

# NETWORK STEERING COMMITTEE CHARTER

## Purpose and Duties

### Purpose

The Network Steering Committee (NSC) (the Committee) has been formed to support the Investment Steering Committee (ISC) in the evaluation of system investments, through the:

1. Review of an efficient expenditure portfolio to achieve relevant strategies and targets by:
  - the selection of network capital and maintenance expenditure projects and programs consistent with the company's corporate governance framework and AER regulatory requirements; and
  - the consideration of all viable alternative options in prioritising and selecting the optimal portfolio of network capital and maintenance expenditure projects and programs for delivery. This will be achieved through the use of consistent capital evaluation principles.
2. Undertaking a portfolio-wide project and program review role by:
  - endorsing for submission to the ISC network capital and maintenance operating expenditure budgets and long term plans;
  - endorsing for submission to the ISC the initiation of individual network projects and programs, based on Business Cases; and
  - reporting any material breaches of Investment Governance policies and procedures to the Chief Executive Officer and/or the Board, as appropriate.
3. Undertaking a portfolio wide network risk review role by:
  - reviewing proposed changes to internal engineering standards, policies, procedures and workplace instructions and the associated risk profile implications.
4. Provision of an independent and peer review by:
  - endorsing all network governance and approval documents prior to submission to the Investment Steering Committee, CEO or Board.

The Committee conducts analysis for the benefit of the ISC to test the policies, procedures, engineering standards, investment plans, proposals, projects and programs, of the network investment areas. In performing these roles, the Committee is subject to materiality thresholds as outlined in the Common Company Policy: Network Investment Governance Framework.

### Duties

The duties of the Committee are to support the Investment Steering Committee by:

- reviewing the overall Network investment portfolio, to ensure that it remains on track to achieve relevant strategies and targets, within available resources with effective risk management and mitigation;
- reviewing actual spend, budgeted spend, and individual projects and programs for any network spend, with a particular focus on:
  - system capital expenditure;
  - system maintenance operating expenditure;
- reviewing the selection and delivery of system capital and operating expenditure projects and programs for consistency with:
  - corporate objectives;
  - specific strategies;
  - operational plans; and
  - regulatory strategy.

Submissions to the Committee must have endorsement from the relevant COO.

The Committee provides its analysis to the Investment Steering Committee, for decision.

## Authorities

The Committee has been given the following authorities:

- Conduct analysis to support the Investment Steering Committee in its role of endorsing annual capital and operating expenditure budgets, reviewing long term capital and operating plans; and
- Conduct analysis to support the Investment Steering Committee in its role of endorsing individual capital or operating expenditure projects and programs.

## Membership

The membership of the NSC will be as follows:

- Group Executive, Network Strategy (Chair)
- Group Manager, Asset Programs (Secretary)
- Group Manager, Asset Strategy & Performance
- GM Network Development x 3
- Chief Engineer x 3
- Manager, Investment Evaluation
- Proponents as required

A Secretary is appointed to assist the Committee to perform its duties.

The NSC may invite various parties to attend all or part of its meetings as required. Members will act in the interests of Networks NSW as a whole.

## Meetings

Meetings will be held as required and will be scheduled to allow sufficient informed input into the consideration process and to facilitate the preparation of any necessary Papers to the Investment Steering Committee.

A quorum will consist of a minimum of three members.

Members will be given adequate notice of meetings. The Secretary of the Committee will circulate the agenda and papers to the Committee members two working days before each meeting.

The Secretary of the Committee will allow sufficient time to discuss agenda items, and keep minutes to record proceedings, and prepare Committee memoranda requiring endorsement.

## Recordkeeping

The Secretary is accountable for maintaining all records generated by the Committee in the Recordkeeping System in the Secretary's Company.

## Reporting and Disclosure

The Committee will report to the Chief Executive Officer and the Board or Board Committees as required by their Charters.

## Code of Conduct

The Committee is committed to the application of, and adherence to, the Code of Conduct.

Members are to declare any conflict of interest that may arise. The member should leave the meeting for that item, to allow the Committee to discuss the matter or to decide to invite the member to return for discussion of the matter.

In matters pertaining to the area of responsibility held by the Chairperson, the Chairperson shall delegate the Chair to the alternate Chair.

## Performance of the Committee and Review of Charter

At least annually, the Committee will have a formal review of its performance, and make recommendations to the Chief Executive Officer on changes to the Charter and Membership.

The Chief Executive Officer may change this Charter at any time.

Date Approved: 8 August 2014