

Urszula Kulpinska
CESP Manager
Ofgem
9 Millbank
London
SW1P 3GE

Name Bob Jackson
Address 1 Bridgwater Rd, Worcester, WR4 9FP
Phone 01905 340616
Fax 01905 340730
e-mail bob.jackson@npower.com

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Dear Urszula

RE: Consultation Response Ref: 98/09 - Community Energy Saving Programme (CESP) 2009-2012 Generation and Supplier Guidance

Please find attached RWE npower's response to the questions raised in the above consultation.

Qualifying Action

- Q1. We believe that keeping the requirements for CESP as similar to those for CERT will assist both Ofgem and the obligated parties. Further clarity and formal confirmation on DECC's approach to postcodes applicable for CESP would be welcomed, to ensure no ambiguity or confusion exists. With regard to point 3.20 we would question why proof of additionality is required for fuel switching projects. We feel that this will be less of an issue in the areas identified as eligible for CESP projects, particularly for owner occupied properties, and would suggest this shows a lack of consistency with fuel switching in relation to other measures (3.19). We would also request further clarification around additionality with regard to 3.21 and 3.22 undertaking actions in conjunction with a government programme.
- Q2. We believe that no additional safeguards for the provision of the HEA to consumers with the lowest income decile, to those proposed for CERT are required. We believe that the proposed requirements are sufficient to ensure quality advice is provided and to prevent mis-selling of energy efficiency and low carbon products.
- Q3. We believe that reporting solid wall measures under CESP should mirror CERT. Reporting non-standard installations as 'exceptions', as with CERT, rather than on a per installation basis will be far simpler to administer.
- Q4. We believe that removing disaggregation by fuel types for replacement boilers and heating controls will again make administration far easier.
- Q5. We believe that the process already in place for providing CERT data to Walker Martyn, to, in turn, provide one report for all suppliers to HEED should also

RWE npower

Trigonos
Windmill Hill Business Park
Whitehill Way
Swindon
Wiltshire SN5 6PB

T +44(0)1793/87 77 77
F +44(0)1793/89 25 25
I www.rwenpower.com

Registered office:
RWE Npower plc
Windmill Hill Business Park
Whitehill Way
Swindon
Wiltshire SN5 6PB

Registered in England
and Wales no. 3892782

apply for CESP data. It would be helpful to understand the proposed process in the event that any duplicate measures were found.

Submission of Intended Actions

- Q1. We believe that the proposed scheme submission process is suitable for CESP. We would welcome a standard template letter for Local Authorities to submit to confirm that they have been consulted on the promotion of qualifying actions in its area.

Submission of Completed Actions

- Q1. We believe submitting schemes and reporting per lower super-output area, rather than on a per measure basis will be far easier. It could also be that scheme submissions are also made for one local authority area rather than for each lower super-output area, which would reduce the number of schemes.
- Q2. A complete reconciliation by October 2011 would assist by confirming compliance with the obligation, however we will of course be closely monitoring our position on an ongoing basis.
- Q3. In assessing the effectiveness of CESP we believe information similar to that used for CERT should also be used for CESP. Number and types of measures together alongside the number and types of properties should be considered, in order to assess the effectiveness of an area based approach.
- Q4. We believe that the processes proposed for submitting completed schemes are appropriate for CESP. As they are again very similar to those for CERT this will simplify the administration.

Reporting

- Q1. The frequency of regular reporting requested is we believe consistent with requirements. We would suggest reporting on number of measures and number of properties to take account of the relevant bonus uplifts. To ensure consistency, guidance on how bonus uplifts are calculated would be welcomed.
- Q2. We believe that half yearly reports on progress to target could be misleading assuming they were based on uplifted carbon scores. Calculating bonus uplifts will be difficult during the delivery of a project and will change over time. We would therefore expect that the half yearly reports would show that suppliers were under-delivering against their targets, as many bonus uplifts will only be applied accurately at the end of the project.
- Q3. We believe that the suggestion of Ofgem visiting recipients' properties to audit the delivery and installation of actions needs further consideration. There are data protection issues to take account of. In addition, we are unsure exactly what purpose this would serve.

Technical Monitoring

- Q1. We believe that maintaining the monitoring requirements for CERT is appropriate for CESP. By adopting a common and continuing framework , this will again assist with administration.

Yours sincerely

Bob Jackson