active consultative activities currently carried out by the consumer consultative committees established by the jurisdictional regulators.

Further, the Committee and Panel model establishes consumer advocacy arrangements that will support the AEMC's obligation to consider the long-term interests of consumers when exercising its rule making powers.

That is, in order for the AEMC to comply with its obligation to consider the long-term interests of consumers when exercising its rule making powers, it will be required (amongst other things) to request the Committee to provide the AEMC with consumer focused advice.

AGL believes that the linking of the functions of the new Committee with the AEMC's obligation to consider the long-term interests of consumers, will also increase the efficiency and the effectiveness of consumer participation in the operation of the national energy market.

It is envisaged that the functions of the Committee would be similar to those currently undertaken by the Customer Advisory Committee for ESCOSA and the Customer Consultative Committee of the ESC and will include the provision of consumer focused advice to the AEMC (either on its own initiative or at the request of the AEMC) in relation to energy issues that affect consumers.

It is also noted that this approach would be consistent to that which currently applies at the jurisdictional level and will reduce the risk of duplication of activities.

### **3.3. Independent and skill based representation**

AGL considers that the Committee and Panel model would create consumer advocacy arrangements that are independent and free of conflict.

For example, the separation of the advocacy function from the activity of allocating funding to consumer organisations would eliminate any conflicts of interests that may arise if both functions were performed by the same body.

AGL also believes that the inclusion of industry and government representatives as observers on the Committee would result in an efficient skill mix, and it would provide the Committee with access to technical and industry specific knowledge regarding the Australian energy market.

Access to this high level technical expertise would greatly assist the Committee in carrying out its advocacy functions under the new national energy framework.

### 3.4. **Funding**

AGL considers that there are two funding aspects to be considered as part of the Committee and Panel model.

In respect of funding for the Committee part of the proposed model, it is considered that as:

- the primary objective of the AEMC is to consider the long-term interests of consumers when exercising its rule making functions; and
- the energy industry is currently obligated to fund the AEMC to achieve its objectives,

then, the funding for the Committee should be taken from the total funding pool that will be provided by the energy industry to establish the AEMC. Furthermore, it is AGL's view that its contribution to the funding of the Panel part of the proposed AGL model should be the same as that currently available to the existing Advocacy Panel.

## EXISTING JURISDICTIONAL CONSULTATIVE COMMITTEES

Regulator/ Government/ Market Operator	Name of Committee	Functions of Committee
Essential Services Commission of South Australia	Consumer Advisory Committee	<p>Under section 6(1)(a) of the Essential Services Commission Act 2002 (SA), ESCOSA must in performing its functions have as its primary objective, protection of the long term interests of South Australian consumers with respect to the price, quality and reliability of essential services.</p> <p>Section 14A of the Electricity Act 1996 (SA), ESCOSA must establish an advisory committee comprising representatives of consumers to:</p> <ul style="list-style-type: none"> <li>• provide advice to ESCOSA in relation to the performance of ESCOSA's licensing functions under the Act; and</li> <li>• to provide advice to ESCOSA, either on its own initiative or at the request of ESCOSA, on any other matter relating to the electricity supply industry.</li> </ul> <p>ESCOSA has also published a Charter of Consultation and Regulatory Practice. Under that Charter, ESCOSA is required to consult widely to understand and pursue the protection of the long-term interests of consumers.</p>
South Australian Minister for Energy	Energy Consumers' Council	<p>The Council is called upon to provide high level policy advice to the Government on energy policy issues, including pricing and the reliability of supplies and services in the South Australian energy sector.</p>
REMCo	Rule Change Committee	<p>The Rule Change Committee is comprised of representatives from the South Australia and Western Australia gas industry as a whole. It makes recommendations to the REMCo Board of Directors on matters concerning changes to the Retail Market Rules. The REMCo Board then refer recommendations to ESCOSA for approval. ESCOSA consults with Industry and the wider community before approving any rule changes.</p>
Victorian Essential Services Commission	Customer Consultative Committee	<p>Section 8(1) of the Essential Services Commission Act 2001 (Vic) states in performing its functions and exercising its powers, the primary objective of the ESC is to protect the long term interests of Victorian consumers with regard to the price, quality and reliability of essential services.</p> <p>The Customer Consultative Co mmittee has an active role as facilitator between customer groups, regulated industries and relevant government departments.</p> <p>The ESC also has established a Charter of Consultation and Regulatory Practice. Under that Charter, the ESC aims to protect the long-term interests of Victorian consumers by:</p> <ul style="list-style-type: none"> <li>• encouraging individual customers or users of regulated services to participate in its processes through submissions or public hearings;</li> <li>• facilitating opportunities for rural customers and communities to contribute to its consultation processes through regional meetings;</li> <li>• seeking input from customer representative groups, including the Customer Consultative Committee and the Victorian Consumer Utilities Advocacy Centre (a not for profit company that aims to enhance the input of Victorian Utility consumers) and complaint handling bodies such as the Energy and Water Ombudsman (Victoria).</li> </ul>

