Future Role for ERP

July 2016
Energy Research Partnership

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)
- Necessity for Energy Security
- Threat to Affordability
- The Need to Innovate and Adapt

ERP work programme
Energy Research Partnership

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.
Energy Research Partnership

Structure

Fees

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

ERP Analysis Team

(resourced to match income & research required)

Energy Innovation Board

Funding for 2 FTEs

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

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
Energy Research Partnership

Contractual Timeline

- **2016**
  - Q3: Current Agreement Signed
  - Q4: Extension

- **2017**
  - Q1: New Agreement (all members) Signed
  - Q2: New Agreement (DECC for EIB) Signed
  - Q3: Review

- **2018**
  - Q4

- **2019**
Energy Research Partnership

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
Energy Research Partnership

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