20 January 2015

Ofgem's consultation on the Energy Company Obligation 2015 – 2017 (ECO2): ECO 2.2 consultation – British Gas' response

Executive summary

British Gas welcomes the opportunity to respond to Ofgem's consultation on the Energy Company Obligation 2015 – 2017 (ECO 2) Guidance for Suppliers. In general, we found this consultation very accessible despite its technical content. As we explain in our response to Questions 1 and 2, we welcome Ofgem's proposals for assessing the insulation pre-conditions for district heating under CERO and CSCO. While we are very pleased that these proposals do not introduce additional burden, we have the following concerns with Ofgem's proposals elsewhere in this consultation:

a) **Ofgem's suggestion to require Stage 1 or Stage 2 technical monitoring inspection to demonstrate virgin loft insulation is costly and ineffective in mitigating the risk of fraud.** We believe that a more effective method than Stage 1 or Stage 2 technical monitoring would be a combination of system controls flagging potentially fraudulent claims and a declaration from the customer confirming that no insulation was present prior to the installation. We provide more information in our response to Question 6.
b) **Ofgem's proposed approach to technical monitoring rates would be difficult to manage and would penalise those who perform well**. We believe that any adjustments to technical monitoring rates should come into effect from the second quarter following the submission date, and that increased monitoring should only be carried out on specific areas of failure. We provide further detail in our response to Question 7.
c) **Ofgem's consultation does not provide sufficient detail on how CO_2 savings for a replacement or repair of an electric storage heater will be calculated**. We ask Ofgem to provide further detail on this as soon as possible. We cover this point in our response to Question 4.
d) **Ofgem's proposed changes to the boiler fault list do not provide sufficient clarity on when it is appropriate to repair or replace the boiler.** In our response to Question 5, we provide suggestions for how the boiler fault list can be improved.

Question 1:

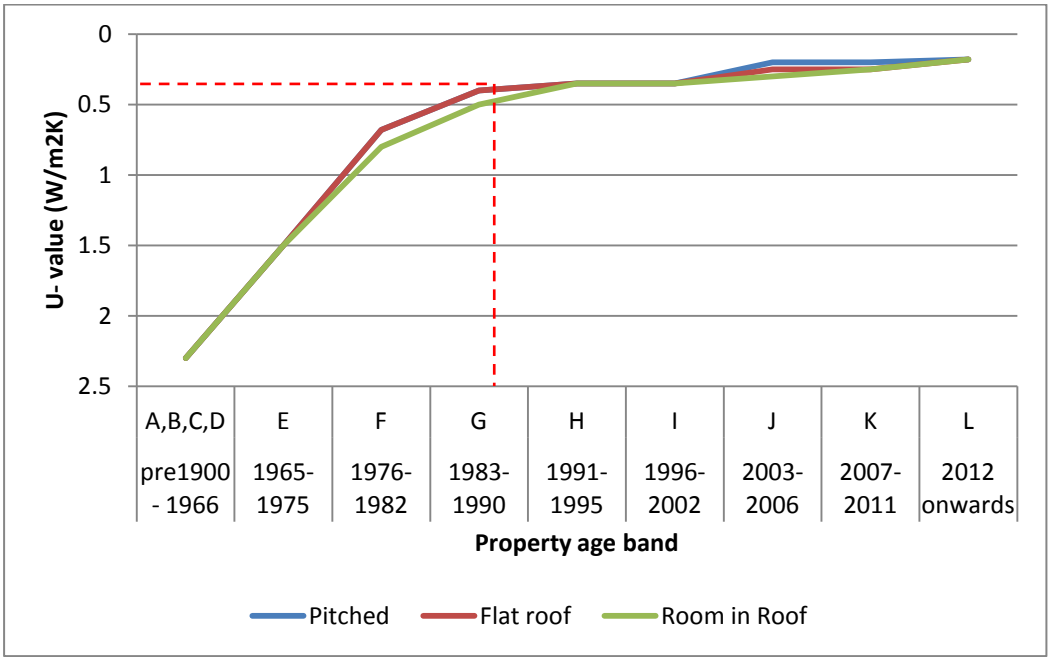
a) Do you agree with our proposed requirements for pre-existing roof insulation? Please provide reasons for your answer.

