



Horizon Power Customer Council

Terms of Reference

21/02/2023



Customer Council Terms of Reference

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1. Background

Horizon Power is a purpose led enterprise with a passion *to deliver energy solutions for regional growth and vibrant communities*. Our corporate strategy has been refreshed to keep pace with the increasing demand for cleaner energy solutions. Our focus is on solving complex technical challenges within the regional WA context, to lead the energy transition and remain at the forefront of adopting renewable energy technologies that improve energy affordability for households and businesses.

To achieve this, we are focused on three key strategic priorities:

- **Energy affordability** – enabling all customers to reduce their energy bills;
- **Customer choice** – zero refusals, enabling all customers to connect to rooftop solar by 2025; and
- **Decarbonisation** – 80% carbon emissions reduction by 2030.

Horizon Power acknowledges that for our strategic priorities to be meaningful and to have enduring positive impact, it is important we co-create with customers and communities and engage with stakeholders and organisations that represent our diverse regional WA base.

2. About the Customer Council

To give a voice to its customers and communities, Horizon Power has established the first Horizon Power Customer Council (**Council**). The Council provides a forum through which Horizon Power can work together with stakeholders and organisations that represent our customers and communities to explore ‘strategic issues’ relating to customer and community needs and expectations, emerging customer and community issues and initiatives in energy infrastructure and services, and the provision of energy solutions across regional and remote WA.

3. About the Terms of Reference

The terms in this document (**Terms of Reference**) set out the governance structure and operating procedures for the Council.

4. Purpose

- a) The Council is established as an advisory body to provide advice and guidance to Horizon Power. The primary aims of the Council are:
 - i. to provide information, advice and guidance to Horizon Power regarding the needs, views and expectations of Horizon Power’s customers and the broader community;
 - ii. to facilitate Horizon Power’s engagement with its customers and communities through the members’ respective organisations and networks;
 - iii. to advise Horizon Power on issues or topics affecting its organisation and/or communities;

- iv. to discuss the economic, social, environmental and governance topics that are relevant to Horizon Power's sphere of influence and material to the interests of its stakeholders;
 - v. to provide advice and feedback to Horizon Power in relation to its Energy Charter Disclosure Report; and
 - vi. to provide opportunity for members of the Council to relay information to their constituents/organisations and gather information/feedback from their constituents/organisations to submit to Horizon Power.
- b) The Council will act in accordance with the policies and procedures of Horizon Power, including Horizon Power's Code of Conduct.

5. Authority

- a) While Horizon Power may elect to rely on the advice and recommendations of the Council, the Council is not a formal decision-making body and has no authority whatsoever to bind or otherwise represent or speak on behalf of Horizon Power.
- b) The Council does not have legal status and therefore cannot enter into contracts or agreements or be held legally responsible.

6. Membership

6.1 Composition of the Council

- a) Members of the Council will be appointed by Horizon Power.
- b) The Council will consist of:
 - i. **a Sponsor:** appointed by Horizon Power, the Sponsor will be a member of the Horizon Power Executive Committee, generally the Executive General Manager Customer & Community, and is responsible for corporate support and shaping the framework of the Council;
 - ii. **a Chair:** appointed by Horizon Power, the Chair will be a member of the Horizon Power Executive Committee or Board, and may generally be either the CEO or Executive General Manager Customer & Community or a member of the People, Safety & Culture Committee, or otherwise any such other person as Horizon Power sees fit, and is responsible for the management and affairs of the Council;
 - iii. **a Secretariat:** appointed by Horizon Power, the Secretariat function will be provided by nominated staff from Horizon Power. The Secretariat is responsible for providing administrative and operational support to the Sponsor, Chair and Council members;
 - iv. **Members:** appointed from organisations representing customers and communities across regional WA and may include energy consumer advocates and forums, financial counsellors or bodies providing support for low-income or financial hardship energy consumers, regional business

advocacy and advocacy for Aboriginal and Torres Strait Islanders across regional WA; and

- v. such other members as Horizon Power may appoint.

