

Challenge Group Terms of Reference

1. Introduction

The purpose of the Challenge Group is to provide ongoing wider stakeholder input into the Network Access and Forward-Looking Charges SCR. This will provide a challenge function to the work of the Delivery Group (and that of any working groups it commissions), ensuring policy development takes into account a wide range of perspectives and is sufficiently ambitious in considering the potential for innovation and new technologies to offer new solutions. This group will be essential in ensuring any reforms introduced through the SCR are fit for purpose now and in the future.

2. Scope

The Challenge Group will provide a challenge function to the options development, analysis and assessment provided by the Delivery Group. The scope of this discussion will be limited to the scope of the Network Access and Forward-Looking Charging SCR.

3. Chair

The Challenge Group will be chaired by Ofgem.

The Chair will provide clear leadership to the Challenge Group and will be responsible for ensuring that each meeting is conducted in accordance with the Terms of Reference and in an orderly efficient manner. The Chair will ensure that all Challenge Group members are able to contribute their views. The Chair will coordinate with the Secretariat to ensure that appropriate policies and procedures are in place for the effective management of the Challenge Group.

4. Membership

The Chair will decide the membership of the Challenge Group. The number of people attending Challenge Group meetings may be limited to support effective discussion. This is likely to include allowing no more than one representative per organisation. In deciding membership, the Chair will consider the expertise and experience of the applicant and the applicant's justification for why they consider that they would make a good Challenge Group Member.

Parties will be required to represent their stakeholder community, not their specific company. Where we receive multiple applications from stakeholders within the same stakeholder community, preference may be given to organisations that are better able to reflect a range of views and those that confirm that they are available to participate in the relevant meetings.

The Challenge Group will specifically seek to include parties that can challenge the Delivery Group (and any working groups) and ensure it is sufficiently ambitious in considering the potential for innovation and new technologies to offer new solutions. This could include academics and innovators.

The Chair will keep the composition of Challenge Group members under review and the Chair can invite additional parties to be members that have not already nominated themselves. This is to ensure the right blend of stakeholders are providing input. We recognise that not all views will be captured through the Challenge Group alone, and significant effort will be made across the project to capture wider stakeholder input (for example through the CFF and any individual working groups).

5. Secretariat

We are in discussions with the ENA on the secretariat function for both the Challenge Group and the Delivery Group.

The Secretariat(s) will -

- a) Provide the following services to the Challenge Group and the Chair:
 - i. organise meetings, including booking venues, in consultation with Ofgem;
 - ii. send out meeting invitations;
 - iii. arrange alternative arrangements for attendance where required and possible (eg set up teleconference);
 - iv. prepare agendas, minutes and collate other papers;
 - v. circulate meeting agendas and supporting documents/papers, where possible two working days prior to each meeting;
 - vi. circulate minutes to members after each meeting within five working days;
 - vii. share all agreed meeting documents with the Charging Futures Lead Secretariat who will add them to the relevant section of the Charging Futures website;
 - viii. maintain membership lists of meetings and handle any membership issues; and
 - ix. maintain a list of actions and send reminders to members to complete their actions in a timely manner.
- b) Have sufficient understanding of the issues being discussed in order to perform its role successfully.
- c) Manage stakeholder engagement, including to:
 - i. act as a first point of contact for stakeholders who wish to contact the Challenge Group; and
 - ii. create and maintain a distribution list of members.
- d) Provide the necessary information to enable the Charging Futures Lead Secretariat to maintain the Challenge Group section of the Charging Futures website. This will provide stakeholders with information including:
 - i. A calendar of upcoming meetings of the Challenge Group
 - ii. Membership of the Challenge Group
 - iii. Papers and other documents for Challenge Group meetings; and
 - iv. Contact routes for stakeholders wishing to communicate with the Challenge Group.
- e) Provide the Charging Futures Lead Secretariat with the documents identified in section 6.

6. Reporting and Output

The Secretariat is required to provide the Charging Futures Lead Secretariat with the following for publication -

- The Challenge Group Terms of Reference
- A list of Challenge Group members
- All finalised Challenge Group minutes
- All Delivery Group materials presented to the Challenge Group
- All finalised Challenge Group inputs provided to the Delivery Group.

The Secretariat is not required to publish documents that are still in draft version (such as draft minutes, slides). The published minutes will not attribute comments to individual organisations, unless agreed otherwise with the relevant organisation.

Ofgem will ensure that the Challenge Group is kept up-to-date with related policy development in Ofgem-led projects (such as the Targeted Charging Review, RII02, our other work on flexibility and the introduction of market-wide Half-Hourly Settlement).

We expect that much of the input of Challenge Group members is to be provided orally within Challenge Group meetings. However, the Chair will have discretion on whether members provide written submissions after meetings. Any submissions will need to be provided in a timely manner to ensure they can be incorporated into the work of the Delivery Group and any working groups.

Challenge Group members should raise with the Chair any concerns about the level of consideration given to their input and whether opportunities for wider engagement are being used fully.

Opinions expressed in published outputs will be those of the Challenge Group and do not bind individual Challenge Group members from expressing alternative views. It should be noted in meeting minutes where members are not able to agree on conclusions from the different opinions, and which stakeholder group the views are held by.

7. Meetings

The Challenge Group will be expected to meet formally approximately every six weeks. However, we propose to retain flexibility and ensure these meetings take place as required to maximise their impact. We currently expect to hold the first meeting in February 2019 in London. More details will be provided in January 2019.

Meeting frequency will be reviewed on a regular basis, as decided by the Chair, in consultation with Challenge Group members, as appropriate.

Generally, all members are free to use the information discussed at Challenge Group meetings and identify the affiliation of the speaker (or any other participant). Where the Chair specifically identifies a need, the Challenge Group will operate discussions under 'Chatham House Rules' (where members are free to use the information, but neither the identity nor the affiliation of the speaker, nor that of any other participant, may be revealed).

Prior to meetings, members will be expected to review any materials provided by the Delivery Group to ensure they are able to contribute as efficiently and effectively as possible.

8. Review of the role and form of the Challenge Group

Ofgem will keep the role and form of the challenge group under review throughout the SCR process, and may evolve the arrangements as it sees fit. Any proposed changes will be discussed with the Challenge Group and reflected in an updated Terms of Reference, which will be published on the Charging Futures website.