



Future Role for ERP

July 2016

Drivers

Climate Change

2008 CC Act: Carbon Budgets to 2050

-57% ... -80%

International Agreements to 2100

1.5° C

Transformation of the Energy System (starting now)

ERP work programme

Necessity for Energy Security

Threat to Affordability

The Need to Innovate and Adapt



Proposition

Continuation

- Plenaries, Fora, Workshops will continue
- Membership will be broadly similar, but expect some tweaking
- Fees – some rebalancing but no dramatic changes for most

New

- Take on the challenge role for Energy Innovation Board
- Comes with a funded programme of work for Analysis Team
- Greater interaction with government for members through input to EIB

Work Programme

There will be two main elements of work for the Analysis Team (AT):

Member Led Programme

- Members will continue to define a work programme in discrete project packages
- Projects may be up to a year in length (as typical current projects are)
- Some may be shorter (a few months) to deliver a quick overview
- Members could request AT assess and challenge their published plans and scenarios

EIB Challenge Role

- The Energy Innovation Board will request specific packages of work
 - **Standing support** – seeking member views, convening groups, reviewing documents. Estimated as sufficient work for one person*
 - **Deep dives** – detailed look a specific subjects, working with EIB resource. Estimated as sufficient work for one person on average*
 - **Indicative of volume of work – A-Team resource will be used flexibly.*
 - *EIB to review this level at end of 2017*

ERP's Values

Impartiality

ERP Analysis Team will use its members to provide data, sense check its conclusions and help steer its projects. However it will remain impartial and its processes will aim to ensure objectivity and absence of individual member interests in its findings.

Transparency

As far as possible all results and recommendations will be published. Current projects and areas of interest will be made public. ERP-AT will be happy to share with any member the detailed workings behind published results. No IP will be generated.

All projects, whether for the EIB or for members will work to these values.

Structure



Energy Innovation Board



Funding for 2 FTEs

Fees

Member led work –
Secondary research
pertinent to transformation
of the energy system

Imperial College
London

EIB challenge work –
support to obtain, review,
collate and present ERP
views

ERP Analysis Team

(resourced to match income & research required)

Fees

Principles

There will be 5 private bands (4 now)

Global turnover will be the metric

There will be one public band (as now)

Effect

Lower cost for smallest or UK-only entities

Higher cost for more international entities

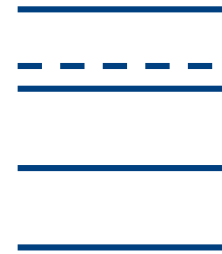
Slight increase for public entities

Analysis Team

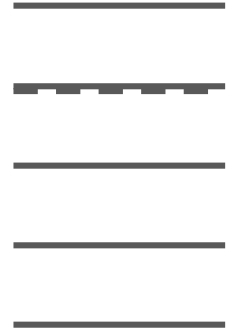
With EIB income then this will support a team of about 5 FTE analysts (currently 4.3 available for research)

Will review increasing size of team if EIB support continues long term

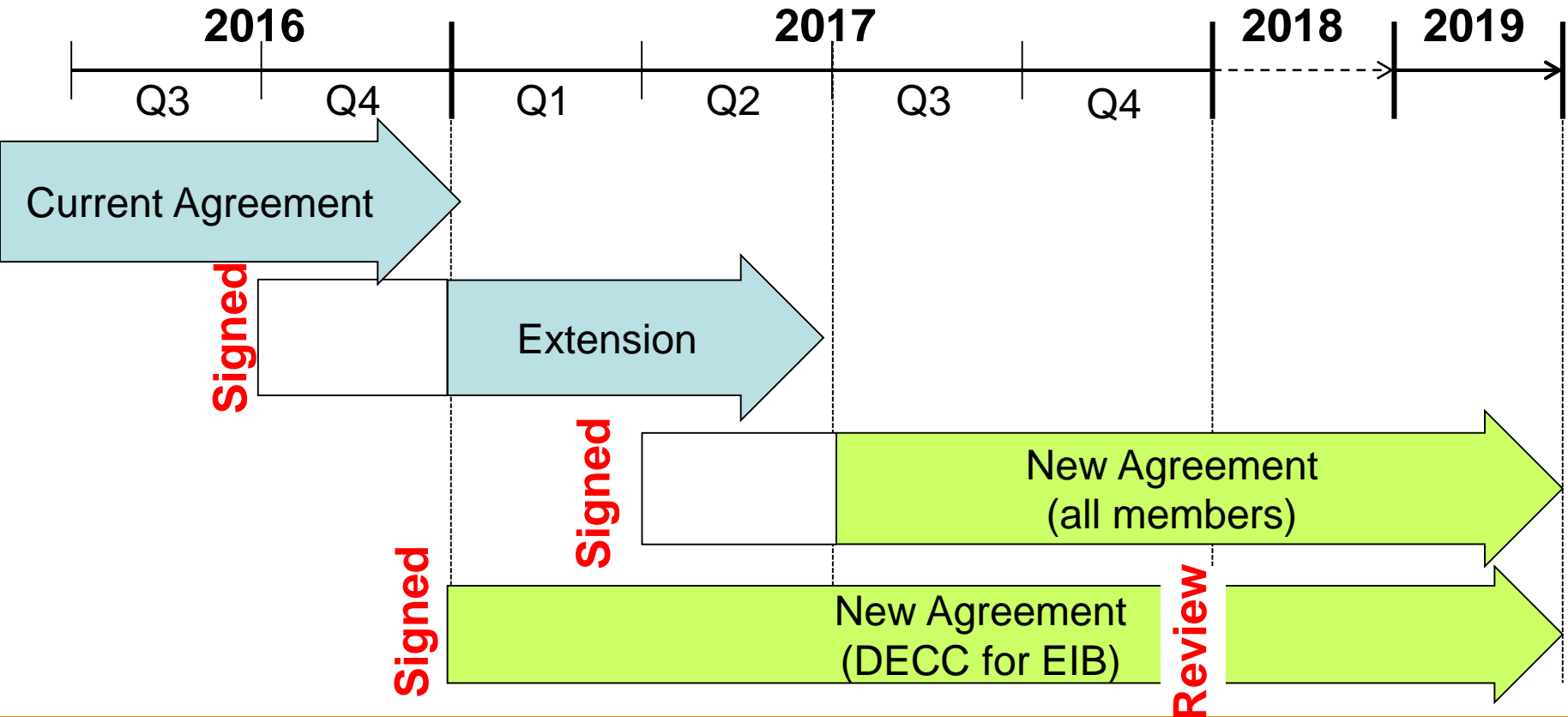
Existing



New



Contractual Timeline



Advantages of working with EIB

For ERP

Recognition

ERP expands its role and becomes a better recognised part of landscape

Stability

Analysis Team have an “anchor load” of work to undertake

Impact

By undertaking work relevant to government it is almost guaranteed to have an impact

Opportunity

A greater opportunity for members to work closely with government

For EIB

Recognised brand

ERP is a recognised brand with a reputation for transparency & impartiality

Up and running

ERP already exists so no need to start from scratch

Simplicity

Does not create additional complexity to the landscape

Suitability

ERP is well connected with a broad range of businesses and organisations that matches EIB's consultation needs

What's Needed?

Now

Decision - does ERP accept this EIB challenge role?
(Agreement in principal to this outline)

September

Members to sign simple 6 month extension of existing contract

December

Formalise agreement with DECC to cover EIB work

March

Details are all agreed

Members to sign new consortium agreement