

Promoting choice and value for all gas and electricity customers

Energy suppliers and other interested parties

Email: eco@ofgem.gov.uk

Date: 13 November 2012

Dear Sir/Madam,

SUPERSEDED - Energy Companies Obligation (ECO): documents and data to be made available to Ofgem on request; general information about some legislative provisions of ECO

ECO is a new statutory scheme to be established by the Electricity and Gas (Energy Companies Obligation) Order 2012 ("the Order")¹. Under ECO, certain energy suppliers will be required to deliver energy efficiency measures to domestic households. Further information about ECO is available on the Ofgem and DECC websites.

The Order names the Gas and Electricity Markets Authority as the Administrator of ECO. Ofgem ('we', 'our' or 'us' in this letter) will administer ECO on behalf of the Authority.

This is the fourth of a series of Open Letters, which will provide information on different aspects of ECO. As set out in our letters dated 17 August 2012 and 14 September 2012², policies or processes set out in the Open Letters will be included in the draft guidance published for consultation and may change as a result of consultation. However, the finalised guidance will not operate retrospectively to override a policy or process set out in an Open Letter.

The primary purpose of this letter is to provide information about the documents and data, relating to the installation of qualifying actions, that suppliers will need to provide to us on request. In addition, this letter provides information about some of the provisions of the ECO Order. This information is set out in the table at annex A of this letter. That table is ordered as follows:

- Column 2 identifies the policy area against which information is provided;
- Column 3 contains information that is intended to help suppliers understand the policy area;
- Column 4 lists the documents (relating to a qualifying action) that suppliers must make available to us on request. A document must be retained until 1 January 2016;

¹ The Order was laid in parliament on 30 October 2012. It has not yet been made.

 $^{^{\}rm 2}$ Published on our website 20 August and 14 September respectively.

• Column 5 lists the data (relating to a qualifying action) that suppliers must make available to us on request.

Annex B of this letter contains information relating to qualifying boilers.

This letter does not identify the data and documents that a supplier must submit with monthly notifications to us of completed qualifying action and adjoining installations. We will provide this information in a future open letter on notification.

The approach outlined in this letter is based on the Order as laid in parliament. The Order is not yet made. Although we anticipate that the Order will be made, suppliers and other interested parties relying on this letter should recognise the possibility that it may not be.

Once the Order is made it will be the responsibility of each supplier to understand the provisions of the Order and how those provisions apply to them. This letter is not intended to be a definitive guide to those provisions.

If you have any queries in relation to this letter of the ECO Order please contact Jessica Ladbury at eco@ofgem.gov.uk

Yours sincerely,

Matthew Harnack Associate Director, Commercial

ANNEX A

This table uses the following acronyms:

CERO: carbon emissions reduction obligation

CSCO: carbon saving community obligation

HHCRO: home heating cost reduction obligation

PAS: Publicly Available Specification 2030:2012, Improving the energy efficiency of existing buildings

	Legislative	Relevant information	Documents to be made available to	Data to be made available	
	provision of ECO		Ofgem on request	to Ofgem on request	
Infor	formation relating to eligibility criteria by which measures are judged to be qualifying actions				
1	Promotion of the measure	Suppliers achieve obligations by promoting qualifying actions to domestic energy users (CERO and CSCO) or householders (HHCRO). A supplier promotes the installation of a measure where the supplier is a cause of that measure being installed. A supplier may jointly fund a measure with a third party (other than another supplier), for example local government or a devolved administration. In this case the supplier will need to satisfy us that the funding it provided caused the installation of a particular measure. This could be difficult in a case where more than one supplier puts funds into a 'collective initiative' which is used by a third party to pay for installation of measures. We recommend that a supplier speak to us before jointly funding a measure, to ensure that the funding arrangement is sufficient to establish that the supplier has caused the installation of a particular measure.	Documents sufficient to establish 'promotion'. For example, in the case where a supplier engages a person to install a measure at a property, a supplier should produce: • the contract(s) or other document(s) which established the relationship, between the supplier and the installer, under which the installation was performed. • where appropriate, evidence of the supplier's payment of, or contribution towards, the fees and other costs of the installation: for example, an invoice and a payment slip.		
2	Specification of the measure			To include: • Measure type • Manufacturer name • Product name	

	Legislative provision of ECO	Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
				Product serial number (where available)
3	Installing to an appropriate standard	Where a measure is referred to in PAS, the installation of the measure must be carried out in accordance with: • The provisions of the relevant annex in PAS; • The Building Regulations 2010. Note that we do not require installers to be 'PAS accredited'. Where a measure is not referred to in PAS, the installation of the measure must be carried out in accordance with: • The Building Regulations 2010. We will assess compliance with PAS through audits of an installer's records, and through site audit. We will assess compliance with Building Regulations through site audit. In addition, suppliers must demonstrate that the product or system used in installation is compliant with Building Regulations. A supplier should have a contractual agreement or similar formal relationship with the installer that requires the installer to cooperate with our auditors by providing documents that evidence standard of installation.	The contractual agreement or equivalent (containing the requirement to cooperate with an Ofgem auditor). Suppliers may demonstrate that a product or system used in installation is compliant with Building Regulations by producing documentary evidence that the product or system complies with building regulations. Examples of the documentation to be produced by suppliers include: UKAS accredited lab certification (e.g. BBA) and ETAs (that are suitable for the conditions under which the product will be used/installed).	
4	Installation by a person with appropriate skill and expertise	For the purpose of HHCRO, and excess actions installed from 1 October 2012, measures must be installed by a person of appropriate skill and experience.	The contractual agreement (containing the requirement to cooperate with an Ofgem auditor).	
		For measures within PAS, measures must be installed by operatives who meet the operative competence requirements listed in the measure-specific annexes to		