We agree with Ofgem's proposal. We believe that the proposed U-values are set at the right level as the greatest reduction in the U-value of the roof is achieved by insulating the roof in accordance with the requirements of the property age band G values set out in RdSAP[1]. As

[1] Appendix S, Standard Assessment Procedure 2012

we demonstrate in Figure 1, the reduction in the U-value of the roof beyond the requirements of property age band G is marginal.

Figure 1. Reductions in the U-value of the roof in accordance with property age bands for different types of roof insulation



We ask that SAP assessments undertaken by DEAs are used to evidence the age of the property and U-values of pre-existing roof insulation.

b) Do you have any further comments or suggestions relating to this policy area?

Ofgem's ECO 2.1 Guidance for Suppliers[2] explains the pre-existing wall insulation requirements for district heating.

4.70. Where a wall has pre-existing insulation which was installed at a premises after 1983 in England and Wales, or after 1984 in Scotland, this is sufficient to demonstrate that the walls are insulated for the purposes of connection to a DHS.

We ask Ofgem to update this requirement to reflect the property age bands in RdSAP. We suggest that it should also be sufficient to demonstrate that the walls are sufficiently insulated if the insulation was installed during 1983 in England and Wales or during 1984 in Scotland. We also suggest that properties built during or after 1983 in England and Wales, or during or after 1984 in Scotland should be assumed to have adequate wall insulation for the purpose of district heating connection.

[2] https://www.ofgem.gov.uk/ofgem-publications/91749/ecoguidanceforsuppliersversion12final.pdf

Question 2:

a) Do you agree with our proposal that a wall with a section of cavity narrower than 40mm cannot be insulated? Please provide reasons for your answer.

We agree with Ofgem's proposal. Our reasons for supporting this proposal are the same as the reasons provided in paragraph 2.11 of Ofgem's Energy Company Obligation 2015 – 2017 (ECO2): ECO 2.2 Consultation.

2.11 Where a cavity is narrower than 40mm there is a risk of mortar bridging the cavity, which may cause damp issues in affected properties. The narrow width of these cavities also makes them difficult to fill evenly and any voids left between insulated areas within the cavity could also cause damp problems.

b) Do you agree with our proposal that a wall which adjoins a wall which cannot be insulated also 'cannot be insulated'? Please provide reasons for your answer.

We agree with Ofgem's proposal. Our reasons for supporting this proposal are the same as the reasons provided in paragraph 2.13 of Ofgem's Energy Company Obligation 2015 – 2017 (ECO2): ECO 2.2 Consultation.

2.13 This addresses technical issues which are more prevalent in buildings that are not fully insulated, such as moisture issues which can result from increased heat loss through uninsulated walls. Where a cavity wall (Wall A) adjoins a wall (Wall B) that we judge cannot be insulated, we will also judge that Wall A cannot be insulated.

c) Are there any other scenarios where a cavity wall cannot be insulated? Please provide reasons for your answer.

We believe that Ofgem should adopt the same approach for judging whether a cavity wall cannot be insulated as to assessing whether a cavity wall is hard-to-treat. The circumstances where a cavity wall cannot be insulated are set out in paragraph 5.15 of Ofgem's ECO 1.1 Guidance for Suppliers[3].

In general, the wall needs to be in good condition to be insulated, as insulating walls in poor condition could exacerbate the problem and hamper later repairs. A cavity wall which a Chartered Surveyor has reported is not suitable to insulate without 'substantial remedial' works should not be required to be insulated. An example of this would be a cavity wall with widespread spalling or flaking to the face-work or with loose or crumbling mortar joints.

Where bricks and stones have been used for tying between the leaves or where there is debris or mortar blocking the cavity, the cavity should be left uninsulated. Insulation should not be required where the walls are made of natural stone, as insulating such cavities could cause damp problems.

We also believe that a cavity wall which a Chartered Surveyor reports is not suitable to be insulated with standard materials or techniques should not be required to be insulated. For example, this includes cavities to timber frame houses as insulation could increase the risk of timber rotting.

