

*1. Do the Terms of Reference provide a clear description of the role, membership, operations and outputs of the Customer Challenge Group?*

We believe that these topics are all sufficiently clear in the drafting.

*2. Do you have any views on the draft text of the Terms of Reference?*

We believe the membership as proposed is too restrictive. With the Large Supplier seats so limited, there is a risk that these seats go to those already serving on other committees that provide input to Ofgem on the DCCs costs and business plan – such as SEC Panel – due to the Customer Challenge Groups ability to see behind the curtain of commercially sensitive information.

Further, Large Suppliers fund the majority of the DCCs costs, and all should be given the opportunity to scrutinise the effectiveness of how those funds are being used.

We recognise that Ofgem intends for the Customer Challenge Group to be in addition to existing DCC customer engagement, however, this is the only opportunity that customers have to view those commercially sensitive details and provide comment on them. Due to the confidential nature of those details, the elected members cannot then act as representatives of the wider category as they would be unable to share all of the information required to gather meaningful feedback from non-member parties.

While we support the creation of the Group, it's existence alone is not enough to provide adequate confidence that the DCCs business plan and financials are in order, leaving Utilita concerned without access to the relevant information. Without either expanded membership to allow every Large Suppliers a seat, or a means by which the information available to the Group could be shared with a wider audience, our concerns would be not be addressed.

*3. What, if anything, is missing from the draft Terms of Reference?*

We note that the draft Terms do not contain any reference to how long a seat will be held for. We would anticipate that a seat be held for the duration of a Cost Control Period, in order to provide consistency in the feedback being shared. This would also reduce the backlog of data a newly incumbent member would need to familiarise themselves with.

This would also present an opportunity to alleviate the concerns over depth of membership by stipulating that a seat cannot be held for consecutive terms, unless there are no other nominations for that seat.

Further the TOR does not mandate the appointment of an alternate, which, given the volume of meetings required while evaluating the DCCs business plan submissions,

may lead to meetings going unattended. We believe that appointing an alternate should be mandatory for this group in order to mitigate the risk of non-attendance.