

DNO Low Carbon Technology - Energy Efficiency role in ED3 - People Powered Retrofit response

Date: 2nd April 2026

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People Powered Retrofit is a not-for-profit one stop shop for energy efficiency services. We are owned by our members and operate as a co-operative. We deliver services for fee-paying owner occupiers at all stages of the retrofit journey, including advice, assessment, procurement, on site quality assurance and handover.

As well as operating services in the Greater Manchester area, via our own channels and as part of the GMCA-operated Feel the Benefit service, we support other community-led retrofit organisations to deliver similar operations across the UK, primarily using our Home Retrofit Planner software tool.

We are involved in a number of sectoral projects, panels and working groups including Andy Burnham's GM Retrofit Taskforce. Jonathan Atkinson is co-convenor of the National Retrofit Hub's Community Retrofit Cross Cutting Theme and Marianne Heaslip is a member of the BSI Retrofit Standards Taskforce. We are part of a team of professionals carrying out validation work on the new Home Energy Model.

People Powered Retrofit Policy engagement relevant to this consultation

We have a great deal of experience of developing new models and approaches to retrofit and energy efficiency. Between 2023 and 2025 we led a consortium of organisations delivering a DESNZ-funded Green Homes Finance Accelerator project on the role of credit unions in financing and delivering retrofit. Since 2022, we have been involved in a series of EU LIFE-funded projects analysing the role of One Stop Shops in facilitating energy efficiency upgrades (One Stop Shop programmes are now mandated under the Energy Performance of Buildings Directive).

We have increasingly become involved in place-based approaches to retrofit delivery. We assisted in the delivery of Carbon Co-op's LevABS scheme, have carried out commissions for Letchworth Garden City Heritage Foundation, Calderdale Council, Retrofit Re-imagined Saltaire and the Alt Housing Co-operative that all involved an element of collective retrofit delivery.

The Calderdale Retrofit Guide offers an example of the work we have carried out in this area: <https://drive.google.com/file/d/10wJTerA2kESxAmpuCjSKfkXsCX24LAoZ/view>

We have refined our approach to place-based retrofit in a policy webinar delivered in November 2025. The presentation is here:

<https://docs.google.com/presentation/d/1at7zAao6PmA3xD4elcTTZn3lmYL5gtSHGNQsUTHT6ng/edit?usp=sharing> and a recording is here: <https://youtu.be/2bNoW6W-M2Q>

Based on our experience of the sector, we argue for place-based approaches that are street-by-street rather than house by house and involve four principles:

- Collective - retrofit at scale, multi-tenure
- Geographical - a defined geographical area, based on people and built environment
- Aggregated and coordinated - enabling scale through aggregation of demand, engagement, design, delivery, procurement, training, finance.
- The presence of an intermediary - enables aggregation and coordinate activity between partners and through community engagement and involvement.

This approach offers context for our responses.

Q1. Should DNOs play a role in co-ordinating and supporting a cost-effective energy transition through improved planning and supporting/directing targeted delivery? How can they help make the transition more efficient and affordable for everyone, and do they have a role in supporting lower-income households?

We believe DNOs are integral to securing a low carbon future for the UK and that a key ingredient of the low carbon transition is facilitating demand reduction for domestic homes. Without demand reduction the transition will be costlier, slower and more expensive to deliver. A key way to deliver this is via collaborative, place-based approaches and the DNO role is inherently place-based. Permanent demand reduction is already classified as a flexible asset for local flexibility tenders and so is already part of a DNO's toolkit.

With this in mind, we see a role in DNOs being part of collaborative, place-based partnerships including local authorities, community-led organisations and others, funding, coordinating and delivering place-based retrofit schemes.

We believe DNOs can bring a number of things to these partnerships:

- Local area, distribution network level knowledge and understanding of the electricity grid.
- Funding to facilitate demand reduction - as part of a mix, or revenue stack contributing to the funding energy efficiency measures.
- Assessment of the distribution network level impact of energy efficiency / LCT upgrades in an area to support assessment, design, decision making and funding cases.
- Local coordination of the installation of energy system assets, e.g. grid attached, community storage.
- Directing resources to support a holistic view of retrofit, including advice, design, commissioning and handover.
- Experience in funding and supporting energy advice for vulnerable customers.