[3] https://www.ofgem.gov.uk/ofgem-publications/91750/supersededecoguidanceforsuppliersversion11a.pdf

We also believe that where it is not possible to obtain a guarantee for cavity wall insulation from CIGA or an equivalent organisation, such cavity should not be required to be insulated. This is relevant to buildings that are more than 12 meters high or properties in high exposure zones.

d) For compliance purposes, how can suppliers demonstrate that a cavity wall cannot be insulated?

We believe that a Chartered Surveyor's Report or a Structural Engineer Report is an appropriate method of evidencing that a cavity wall cannot be insulated.

e) Do you have any further comments or suggestions relating to this policy area?

We have no further comments

Question 3:

a) Do you agree with our preferred approach (Option 1) for calculating the lifetime for multi-fuel DHS upgrades? Please provide reasons for your answer.

b) If you do not agree with Option 1, do you agree with any of the other proposed options for calculating the lifetime for multi-fuel upgrades? If not, can you propose an alternative approach for calculating the lifetime for multi-fuel DHS upgrades?

Below we answer Questions 3a) and 3b) together.

Since CO_2 savings achieved by a generator are proportional to the heat supplied by that generator, we believe that Options 1 and 2 proposed by Ofgem result in a very similar outcome. We demonstrate this in Tables 1 to 3 below:

a) Table 1 sets out the steps that we believe should be followed to calculate the weighted lifetime for a multi-fuel upgrade based on the proportion of CO_2 savings achieved by each generator.

b) Table 2 sets out the lifetime for a multi-fuel upgrade weighted by the proportion of CO_2 savings achieved by each generator based on different contributions by each generator using the calculations we set out in Table 1.

c) Table 3 sets out the lifetime for a multi-fuel upgrade weighted by the proportion of heat supplied by each generator based on different contributions by each generator using the calculations proposed by Ofgem under Option 2.

Our examples are based on replacing electric heating in 600 high rise flats with biomass district heating with a gas back up.

We therefore believe that Ofgem should adopt Option 2 for calculating the lifetime for multi-fuel upgrades because it is simple and reflects the fact that the heat supply element is a core design principle of any district heating scheme.

We believe that Ofgem's examples under Options 1 and 2 are misleading in suggesting that Options 1 and 2 would result in a different outcome because:

a) We believe that there is a mathematical error in Ofgem's calculations for Option 1 (labels J and K in Table 3[4]) which leads to the incorrect calculation of the proportion of CO_2 savings achieved by each generator;

b) The example values used in Ofgem's calculations do not reflect the proportional relationship between heat supplied and CO_2 savings;

c) The proportion of heat supplied by each generator used in Ofgem's calculations under Option 1 and 2 is not the same.

Table 1. Steps for calculating the weighted lifetime for a multi-fuel upgrade based on the proportion of CO_2 savings achieved by each generator where generator X supplies 70% of the heat, while generator Y 30%

Label	Description	Units	70/30 example	Calculations
A	Heat supplied before	kWh/year	3480000	
B	2012 conversion factor (electricity)	kgCO2/kWh	0.48	
C	System emissions before upgrade	kgCO2/year	1670400	A*B
D	Heat supplied by heat generator X	kWh/year	2226000	
E	2012 conversion factor (biomass)	kgCO2/kWh	0.027	
F	Heat generator X emissions after upgrade	kgCO2/year	59712	D*E
G	Heat supplied by heat generator Y	kWh/year	954000	
H	2012 conversion factor (gas)	kgCO2/kWh	0.2	
I	Heat generator Y emissions after upgrade	kgCO2/year	190609	G*H
J	Lifetime of heat generator X	years	30	
K	Lifetime of heat generator Y	years	25	
L	Emission savings for heat generator X and Y	kgCO2/year	1420078	C- F- I
M	Emission savings for heat generator X	kgCO2/year	1109568	C*(D/D+G)-F
N	Emission savings for heat generator Y	kgCO2/year	310511	C*(G/D+G)-I
O	Proportion of savings for heat generator X		78%	M/L
P	Proportion of savings for heat generator Y		22%	N/L
Q	Weighted lifetime	years	29	(J*O) + (K*P)

[4] Energy Company Obligation 2015 – 2017 (ECO2): ECO 2.2 Consultation

Table 2. The lifetime for a multi-fuel upgrade weighted by the proportion of CO_2 savings achieved by each generator based on different contributions of heat supplied by each generator

