BRE Scotland Scottish Enterprise Technology Park Orion House East Kilbride G75 0RD

T +44 (0)1355 576200 F +44 (0)1355 576210 E eastkilbride@bre.co.uk W www.bre.co.uk

Will Broad Head of ECO, Centre of Excellence ECO Ofgem 9 Millbank London SW1P 3GE

19 June 2013 Your Ref. 82/13 Our Ref. ECO

Dear Will

BRE response to:

Energy Companies Obligation (ECO): Consultation on how to account for the percentage of measure installed when calculating ECO scores

We agree with the proposal to discontinue the method of allowing for percentage of measure installed whereby the savings are calculated for 100% installation and then multiplied by P. We consider that this is not a suitable or appropriate method for two reasons:

1. The reason described in the consultation document, namely that it can give rise to significant inaccuracies compared to what the savings would be if calculated on the basis of accounting for the percentage installed within the (improved) RdSAP data set.

We would also point to the fact that the option of using P as applied to the savings, because it is an option, is liable to lead to inconsistencies. For example, one assessor allows for the percentage installed by defining an additional extension, while another for the same situation applies P, giving different results. In our view the possibility of such inconsistencies is very undesirable and should be avoided.

2. If P is used in this way, the RdSAP data set with the improvement added is for the case of 100% installation. This then forms the starting point for the assessment of a subsequent measure. Since this data set does not represent the actual situation, the score resulting from any subsequent measure is also liable to be inaccurate. This may apply to any subsequent measure, whether or not the subsequent measure involves a P factor.

As noted in the consultation document, a method of accounting for percentage installed is to introduce extensions or alternative walls. In principle this is satisfactory, but may not be practical in many situations for several reasons:



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- a. If the alternative wall has already been defined, for example because part of the walls is of different construction, it cannot be used again.
- b. There is no alternative roof or alternative floor.
- c. While division of the property into extensions works when each part that it is being divided into is substantial (for example dividing the property into two halves down the middle), it is distinctly problematic when a small part is different from the rest. For example with 90% installation of wall insulation an extension with 10% of the wall area has to be defined. An extension has to have floor area, roof area and openings area as well as wall area, and floors need an exposed perimeter as well as area in order to assign a U-value to the floor. While an assessor may be able to do this in a reasonable way with the knowledge of the details of the geometry, it is not feasible to attempt such an allocation of areas and perimeter subsequently in software when only the total areas and perimeter are known and not the actual disposition.
- d. The issues in c. might be avoided if the RdSAP assessor always divides the property according to what percentage will be installed, but the assessor cannot anticipate decisions that will be made subsequent to the RdSAP assessment.

An alternative method

The concept of P, meaning the percentage of the applicable element type that is insulated, is a useful one and is required for ECO reporting, and so should be retained.

Instead of applying P to the calculated saving, it should be used to assign an area-weighted average U-value to the element type for the improved situation. This method delivers correct results and avoids both the problems (i.e. 1. and 2. outlined at the start of this letter) associated with the present method of using P.

Yours sincerely

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Brian Anderson Technical Director For and on behalf of BRE Telephone: +44 (0)1355 576221 E-mail: <u>andersonb@bre.co.uk</u>