Energy Company Obligation (ECO) consultation: Updating Deemed Scores for ECO3 Questions

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Background

The questions below relate to the consultation seeking views on our approach to updating the deemed scores for ECO3, should it be introduced as set out in the Government consultation. The consultation can be found on our website.

This consultation is open for six weeks from 4 April to 16 May 2018.

Notes For Completion

Please complete all relevant sections of the document by selecting an answer for the question and then providing reasons/evidence for your response in the box provided. The questionnaire should be completed in typeface and returned via email to eco.consultation@ofgem.gov.uk by **close of business on Wednesday 16th May 2018**.

1. Respondent Details

Organisation Name:	Everwarm Group Ltd
Organisation type:	Installer
Completed By:	Kasia Drozdowicz
Contact Details:	kasia.drozdowicz@everwarmgroup.com

1. Updates related to RdSAP and Fuel Prices

Q1. Do you agree with our proposal to apply the RdSAP v9.93 updates across all wall types which currently use a pre-installation U-value of 2.1 W/m²K?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ◉ Strongly Disagree
- ○ N/A

Please provide reasons for your answer and include as much detail and evidence as possible.

We disagree with the decision based on analysis of data as this clearly does not represent Scottish housing stock. System build type is very common in Scottish houses. From the beginning of ECO2t Everwarm has installed external wall insulation to 2298 solid walled homes in Scotland and 92% of those were of system build construction. Furtermore, 47% of the system build houses were built before 1965 meaning the deemed score used the starting u-value of 2.1. We strongly suggest retaining the starting u-value of 2.1 for a system build contruction in order to fairly represent and calculate Scottish housing stock.

Q2. Do you agree with our proposal to use the most up to date fuel prices available from the Product Characteristic Database (PCDB) for the deemed scores throughout ECO3?

- ○ Strongly Agree
- ◉ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer and include as much detail and evidence as possible.

2. Proposed Alternative to Percentage of Property Treated

Q3. Do you agree with our proposed approach to removing POPT for the majority of measures by identifying average treatable areas and adjusting the scores accordingly?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ◉ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, and if applicable provide an alternative approach including as much detail and evidence as possible.

The new proposal will not remove or reduce the complexity around calculating POPT. It most definitely will not reduce the administration workload around evidencing the new POPT approach. We expect that installers will still be required to prove the percentage of property treated with the same calculations, drawings and documentation currently required under ECO2t. Furthermore, each score is based on an average property in GB therefore there should be no requirement for additional calculations. We suggest that POPT is removed completely from ECO3.
Moreover, the new proposal for measures installed to less than 67% of the properties suggests that the deemed score should be reduced even further. According to this theory, the POPT calculation would be based on the deemed score which is not only already a representation of an average property in GB but is also already reduced by the factor (average treatable area). It means that some properties would in effect have their score reduced twice.

Q4. Do you agree with our use of English Housing Survey data to identify average treatable areas for SWI, CWI, loft insulation, flat roof insulation and underfloor insulation?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ◉ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, and if applicable suggest an alternative source of data with justification including as much detail and evidence as possible.

We disagree and suggest that ECO2t data should be used as it is a good representation of the housing stock which can be treated under ECO. Utility companies and Ofgem hold all required information for the identification of average treatable areas for insulation meausres. English Housing Survey does not represent the housing stock which would be targetted by ECO installations. BEIS and Ofgem confirmed multiple times in the Consultation documentation that not all houses can be treated with ECO meausres, therefore the assumptions and averages should not be based on these properties either.

Q5. Do you agree with our use of English Follow up Survey data to identify average treatable areas for heating measures?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ◉ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, and if applicable suggest an alternative source of data with justification including as much detail and evidence as possible.

We disagree and suggest that ECO2t data should be used as it is a good representation of the housing stock which can be treated under ECO. Utility companies and Ofgem hold all required information for the identification of average treatable areas for heating measures. English Follow up Survey does not represent the housing stock which would be targeted by ECO installations. BEIS and Ofgem confirmed multiple times in the Consultation documentation that not all houses can be treated with ECO meausres, therefore the assumptions and averages should not be based on these properties either.