6.2 Appointment of members

- a) Horizon Power will invite individuals, or will invite organisations to nominate representatives, to serve as members of the Council. Horizon Power will select and appoint members from amongst those nominations.
- b) Horizon Power will endeavour to draw members of the Council from senior representatives of customer and community organisations who are able to represent their organisation's constituency and to represent the breadth of Horizon Power's customer and community base.

6.3 Term and removal of members

- a) Members will generally be appointed for a period of two years, after which their membership may, by the agreement of Horizon Power, the relevant member and the organisation that the member represents, be renewed for a further period of two years.
- b) Members can resign from the Council by providing notice in writing to the Chair or Secretariat with a minimum of 14 days' notice.
- c) The Chair or Horizon Power may (at their sole discretion) remove a member from the Council at any time with or without cause, including, without limitation:
 - i. the member misses two consecutive meetings without appointing a proxy that is approved by the Chair;
 - ii. the member or the organisation they represent are in breach of these Terms of Reference; or
 - iii. the organisation that the member represents ceases to be a customer or key stakeholder of Horizon Power (to be determined by Horizon Power in its sole discretion).
- d) The Chair or Secretariat will notify the member of their removal and update the register of members.
- e) Upon ceasing to be a member of the Council for any reason, a member and, if applicable, the organisation that they represent must either deliver or destroy all materials in their possession or control to the extent that they contain confidential information relating to Horizon Power, the Council or these Terms of Reference.

7. Obligations

7.1 Obligations of members

By agreeing to act as a member of the Council, each member agrees:

- a) to comply with these Terms of Reference;
- b) to perform their duties as a member diligently and in good faith;

- c) where the member has been nominated by an external organisation, to use reasonable endeavours to represent the views and opinions of the customer and community segment which their organisation represents, but not to lobby specific interests for specific parties;
- d) to keep all information received or obtained in connection with their membership of the Council and these Terms of Reference confidential and to not, except (and only to the extent) as required by law or the rules of any stock exchange, disclose that information to any third party, without the prior written consent of the Chair;
- e) to use information received or obtained in connection with their membership of the Council and these Terms of Reference only for the purposes of pursuing the aims and performing the responsibilities of the Council;
- f) not to publish any statements or make any comments (to social media, the media or otherwise) about the Council or its activities, other than with the prior written consent of the Chair, and if a member is approached by the media, they agree to direct the enquiry to the Chair;
- g) not to act or represent in a way that suggests they have the authority to bind or represent the Council or Horizon Power;
- h) not to misuse information or position;
- i) not operate in a manner that is detrimental to the commercial, brand and corporate reputation management interests of Horizon Power;
- j) to contribute in a manner that constructively works with Horizon Power and other Council members on strategic issues, to facilitate improved outcomes for Horizon Power's customers and the communities; and
- k) Horizon Power may use and disclose the meeting minutes and other materials of the Council at its sole discretion (including, without limitation, to the public and pursuant to its obligations under the Energy Charter).

7.2 Obligations of nominating organisations

Where an organisation nominates a representative as a member, the organisation undertakes:

- a) to nominate as a potential member only persons who have the requisite skills and experience to perform the functions of a member;
- b) to nominate as a potential member only persons who agree to work constructively with Horizon Power on relevant issues and is not involved in activities that could be deemed detrimental to or in conflict with Horizon Power's commercial, brand and corporate reputation interests;
- c) not to (and to procure that their representatives do not) publish any statements or make any comments (to social media, the media or otherwise) about the Council or its activities, other than with the prior written permission of the Chair;
- d) to keep (and procure that their representatives keep) all information received or obtained in connection with their membership of the Council and these Terms of

Reference confidential and to not, except (and only to the extent) as required by law or the rules of any stock exchange, disclose that information to any third party, without the prior written consent of the Chair;

- e) to use (and to procure that their representatives use) information received or obtained in connection with the nomination or the representative's appointment as a member of the Council or these Terms of Reference only for the purposes of pursuing the aims and performing the responsibilities of the Council; and
- f) if any of its representatives are appointed to the Council, it will procure that any such representative complies with these Terms of Reference, including, without limitation, clause 7.1.