Legislative provision of ECO	Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
	PAS. For measures not in PAS, suppliers must ensure that their operatives meet industry competency standards to install that particular measure. A supplier should have a contractual agreement with the installer that requires the installer to cooperate with our auditors by providing documents that evidence standard of installation.		
Address at which the measure is installed	Suppliers must retain address details for the domestic premises where the measure was installed. Each individual measure installed under the ECO must be scored and reported separately.		 House/Flat number Street Town/City Country Postcode Unique property reference number
Date of completion	The date of completion is defined in our Open Letter on notification.	 • a copy of the <i>Declaration of conformity</i> described at clause 7.2 of PAS, where such declaration has been produced and signed by the installer; or • a copy of a <i>Declaration of completed installation</i>, completed and signed by the installer. A template for the <i>Declaration of completed installation</i> will be available on our website. In each case the declaration must be signed by the customer to confirm the date on which the installer finished work on the installation of the measure. We recommend the following be added to each declaration for the purpose of 	
	Address at which the measure is installed	PAS. For measures not in PAS, suppliers must ensure that their operatives meet industry competency standards to install that particular measure. A supplier should have a contractual agreement with the installer that requires the installer to cooperate with our auditors by providing documents that evidence standard of installation. Address at which the measure is installed Suppliers must retain address details for the domestic premises where the measure was installed. Each individual measure installed under the ECO must be scored and reported separately.	PAS. For measures not in PAS, suppliers must ensure that their operatives meet industry competency standards to install that particular measure. A supplier should have a contractual agreement with the installer that requires the installer to cooperate with our auditors by providing documents that evidence standard of installation. Address at which the measure is installed individual measure installed. Each individual measure installed under the ECO must be scored and reported separately. Date of completion The date of completion is defined in our Open Letter on notification. Either: • a copy of the Declaration of conformity described at clause 7.2 of PAS, where such declaration has been produced and signed by the installer; or • a copy of a Declaration of completed installation, completed and signed by the installer. A template for the Declaration of completed installation, completed and signed by the customer to confirm the date on our website. In each case the declaration must be signed by the customer to confirm the date on which the installer finished work on the installation of the measure. We recommend the following be added to

	Legislative provision of ECO	Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
			obtaining the customer's confirmation: For completion by the customer: Customer's confirmation of date of completion of installation Please confirm the date on which the installer finished working on the measure described above. Date on which installer finished work: Customer's name (print): Customer's signature:	
7	A recommended measure	Under the CERO and the CSCO only, a supplier must be able to evidence that a measure is a 'recommended measure'. A recommended measure is a measure recommended in either: • a Green Deal report*; or • a report by a chartered surveyor**. *A Green Deal report is a report produced by a green deal assessor pursuant to a qualifying assessment in accordance with regulation 7 of the Green Deal Framework. The report is based on an EPC and Occupancy Assessment and is specific to the domestic energy user's premises where the measure is to be installed. **The report by the chartered surveyor must: 1) Specify the energy efficiency measure that is recommended; 2) Contain an assessment of the energy user's premises performed for the purpose of identifying measures for improving the energy efficiency of	The Green Deal report produced following a qualifying assessment the report by the chartered surveyor	The EPC reference number (for all cases where an EPC has been conducted) Green Deal report reference number (for all cases where a Green Deal report has been carried out).

	Legislative provision of ECO	Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
		the premises. This report must be based on a whole house survey. 3) Be signed by the chartered surveyor (the assessment itself may be carried out by another person of appropriate skill and qualification). A single report may be used for more than one premises, as long as the report clearly states each property that it pertains to. Furthermore, where there is a row or block of identical premises, it may not be necessary to carry out a whole house survey of each, provided there are reasonable grounds for judging that the measures being recommended are appropriate for each premises. However, it will usually be necessary to visit each premises, in order to determine a few key factors for recommending energy efficiency measures, such as boiler efficiency and fuel type. The report by the chartered surveyor should be completed by an appropriately qualified chartered surveyor. For further information please visit the Royal Institute of Chartered Surveyors (RICS) website: http://www.rics.org/uk/ .		
8	Insulation of standard cavity walls	A standard cavity is any cavity other than a hard to treat cavity (which is defined below). The lifetime of cavity wall insulation is 42 years provided the installation is accompanied by a CIGA (or equivalent) guarantee.	CIGA guarantee or equivalent where relevant	
9	Insulation of solid walls	Solid wall insulation is an eligible measure under all three ECO obligations. Under the CERO, solid wall insulation qualifies as a primary measure where it is applied to over 50% of the external-facing walls of a property (see section on	SWIGA guarantee or equivalent where relevant. Building control and clerk-of-works sign off where relevant.	Property age Whether the treated walls are built of solid brick

	Legislative provision of ECO	Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
		primary measures below). Otherwise it may qualify as a secondary measure under CERO. The in-use factor for solid wall insulation depends on the age of the building and construction type. For solid wall insulation for a solid brick wall built before: • 1967, if situated in England or Wales; • 1965, if situated in Scotland the in-use factor is 33% For solid wall insulation for (a) a solid wall which is not built of brick; or (b) a solid brick wall built in • 1967 or later, if situated in England or Wales; • 1965 or later, if situated in Scotland the in-use factor is 25%. The lifetime of solid wall insulation is 36 years provided the installation is accompanied by a SWIGA (or equivalent) guarantee. If the building being insulated is too tall for SWIGA or any equivalent guarantee to be awarded, the lifetime of solid wall insulation is 36 years provided the installation is signed off by a clerk-of-works and building control.		
10	Insulation of hard- to-treat cavity walls	Hard-to-treat cavity wall insulation is an eligible measure under all three ECO obligations. Under the CERO, hard-to-treat cavity wall insulation qualifies as a primary measure where it is applied to over 50% of the external-facing walls of a property (see section on primary measures below). Otherwise it can still qualify as a secondary measure under CERO. A hard-to-treat cavity is (ECO Order definition in	In order for the relevant lifetime to be awarded for the measure, suppliers will need to provide the evidence described in the cavity and solid wall sections (depending on the treatment employed) immediately above. The chartered surveyor's report, where one is required, should cover each property being treated. In all cases where a chartered surveyor's report is required it	

