

## Energy Company Obligation (ECO) Reporting Working Group – Terms of Reference

**Effective date:** 16<sup>th</sup> July 2018

### Introduction

Ofgem (hereby referred to as 'we') have created the Energy Company Obligation (ECO) Reporting Working Group Terms of Reference (ToR) document in order to ensure that the role and processes surrounding the working group are clear and transparent.

### 1. What is the role of the ECO Reporting Working Group?

- 1.1. The **Terms of Reference** in relation to the ECO Reporting Working Group (ERWG) are to
  - (i) improve the consistency and standardisation of evidence collected for an ECO measure and to streamline the administrative burden of ECO within the supply chain using a standardised suite of ERWG Documents (as defined para 6.2) that can be submitted to more than one obligated supplier, and may from time to time be used to demonstrate compliance to the administrator;
  - (ii) provide further clarity for industry stakeholders on the ECO requirements set by Ofgem and the obligated suppliers;
  - (iii) provide a forum for constructive discussion and stakeholder engagement within the ECO supply chain and between the administrator.

### 2. Stakeholders

- 2.1. Membership of the ERWG is open to **two** separate groups:
  - (i) **"Suppliers"**: includes any supplier obligated to participate in ECO;
  - (ii) **"Supply Chain"**: refers to stakeholder groups which are not obligated suppliers; eg installers, managing agents, software providers etc
- 2.2. Taken together, the Suppliers and Supply Chain groups will collectively comprise the ERWG, and are subject to these ToRs.
- 2.3. The suppliers group will be responsible for representing the views of obligated energy suppliers. The supply chain group will be responsible for representing the views of the supply chain. Ofgem will act as independent facilitator.

### 3. Membership

- 3.1. Membership of the ERWG is open to representatives of each of the obligated energy suppliers for the Suppliers Working Group and representatives of the supply chain and installers for the Supply Chain Working Group.
- 3.2. To ensure efficient and productive meetings, the number of members within both groups is limited.
- 3.3. It is at the discretion of Ofgem whether to allow new members to join the ERWG. Members can leave the group immediately by informing Ofgem through a written communication to [ECO@ofgem.gov.uk](mailto:ECO@ofgem.gov.uk).
- 3.4. **Supplier Working Group:** a maximum of two representatives from each obligated supplier may attend any meeting of this group.
- 3.5. **Supply Chain Working Group:** will have a maximum membership of 15 persons. As an aspiration, representatives should be drawn from broad areas of the ECO supply chain, including: installers, managing agents, technical monitoring agents and software providers.
- 3.6. Wherever possible, we will select a date that enables the maximum number of members to attend both in person and through conference telephone.
- 3.7. Non-members may be invited to group meetings from time to time where appropriate in light of the agenda and at Ofgem's discretion.

### 4. Meeting details

- 4.1. ERWG meetings will:
  - (i) aim to occur on a quarterly basis;
  - (ii) last for approximately two hours;
  - (iii) where possible, have details of the venue communicated at least three weeks in advance; and
  - (iv) offer facilities for members to be present remotely person through conference telephone dial-in.
- 4.2. Ofgem and ERWG members agree to work towards the following remit;

- (i) agenda items will be proposed and presented by members of the working groups, rather than being driven by Ofgem.
- (ii) members will submit proposals for agenda items to Ofgem in advance of any scheduled meeting. A member's proposal may act as the catalyst for a working group meeting to be scheduled.
- (iii) Ofgem will discuss any proposed agenda items with the member and where appropriate ask them to present to the group on this item.
- (iv) where possible, Ofgem will inform members of the final agenda items no less than one week in advance of the meeting.
- (v) other agenda items may be raised after this period. It will be at the discretion of Ofgem whether to include these items.
- (vi) members presenting agenda items will prepare any necessary papers, slides or other materials and submit these to Ofgem no less than three days in advance of the meeting. Materials should be distributed to members two days in advance of the meeting.

## **5. Chair and secretariat functions**

5.1. Ofgem will provide a chair and secretariat for the ERWG. The role of the chair and secretariat is to:

- (i) administer the list of ERWG members and related distribution and contact list;
- (ii) collate agenda items and circulate the finalised meeting agenda;
- (iii) schedule and finalise any meeting dates and times;
- (iv) distribute any documentation in advance of meetings;
- (v) deliver the opening address and welcome at any meetings;
- (vi) aspire to keep any meetings running to time against the agenda;
- (vii) facilitate discussion and/or consensus agreement across the ERWG;
- (viii) note up proceedings the of meetings, recording any agreements or actions;
- (ix) distribute minutes, agreements and actions following meeting;

- (x) confirm progress against actions ahead of the next meeting;
- (xi) hold parties to account, requiring action where necessary.

5.2. Meeting running order – The running order for meetings will generally follow a set structure. The following assumptions will apply to the running order of ERWG meetings:

- (i) meetings will open with short updates from the Ofgem chair or from other invited stakeholders;
- (ii) Ofgem will then present agenda items to the group;
- (iii) the group will discuss each agenda item in an open format facilitating discussion amongst all participants;
- (iv) other members presenting on specific agenda points will do so at the relevant time;
- (v) minutes will be taken and actions recorded by the Ofgem secretariat. These will subsequently be distributed to all members following the meetings. Minutes will include a list of attendees and any key points raised under each agenda item as well as any actions or outcomes to emerge;
- (vi) meetings may be extended from time to time where there are additional items to discuss;

5.3. The chair may refer agenda items to the Supplier Working Group or Supply Chain Working Group as required.

## **6. Liaison outside of meetings**

6.1. Where issues arise that require the group's immediate action or attention, details will be circulated to group members via email, with ad hoc meetings as required. In addition, some working group documents may also be updated via email communications with the group, outside of formally arranged meetings where necessary.

