

Please find below our responses to consultation document “**ECO4 scoring consultation: part 2**”

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ECO4 scoring consultation: part 2

Overarching approach to ECO4 scoring

Question 1: Do you agree with our proposed format for partial project and full project scores? Please provide reasons for your answer, and if applicable alternative suggestions with justification including as much detail and evidence as possible.

Question 1 Response: We agree with your proposed format for partial project scores and full project scores. We believe that the option 1 (SAP Assessment) scores methodology of the scores makes sense for the scheme. Being a heat pump manufacturer and innovative in heat pump application, we think option 2 will be more suitable as this would provide more easy integration of the new measures and also it will provide certainty regarding the final scores.

Secondly, we would like to mention that as the ECO4 scoring methodology is based on the difference between a starting and finishing SAP rating, and the FPS and PPS deemed scores will remain based on SAP 2012 throughout the scheme, it would be fair to allow the pre installation assessment based on SAP 2012 rather than allowing SAP/RdSAP version which would be current at the point of the pre-installation assessment.

Question 2: Do you agree with our proposal to include fixed value uplifts into our scoring matrix and for fixed value uplifts to be notified as measures? If not, please indicate your preferred alternative.

Question 2 Response: We agree that fixed values should be applied for boiler repair, ESH repair, and building fabric repairs and could be counted towards a supplier's obligation in respect of a repair to an eligible boiler but as mentioned should not be counted towards the FPS. And similarly, no benefits should be awarded towards "like for like" boiler and ESH replacement.

We welcome the intent to continue the alternative methodology route for measures not recognised in SAP for innovation uplift into the scoring matrix. This will help to include more new measures which will be more effective in reducing emissions and saving Primary energy using innovative products such as Heat batteries or innovative district heating schemes such as 5th generation ambient loop heat networks.

Determining the finishing SAP rating

Question 3: Do you agree with our proposal to require a post-retrofit RdSAP assessment to determine a project's finishing SAP rating (option 1)? Responses will be considered alongside those received on this topic during part 1 of our scoring consultation.

Question 3 Response: Yes, it will be the right step to have the actual post assessment using RdSAP/SAP as it will provide the actual energy saving for any particular dwelling/building despite of FPS based on the average or weighted average values. This would give greater certainty that the FPS, based on the starting and finishing intermediate SAP band, is correct for that premises.

On the other hand, there are innovative products and cases of District heating measures which are either not included or not correctly presented in SAP such as thermal battery storage, 5th generation district heating system i.e ambient loop Heat Networks, low grade heat recovered heat networks using distributed heat pumps at the dwelling level.

Considering these limitations of option 1, then option 2 (Calculated SAP rating) looks more viable, as mentioned in the consultation document option 2 could easily integrate the new measures, which does not require their inclusion in SAP, with existing measures.

Benefits of 5th generations district heating system in reducing emission and saving primary energy are well documented in various [published literatures](#) and on [Kensa's website](#). It seems logical to apply alternative methodology application for innovation uplift for such 5th generation district heating measures into the scoring matrix, which provides the benefits of flexible heating and battery storage. And hence, it would be highly valuable if we could get access to both the application forms, alternative methodology and the data light measure route.

We will be happy to work along with Ofgem to confirm the alternative methodology or data light measure route for 5th generation ambient loop heat networks. Doing this will ensure we meet the policy intent whilst the correct improvements are made to the home and reported.

Notification in ECO4

Question 4: Do you agree with separate measure and project notifications? If not, would you prefer a single notification? Please suggest any pros and cons to either approach that have not been included above.

Question 4 Response: Yes, we agree with separate measures and project notifications as this will help the measure's installer to keep track and record their work status.

Question 5: Do you agree with our proposal to award deflated PPS to the final measure in a project? If not, please suggest an alternative.

Question 5 Response: As an installer, we don't agree with the proposal to award deflated PPS to the final measure as this only allows suppliers to pay the installers for just this part of their work.

However, we do understand that awarding deflated PPSs will encourages the energy supplier to let the supply chain and the customers be fully aware of the scheme's minimum requirements (MRs).

Question 6: Do you agree that in ECO4 we should continue to require supplier generated MRNs to for all measures? If not, please propose any alternative options.

Question 6 Response: Yes, we agree that ECO4 should continue to require the use of supplier-generated unique Measure Reference Number (MRN) that contains the supplier prefix. As mentioned in the consultation document and as a district heating provider, this option will lead to identify the owner of the measures and also help to lodge the measures which are not included in the TrustMark data system.

Question 7: Do you agree with our proposals for determining the point of completion for the project? Can you suggest any alternatives to determine that a project has been completed?

Question 7 Response: We agree with the proposal that the post-retrofit project data can be notified in the second project notification after project completion, which would inform of the project completion.