Legislative	Relevant information	Documents to be made available to	Data to be made available
provision of ECO	hald).	Ofgem on request	to Ofgem on request
	bold):	must specifically recommend the suitable	
	(a)(i) a cavity wall in a building with 3 as more	insulation type for the property.	
	(a)(i) a cavity wall in a building with 3 or more	Whose there is a block of flate being treated	
	storeys where each storey has cavity walls;	Where there is a block of flats being treated	
	A storey is above ground level - basements are A storey is above ground level - basements are A storey is above ground level - basements are	a report for individual properties is not	
	excluded. Lofts are also excluded as they are roof	required. However, the report should cover	
	space.	each construction type present in the block of flats. A generic report relating to a class	
	(a)(ii) which a chartered surveyor has reported		
	is not suitable to insulate with standard	of properties is not sufficient.	
	insulation material or techniques; or	The report must contain the address of each	
	A standard cavity wall insulation material or		
		property which it covers.	
	technique is one that would have met the requirements for a CIGA guarantee to have been	A chartered surveyor's report template is	
	awarded if installed in a cavity wall on 31 December	being developed and will be available on our	
	2012.	website. In the meantime, suppliers should	
	• For a chartered surveyor to report that the wall is	request a report containing the following	
	not suitable to insulate with a standard insulation	information:	
	material or technique they must complete a report	illiormation.	
	(see right).	1. Name of signatory (chartered	
	Reasons for a building being unsuitable for standard	, ,	
	insulation material or techniques may include:	surveyor):	
	located in an exposure zone, risk of water	2. Registration Number:	
	penetration, unsuitable construction type and	3. Name of Company:	
	cavities which are already <i>partially filled</i> .	4. Address:	
	A partially filled cavity is a traditionally constructed	5. Telephone Number:	
	cavity with insulation fixed to the inner leaf in the	6. Email Address:	
	vertical plane (for the avoidance of doubt this does	7. Energy Supplier:	
	not refer to the cavities containing slumped	8. How many properties does this report	
	insulation or cavities with insulation only filled to a	, , ,	
	certain height).	cover?	
	In cases where an installation would not have met	9. List the addresses of every property	
	the requirements to be awarded a CIGA guarantee if	that is covered by this report:	
	installed on 31 December, yet the chartered	10. How many different construction types	
	surveyor recommends insulating the cavity with	are covered by this report?	
	cavity wall insulation, then an equivalent guarantee	11. Provide a full description of each	
	must be awarded.	construction type:	
		construction type.	
	(a)(iii) which a chartered surveyor has reported		

Legislative provision of ECO	Relevant information	Documents to be made available to	Data to be made available to Ofgem on request
Legislative provision of ECO	is not suitable to insulate without substantial remedial works to the building; Remedial works would include: weather proofing of the building to prevent water penetration and clearing the cavity of debris or failed CWI. Failed CWI occurs where CWI should never have been installed for example a construction type being unsuitable for CWI or the property being located in an exposure zone. The decision as to whether the required remedial works are 'substantial' should be made by the chartered surveyor. As a guideline, remedial works should be considered 'substantial' where they involve an additional 4 'operative hours' labour or more. The verification of a cavity wall being unsuitable to insulate without substantial remedial works to the building must be received through a report from a chartered surveyor (see right). (b) a cavity within a cavity wall which is less than 50mm wide; All cavities which are less than 50mm wide and are to be treated by CWI must have a CIGA (or equivalent) guarantee Where a cavity is partially filled (see definition in (a)(ii) above) then the measurement should be carried out taking into account the partial fill. Therefore, should a 70mm cavity already contain 30mm of cavity wall insulation, so that the remaining cavity is less than 50mm, then the cavity wall is classed as a hard-to-treat cavity.	Cavity walls not suitable to insulate with standard materials or techniques: 12. Are the cavity walls suitable to insulate with standard insulation materials or techniques? 13. If not, state the reasons and provide further details: 14. Based on your assessment, what is your recommendation for how and whether to insulate this/these property/ies? Cavity walls which are not suitable to insulate without substantial remedial works: 15. Are remedial works necessary before the cavity walls can be insulated? 16. If yes, provide further details of the type of works required. 17. Based on your assessment, what is your recommendation for how and whether to insulate this/these property/ies? Uneven cavity formed in walls of natural stone: 18. Will the required remedial works require an additional four 'man hours' labour or more?	Data to be made available to Ofgem on request
	 (c) a cavity found in homes of prefabricated concrete construction or with metal frame cavity walls; or These non-traditional building types are automatically classed as hard-to-treat cavities. 	19. Is the cavity uneven, due to the use of natural stone in the construction of the wall or facade? Based on your assessment, what is your	

	Legislative provision of ECO	Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
		Other non-traditional building types not referred to in this article of the Order, such as timber-framed, may still be classed hard-to-treat if they meet the conditions in article (a)(ii).	recommendation for how and whether to insulate this/these property/ies?	
		 (d) an uneven cavity formed in walls constructed of natural stone or from natural stone outer leaf and block or brick inner leaf. A chartered surveyor's report should be submitted verifying that the wall has an uneven cavity (see right). This report is necessary because, after insulation is installed, the ECO Administrator has no means of auditing to determine whether the cavity was uneven. 		
		The report by the chartered surveyor should be completed by an appropriately qualified chartered surveyor. For further information please visit the Royal Institute of Chartered Surveyors (RICS) website: http://www.rics.org/uk/.		
11	District heating system connection (CERO and CSCO only)	There are some district heating systems which cannot be scored using SAP or RdSAP. For these, a supplier may apply to use an appropriate methodology. See our Open Letter titled ECO: Information on determining savings for qualifying action and excess action for more information on appropriate methodologies.		To include: • Specification of the existing heating system – fuel type, supply, controls, efficiency
		The following will be considered to be connections to district heating systems under the CERO and CSCO: i) New connections to domestic energy users; ii) Upgrades of existing connections where substantial replacement work is carried out to the plant and/or pipework;		 Specification of the replacement system -fuel type, supply, controls, efficiency Heat load before and after installation

