



BY EMAIL
Ofgem Consultation
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28th November 2014

Re: ECO 2015-2017: Consultation on Specific HHCRO Requirements

Dear Sir / Madam,

RWE npower welcomes the opportunity to comment on the above consultation. RWE npower is a leading UK energy company and is part of the RWE Group, one of Europe's leading electricity and gas companies. We serve around 5.8 million residential and business customers with electricity, gas and energy. Through RWE Generation, we operate and manage a flexible portfolio of coal, oil, biomass and gas-fired power stations, producing more than 10% of the electricity used in Great Britain.

Please find attached our consultation response and appendix of queries previously submitted to Ofgem. Overall we fully support Ofgem's proposals and the means by which they wish to implement the changes. However, clarity is required on warranties for boiler replacements, details of which are included in our response.

If you have any queries regarding our response, please let me know.

Yours faithfully,

Bob Jackson
RWE npower

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ECO 2015-2017: Consultation on Specific HHCRO Requirements

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 we agree. We welcome the proposal to use Appendix A of SAP when further clarity on identifying the main space heating system is required.

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

We strongly recommend that the existing Boiler Checklist is amended so that suppliers can demonstrate the fuel type for the main space heating system of a premises.

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 we agree.

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

We have no further comments.

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?

Yes we agree.

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 we agree. However, we note that the list of components is not exhaustive and some items on the list may not be part of the heating system.

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

Yes, there are alternate ways in which a qualifying warranty can be provided to the occupier. The simplest of these options could be the Declaration of Conformity, but it should also be left to the individual suppliers to provide this warranty in order to limit the amount of paperwork given to the customer.

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

We would like clarity on Ofgem's interpretation of the guidance wording and whether this extends to latent defects and/or issues that are not reasonably foreseeable at the point of a boiler installation. The potential scope of scenarios that poorly defined warrantee requirements is significant. We do not believe

it is the policy intent to cover a broad range of scenarios so we ask Ofgem to review scenarios in Appendix 1 and provide a view as to which of these issues the warranty will be expected to cover.

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, we agree that the warranty for the specific electric storage heaters (ESH) are attributable to the manufacturer, and that a reasonable installation warranty should be provided for workmanship (electrical) and the design of the system.

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?

Each ESH should have its own warranty due to serial numbering (unless they are all exactly the same model and the serial numbers can be provided back to the manufacturers on bulk) – this will need to be agreed by the ESH manufacturers.

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

We do not think these changes can be satisfactorily implemented by the deadline of 1st January 2015 due to the complex nature of the request.

We understand that there may be occasions where the manufacturer's warranty will not cover some installs i.e. under-sizing or over-sizing. We would suggest that Ofgem develop an electric storage heater checklist that can be filled in at the point of install, ensuring the electric storage heater has been installed in accordance with manufacturer's instructions.

Appendix 1 – Warranty scenarios:

Please find below a number of scenarios/questions re the ECO 1.2 boiler warranty requirements:

1. Fitted a combination boiler to existing system - commissioned at time of install and compliant all with Manufacturers Installations Specification and Benchmark. No leaks found on existing pipe work\radiators. 18 months later a radiator leaks from a corroded pin hole on the rear. Is the installer responsible for the repair of this radiator under the installation warranty?
2. Fitted a system boiler to existing system - commissioned at time of install and compliant with all Manufacturers Installations Specification and Benchmark. No leaks found on existing pipe work\radiators. 18 months later a pipe in an internal wall leaks. Is the installer responsible for repairing the leak under the installation warranty?
3. Fitted a system boiler to existing system - commissioned at time of install and compliant with all Manufacturers Installations Specification and Benchmark. No leaks found on existing pipe work\radiators. 23 months later the hot water cylinder leaks from a corroded pipe (not touched during installation). Is the installer responsible for the rectification of this issue under the installation warranty?
4. Fitted a combination boiler and new radiators & TRVS - commissioned at time of install and compliant with all Manufacturers Installations Specification and Benchmark. No leaks found on existing pipe work\radiators\TRVS. 8 months later 1 TRVS fails and leaks. Is the installer responsible for the rectification of this issue under the installation warranty?
5. Fitted a combination boiler to an existing gravity system - commissioned at time of install and compliant with all Manufacturers Installations Specification and Benchmark. No leaks found on existing pipe work\radiators. After 3 months a pipe submerged in the concrete floor develops a leak. Is the installer responsible for the repair of this radiator under the installation warranty?
6. Fitted a system boiler to existing system - commissioned at time of install and compliant all with Manufacturers Installations Specification and Benchmark. No leaks found on existing pipe work\radiators. 9 months later the 3 port valve fails in the closed position (not touched during the boiler installation). Is the installer responsible for the repair under the installation warranty?
7. Conducted a technical survey (using the EST domestic heating sizing method) and a 15KW boiler is considered adequate for the property. A system boiler is fitted to the existing system - commissioned at time of install and compliant with all Manufacturers Installations Specification and Benchmark. No leaks found on existing pipe work\radiators. 6 months later a customer makes a complaint, suggesting that the boiler is insufficient for their heating needs. Is the installer responsible for a secondary assessment/and or replacement under the installation warranty?