Label	Description	Units	95/5	90/10	80/20	75/25	60/40	50/50
A	Heat supplied before	kWh/ year	3480000	3480000	3480000	3480000	3480000	3480000
B	2012 conversion factor (electricity)	kgCO2/ kWh	0.480	0.480	0.480	0.480	0.480	0.480
C	System emissions before upgrade	kgCO2/ year	1670661	1670661	1670661	1670661	1670661	1670661
D	Heat supplied by heat generator X	kWh/ year	3021000	2862000	2544000	2385000	1908000	1590000
E	2012 conversion factor (biomass)	kgCO2/ kWh	0.027	0.027	0.027	0.027	0.027	0.027
F	Heat generator X emissions after upgrade	kgCO2/ year	81038	76773	68243	63978	51182	42652
G	Heat supplied by heat generator Y	kWh/ year	159000	318000	636000	795000	1272000	1590000
H	2012 conversion factor (gas)	kgCO2/ kWh	0.200	0.200	0.200	0.200	0.200	0.200
I	Heat generator Y emissions after upgrade	kgCO2/ year	31768	63536	127073	158841	254146	317682
J	Lifetime of heat generator X	years	30	30	30	30	30	30
K	Lifetime of heat generator Y	years	25	25	25	25	25	25
L	Emission savings for heat generator X and Y	kgCO2/ year	1557854	1530351	1475345	1447842	1365333	1310327
M	Emission savings for heat generator X	kgCO2/ year	1506090	1426822	1268286	1189018	951215	792679
N	Emission savings for heat generator Y	kgCO2/ year	51765	103530	207059	258824	414119	517649
O	Proportion of savings for heat generator X		97%	93%	86%	82%	70%	60%
P	Proportion of savings for heat generator Y		3%	7%	14%	18%	30%	40%
Q	Weighted lifetime	years	30	30	29	29	28	28

Table 3. The lifetime for a multi-fuel upgrade weighted by the proportion of heat supplied by each generator based on different contributions of heat supplied by each generator

Label	Description	Units	95/5	90/10	80/20	75/25	60/40	50/50
A	Heat supplied before	kWh/ year	3480000	3480000	3480000	3480000	3480000	3480000
B	Heat supplied by heat generator X	kWh/ year	3021000	2862000	2544000	2385000	1908000	1590000
C	Heat supplied by heat generator Y	kWh/ year	159000	318000	636000	795000	1272000	1590000
D	Lifetime of heat generator X	years	30	30	30	30	30	30
E	Lifetime of heat generator Y	years	25	25	25	25	25	25
F	Proportion of heat supplied by generator X		95%	90%	80%	75%	60%	50%
G	Proportion of heat supplied by generator Y		5%	10%	20%	25%	40%	50%
I	Weighted lifetime	years	30	30	29	29	28	28

c) Do you have any further comments or suggestions relating to this policy area?

We have no further comments

Question 4:

a) Do you agree with our proposed definition of a 'broken down' ESH? Please give reasons for your answer.

We agree with Ofgem's proposed definition, as we believe that it appropriately reflects a broken down heater. Our interpretation of that definition is that a broken down heater would be one that does not absorb, store and release any heat when is connected to a power supply.

b) Do you agree with our proposal for judging that an ESH cannot be economically repaired? Please give reasons for your answer.

We agree with Ofgem's proposed definition, as we believe that it accurately reflects the situations where it would not be cost-effective to repair an electric storage heater.

c) Do you agree with the thresholds given in the ESH Economic Repair Cost Comparison Table? Please give reasons for your answer.

We understand that the proposed Economic Repair Cost Comparison Table has been developed by industry and takes account of all the relevant costs such as parts, labour and warranty costs. We believe that Ofgem's approach is reasonable, but given our limited experience in delivering electric storage heaters, we are not able to offer any further feedback on Ofgem's proposal.

In respect of the proposed Economic Repair Cost Comparison Table, we would like to seek further clarity on how to demonstrate the age of an electric storage heater.

d) Do you have any further comments or suggestions relating to this policy area?