	Legislative provision of ECO	Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
		 iii) Fuel switching where work is carried out to the system machinery (e.g. downsizing of boilers) and this results in improved efficiencies; iv) upgrading a connection to a district heating system by installation of heat meters. The following types of works are not eligible under the CERT and CSCO: v) Fuel switching and/or upgrades where minimal plant or pipe replacement work is carried out. We recommend that suppliers liaise with us before installing this measure. 		
12	District heating system connection (HHCRO only)	A district heating connection to a property is an eligible measure under the HHCRO where it can be shown that it achieves a heating saving*. As long as this condition is met, a variety of district heating systems may be eligible, including new connections, upgrades and heat meters. There are some district heating systems which cannot be scored using SAP or RdSAP. For these, a supplier may apply to use an appropriate methodology. See our Open Letter titled ECO: Information on determining savings for qualifying action and excess action for more information on appropriate methodologies. * heating saving means the money that would be saved by that installation over its expected lifetime in heating a home to 21 degrees Celsius in the main living areas and 18 degrees Celsius in all other areas. We recommend that suppliers liaise with us before installing this measure.		To include: • Specification of the existing heating system – fuel type, supply, controls, efficiency • Specification of the replacement system –fuel type, supply, controls, efficiency • Heat load before and after installation

	Legislative provision of ECO	Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
13	District heating system connection (CSCO only) – requirement that premises contain loft or wall insulation	Under the carbon saving community obligation, district heating connections may only be installed to premises where one of the following two conditions are in place before installation of the connection: i) The entire loft area of the premises is insulated or, if part of that area (not exceeding 50%) cannot be insulated for a good reason, the remaining part is insulated. In some circumstances, e.g where a loft has been converted to be habitable, standard loft insulation is not suitable and instead pitched roof insulation is the appropriate method of insulating the loft. For the purpose of determining whether the preconditions for installing a district heating connection are in place, we will deem pitched roof insulation to be a form of loft insulation. Loft insulation is insulation that is installed to the minimum standards described in Part L of the UK Building Regulations. ii) The entire exterior wall area of the premises is insulated or if part of that area (not exceeding 50%) cannot be insulated for a good reason the remaining part is insulated. Where the property has cavity walls, and there is existing cavity wall insulation, the cavities must be adequately filled. Where the property has solid walls, and there is existing insulation treatment, that treatment will be considered solid wall insulation if it achieves a U-value of 0.60 W/m²K. Any new cavity or solid wall insulation that is		The percentage of the total exterior-facing walls or loft area that is insulated.

	Legislative	Relevant information	Documents to be made available to	Data to be made available
	provision of ECO	installed to meet this rule must meet the minimum standards described in Part L of the UK Building Regulations. A property which does not have a loft, such as the lower levels of block of flats, or houses with flat roofs, must meet condition ii).	Ofgem on request	to Ofgem on request
14	Qualifying boilers	See Annex B		
15	Installation of glazing measures	Where a supplier installs a glazing measure they must be able to evidence the grade of the installed glazing. They also need to declare the grade of the existing glazing. A supplier is only allowed to claim carbon savings under the CERO or CSCO where the glazing installed exceeds the minimum energy efficiency standard applicable to that measure under the Order ³ . A supplier must be able to evidence that the carbon saving claimed for is one that meets this criteria.	The WER calculation, evidencing the installed window's U-value; or a declaration by the manufacturer of the installed window's U-value.	The grade or U-value of the existing glazing
16	Proportion of installation that must be completed	Suppliers must install 100% of a measure unless there is a good reason why they cannot. For example for loft insulation, unless there is a good reason not to, the entire loft must be insulated, including the hatch. 'Good reasons' may vary according to the measure type. For internal wall insulation, we will accept as a good reason a householder who is unwilling to treat all rooms at the same time. The same reason is unlikely to be valid for draught-proofing as there are generally fewer financial and practical obstacles to installing 100% of this measure. If a supplier treats a property where a measure has		The reason why 100% of a measure was not installed

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³ Articles 12(7)(a) and 13(7)(a)

	Legislative provision of ECO	Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
		already been partially installed (e.g. where secondary glazing has already been installed to 20% of the window area) then this is a good reason for why the supplier will install less than 100% of a measure (in this case the supplier can only install 80% of the window area). If a supplier is in doubt as to what an acceptable reason is, they should contact us.		
17	Primary measures under the CERO	Under the CERO, there are some measures which can only be installed if other measures are installed as well ⁴ . We will refer to these as 'secondary' and 'primary' measures respectively. In order to claim for a secondary measure under this obligation a supplier must evidence that the secondary measure was installed within 6 months of a primary measure. The two primary measures referred to are: • Solid wall insulation that is a recommended measure and that is applied to at least 50% of the total exterior-facing walls of the property. This includes solid wall insulation used to treat hard-to-treat cavities. If a property has both solid and hard-to-treat cavity walls, and solid wall insulation is used to treat both, then the percentages can be aggregated to meet or exceed the 50% threshold. • Insulation of a hard-to-treat cavity wall that is a recommended measure and that is applied to at least 50% of the total exterior-facing walls of the property. The 'total exterior-facing walls of the property' includes any areas not suitable for insulation. 'Solid wall insulation' includes both internal and external		The percentage of the total exterior facing walls to which insulation has been applied, split by wall type (solid / cavity / hard-to-treat cavity). Where it is a hard-to-treat cavity, the percentage that has been treated with solid wall insulation. Date of completion (see above).

