

**Carbon Emissions Reduction Target (CERT) 2008-2011  
Supplier Guidance Amendments Consultation ScottishPower response**

**Question 1: What evidence should be provided by suppliers to satisfy Ofgem of the lifetime of the battery in an RTD under normal conditions of use?**

We would suggest that manufacturers submit RTD's for approval by Ofgem providing full details of the expected lifetime of the batteries included both within the transmitter unit and the display. Ofgem should then publish a list of approved products including approved battery lifetime similar to the CFL approved list, this would remove the need to provide evidence.

Suppliers may choose to use a mixture of products within their CERT delivery plan, and would need to include detailed information of the products that they have used for the purpose of claiming savings.

Ofgem should also consider the information or results delivered to date from the RTD's used within the current Smart Meter Trials.

**Question 2: Are Ofgem's proposals to ensure that the required information is gathered from partner organisations distributing RTD's sufficient?**

Yes we consider the information, which we are required to gather to be sufficient. A declaration is completed by partners for a number of measures within CERT and provides an excellent audit trail.

**Question 3: Is the proposal for determining the Priority Group percentage for an RTD scheme sufficient?**

We support a standard process for determining the priority group for all CERT measures. As RTD's are only distributed on request Priority Group should be determined at this point and therefore monitoring should only focus on utilisation.

All marketing material should be pre-approved by Ofgem to confirm that a request shall be made for the RTD and this should include confirmation of PG qualification.

**Question 4: Respondents are invited to comment on the level of monitoring of RTD's, and whether the proposed question themes are appropriate and any additional questions that would be useful to inform future policy considerations.**

We understand the thought process of the 5% monitoring in order to be able to measure behavioural change and lessons learnt which we consider to be important for shaping future policy programmes. To measure we need to be looking at the impact of behavioural change on the 3 areas: one-off measures, habitual actions and fuel consumption. However we consider 5% to be excessive and extremely difficult and expensive to ascertain. As with other measures with pre-determined carbon scores, such as CFL's, utilisation monitoring should be conducted to a similar level this being either 1% or 1000 whichever is the greater. Another alternative would be to use

monitoring to a statistically significant level as is currently carried out for priority group monitoring under the CFL programme

**Question 5: Are Ofgem's proposed requirements for the content of the HEA's sufficient to maximise the likelihood of carbon savings being realised?**

We support the proposed requirements and Ofgem providing a standardised proforma outlining the behaviours and issues energy suppliers would be expected to cover when providing good energy advice, which is specific to the circumstances of the householder. This will provide certainty for customers and others and will be straightforward for advisers and customers and administration of projects.

We are asked to include details for the Energy Saving Trust within the advice package; we would also include details of the ScottishPower Energy Efficiency Advice Line and Home Heat Help Line for energy efficiency advice, access to grants and tariff information and advice.

**Question 6: Are the proposed requirements on obligated suppliers promoting HEA's sufficient to prevent miss-selling of energy efficiency and low carbon products?**

It is clear that both this programme and future programmes will require the energy supplier to have a better and closer relationship with their customers and remove any areas of distrust from the consumer. It would not be in an energy supplier's interest to portray any element of mistrust and we support the suggestion that energy advice should be delivered in the spirit of Standard Licence Condition 25, which deals with marketing energy to domestic customers.

We would also want to ensure that any third party that might be delivering energy advice on behalf of an energy supplier was not miss selling, some of the organisations who claim to deliver independent energy advice are private companies who receive incentives for recommending certain companies.

**Question 7: Respondents are invited to comment on the proposed level of monitoring of HEA's, and whether the proposed question themes are appropriate.**

We request clarification on what is meant by a "statistically significant sample size"? We understand the request from DECC that Ofgem gather information relating to the impact and utilisation of HEA's to ensure that they are effective. We support the proposed list of questions that have been included, however the sample size should be set at a level, which is statistically significant without being too onerous and costly for the supplier. We also feel a confidence level of 95% is extremely high.

We request clarification in relation to the monitoring being carried out independently, does this mean independent of the provider or independent of the energy supplier. We would not support three separate parties being involved in the delivery.

**Question 8: Is our representation of domestic CFL penetration and the surrounding issues reasonable, and in particular are there any further issues we might have missed?**

ScottishPower has always utilised lighting to deliver a proportion of our energy efficiency targets and believe we have done so in a consistent and responsible manner. We believe CFL's have helped some of our more vulnerable customers who might not have access to other measures due to the construction type of their properties.

We firmly believe that all of the CFL's that we have distributed through our programmes will achieve carbon savings. As per the Ofgem report, in the first year of CERT ScottishPower has delivered 10% of its activity by measure type through CFL's.

**Question 9: Are the proposed CFL scheme restrictions suitable and sufficient to ensure carbon savings from this measure are maintained?**

The implementation of the restrictions additional to the current CERT guidelines prior to January 2010 is unreasonable for partners and customers, as much as suppliers.

Given the current political focus on area-based schemes, which have a strong local and regional profile, we consider CFL's should still be included within these schemes.

The provision of CFL's is a key element within these schemes, through which all homes receive free home energy survey and appropriate energy advice. Householders indicate a wish to receive CFL's and sign the survey form to confirm this request.

We recognise that the restrictions will have an impact on Fulfilment Houses who distribute CFL's directly to consumers. The proposed timescale does not provide sufficient time to pursue and finalise business development opportunities to replace the loss of business of distributing CFL's.

**Question 10: Is the variety of bulbs proposed appropriate, and does this allow sufficient customer choice to ensure the realisation of carbon dioxide savings?**

We support opportunity for consumer choice to ensure that they are able to have the right bulb for appropriate fittings providing the right light output and the CFL is aesthetically appealing. This will help to ensure the realisation of energy savings.

It is important that any supplier undertaking a retail scheme works in partnership with the retailer and that the retailer is fully aware of the objective of the funding to achieve maximum energy savings within homes. Marketing plans should form part of the scheme approval process with Ofgem having a full understanding of how the partnership will operate.

**Question 11: Are the proposed restrictions for multi-pack and multi-purchase CFL's set at the correct level to ensure savings are realised?**

We believe customers should be provided with choice to ensure they are able to purchase the right bulb for appropriate fittings, which provides the right light output and the CFL is aesthetically appealing. Yes we believe the proposed restrictions for

multi-packs and multi-purchase CFL'S are set to the correct level to ensure savings are realised.

**Question 12: Respondents are invited to comment on what constitutes a request for a giveaway CFL, and what does not constitute a request.**

A positive response to a direct consumer marketing campaign with the consumer returning a voucher or calling a hot line number would be considered a request also a request received via a website should also be included. We also believe that where a home visit is carried out to survey the property and / or deliver energy advice and the consumer has the opportunity to indicate whether they wish to receive CFL's by signing a form should also be considered to be a request.

**Question 13: Given the scale of the CER target, are the monitoring requirements currently in place appropriate and set at sufficient level to ensure that energy suppliers are meeting the requirements of the Order?**

Yes in all energy saving programmes suppliers have undertaken more monitoring than has been required to ensure high standards of customer satisfaction and quality assurance. Lessons learnt from this monitoring have helped to shape future programmes.

If the required level of monitoring were to increase significantly this would have an impact on the cost to deliver the programme.

Suppliers are working together to develop a consistent approach to monitoring, health and safety and quality assurance this should not only ensure high safety standards. This will also help contractors by reducing the amount of different paperwork and systems and NIA fully support the work suppliers are doing in this area.