



2save energy Ltd

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## CERT 2008-2011 Supplier Guidance Amendments

### Response by 2 Save Energy Ltd

#### A About 2 Save Energy Ltd:

2 Save Energy Ltd is a global provider of the OWL range of intelligent wireless electricity monitors. OWL qualifies as a real time display device (RTD) under the definition given in *The Electricity and Gas (Carbon Emissions Reduction) (Amendment) Order 2009*. Full details of our products can be found at [www.theowl.com](http://www.theowl.com).

#### B Scope of this response:

2 Save Energy limits its observations in this response to **Questions 1 and 4**, which are of specific relevance to RTDs and 2 Save Energy's potential role in the CERT scheme.

We also make **two additional observations** on issues relating to definition – of the calculations to be undertaken to certify battery life compliance and of RTDs themselves.

2 Save Energy is happy to provide further information on any aspect of this response and to demonstrate OWL. 2 Save Energy confirms the full contents of this response are available for disclosure or publication by Ofgem.

**C. The consultation questions:**

***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?*

- 1.1 Evidence of battery life should be provided by means of a certified report from an independent body formally accredited in the UK by the United Kingdom Accreditation Service (UKAS).
- 1.2 UKAS operates under a Memorandum of Understanding with the UK Government through the Secretary of State for Business Innovation and Skills and, as such, offers confidence in the independence and probity of any certified report obtained in this way. No manner of self certification or non-UKAS accredited third-party confirmation from a manufacturer, contractor, agent or other related party should be accepted in evidence by Ofgem.
- 1.3 The certified report should cover the battery life of the transmitter, the battery life of the display and the capacity of the batteries used. RTDs should be supplied complete with batteries of the same, or higher, capacity than those used during the testing and certification process.
- 1.4 We further consider the issues around evidence in our additional observation 1, below.

***Question 4:*** *Respondents are invited to comment on the level of monitoring of RTDs, and whether the questions are appropriate.*

- 2.1 The 5% level of monitoring suggested by Ofgem is excessive, impractical and out of line with definitions of a “statistically significant” representative sample used elsewhere in the UK. It may also have the perverse effect of disincentivising suppliers to provide RTDs to consumers since the monitoring requirement may be considered overly burdensome.

- 2.2 By way of comparison, the Office for National Statistics estimates<sup>1</sup> that at least 56% of UK households (around 14.2 million) have broadband. Yet, in its recent research into broadband speeds, the regulator OFCOM (in conjunction with market leading research agency GfK NOP Ltd) decided<sup>2</sup> that a “representative sample” of broadband households comprised around 1600 from a total panel size of 2128.
- 2.3 The British Polling Council (BPC), which represents UK national opinion polling companies, believes<sup>3</sup> that a representative sample is around 1,000 – 2,000 people. The BPC notes that:  
*“while it is true that, in a scientifically conducted survey, the more interviews there are the more the results are likely to be correct, it does not follow that a big survey is necessarily better than a small one”.*
- 2.4 If RTDs achieved maximum take-up allowable under CERT (we understand this to be 3.6million units), a 5% monitoring figure could yield some 180,000 households for follow-up. Suppliers are very likely to question the cost effectiveness of offering consumers RTDs at this level of monitoring requirement, regardless of the simplicity or standardisation of the monitoring questions themselves.
- 2.5 We recommend a more realistic monitoring figure would be 0.05%, or around 1800 households, which would be in line with sample sizes created for other national statistical exercises, such as those given as examples above.

**Additional observation 1:** *Calculation of RTD battery life.*

- 3.1 It should be noted that neither *The Electricity and Gas (Carbon Emissions Reduction) (Amendment) Order 2009* nor the Ofgem consultation defines “normal conditions of use” for an RTD. It is important to standardise the assumptions made by examiners prior to granting certified reports on RTD battery life. If all RTDs are considered against the same criteria for battery life, this maintains quality and helps to maximise the energy saving and carbon reduction benefits available through the provision of RTDs to consumers under CERT.

<sup>1</sup> <http://www.statistics.gov.uk/pdfdir/iahi0808.pdf>

<sup>2</sup> [http://www.ofcom.org.uk/research/telecoms/reports/broadband\\_speeds/broadband\\_speeds/](http://www.ofcom.org.uk/research/telecoms/reports/broadband_speeds/broadband_speeds/)

<sup>3</sup> <http://www.britishpollingcouncil.org/faq.html#q4>

- 3.2 Included with this response are copies of two certified reports by UKAS-accredited testing body Intertek. These give details of battery life for the OWL models that 2 Save Energy Ltd intends to offer to suppliers for distribution under CERT.
- 3.3 The certified reports list assumptions made on normal conditions of use for the RTDs and detail a testing methodology which is easily replicated by any relevant UKAS-accredited body. The reports meet the information requirements of the CERT scheme and offer Ofgem a simple, fair and accurate model to standardise information on RTD battery life. Ofgem should adopt the assumptions shown in these certified reports, and the tests used, as its standard model for assessing any evidence on RTD battery life.

***Additional observation 2: Definition of a qualifying RTD.***

- 4.1 *The Electricity and Gas (Carbon Emissions Reduction) (Amendment) Order 2009 states that an RTD qualifies if it is:*
- a device which, together with a transmitter used in connection with it, provides information to a domestic energy user relating to –*
- (a) that domestic energy user’s electricity consumption; and*
- (b) the cost of that consumption,*
- and does so at the time the consumption occurs. (emphasis added)*
- 4.2 There are devices on the market identifying themselves as RTDs which do not meet the final part of definition emphasised above. A key feature of an RTD is its ability to affect consumer behaviour immediately by displaying a real-time change in cost of consumption virtually simultaneously with users’ actions to switch electrical appliances on or off. Some devices monitor kWh used in real time but users cannot see the associated electricity cost in real time. Ofgem should ensure all devices approved for distribution under CERT meet the full definition of a qualifying RTD.