⁴ See article 12(4)(c)

			Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
		systems.		
18	Under the CERO, there are some measures which can only be installed if other measures are installed as well ⁵ . We will refer to these as 'secondary' and 'primary' measures respectively. Where a supplier installs a secondary measure under the CERO, they must be able to evidence that the secondary measure was installed within 6 months before or after the completion of the primary measure by the same supplier. For each secondary measure installed under this obligation, suppliers will need to identify the corresponding primary measure when notifying us of completion of installation.			Date of completion (see above).
		person to whom an action is promoted		
19	Affordable warmth benefits eligibility	 The affordable warmth group is a group of persons in receipt of one of more specified benefits. Suppliers must evidence membership of the affordable warmth group under two of the obligations: Home heating cost reduction obligation: suppliers must promote measures to householders that are members of the affordable warmth group. Carbon saving community obligation: suppliers must achieve at least 15% of their total obligation by promoting measures to domestic energy users who are members of the affordable warmth group in a rural area. 	In general, it is for the supplier to satisfy itself as to the benefit status of a domestic energy user. However, suppliers must retain a written record to the effect that they or the relevant installer have sighted evidence sufficient to establish that the relevant domestic energy user was a member of the affordable warmth group at the time at which the relevant evidence was sighted. The record must include details of the name and address of the relevant energy user, the nature and date of that evidence sighted, including, where applicable, the document's unique identifier or reference, and the type of benefit received. Evidence	
		The benefit(s) which a person must be in receipt of to be a member of the affordable warmth group are listed	and the type of benefit received. Evidence sighted must not be dated more than 12	

⁵ See article 12(4)(c)

Legislative	Relevant information	Documents to be made available to	Data to be made available
provision of ECO		Ofgem on request	to Ofgem on request
	in Schedule 1 of the ECO Order.	months before the date of completion of the installation.	
		Further guidance on the types of documents that suppliers/installers should sight will be provided in the ECO Guidance. In the meantime it may be helpful for suppliers to refer to the types of evidence identified in paragraphs 7.22-7.23, and 7.78 of version 3 of the CERT Supplier Guidance, in so far	
		that it is possible to read such paragraphs as applying to the benefits identified under Affordable Warmth Group.	
		We are aware that DECC and the contractor operating the Energy Saving Advice Service (ESAS) are in the process of setting up a service where customers eligible for HHCRO are referred to energy suppliers obligated to deliver ECO and that this service may include verification of customer eligibility benefits via a link with DWP. We anticipate that such a service will produce a unique reference number for each referral. If an AWG customer comes to a supplier through the referrals service, has been confirmed as eligible by the DWP, and a unique reference number is generated, then the supplier will need to retain a record of this unique reference number, but will not need to	
		retain the written record identified above. Similarly, where a supplier delivers a	
		qualifying action to an energy user identified in a notice issued by the Secretary of State in accordance with	
		regulation 6(1) of the Warm Home Discount Regulations 2011 (i.e. the 'core' group), and dated not more than 12 months before	

	Legislative Relevant information provision of ECO		Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
			the date on which installation of the measure is complete, suppliers should retain a copy of the notice, but will not otherwise need to retain additional records. There may be other types of documentation that we would accept as evidence of AW eligibility. Suppliers should contact us to discuss potential alternative documentation before using it as evidence. NB. This is an interim approach. These evidence requirements are subject to consultation and may change in light of our final auditing arrangements.	
20	"Householder"	A supplier promotes measures to a 'householder' under the home heating cost reduction obligation and for some types of excess action. A "householder" is defined in Schedule 2 of the Order. There is one definition of householder for England and Wales; and one definition for Scotland. In England and Wales, a householder can be one of six types of occupier. These are: a. a freeholder b. a leaseholder with a term of 21 years or more unexpired at the time the suppliers offers to install a measure c. a tenant, but not an 'excluded tenant' d. a holder of a licence to occupy, where the licence is for occupancy in 'an almshouse' that is maintained by a charity e. a holder of an 'assured agricultural occupancy' under the Housing Act 1988 f. a 'protected tenant' under the Rent Act 1977	Where the measure is promoted to a householder in England and Wales a. Freeholder – search from Land Registry, or copy of title b. Leaseholder –search from Land Registry, or copy of lease c. Tenant (including sub-tenant) but not excluded tenant - Tenancy agreement, or licence to occupy d. Holder of a licence to occupy an almshouse maintained by a charity - Licence to occupy and constitution of the charity e. Assured agricultural occupancy - Tenancy agreement or licence to occupy f. Protected tenant - Tenancy agreement Where the measure is promoted to a householder in Scotland a. Owner – search from Registry, or copy of	
		under the Housing Act 1988	householder in Scotland	

	Legislative provision of ECO	Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request	
		occupier. These are: a. an owner of domestic premises b. a tenant, but not an 'excluded tenant' In England, a tenant may be an 'excluded tenant' if the tenant resides in 'low cost rental accommodation'. The relevant statute contains a 3 part test for determining whether accommodation is low cost rental accommodation. In the event that we conduct an audit to verify that a person is a householder, we will proceed on the assumption that: • all housing rented by a local authority, housing cooperative, housing association or charity is 'low cost rental accomodation'. If suppliers are able to demonstrate to the contrary we will accept this as evidence that the householder is not 'an excluded tenant'. • all private housing (i.e. not housing provided by a local authority, housing cooperative, housing association or charity) is not 'low cost rental accommodation'.	title b. Tenant (including sub-tenant) but not excluded tenant - Tenancy agreement		
21	Areas of low income	Under the CSCO, measures must be delivered to domestic energy users in an area of low income (apart from adjoining installations and measures installed in rural areas, which are explained in the sections directly below). A list of the areas of low income as defined by the ECO Order is within this document: Energy Company Obligation, Carbon Saving Community Obligation: Rural and Low Income Areas document ISBN 9780108511608		The LSOA code for measures installed in England and Wales The data zone code for measures installed in Scotland.	
22	Adjoining areas	Under the CSCO, a supplier may achieve part of its obligation by carrying out qualifying actions to domestic energy users living in a 'specified adjoining area' (defined in the ECO Order at article 2) which		The LSOA code for measures installed in England and Wales	

