

Effective Energy's response to Ofgem's Consultation on requirements for demonstrating characteristics of hard-to-treat cavities.

1. 100% verification of narrow HTTC measures

Effective Energy have always argued that ECO should be about maximising the funding in the delivery of value add processes for the end user, and that we should try to keep any further checks and inspections to ensure compliance with a funding rule to a minimum. The addition of these checks is in danger of adding such additional cost and complication to the process and we feel that the behaviour of a few is impacting everyone. If any extra cost is to be imposed then this should be picked up by those who are the cause. If a company is found to be delivering non-compliant narrow HTTCs, then they should be subject to additional checks and monitoring until they can prove that they have implemented the required quality assurances and consistently delivered compliant measures.

It may be worth considering the cost implications of imposing these verification measures. By limiting the number of companies who can carry out these checks this may increase the cost for the end user by way of supply and demand.

Effective Energy Solutions have no directly employed Insulation installers and have founded our business on ensuring the delivery of compliant measures to the obligated suppliers. We feel we are in the unique position that would allow us to take responsibility for the verification and delivery of compliant narrow HTTC measures and should not be precluded from carrying out these pre install checks. Effective Energy are not disadvantaged if, for whatever reason, a job on site does not go ahead for a contractor following such a verification and as such we feel we can maintain impartiality during these checks. Moreover, the delivery and subsequent rejection of non-compliant measures would impact us both financially and our business reputation to deliver compliant ECO measures, again supporting the argument that we could carry out these verification checks with confidence that we are in no way compromised in determining the outcome.

2. Increased requirements on HTTC measures that require a chartered surveyor's report

We welcome any rational improvements to the report completed by a chartered surveyor when determining the suitability of HTTC measures to ensure that appropriate products are clearly defined and recommended by the chartered surveyor. However, the proposed requirements state that the chartered surveyor must be independent of the supply chain.

We feel that HTTC already has robust compliance processes in place by utilising professional chartered surveyors and that this, along with the improvement in

report detailed within this proposal, is a good balance. To not continue this could appear to undermine the chartered surveyor profession.

The proposal that the chartered surveyor can only be contracted by the energy supplier is in danger of increasing cost and complication for the delivery of these measures. The implication of adding this proposal will mean that an installer must arrange with an obligated supplier to have this check carried out, this may need to be arranged via a third party as many installers do not have direct contact with energy suppliers. This is all to take place before a job has even started making the customer journey very drawn out and very costly for the installer before they can even get confidence that a customer will go ahead with the install.

Furthermore the management of the chartered surveyor becomes impossible for the installer where as currently the installer can change their supplier easily if the chartered surveyor delivers poor performance. Poor customer service by the contracted chartered surveyor before the work gets completed maybe enough for the installer to lose the job through cancellation by the customer. And by only allowing the suppliers to provide the chartered surveyor, this increases the risk that the installer is not receiving best value.

3. Increased technical monitoring

Effective Energy welcomes the idea that we need to ensure that HTTCs are monitored in a robust way but worry that increased technical monitoring again can only result in higher costs that do not serve to actually reduce people's energy use. As we have said in response to point 1, we feel that the behaviour of a few is impacting the whole industry and all domestic energy users who ultimately pay for the obligation. If a contractor is delivering non-compliant measures then they should be the ones targeted with increased compliance checks, not everyone.

The proposal already pushes to increase the compliance of HTT measures with the use of 100% verification of narrow cavities with independent assessors, and increased the independence of Chartered Surveyors on 100% of the other HTT measures that this proposal relates to. As such we are unclear as to the purpose of increased technical monitoring on compliant work from chartered surveyors.

In summary

Effective Energy welcomes moves to ensure that the industry delivers compliant measures but would prefer to see an emphasis on those that fail to deliver compliant measures being targeted with more stringent monitoring and verification until they can prove they have improved, rather than a blanket approach to the industry. We agree that the chartered surveyor report requires improving but feel that the use of chartered surveyors directly is already a robust way of ensuring consumers get appropriate products without the need to enforce. We also feel that our own monitoring as a third party agent is impartial and we only stand to lose from allowing non-compliant measure being submitted.