

# **Rule Change Committee**

## **Charter**

15 February 2010 – Version 1.0



---

## 1 OBJECTIVES AND FUNCTIONS

Under Rule 383 of the Retail Market Rules (the “Rules”), REMCo must establish a Rule Change Committee (“RCC”).

The RCC is a standing committee for providing effective and efficient consultation with stakeholders on development of the West Australian (“WA”) gas retail market.

Rule 387 describes the objectives of the RCC as:

- (a) to ensure that the retail gas market operates and is governed in a manner that is:
  - (i) open and competitive; and
  - (ii) efficient; and
  - (iii) fair to participants and their customers;
- (b) to ensure compliance with all applicable laws; and
- (c) to ensure consultation with all participants, pipeline operators, prescribed persons and interested persons as is reasonably required to meet the objectives set out in Rule 387.

Whilst not explicitly mentioned in the Rules, the objective of the RCC includes effective consultation between REMCo and stakeholders for the development of changes to the Rules, and to the systems and arrangements governing the retail market. Such consultation must be in accordance with the Rules and this Charter. The RCC is to:

- assist REMCo in making a determination on the matters under its consideration, and wherever possible, to strive to achieve consensus;
- present any dissenting views in the Impact and Implementation Report, should consensus not be achieved; and
- provided an effective venue for stakeholders to raise and address issues relating to the operation or functionality of the retail market.

The functions of the RCC include:

- making and considering submissions in relation to development of the WA gas retail market and the Rules;
- providing a committee for consultation and involvement of interested and affected parties for consideration of issues relating to the operation and design of the WA gas retail market;
- providing feedback to REMCo on proposals made in relation to the WA gas retail market;
- advising the REMCo Board (or its delegate) on development of the WA gas retail market, including making recommendations for changes to the design of the gas market, Rules, systems, processes and other arrangements;
- advising REMCo of issues in relation to the operation of the WA gas retail market; and
- formally recording the positions and views of each participant organisation and other interested stakeholders on matters relating to the WA gas retail market.

The RCC will conduct the Rule change process in accordance with the REMCo Rule Change Procedures, a copy of which can be obtained from the REMCo website.

---

## 2 RCC PARTICIPATION

RCC has been established as a standing committee to facilitate consultation on the operation of the WA gas retail market. Additionally, the RCC is established to provide continuity of stakeholder representation in development of the market and system processes.

The composition of the RCC is described in Rule 384, which in summary is:

- (a) one member representing REMCo, who is the chairperson of the RCC;
- (b) at least one member representing the interests of the network operators;
- (c) one member representing the interests of the user that has a market share of at least 50%; and
- (d) at least one member representing the interests of all users other than those referred to in (c).

A quorum for a meeting of the RCC is described in Rule 388 as being at least 4 members, with at least one member from (a) and (d) above.

The regulator (the Economic Regulation Authority) may receive RCC papers and attend RCC meetings as an observer, consistent with Rule 383.

Users that do not have a representative on the RCC and pipeline operators may receive RCC papers and attend RCC meetings when invited by REMCo, although such provision is not stipulated in the Rules.

A Secretary to the RCC, nominated by the Chairperson, may also attend RCC meetings.

The purpose of participation is to ensure that the views of all registered participants on matters relating to the WA gas retail market are recorded and considered. Accordingly, the views put by members at RCC meetings will be placed in the RCC minutes as the views of the organisations that they represent.

The RCC prescribed committee and members may attend the RCC and participate in the meetings. Other users and pipeline operators wishing to attend RCC meetings must identify themselves prior to the meeting, via the Rule Change Inquiries contact information indicated on the REMCo website, and at the commencement of the meeting, to the Secretary. The views put by interested parties at meetings will also be recorded on the RCC minutes.

To avoid duplication of discussion and to ensure effective and efficient operation of the RCC, the RCC members and other users and pipeline operators must take all reasonable steps to ensure that they provide continuity (the same individual) of representation for this committee.

Where an individual represents a group of interested stakeholders, they:

- Must be nominated by a responsible person from the organisation(s) from whom the individuals represent. This nomination notice is to be sent to the Secretary in writing or by e-mail at least 5 business days prior to a RCC meeting unless otherwise agreed by the Chairperson; and
- Should have sufficient expertise and authority to consider matters on behalf of the organisation(s) that they represent, and provide the formal views of those organisations for the RCC minutes.

---

The tenure of RCC members is described in Rule 385. Essentially a RCC member will continue in that capacity until that individual resigns, or falls with the conditions described in Rule 385(3) or (4).