	Legislative	Relevant information	Documents to be made available to	Data to be made available			
	provision of ECO	Reference information	Ofgem on request	to Ofgem on request			
	provision of ECO	adjoins a low income area. Areas which are 'specified adjoining areas' are listed in the following documents. For England and Wales, the areas specified as a 'Lower Layer Super Output Area' in a document entitled 'Mid-2010 Population Estimates for Lower Layer Super Output Areas in England and Wales by Broad Age and Sex' (release date 28 September 2011): http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-230902 For Scotland, the areas specified as a 'datazone' in a document entitled 'SMID Datazone Lookup' (version 3 published on 6 March 2012): http://www.scotland.gov.uk/Topics/Statistics/SIMD/SIMDOuickLookup	Organi on request	The data zone code for measures installed in Scotland.			
23	Rural areas	Suppliers must achieve at least 15% of their total CSCO by promoting qualifying actions to domestic energy users who are members of the affordable warmth group living in a rural area. A rural area is described in the document entitled "Energy Company Obligation, Carbon Savings Community Obligation: Rural and Low Income Areas" as 'a settlement of fewer than 10,000 inhabitants'. We will adopt the ONS identification of settlements by number of inhabitants. At notification suppliers will need to state whether they intend to claim the measure against their rural subobligation.		The reference to the rural area			
Infori	Information relating to calculation of carbon savings and cost savings						
24	The carbon or cost	A supplier must provide a carbon or cost saving	1) SAP/RdSAP (including bespoke systems				

		Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
saving of a measure	against each measure it notifies to us under the ECO.	that use a SAP/RdSAP engine)	
Information relating to del	We must be satisfied that the carbon or cost saving is accurate before we will attribute a score to a measure. A supplier must be able to provide evidence that the score it has calculated for each measure is accurate. The evidence requirements will depend on what calculation methodology has been used. See the open letter on scoring for further information. We will audit a sample of calculations to assess their accuracy. Where a calculation is not carried out by an accredited SAP or RdSAP assessor, we may increase the size of the sample. Therefore we encourage suppliers to only use accredited assessors for all SAP and RdSAP calculations. Furthermore, where inputs to an EPC have been used for an RdSAP calculation, and the EPC has been lodged, this will provide additional assurance that the scores have been calculated using accurate input data. Where the EPC has not been lodged, we may decide to increase the size of the sample of properties where we check the veracity of the input data. Therefore we encourage suppliers to lodge EPCs where the inputs are used to calculate a carbon or cost saving score.	Report(s) or screen shots showing: Input data Cost and/or carbon saving Software information (name of the software organisation, software name, version) ⁶ Name of assessor, assessor number (where applicable) and company Documentation of additional calculations (eg. lifetime, in-use factor ⁷) Appropriate methodology Report(s) showing: Input data Cost and/or carbon saving Details of appropriate methodology (e.g model name, author, software version) Documentation of additional calculations (e.g lifetime, in-use factor)	

 $^{^{6}}$ BRE tested and DCLG, SBS and DFPNI approved SAP or RdSAP software

⁷ See Open Letter on scoring

===================================		Relevant information	Documents to be made available to Ofgem on request	Data to be made available to Ofgem on request
Infor	rmation relating to tech	nnical monitoring		
26	The completion of technical monitoring in the period before the technical monitoring process / questions are finalised.	Once the ECO Order is in force, we will require suppliers to conduct technical monitoring of installations and notify the monitoring results to Ofgem. In the future we will work with suppliers to develop a standard process, and standard questions, for use by suppliers when conducting technical monitoring. Until this work is finalised suppliers should design and implement their own monitoring process and questions to gain assurance that installations were completed in accordance with the legislation.		

ANNEX B: QUALIFYING BOILER INFORMATION PACK

1. Introduction

This document is designed to provide suppliers and operatives with guidance regarding the repair and replacement of qualifying boilers under the Energy Companies Obligation (ECO).

2. Qualifying Boilers

Under the Home Heating Cost Reduction Obligation (HHCRO), the repair or replacement of a boiler that meets the definition of a 'qualifying boiler' and results in a heating saving is a heating qualifying action. A qualifying boiler is:

- a in the case of a boiler to be repaired, a boiler which the Administrator is satisfied
 - is not functioning efficiently or has broken down; and
 - ➤ has a seasonal energy efficiency value of not less than 86% when assessed against the Standard Assessment Procedure (SAP).
- b in the case of a boiler to be replaced, a boiler which the Administrator is satisfied -
 - > is not functioning efficiently; or
 - has broken down,

and which cannot be economically repaired

In the case of repair of a qualifying boiler, the repair must also be accompanied by a one or two year warranty (see section 3.5).

3. Boiler Assessment & Operative Competency

In satisfying ourselves that a boiler that has been repaired or replaced was a qualifying boiler, we will take into account information provided by an appropriately qualified person pursuant to a relevant assessment of the boiler.

3.1 Operative Competency

Our current approach is that both assessment and any repair/replacement should be carried out by the same person (the 'operative'). The Order requires that any repair of replacement is carried out by a person of appropriate skill and experience. For boilers that are referred to within PAS, the boilers must be repaired or replaced by operatives who meet the operative competence requirements listed in the measure-specific annexes to that Specification. For boilers not in PAS, suppliers must ensure that their operatives meet industry competency standards to repair or replace a boiler of that particular fuel type. Operatives must also meet all legal requirements to work with the relevant fuel type. In the case of gas-fuelled boilers, for example, operatives must be Gas Safe registered in accordance with Regulation 3 of the Gas Safety (Installation and Use) Regulations 1998.

3.2 Boiler Assessment Checklist

Ofgem has prepared a checklist ('Boiler Assessment Checklist') which should be completed, signed, and dated by the operative, and retained by the supplier for subsequent audits by Ofgem. All steps taken by the operative in determining boiler condition should be recorded in the checklist, as well as the operative's recommendation as to whether the boiler should be repaired or replaced. The information provided in the checklists will form the basis of our determination of whether the boiler is 'broken down' or 'not functioning efficiently'. These terms are defined below.

The 'Boiler Assessment Checklist' can be found in Schedule 2.

It is important to note that the operative's decision to replace a boiler on the basis that he/she considers that it is broken down/not functioning efficiently and cannot be economically repaired does not necessarily mean that we will reach the same conclusion, particularly if we consider that an assessment has been incorrectly carried out. For this reason, suppliers should ensure that the operative, in assessing the boiler, accurately completes the 'Boiler Assessment Checklist'.