7.3 Conflicts of interest

Each member agrees to fully and immediately disclose to the Council any conflict of interest or perceived conflict of interest between the interests of any member (or the organisation that the member represents) and Horizon Power.

In the event of a conflict of interest, a member must:

- a) contact the Secretariat to complete and return a conflict of interest declaration form (in form and substance satisfactory to Horizon Power); and
- b) leave a Council meeting for any relevant items to allow the balance of the members of the Council to discuss that item in their absence and otherwise manage the conflict of interest in the manner agreed with Horizon Power.

8. Meetings of the Council

8.1 Time and place for meetings

Unless otherwise determined by the Chair or Horizon Power, it is proposed that the Council will meet a minimum of three times per annum, with an expectation that there will be a maximum of four meetings per annum. However, the meeting schedules may be modified if required by the Chair or Horizon Power. If the number of meetings, or duration of meetings is modified, Horizon Power will endeavour to provide members with sufficient advance notice of such modifications. Meetings will generally be hosted at Horizon Power's offices in Bentley, Perth with facilities for members to join remotely via video conferencing. The Chair may, in consultation with members, issue a schedule of Council meetings in advance.

8.2 Calling meetings

The Chair or Secretariat may call a meeting by providing members with advance notice of the meeting date and time. The Chair or Secretariat will invite members to nominate agenda items approximately two weeks prior to the meeting date. The Chair or Secretariat will endeavour to provide members with the following in advance of each meeting:

- a) an agenda; and
- b) any presentations, reports, papers, or materials which are intended to aid members in the meeting.

8.3 Procedure at meetings

Members of the Council will attend all scheduled meetings.

If a member is unable to attend a meeting, they must provide advance notice to the Secretariat.

The Chair will preside at meetings and may set any formal or procedural requirements. The Chair may delegate chairing responsibilities at their discretion.

Generally:

- a) there are no quorum requirements for a meeting;
- b) members are entitled to attend meetings personally but, subject to the prior approval of the Chair, may appoint a proxy from the organisation or customer base that they represent should they be unable to attend any meeting; and
- c) the Chair will decide whether it is appropriate to include any other invitees or allow any other person to attend a meeting whether for the entire meeting or specific agenda items.

8.4 Decision-making and endorsement

The primary purpose of the Council is to share and discuss feedback based on customer and community views, rather than to act as a decision-making body. For that reason, there is no formal decision-making mechanism. However, the Council may by consensus endorse a view, position, or report from time-to-time.

9. Working Groups

The Chair may from time-to-time appoint Working Groups from amongst the members to focus on sub-issues and priority areas. The Chair may issue specific guidance or instructions to the Working Group. Working Groups will report back to the Chair and the Council.

10. Standards of conduct

In performing their functions, members are expected to:

- a) interact collaboratively as part of a team;
- b) interact in an open, honest, and ethical manner;
- c) show respect for each other;
- d) recognise and be accepting of differing views and opinions;
- e) ensure views expressed accurately reflect and represent the customer cohorts and communities of member organisations (not personal grievances or agendas); and
- f) focus their participation on issues strategic in nature.

11. Administration

11.1 Record-keeping

The Secretariat will keep reasonable records of the activities of the Council, including preparing agendas for meeting, and keeping a record of resolutions and minutes of Council meetings.

11.2 Budgets and spending

The Council is not intended to be a financial body and will generally not have a budget. To the extent Horizon Power makes funds or other resources available to the Council for any reason, the Chair will have full discretion as to how those funds or resources are expended or applied, in-line with Horizon Power's policies and financial guidelines.

11.3 Remuneration and expenses

a) Remuneration:

- i. Council members may nominate to receive sitting fees, or not, noting that some members may also be remunerated and supported by the organisation that they are representing.
- ii. Subject to sub-paragraph (iv) below, each member will be eligible to claim:
 - (1) a sitting fee of \$500 (including GST) per day per Council meeting; and
 - (2) where a Working Group has been constituted under these Terms of Reference, a sitting fee of \$500 (including GST) per day per Working Group meeting.