Q6. Do you agree with our use of Ofgem data and industry opinion to identify average treatable areas for RIRI and park home insulation measures?

- ○ Strongly Agree
- ◉ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, and if applicable an alternative approach with justification including as much detail and evidence as possible.

Q7. Do you agree with our proposed approach for measures for which there is insufficient data available to identify treatable areas?

- ○ Strongly Agree
- ◉ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, and if applicable suggest an alternative source of data with justification including as much detail and evidence as possible.

We agree that 100% of the deemed score should be permitted to be claimed for these measures.

Q8. Do you agree with our minimum requirement that at least 67% of the property is treated in order to qualify for the full ECO3 deemed score?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ◉ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, and if applicable an alternative approach including as much detail and evidence as possible.

We disagree and suggest that POPT is completely removed from ECO3. The proposed deemed scores are already based on an average house across GB and reduced by the factor. The proposal will not remove the requirement to provide evidence of the percentage of property treated therefore it will not reduce admin work required to claim measures. It will also not remove the complexity around the calculation.

Q9. Do you agree with our proposed approach of using POPT to score measures which do not meet the 67% minimum requirement?

- ○ Strongly Agree
- ○ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ◉ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, and if applicable an alternative approach including as much detail and evidence as possible.

We disagree and suggest that POPT is completely removed from ECO3. The proposed deemed scores are already based on an average house across GB and reduced by the factor, therefore reducing it even further for these few properties which will not be installed to the required 67% will further add to the complexity of the scheme with very little merit.

3. Updates to the format of deemed scores

Q10. Do you agree with our proposed format for deemed scores?

- ○ Strongly Agree
- ◉ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, and if applicable alternative suggestions with justification including as much detail and evidence as possible.

4. Updates to Room-in-Roof Insulation Scores

Q11. Do you agree with our proposal to update the assumed size of the floor area of the room-in-roof used to develop the RIRI score?

- ○ Strongly Agree
- ◉ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, and if applicable please suggest an alternative approach including as much detail and evidence as possible.

Q12. Do you agree with our proposal relating to the assumed levels of insulation in the elements of the room-in-roof used to develop the RIRI score?

- ○ Strongly Agree
- ○ Agree
- ◉ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, and if applicable an alternative approach including as much detail and evidence as possible.

5. Updates to scores for heating measures

Q13. With regard to upgrades for inefficient mains-gas and LPG boilers, do you agree with the assumptions we have used to identify the pre-installation efficiency for non-condensing boilers?

- ○ Strongly Agree
- ◉ Agree
- ○ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, including as much detail and evidence as possible.

Q14. Ofgem are responsible for determining what constitutes a similar efficiency rating to non-condensing boilers and for electric storage heating with a responsiveness rating of 0.2 or less. We are in the initial stages of developing our position on this area and we welcome views from stakeholders. In responding you may have regard to the following non-exhaustive examples of issues to consider;

(i) A methodology for determining this rating for each heating type
(ii) Data sources that we could use

Please provide reasons for your answer, including as much detail and evidence as possible.

6. Updates to scores for Park Home insulation measures

Q15. Do you agree with the proposed update to the park home insulation deemed scores?

- ○ Strongly Agree
- ○ Agree
- ◉ Neither Agree Nor Disagree
- ○ Disagree
- ○ Strongly Disagree
- ○ N/A

Please provide reasons for your answer, including as much detail and evidence as possible.

7. Invitation to Provide General Comments

Q16. We are also interested in high-level and material issues which are relevant to and likely to have a substantive impact on our approach to improving deemed scores for ECO3, for example, you may have views on:

(i) How could we streamline our administrative processes to further the main objectives of the deemed scores;
(ii) How could we amend the underlying assumptions or methodology to improve the deemed scores.

Please provide as much evidence and detail as possible in your response.

Since ECO1 we have seen a decrease in scores for all measures. Deemed scores proposal for ECO3 reduces these further still. ECO3 is aimed at assisting vulerable people on low income and financially disadvantageous therefore measures installed should be fully funded. We see it as inappropriate to ask vulnerable customers for contribution towards their energy efficiency measures when they are already in a difficult financial situation. We expect the ECO rates paid by the utility companies to increase in order to meet in full the amount of funding lost following the reduction of scores.