Regulator/ Government/ Market Operator	Name of Committee	Functions of Committee
VENCorp	Gas Market Consultative Committee	The Gas Market Consultative Committee is comprised of representatives from the gas industry as a whole and makes recommendations to the VENCorp Board of Directors on matters concerning MSO Rule changes. The GMCC has 12 members including one member representing end user customers.
IPART	Energy Industry Consultation Group	<p>One of IPART's goals is to protect consumers by ensuring the quality and reliability of regulated services and by considering the social impacts of its decisions.</p> <p>IPART has convened groups of service providers, users and prospective users to consult on matters relating to energy pricing and licensing issues. The current members of the group are representatives of all the NSW DNSPs, all the NSW standard electricity retailers, all the NSW standard gas retailers, all the NSW gas networks, PIAC, second-tier retailers are represented by the National Retailers Forum, EWON, DEUS, NSW Treasury and several large energy users.</p>
NSW Electricity Retailers	Customer Consultative Group	Electricity Retailers required under the Electricity Supply Act to appoint at least one customer consultative group to act as a forum for consultation between the retail supplier and its customers.
NSW Gas Retailers	Customer Councils	<p>Gas Retailers required under Gas Supply (Natural Gas Retail Competition) Regulation 2001 to establish a consumer council.</p> <p>For the purpose of exercising its function of advising the supplier on matters concerning the supply of gas to customers, a customer council may provide information and advice on the following matters:</p> <p>(a) the form and content of the guaranteed customer service standards,</p> <p>(b) any improvement in the way the supplier operates that the customer council believes would benefit customers,</p> <p>(c) any other matters relating to the supply of gas that the customer council believes have a considerable effect on customers,</p> <p>(d) such other matters as the supplier and the customer council agree should be the subject of information and advice.</p>
Department of Energy, Utilities and Sustainability	Energy Accounts Payment Assistance (EAPA) Working Group	<p>The purpose of the EAPA Working Group is to provide a forum for welfare groups to exchange views with industry representatives and government regarding welfare and hardship issues.</p> <p>The membership of the EAPA Working Group includes representatives from various welfare groups including the Salvation Army and Anglicare.</p>
Gas Market Company	Consultative process for rule changes	<p>The Gas Market Company (GMC) is the operator of the NSW &amp; ACT Gas Retail Market, providing the processes and infrastructure that deliver full retail competition to more than 1,000,000 gas consumers in NSW and the ACT. The company is owned by members of the gas industry in NSW and the ACT.</p> <p>In 2003, the Board of GMC endorsed a corporate vision and mission statement together with supporting strategies that address issues that are important to the future growth of and success of the company.</p> <p>In particular, GMC's vision is to serve the interests of energy industry participants, energy consumers, government, and other stakeholders by enabling a competitive market in a fair and cost effective manner.</p>

Regulator/ Government/ Market Operator	Name of Committee	Functions of Committee
		<p>Further, its mission is to develop and operate cost efficient and effective retail market arrangements, which are fair and equitable, to facilitate competition in the gas retail market.</p> <p>Accordingly, the GMC when considering a proposed change to the rules, will carry out an independent impact assessment to determine the effect that proposed rule change will have on energy industry participants, energy consumers, government, and other stakeholders. This impact assessment is then provided to relevant stakeholders (including energy consumers) as part of GMC's consultation process.</p>
NECA	Market Liaison Panel	<p>The purpose of the Market Liaison Panel is to:</p> <ul style="list-style-type: none"> <li>• provide a forum for the exchange of views between NECA, NEMMCO and a broad spectrum of electricity users, including co-generators, industrial and commercial customers, and retail consumer representatives;</li> <li>• discuss the current and prospective performance of the national market, develop a clear picture of the key issues from the perspective of electricity users, and progress those issues; and</li> <li>• discuss and progress policy aspects of the national market.</li> </ul>
NEMMCO	Participant Advisory Committee	<p>This committee contains a mix of market participants and customer representatives. The committee's role is to provide informed input to the Board on a regular basis on issues referred to the Committee by the Board, and on issues of concern to Code Participants, to assist the Board in managing the business and affairs of NEMMCO in order to achieve the objectives [of NEMMCO].</p>
NECA	Market Reliability Panel - Customers are represented on the panel (two members)	<p>The Panel has a key role within the national electricity market. It is required under the Code to:</p> <ul style="list-style-type: none"> <li>• determine, on the advice of NEMMCO, the power system security and reliability standards;</li> <li>• determine guidelines for the exercise of NEMMCO's power to issue directions in connection with maintaining or re-establishing the power system in a reliable operating state; and</li> <li>• determine guidelines and policies for NEMMCO's exercise of its power to enter into contracts for the provision of reserves.</li> </ul> <p>The Panel is also required, on a continuing basis, to:</p> <ul style="list-style-type: none"> <li>• report and make recommendations to NECA and participating jurisdictions on overall power system reliability; and</li> <li>• make recommendations to NECA on market changes or changes to the Code on any other matters the Panel considers necessary.</li> </ul>

AGL PREFERRED MODEL

