

# **Energy companies obligation (ECO) Consultation on the changes to guidance for suppliers**

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## **Introduction**

This document details Warm Front Limited's response to the Ofgem guidance of supplier's consultation detailing the proposed changes to the existing Energy Company Obligation from April 2015 to March 2017 (termed 'ECO 2'). Based in the North West of England, Warm Front Ltd is an SME that delivered ECO measures to xxxxxxxx households during the twelve month period ending 31 March 2014. Whilst predominantly carrying out activity in the North West M62 corridor, we can provide national coverage to fulfil commercially feasible energy efficiency work.

## **Executive Summary**

The proposals in the Energy company obligation consultation on the changes to the guidance for suppliers are concerning for Warm Front Limited. We believe the proposed changes in compliance to provide evidence of the installation, meeting building regulations will drive costs of compliance for installation companies. We predict that this will have an unfair reflection in funding prices and will add pressure to the installation companies.

## **Question 1**

**1a) Do you agree that insulation of a cavity wall must be installed to at least 50% of the total exterior-facing wall area of the premises in order to support a secondary measure?**

Warm Front Limited does not agree with this statement. We believe that if the property requires insulation that could improve the lifestyle of the homeowner then they should receive this regardless of a minimum level of insulation.

**1b) Please give reasons for your answer (including any alternative suggestions for an acceptable minimum level).**

Warm Front Limited believe that there should be no minimum level of insulation

**1c) Do you agree that roof-space insulation must be installed to at least 50% of the total roof space area of the premises in order to support a secondary measure?**

Warm Front Limited does not agree with this statement. We believe that if the property requires insulation that could improve the lifestyle of the homeowner then they should receive this regardless of a minimum level of insulation.

**1d) Please give reasons for your answer (including any alternative suggestions for an acceptable minimum level).**

Warm Front Limited believe that there should be no minimum level of insulation

## **Question 2**

Warm Front Limited does not have any comments or suggestions regarding the connections to a district heating system either under CSCO or CERO.

## **Question 3**

**3a) Do you agree with our proposal to require evidence that the installation of a measure complies with Building Regulations? Please give reasons for your answer.**

Warm Front Limited does not agree with the proposal to require evidence that the installation of a measure complies with building regulations. Our justification for this is that we believe that the current evidence provided with ECO compliance is adequate. The cost of compliance for the scheme will rise significantly for installation companies as a consequence of this the implementation. The extra cost of compliance as a consequence to the proposed changes in evidence will unlikely to be reflected in the amount of funding provided by energy suppliers, a concern for installation companies.

**3b) If this requirement was introduced, how could compliance be demonstrated?**

Warm Front Limited does not have a comment on the demonstration of compliance

**3c) Are you aware of any other means of evidencing compliance with building regulations other than those listed (for either the installation or the product and system, or both)? If so, please provide details.**

Warm Front Limited does not have a comment on any other means of evidencing compliance with building regulations.

**3d) Do you think we should introduce this requirement from the date version 1.2 of the guidance takes effect or for the next ECO obligation period (2015-2017)? Please give reasons for your answer.**

Warm Front Limited does not have a comment on the date of implementation.

## **Question 4**

**Please provide any further comments on the changes to our DRAFT guidance document (version 1.2).**

Warm Front Limited does not wish to provide any further comments on the changes to the DRAFT guidance document (version 1.2).