We do not see DNOs as leading these partnerships, but instead being a key part of them.

Q2. Do you agree with the overall rationale and scope of 'Enhanced Co-ordination'?

In general we support the enhanced coordination functions set out, DNOs have lots of useful data that might help targeting, coordination, and prioritisation.

Q4. How useful is the data currently published by DNOs, and is it presented adequately?

Though DNOs have made significant progress in making local flexibility tenders more transparent and accessible, there is still significant work that could be done in this area. As a One Stop Shop, it is extremely challenging to enter into and engage in this market, despite significant potential from our clients to offer flexibility. More coordination between DNOs and a shared, strategic approach as well as more concerted collaboration with retrofit service providers such as ourselves might help develop local flexibility markets.

Q6. What are your views on the Working with Local Authorities and others proposals we have set out above? What if any, would be the key elements of this? Are you aware of particular entities who would benefit from such advice?

Our observation from working closely with local authorities is that they frequently struggle to obtain detailed data relating to housing stock and place and often rely on Local Area Energy Plans which are outdated, inflexible, static and lack granular or dynamic data.

The reliance on EPC data within this context is particularly concerning to us because we are aware of the limitations of such data and strongly caution against relying on it to plan energy efficiency schemes.

From our perspective it makes no sense that housing and climate teams have to rely on a patchwork of datasets, often unnecessarily accessed via highly paid consultancies and third parties when the data is in fact freely available and open.

We see a role for DNOs in making such data freely available, accessible and usable and creating high, common data standards to support interoperability and innovation.

Q9. Do you think if DNOs adopted the type of Expanded Role described above this would add value and support the rollout of LCTs and EE? Could this model provide an effective and viable way to deliver network and system benefits? If so, could this be achieved while also prioritising support for low-income households?

As set out above, we strongly support a greater role for DNOs in partnerships that are coordinating the delivery of place-based retrofit approaches. We are particularly concerned that the retrofit challenge requires a concerted focus on high quality, personalised energy advice and that current research (carried out by Citizens Advice and others) suggests that the picture for energy advice is confused and fractured. DNOs have the potential to support the delivery of high quality, well funded, consistent and local energy advice delivered by community-led organisations and local authorities.

Further, we welcome elements of the Expanded Role for DNOs that begin to treat energy efficiency as infrastructure and an infrastructural priority - for example treating funding of

energy efficiency measures as a regulated asset investment. We believe that homes are as integral to the energy system as wires and pylons and that the efficient and low carbon operation of the energy system is reliant on investment in homes as much as in renewable energy generation and inter-connectors.

However, the challenges of DNO involvement in domestic retrofit are significant and the delivery of energy efficiency services and LCTs on a domestic basis are big changes to the current DNO role and involve a detailed understanding of the complexities of the retrofit challenge and the personal circumstances of householders. Hence our strong recommendation that such functions take place on the basis of collaboration and partnerships with organisations such as local authorities and community-led organisations.

As a side note, DNOs emerged from a market liberalisation process out of old regional electricity boards and some DNO staff members remain from this time. Energy board high street shops, such as the NORWEB shops in the North West of England, played a key role in householder energy advice, acting as a personal point of contact between trained staff members and the general public. We believe that a localised, personalised and accessible approach to energy advice is required to support the scale of low carbon energy transition envisaged by UK government targets and that there are a lot of useful lessons that can be taken from energy board shops.

Q11. Do you have any views on the archetypes presented and their implications? Do you have any other approaches we should consider? Do you have any evidence on key components?