We are aware that the modelling of CO_2 savings for a replacement or repair of an electric storage heater in RdSAP version 9.92 would require a change to RdSAP conventions to calculate the savings accurately and a change to RdSAP to capture additional data. We ask Ofgem to develop a CO_2 savings calculator for the replacement and repair of an electric storage heater at the property.

We would like further clarity on how a de-duplication process in relation to the following scenarios will be managed:

- Supplier A notifies Ofgem of a replacement an electric storage heater, Supplier B notifies Ofgem of a repair of the same electric storage heater within one year of the installation
- Supplier A notifies Ofgem of a repair of an electric storage heater, Supplier B notifies Ofgem of a repair of the same electric storage heater within one year of the initial repair

Question 5:

a) Do you agree that 'boiler and system sludge' and 'unstable firing' alone are insufficient reasons for a boiler to be replaced? Are there any other faults which on their own are insufficient reasons for a boiler to be replaced? Please give reasons for your answers.

Where there is insufficient heating or hot water output from the boiler to due to boiler and system sludge, we believe that the boiler should be repaired by removing system sludge. Therefore, we are in agreement with Ofgem that 'boiler and system sludge' is an insufficient reason to replace the boiler.

'Heat exchanger corrosion or fouling' is a result of boiler and system sludge. If 'heat exchanger corrosion or fouling' is indentified, we believe that boiler and system sludge needs to be removed before the boiler is replaced.

We do not agree that 'unstable firing' is an insufficient reason for a boiler to be replaced, as we believe that 'unstable firing' is a symptom of a mechanical or electrical failure. We are of the view that the root cause of 'unstable firing' needs to be determined first before assessing whether the boiler should be repaired or replaced. 'Unstable firing' can be caused by a number of mechanical or electrical failures. In some circumstances such failures can be easily repaired, whereas in other cases it may not be possible to repair them economically.

b) Do you agree that 'no boiler ignition' and 'unstable firing' should be considered separately? Please give reasons for your answers.

We do not agree with Ofgem's proposal as both 'no boiler ignition' and 'unstable firing' are symptoms of a mechanical or electrical failure. We therefore suggest that instead of specifying each symptom of a mechanical or electrical failure such as 'no boiler ignition' or 'unstable firing', Ofgem should introduce a new fault category which would encompass all symptoms of a mechanical or electrical failure. We suggest that the new fault category is worded as follows: 'insufficient heating or hot water output from the boiler due to a mechanical or electrical failure'. We also suggest that when selecting the proposed fault category, on-site operatives should be required to specify the reason for the failure and describe any associated symptoms of that failure to support their assessment of whether the boiler should be repaired or replaced.

c) Do you agree that the boiler fault list is suitable to identify faults with non-gas fuelled boilers? Please give reasons for your answers.

We agree with Ofgem's proposal in relation to replacing the word "gas" with the word "fuel" across all faults. However, we believe that Ofgem's suggestion that any variation to an electric supply rate indicates a fault with the boiler is incorrect. The electric supply rate is set at 230V and any variation from that rate would arise from a local power distribution centre, rather than from the boiler itself.

d) Do you have any further comments or suggestions relating to this policy area?

We have no further comments to this area.

Question 6:

a) Do you think the proposed changes to our requirements will be effective in reducing false claims of virgin loft insulation? Please provide reasons for your answer in relation to each change.

The way in which CO_2 savings are calculated incentivises the delivery of virgin loft insulation which inherently increases the risk of fraud. In general, we support Ofgem's proposal to carry out further checks on virgin loft insulation to minimise the risk of fraud, however any additional checks would need to strike the right balance of risk and cost. Fraud is unlikely to be eliminated completely if such incentives continue to exist, however we believe that a combination of controls proposed by Ofgem is likely to reduce the risk of fraud.

We believe that loft insulation should only be eligible to be claimed if at the point of survey assessors were able to access the loft and measure the level of insulation. Option 1 proposed by Ofgem would ensure that any virgin loft insulation claims are supported by a physical inspection of the loft, which we believe would be an effective control in mitigating the risk of fraud. This option would be effective in identifying cases where existing insulation is topped up and claimed as a virgin loft. We believe that this control could be strengthened further by requiring the assessor to provide photographic evidence of the level of loft insulation.

