

## **Energy Company Obligation (ECO) 2015-2017: Consultation on specific HHCRO Requirements**

Please respond by **9am on 1 December 2014**. Responses can be submitted to:

Response on behalf of Help-link Ltd, GDP, GD and ECO installer  
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### **Question 1:**

1.a. Do you agree with our proposed test to identify the main space heating system of a premises? If not, can you suggest any alternative ways of identifying the main space heating system?

Yes.

1.b. Can you suggest any alternative ways that suppliers can demonstrate the fuel type of the main space heating system of a premises?

No.

1.c. Do you agree that an accredited OCDEA/DEA should conduct the assessment of the fuel type of the main space heating system of the premises where a SAP or RdSAP calculation is used to demonstrate this?

Yes.

1.d. Are there any other aspects relating to non-gas fuelled premises in ECO2 that you think we should consider?

No.

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### **Question 2:**

2.a. Do you agree with our proposal to use the boiler definition from Appendix 2 of the ECO Guidance? If not, can you suggest an alternative definition?

No.

Item 2.9 in the Consultation document includes the following in the Boiler definition *"The boiler must be connected to a working domestic central heating (and, if applicable, hot water) system."*

Where the domestic central heating system is in poor condition of there are certain aspects of the system that need to be repaired, replaced or upgraded, this will add to the cost of an installation. There are no carbon savings generated from this work so the costs, if any, will be passed on to the domestic customer and will impact on the level of customer contributions required to "enable" an installation to take place.

The Eco Guidance has created an inherent assumed position that the system at a property will always be in full working order. Experience of the previous scheme, WarmFront, is that this is not the case. It is a common occurrence to find out that a heating system is not in perfect working order.

An example of this is where there are cold spots on existing radiators within the property. They continue to "work" ie they have a level of functionality (in that they do not leak) however the heat output is limited due to accumulation of sludge and residue over the years which is resolved only by a Powerflush or a radiator replacement. If the customer is unable to pay the contribution required to fund this upgrade work, the installation can still go ahead and be fully compliant to all scheme requirements, however the resulting heat output is lower. While the individual components within a heating system We feel that

- a) the level of customer contributions will be overstated because of the enabling works required which can only be funded via customer contributions
- b) there will be greater numbers of customers who will be unable to access HHCRO as they will not be able to the contribution
- c) there will be greater numbers of customers opting to go ahead with an installation in the knowledge that the heat delivery post install is not effective

The definition of “working” may require examination. Is a radiator that does not leak but has significant cold spots so there is very limited heat output “working” or not?

Further, where the Boiler is non-functional so the heat output of a radiator cannot be assessed at the point of survey, does a radiator with significant cold spots then become “non-working” after installation completion? This then generates the question – is the HHCRO warranty intended to upgrade the heating system after installation?

We feel that the inclusion of the word “working” is open to interpretation so that individual customer applications may be treated differently by obligated suppliers. Some may require enabling works to be carried out via a customer contribution while others may go ahead with the installation without requiring system rectifications.

#### Alternative Definition

We suggest that the word “working” be removed from the above definition so it reads *“The boiler must be connected to a domestic central heating (and, if applicable, hot water) system.”*

2.b. Do you agree with our definition of a heating system and the components a heating system comprises? If not, can you suggest an alternative definition?

Yes

2.c. Do you think that there are alternative ways to demonstrate that a qualifying warranty has been provided to the occupier?

No

2.d. Are there any other aspects relating to qualifying warranties for replacement boilers in ECO2 that you think we should consider, in particular the occupier declaration?

Yes.

We would prefer to see further clarity and scope of the definition of the term “problem”. The Oxford English Dictionary defines a problem as *“A matter or situation regarded as unwelcome or harmful and needing to be dealt with and overcome”*.

Warranty provision typically covers mechanical breakdown following an installation. Some warranties have definitions which specify what is covered and what is not. As the Consultation uses the expression “problem” this is open to differing interpretation by stakeholders. A “problem” can be a situation where there is no mechanical equipment failure or defect in the equipment installed but may include scenarios where the end user customer has a “problem” such as:

- excessive noise
- boiler needs to be repressurised
- radiators need bleeding
- controls need to be adjusted eg timers, thermostats
- repairs to inaccessible parts of the system (pipes embedded in concrete, in walls, behind kitchen units
- consequential loss claims eg redecoration, furnishings
- internet connected heating controls
- variations in power supply eg “surge & spikes” neutral faults
- loss of functionality resulting from subsidence or structural repairs

We feel that consideration should be given to these scenarios and if appropriate, section 2.7 should be further extended.

We feel that defining the warranty scope as “*rectification of all problems with the boiler and its associated heating system of the premises relating to the replacement boiler’s installation or design work carried out*” this will create a variety of stakeholder expectations of warranty scope which could in turn lead to customer dissatisfaction.

It may be considered that the scope of the warranty should be limited to the equipment installed and the work carried out under HHCRO. The scope of the warranty as outlined in the consultation can be interpreted as implying that improvements and upgrades can be carried out, taking the system beyond the condition as it was on the date of installation. If a stakeholder perceives any aspect of the heating system after installation to be a “problem”, then this could expose the installer and the obligated company to claims that were not envisaged. In turn, this could lead to customer dissatisfaction and attract scheme criticism.

We feel that clarification could be considered along the lines of “*in the event of mechanical breakdown after installation, the warranty will ensure that that the system is restored to it’s original position as at the date of installation completion*”.

**Question 3:**

3.a. Do you agree that the warranty should be for the functioning of the entire electric storage heater installed and that this can be demonstrated by a manufacturer’s warranty?

Yes

3.b. If more than one electric storage heater is installed in the premises, do you agree that one warranty covering all of the replacement electric storage heaters is sufficient?

Yes

3.c. Are there any other aspects relating to warranties for replacement electric storage heaters in ECO2 that you think we should consider?

No.