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Dear Eric

Please find our response to ECO4 scoring methodology:part 1  
(<https://www.ofgem.gov.uk/publications/energy-company-obligation-eco4-consultation-scoring-methodology-part-1>) below.

## Section 2

Question 1: Do you agree that full project scores should be based on starting and finishing intermediate SAP bands? **Yes, given the background policy. However we feel the move away from deemed scores adds complexity to ECO4. Under ECO 1 / 2 concerns over the use of EPCs as a scoring metric and gaming through the use of inputs led in part to the return to deemed scores. We do not see any additional evidence that this risk does not continue to exist under the ECO 4 proposals.**

Question 2: Do you agree that scores should be segregated into four floor area segments?  
**Yes**

Question 3: Do you agree with the methodology used to determine the full project scores?  
**Yes**

Question 4: Are you aware of any further advantages or disadvantages in respect of the options presented to determine the finishing SAP band? **We would strongly support the use of a calculated finishing SAP rating. Use of the Updated SAP assessment has additional potential complication of the changes to SAP that are coming in the period of ECO4, potentially placing projects halfway between two versions of SAP.**

Question 5: What are your views on the advantages and disadvantages identified? **Table 3 appears to identify the key advantages and disadvantages, and we would like to emphasise our support on the Calculated Finished SAP rating for surety for all elements of the supply chain. This also reduces the risk of gaming on the scores, reduces cost by removing an additional assessment, and allows simplicity for the supply chain.**



We would also like to emphasise that there is a likely motivation within the installation market to set their pricing based on Partial Project Scores, given this will be the element that they have surety on for income against works undertaken. This should be taken into consideration across all elements of scoring, to ensure the work is suitably incentivised across the supply chain.

### Section 3

Question 6: Do you agree with the proposal to use pre-calculated deemed partial project scores based on the floor area, and starting intermediate SAP band?

**Yes**

Question 7: Do you agree with the process used to develop the partial project scores? **Yes, the PPS methodology should give a level of scoring to allow the installer to be paid. However as noted above, our concern remains over the PPS becoming the “costed to” score for the supply chain. This would obviously push up the cost of measures and ultimately the scheme itself.**

Question 8: Do you agree with the use of a single fixed correction factor to account for interactions between measures? **Yes**

Question 9: Do you agree with the use of the actual percentage of property treated to determine the partial project score for a measure? **No. We feel that, given the interim nature of the PPS as a mechanism for supply chain payment, and the deflators already applied to it, the addition of POPT to this overcomplicates this element of the scheme. The deflator will be sufficient to ensure the PPS is lower than the FPS, and as such POPT is unnecessary. This should also be considered in the context of Trustmark and the Retrofit Coordinator having significant responsibility for the projects, and thus ensure that as much of the property as is reasonably possible is being treated.**

Question 10: Do you agree with our proposal to calculate the innovation measure uplift by using the partial project score for the innovation measure? **Yes**

### Section 4

Question 11: Do you agree with our proposal to have two routes for new measures to enter the ECO4 scheme – a standard alternative methodology route and a new “data light” route? **We agree with the intention of the “data light” approach, given one of the issues for SAP approval can be the time lag. However under ECO3 we have seen significant time delays between submission of innovation measures and approval, so would be keen to see some SLAs in place for the acceptance or rejection of any measures submitted in this way.**



Question 12: Do you agree with our proposed evidence requirements for the data light route? If not, please inform us of your preferred requirements. **Yes**

Question 13: Do you think we should have additional mechanisms, such as a review stage or an open call for evidence, to account for the inherent risk associated with data light scores? **As noted in Q11, one of the primary drivers for alternative approaches is taking to market new and emerging technologies in good time. Additional stages within the process, especially given the timescales under ECO, would further slow this down.**

Yours sincerely

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