During the consultation period, we will be consulting with suppliers and our Fraud and Audit Team on options for ensuring that boiler assessments are carried out in accordance with our requirements. One option we are considering is, in a sample of cases, to commission an independent person to examine a boiler before it is repaired/replaced. The supplier's operative would be 'blind' to the earlier report and their assessment measured against it.

3.2.1 'Broken down'

A boiler is 'broken down' if, when connected to electric and fuel supplies, it does not respond appropriately to any demand for heat as required by the central heating or domestic hot water system. The operative should list the symptoms observed and state the steps taken to reach his/her conclusion in the 'Boiler Assessment Checklist' (see Schedule 2 below).

3.2.2 'Not functioning efficiently'

A boiler is 'not functioning efficiently' if its condition is such that its performance in the delivery of water for central heating or the provisions of domestic hot water is significantly worse than that when the product was new. The operative should list the symptoms observed and state the steps taken to reach his/her conclusion in the 'Boiler Assessment Checklist' (see Schedule 2 below).

3.2.3 'Economically repaired'

Boilers which have a seasonal energy efficiency value of less than 86% (when assessed against SAP) 'cannot be economically repaired'. This means that, subject to being broken down or not functioning efficiently, all such boilers can be replaced as qualifying boilers under the Order.

Boilers which have a seasonal energy efficiency value of 86% or more⁸ can be replaced as qualifying boilers, but only where they 'cannot be economically repaired'. Because the cost of repair of these boilers will usually be much lower than the cost of replacement, such boilers will only be eligible for replacement as qualifying boilers in exceptional circumstances. These circumstances are where:

- a. the required replacement parts for the boiler are not available (i.e. unavailable for purchase at a reasonable cost or within a reasonable timeframe. What is a reasonable timeframe and cost will depend on all the circumstances including the nature of the repair required);
- b. the actual cost of repair is greater than the relevant threshold on the 'Economic Repair Cost Comparison Tables' (see below);
- c. there are compelling reasons why the 'Economic Repair Cost Comparison Tables' should not apply in the circumstances. Those reasons must be provided in the checklist.

3.3 'Economic Repair Cost Comparison Tables'

There are two 'Economic Repair Cost Comparison Tables' to be used for determining when a boiler with an energy efficiency value of at least 86% cannot be economically repaired. The tables display the maximum cost of repair for it to be considered economic for the boiler to be repaired rather than replaced, i.e. if the actual cost of repair, as calculated by the operative, is higher than the maximum cost outlined in the table, the boiler should be replaced. The maximum costs depend on whether the boiler is a combination boiler or a basic system boiler, and on its age and condition. When assessing the condition of the boiler, the operative should make this assessment based on what he/she would reasonably expect the condition of a boiler of that age to be.

3.4 Assessing Boiler Condition

As a guide to assessing condition, the following criteria may be used:

Very poor: the apparent age of the boiler is 5 years **more** than the actual age

Poor: the apparent age of the boiler is 3 years more than the actual age

Standard: the apparent age of the boiler **corresponds with** the actual age

Good: the apparent age of the boiler is 1 year **less** than the actual age

Very good: the apparent age of the boiler is 3 years **less** than the actual age.

The maximum cost of repair for each boiler type is based on a number of assumptions: the replacement cost of a boiler (accounting for – where applicable – the cost of the boiler, the cost of boiler extras (e.g. flue), the cost of fittings, water additives, central heating control pack, sub-contract electrician, quotation, re-plumbing around the boiler, and labour), the average lifetime of a boiler (12 years), and that boiler depreciation is linear. The costs that are taken into account by the operative when calculating the actual

⁸ When assessed against SAP/SEDBUK. If SAP/SEDBUK does not provide an efficiency rating, operatives may use an alternative to estimate the rating. That methodology must be described in the checklist

cost of repair should – where applicable – include those listed above, plus the cost of a 1 or 2 year warranty (as appropriate). The operative must specify the cost of the warranty that he/she has included in the actual cost of repair.

Under ECO, after an operative has carried out a boiler assessment and calculated the cost of repair, he/she is required to consult the tables to identify whether it is higher or lower than the maximum cost of repair identified in the table. This information is relevant to whether the boiler can be economically repaired (see 3.2.3).

The 'Economic Repair Cost Comparison Tables' can be found in Schedule 3.

3.5 Boiler Warranty

In the case of repair of a qualifying boiler, the repair must also be accompanied by a one or two year warranty. The warranty must be in respect of the proper functioning of the entire boiler (see Schedule 1), and must not be limited to the part of the boiler that has been repaired or replaced. Warranties should not include any unusual or otherwise unreasonable exemptions. The cost of a 1 or 2 year warranty should be included when calculating the cost of a boiler repair (see section 3.4) and must be included in the checklist.

A copy of the qualifying boiler warranty provided to the customer must be retained by suppliers for subsequent audits by Ofgem.

Operatives will need to obtain the consumer's written confirmation that he or she has been provided with, and has been informed by the operative that the boiler is under, a warranty for: a) 1 year or b) 2 years from the date of repair, and that the nature of the warranty has been explained to them.

Where a supplier issues a warranty in respect of the repair of the qualifying boiler, any subsequent repair of the boiler under that warranty will not be eligible for savings.

Schedule 1: Boiler definition

A boiler is defined as a vessel or an arrangement of tubes or heat exchange surfaces in which water or other fluid is heated. The heated or vaporised fluid exits the boiler for use in various processes or heating applications. The boiler must be connected to a working domestic central heating/hot water system. Below is a list of the components that will normally comprise a boiler.

- 1. the fuel supply system,
- 2. boiler and burner control system,
- 3. air supply and exhaust fans,
- 4. flue connections within the boiler case,
- 5. expansion vessel and/or fill and expansion header tanks
- 6. programmer/timer
- 7. circulation pump, and
- 8. pipe work and ancillary equipment within the case necessary to supply central heating and / or instantaneous hot water.

