

Summary of KPMG's recommendations and AER response

Number	Review recommendation	AER response
1	Replace CCP objective with a clearer purpose to provide clarity & optimise the value of the CCP budget.	Agree. To advise the AER on whether the values, needs and priorities of all consumers, now and in the future, are being appropriately considered and reflected in regulatory proposals and the AER's decision making.
2	AER to provide more specification on the scope, activities & outcomes of the CCP across its four potential roles	Agree. In revising the Governance Handbook, the AER will reflect this recommendation.
3	AER to consider updating its existing consumer engagement guideline to provide more direction on good practice. This will help complement the roles of the CCP.	Agree.
4	The CCP Steering Committee (or the AER in the absence of such Committee) provides more direction and specification on the involvement of the CCP during the pre-lodgement stage. This should be adaptive to the particular situation for each determination.	Agree in part. The Networks Committee will oversee the operation of the CCP
5	CCP provide to AER an assurance assessment on the quality of the network CE activities & how customer views have been incorporated into the proposal. Report must be provided within 20 business days of receiving the proposal.	Agree. Timeframes will be agreed with Network Committee.
6	The Advice template be updated to require CCP to transparently provide supporting evidence for its advice to the AER.	Disagree. While we expect the CCP provide reasoning for its views, consider that part of the CCP's challenge role is to identify issues of concern that may require the network or the AER to respond to.
7	The ability for the AER to use the CCP during laterals should be established and explicitly recognised in the CCP handbook.	Agree. The AER plans to continue to use CCP in lateral issues.
8	The AER considers establishing the role of a CCP Chairperson to help guide CCP performance.	Disagree. The AER does not believe that a Chairperson would add value above the improved governance mechanisms.
9	The AER establishes a CCP Steering Committee, to determine the scope of work & budget allocations of the CCP and oversee performance.	Agree in part. The Networks Committee will oversee the CCP operation.
10	The CCP Steering Committee has the flexibility to adapt the activities & roles of the CCP for each network determination.	Agree. The Networks Committee will have the flexibility to adapt depending on issues and reset on hand.
11	A Code of Conduct is developed by the Steering Committee to guide CCP member's standards and behaviour.	Disagree. CCP are subject to the APS Values and Code of Conduct. Networks committee to have greater role in setting expectations.
12	AER should consider introducing a variable schedule of rates across different CCP activities. However, if the AER decides to keep the standard rate, this should be increased to \$230/hour (max \$1725/day) (from \$200/hr (incl. GST or max \$1200/day incl. GST).	Agree. The rate for the next CCP will have increase to \$230/hour.
13	Membership of CCP to include more specialist skills including consumer engagement specialists.	Agree. Recruitment of the next CCP will seek additional skills in consumer engagement
14	CCP Steering Committee should have the ability to select different members for different roles associated with the same network determination process.	Agree.