Updates to existing ECO measures

Question 8: Do you agree with the assumptions used to develop the partial project scores? If not, please suggest where the assumptions should be changed.

Question 8 Response: Yes, we agree with the assumptions used to develop the PPS. We acknowledge that for PPS, heating and fabric measures will need to be in line with the PAS2035 retrofit design and Medium-Term Improvement Plan (MTIP). And for each measure type, intermediate SAP band and floor area segment, the differences in annual energy cost and SAP rating are averaged.

Question 9: What are your views on our proposal to remove the wall type distinction for heating measures?

Question 9 Response: Yes, it sounds right to exclude the wall type for heating measures as heating measures' PPS does take account of the starting SAP band which considers the wall type of the property. However, it should be widely informed that PPS scores for heating measure are based on the weighted average of cost savings across the mix of pre-main heat sources in each intermediate SAP band.

Question 10: Do you agree with our proposal to split the standard heating control measure into a programmer and room thermostat measure and a TRV measure?

Question 10 Response: Yes, we agree with the proposal to split the standard heating control measure into a programmer and room thermostat and a TRV as each as its own individual effect of reducing the energy consumption.

Question 11: Do you have any suggestions on how heating control measure category could be further simplified?

No Comment.

Question 12: Do you agree with the proposed changes to the notification of rare heating systems? If not, please provide alternative suggestions.

Question 12 Response: Yes, we acknowledge the proposed changes to the notification of rare heating that in ECO4, rare heat sources that are central heating systems are paired with a proxy which is also a central heating system, and vice versa unlike the case of ECO3 which was based on closest running cost.

Question 13: What are your views on our proposal to remove pre-main heat source for insulation measures?

Question 13 Response: It would be more appropriate to say that “pre-main heat source” effect on insulation measures is included but indirectly rather than the building specific pre-main heat source. As the savings for insulation measures for PPS are derived using a weighted mix of heating systems for dwellings in each intermediate SAP band in the national stock. And that is the reason why we notice bigger savings for fabric improvement measures in homes in lower EPC bands. Because the heating system mix is substantially different in homes with high EPC ratings compared to those with low ones.

Question 14: Do you agree that the number of u-value variants for solid wall insulation measures should be reduced? If not, please provide alternative suggestions.

Question 14 Response: Yes, we agree the new number of U value variants for solid wall as it is based on building regulations and installation best practice.

Question 15: What are your views on our proposal to have a combined park home insulation measure?

No Comment.

Question 16: Do you agree with our proposal to retain the distinction between single and double park homes by creating a “PHI single” and “PHI double” measure?

No Comment.

New measures added for ECO4

Question 17: What are your views on the addition of partial project scores for pitched roof insulation, hybrid wall insulation and district heating system connection measures?

Question 17 Response: We welcome the inclusion of PPS for district heating system (DHS) which were not there in ECO3 deemed scores. However, we find that the scores and methods used to calculate PPS without separating the technology types are not appropriate i.e just dividing the DHS in two groups, DHS-CHP and DHS-Non-CHP. As each technology type has its own advantages and disadvantages, categorising all non-CHP under same umbrella will not be the right approach. At the

same time, PPS based on SAP 2012 data doesn't include the new generation ambient loop district heating as explained in question 3 and 19.

Question 18: Do you agree with the approach and assumptions used to derive the scores for the pitched roof insulation measure? If not, please provide alternative suggestions.

No Comment.

Question 19: Do you agree with the approach and assumptions used to derive the scores for the district heating system connection measure? If not, please provide alternative suggestions.

Question 19 Response: Whilst we agree with the approach used to derive the scores for the district heating system (DHS) measure, but it is only effective if we can correctly determine the post SAP band.

As explained in response to Q3, that SAP 2012 does not have the capability to include innovative district heating system such as 5th generation ambient loop heat network or Low-Grade heat recovered heat networks using distributed heat pump at the dwelling level. Such systems are designed differently to central plant DHS.

In such a system as 5th generation ambient loop heat network, to measure the heat output, electricity consumption of the dwelling level HP provides more accurate heat consumption values due to the low flow and low temperature difference between inflow and outflow water unlike the case of central plant DHS. Such systems do include programmers and room thermostats and TRVs in their system design, which help to run the system efficiently and effectively.

To make it clear that our proposals apply to "5th generation ambient loop heat network /Shared Ground Loop ground sourced heat pump district heating (SHL-GSHP-DH)" not all "Ground sourced heat pump, (GSHP DH)". If there is a central plant GSHP with heat metering and billing, there would almost certainly be an annual standing charge (the £120) the same as other central plant DH. It is only the shared ground loop version that doesn't need a standing charge in every case.

As mentioned, to respond to Q3, we will be happy to work along with Ofgem to confirm the alternative methodology or data light measure route for 5th generation ambient loop heat networks. Doing this will ensure we meet the policy intent whilst the correct improvements are made to the home and reported accurately.