



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

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

EDF Energy is one of the UK's largest energy companies with activities throughout the energy chain. Our interests include nuclear, coal and gas-fired electricity generation, renewables, and energy supply to end users. We have over five million electricity and gas customer accounts in the UK, including residential and business users.

Standard Assessment Procedure (SAP) or Reduced Data Standard Assessment Procedure (RdSAP) is the methodology used to score eligible measures installed to deliver suppliers Energy Companies Obligation (ECO) carbon and energy bill saving targets. As an ECO score must account for the percentage of the measure installed this is currently achieved by calculating the SAP/RdSAP score as if 100% of the measure has been installed, and then multiply the score by the percentage actually installed. The consultation outlines that it is Ofgem's view that this approach does not result in sufficient levels of accuracy and therefore the percentage of the measure installed should be accounted within the initial SAP/RdSAP calculation.

EDF Energy supports methodologies which achieve an optimum balance between accuracy and a sensible level of administrative burden; which suppliers and their delivery partners must carry. An increased cost burden and increased levels of complexity could impact suppliers' activity and heighten the delivery risk to successfully achieving the obligation.

Before Ofgem makes any decision there should be a full assessment of the required software development changes and the impact on associated processes. Developers of such systems are best placed to provide Ofgem with this information. SAP and RdSAP experts should also advise on the proposal to ensure that the most effective outcome is achieved.

No changes should be made without industry wide support to ensure that the most beneficial outcome is achieved for all stakeholders. Any change that is proposed must allow time for processes and systems to be amended and updated. This includes allowing time for the supply chain to incorporate these into training and roll out to all impacted staff. The changes to the underlying software alone would probably take around 6 to 8 weeks to design, implement and test. Should changes be implemented these should not be retrospective as this would result in significant complexities for the administration of the obligation.

**EDF Energy**  
40 Grosvenor Place, Victoria  
London SW1X 7EN  
Tel +44 (0) 20 7752 2187

**edfenergy.com**  
*EDF Energy plc.  
Registered in England and Wales.  
Registered No. 2366852.  
Registered office: 40 Grosvenor Place,  
Victoria, London SW1X 7EN*

If Ofgem decides to make any changes without a full understanding of the impacts then this could result in reducing current delivery levels.

Should you wish to discuss any of the issues raised in our response or have any queries, please contact John Mason on 07875 110702, or myself.

I confirm that this letter may be published on Ofgem's website.

Yours sincerely,

A handwritten signature in blue ink that reads "Paul Delamare".

**Paul Delamare**  
**Head of Downstream Policy and Regulation**