We also believe that Options 2 and 3 proposed by Ofgem would mitigate the risk of fraud as they both engage the customer and require the customer to confirm the level of insulation before the installation. These options would guard against scenarios where existing insulation is removed and new insulation claimed as a virgin loft. However, the effectiveness of those options would be contingent upon the wording of the declaration and the consequences if the customer provides false information. Out of these two options, Option 2 would be the most effective overall as the customer declaration would be obtained in respect of all installations. Option 3 would only monitor a sample of installations.

Out of the four options proposed by Ofgem, we believe that Option 4 would be the least effective in mitigating the risk of fraud. While being the most costly to manage, this option would not safeguard against fraudulent claims where existing insulation was removed prior to the installation. Given that pre- and mid- technical monitoring inspections would be arranged by those who are potentially incentivised to make fraudulent claims, those parties could arrange to have the insulation removed prior to the technical monitoring inspection.

b) Do you see any difficulties in implementing these changes? Please provide reasons for your answer.

We assessed the complexity of each option, their cost and impact on the customer journey. A summary of our findings is tabulated below.

Table 4. Analysis of four options for evidencing virgin loft insulation

	Option 1 - a supplier is able to demonstrate that the person recommending the loft insulation and/or the person scoring the measure was able to gain access to the loft during their assessment of the property	**Option 2 -** a declaration is obtained from the customer by the installer at handover to confirm that no insulation was present before the loft insulation was installed	**Option 3 -** an additional question is included for loft insulation in our technical monitoring questions, which will require the customer to confirm to the monitoring agent that no insulation was present before the loft insulation was installed	**Option 4 -** pre- or mid-installation loft insulation inspections are carried out by the technical monitoring agent
Complexity of implementation	Low	Low	Low	High
Complexity of operation	Low	Low	High	High
Impact on customer journey	Low	Medium	Medium	High
Cost impact	Low	Low	Low	High

Option 1 would involve making a simple system change and asking an assessor for additional piece of evidence. It would not impact on the customer journey and the cost of implementing it would be low.

Option 2 would be easy to implement provided that the customer declaration is captured via the Declaration of Conformity. The only problem we foresee is that in some circumstances the customer may not know whether there was any insulation present in their loft prior to the installation, and they may be nervous about signing such declaration and any potential consequences if they inadvertently provided false information. If this option were implemented, we believe Ofgem should consider further how the customer declaration should be worded. We suggest that the wording should be developed by the ECO Simplification Group.

While Option 3 would be easy to implement and its cost would be low, we are concerned that it may lead to false fails and inadvertently increase our failure rate. This is because Stage 3 technical monitoring inspection is likely to take place some time after the installation and the technical monitoring agent may not deal with the same person that was present during the installation. In order to carry out a genuine inspection the technical monitoring agent would have to obtain the declaration from the relevant person who signed any confirmation documents regarding the virgin loft.

We are concerned about the cost of Option 4, its complexity and impact on the customer journey. In the case of Stage 1 technical monitoirng inspection, another site visit would be

required, which would inconvenience the customer. As Stage 2 technical monitoring inspections would be extremely difficult to arrange as an average installation takes about 2 hours, the technical monitoring agent would be required to follow a particular installer for the day.

We believe that the combination of Options 1 and 2 strikes the right balance of risk and cost and would be the most effective in mitigating the risk of fraud whilst still enabling those customers with no loft insulation to benefit from ECO.

c) Do you have any suggestions for other controls or requirements we could introduce to reduce or prevent such false claims? Please provide reasons for your answer.

We believe that there are a number of system checks that each Energy Company could implement to mitigate the risk of fraud. For example, greater scrutiny could be given to properties built during or after 1983 in England and Wales and during or after 1984 in Scotland where virgin loft insulation is claimed.

However, we believe such checks should not be prescribed in the Ofgem guidance. Each Energy Company should have the flexibility to specify their own system checks in accordance with their risk appetite and the share of virgin loft insulation claims they receive.

d) Where existing insulation is removed because it is posing health and safety risks and new insulation installed, should the measure be claimed as virgin or top-up loft insulation? Can you provide examples of health and safety risks that would require insulation to be removed and how a supplier could demonstrate these risks?