Taking on board our response to Q9, we believe it is essential that DNOs take on board the following aspects of domestic energy efficiency approaches:

- It would be useful for DNOs to have a role in supporting area-based guides, Supplementary Planning Documents (SPDs) and design codes, supporting spatial planning functions and resident-facing guidance - this would be incredibly useful in unblocking barriers, but is something local authorities struggle to finance and resource consistently.
- It should not be assumed that most of the barriers to energy efficiency uptake are financial - as the Green Homes Finance Accelerator programme demonstrated, this is not the case.
- Ofgem should be aware that many homes are likely to require repair and remedial work, and this is more likely in lower-income owner-occupied and rented homes. In our experience, this is a common reason why homes, often in the most need, are refused upgrades on current programmes (or past ones such as ECO). Ofgem should have a position on how DNOs would deal with this.
- In low and middle income homes where underheating is common and energy use is often very low, any predicted 'savings' (financial, energy or carbon) need to take account of this starting condition to avoid the risk of damaging affordability for residents. In many cases to ensure affordability is maintained at least some fabric work - tackling at least basic insulation and airtightness measures - is likely to be required to ensure proposals are acceptable.

- Ofgem may also need to consider guidance on providing advice to householders on tariffs - but also acknowledge that not everyone is able to access flexible tariffs for a wide variety of reasons. The risk otherwise is that bills go up for people who can least afford that. As a result, DNOs may have a role in supporting/resourcing some high quality, consistent advice around tariffs.
- It may be possible for DNOs to model and better understand these issues by looking at metered data vs modelled data relating to energy efficiency improvements - and the gap between the two. Though in the starting condition this is likely to need gas meter data in many cases, not just electricity, covering heating and hot water.
- There is no mention of tenure in the consultation. It is very likely that different tenures face different barriers and will respond to different incentives (social rented/owner occupied/ private rented etc). Tenure has a significant impact on the different roles and responsibilities in any energy efficiency upgrade process and there are different procurement routes and should be explicitly referenced in any approach devised.
- Within the consultation there is a need to think beyond the mechanical and electrical kit. The evaluation and assessment of homes can't just be about electrical and mechanical systems - as referenced in BS40104 Assessment of dwellings for retrofit, PAS2035, Retrofitting dwellings for improved energy efficiency, and other standards, there is a need to consider a whole systems/whole house approach to retrofit.
- Notwithstanding this, a proposed technology agnostic approach is sensible - though needs greater focus on outcomes and how combinations of measures could achieve these, given all of the context and constraints outlined in the standards above.
- Underpinning this approach there should be an acknowledgment that addressing grid constraints, decarbonisation and support to low income households will not always align. Guidance is therefore required on what takes priority for the DNO if they don't.
- It should be noted that solar PV and battery set ups may not be suitable or accessible for all homes due to spatial and safety constraints (ie no or very shaded/small roof, no safe space for battery etc). Additionally, householders may need help to make the best use of them ie in operation, management, taking advantage of tariffs etc.
- Within the consultation, there is an assumption that interventions would be made at an individual home level. But communal storage and other shared solutions may in some circumstances be more effective - thereby reducing energy costs for everyone, not just those able to accommodate a battery.
- In our experience, there are limitations to bulk procurement given that many of the costs related to retrofit measures are labour and on costs such as scaffolding etc - things that bulk procurement has only a marginal impact on.
- In terms of offering meter-point loans: there are well described challenges to such lending, similar to those outlined with property-linked finance, with people having to pay off these loans before they can sell their homes etc. There is also a question associated with who would administer loans and address customer care and consumer credit issues. It seems unlikely DNOs are best placed to do this, though

collaborations with local authorities and community-led retrofit organisations offer potential opportunities to address this.

Q12. Do you have views on whether pilots of these approaches would be valuable? And, if so, whether the pilots should potentially include a range of options across archetypes, or whether the scope should be narrowed in advance? What should be the main focus of any pilots?

We strongly advocate the use of pilots to test approaches to place-based retrofit and the development of place-based partnership approaches. Rather than focussing on any particular archetype model, we advocate that delivery models should emerge from these partnership models and from collaborative working. Imposing a model in advance on delivery may limit the learning that can be generated from such pilots. We strongly advocate for the role of community-led retrofit organisations in the delivery of such pilots.