It is expected that these components will exist inside a single casing. However, we are mindful that there may be cases when one or more of components 4-7 exist outside of the boiler casing.

At minimum all the components listed above, where present, must be covered by the warranty and repair of any of those components will constitute repair of a qualifying boiler.

Schedule 2: Boiler Assessment Checklist⁹

Information Required	To be filled in by Operative on site
Date of Repair/Replacement	
Househol	der Details
Address	
Postcode	
Existing Bo	piler Details
Make	
Model	
Year of original commissioning/age of boiler	
State how you have established year of original commissioning/age of boiler (e.g. servicing sticker, records held by householder, landlord records, original installation documentation etc.)	
System type e.g. combination/system	
Seasonal Efficiency Rating: please provide efficiency rating when assessed against SAP/SEDBUK. If SAP/SEDBUK does not provide an efficiency rating, please specify the methodology you have used to estimate the rating.	
Boiler Assessment Part 1: Complete	for all boiler repairs and replacements
Is the boiler connected to a working domestic central heating/hot water system?	
Symptoms e.g. burner will not light	
Diagnosis/conclusion: is the boiler broken down or not functioning efficiently?	
What steps did you take to reach this diagnosis/conclusion?	

⁹ See section 3 on Boiler Assessment

Boiler Assessment Part 2: Complete where bo	iler has an efficiency rating of not less than 86%			
What is the condition of the existing boiler (when assessed against the expected condition of a boiler of that age)? ¹⁰ ('very poor' to 'very good')				
Explain the reasons for your assessment of boiler's condition. What steps did you take in reaching your conclusion?				
What is the maximum cost of repair as identified in Ofgem's 'Economic Repair Cost Comparison Tables'?	£			
What is the actual cost of repair?	£			
How much of the actual cost of repair is attributable to the cost of the warranty that has/would be provided? ¹¹	£			
Is the actual cost of repair less than the maximum cost of repair as identified in Ofgem's 'Economic Repair Cost Comparison Tables'?				
Are parts required for the repair available?				
Are there compelling reasons why the 'Economic Repair Cost Comparison Tables' should not apply in the circumstances? If so, state them				
Recomn	nendation			
Repair or Replace?				
If repaired, provide details for repair undertaken (parts etc.)				
If replaced, provide details for replacement boiler (type/seasonal efficiency rating)				
Details of warranty of	ffered to householder:			
Start date of Warranty				
End date of Warranty				
Has the customer been informed by you, the operative that				
the boiler is under, a warranty for: a) 1 year or b) 2 years from the date of repair, and that the nature of the				
warranty has been explained to them?				
For completion by the customer				

 $^{^{\}rm 10}$ See section 3.4 for guidance on assessing boiler condition $^{\rm 11}$ See section 3.4 for guidance on calculating the actual cost of repair.

I, the customer, have been informed by you, the operative, that the boiler is under, a warranty for: a) 1 year or b) 2 years from the date of repair, have been provided with a copy of the warranty and confirm that they nature of the warranty has been explained to me	
Customer signature	
Operative & S	Supplier Details
Supplier company name	
Operative company name	
Operative name	
Operative signature	
Operative competency: Accreditation/Accrediting Body (e.g GasSafe)	
Registration Number	
Additional comments	
e.g . system treatment, controls ancillaries, further considerations around reasons for decision	

Schedule 3: 'Economic Repair Cost Comparison Tables' 12

Maximum Repair Cost for Combination Boiler

			Condition of Boiler ¹	3	
Age of Boiler	Very Poor	Poor	Standard	Good	Very Good
1	£ 1,940	£ 2,425	£ 2,910	£ 2,910	£ 2,910
2	£ 1,698	£ 2,183	£ 2,668	£ 2,910	£ 2,910
3	£ 1,455	£ 1,940	£ 2,425	£ 2,668	£ 2,910
4	£ 1,213	£ 1,698	£ 2,183	£ 2,425	£ 2,668
5	£ 970	£ 1,455	£ 1,940	£ 2,183	£ 2,425
6	£ 728	£ 1,213	£ 1,698	£ 1,940	£ 2,183
7	£ 485	£ 970	£ 1,455	£ 1,698	£ 1,940
8	£ 243	£ 728	£ 1,213	£ 1,455	£ 1,698
9	£ -	£ 485	£ 970	£ 1,213	£ 1,455
10	£ -	£ 243	£ 728	£ 970	£ 1,213
11	£ -	£ -	£ 485	£ 728	£ 970
12	£ -	£ -	£ 243	£ 485	£ 728
13	£ -	£ -	£ -	£ 243	£ 485
14	£ -	<u>£</u> -	£ -	£ -	£ 243
15	£ -	£ -	£ -	£ -	£ -

Maximum Repair Cost for Basic System Boiler

Condition of Boiler ³											
Age of Boiler	Very Poor			Poor		Standard		Good		Very Good	
1	£	1,107	£	1,383	£	1,660	£	1,660	£	1,660	
2	£	968	£	1,245	£	1,522	£	1,660	£	1,660	
3	£	830	£	1,107	£	1,383	£	1,522	£	1,660	
4	£	692	£	968	£	1,245	£	1,383	£	1,522	
5	£	553	£	830	£	1,107	£	1,245	£	1,383	
6	£	415	£	692	£	968	£	1,107	£	1,245	
7	£	277	£	553	£	830	£	968	£	1,107	
8	£	138	£	415	£	692	£	830	£	968	
9	£	-	£	277	£	553	£	692	£	830	
10	£	-	£	138	£	415	£	553	£	692	
11	£	-	£	-	£	277	£	415	£	553	
12	£	-	£	-	£	138	£	277	£	415	
13	£	-	£	-	£	-	£	138	£	277	
14	£	-	£	-	£	-	£	-	£	138	
15	£	-	£	-	£	-	£	-	£	-	

 $^{^{12}}$ See section 3.3 for guidance on how to use 'Economic Repair Cost Comparison Tables' 13 See section 3 on Boiler Assessment; and section 3.4 for guidance on assessing boiler condition