We believe that where insulation needs to be removed for a good reason e.g. health and safety, new insulation should be eligible to be claimed as a virgin loft. This approach is consistent with Ofgem's approach to replacing cavity wall insulation.

Examples of where it is necessary to remove insulation would be water damage, rat infestation or broken asbestos. We believe that a Chartered Surveyor's Report would be sufficient to demonstrate that the insulation needed to be removed.

Question 7:

a) Do you agree it is more appropriate to assess quality of installation and the accuracy of scores separately?

We are supportive of Ofgem's proposal to report on scoring and installation failures separately, but believe that technical monitoring agents should be permitted to assess installation quality and scoring during the same property visit. We believe that the separate reporting of scoring and installation failures would better reflect the nature of the failures and enable us to identify the specific areas of failure more easily.

We ask Ofgem to publish the technical monitoring template together with the ECO 2 Guidance for Suppliers.

b) Do you agree with the proposed reactive monitoring process described in paragraphs 1.45 to 1.56 of Appendix 1? Do you think the monitoring rates are appropriate?

We agree with Ofgem's suggestion that the baseline rate for technical monitoring on 1 April 2015 should be set at 5%. While we are supportive of the 20% and 25% failure rate thresholds for installation and scoring respectively, and of the reduced rate of technical monitoring if a low failure rate (i.e. below 5%) is achieved, we are concerned with how this variation in technical monitoring rates would be managed through the ECO brokerage contract. We ask that Ofgem engage with DECC to ensure that any changes to technical monitoring can be supported by the ECO Brokerage contract.

If the supplier's technical monitoring rate increases to 10%, we believe that the increased rate of technical monitoring should only apply to specific areas of failure, and not to the overall monitoring sample as Ofgem propose. We believe that those who deliver measures to high standard should not be penalised for the failure of others.

We disagree with Ofgem's proposal to adjust technical monitoring rates from the quarter following the submission deadline. We believe that this does not give Energy Companies sufficient time to evaluate results, particularly as our experience suggests that most of technical monitoring results tend to be submitted towards the end of the quarter. If we were to move to a different rate, the two-week window would not give us sufficient time to renegotiate contracts with technical monitoring agents. We suggest that Ofgem keep the existing timelines for adjusting technical monitoring rates.

c) Do you agree that technical monitoring agents should have certain qualifications as explained in paragraph 1.15 of Appendix 1? Can you suggest which qualifications are most appropriate for different categories of measure?

We believe that technical monitoring agents' competence in relation to the measure(s) they inspect should be aligned with PAS 2030, and we would expect technical monitoring agents to demonstrate how their competence aligns with PAS 2030 as part of due diligence. This competency requirement would ensure that installation quality is assessed consistently in accordance with the standards expected under ECO.

We disagree with Ofgem's proposal that technical monitoring agents inspecting boilers should be Gas Safe registered as Gas Safe registration is only awarded to those who work on gas appliances.

d) Are the qualifications listed in paragraph 1.16 of Appendix 1 appropriate for score monitoring agents? Are there any other qualifications that you would suggest?

We agree with Ofgem's proposal as this would ensure that those assessing scoring would do so in accordance with the standards and methodologies used by DEAs. We believe that Ofgem's proposal for technical monitoring agents undertaking score monitoring to be DEA accredited would reduce the overall scoring failure rate.

e) Do you agree with the proposed timescales for remedial works and re-scoring to be conducted outlined in paragraphs 1.58 and 1.59 of Appendix 1?

While we agree with Ofgem's proposal to introduce cut off dates, we believe that the time period for remediation or re-scoring should be counted from the notification by the technical monitoring agent.

f) Do you have any further comments or suggestions relating to this policy area?

Where an Energy Company has exceeded its technical monitoring rate for a specific quarter, we believe that the Energy Company should be permitted to carry over surplus technical monitoring inspections to the following quarter provided that the carried over inspections are statistically significant in that quarter and do not exceed 50% of the technical monitoring rate in that quarter. This flexibility would help ensure we are able to meet the required monitoring rate over periods when it is more challenging to achieve required levels of access, for example Christmas.