The above sitting fees apply regardless of the duration of the Council or Working Group meeting (as applicable), or whether the meeting is held face to face or via video conference. The sitting fees are also only payable where a member has attended the entirety of the meeting, unless otherwise determined by the Chair (in their sole discretion).

- iii. Members will not be entitled to any other fees or remuneration for participating in other Council related activities, including, without limitation, ad hoc meetings (e.g., online meetings/briefings open to other stakeholders) or preparation for Council or Working Group meetings.
- iv. In terms of who receives the sitting fees:
 - (1) where a member represents an organisation, the organisation will receive the sitting fees for Council or Working Group meetings; and
 - (2) where a member is not representing an organisation and is a member of the Council in an individual capacity, the individual will receive the sitting fees for Council or Working Group meetings.
- v. In order to claim a sitting fee, promptly following a Council or Working Group meeting:
 - (1) where a member represents an organisation or is registered for GST, the organisation or member (as applicable) must submit a tax invoice to the Secretariat (in form and substance satisfactory to the Secretariat) for the amount of the applicable sitting fee; and
 - (2) where a member is a member of the Council in an individual capacity and is not registered for GST, the individual must submit an invoice to the Secretariat (in form and substance satisfactory to the Secretariat) for the amount of the applicable sitting fee.

- vi. Subject to the organisation or the individual submitting a tax invoice or invoice (as applicable) in form and substance satisfactory to the Secretariat, Horizon Power will pay the amount payable within 20 days, or as otherwise agreed by the parties.
- b) **Expenses:** Members are not entitled to reimbursement of expenses they may incur in connection with the performance of their functions as members of the Council. However, the Chair may, in writing in advance, approve certain expenses which Horizon Power will reimburse to support participation in the meeting. For example, where a member has been requested to attend a meeting in person and had to travel by plane, flights, transfer costs and any necessary accommodation may be approved.
- c) **GST**
If a party (**supplier**) makes a taxable supply under or in connection with these Terms of Reference:
 - i. the consideration otherwise payable or to be provided for that supply is increased by, and the party paying or providing the consideration (**recipient**) must also pay to the supplier, an amount equal to the GST payable by the supplier on that supply;
 - ii. subject to the supplier complying with sub-paragraph (iii) below, the recipient must pay the GST amount in Australian dollars, at the same time and to the same extent as it must pay or provide the consideration for that supply; and
 - iii. the supplier must issue a valid tax invoice or adjustment note to the recipient of the supply at or before the time of payment of the GST inclusive consideration or at such other time as the parties agree.

For the purposes of this clause 11.3, **GST** means goods and services tax or similar value added tax levied or imposed in Australia pursuant to the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

12. Review of Terms of Reference

- a) The Terms of Reference will be reviewed by Horizon Power in consultation with members every two years.
- b) Horizon Power may otherwise update, amend or reissue the Terms of Reference at its sole discretion. Horizon Power will use reasonable endeavours to notify members of any amendments to the Terms of Reference.

13. Annual operating report

The Chair will, with assistance from the Secretariat and other members, seek to compile a report at the end of each financial year summarising the activities of the Council during that year. The annual operating report may include the Council's review and feedback of the Horizon Power Disclosure Report as part of the Energy Charter requirements.

14. Relationship between the parties

Nothing in the operation of the Council or in these Terms of Reference should be taken as creating a relationship of employment, partnership, agency, trust, fiduciary or supply among or between any of the members, the nominating organisations, or Horizon Power and no member or nominating organisation has any authority whatsoever to bind or otherwise represent or speak on behalf of Horizon Power. This applies regardless of any prior or existing relationship between such parties.

15. Disbanding the Council

- a) Horizon Power may dissolve the Council at any time.
- b) In the event of the dissolution of the Council:
 - i. the Chair will provide a minimum of 14 days' advance notice of this taking effect; and
 - ii. all members and, if applicable, the organisation that they represent must either deliver or destroy all materials in their possession or control to the extent that they contain confidential information relating to Horizon Power, the Council or these Terms of Reference.

End.