6.2. Ofgem may draw on its contacts within the working groups to facilitate communications or seek views on ECO related issues.

## **7. Accountability:**

7.1. Ofgem's remit in relation to the ERWG will be to act as a facilitator. As such, the **ERWG is not an Ofgem decision-making body.**

- 7.2. The development, amendment and publishing of documents (“**ERWG Documents**”) will require agreement from all members of the respective Supplier Working Group, or Supply Chain Working Group meeting as required. A schedule of all ERWG Documents will be maintained by the Ofgem chair and secretariat. In some cases, parties may not agree with a document but can accept its publication in order to promote standardisation. ERWG documents will be subject to version control to ensure that the relevant version is hosted on the Ofgem website.
- 7.3. Ofgem will be a **non-voting member of the ERWG**
- 7.4. For the avoidance of doubt all ERWG Documents are **owned by and belong to the respective Supplier Working Group, or Supply Chain Working Group member, and therefore are not the responsibility of Ofgem**. As such, ERWG members acknowledge and agree that:
- (i) Ofgem does not warrant or represent that the ERWG Documents are appropriate for the purposes of the ECO supply chain;
  - (ii) to the fullest extent permitted by law, Ofgem owes no duty to ERWG members, whether in contract or in tort (including in negligence) or under statute or otherwise with respect to or in connection with the ERWG Documents;
  - (iii) to the fullest extent permitted by law, Ofgem has no liability to ERWG members for any loss or damage suffered or costs incurred by them, arising out of or in connection with the use of ERWG Documents, however such loss or damage is caused.
- 7.5. Where any actions are raised following meetings or via email with the groups such as a proposal to update a working group document, members will be expected to report back to Ofgem in writing to confirm whether they are in full agreement with the proposal. Members will report to Ofgem within a specified time frame after the meeting which will also be set by Ofgem. Members who do not attend meetings in person are also permitted to report back to Ofgem.
- 7.6. It will be made clear in each email that where a member does not respond by a specified deadline, this will be taken as acceptance of the proposal. If there is disagreement between the members Ofgem will notify the working group of this and, where possible, facilitate agreement between the members. If there is still no agreement, Ofgem will notify the working group that they will be unable to proceed with/publish a document until a suitable way forward is agreed upon.

- 7.7. ERWG members agree to put forward the interests and views of the stakeholders they represent to the best of their ability. Where there is any conflict between these interests and views, and Ofgem's statutory duties or the requirements of the ECO scheme, the latter will prevail.
- 7.8. ERWG members agree to disseminate the proceedings of the group to the stakeholders they represent as appropriate, having regard as required to the confidentiality requirements set out at paragraph 8. Suppliers agree to disseminate any relevant outcomes and findings to their supply chain partners.
- 7.9. Ofgem will make efforts to limit the re-publication of new ERWG Documents or updates to existing documents unless there are exceptional circumstances in which a document will need to be published. It will be at the discretion of Ofgem to decide what these exceptional circumstances may entail.

## **8. Disputes**

- 8.1. It is assumed that the relevant ECO obligated supplier will have full responsibility for administering any queries, or resolving any disputes arising from ERWG Documents. ERWG members acknowledge and agree that any disputes will be resolved through the relevant industry escalation procedures and, as a last resort, through the jurisdiction of the English court system.
- 8.2. On the basis that Ofgem is a non-voting member, and does not own ERWG Documents, ERWG members acknowledge and agree that Ofgem will have no remit in resolving any disputes arising from either:
- (i) ERWG Documents;
  - (ii) the conduct of ERWG members at meetings.

## **9. Confidentiality**

- 9.1. Confidential information may be shared through the ERWG, and where this occurs, members agree to preserve the confidentiality of any information as required. The submission of information to the group carries implied consent for its reasonable use, i.e. for the consideration amongst the suppliers in order to conduct the work of the group, and not beyond. Where confidential information is shared, it is the responsibility of the party introducing the material to ensure the extent to which any information is confidential is clearly highlighted and treated as such, as meeting minutes or materials could be subject to a request for environmental information request.

## **10. Publishing**

10.1. ERWG members agree to respect the copyright over any materials or documents shared through the ERWG. All documents developed through the working groups will be at 'draft' status until published by on the Ofgem website by Ofgem.

## **11. Review and duration**

11.1. It is assumed that the effectiveness of these ToRs will be reviewed within 12 months of the Effective Date and that the ERWG will;

- (i) update the ToRs as required; and
- (ii) the above assumption will be included in the agenda of the fourth quarterly meeting.

11.2. It is assumed that the ERWG and this ToR will endure throughout the operational period of any ECO scheme.

## **12. Competition Law:**

12.1. ERWG members acknowledge and agree that in participating in the ERWG, they must comply with their duties under the competition law.