Note
This paper provides a high-level overview of the key principles for ERP from 1 July 2017 to 31 December 2019. The Consortium Agreement Memorandum of Understanding is intended to provide more detail of the roles and functions moving forward.

OVERVIEW

1. By bringing together a diverse range of participants from across the sector, membership of ERP represents a unique opportunity to influence the UK’s energy landscape. ERP aims to accelerate innovation in the energy sector through enhanced dialogue and communication across industry and government.

2. ERP is a public private partnership providing reciprocal benefits to industry and government Members alike. Its primary purpose is to offer a consultative forum. It is an independent, not for profit organisation whose activities are funded by Member contributions.

3. ERP believes:
   - The energy sector is undergoing a significant transition as part of the 4th industrial revolution and the need to decarbonise in the effort to combat climate change.
   - The future will rely upon a range of technological solutions, with a diverse mix of hard and soft solutions working in harmony.
   - The focus should be on optimising the whole system, with assessment of costs on a whole system, whole lifecycle basis.
   - There is a need to support economic growth and a profitable industry, while maintaining a safe and reliable supply of energy to the UK.
   - The UK can help provide efficient long term solutions to global problems, creating new growth at home and abroad to support the government’s industrial strategy.
   - Facts and fundamental engineering and economic principles, not incumbent or biased positions, should guide decision making.

ACTIVITIES

4. The Partnership will convene quarterly to discuss and identify actions to address the issues of the day or the foreseeable future. Special guests will be invited to attend and present at meetings.

5. Members may organise ad-hoc basis working groups to generate specific outputs, such as consolidated views on topical questions (see Flow Chart in Appendix 1). Project identification will have a split focus where:
   - A reactive response is required to emerging trends and business needs.
   - A proactive position is established in anticipation of government decisions or challenges.

6. Typically, responses will be published on the ERP website and promoted by the co-chairs amongst industry, government and the public.

7. The ERP will have a close working relationship with the cross-Government’s Energy Innovation Board which will regularly seek ERP Member views on issues such as: sector specific innovation challenges; market and technology assumptions, horizon-scanning; whole-systems integration; impact of disruptive technologies and digitisation; tracking UK and international market developments; lessons-learned from earlier R&D activities;
main market drivers and an enabling policy framework; new business models; and the interaction between national-scale and decentralised solutions.

8. The ERP will cease to employ an Analysis team to support Partnership activities. The expectation is that activities will continue on the current basis, however with working groups managed by Members with focussed outputs to maximise the value from Member input. There may also be the opportunity to use the Member’s convening power to draw upon technical support from other organisations and universities.

MEMBERSHIP

9. Membership is by invitation by an existing Member and is reserved for senior level decision makers in industry and government. Members may delegate within their organisation to support partnership activities.

10. Members will receive the following benefits:

- Briefings, debate and networking at up to four plenary sessions per year.
- Networking at two post plenary lunches per year and at two post plenary evening functions per year.
- Option to attend an annual private dinner (‘Leaders’ forum’).
- Members will be able to propose projects to the Executive Committee for consideration by ERP Members.
- Invitation to join Working Groups to address Proposals.
- Early sight of ERP Responses ahead of plenary meeting endorsement.
- Priority access to report launch events and post plenary meetings.
- ERP will have a key link in to the EIB, and will offer a conduit for Members to support and challenge the EIB’s work.
- Access to a private Members directory and ERP distribution list.

11. Members will contribute towards the administration and venue costs of convening the parties and organising working groups. To support efficient operations, a part time administrator will be employed (Option 1). If Members agree to additional investment, a full time technical secretary will also be employed to support working groups (Option 2).

12. Private Member contributions will be weighted in proportion to the scale of the business, with four bands of Membership. The lowest band will be applicable to Small and Medium Enterprises (SMEs). See table below for proposed contributions.

<table>
<thead>
<tr>
<th>UK annual turnover</th>
<th>Option 1 – Administrative support and events</th>
<th>Option 2 – Administrative support, events and technical secretary</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME &lt; £25m</td>
<td>£1,000</td>
<td>£2,000</td>
</tr>
<tr>
<td>£25m&lt;£250m</td>
<td>£2,000</td>
<td>£4,000</td>
</tr>
<tr>
<td>£250m&lt;£2.5B</td>
<td>£4,000</td>
<td>£6,000</td>
</tr>
<tr>
<td>&gt;£2.5B</td>
<td>£6,000</td>
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<td>Public</td>
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<tr>
<td>Advisory</td>
<td>£1,000</td>
<td>£1,000</td>
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</tbody>
</table>

13. Advisory Members will be invited to ensure independence, moderate and promote impartiality to the group. Advisory Members will be asked to make a small contribution to cover annual expenses.
APPENDIX 1: ERP OPERATING PROCESS

ERP Inbox – Members submit Proposals

Test Proposals on a wider audience

ERP Executive Committee review

Executive Committee consider proposal:
- Is it a system wide issue?
- Is anyone else looking at it?
- Can ERP add value?
- How will it be resourced?
- What priority does it have?

Executive Committee appoint Working Group Chair and Secretary and offer guidance and support.

Working Group Chair and Secretary lead on gathering member insights and analysis, putting a call out for feedback.

Working Group meet to review responses and establish a common view.

Working group secretary assimilates findings, ensuring they are independent and consistent with the ERP brand.

Executive Committee ensures reporting is concise, targeted at key stakeholders and recommendations are limited.

Members of Working Groups convene quarterly at plenary meetings.

Executive Committee incorporates Plenary’s comments

Report and presentations are supplemented by opinion pieces and stakeholder engagement.