The Chairperson will formally recognise individuals at the commencement of each meeting and is responsible for the conduct of the meeting. During the meetings, the Chairperson will take into account the need to provide adequate consultation with all affected parties and stakeholders, and the requirements to satisfy the appropriate regulatory approval process for approval of a Rule change or a change to the REMCo retail market scheme.

### **3 GOVERNANCE AND ADMINISTRATION**

#### **3.1 Convening of Meetings**

The particulars about convening a RCC meeting are described in Rule 389.

RCC meetings are to be generally held on the last Wednesday of every second month, commencing at 10:00 AM (WST) at a location determined by REMCo.

However, RCC meetings may be cancelled if there are not sufficient items of business to warrant a meeting, and additional meetings may be convened if necessary. An interested stakeholder may at any time request REMCo to arrange for a meeting of RCC.

RCC meetings will be convened by the Chairperson at such times as the Chairperson determines are appropriate, taking into account any requests for meetings, the availability of stakeholders and the matters under discussion.

An agenda that includes venue details, teleconference telephone number and password details and relevant papers for the meeting must be provided to relevant stakeholders by the Secretary at least 5 business days prior to the meeting.

#### **3.2 Notice of, and Papers for Meetings**

Before 1 December of each year, REMCo will publish the meeting dates for the following year having first consulted the RCC.

Planned meeting dates of the RCC must be provided to RCC by the Secretary in advance and amended as needed.

Unless otherwise agreed by the Chairperson:

- the Secretary must provide notification of a meeting; and
- the proposed agenda and all papers on business identified for the meeting must be sent by e-mail at least 5 business days prior to the meeting, to all parties who have registered their interest.

Meetings may only be cancelled or postponed by agreement of the Chairperson.

#### **3.3 Persons who may Request RCC Consideration of Matters**

Subject to section 3.4 of this Charter, any person may request that the RCC consider a matter.

---

The Chairperson will determine which items of business are considered at a particular meeting of RCC, having regard to the need to provide for appropriate consultation on matters, the orderly conduct of business at meetings, the urgency of the matter under consideration, and the achievement of the objectives of RCC.

### **3.4 Form of Request**

Unless otherwise agreed by the Chairperson, a person who wishes a matter to be considered by RCC must provide a written proposal to the Secretary of RCC. The proposal must outline the issue and the reason for the matter to be considered by RCC.

Where the matter contemplates a change to the Rules, the person must use the templates published by REMCo.

The written proposal must be provided at least 7 business days prior to the meeting at which it is to be considered, unless otherwise agreed by Chairperson.

Items of business may be considered at a meeting without prior notice if agreed by the Chairperson. In so doing, the Chairperson will take into account the need to provide adequate consultation with interested stakeholders and the urgency of the matter that has been raised.

### **3.5 Attendance at and Participation in Meetings**

Only those persons described in section 2 of this Charter may attend and participate in meetings via teleconference or in person. Persons wishing to attend a RCC meeting must notify the Secretary at least 5 business days prior to the meeting to permit arrangements to be made.

In relation to Rule changes, the RCC will examine the proposal and subsequently advise REMCo on options for further actions, in addition to providing assistance to REMCo in making a determination on the matters referred to in Chapter 9 of the Rules.

### **3.6 Minutes and Proceeding of Meetings**

The Secretary must take minutes of each meeting of the RCC.

The Secretary must e-mail a copy of the draft minutes of a meeting of the RCC to each party who has registered their interest within 5 business days after that meeting.

The minutes of a meeting of the RCC must record, but are not limited to:

- those who attended the meeting, either in person or by teleconference;
- the business considered;
- discussion of business as relevant, including proposals, assessments and recommendations, and the supporting and contrary arguments for the comments or a reference to documentation containing the supporting and contrary arguments for the comments; and
- a record of the views of parties on matters discussed in respect of amendments to the Rules or the REMCo retail market scheme, and any related business or arrangements.

---

The Secretary must ensure that the final minutes, papers and proceedings of meetings:

- accurately record the views of persons at the meetings; and
- are emailed to parties who have registered interest.

The Secretary must maintain all meeting proceedings in a secure record management system for a period of at least seven years.

#### **4 APPOINTMENT OF WORKING GROUPS OF RCC**

The RCC may establish one or more sub-working groups to assist it in considering a matter brought before it.

REMCo will facilitate operation of such sub-working groups, and support the sub-working groups with subject matter experts as appropriate.

Without limiting the participation of any party, participation in the sub-working groups will be based on a Charter or Terms of Reference for that sub-working group, if applicable.

#### **5 EXPENSES FOR RCC MEETING ATTENDANCES OR ACTIVITIES**

For the avoidance of doubt, any expenses incurred as a result of attending RCC meetings or activities associated with the RCC are at the expense of individual interested parties that the person may represent.